

# Should Hospital Authority Members with Personal Financial Interests Be Allowed to Block a Transaction that Favors Hidalgo County?

Individuals with a conflict of interest may determine the fate of Knapp Medical Center.



## Weslaco Needs the Hospital Authority to Waive the Deed Restriction and Allow Knapp's Sale to STHS

Knapp Medical Center is at risk. A Weslaco Hospital Authority has been appointed to decide if a deed restriction will be waived thereby allowing the hospital to be sold to South Texas Health System (STHS). We need the Authority to waive the restriction.

STHS has committed to **invest millions of dollars to improve the hospital**, retain Knapp's **charity care policies**, add **significant tax revenue to the city's coffers** and put about **\$140 million in a Weslaco foundation**. **In addition, all bonds will be paid off and Knapp will become a designated Veterans Healthcare Facility**. The people who will make this critical decision should not have a self-serving interest in holding back Knapp so that it can't compete with area hospitals.

## We Cannot Stand Alone.

The board of Knapp, a completely voluntary and unpaid body, has spent countless hours studying the future of Knapp. Our hospital is at risk of slowly deteriorating as we face the impact of healthcare reform, reduced payments and a fiercely competitive environment. We are convinced the sale of Knapp to STHS is an outstanding deal for Weslaco. The community should not allow anyone on the Authority who has any kind of conflict of interest to vote on or influence this important decision.

## Stand Together in Weslaco – Waive The Sale Restriction

If you recognize that our city will have a better and more financially healthy hospital if allowed to merge with STHS, please express your opinion to Hospital Authority members and our City Commission.

STHS is in a position to **invest money, maintain and expand services, retain jobs**, and realize **cost efficiencies** associated with being in a system instead of just a stand-alone entity. We need this partnership and we will get the best deal for the community if we act now...not when the hospital deteriorates due to competitive forces coming at us from all directions.

Please stand with us and let the Authority and our Commissioners know you want an unbiased, fair-minded vote on the issue of waiving the hospital deed restriction.

Knapp needs to **join with STHS**.

Knapp needs to be allowed to **grow and thrive**.

Knapp needs those on the Authority with a **conflict of interest** to **excuse themselves from the voting**.

Please encourage the Commission to ask for conflict of interest disclaimers, and let's move forward with an honest look at why a merger with STHS is the right choice for Weslaco.

From The Board of Directors of Knapp Medical Center

