



**Testimony in support of HB 5876**  
**Shellee Yaklin, President & CEO**  
**March 17, 2022**

Good Morning, Madam Chairwoman and members of the House Health Policy Committee.

I am Shellee Yaklin, President of North Ottawa Community Hospital. Thank you for allowing me the opportunity to indicate my support for HB 5876.

Small and mid-size hospitals across the state and country are having to make difficult decisions especially since the onset of the COVID-19 pandemic, to position their organizations for continued future success. This proposed language change will help hospitals facilitate a smooth transition to future partnerships that will ensure their communities have access to healthcare services for many years to come.

For those of you who may not be familiar with us, North Ottawa Community Hospital is an 81-bed hospital located in Grand Haven Michigan which serves the Ottawa county community as well as southern Muskegon County. As a CMS 5-Star hospital, we are proud of our history in serving our community for the last 103 years. It is important to us that we honor our founders' expectation of providing quality healthcare services for the people we are privileged to serve in our community.

As you know, the COVID 19 Pandemic has been incredibly challenging for hospitals across the State of Michigan and the nation, but this is especially true for smaller independent hospitals who have not had the benefit of a larger health system to realize the economies of scale with regard to staffing, supply chain, etc. (See attached article).

As one of these independent hospitals, North Ottawa Community Hospital continues to be significantly impacted by the Pandemic. During the past two years, we have ensured our community had immediate access to testing, vaccinations, and bed availability when surrounding hospitals were also at capacity. The Pandemic showed us just how vital community hospitals are.

Like many others, our hospital has had its share of financial challenges and the effects of the pandemic further exacerbated our situation. It is imperative that in order to ensure our long-term viability and preserve access to healthcare services for the communities we serve, that we partner with a larger health system to realize the economies of scale that such a partnership provides.

North Ottawa Community Hospital is organized under the Michigan Hospital Authority Act (Public Act 47 of 1945). Under this act, the North Ottawa Community Hospital Authority directly operated the Hospital until 1996. In 1996, the voters of the Hospital Authority comprising the six communities making up the authority (City of Grand Haven, Twp. of Grand Haven, Twp. of Spring Lake, City of Ferrysburg, Twp. of Crockery, and the Twp. of Robinson) approved a ballot measure transferring the hospital to a nonprofit corporation by a 68% majority vote.

Current language in P.A. 47 of 1945 requires another voter referendum in the six communities that make up the authority in order to transfer assets from a not-for-profit corporation to a subsequent not-for-profit corporation. HB 5876 would eliminate this redundant requirement for voter approval of such a transfer, expediting the process by which a transaction could occur while maintaining the requirement that the Hospital authority made up of representatives from each of these communities must still approve such a transfer.

Thank you for the opportunity to share my support of this legislation. I would be happy to answer any questions.