



2023 Economic Outlook and Revenue Assessment Committee

Brian Whitlock, President

January 5, 2023



IHA Community Hospitals

- 27 Rural Critical Access Hospitals
- 13 Full-Service PPS Hospitals
- 3 Rehabilitation Hospitals
- 5 Behavioral Health Hospitals
- 2 Long-Term Acute Care Hospitals
- 1 Veterans Hospital

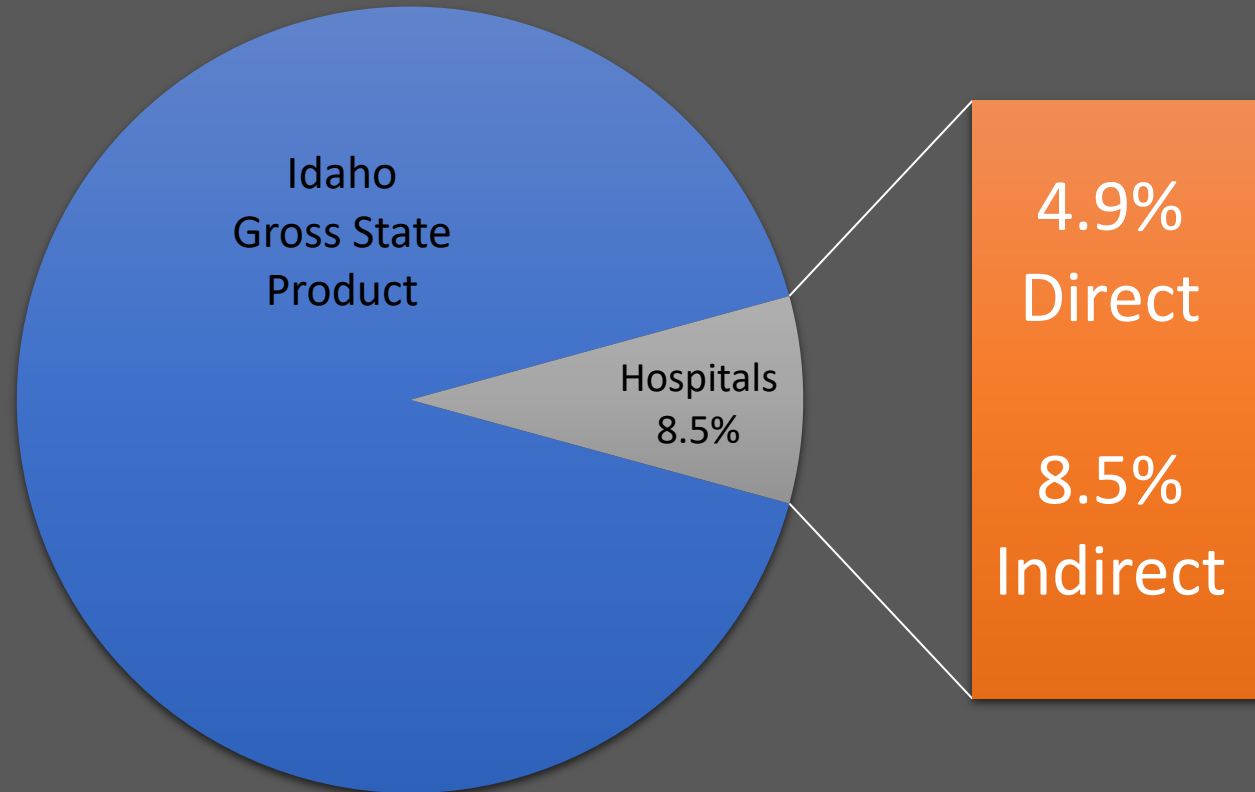
HOSPITAL EMPLOYMENT (2021)

31,823 Employees

\$78,560 Average Annual Salary

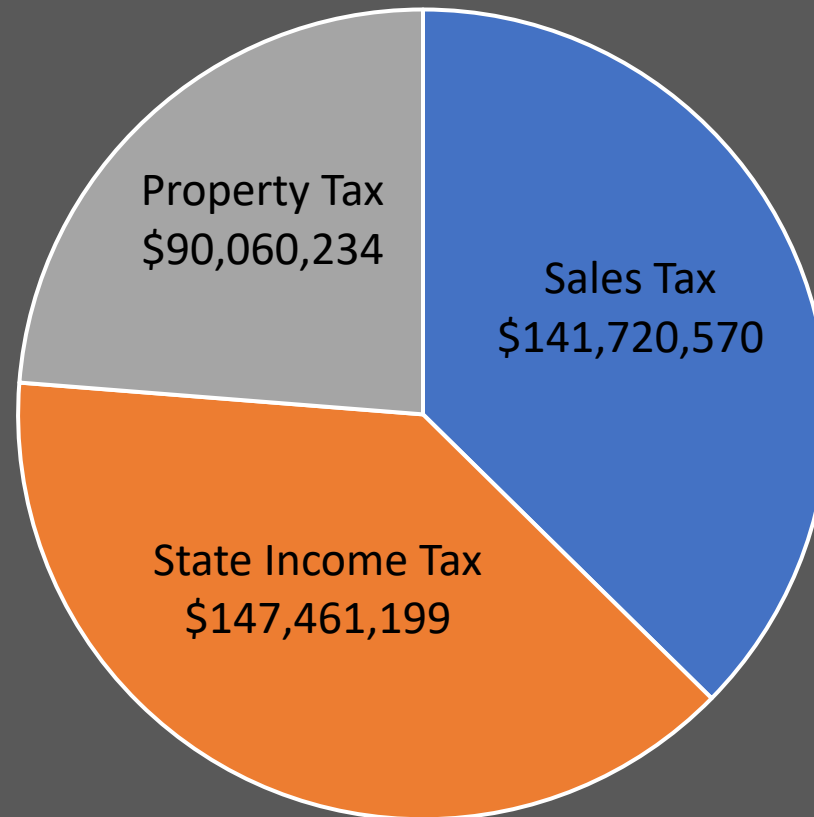


GROSS STATE PRODUCT Idaho's Hospitals

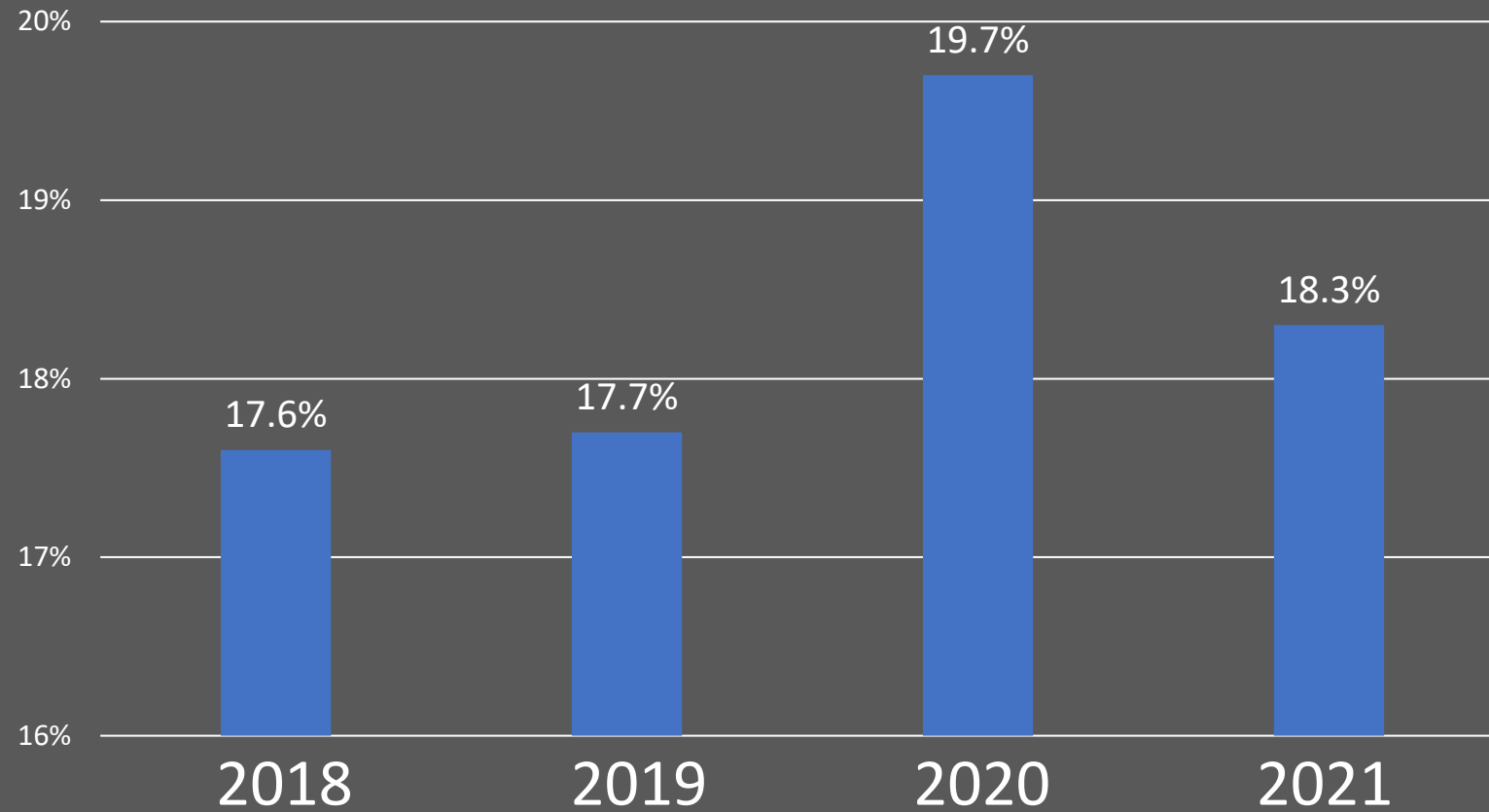


IDAHO HOSPITALS' 2021 Tax Contributions

TOTAL: \$379,242,003



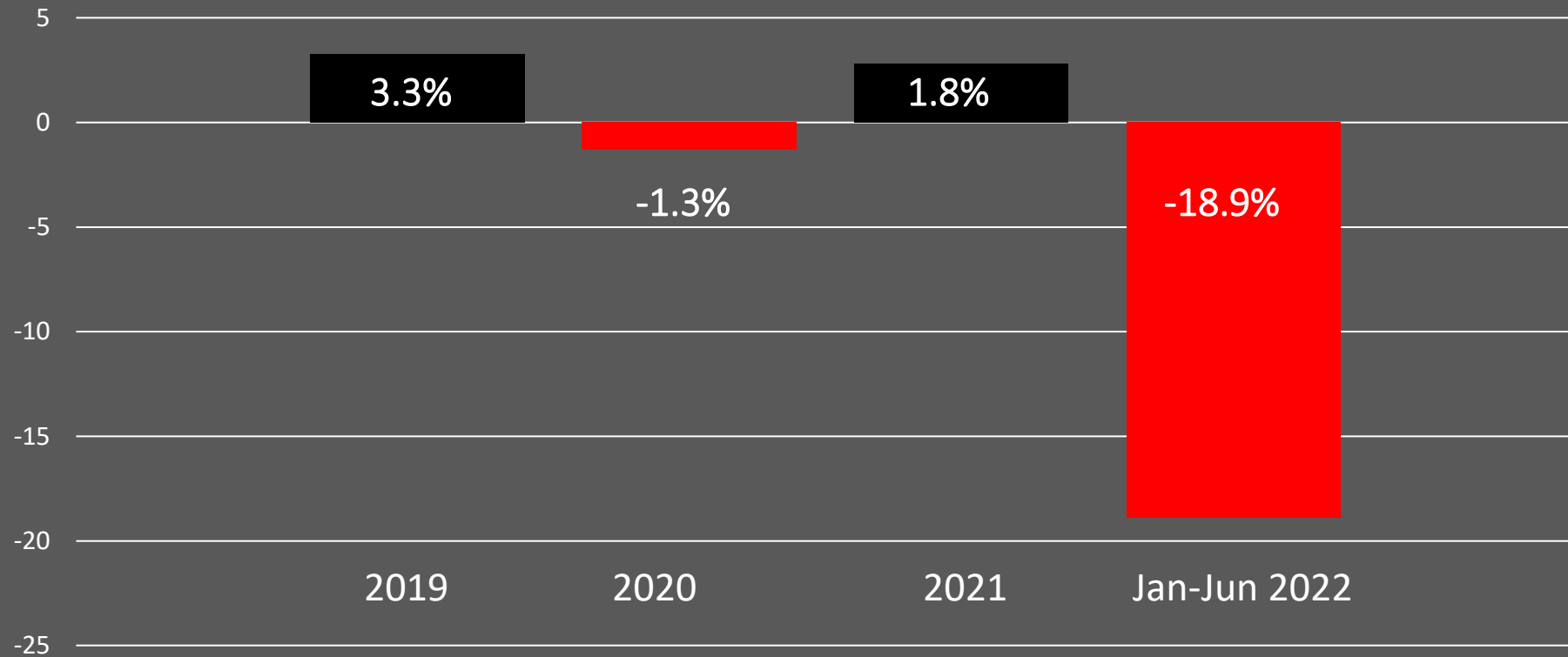
US HEALTHCARE SPENDING



Share of US GDP devoted to healthcare

HOSPITAL OPERATING MARGINS

(2019 to June 2022)



NEGATIVE HOSPITAL MARGINS ARE DRIVEN BY COST INCREASES

+22%

Increase in **labor expense** per patient from 2019 to 2022²

+500%

Increase in **contract labor expenses** compared to pre-pandemic¹

+16%

Increase in **supply expense** per patient from 2019 to 2022²

+16%

Increase in **drug expense** per patient from 2019 to 2022²

CRITICAL CONDITION



THE SPOKESMAN-REVIEW

'Crisis mode': Washington health leaders warn that hospitals are overcapacity as RSV cases rise in children – November 14, 2022

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Oregon **Capital Chronicle**

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Hospital finances play a major role in the critical shortage of pediatric beds for RSV patients – December 11, 2012

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WA hospitals start cutting services as huge financial losses continue – December 13, 2022

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PBSO
NEWS
HOUR

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Idaho
Statesman

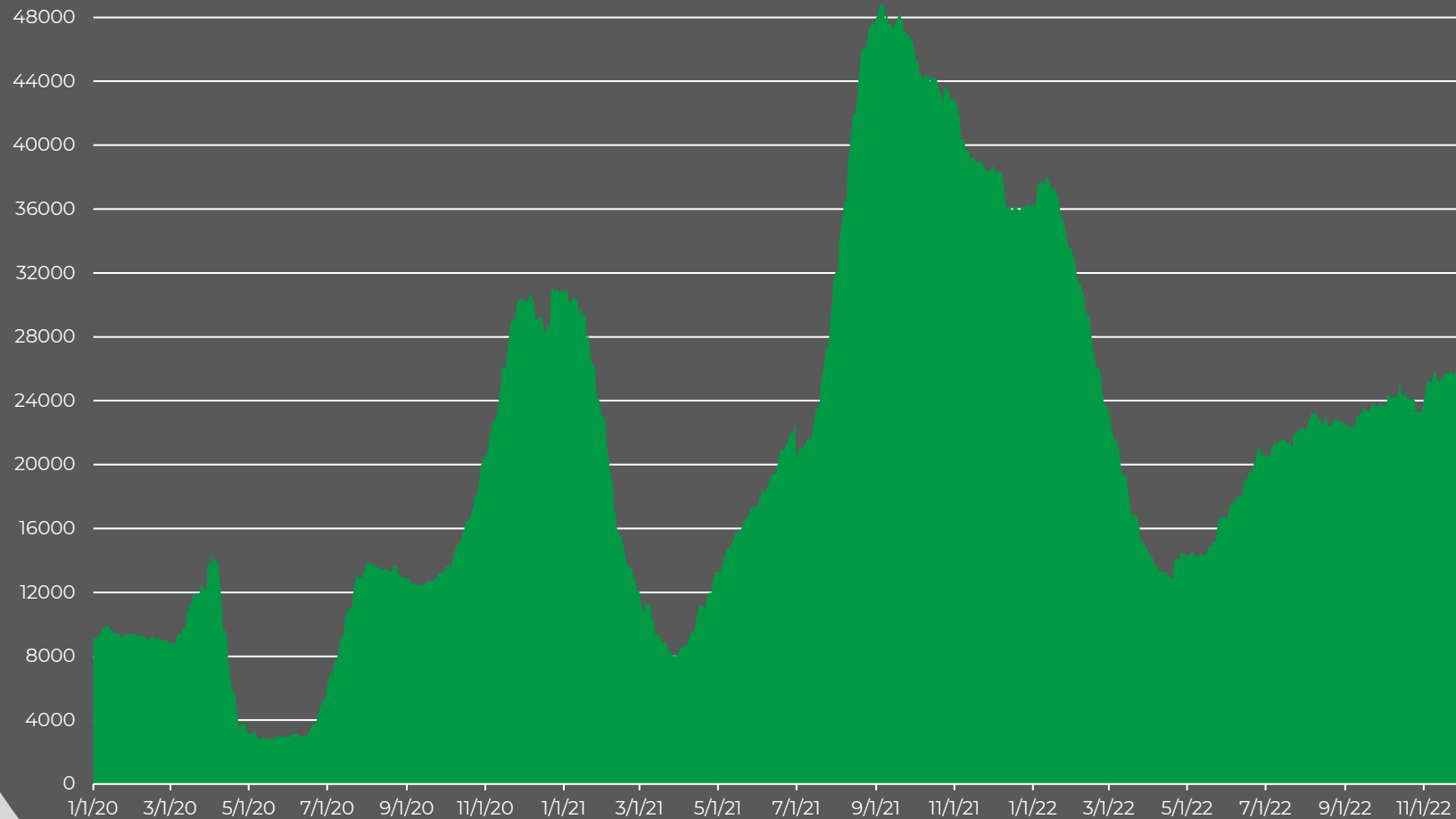
'We're in a tough spot:' Idaho discusses crisis standards as children's hospital fills – Dec. 16, 2022

CRITICAL CONDITION



Idahoans are losing access to care as a financial crisis hammers the entire healthcare system.

National Travel Nursing Demand 2020 – 2022





Is for “Hiring”

The Post-Covid Outlook for Idaho Health Care Workers



Matthew Paskash, Regional Labor Economist
December 1, 2022

IDAHO
DEPT. OF LABOR

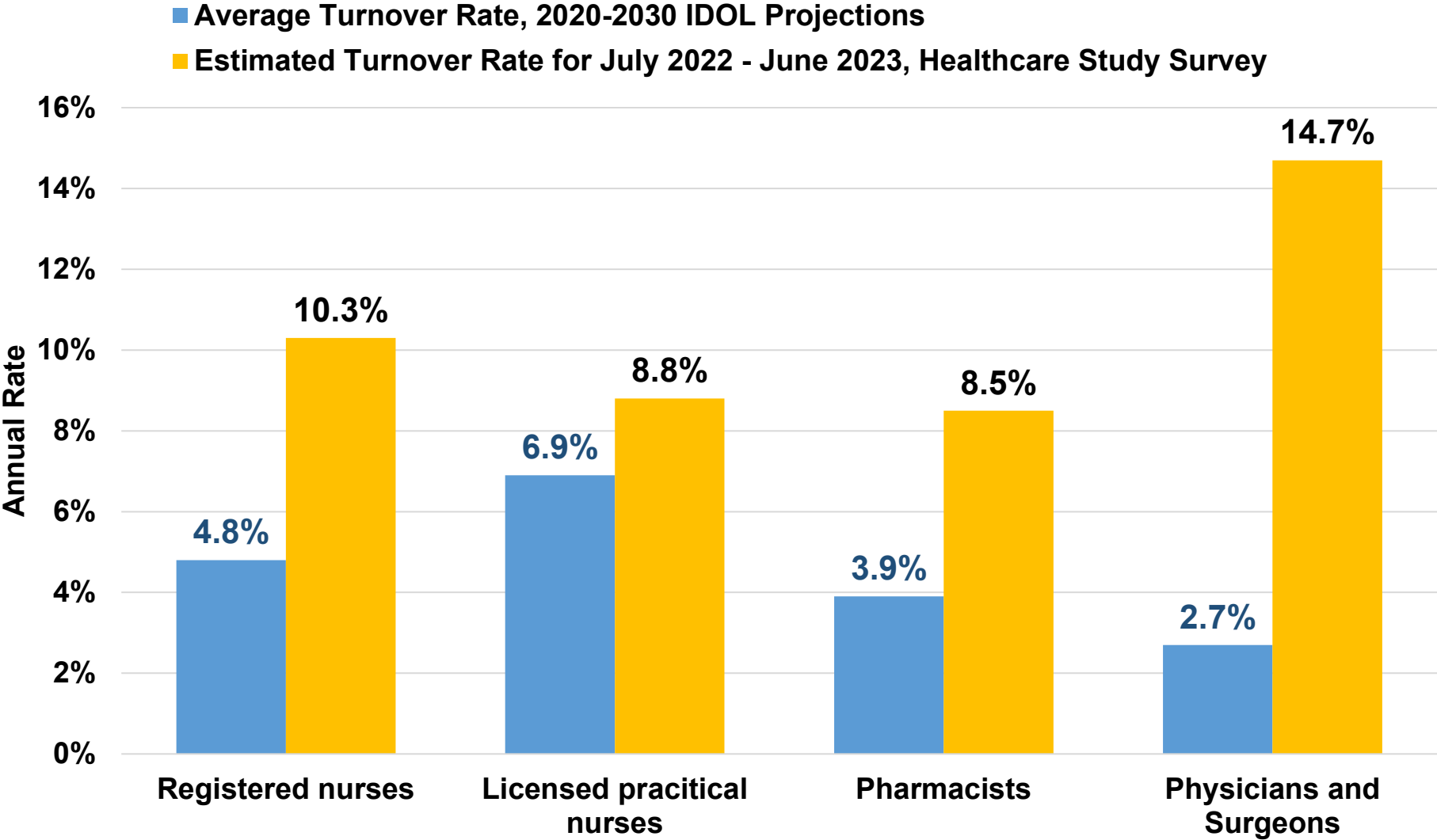
Objectives of the Study

- Compare pre-pandemic labor market trends for Idaho health care workers to what has been observed so far throughout pandemic
- Given lag in published labor market statistics and projections, surveys and stakeholder interviews gather available data to assess current and future expected trends
- Provide a near- and long-term outlook for health care professionals in Idaho

Key Takeaways of the Study

- Pre-pandemic “manageable shortages” became unmanageable
 - Accelerated occupational transfers, labor market exits throughout pandemic
 - Growing demand for specialized and personal care
 - Supply pipelines unable to keep up with turnover and demand growth
- Elevated occupational transfers and labor market exits to continue
- Human capital flight of health care workers
- Short-term outlook:
 - Continued shortages
 - Workforce pipeline constraints

Occupational Turnover Rates and Near-Team Outlook

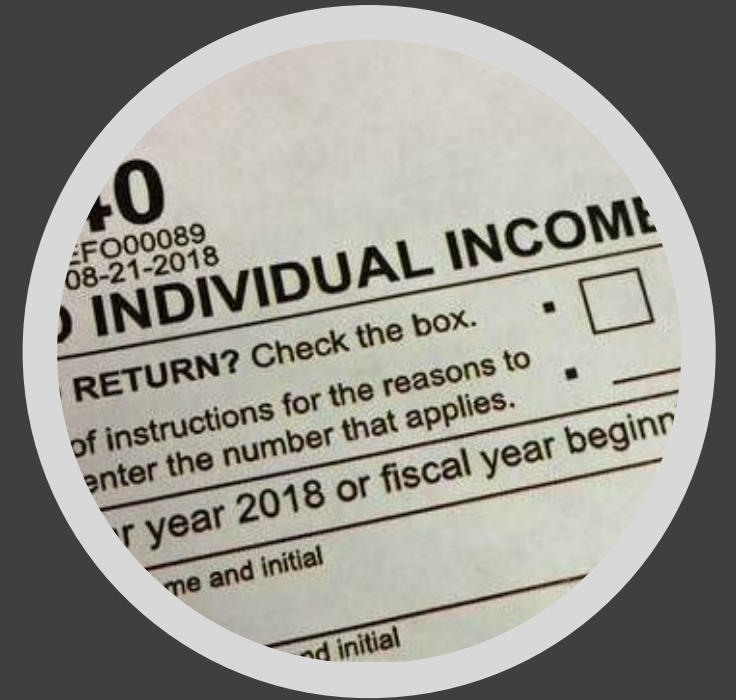


Idaho RNs Looking to Relocate

- 25.4% of practicing Idaho RNs reported they expect to relocate within next 10 years
- Of those expecting to relocate:
 - 86.7% within next five years
 - 48.4% within the next two years
- Stated reasons to relocate:
 - Advancing their own career (35.2%)
 - Advancing their spouse's career (8.6%)
 - Caring for a child or family member (3.9%)
 - "Other" (50.8%)
- Among their open-ended responses, "Other" reasons included:
 - Inadequate compensation and/or rising cost of living (50.8%)
 - Current cultural and political climate of Idaho (23.1%)

Idaho Physicians and Surgeons Looking to Relocate

- Large number of expected occupational exits over next 10 years
 - % expecting to Retire: 36.8%
 - % expecting to Relocate: 27.9%
- Of those looking to relocate:
 - 81.1% within next five years
 - 35.8% within next year
- Most survey respondents who anticipated a relocation stated it was “Other” (77.4%) with advancing one’s own career as a distant second (13.2%)
- Among their open-ended responses, majority of relocations cite the current cultural and political climate of Idaho (54.7%)
 - Growing risk of brain drain of practitioners in the coming years



IDAHO HAS MADE HISTORIC
INVESTMENTS TO BENEFIT FUTURE
GENERATIONS



THE FUTURE OF
HEALTHCARE IN
IDAHO WILL BE
DETERMINED BY
INVESTMENTS IN
OUR HEALTHCARE
INFRASTRUCTURE

A Healthy Economy Relies On A Healthy Workforce



Questions

