



Editorial

Hospital tax election: Politics and timing

The Taos News, 10/4/12012

The Taos County Commission rejected a special election in which voters would have decided whether to raise property taxes for Holy Cross Hospital. The vote Tuesday (Oct. 2) was unanimous.

The hospital says it needs the funds to meet a \$10 million shortfall, resulting from lower collections and rising expenses.

The mill levy property tax would have cost \$1.60 per \$1,000 of taxable property. Or to put it simply, those who own \$100,000 in taxable property would see their tax bills go up \$160 a year.

In total, the mill levy would have raised \$1.9 million. That money would have been used to leverage federal funds at a rate of 3.4-to-one, which would amount to \$6 million for the hospital.

Those are the numbers. But the commission didn't buy the argument because commissioners said an increase in property taxes would be burdensome, especially during this slow economy. They also questioned whether the hospital had done its best to cut costs.

We strongly favor having a community hospital where our families and friends can get quality medical care in Taos. We also understand Holy Cross has patients who can't pay their bills, or whose insurance companies are stingy with what they will pay. Then, there is the looming uncertainty of so-called Obamacare.

But the timing of this proposed election was off.

Taxpayers got an unpleasant surprise two years ago when their property taxes increased after the Taos Municipal School Board voted to sell construction bonds early. And, voters were promised prior to the \$40 million bond election in 2008 that wouldn't happen.

The hospital's proposed mill levy election would have taken place Dec. 18, a week before Christmas. The election would have been done via a mail-in ballot because voting machines will be out of commission between the Nov. 6 general election and the end of the year.

County commissioners said they felt rushed, and we don't blame them. They sat down with hospital officials one week, and then were expected to vote on approving the election the next.

But we also know politics was at the core of the commission's decision. They come off looking like heroes to those who don't want any tax increase regardless of the benefit.

We believe a campaign of this sort should have begun with the people and not the politicians. Holy Cross needs to reach out to those who depend on its medical services and would be at a great disadvantage if specific programs and services were cut.

We realize the hospital was hoping to get an election approved without creating unnecessary controversy, but waiting until the last minute gave the appearance, certainly to commissioners, they were trying to sneak one through.

This was a missed opportunity.

This last-ditch option failed, and the hospital now has to cut \$6 million in programs immediately. This will likely mean more job losses as well as diminished services. That's unfortunate.

If the hospital goes for a vote on the tax next year, we urge it to a better job informing the community why the mill levy is necessary well in advance. We would like to see an open community discussion about the hospital's financial position and what a new tax would mean.

Let informed voters decide if they support the hospital, not the commissioners.