

2018

COMMUNITY
REPORT



KootenaiHealth

2018 IN REVIEW



Jon Ness, CEO, Kootenai Health

2018 brought us closer to realizing our goal for Kootenai Health to be a comprehensive regional medical center.

We celebrated the completion of construction projects expanding both our emergency department and operating rooms. We added a new ExcelsiusGPS surgical robot that places Kootenai Health at the forefront of image-guided neurosurgery. We completed a state of the art simulation center where staff members can learn advanced clinical skills. And thanks to a generous donation from Alliance Data, we added a sensory room that is helping local children with autism and other special needs develop the skills they need to live better lives.

The diversity of these projects speaks to the diverse health care needs in our community and the work we are doing to support those needs. As we work to be a comprehensive regional medical center, we are always looking at how we can better meet the needs of our community and provide higher levels of care close to home. All while maintaining our financial health.

We are proud of the work we have completed and the achievements we have earned, but most of all we are proud to be a community-owned hospital in the greatest community we could ask to serve.

GROWTH

ED and OR Expansion Completion

Kootenai Health completed Phase II of its master facility plan this year. The two-year Emergency Department and Surgical Services expansion, completed in summer 2018, cost \$45.2 million and greatly increased the size and capabilities of these two major service lines.

Phase II Project Highlights

Emergency Department

- ▶ Added 7,000 square feet
- ▶ Increased total capacity to 36 rooms
- ▶ New emergency entrance, drop off area, and waiting room
- ▶ A new "results waiting area" provides a comfortable space for patients who are waiting for test results.
- ▶ A newly designed ambulance drop-off area can facilitate five ambulances.

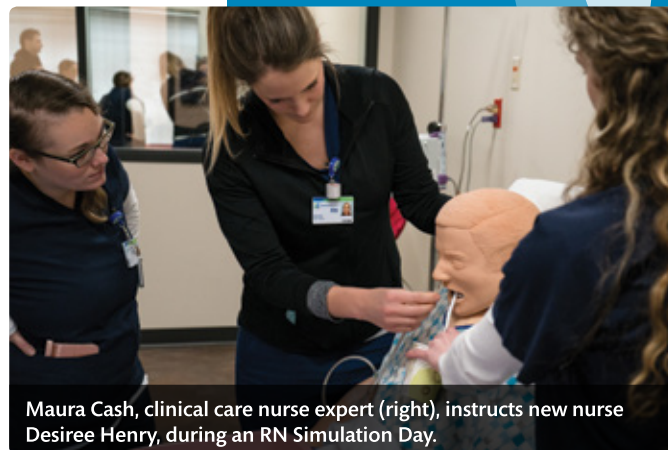
Surgical Services

- ▶ The department grew from 17,350 square feet to 38,811 square feet
- ▶ Expanded all operating rooms and added three new rooms for a total of 11
- ▶ The post-anesthesia care unit (PACU) grew from 11 bays to 17 bays
- ▶ Pre-op/post-recovery unit will also be expanded from eight bays to 20 rooms

Cover photo:
Patient Jo Ann Stewart visiting with Jacob
Taylor, CNA, Kootenai Clinic Cancer Services

Simulation Center

Kootenai Health recently opened a new on-site simulation center for hands-on training and skill building. The new center offers a variety of classes, training, and other educational opportunities for clinical staff looking to build skills and confidence. The simulation center consists of three mock patient rooms including a standard hospital patient room, an operating room that can be converted to use as a trauma room, and a clinical exam room that can be converted into a neonatal intensive care room or a behavioral health room. The simulation center is equipped with three high fidelity mannequins that can talk, respond to treatment and techniques being practiced, provide a heartbeat, lung functions, and blood pressure. These mannequins are controlled by a trained staff member in the control room. Having an on-site training facility provides more opportunity for clinical staff to develop new skills in a low-risk environment. This will ultimately help staff members provide better treatment to patients, and move into more advanced positions in the hospital.



Maura Cash, clinical care nurse expert (right), instructs new nurse Desiree Henry, during an RN Simulation Day.

Kootenai Heart Clinics Northwest Expands

Kootenai Heart Clinics Northwest expanded two of its locations in 2018. This growth provides much needed space to expand services and accommodate more patient appointments. The Heart Clinics office in Sandpoint recently doubled its office space, adding 2,500 square feet. This new space will allow providers to now see electrophysiology and congestive heart failure patients at this location. The Heart Clinics office in Coeur d'Alene also expanded. The additional patient rooms and physician offices will help accommodate our new cardiologists, allow us to see more patients, and reduce the wait times for appointments. The Coeur d'Alene remodel includes:

- Three physician offices
- Six exam rooms
- A nurses' station
- Expanded waiting room
- Three pacemaker threshold rooms
- An expanded scheduling station
- An additional echocardiology room
- An additional vascular ultrasound room

New Kootenai Clinic Orthopedics Office

Patients of Kootenai Clinic Orthopedics in Coeur d'Alene now have a new, beautiful facility closer to the hospital, located at 2177 Ironwood Center Drive. Connor Quinn, M.D. and Tara Flores, APRN, currently practice in this location.

Mayo Clinic Care Network 2018 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.

120 Total number of eConsults completed in 2018

By specialty

- 1 Allergy & Immunology
- 11 Cardiology
- 5 Dermatology
- 2 Endocrinology
- 11 Gastroenterology & Hepatology
- 19 Hematology
- 2 Nephrology & Hypertension
- 3 Neurological Surgery
- 15 Neurology
- 12 Oncology
- 1 Orthopedics
- 3 Otorhinolaryngology
- 1 Pediatric Gastroenterology
- 1 Pediatric Rheumatology
- 4 Pulmonary Medicine
- 1 Radiation Oncology
- 4 Radiology
- 7 Rheumatology
- 1 Urology
- 2 Vascular Medicine
- 4 Vascular Surgery

These numbers total more than 120 because Mayo may send the request to more than one specialist.

1,655 unique AskMayoExpert (AME) page views by staff members researching conditions through the AME online database.

EXCELLENCE IN PATIENT CARE

Patient-Centered Medical Home

All Kootenai Clinic Family Medicine and Kootenai Clinic Internal Medicine practices **transformed their care model** to what's known as a patient centered medical home (PCMH). A patient centered medical home is a model of care delivery that:

- ▶ Encourages patients to be active participants in their health care
- ▶ Promotes the partnership between the patient, their provider and their care team
- ▶ Provides coordinated, comprehensive and evidence-based health care
- ▶ Ensures that all of a patient's preventive, acute and chronic care needs are met
- ▶ Provides timely access to care with same-day appointments and extended clinic hours
- ▶ Provides efficient and timely service and communication

Sensory Room Opens

Kootenai Health Rehabilitation Services opened its first sensory room, designed to help children calm their senses and develop the skills necessary to cope with distractions and overstimulation.

Often children with autism, Asperger's, or developmental delays become easily overstimulated in normal day-to-day living. Sensations like hearing, touch, or visual distractions may cause these children to feel uncomfortable or act out in situations that require more focus. The sensory room, funded by a **generous donation from Alliance Data** to the Kootenai Health Foundation, has several features controlled through a single computer. The colored lights, sounds, and imagery can all be altered to fit each individual's needs. Over 80 system presets pull calming imagery and sounds from nature and change the lighting to match. It is estimated that **over 75 percent of pediatric rehabilitation patients will benefit** from this special room.



The sensory room offers nature scenes and calming sounds designed to help children with special needs.

Care Management for Chronic Illness

Kootenai Care Network now has a team of care managers to help patients with multiple chronic conditions manage their care. Care managers work with a variety of patients, caregivers and health care experts within Kootenai Care Network to provide more efficient, high-quality care. With over 35 care managers under the Kootenai Care Network umbrella, it's getting easier for patients with chronic conditions such as COPD, heart failure, depression, and anxiety to manage their health care. Last year, Kootenai Care Network care managers helped over 800 patients.

Baby-Friendly for 15 Years

Kootenai Health's **Family Birth Center is celebrating its 15th year as a Baby-Friendly designated facility.** This designation represents the highest



standard of care for mothers and babies. Kootenai earned this distinction through its dedication to improving infant health through breastfeeding and other maternal-infant care practices in every department of the hospital. The Baby-Friendly

designation focuses on three main principles supporting the health and wellbeing of mothers and their infants:

- ▶ Breastfeeding is the optimal way for human infants to be nurtured and nourished.
- ▶ The first days in the birth facility should be protected as a time of bonding and support.
- ▶ Every mother should be informed of the benefits of breastfeeding and respected to make her own decision.

Center of Excellence in Lung Cancer Treatment

Bonnie J. Addario Lung Cancer Foundation (ALCF) named Kootenai Health a community hospital Center of Excellence (COE) for lung cancer treatment. Kootenai Health is the first hospital in the Inland Northwest to be award-



ed the prestigious designation for providing exceptional patient-centric, team-oriented lung cancer care. Kootenai Health qualified for the seal of excellence after a rigorous application and review process. The designation requires ongoing assessments to ensure patients continue to have access to the latest innovations and most effective

diagnostic and therapeutic techniques.

Micra Pacemaker

Kootenai Heart Clinics Northwest now offers a new treatment option for patients suffering from an irregular heartbeat known as atrial fibrillation. The Micra pacemaker, is a smaller, less invasive treatment for those in need of a ventricular (or single chamber) pacemaker. It is implanted into the heart through a vein in the leg. Unlike traditional pacemakers, it does not require a lead or external battery implanted under the skin. Because there is no visible or external sign of the device, the Micra implant allows for a quick recovery time and limited restrictions.

Robotic Surgery

Kootenai Health's specially trained surgeons use state-of-the-art robotics to perform the most advanced forms of complex procedures with more precision, flexibility and control than is possible with conventional techniques. Minimally invasive robotic surgery often results in:

- Shorter hospitalization
- Reduced pain and discomfort
- Faster recovery time and return to normal activities
- Smaller incisions, resulting in reduced risk of infection
- Reduced blood loss and transfusions
- Minimal scarring

ExcelsiusGPS - The ExcelsiusGPS is the newest addition to Kootenai Health's robotic arsenal. It combines a rigid robotic arm and full navigation capabilities for the most precise alignment possible. Robotic surgery offers more precision, flexibility and control than is possible with conventional techniques. Kootenai Health is one of only 50 hospitals in the U.S., and the first in the Inland Northwest to have an ExcelsiusGPS. It places Kootenai in the forefront of image-guided neurosurgery.



EXCELLENCE IN THE WORKPLACE

Gallup Great Workplace

In 2017, 2018 and early 2019, Kootenai Health, Kootenai County's largest employer, was named a Gallup Great Workplace, 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. Gallup's rigorous scientific research links employee engagement to nine integral performance outcomes: customer ratings, profitability, productivity, turnover, safety incidents, shrinkage, absenteeism, patient safety incidents and quality.

Top 150 Best Places to Work in Healthcare

Kootenai Health was named on the "150 Top Places to Work in Healthcare" list by Becker's Healthcare. Becker's Healthcare highlights hospitals, health systems and health care companies that promote diversity within the workforce, employee engagement and professional growth. Many members of the list offer unique wellness and personal benefits to ensure employees strike a positive work/life balance. They also emphasize recognition programs to celebrate employees' accomplishments.



FINANCIAL STEWARDSHIP



FINANCE

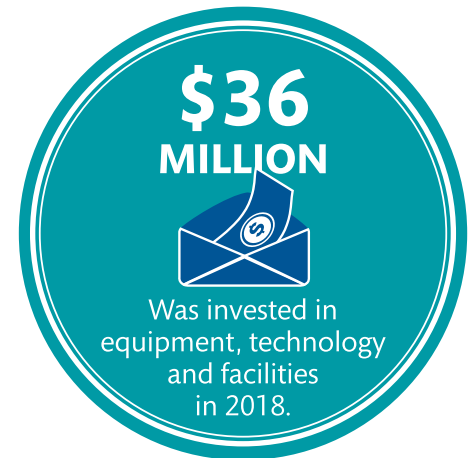
Most district hospitals such as Kootenai Health receive financial support from local taxes. Because of its careful financial planning and management, Kootenai has not levied taxes since 1995.

2018 (unaudited) and 2017 Statement of Operations (in \$millions)

	2018	2017
Total Revenues Earned	\$551	\$507
Operating Expenses		
Employee Wages & Benefits	\$289	\$274
Supplies & Other Expenses	214	187
Capital Costs	24	23
Subtotal Operating Expenses	\$527	\$484
Total Operating Income	\$ 24	\$ 23

Key Indicators

	2018	2017
Inpatient Discharges	14,592	14,279
Inpatient Days	67,901	69,920
Outpatient Visits	274,288	263,493
Kootenai Clinic Visits	272,527	245,408
Emergency Department Visits	52,479	52,283
Babies Born	1,815	1,830



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, and cash on hand. The rating is a strong affirmation that Kootenai's business model is stable and seeing positive growth in patient trends.

2018 (unaudited) and 2017 Balance Sheet (in \$millions)*

	2018	2017
Cash and Marketable Securities	\$237	\$230
Property and Equipment	255	248
Other Assets	123	120
Total Assets	\$615	\$598
Long Term Obligations	\$115	\$120
Other Liabilities	67	62
Net Assets	433	416
Total Liabilities and Net Assets	\$615	\$598

COMMUNITY BENEFIT - \$150 MILLION

Community benefit activities are programs and services hospitals provide to help improve health and increase access to health care in their communities. During 2018, Kootenai Health provided approximately \$150 million in qualified community benefits to people in our region.*

This amount includes the following:

\$94 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 2018, Kootenai Health absorbed \$94 million in costs that were not reimbursed by these payors. That included \$89 million for Medicare patients and \$5 million for state and county patients.

School Nurse Program

Kootenai Health provides \$175,000 annually to the Coeur d'Alene and Post Falls School Districts to help fund school nursing staff.

\$15 MILLION Free and Discounted Care

Kootenai Health wrote off \$4 million worth of charges for patients who could not pay for their care. Another \$11 million was written off as part of a discount program that reduces charges for uninsured patients by 25 percent.

\$32 MILLION Uncompensated Care (Bad Debt)

\$32 million worth of charges to patients who were unwilling to pay the "patient responsibility" of their health care bills were also written off.

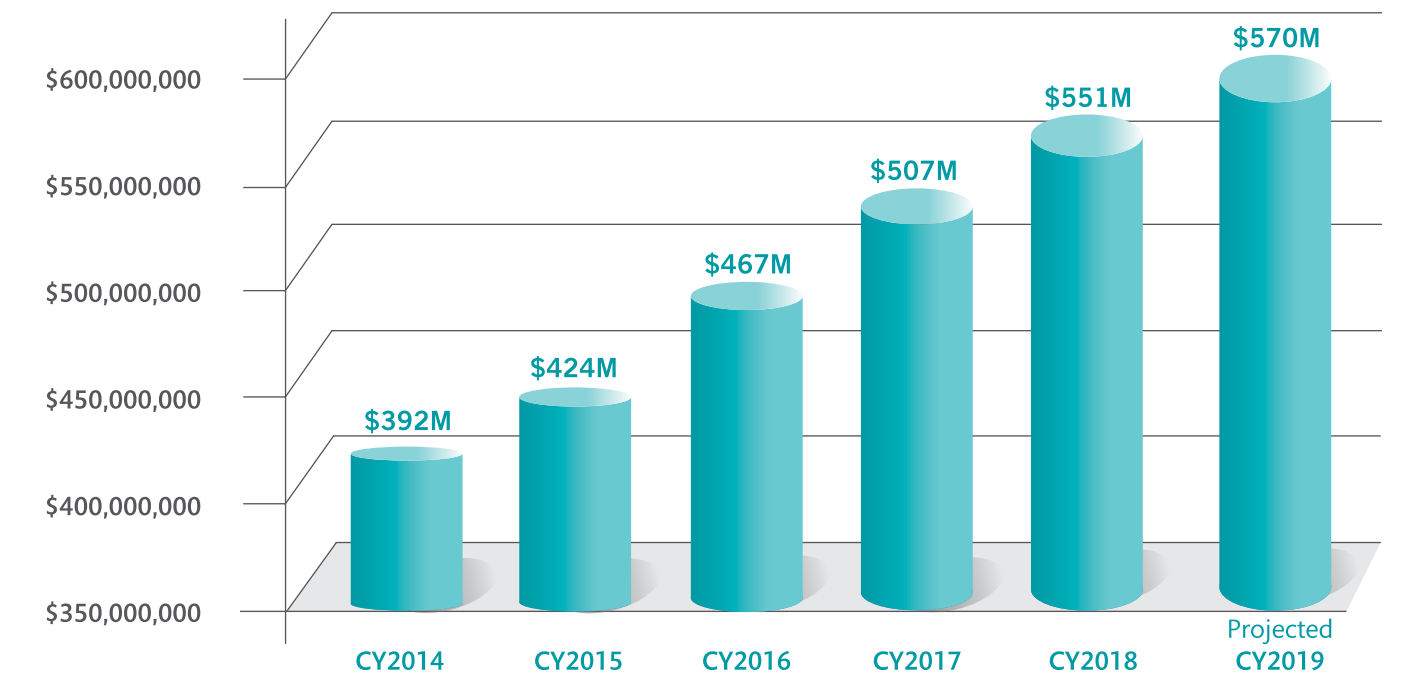
\$9.7 MILLION Donations, Free Services, & Programs

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 2018 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 \$392M in 2014 to an estimated \$570M in 2019.



"WHY I GIVE TO THE KOOTENAI HEALTH FOUNDATION"



"I started helping with the Festival of Trees about 12 years ago. My previous employer asked us to assist with the Fashion Show. I helped dress the models for two years, managed the child models and kids room for a year, than took over the silent auction during Gala which I have been doing ever since. When I started working here it seemed natural to continue in my volunteer role to support the organization I now worked for. I love serving others, and helping our community grow. It fulfills a need and purpose in my heart. I feel like I am giving back to an organization that has given me and my family so much."

-Joanne Bloodgood



"I am a former employee of Kootenai, working in Rehabilitation Services from 1972 until 2004. After the death of my sister in 2002, I inherited a large sum of money and my accountant advised me that if I ever wanted to be generous, now would be the time to do it as every donated dollar would be one less dollar paid in taxes. It seemed like a perfect opportunity to set up an endowment fund for Rehabilitation Services and give back to the staff and patients. One of the services I had wanted to provide to our community was a therapeutic pool. I knew the value of a warm water environment for people with a variety of rehabilitation needs. I started working with the Foundation to fundraise for what was called the McGrane Center. It never would have been built without Foundation support. Today, Rehabilitation Services provides top notch care to patients of all ages. I will continue to provide support to Rehabilitation Services as I am able."

-Laurie Brunette



"We became aware of the outstanding work done by the Kootenai Health Foundation through a friend. The Foundation has extremely professional and comprehensive materials on what they fund at Kootenai Health and why they fund it, which made us understand how beneficial a contribution would be to the facilities, staff, and patients. We made a contribution, which resulted in the Foundation providing us a comprehensive tour of the expanded and remodeled facilities. While we have utilized Kootenai Health, members of the community who have been fortunate in not requiring their services should appreciate that if they ever need of such services in the future, they are available and exemplary. The Kootenai Health Foundation has provided us the mechanism to assist Kootenai Health in providing outstanding medical service to our community."

-Tad and Sue Leach



**KootenaiHealth
Foundation, Inc.**

Extraordinary Generosity

2018 Festival of Trees a Great Success

This year's events **raised over \$385,000** toward the completion of the third and final phase of the Foundation's expansion campaign to provide 32 new private rooms for patients dealing with cancer, stroke, or epilepsy. In addition to celebrating the 30th anniversary, the Festival of Trees hit several other milestones.

- Named 2018 Inlander Best of: Charity Event in North Idaho
- Reached highest gala attendance since 2007 with over 480 guests
- 28 tree displays
- More than 10,000 guests over the weekend's events
- Exceeded over \$7 million over the event's 30-year history to support new service lines and programs at Kootenai Health
- Over 500 volunteers donated their time and talent helping to execute the tree displays and events



2018 Gifts to Support Kootenai Health

Through gifts from generous donors like you, the Foundation was able to provide \$3.4 million to directly benefit patients and staff at Kootenai Health. They include:

- \$2.5 million towards the capital expansion
- \$500,000 towards the construction of a new hospitality center
- \$20,000 in scholarships, certifications and training for employees seeking to further their education and clinical skills
- Over \$150,000 in 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

The impact of **your generosity made a difference in the lives of the more than 200,000 patients** across the region. Whether it is the lives we touch today or the funds to invest in the continued development of our clinical staff for the future, your donation is helping connect care across our communities and making the everyday experience an exceptional one. Thank you for investing in our mission and partnering to improve the health of our community.

In 2018, your support funded:

▸ Capital Expansion Project	\$2,500,000
▸ Walden House and funding for new Hospitality House	\$ 500,000
▸ Equipment for various departments (E.D., O.R., etc.)	\$ 151,057
▸ Cancer Services	\$ 95,572
▸ Simulation Center	\$ 69,667
▸ Children's Services, Pediatrics, Neonatal Intensive Care Unit (NICU)	\$ 69,994
▸ Rehabilitation Services	\$ 33,726
▸ Heart Center	\$ 22,616
▸ Employee Scholarships/Trainings	\$ 20,175
Total	\$3.4 Million

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.



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.



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.



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.



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



The Addario Lung Cancer Foundation has recognized Kootenai Health as a Lung Cancer Center of Excellence. Meeting this criteria puts our program on par with leading academic and research institutions not typically found in community hospitals.



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.

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