



NEWS RELEASE

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July 13, 2010

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Treasurer Lockyer Announces \$750,000 Loan to Modoc Medical Center

Loan Will Provide Working Capital to Keep Facility Operational

SACRAMENTO – State Treasurer Bill Lockyer today announced Modoc Medical Center (MMC) will receive a \$750,000 low-cost loan from the California Health Facilities Financing Authority (CHFFA) to help the facility meet its capital needs over the next two months.

“This loan will ensure the Center continues to serve patients and avoids further economic hardship,” said Lockyer. “I’m glad to help MMC get back on its feet.”

MMC has been serving the residents of Modoc County since the early 1900s. MMC provides a full complement of services ranging from general acute care, skilled nursing, and outpatient diagnostic services. They also provide rural health primary care clinic services and are the second-largest employer in the county.

CHFFA will provide the financing under its Healthcare Expansion Loan Program II (HELP II). The HELP II Loan program provides three percent, fixed interest loans to California’s nonprofit small and rural health facilities. The loans may be used to purchase or construct new facilities, remodel or renovate existing facilities, and purchase equipment or furnishings. Under the program, up to \$750,000 is available to small facilities with gross annual revenues of up to \$30 million. Facilities in rural areas are exempt from the gross revenue limit. Since the program's inception in 1988, CHFFA has loaned more than \$52 million under HELP II.

Chaired by Lockyer as State Treasurer, CHFFA provides low-cost financial assistance to public hospitals and private, nonprofit health care providers in California. Funding provided through CHFFA can be used to construct, remodel or renovate facilities, acquire land or existing facilities, purchase or lease equipment, or obtain working capital for start-up facilities, among other purposes. CHFFA has financed a wide range of providers and programs throughout the state, from the smaller entities eligible for HELP II to large multi-hospital systems.

For more information about CHFFA or the HELP II loan program, visit www.treasurer.ca.gov/chffa.

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