



Ellsworth to lease space for private company's call center



11 HOURS AGO • [JIM HOLLAND JOURNAL STAFF](#)

In the first such agreement between a private business and Ellsworth Air Force Base, a Virginia-based health care management firm will lease vacant office space at the base and hire dozens of employees at competitive wages.

“Great communities do many things, but one of the great things communities do is create opportunity. Today you’re seeing the result of that,” said Col. Gentry Boswell, 28th Bomb Wing commander at a Tuesday morning announcement

at the Business Development Center at the South Dakota School of Mines & Technology.

Advance Health's call center on the base will start by employing 16 to 17 people in July, with up to 40 hired by the end of 2015, a company executive said. The center could mean up to 200 jobs in three to five years.

The agreement with Advance Health, with current offices in two Virginia cities, is part of the Air Force's Enhanced Use Lease program, which allows military bases to rent underused or vacant space to private or public companies willing to pay fair-market value.

Ellsworth officials worked through the Governor's Office of Economic Development and the South Dakota Ellsworth Development Authority to court Advance Health, which was looking for a more central and western location for a call center.

“We have our first success with that program,” said Scott Landguth director of the Ellsworth Development Authority.

The space Advance Health will be using had been occupied by the Air Force's Financial Services Center, a military pay processing center that opened in 2007 and employed as many as 550 civilian and military employees until federal budget cutbacks cost nearly 400 of the employees their jobs in 2011.

The remaining Financial Service Center employees work on the second floor of Building 4040 at the base. Advance Health is leasing the first floor of the building.

Gov. Dennis Daugaard, who was at the Tuesday event, said the lease is a triple-win: good-paying jobs for western South Dakota; a lease arrangement that will help the base offset operating costs; and an added reason to keep Ellsworth off future base-closing lists.

“It also makes it highly likely that we’ll be able to do this again. I’m hopeful that Advance Health will be the first of many enhanced-use leases we can put into place at Ellsworth Air Force Base,” Daugaard said.

Advance Health Chief Operating Officer Kevin W. Davis said the decision to come to western South Dakota culminated a six- to eight-month search.

“We looked at a lot of different communities and places around the country. We didn’t really feel like we were being sold anything. They’re genuinely interested in what we do,” he said.

Advance Health was founded in 2010. The company has 850 employees, including 600 nurse-practitioners primarily helping Medicare patients manage their care.

“We do work for insurance companies in 48 states,” Davis said, citing the need for a western call center.

“Everything else lined up,” Davis said. “I liked the location. The building itself is state of the art. All the technology we need to plug into is there.”

Davis said he did have concerns with base security measures for access to the building and when it came to hiring new employees.

Prospective employees will need to undergo the usual background checks before hiring, but company officials will be authorized to vouch for employees at the base, Davis said.

“I expect some bumps,” he added.

But Davis also said Advance Health will offer significant hourly wages, ranging from \$14 to \$15 to as much as \$17 for call center employees.

“As a business, quite frankly, I had a choice: I could acquiesce to the \$12 or \$13 (per hour) because that’s what everyone gets paid, but the decision we made was to keep our wage scale based on northern Virginia in the hope that we’ll attract some better talent, some folks that have been doing this for a few years,” Davis said.

Ben Snow, president of the Rapid City Economic Development Partnership, said he expects plenty of competition for the higher-paying jobs.

“This company’s not bashful about paying a good wage,” Snow said. “We don’t have any problem with that. There’s probably already a few wonderful employees that have already been hijacked from the other entities in the Black Hills. God Bless America.”

Rapid City Mayor Sam Kooiker, who leaves office on Monday, said in a statement that the announcement was great news for Rapid City, Ellsworth and South Dakota.

“One of the great advantages specified by company officials in locating here was Rapid City’s talented work force, great cost of living and quality of life,” Kooiker said. “We are extremely proud and pleased Advance Health officials recognized these great qualities of our community and its residents in helping them make the decision to locate to South Dakota.”