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OREGON—Rural Utilities Service

Community Building

Small Community Invests in First-Rate Hospital Expansion

Outline Of Need:

The Lake District Hospital provides health care for approximately 45,000 rural residents in a remote area of southeastern Oregon. The next closest hospital is nearly 100 miles away, and for certain procedures, such as orthopedic surgery, patients had to travel much farther. Although the Lake District Hospital serves as the one critical access hospital for a large geographic area, it had not expanded or taken on major renovations since its initial construction in 1970.

Still, this small community takes pride in the quality of their local hospital and saw the value of investing in upgrades. According to Lake Health District Board Chair Rosvi Casteel, the goal was to “make our health care the best in the Oregon outback!”

How Rural Development Helped:

In 2009, USDA Rural Development awarded Lake Health District with a \$10.5 million guaranteed loan and an \$8 million direct loan for a 35,000 square foot addition to accommodate modern emergency, imaging, pharmacy, surgery, laboratory and cardio pulmonary departments. This USDA investment leveraged

Fast Facts

Program: Community Facilities

Investment: \$10,500,000 guaranteed loan and an \$8,000,000 direct loan

Partners: South Valley Bank, State of Oregon, US Bank

Residents Served: 45,000 in southeastern Oregon and northern California

Impact:

- 35 temporary jobs created
- 7.5 permanent jobs created
- 145 jobs retained



Photo:

Nurse Rhonda Penaloza shows off one of a new, state-of-the-art bariatric treatment room.

significant local support, including the passage of a bond measure and the backing of South Valley Bank.

The Results:

When the addition was complete, the community came out en masse to see their new facilities at a February 2011 grand opening. Many local residents expressed relief that their elderly relatives will no longer forego needed treatment because they are unwilling to make a long, out-of-town trip. Others were pleased to see the new private patient rooms, which were not previously available. All of the residents who came to the open house were proud that their small town of 2,300 was home to such a modern, state-of-the-art facility. As one hospital staff member put it, “Just because you live in a small community doesn’t mean you can’t expect enormous quality.”

In addition, Chief of Staff Dr. Spencer Clarke notes that the investment and community support for the local hospital allows them to recruit talented young doctors, which is often difficult in remote rural areas.

As a result, the community has achieved exactly what it wanted in a small, rural hospital. “We can now provide quality health care that compares to the big institutions,” said Ms. Casteel.

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