

COMMUNITY REPORT

2024

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KootenaiHealth



Jameson Smith, FACHE
CEO, Kootenai Health

A message from the CEO Jameson Smith, FACHE

At Kootenai Health, 2024 was a year defined by purpose, progress, and possibility. 2024 reflected not only advancements in clinical capabilities and infrastructure but also our deep and ongoing commitment to this community, ensuring advanced medicine is available right here in northern Idaho. Our progress in 2024 is the direct result of that commitment and the belief that better is always within reach when you keep patients at the center of everything you do.

2024 began with a significant milestone: our transition to a 501(c)(3) nonprofit organization. While this change did not alter our mission or values, it strengthened our foundation for the future. As a nonprofit, **every dollar earned is reinvested into improving care**, expanding services, supporting staff, and enhancing access for our community. It also allows us to align more closely with like-minded organizations and collaborate in ways that make us stronger together.

We've made major strides in advanced medicine, allowing patients to stay and receive more services locally. From being named a **Robotic Surgery Center of Excellence** to **celebrating our 5,000th open-heart surgery** and pioneering new procedures like MitraClip and dual-chamber leadless pacemakers, Kootenai Health has firmly established itself as a leader in clinical innovation. We're proud to be ranked among the **nation's 50 best hospitals for cardiac surgery**, a reflection of the extraordinary skill and dedication of our teams.

Beyond the walls of our hospital, we're also investing in the next generation of health care professionals. This year marked the launch of our **accelerated nursing program in partnership with Idaho State University**, helping more students earn their Bachelor of Science in Nursing right here in our community. This program, like so many others, reflects our long-term strategy: building strength from within to meet the growing needs of our region.

Every accomplishment in this report — every designation, expansion, innovation, and accolade — is ultimately about one thing: delivering better care and better outcomes for our patients. It's what drives us. It's why we exist.

As I reflect on my first full year at Kootenai Health, I am filled with gratitude for the team I work alongside and the community we serve. The passion, resilience, and professionalism of our staff are unmatched. Our people are what make Kootenai Health not just a hospital, but a cornerstone of health and hope in this region.

Looking ahead, I am confident in our direction. We will continue to invest in better. Better tools, better practices, better access, and better experiences, for every patient, every time. And we will do so with the same unwavering values that have guided Kootenai Health for nearly 70 years.

Thank you for placing your trust in us. We are honored to care for you and your loved ones.

Warm regards,
Jameson Smith, FACHE
Chief Executive Officer
Kootenai Health

SURGICAL SERVICES

Robotic Surgery Center of Excellence Accreditation

Kootenai Health was named a Robotic Surgery Center of Excellence by the Surgical Review Corporation in December 2024. The prestigious national designation recognizes Kootenai Health for delivering the highest standard of robotic surgical care across multiple specialties, including urology, gynecology, cardiothoracic and general surgery.

To earn the Center of Excellence designation, Kootenai Health had to document its training, quality and outcomes not only in its surgical program, but in its emergency department, trauma program, intensive care unit, and more. The process took more than a year with Kootenai's robotic surgical steering committee working closely with Surgical Review Corporation to provide proof they were meeting all the organization's high standards.



Edward deTar, M.D.

Kootenai Health is the only hospital in the Inland Northwest to hold the Robotic Surgery Center of Excellence designation, establishing it as a leader in advanced surgical care. In addition to Kootenai Health's overall recognition, two surgeons, general surgeon Edward deTar, M.D and OB-GYN Nathan Meltzer, M.D., received the Surgeon of Excellence in Robotic Surgery designation.

"Robotic surgery allows us to perform complex procedures with greater precision, which ultimately leads to improved patient outcomes," said Dr. Meltzer, an OB/GYN and surgeon at Kootenai Health. "We are proud to be a Center of Excellence. It's added reassurance that the care our patients receive is among the best in the nation, and they can get that high quality care close to home."



Nathan Meltzer, M.D.

Since Kootenai Health began its robotic surgery program in 2008, more than 6,000 people in our community have experienced the benefit of smaller incisions, a shorter hospital stay, and quicker recovery time.

50 Best for Cardiac Surgery

In 2024, 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.



501(c)3 Transition

January 1, 2024, Kootenai Health officially completed the transition from a district hospital to a nonprofit 501(c)3 business model. Most hospitals nationally, especially those in larger, more competitive markets, have moved to a non-profit model. The 501(c)3 structure makes it possible for Kootenai Health to take advantage of different investment options, helps provide continuity on the board, and makes it easier to collaborate with other providers to meet the community's health care needs. As a 501(c)3, any profits at Kootenai Health are reinvested back into the organization to help improve access to care.

Jameson Smith joins Kootenai Health

Following a national recruiting effort, Jameson Smith joined Kootenai Health as CEO in March 2024. Prior to coming to Kootenai Health, Smith served as president of Saint Joseph Hospital in Denver, Colorado, part of Intermountain Health, a leading nonprofit health system serving the mountain west. In this role, Smith also served as the CEO of Saint Joseph's joint operating agreement with National Jewish Health, one of the top respiratory and pulmonary hospitals in the country.

Smith began his career as an active-duty Medical Service Corps officer in the U.S. Army serving two years at Walter Reed Army Medical Center in Washington D.C. and two years in the 1st Cavalry Division, Fort Hood, Texas, rising to the rank of captain. He earned his bachelor's degree in economics from Trinity University in San Antonio, Texas and a master's degree in business administration from the University of Texas at Austin. He is a Fellow of the American College of Healthcare Executives (FACHE).

TRAUMA AND EMERGENCY MEDICINE

Level II Trauma Center Designation

In 2024, Kootenai Health was verified as a Level II trauma center by the American College of Surgeons Committee on Trauma (ACS COT). Verified trauma centers must meet rigorous standards that ensure trauma care capability and the highest level of institutional performance. This accomplishment makes Kootenai the only level II ACS verified hospital in the region.

This designation speaks to the outstanding care patients can expect when coming to Kootenai Health. Patients cared for in ACS-verified trauma centers have a lower risk of death and improved quality of life compared with patients cared for in centers that have not achieved trauma designation.



“Becoming an ACS-verified Level II trauma center was the culmination of countless hours of work by an enormous number of people,” said Kootenai Health’s Trauma Medical Director, Cory Richardson, M.D.

Cory Richardson, M.D.

Kootenai Health has been working toward this designation since 2021. The work has elevated the quality of care to ensure every care giver is providing the most up-to-date, nationally recognized best practices not only in Kootenai’s Emergency Department, but across the hospital as well.

“Our trauma designation has created higher expectations for all nurses and holds everyone to the highest standards,” said Dershi Bussey, director of emergency and trauma services. “It has elevated care for all patients. We are also sharing what we’ve learned and training opportunities with other northern Idaho hospitals.”

Advanced Trauma Life Support Training for Providers

The benefits of Kootenai Health’s Level II Trauma Designation are extending beyond the walls of Kootenai Health to benefit patients across the region. In 2024 Kootenai Health began offering courses for care providers outside Kootenai. The goal was to improve the trauma care they provide their own patients and help ensure they are using proven best practices. The training also helps ensure patients receive consistent care. This is especially important for trauma patients who may receive initial care at a smaller hospital then transfer to Kootenai Health for a higher level of care. It is one of many ways Kootenai Health is improving health care across the region.

Innovative Cross-Training for Nurses

In 2024 Kootenai Health began an innovative program to cross-train nurses working in the emergency department and nurses working in the intensive care unit. Nurses volunteered for the training and were scheduled to



work in the other department one to two shifts per week to keep their skills sharp. The new program allows the cross-trained nurses to work between both departments, which helps with staffing and allows the nurses variety in their nursing practice. The program has been so popular, there is a waiting list for participants.

HEART SERVICES

In 2023, 20 years after the opening of Kootenai Health's heart center, it completed construction on a much-needed expansion that added an additional 37,000 square feet of space. The expansion added a second cardiac catheterization lab, a second electrophysiology lab, and nine new patient rooms.

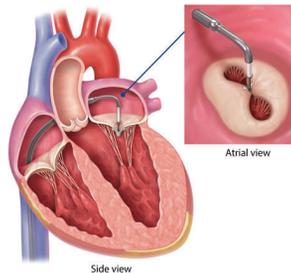


5000th Open Heart Surgery

The expansion allowed significantly more patients to receive needed care, and in 2024 the heart center was excited to celebrate the completion of its 5000th open heart surgery. Beyond open heart surgery, Kootenai Health began offering two new procedures that further help heart patients in our region.

Mitral Valve Repair Using MitraClip

In August 2024 the structural heart team completed its first transcatheter mitral valve repair using MitraClip technology. When a patient's heart has a mitral valve that doesn't close properly, it can allow blood to leak back into the heart. With the MitraClip procedure, a surgeon inserts a catheter into a blood vessel and carefully guides it to the heart. Once in place, the MitraClip is positioned to repair the leaky valve. This minimally invasive procedure offers an alternative to open-heart surgery. It does not require opening the patient's chest, which means reduced risk and faster recovery.



University of Washington Cardiothoracic Surgery Residents

Kootenai Health was proud to be selected by the University of Washington as a training site for surgeons completing their cardiothoracic surgery residencies. This highly-respected program is dedicated to producing balanced, well-qualified cardiothoracic surgeons who are prepared to serve their patients and communities. By helping to ensure these surgeons receive exceptional training, Kootenai Health is helping build a robust medical community for our region's future.



Leadless Pacemakers

The electrophysiology lab at Kootenai Health's heart center was the first in Idaho and the Inland Northwest to implant a dual chamber leadless pacemaker to help treat people with irregular heart rhythms. The new leadless pacemaker system is placed in the heart's right atrium and right ventricle and uses a newly developed communication technology to regulate the patient's irregular heartbeats.



Traditional pacemakers require thin wires, also known as leads, to conduct electrical signals inside the heart. The leads are attached to a battery-powered generator that is commonly implanted beneath the skin below the collarbone. The new leadless pacemaker is about the size of a AAA battery and does not require leads or a generator. It is small enough to be guided to the heart and put in place through a catheter inserted into a blood vessel. The pacemaker can be removed or replaced at any time if a person's treatment requirements change.

This new technology is keeping Kootenai Health's heart program at the forefront of cardiac care.

WOMEN AND CHILDREN'S SERVICES

Maternal and Fetal Medicine

Kootenai Clinic opened a Maternal and Fetal Medicine practice to better support high-risk pregnancies and ensure the health and well-being of mothers and children in northern Idaho. The clinic offers comprehensive prenatal care, advanced diagnostics, and personalized treatment plans tailored to meet the unique needs of mothers facing complex medical conditions.

Level III NICU Now Caring for babies as young as 26 weeks

Kootenai Health's neonatal intensive care unit advanced its ability to care for fragile newborns, including babies as young as 26 weeks gestation. This enhancement, along with the addition of Maternal and Fetal Medicine, means more families are able to receive the care they need close to home without leaving Idaho.

In 2024, Kootenai Health set a record with 2,289 babies born. This included the births of 27 sets of twins!

Hospitality Services started providing a celebration meal for moms who have just given birth. It is a delicious way to help celebrate these very special moments.



NICU team pictured (l-r) front row: Anna Tessororf-Vollink, Shallane Bailey

(l-r) back row: Lauren Petticolas, Ally Patterson, Jen Miller, Santa, Kelly Anthony, Jenn Justesen, Kim Jorgensen



Best-In-Class Employer

Gallagher, a national consulting firm, named Kootenai Health a Best-in-Class Employer. Kootenai was identified as an organization that excelled in implementing successful strategies for supporting team members and managing programs. It was also 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.



Cyndy Donato,
Chief People and
Culture Officer

"We're proud that Kootenai Health stands out as an organization committed to our people and strategic approach to benefits, people services, and

compensation," said Chief People and Culture Officer, Cyndy Donato. "Our Total Rewards supports our people to help build upon our overall organizational strength and resilience."

Kootenai Health and Idaho State University's Accelerated Bachelor of Science in Nursing

The first group of students joined the Kootenai Health, Idaho State University Accelerated Bachelor of Science in Nursing (AABSN) undergraduate program in May 2024 to address the growing demand for registered nurses. Through the program, students with a bachelor's degree in another discipline are eligible to receive an accelerated education and training to become a nurse and earn their Bachelor of Science in nursing.

The program addresses a growing demand across the state for nurses graduating with a baccalaureate degree. Offering this program at Kootenai Health allows students to remain in northern Idaho while they receive their training. Idaho State University's program prepares students to take the required National Council Licensure Exam for nursing and move directly into practice as a registered nurse.

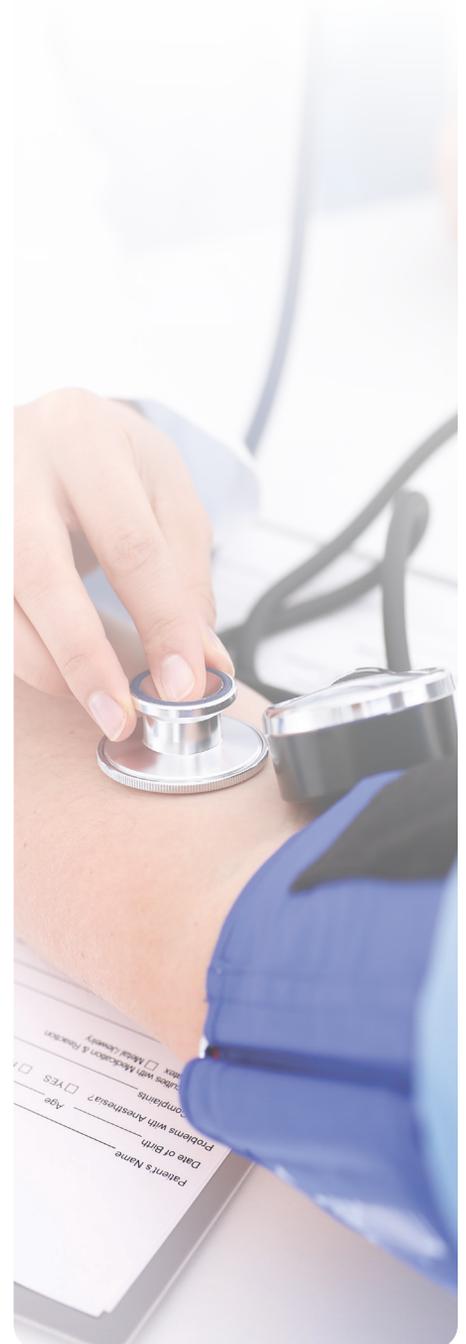


Idaho State University



The inaugural cohort consists of nine students who have gained practical experience through clinical rotations.

All nine students are on track to graduate with their BSN degrees in May 2025. Recognizing the program's success, ISU and Kootenai have committed to expanding the cohort size for the 2025-2026 academic year to accommodate up to 20 students. Additionally, six students from the current cohort have already applied to the 2025 Kootenai Health Nurse Residency Program.



FINANCIAL STEWARDSHIP

2024 and 2023 Statement of Operations (in \$millions)

	2024	2023
Total Revenues Earned	\$1,067	\$944
Operating Expenses		
Employee Wages & Benefits	\$565	\$490
Supplies & Other Expenses	\$419	\$363
Capital Costs	\$ 41	\$ 51
Subtotal Operating Expenses	\$1,025	\$904
Total Operating Income	\$ 42	\$ 40

Key Indicators	2024	2023
Inpatient Discharges	19,157	17,909
Inpatient Days	80,509	81,284
Physician Visits	427,595	385,958
Emergency Department Visits	64,391	62,037
Babies Born	2,359	2,226

2024 and 2023 Balance Sheet (in \$millions)*

	2024	2023
Cash and Marketable Securities	\$364	\$291
Property and Equipment	\$293	\$315
Other Assets	\$279	\$301
Total Assets	\$936	\$907
Long Term Obligations	\$191	\$226
Other Liabilities	\$132	\$114
Net Assets	\$613	\$567
Total Liabilities and Net Assets	\$936	\$907

Financial information 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 - \$324.6 MILLION

Community benefit activities are programs and services hospitals provide to help improve health and increase access to health care in their communities. During 2024, Kootenai Health provided approximately \$324.6 million in qualified community benefits to people in our region.*

This amount includes the following:

\$16.9 MILLION

Free and Discounted Care

Kootenai Health wrote off **\$3.2 million** worth of charges for patients who could not pay for their care. Another **\$13.7 million** was written off as part of a discount program that reduces charges for uninsured patients by 25%.

\$33.5 MILLION

Uncompensated Care (Bad Debt)

\$33.5 million worth of charges to patients who were unwilling to pay the "patient responsibility" of their health care bills were also written off.

\$251 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 2024, Kootenai Health absorbed **\$251 million in costs that were not reimbursed by these payors**. That included **\$187.9 million for Medicare** patients, **\$38 million for Medicaid** patients, and **\$25 million for other state and county subsidies**.

\$23 MILLION

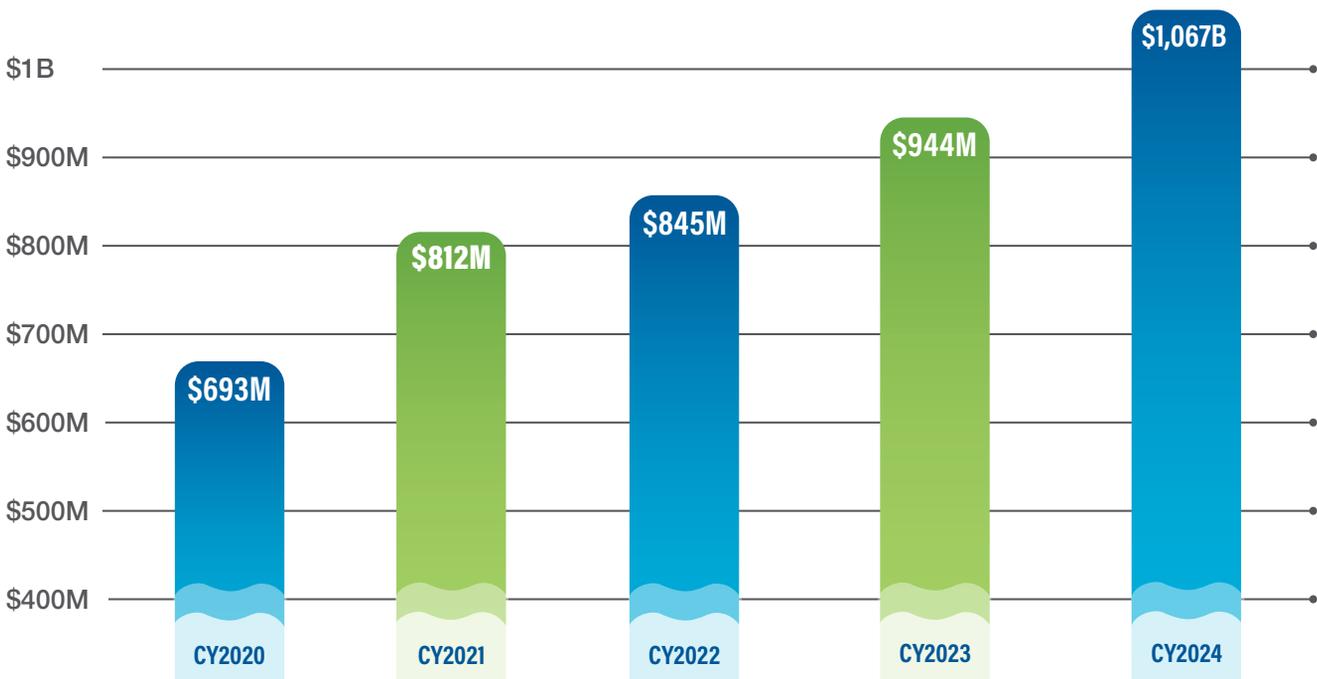
Donations, Free Services, & Programs

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 2024 community benefit report.

CONTINUED GROWTH IN SERVICES

With Kootenai Health's growth in services, total revenue has been steadily increasing over the past five years from \$693M in 2020 to \$1,067B in 2024.

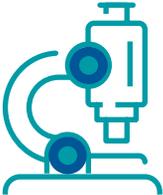


FOUNDATION IMPACT



For the past 40 plus 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 2024 donors made a significant impact to health care in our local community by giving more than \$1.78 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 2024:

<p>Women's Imaging</p>  <p>\$838,130</p>	<p>Maternal Fetal Medicine</p>  <p>\$200,000</p>	<p>Cancer Patient Support Program</p>  <p>\$107,000</p>	<p>Emergency Department Lobby</p>  <p>\$103,940</p>
<p>Forensic Nursing (sexual assault)</p>  <p>\$102,961</p>	<p>Telehealth</p>  <p>\$90,000</p>	<p>Employee Scholarships & Trainings</p>  <p>\$70,000</p>	<p>NICU AngelEye Cameras & Ventilators</p>  <p>\$65,884</p>
<p>Nursing Education (BSN Accelerated Faculty)</p>  <p>Kootenai Health</p>  <p>Idaho State University</p> <p>\$50,000</p>	<p>Family Fund (employee assistance)</p>  <p>\$28,608</p>	<p>Together we heal</p> <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 in our community. The results have been inspiring.



\$2,480,344	2024
\$2,756,475	2023
\$3,485,997	2022

Grants to hospital.

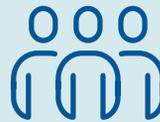
Transfers made by the Kootenai Health Foundation to Kootenai Health show collaboration as monies are transferred after the obligations of donor intent have been met.



\$1,789,305*	2024
\$4,385,881	2023
\$3,410,882	2022

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.

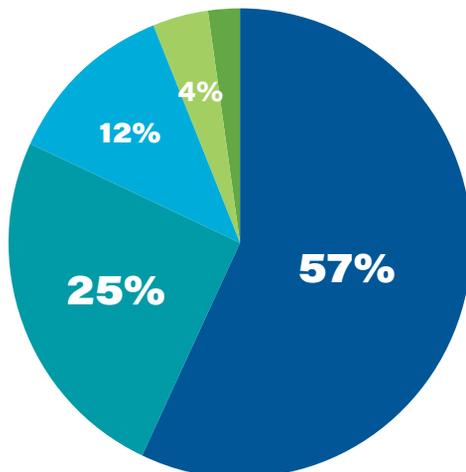


\$51,834 (1,630 hrs)	2024
\$47,255 (1,486 hrs)	2023
\$53,010 (1,667 hrs)	2022

*Remainder of campaign funds raised will be distributed in 2025.

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+) 57%

Events 25%

Annual Support 12%

Grants 4%

Bequests 2%

KOOTENAI HEALTH BOARD OF TRUSTEES

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Dave Bobbitt, Vice Chair
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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

2003 Kootenai Health Way, Coeur d'Alene, ID 83814

