

**FOR IMMEDIATE RELEASE**

**August 11, 2011**

**Teton Valley Health Care**

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On August 11, 2011, the Teton County Idaho BOCC and TVHC BOT executed a Letter of Intent (LoI) with Bingham Memorial Hospital (BMH). Upon entering into this LoI both parties expressed the desire to establish a mutually beneficial business arrangement. It is anticipated that this arrangement will be embodied in an Agreement that may involve a series of transactions, concluding in the execution of a multi-decade long term operating lease of the TVHC assets by BMH.

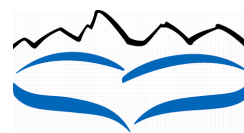
The LoI is a non-binding agreement that does not contemplate the sale of any county owned hospital assets. Additionally, the LoI has no guarantees the parties will achieve a specific outcome. Both parties desire to soon execute a Definitive Agreement and conclude all final documentation by next spring. A major part of this process would be an application by TVHC to the IRS requesting approval to convert itself into a non-profit organization pursuant to Section 501c3 of the IRS code.

“We have progressed a long way at TVHC in the past 18 months and I believe this development represents an exciting and necessary step in completing the successful restructuring of our hospital operation,” said TVHC BOT Chairman Steven E. Dietrich. “Our focus, in concert with the Teton County BOCC, has been and will continue to be securing a stable functioning and viable hospital into perpetuity,” Dietrich said. “I also note the hard work and commitment of management and staff at TVHC whose efforts at improving operations over the past year made it possible for us to attract the interest of a quality partner like the team at BMH,” he concluded.

BMH CEO Louis Kraml said, “We are pleased to make this important step with TVHC and look forward to a very positive outcome for all stakeholders involved. BMH is committed to providing the highest quality health care over the long term to the citizens of Teton County and believe our successful operating model at Bingham Memorial Hospital can be achieved at TVHC.”

Virgil Boss, CEO of Teton Valley Health Care emphasized that this LoI is an agreement for the parties to negotiate an organizational partnership. “As a County entity, any organizational change that we may want to implement requires agreement with County leaders. Our community will be able to participate through attendance at TVHC and County meetings as we pursue this option further.” Boss added that the national economy and anticipated changes in healthcare regulations make it necessary seek alliances that could add more financial stability, especially for rural hospitals.

It is anticipated that this process will follow a similar track to that conducted in Bingham County during 2007 with its publicly owned hospital based in Blackfoot, ID. Further public comments will be provided by the parties upon the conclusion of negotiations.\*\*\*\*\*



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