

2017

COMMUNITY REPORT



KootenaiHealth

2017 IN REVIEW



Jon Ness, CEO, Kootenai Health

Each year, Kootenai Health has made great strides toward our vision

of being a nationally-recognized, regional medical center, and 2017 was no exception. Over the course of last year, we invested significant resources into accommodating our patients and visitors by expanding the services we bring to our community.

2017 marked the expansion of the emergency department and surgical services, as well as the services that support these departments, and the hospital as a whole. This project added 7,000 square feet of new space to the emergency department increasing our capacity to 36 rooms. It also added three new operating rooms, bringing the surgical department up to a total of 11 operating suites. This extra space has been needed for years and we are excited to see it happen.

In addition to expanding services offered at the hospital, we also added several new services to Kootenai Clinic Post Falls, making it even easier for one of our region's fastest-growing cities to receive care closer to home. Every time we're able to add services and specialties that enhance the care we provide to our region, we are one step closer to meeting our vision and goal of providing quality health care closer to home.

GROWTH

Emergency Department and Operating Room Expansion

As Kootenai Health offers more services to care for the patients and families of northern Idaho, more people are coming to our hospital for care. To help meet this need, Kootenai has invested \$45.2 million to expand our emergency department and operating rooms. The project is scheduled to be complete in summer 2018.



Project highlights:

- ▀ Added 7,000 square feet of new space to the emergency department and increased total capacity to 36 rooms.
- ▀ Includes a new ambulance bay and waiting room.
- ▀ Three additional operating rooms were added to the surgical department for a total of 11 operating suites.
- ▀ Improved traffic flow in and out of the south entrance make the emergency department and south entrance more accessible.
- ▀ Changes to Ironwood Drive, including the addition of another through street, Medina Street, with a signal-controlled intersection designed to ease street traffic.

Kootenai Clinic Post Falls

To better meet the needs of a growing patient population in Post Falls, Kootenai Health completed a \$10.5 million, two-story, 22,000 square foot expansion on its campus in Post Falls. The expansion provides additional space to the existing building, an outpatient therapy gym, new space for physician practices, conference rooms, and ancillary services.

This expansion provides:

- ▶ Easier access to care for patients in and near Post Falls
- ▶ Room for specialty practices in Post Falls to expand
- ▶ Room for new specialties that are not currently available in Post Falls
- ▶ New rehabilitation services
- ▶ Expanded lab services



Kootenai Clinic Wound Care

Kootenai Clinic Wound Care specializes in treating patients with a variety of wounds and conditions. In addition to wound care, the clinic is the first in Coeur d'Alene to offer hyperbaric oxygen therapy to patients whose conditions are not responding to traditional treatments.

Many patients with conditions such as diabetic foot ulcers, burns, and radiation-related wounds are benefiting from hyperbaric oxygen therapy.



Jeffery Smith, Kootenai Clinic Wound Care clinical supervisor, demonstrates how the hyperbaric chambers operate. Hyperbaric oxygen therapy helps accelerate healing as well as the body's ability to fight infection.

Kootenai Clinic Nephrology

Kootenai Clinic Nephrology offers medical treatment of kidney disease, and high blood pressure (hypertension), including the use of dialysis and transplantation to treat patients with advanced, end-stage kidney failure.

The group currently provides care to hundreds of dialysis patients and those who have received a kidney transplant. They also specialize in treating patients with difficult-to-control high blood pressure.



Kootenai Clinic Nephrology (l-r) Calista Comstock, PA, Brendan Mielke, MD, Kristie Jones, MD, and Emily Petersen, MD

Mayo Clinic Care Network 2017 Stats

eConsults allow Kootenai Health physician specialists to connect with Mayo Clinic specialists when they want additional input regarding a patient's care - all at no charge to the patient.

89 Total number of
eConsults completed
in 2017

By specialty

12	Cardiology
1	Coagulation
1	Dermatopathology
5	Electrophysiology
1	Endocrinology
2	Gastroenterology
1	Gastroenterology oncology
9	Hematology
20	Medical/surgical oncology
15	Neurology
1	Neurology oncology
1	Neuroradiology
2	Neurosurgery
1	Pediatrics/genetics
4	Pulmonology
3	Radiology
5	Rheumatology
4	Urology
1	Vascular surgery

1,847 Number of times
staff members researched
conditions through the
AskMayoExpert online
database

Projects we collaborated on

- Sepsis program
- Patient safety program
- Physician well-being study

EXCELLENCE IN PATIENT CARE

Orthopedic Excellence in Hip and Knee

Kootenai Health received certification from DNV GL Healthcare as a hip and knee replacement program Center of Excellence. To earn this certification, Kootenai created a multidisciplinary team of over 20 health care professionals that is dedicated to building and improving Kootenai's total joint replacement program. The team consists of nursing staff, orthopedic surgeons, rehabilitation therapists, anesthesiologists, pharmacists, and infection prevention staff.



Highlights:

- Kootenai's Total Joint Program meets the requirements of several national agencies including the American College of Orthopedic Surgeons, NIAHO Hospital Accreditation Program, CMS and the American Association of Hip and Knee Surgeons.
- The program was evaluated in regard to best practice, safety, quality, and patient outcomes following surgery.
- Patients receive education and support services necessary to be successful in recovery.
- An advanced, comprehensive pain management program which incorporates the newest strategies and principles.

Kootenai Heart Clinics Northwest CardioMEMS Procedure

In 2017, Kootenai Heart Clinics Northwest began offering CardioMEMS, a new wireless heart failure monitoring system that has been proven to significantly reduce hospital admissions when used by physicians to help manage heart failure. The CardioMEMS sensor measures fluid pressure in the heart so providers can check for increased pressure remotely and intervene before patients experience symptoms. The new system allows patients to transmit daily sensor readings from their homes to their health care providers allowing for personalized and proactive management to reduce the likelihood of hospitalization.



Tom Vittelow is among the first in the region to better his health in the CardioMEMS heart failure program.

Highlights:

- Patients can independently help manage their care from home and be an active member of their care team.
- Because the data received from the device precedes symptoms, providers can help patients two to three weeks earlier, helping patients feel better longer.



Pediatric Cardiology at Kootenai Clinic Post Falls

Northern Idaho children and teens with congenital heart disease are now able to receive the specialized cardiology care they need closer to home. Pediatric cardiologists from the Providence Center for Congenital Heart Disease – a Kootenai Health partner – are seeing pediatric heart patients at the

Kootenai Heart Clinics Northwest location in Post Falls. The pediatric cardiologists providing care at the Post Falls clinic are board-certified (or board-eligible) in the care of children with congenital heart disease. At the Post Falls clinic, the cardiologists can provide ECG and congenital heart echocardiography procedures that patients formerly had to travel to Spokane to receive.

Family Birth Center

Kootenai Health's Family Birth Center is one of the best in the area, with caring, compassionate staff, spacious birthing suites, and the technology to support even the tiniest babies. Kootenai can also accommodate VBAC (vaginal birth after cesarean) deliveries, providing more support and options for expecting mothers. Our level III NICU is available 24/7 with neonatologists and neonatal nurse practitioners. Our NICU can care for babies born as early as 28 weeks gestation, and those as small as 2 pounds.

Kootenai partnered with Ronald McDonald House Charities of the Inland Northwest (RMHC) to create a new family room for NICU families to rest and regroup. RMHC provided its expertise in hospitality to renovate an existing room within the Kootenai Health NICU to make it comfortable and inviting for families. This family room provides comfortable seating, a TV, lockers to store belongings, a play space and library for siblings, coffee and snacks, and a private shower.



Pediatric Hospitalists

Kootenai Health added three pediatric hospitalists who specialize in diagnosing and treating children in the hospital. As board-certified pediatricians who do not maintain outpatient practices, the new hospitalists are readily available to children and families during their hospital stay—24 hours per day, seven days a week. The hospitalists support pediatric care throughout the hospital: they provide surgical consults, respond to emergencies and traumas, treat newborns and collaborate with behavioral health specialists. They also will be instrumental in developing new procedures, protocols and programs designed to standardize and improve pediatric care at Kootenai Health.



EXCELLENCE IN CANCER CARE

Kootenai Clinic Cancer Services has offered quality cancer care in northern Idaho since it began in 1987 as the North Idaho Cancer Center. Since then, the clinic and staff have received multiple awards, certifications, and accreditations for their commitment to patient care. Although each of those accolades has a special meaning to the staff who earned them, it can often be hard for patients and visitors to see the significance and hard work behind each one.

Because 2017 was a particularly exciting year for Cancer Services, here is a breakdown of each national recognition held and what it means for patients.



COC Accreditation

Commission on Cancer (COC) accreditation is the “gold standard” for cancer program accreditation.

Issued by the American College of Surgeons, Kootenai

has held this designation since 1990. We are one of only four centers in Idaho, and one of only two in the Inland Northwest to hold this accreditation.

Receiving COC accreditation required Kootenai to share information with both the Idaho state and national cancer database repositories. This information is used to monitor and report outcomes, determine patterns of care, identify disparities, and focus on areas for quality improvement.



Oncology Certified RNs

The Oncology Nursing Society provides an opportunity for nurses to gain this special oncology certification. More than 60 percent of Kootenai Clinic Cancer

Services clinical RNs are oncology certified. All of Kootenai’s RNs are required to obtain or maintain a chemotherapy/Biotherapy Administration certification prior to administering these medications to patients.



QOPI Certification

Issued by the American Society of Clinical Oncology, Kootenai Clinic Cancer Services

received this certification in 2017. Kootenai is the

third organization in Idaho to receive this certification, and the only organization in the Inland Northwest.

QOPI demonstrates Kootenai’s compliance with nationally approved standards and demonstrates a commitment to quality. These standards are proven “best practices” that go beyond standard treatment, covering every aspect of care to ensure every patient receives the very best care possible at every step of their journey, from diagnosis to survivorship.



A QUALITY PROGRAM
OF THE AMERICAN COLLEGE
OF SURGEONS

NAPBC Accreditation

Issued by the American College of Surgeons, NAPBC is a new accreditation earned in 2017

for excellence in breast cancer care. Kootenai is the only organization in Idaho and the Inland Northwest to receive this accreditation. To receive this accreditation, Kootenai had to meet specific additional requirements above and beyond COC accreditation for breast cancer patients. This demonstrates Kootenai's commitment to provide the best care for patients in northern Idaho and willingness to continuously improve.



Breast Imaging Center of Excellence

Kootenai received this designation from the American College of Radiology in 2010. This means the imaging technologists and radiologists, and equipment at Kootenai meet the highest national standards. This allows patients to have the best opportunity for early detection and survivorship.



Certified Lung Cancer Screening Facility

Kootenai Clinic has held this designation from the American College of Radiology since 2015. Much like the Breast Imaging Center of Excellence, this designation means the imaging technologists and radiologists, and equipment at Kootenai meets the highest national standards. This allows patients to have the best opportunity for early detection and survivorship.



Low Dose Screening and Navigational Bronchoscopy Program Recognition

Kootenai's program was awarded first place at the Global Lung Health Summit in 2017. This program helps to catch cancer earlier so the impact to the patient is minimized, and their opportunities for a good outcome are improved.



Gallup Great Workplace

Kootenai Health was named a Gallup Great Workplace in 2017, recognizing Kootenai as one of the most engaged and productive workforces in the world. The award, created by Gallup, Inc., recognizes organizations for their ability to create engaged workplace cultures and the unique approaches organizations take to achieve engagement success.

The Gallup Great Workplace Award is open to a select group of organizations that meet a highly defined set of criteria. Out of 37 organizations to receive the award this year, Kootenai Health is one of only seven health care organizations.

Magnet

The American Nurses Credentialing Center (ANCC) granted Kootenai Health Magnet recognition for the third time; Kootenai has held Magnet status since 2006 and is one of only two Magnet hospitals in the state of Idaho. Magnet designation is the highest and most prestigious international distinction a health care organization can receive for nursing excellence.



FINANCIAL STEWARDSHIP



FINANCE

Most district hospitals such as Kootenai Health receive financial support from local taxes. Because of its careful financial planning and management, Kootenai has not levied taxes since 1995.

2017 (unaudited) 2016 Statement of Operations (in \$millions)

	2017	2016
Total Revenues Earned	\$ 506	\$ 469
Operating Expenses		
Employee Wages & Benefits	\$ 270	\$ 253
Supplies & Other Expenses	187	171
Capital Costs	23	23
Subtotal Operating Expenses	\$ 480	\$ 447
Total Operating Income	\$ 26	\$ 22

Key Indicators

	2017	2016
Inpatient Discharges	14,279	13,722
Inpatient Days	69,920	66,780
Outpatient Visits	318,908	309,319
Kootenai Clinic Visits	245,408	233,195
Emergency Department Visits	52,283	52,567
Babies Born	1,830	1,704

**\$44
MILLION**



Was invested in
equipment, technology
and facilities
in 2017.

STANDARD & POOR'S 'A' RATING



Standard & Poor's Ratings Services gave Kootenai Health an 'A' rating based on an evaluation of Kootenai's business plan, credit, cash on hand and decision to not use its ability to levy taxes for funding. The rating is a strong affirmation that Kootenai's business model is stable and seeing positive growth in patient trends.

2017 (unaudited) and 2016 Balance Sheet (in \$millions)*

	2017	2016
Cash and Marketable Securities	\$ 230	\$ 179
Property and Equipment	247	225
Other Assets	126	111
Total Assets	\$ 603	\$ 515
Long Term Obligations	\$ 119	\$ 81
Other Liabilities	68	52
Net Assets	416	382
Total Liabilities and Net Assets	\$ 603	\$ 515



COMMUNITY BENEFIT - \$132.7 MILLION

Community benefit activities are programs and services hospitals provide to help improve health and increase access to health care in their communities.

During 2017, Kootenai Health provided approximately \$132.7 million in qualified community benefits to people in our region.*

This amount includes the following:

\$79.9 MILLION

Government Insurance Programs

Many people don't know that programs like Medicare, Medicaid and State or County insurance programs do not pay the full cost for the care their participants receive. In 2017, Kootenai Health absorbed \$79.9 million in costs that were not reimbursed by these payors. That included \$72.1 million for Medicare patients and \$7.8 million for state and county patients.

\$15 MILLION

Free and Discounted Care

Kootenai Health wrote off \$5.9 million worth of charges for patients who could not pay for their care. Another \$9.1 million was written off as part of a discount program that reduces charges for uninsured patients by 25 percent.

\$29 MILLION

Uncompensated Care (Bad Debt)

\$29 million worth of charges to patients who were unwilling to pay the "patient responsibility" of their health care bills were also written off.

\$7 MILLION

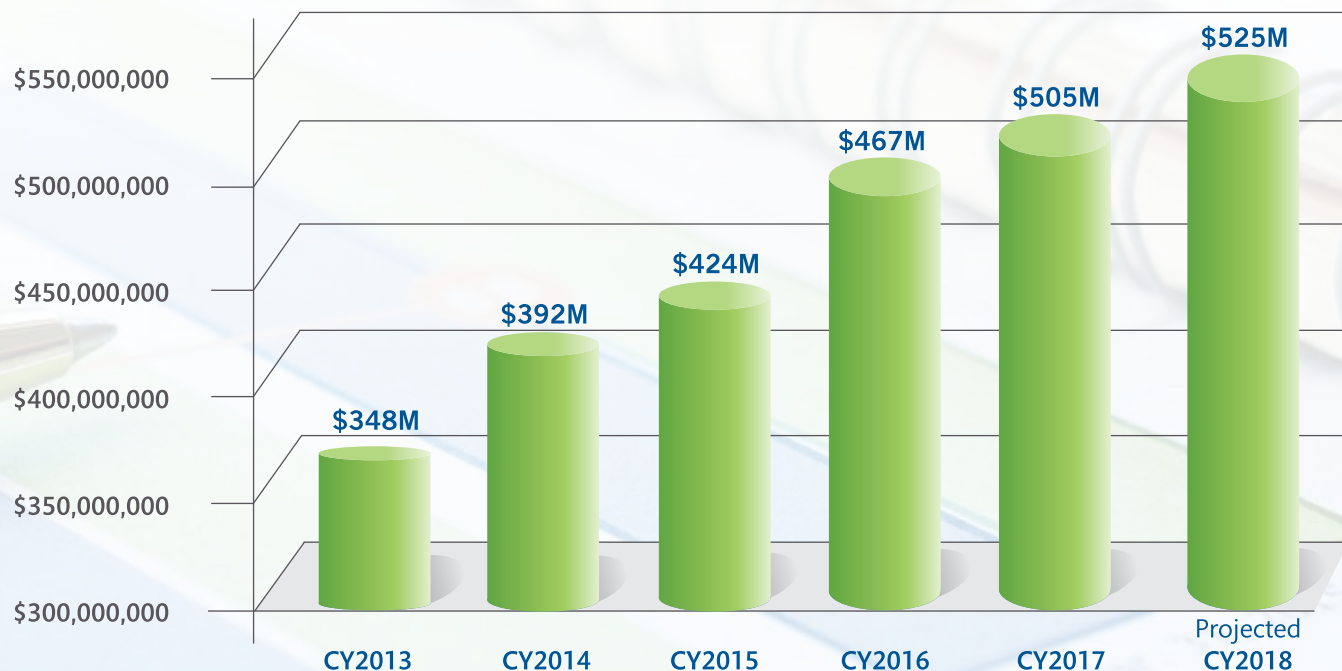
Donations, Free Services, & Programs

Each year Kootenai Health makes substantial financial and in-kind donations that benefit our community. This includes donations to groups such as the Suicide Prevention Action Network and The Community Cancer Fund. It also includes the expense of providing free and low-cost health screenings and support groups for patients. In-kind donations also include expenses and staff time related to providing training opportunities for physicians, nurses and other health care workers. Together, these donations, free services and programs are improving how people are cared for in our community.

*Calculations based on Kootenai Health's 2017 community benefit report filed with the Idaho Hospital Association.

Continued Growth in Services

With Kootenai Health's growth in services, total revenue has been steadily increasing over the past five years from \$348M in 2013 to an estimated \$525M in 2018.



BUILDING THE FUTURE OF HEALTH CARE

Foundation 2017 Community Report



It is with great pride that we share the exciting story of how your gifts to the Foundation have advanced the mission of Kootenai Health. Since the start of the Foundation in 1983, you have given over \$20.7 million to directly benefit patient care. This includes \$7.5 million given to the capital campaign by the end of 2017, for the expansion of emergency and surgical services.

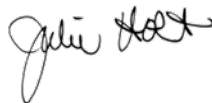
The growth and expansion of care are a direct result of the changing needs of our patient population. With higher levels of care now available, Kootenai Health is serving more patients with higher acuity. This requires a greater intensity of physician and nursing care, combined with cutting edge equipment, technology and facilities to care for these patients.

Our staff and board members are committed to growing and improving health care in our region through philanthropy. Our community deserves only the highest quality care close to home. The success of this vision requires leadership and financial support.

Thank you for joining us in our ongoing efforts to build the future of health care for our region; your partnerships are vital to our success. Leaving a legacy of health and wellness for your family, friends and neighbors through a gift to the Kootenai Health Foundation is one of the most meaningful things you can do.

On behalf of the Kootenai Health Foundation and Board of Directors, thank you for your continued generosity.

Sincerely,



Julie Holt
Kootenai Health Foundation
President

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KootenaiHealth
Foundation, Inc.

Extraordinary Generosity

The Coeur d’Alene community showcased its extraordinary generosity once again at the Kootenai Health Foundation’s 29th annual Festival of Trees, held November 24 through 27. The popular holiday tradition raised more than \$400,000 from people like you to benefit the expansion and remodel of the Kootenai Health emergency department and operating rooms.

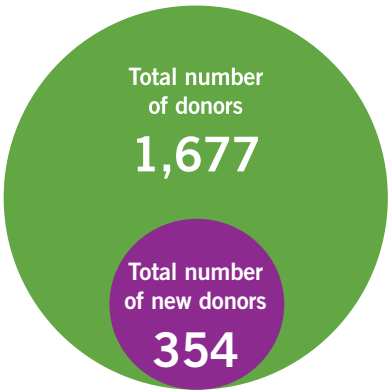
The Festival Gala was a highlight of the weekend. More than 425 guests enjoyed dinner, entertainment, the Festival tree sale, and silent and live auctions—as well as a paddle raise that resulted in a Festival Gala record of nearly \$123,000 in cash donations. In total, the Saturday evening event alone raised over \$330,000. Event proceeds support the new and expanded state-of-the-art operating rooms, emergency treatment rooms and other necessary upgrades that will allow the hospital to treat more patients with premier emergency and surgical care.



2017 Gifts to Support Kootenai Health

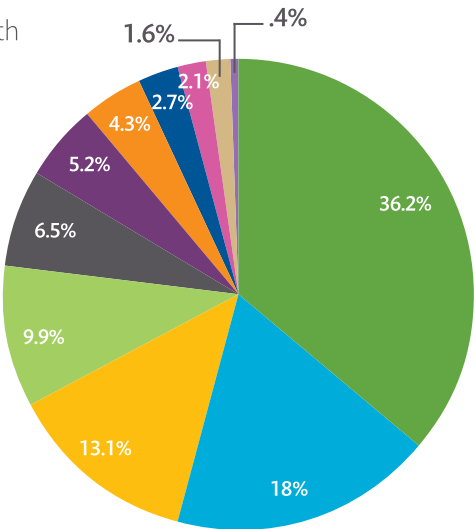
Through gifts from generous donors like you, the Foundation was able to provide nearly \$5.2 million to directly benefit patients and staff at Kootenai Health. They include:

- ▶ **\$5 million** toward the expansion of the **emergency department and operating rooms**.
- ▶ **\$53,000 in inpatient care** equipment and technology.
- ▶ **\$16,000 in scholarships**, certifications and training for employees seeking to further their education and clinical skills.
- ▶ Over **\$6,000 in outpatient care** equipment and technology.
- ▶ **Over \$120,000 for numerous patient and community benefit programs** including the employee family fund, cancer patient support program, the Walden House for overnight stays, and the injury prevention program.



Your Gifts Have Great Impact

Since the Kootenai Health Foundation was formed in 1983, over \$20.7 million of donors’ gifts have been invested to improve our region’s health through life-saving medical equipment, technology, education and state-of-the-art facilities.



Lifetime donations through the end of 2017

Vision 2020 Capital Expansion	\$7,500,000
Various Departments (E.D., O.R., etc.)	\$3,751,324
Cancer Services (Coeur d’Alene & Post Falls)	\$2,712,141
Heart Center/Heart Services	\$2,051,699
Rehabilitation Services/McGrane	\$1,340,264
Children’s Services, Pediatrics, Nursery	\$1,034,891
Health Resource Center	\$ 896,422
Critical Care/Intensive Care	\$ 562,614
Cancer Patient Support Program	\$ 443,642
Walden House	\$ 338,052
Scholarships	\$ 87,253

Kootenai Health Awards and Recognitions



Mayo Clinic Care Network Member

The network includes organizations across the nation that work closely with Mayo Clinic to provide patients a higher level of care close to home.



The "Hospital Safety Grade" scores hospitals on how safe they keep their patients from errors, injuries, accidents, and infections.



Kootenai Health is dual certified as a Level II Trauma Center through the Idaho Time Sensitive Emergency System and a Level III Trauma Center through the American College of Surgeons.



DNV has certified Kootenai Health as a knee and hip replacement center of excellence.



The Gallup Great Workplace Award recognizes companies for their extraordinary ability to create an engaged workplace culture.



Magnet means nursing excellence, earned by only 7% of hospitals nationwide.



Kootenai Health was named one of the top 50 cardiovascular hospitals in the nation.



A QUALITY PROGRAM
of the AMERICAN COLLEGE
OF SURGEONS

The American College of Surgeons named Kootenai Health as an Accredited Breast Center.



Top 100 ranking means Kootenai Health is among the best in the nation when it comes to providing quality, affordable health care to our community.



U.S. News & World Report ranked Kootenai Health as the number one hospital in Idaho.



Kootenai Health received an "A" Rating for outstanding financial stewardship.

OUR MISSION

We improve health one patient at a time in a friendly and professional culture committed to superior quality and safety.

OUR VISION

By 2020, Kootenai Health will be a comprehensive regional medical center delivering superior, patient-focused care and will be recognized among the premier health care organizations in the United States.

Kootenai Health Board of Trustees

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