

Community Report

2009



Kootenai Cancer Center, Post Falls, Idaho



A Heart for Excellence

Community Report

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In A Year Marked By Economic Uncertainty,

Kootenai Health remained true to its mission: “To meet the healthcare needs of northern Idaho through service excellence, community leadership and compassionate care.”

Thanks to strong leadership, a dedicated staff and the latest in medical technologies, patients have access to high-quality care close to home.



Robert Burnett, M.D.

GROWTH

Last November, Kootenai Cancer Center dedicated its new, \$15 million facility in Post Falls. The Center offers a full regimen of treatment and cancer care services, and its design elements create a serene, peaceful atmosphere conducive to healing. Stone and other natural elements give the building a distinctly Northwest feel. Medical and radiation oncologists, a nurse practitioner, a laboratory, a pharmacy and the Kootenai Cancer Research Program are all located within the two-story structure in the Kootenai Health Park.

Cardiac Care

Kootenai Heart Center's Medical Director Robert Burnett, M.D., performed a lifesaving operation on a woman from Cocolalla last April. Hers was the milestone 1,000th open-heart surgery at the facility, which was established in 2003. Additionally, more than 6,000 cardiac catheterizations and more than 2,500 corrective interventions have been performed at the Center.

COMMUNITY

Community Value Award

For the fourth year in a row, Kootenai Medical Center was named a Top 100 Hospital for quality of care and community value among 2,643 U.S. hospitals. The study looked at healthcare centers' financial viability, capital reinvestments, cost structures, charge structures and quality of performance.

Additionally, the study named Kootenai a Five Star hospital for the sixth year in a row. That means it ranked in the top 20 percent of 396 non-teaching hospitals across the nation. These awards offer objective recognition of Kootenai's work to keep costs down while continuing to expand patient services and facilities.

Kootenai Health Kid's Triathlon

It was perhaps Kootenai Health's feel-good event of the summer: The first annual Kootenai Health Kid's Triathlon. A total of 101 athletes of all physical abilities—ages 4 to 12—swam, bicycled and ran kid-size courses in and around the McGrane Center.



A Kootenai triathlete dashes for victory.

They received a lot of help from smiling family members and a flock of community volunteers. Rules permitted flotation devices for the indoor swim and bikes with training wheels. All participants finished as winners, earning shirts and medals. Proceeds were donated to children's services at Kootenai.

Non-compensated Care and Community Health Screenings

With 246 beds and centers of excellence for treating cancer and heart disease, Kootenai Health is the largest community-owned medical center in northern Idaho. That means it serves as a regional safety net for many patients who are under or uninsured and those in Medicaid and Medicare programs.



During 2009 Kootenai provided \$40 million in healthcare services to patients otherwise unable to pay. Meanwhile, Kootenai's community outreach efforts resulted in 353 heart health screenings, 414 skin cancer screenings, a free Community Health Fair and free weekly child car seat safety inspections.

PEOPLE

Best Places To Work In Healthcare

Modern Healthcare magazine named Kootenai Health one of the nation's Best Places to Work in Healthcare in 2009. The honor recognizes outstanding U.S. employers in the healthcare industry.

Kootenai ranked 13th nationally for its strong leadership, careful planning, working environment, training, employee compensation, benefits and job satisfaction.



Kootenai is committed to taking care of its staff members, who in turn care for people in our communities in their times of need.

MEET OUR TRUSTEES



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In Memory

WELCOA Award

Kootenai Health makes sure its patients aren't the only ones getting healthier. It encourages its employees to do the same through year-round wellness programs.

Last year, the Wellness Councils of America (WELCOA) designated Kootenai as one of the nation's Well Workplaces.



Kootenai Health's Wellness Program encourages employees to eat right and exercise.

Kootenai received WELCOA's gold award for excellence in worksite health promotion. Employees can enroll in such programs as the Race to Lose and stress reduction and smoking cessation classes, use an on-site workout facility and receive help averting health problems for which they are at risk.



Governor's Brightest Stars

Idaho Gov. C. L. "Butch" Otter singled out Kootenai Health's Volunteer Services program for his highest honor—the Governor's Choice Award—at the ninth annual Governor's Brightest Stars Award ceremony last fall.

He recognized it as one of the strongest volunteer programs in the Northwest. In 2009, Kootenai's Auxiliary, Nightingales (retired volunteer nurses), teen

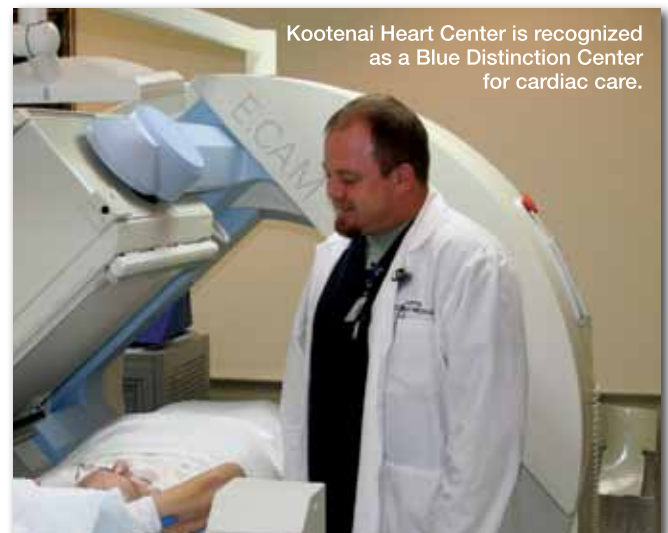
volunteers and pet therapists gave a whopping 37,703 hours in support of the hospital. Their efforts, Otter noted, made a significant difference in the health of our community.

QUALITY

Blue Distinction Center for Cardiac Care

Blue Cross and Blue Shield of Idaho honored Kootenai as a Blue Distinction Center for Cardiac Care. The honor is reserved for medical facilities that deliver quality healthcare as determined by evidence-based criteria set forth by the American College of Cardiology and the Society of Thoracic Surgeons.

Kootenai is the only hospital in Idaho and one of only 415 hospitals across the country to be so designated in 2009. Kootenai prides itself on providing comprehensive cardiac care—including surgery, inpatient care, rehabilitation and cardiac catheterization.



Kootenai Heart Center is recognized as a Blue Distinction Center for cardiac care.



Center of Excellence

Kootenai Outpatient Imaging earned a Breast Imaging Center of Excellence designation from the American College of Radiology in 2009. That puts it in the company of only 300 other such centers nationwide.



Cardiac Rehabilitation Program's National Certification

Last fall, Kootenai Heart Center's Cardiac Rehabilitation program earned national certification from the American Association of Cardiovascular and Pulmonary Rehabilitation.



Certification signifies that the program has achieved proven high-quality patient outcomes, high patient satisfaction scores, is appropriately designed, maintains proper staffing levels and follows patient safety measures. It is a key piece in patients' recoveries and their return to normal activities.

SERVICE Avatar Award

Kootenai Health has a heart for excellence. Just ask our patients. In a 2009 Avatar International survey, patients said Kootenai goes above and beyond to provide quality care. Scores placed Kootenai Medical Center in the top 30 percent of the U.S. medical institutions surveyed. As a result, it received Avatar's Exceeding Patient Expectations award. This is confirmation of Kootenai's allegiance to creating positive, therapeutic experiences for all patients and their loved ones.



2009 FINANCIAL REPORT

	Unaudited 2009	Audited 2008
DISCHARGES		
Acute hospital	12,337	13,046
Rehabilitation unit	226	250
Psychiatric unit	1,481	1,493
TOTAL DISCHARGES	14,044	14,789
PATIENT DAYS		
Acute hospital	41,545	42,821
Rehabilitation unit	2,815	3,050
Psychiatric unit	15,571	16,018
TOTAL PATIENT DAYS	59,931	61,889
MEDICARE DISCHARGES (included above)	5,459	5,553
MEDICARE PATIENT DAYS (included above)	25,585	26,142
MEDICAID DISCHARGES (included above)	2,395	2,306
MEDICAID PATIENT DAYS (included above)	7,714	8,848
OUTPATIENT VISITS		
Emergency department	49,926	48,521
Kootenai Cancer Center	50,991	53,240
Joint ventures	91,154	91,880
Other visits	60,483	55,931
TOTAL OUTPATIENT VISITS	252,554	249,572
PAYER MIX		
Medicare	48.39%	47.78%
Medicaid	8.66%	8.64%
Insurance	31.12%	32.25%
Self pay	5.32%	5.08%
Charity/other	6.51%	6.25%
TOTAL PAYER MIX	100%	100%
FINANCIAL REPORT		
REVENUE		
We charged our patients		
For inpatient care	\$69,527,158	\$70,404,645
For surgery, emergency and other procedures	\$143,069,930	\$123,360,117
For lab, X-ray, pharmacy, rehabilitation and other services	\$279,963,321	\$244,921,502
TOTAL REVENUE	\$492,560,409	\$438,686,264
DEDUCTIONS FROM REVENUE		
We charged but did not receive full payment		
From those unable and/or unwilling to pay	\$40,079,193	\$40,460,600
From Medicare, Medicaid and other governmental programs	\$164,259,926	\$135,415,676
From insurance and managed care programs	\$49,831,313	\$42,760,637
TOTAL DEDUCTIONS FROM REVENUE	\$254,170,432	\$218,636,913
OTHER INCOME		
From cafeteria and other sources	\$5,713,170	\$5,342,998
From joint ventures	\$4,044,866	\$4,078,540
TOTAL OTHER INCOME	\$9,758,036	\$9,421,538
TOTAL OPERATING REVENUE	\$248,148,013	\$229,470,889
EXPENSES		
What it costs		
To pay our employees (over 1,800)	\$82,777,357	\$80,941,580
To provide employee benefits	\$24,395,327	\$21,539,237
To purchase medical and physician services	\$28,363,628	\$27,476,000
To purchase supplies, insurance, utilities and other expenses	\$85,688,584	\$69,267,941
Depreciation, amortization and interest	\$10,978,940	\$10,751,140
TOTAL EXPENSES	\$232,203,836	\$209,975,898
NET OPERATING INCOME	\$15,944,177	\$19,494,991
INCOME FROM INVESTMENTS	\$1,531,407	\$6,387,344
DISTRICT INCOME	\$17,475,584	\$25,882,335
Facility improvements, expansion and equipment and principal payment on long-term debt	\$23,225,462	\$23,597,324
NET INCREASE/DECREASE IN FUNDS	-\$5,749,878	\$2,285,011
BALANCE SHEET		
ASSETS		
Current assets	\$29,113,215	\$33,729,002
Patient receivables	\$51,234,539	\$44,585,438
Board-designated funds	\$89,592,302	\$85,266,271
Property plant and equipment	\$119,577,407	\$106,339,478
Other assets	\$8,015,944	\$12,009,947
TOTAL ASSETS	\$297,533,407	\$281,930,136
LIABILITIES AND FUND BALANCE		
Current liabilities	\$32,542,199	\$33,981,198
Long-term liabilities	\$7,928,544	\$8,480,622
Fund balance	\$257,062,664	\$239,468,316
TOTAL LIABILITIES AND FUND BALANCE	\$297,533,407	\$281,930,136

A Foundation to Build On

When it comes to healthcare, you want the very best. The best doctors and nurses. The latest in diagnostic equipment. The most advanced technology. And comfortable surroundings.

The Kootenai Health Foundation, a nonprofit organization, works year-round to help ensure that leading-edge tools and treatments are available for the more than 250,000 people who are cared for annually at Kootenai Health.

Despite 2009's trying economic conditions, a loyal brigade of tireless volunteers, generous individuals, businesses and corporations demonstrated their unwavering support for the Foundation's mission. Here's a recap of the major accomplishments.

2009 Festival Of Trees

For the 21st year running, flocks of friends and families flowed through the four-day Festival of Trees, which featured elaborately decorated Christmas trees, the Gala banquet, senior social, fashion shows and family day.

The Foundation's signature fundraising event, the Festival raised \$357,000 to establish a cancer patient wellness program. Wellness programs offer holistic approaches to healthcare by taking into consideration patients' spiritual and emotional needs and complementing their medical treatments.

Your Gifts Count

Programs and services funded by and through the Kootenai Health Foundation in 2009 include:

- Kim Svec Scholarship funding for three teen volunteers to begin their college educations.
- \$23,536 for the Cancer Patient Support Fund to provide groceries, gas or emergency prescriptions for cancer patients in need at the Kootenai Cancer Center.
- Toys for the emergency department to ease the experience of injured and sick children during treatment.
- Toys for the pediatric unit's Andrea's Closet program.
- Christmas gifts for children receiving help at Kootenai Behavioral Health Center.
- Specialized chairs to provide a more comfortable experience during chemotherapy.
- Bike helmets for distribution through Safe Kids Kootenai County, a group dedicated to the prevention of childhood injury.
- Instruments for a children's music therapy program at Kootenai Behavioral Health Center.
- A pediatric wheelchair to ensure a safe ride for little patients.
- Rocking chairs, so every new baby at Kootenai Medical Center can know the joy of being rocked to sleep.
- Special vital signs monitors and patient education resources for the Kootenai Cancer Centers.
- Completion of a therapeutic playground where children learn balance, depth perception and other life skills.
- Lifesaving equipment for the Intensive Care Unit.
- Advanced equipment for speech therapy.
- Support for The Walden House—A Caring Place—for those receiving medical care away from home.
- Special beds for pediatrics.
- Educational materials, biofeedback equipment, a greenhouse, desks and chairs, and books for the children's Behavioral Health program.
- Specialized equipment for monitoring cardiac services patients.
- Teaching and testing equipment for the diabetes program.
- Specialized training for clinical staff to support their delivery of care with *A Heart for Excellence*.



Pediatrics patient Sebastian Adams uses a new child-friendly wheelchair.



Jim Morrison, cancer survivor, speaks at the 2009 Festival of Trees.

The new cancer patient wellness program will be hosted by the recently expanded Kootenai Cancer Center in Post Falls. Among the services provided will be massage therapy, meditation classes and a special salon in which patients learn how best to care for their skin, apply makeup and try on wigs.

Children's Miracle Network

Valentine's Day was extra sweet in 2009 with pink frosted heart-shaped cookie grams. Summer brought raffle baskets bursting with camping gear, gardening tools and beach toys. Each of these two creative fundraisers helped Kootenai support the Children's Miracle Network.



When added to matching funds from the Children's Miracle Network, the proceeds totaled \$59,747 to be used to benefit children's services at Kootenai Health. That funding was put to work for such extras as child injury prevention items, toys for hospitalized children and games to entertain kids in the emergency department waiting room. Additionally, children at Kootenai Behavioral Health are enjoying renovations and upgrades to their living and learning environments.



Kootenai Health Foundation Adam Deadmarsh Golf Tournament

Chapman Financial Services again teed up to sponsor the annual Foundation fundraiser at the Coeur d'Alene Resort Golf Course. It was a great day on the greens and the event raised \$60,000 to help purchase lifesaving equipment for the Intensive Care Unit at Kootenai Medical Center.

Thank You!

Your gift to Kootenai Health Foundation helps ensure quality healthcare for our community. To learn more about charitable giving, call (208) 666-2345 or visit www.kootenaihealth.org/foundation.

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Community Benefit

Kootenai Health's mission is to meet the healthcare needs of the people of northern Idaho.

That purpose goes beyond the walls of our facilities and touches children in our schools, elderly in their homes, and thousands of people without the means to pay for needed healthcare. Last year alone, **Kootenai Health provided \$40 million in medical care to people without insurance or the ability to pay.**

Here are just a few of the ways Kootenai Health is making a difference in our community.

Unfunded Portion of Government-Sponsored Medical Care

Many people are unaware that Medicare and Medicaid only reimburse health care providers and facilities a portion of the actual cost to deliver care to patients. In 2009, **the difference between the actual cost of care and what was reimbursed to Kootenai Health by governmental programs was \$17,644,344.**



Free & Discounted Care for Those in Need

As a community-owned district hospital, Kootenai Health is committed to providing care to people in need – regardless of their ability to pay. In

2009, **Kootenai Health provided \$4,859,876 in care to individuals who were unable to pay for their care.**

Walden House

In 2009, **2,002 patients and their families made the Walden House their home away from home** while receiving care at Kootenai Health. Low cost lodging in a caring, homey environment helped ease their expenses while lifting their spirits.



Lakes Magnet Middle School

In 2009, Kootenai Health partnered with Lakes Middle School to be part of its Magnet program. **Staff members from Kootenai take time each quarter to teach students about professions in healthcare.** By giving today's students exposure to career paths and opportunities, we are opening doors for tomorrow's medical professionals.

Medical Missions Work

For many years Kootenai Health employees have gone to the



medical missions' field to deliver care to people in crisis. In 2009, **Kootenai Health donated \$42,280 in needed medical supplies** to groups on medical missions. Nearly half of that went to Haiti just weeks after an earthquake leveled the capital city of Port-au-Prince.

Safe Kids Kootenai County

As the lead agency for Safe Kids Kootenai County, Kootenai Health is doing its part to ensure children's safety. Last year, Kootenai Health staff members and local Safe Kids **volunteers inspected 365 children's car seats, gave parents 220 seats for a nominal donation, and distributed 200 bicycle helmets** – all to make sure every child has an opportunity to be safe.



School Nurses

For more than ten years now, Kootenai Health has been helping keep area children healthy by supporting nurse programs in area schools. **In 2009, Kootenai contributed \$145,900 to local schools' nurse programs.** Partnerships and voucher programs have also been established with optometrists, dentists and pediatricians so children without medical insurance receive the care they need.

Van Services

In 2009, Kootenai Health invested **\$190,579** into its Van Services program, which provided **8,594 free rides** to people in need of transportation to and from medical appointments.

