



2023

COMMUNITY REPORT



KootenaiHealth

kh.org



Jameson Smith, CEO, Kootenai Health

2023's Foundation for the Future

As Kootenai Health's new CEO, I am in the unique position of writing a letter reflecting on 2023 when I was not with Kootenai Health during that time. Therefore, I have a once-in-a-career opportunity to write from the perspective of someone looking in from the outside. Here are a few observations.

First and foremost, I want to stress what an asset Kootenai Health is to the entire region. After coming from a large health system in Colorado, the advantages Kootenai Health enjoys because of its independence and non-profit status are clear. As a local, non-profit organization, all the margin we generate is reinvested into our people, programs and facilities. Our success means access to improved health care for our community. Local decision making by a board and leadership that call northern Idaho home have helped ensure every decision made is what is best for our patients and community. This model has allowed Kootenai Health to expand its size and scope to make higher levels of care available close to home.

As I was considering coming to Kootenai Health, a number of achievements stood out. Magnet designation for nursing excellence, Level II Trauma designation, Commission on Cancer accreditation, commitment to behavioral health services, and being named one of the 50 best hospitals in the nation for cardiac surgery are just the beginning. The combination of these designations and accreditations would be a point of pride at even the nation's largest health systems. Together these speak to a sophisticated, comprehensive organization that is going above and beyond to meet the needs of its community now and in the future.

As we continue working toward Kootenai Health's 2030 vision, I am filled with anticipation for what lies ahead. The future, with all its uncertainties and challenges, is also brimming with opportunities. The world of health care is evolving with advancements in medicine, technology, and shifting consumer preferences. It is in just such an environment that Kootenai Health's strengths – agility, excellence, and tenacity – will have the greatest impact.

Kootenai Health's history tells us a lot about what to expect in the future. Our goals moving forward are to be top-notch for service and quality for our patients and the best place to work for our staff and physicians. We will maintain our commitment to our core ideals of safety, compassion, and engagement; what we call the Kootenai Health Way. We will innovate, and we will embrace change with open arms and a commitment to excellence.

I am proud to be leading the Kootenai Health team into this next exciting chapter of our story. Together we are honored to provide the care you, your family and friends need now and in the years to come.

Wishing you good health,
Jameson Smith, CEO

Vision

One

connected team,

boldly transforming the health care

experience, to become a **premier medical destination**.

Mission

We **improve health** one patient at a time

in a friendly and **professional culture**

committed to superior

quality and **safety**.

Heart Center Expansion

After years of planning and construction, the Kootenai Health Heart Center opened its state-of-the-art 37,000 square foot expansion with the latest diagnostic and treatment technologies in October 2023. The new addition included nine new patient rooms, a second cardiac catheterization lab and a second electrophysiology lab for heart rhythm disorders.

“What that means for our community is that we have improved our ability to care for you and your family members,” said Eric Wallace, D.O., medical director of interventional cardiology at Kootenai Health.

With the additional space, the heart team can now perform more procedures, decrease patient wait times and produce better patient outcomes. To put this into perspective, in just the fourth quarter of 2023, the Heart Center was able to perform 298 more procedures than it did during the same time period in 2022.

“The goal of the Heart Center expansion—and all of our expansion projects, for that matter—is to better care for our ever-growing population, and it is doing just that,” said Jeremy Evans, Kootenai Health’s chief operating officer. “Our goal is to always be ahead of the growth.”

The newly expanded Heart Center is building upon an already impressive program. In the last year alone, Kootenai Health has been recognized as a Level I STEMI (heart attacks in which the coronary artery is completely blocked) Center of Excellence by the Idaho Time Sensitive Emergency System, as one of America’s 50

Best Hospitals for Cardiac Surgery by Healthgrades and as one of the 10 best hospitals in the country for reducing heart attack readmissions by the Centers for Medicare and Medicaid Services.

Level I STEMI Center Kootenai Health is a designated Level I STEMI center; the highest honor given to hospitals who treat heart attacks. The designation is part of the state of Idaho’s Time Sensitive Emergency System (TSE), which acknowledges



Pictured (right): Robert Burnett, M.D., Kootenai Heart Clinics Cardiothoracic Surgeon discussing a patient case.

hospitals who meet a wide variety of proven metrics around high-quality training, education and services. TSE was created to address the top three preventable causes of death: trauma, stroke, and heart attacks. TSE emphasizes the importance of a collaborative approach from all stakeholders throughout the state including hospitals, emergency medical services agencies, public health districts, and the Idaho Department of Health and Welfare. We are very proud of our Level I STEMI designation, because it validates that the training, education and processes we implement every day are among the best of the best.

50 Best for Cardiac Surgery

In 2023, Healthgrades, a national organization that compares information from over 3 million U.S. health care providers, recognized Kootenai Health among “America’s 50 Best Hospitals,” for cardiac surgery. To be considered for an award in cardiac surgery, a hospital must be evaluated for both its coronary artery bypass graft surgeries and its valve surgeries.

“Let’s be honest, nobody really wants to have heart surgery. When you are told this is what may be required, we understand how that must feel,” said Kootenai Heart Clinics cardiothoracic surgeon Robert Burnett, M.D. **“At Kootenai Health, we make that experience as positive as possible from the evaluation through the recovery, engaging literally hundreds of**

team members. We want patients to have confidence in the process, and a recognition such as the ‘Top 50’ helps with that. It is great to be recognized as a standout for what we have been passionate about for years: the highest quality, friendly care right here at home.”

Level II Trauma Designation

For several years now, Kootenai Health has been working to expand and enhance the care available through its Emergency Department (E.D.). In 2014, it earned verification from the American College of Surgeons (ACS) as a Level III trauma center, and in 2016, it earned Level II designation from the Idaho Time Sensitive Emergency System. In 2018, Kootenai Health completed an expansion of its E.D. to 37 patient rooms, four trauma bays, and dedicated space to triage patients or have them wait for test results.

In 2021, a new team, led by trauma medical director Cory Richardson, M.D., began working to move Kootenai Health's trauma center toward a Level II

ACS verification. In January 2024, the team received its Level II ACS trauma center verification, just the second one to be granted in the state.

“Becoming an ACS-verified Level II trauma center has been the culmination of countless hours of work by an enormous number of people,” Dr. Richardson said. “Trauma is a unique field in that it transcends all specialties and service lines in a hospital. It is not uncommon for one single trauma patient to require the attention of physicians from more than a dozen different specialties.”

Nearly 20 highly trained staff members respond to every trauma patient who comes to Kootenai Health's E.D. The trauma team has more than 20 trauma surgeons and advanced practice

As a trauma center, Kootenai Health is committed to injury prevention to reduce traumas across the region. The trauma program tracks the number and types of injuries seen in the



Kootenai Health's 2023 Trauma Team

Pictured (l-r) front row: Elizabeth Spaetzel, NP, Michael Raber, M.D., Michelle Korthauer, PA-C, Randon Opp, M.D.

middle row: Sarah Derrig, FNP, Heidi Jackson, M.D., Kanan Silvas, M.D., Antoine Sarkis, M.D., Derek Dirks, M.D., Olga Lebedevskiy, M.D., Richa Khatri, M.D., Michael May, M.D., Desiree Creekmore, NP

back row: William Johnjulia, D.O., Aaron Chalmers, M.D., John Siemers, M.D., Erik Payne, M.D., Cory Richardson, M.D., Greg Staeheli, M.D., Edward deTar M.D., Marcus Torgenson M.D., Christian Mendard, M.D.

providers, as well as specialists from the many different disciplines needed in a Level II trauma center.

“The work the trauma team has done has elevated care across the hospital,” said Dershi Bussey, director of emergency and time sensitive emergencies. “It has created higher expectations for all nurses and holds everyone to the highest standards. It has elevated care for all patients. We are also sharing what we’ve learned and participating in training opportunities with other northern Idaho hospitals.”

emergency department. In the past year, 45 percent of the trauma injuries seen were ground-level falls, such as tripping and falling or slipping on ice. Falls from a height were the next most common, followed by motor vehicle accidents, then motorcycle accidents. Injury prevention programs are developed by the trauma team to provide community education, with the goal of reducing injuries.

501(c)(3) Conversion

At midnight on December 31, 2023, Kootenai Health made the transition from a non-profit district hospital to a non-profit 501(c)(3). In the past 20 years, most hospitals in Idaho and nationally, especially those in larger, more competitive markets, have moved from public to non-profit models. The 501(c)(3) model is better suited for an organization of Kootenai Health's size and scope. It makes it possible for us to take advantage of different investment options, helps provide continuity on our board, and will make it easier for us to collaborate with other providers to meet the com-

munity's health care needs. The 501(c)(3) designation is for non-profit organizations. This means that any profits are reinvested back into the organization. As a district hospital, Kootenai Health always reinvested profits back into the organization, but there are some advantages that come with being a 501(c)(3), which is why so many organizations use this model rather than the hospital district model. Kootenai Health's move to a 501(c)(3) will help ensure stability in our local health care community for years to come.



Level II Stroke Designation

In 2023, Kootenai Health earned designation as a Level II Stroke Center by the state of Idaho's Time Sensitive Emergency System (TSE). To earn this three-year designation, hospitals must meet a variety of stringent benchmarks for the quick diagnosis, treatment, and care for stroke patients as well as a comprehensive training protocol.

"We are honored to have received designation as a Level II Stroke



Ramsis Benjamin, M.D.

Center from TSE," said neurologist Ramsis Benjamin, M.D., of Kootenai Clinic Neurology who leads the stroke program at

Kootenai Health. "When it comes to stroke, every second counts to preserve precious brain function.

Our dedicated stroke coordinator, Kate Knight, MSN, RN, SCRNP,



Kate Knight,
MSN, RN, SCRNP.

has been instrumental in driving the collaborative work with multidisciplinary teams between our hospital, regional emergency response

agencies, and the community. Through these efforts, important protocol has been established for timely diagnosis and treatment to ensure the best possible outcomes for stroke patients in our region."

ISU Accelerated BSN

In 2023, Kootenai Health and Idaho State University announced plans to expand ISU's Accelerated Bachelor of Nursing (ABSN) undergraduate program to the Coeur d'Alene area. Through the program, following completion of prerequisite courses, students with a bachelor's degree in another discipline are eligible to receive an accelerated education and training to become a nurse and receive their Bachelor of Science in nursing. The ABSN program offers the opportunity for individuals who hold a bachelor's degree in another discipline to make a career change and enter the nursing profession.

This ABSN program expansion to northern Idaho addresses a growing

demand across the state for nurses graduating with a baccalaureate degree. Courses in Coeur d'Alene will be delivered at the Kootenai Health campus and clinical learning opportunities will be provided to students across the panhandle region, including urban and rural placements. Faculty for this new program has been supported by generous donor funding from the Kootenai Health Foundation. Offering this program at Kootenai Health allows students to remain in northern Idaho while they receive their training. More registered nurses are needed to support staffing and safe patient outcomes in a variety of clinical settings, and baccalaureate prepared nurses are in high demand in Idaho. Employers across Idaho's rural areas

have experienced difficulty filling vacant positions because of a national nursing shortage. Increasing enrollment in Idaho-based nursing programs is one key strategy to address this growing issue in the state.

"We are pleased to welcome these wonderful students to

Kootenai Health," said Kelly Espinoza, PhD, RN, chief nursing officer for Kootenai Health.

"We are committed to providing a learning environment that leads to the utmost success for these students, which ultimately translates into

improved patient care for those we serve."



Kelly Espinoza, CNO

Maternal and Fetal Medicine

In 2023, Kootenai Clinic expanded its maternal fetal medicine (MFM) program making it even more accessible to support and guide patients whenever necessary. Maternal fetal medicine is a specialized branch of obstetrics that focuses on providing care for high-risk pregnancies and fetal complications. Kootenai Health's team of experts in the program, includes perinatologists, neonatologists, and genetic counselors, along with other specialists selected for the mother and baby's unique needs. Together, they collaborate to provide comprehensive care tailored to each patient.

Maternal fetal medicine encompasses a wide range of services, including

prenatal screenings, diagnostic testing, fetal monitoring, and management of maternal conditions such as diabetes, hypertension, and autoimmune disorders during pregnancy. Our goal is to optimize outcomes for both mother and baby, ensuring a safe and healthy pregnancy from preconception to birth, and beyond.

Providing a comprehensive maternal fetal medicine program is the perfect complement to Kootenai Health's Level III neonatal intensive care unit (NICU). The NICU staff is certified to care for fragile newborns, including babies born as early as 26 weeks gestation, and those as small as two pounds.



Best-In-Class for Employee and Organizational Wellbeing

In 2023 Kootenai Health participated in Gallagher's 2023 U.S. Benefits Strategy and Benchmarking Survey and was identified as an organization



that excelled in implementing successful strategies for supporting team members and managing programs. Gallagher

is a global leader in insurance, risk management and consulting services to help clients face challenges and provide effective solutions.

Kootenai Health was recognized for its comprehensive framework for strategically investing in benefits, compensation and employee communication to support the health, financial security and career growth of its team members at a sustainable cost structure.

Designations like Gallagher's Best-in-Class Employer help current and potential team members understand and appreciate Kootenai Health's workplace culture and people strategy; important differentiators as Kootenai works to compete for talent in today's labor market.

"We're proud that Kootenai Health stands out as an organization committed to our people and strategic approach to benefits, human resources, and compensation," said Kootenai Health executive vice president of people and culture, Cyndy Donato, PhD. "Our total rewards approach supports our people to help build upon our overall organizational strength and resilience."



Cyndy Donato, PhD.
Executive Vice President,
People and Culture

Addiction Medicine Practice

Located in Post Falls, Idaho, Kootenai Clinic's addiction medicine program provides outpatient services for people dealing with addiction issues. Internal Medicine and Addiction Medicine physician Benjamin Milam, M.D., helps patients stabilize and break the cycle of suffering through his expert, compassionate care and dedication.

Program services include:

- Medication assisted therapy to help patients who are dependent on alcohol or narcotics stay drug free
- Outpatient withdrawal management for all substances
- Consultation and advice on de-prescribing of benzodiazepine and opiates
- Referral to behavioral treatment for substance use
- Consultation for assessment of level of care for substance use
- Harm reduction service/Narcan distribution

"We have a fantastic team that truly respects and cares for the patients. Our goal is to provide comprehensive, tailored, medical care, that focuses on not only the current affliction, but also treats the underlying condition with an emphasis on safety and comfort."



Benjamin Milam, M.D.

– Benjamin Milam, M.D., Internal Medicine and Addiction Medicine



FINANCIAL STEWARDSHIP

2023 and 2022 Statement of Operations (in \$millions)

	2023	2022
Total Revenues Earned	\$944	\$845
Operating Expenses		
Employee Wages & Benefits	\$490	\$445
Supplies & Other Expenses	\$363	\$378
Capital Costs	\$ 51	\$ 43
Subtotal Operating Expenses	\$904	\$866
Total Operating Income	\$ -21	\$ 30

Key Indicators	2023	2022
Inpatient Discharges	17,909	16,533
Inpatient Days	81,284	88,652
Physician Visits	385,958	370,842
Emergency Department Visits	63,165	59,275
Babies Born	2,226	2,116

2022 and 2021 Balance Sheet (in \$millions)*

	2023	2022
Cash and Marketable Securities	\$291	\$225
Property and Equipment	\$315	\$327
Other Assets	\$301	\$322
Total Assets	\$907	\$874
Long Term Obligations	\$226	\$244
Other Liabilities	\$114	\$107
Net Assets	\$567	\$523
Total Liabilities and Net Assets	\$907	\$874

Financial information for 2023 includes Clearwater Valley Health and St. Mary's Health, which were purchased by Kootenai Health on April 1, 2020.

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. Its transition to a non-profit, 501(c)(3) will guarantee that Kootenai Health will not assess taxes in the future.

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 positive assessment of Kootenai Health.

COMMUNITY BENEFIT - \$262 MILLION

Community benefit activities are programs and services hospitals provide to help improve health and increase access to health care in their communities. During 2023, Kootenai Health provided approximately \$262 million in qualified community benefits to people in our region.*

This amount includes the following:

\$12.8 MILLION

Free and Discounted Care

Kootenai Health wrote off **\$2.9 million** worth of charges for patients who could not pay for their care. Another **\$9.9 million** was written off as part of a discount program that reduces charges for uninsured patients by 25%.

\$25.4 MILLION

Uncompensated Care (Bad Debt)

\$25.4 million worth of charges to patients who were unwilling to pay the “patient responsibility” of their health care bills were also written off.

\$203.5 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 2023, Kootenai Health absorbed **\$203.5 million in costs that were not reimbursed by these payors.** That included **\$159.6 million for Medicare** patients, **\$27.9 million for Medicaid** patients, and **\$16 million for other state and county subsidies.**

\$20.2 MILLION

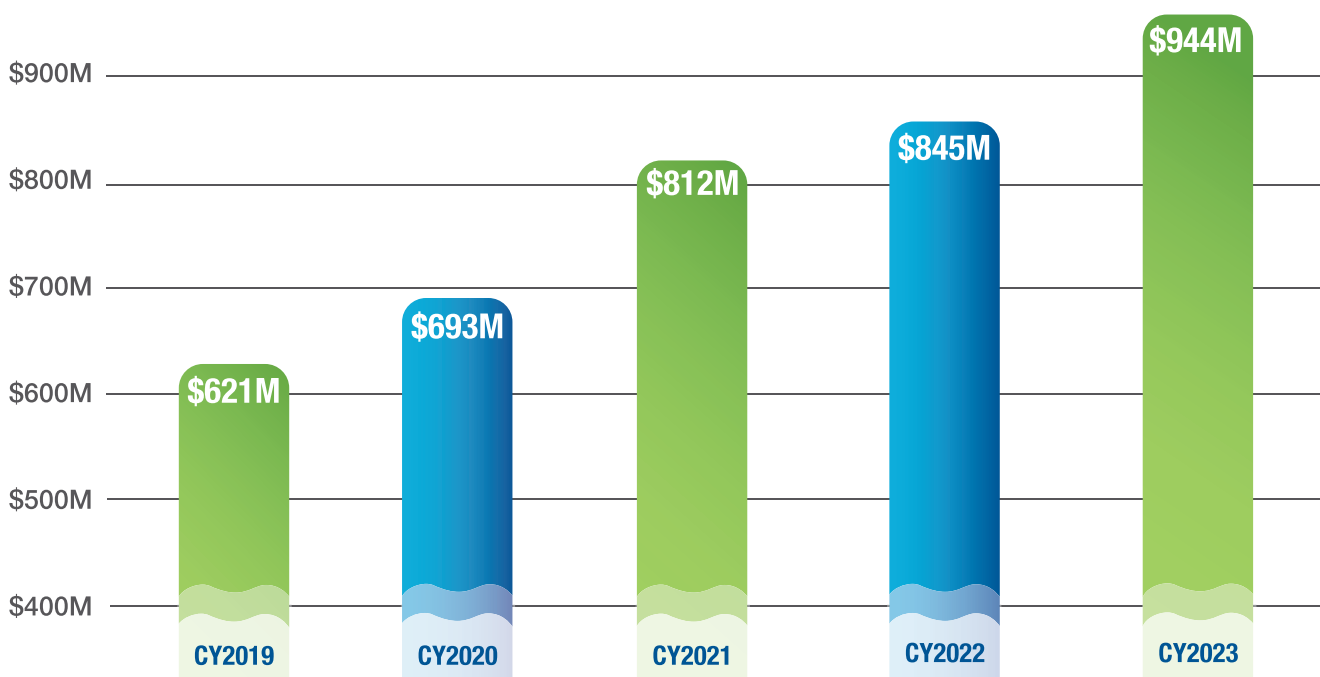
Donations, Free Services, & Programs

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 2023 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 \$621M in 2019 to \$944M in 2023.



Foundation Impact



For the past 40 years, the Kootenai Health Foundation has worked with generous and committed community partners to raise philanthropic funds to support the programs and services at Kootenai Health. In 2023, donors made a significant impact to health care in our local community by giving more than \$3.4 million. These generous gifts support Kootenai Health's commitment to provide excellent care close to home.

These were the top 10 areas funded by the donations made to the Kootenai Health Foundation in 2023:

Heart Center expansion  \$2,500,000	Provider recruitment and retention  \$1,000,000	Nursing staff housing stipend  \$200,000	Forensic nursing  \$189,919
Employee scholarships & trainings  \$155,000	Cancer patient support program  \$117,000	Geriatric training for nursing staff  \$87,366	Adult Behavioral Health  \$54,753
Critical care supply carts  \$42,406	Family Fund (employee assistance)  \$22,430	Together we heal <p>Every day gifts from generous donors in our community are making a positive impact on the care patients receive here in our community. If you have a passion for helping people live a healthier, happier life, reach out to learn how your charitable giving can make a difference.</p> <p>Visit KootenaiHealthFoundation.org, call 208.625.4438 or email foundation@kh.org</p>	

Giving by the numbers

Total dollars raised.

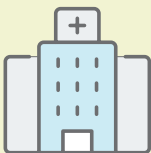
This year, our donors came together to realize the power of generosity and gratitude in our community. The results have been inspiring.



\$2,756,475	2023
\$3,485,997	2022
\$1,603,742	2021

Grants to hospital.

Transfers made by the Kootenai Health Foundation to Kootenai Health show collaboration as monies are transferred only after the obligations of donor intent have been met.



\$4,385,881	2023
\$3,410,882	2022
\$1,178,794	2021

Volunteer contributions.

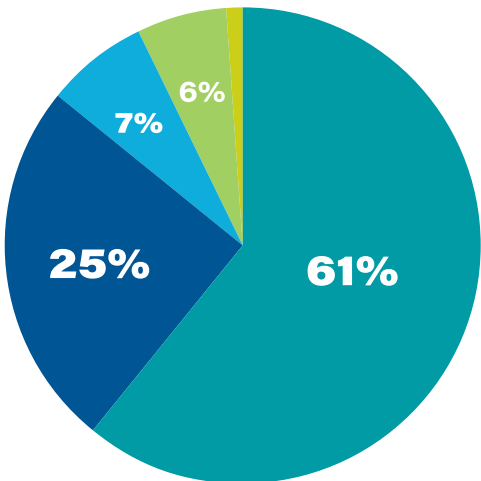
Together we accomplish what none of us could do alone and volunteers give generously of their time. The most recent calculation of the value of a volunteer hour is \$31.80.



\$47,255 (1,486 hrs)	2023
\$53,010 (1,667 hrs)	2022
\$36,570 (1,150 hrs)	2021

How funds are raised

At the Kootenai Health Foundation, a diverse group of donors supports our mission through a variety of ways—annual donations, grants, planned and estate gifts, events, and more. We are grateful to you for creating a significant and positive impact on the lives of patients in our community.



Major Gifts (\$10,000+) **61%**

Events **25%**

Annual Support **7%**

Grants **6%**

Bequests **1%**

KOOTENAI HEALTH

AWARDS AND RECOGNITIONS



Kootenai Health received the Five-Star Overall Hospital Quality Star Rating from the Centers for Medicare and Medicaid Services.



Kootenai Health was recognized as one of the top 50 hospitals in the United States that achieves superior clinical outcomes in cardiovascular care.



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



**IDAHO TIME SENSITIVE
EMERGENCY SYSTEM**
TRAUMA | STROKE | STEMI



**AMERICAN COLLEGE OF SURGEONS
Verified Trauma Center**

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.



**Commission
on Cancer**

This accreditation is the "gold standard" for cancer programs. Issued by the American College of Surgeons, Kootenai has held this designation since 1990.



Level III NICU

Kootenai Health's Level III NICU can care for babies born as early as 26 weeks, and those as small as two pounds.



Kootenai Health earned the Sigma Theta Tau International Honor Society of Nursing (Sigma) 2022 Healthy Work Environment Award.



Providing Excellence in Patient-Centered Care

The GO2 Foundation for Lung Cancer has recognized Kootenai Health as having the highest quality of care with a patient-centric approach for patients with cancer.



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



Kootenai Health received Gallagher's Best-in-Class Employer Award for its workplace culture and people strategy.



**STANDARD & POOR'S
RATINGS SERVICES**
McGRAW HILL FINANCIAL

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

KOOTENAI HEALTH BOARD OF TRUSTEES

Katie Brodie, Chair

Robert Colvin, Vice-Chair

Teri Farr, Secretary/Treasurer

Dave Bobbitt, Trustee

Cindy Clark, RN, Trustee

Thomas deTar, MD, Trustee

Liz Godbehere, RN, Trustee

Robert McFarland, MD, Trustee

OUR MISSION

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

OUR VISION

Kootenai Health 2030
One connected team, boldly transforming the health care experience, to become a premier medical destination.



KootenaiHealth

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