



MEMORANDUM

Date: October 31, 2018

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Maricopa County and the Maricopa Integrated Health System**

Attached is an October 24, 2018 article from the *Arizona Republic* regarding renaming of the Maricopa Integrated Health System to Valleywise Health.

As you recall, Pima County has been criticized because of our high property tax rate. We are often compared with Maricopa County. As I have discussed in previous communications, comparing the primary property tax rates of Pima and Maricopa Counties, is like comparing apples to oranges. The attached article reinforces this premise.

Some time ago, Pima County leased our hospital to the University Healthcare System that was acquired by Banner. Hence, our former Kino Community Hospital is now Banner University Medical Center- South Campus. We support these operations through an Intergovernmental Agreement between Pima County and the Board of Regents and provide \$15 million annually from our General Fund, equivalent to \$0.1800, or 4.4 percent, of our primary property tax rate.

Maricopa, for several years, supported the Maricopa County Hospital through their primary property tax; however, they were successful in 2003 of convincing the Legislature to transfer this tax liability to a Special Health Care District on the secondary property tax that also has bonding authority. At the November 4, 2014 General Election, the voters in Maricopa County approved investing \$935 million for facility improvements. The tax statements in Maricopa County contain a secondary property tax levy for the Maricopa Integrated Health System, now to be known as Valleywise Health at a rate of \$0.1900 which raises \$76,921,021 in property taxes each year for maintenance and operation of the district. In addition, the Maricopa County tax statement contains a separate line item for the debt being incurred by the Maricopa Integrated Health System. This property tax levy is \$42,153,890 or another \$0.1041 on the Maricopa County property tax bill that all residents pay.

The Honorable Chairman and Members, Pima County Board of Supervisors
Re: **Maricopa County and the Maricopa Integrated Health System**
October 31, 2018
Page 2

If these expenditures were still on the Maricopa County primary property tax rate, it would be equivalent to \$0.2941, or 21.0 percent of their primary tax levy as compared to our \$15 million levy of \$0.1800, which is 4.4 percent of our primary property tax rate.

Hence, when discussing tax burdens, particularly property tax burdens, between Maricopa and Pima Counties, it is important to clearly understand the history and facts associated with each entity.

CHH/anc

Attachment

c: Jan Leshar, Chief Deputy County Administrator
Carmin DeBonis, Jr. Deputy County Administrator for Public Works
Tom Burke, Deputy County Administrator for Administration

Maricopa Integrated Health System has a new name

Stephanie Innes, Arizona Republic Published 8:10 p.m. MT Oct. 24, 2018 | Updated 10:53 a.m. MT Oct. 25, 2018



(Photo: Robert Gundran/The Republic)

The Phoenix-based Maricopa Integrated Health System, which has a 140-year local history, is getting a new name next year.

The safety-net health system will be known as Valleywise Health. The name change was approved by the Maricopa County Special Health Care District board of directors Wednesday.

The idea behind the new name is to create a more easily identifiable brand for the public, non-profit health system, President and CEO Steve Purves said.

MIHS facilities include a hospital, two behavioral health centers, an outpatient specialty center and 12 family health centers. Those facilities will adopt the Valleywise Health name and a new logo in mid-2019, officials said.

Purves said in a news release that becoming Valleywise allows MIHS to "more effectively articulate under one distinct and memorable name our bold vision to improve community health."

The rebranding comes at a time when MIHS is doing major upgrades funded by a \$935 million bond authorization approved by voters in 2014 to replace Maricopa Medical Center and fund other upgrades to the taxpayer-funded county health district. The upgrades are taking place over the next six years.

Officials stressed that the non-profit system is not changing its oversight by the Maricopa County Special Health Care District Board, nor its mission as a public teaching hospital.

The new name is, "both unique and descriptive of who we really are and the care we will provide today and into the future," district board chair Susan Gerard said in a news release.

Sixty percent of the health system's patients are enrolled in the Arizona Health Care Cost Containment System (AHCCCS), which is a government insurance program for low-income people, and the system has developed a reputation for providing health to underserved populations.

MIHS can trace its beginnings as far back as 1877 before Arizona was a state when Maricopa County created a "pest house," says a history of the health system written by Dr. MacDonald Wood.

The title of the book, published by Heritage Publisher in 1999, is, "From a Pest House, To a Hospital, To a System."

The Maricopa County Board of Supervisors created the pest house for people with dangerous, contagious diseases such as smallpox.

Over the years, the hospital became known as Maricopa County General Hospital and moved to its current location at 2601 E. Roosevelt Street in 1971. The name was changed to Maricopa Medical Center in 1983, "to reflect a more positive public perception," the health system's website says.

MIHS formed in 1991.

In 2003, Maricopa County voters approved a Special Health Care District. Members of the district board are public officials, elected by the voters of Maricopa County. The five members of the board serve a four-year term.

READ MORE:

- [More health insurers to enter Arizona ACA marketplace in 2019 \(/story/money/business/health/2018/10/04/health-insurance-bright-oscar-cigna-enter-arizona-aca-marketplace/1283668002/\)](#)
- [With flu season underway, Arizona health officials urge getting flu shot \(/story/news/local/arizona-health/2018/10/16/flu-season-underway-arizona-health-officials-urge-getting-flu-shot/1664205002/\)](#)

- [Arizona health premiums likely to drop in 2019 after years of increases \(/story/news/local/arizona-health/2018/09/11/health-premiums-likely-decrease-2019/1262355002/\)](https://www.azcentral.com/story/news/local/arizona-health/2018/09/11/health-premiums-likely-decrease-2019/1262355002/)

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