



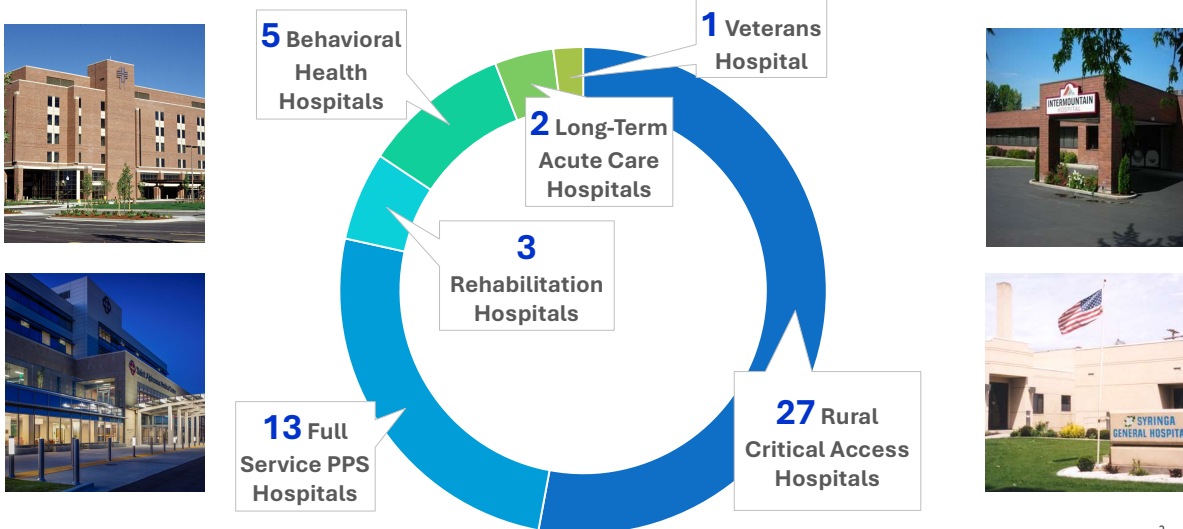
2025 ECONOMIC OUTLOOK AND REVENUE ASSESSMENT COMMITTEE

TONI LAWSON, VICE PRESIDENT
JANUARY 2, 2025



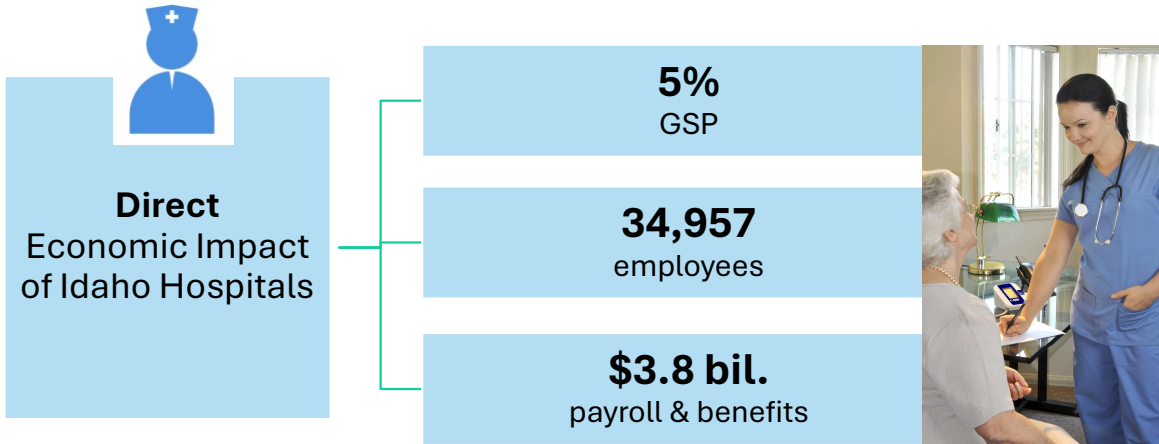
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IDAHO HOSPITAL ASSOCIATION'S COMMUNITY HOSPITALS



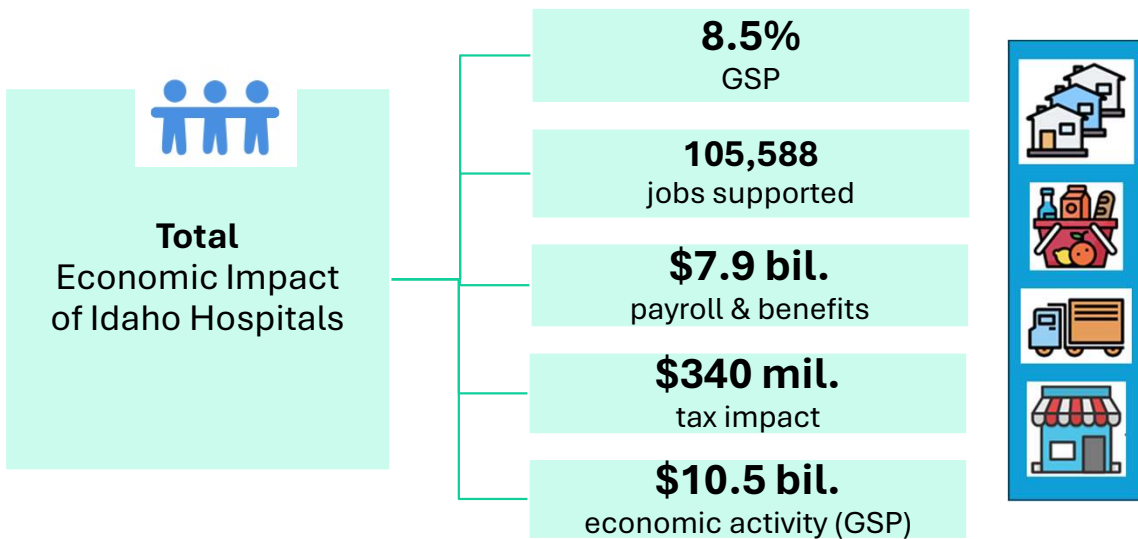
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HOSPITALS: A VITAL ECONOMIC ENGINE FOR IDAHO



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HOSPITALS: A VITAL ECONOMIC ENGINE FOR IDAHO



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HOSPITALS
A VITAL ECONOMIC
ENGINE FOR IDAHO

105,588

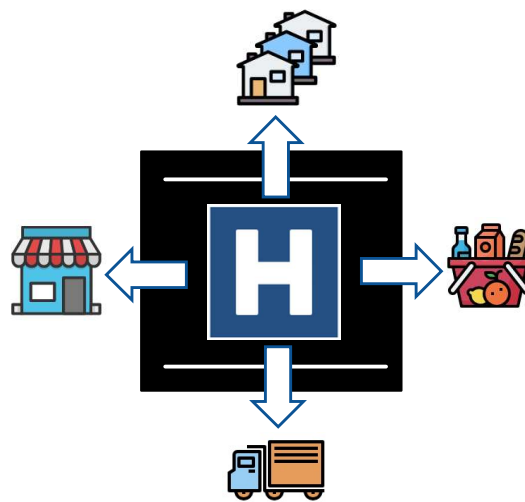
Total Jobs Supported



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HOSPITALS
A VITAL ECONOMIC
ENGINE FOR IDAHO

\$17.9 billion
Total Sales
Contributions
Derived from
Hospitals



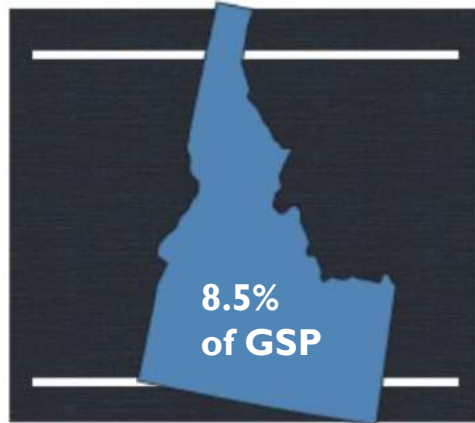
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HOSPITALS

A VITAL ECONOMIC ENGINE FOR IDAHO

\$10.5 billion
Contributed
by Hospitals
to the Gross
State Product

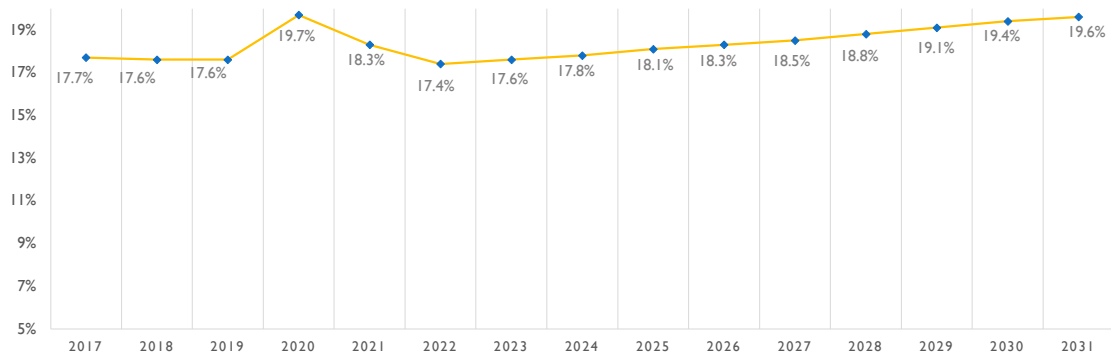


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HEALTHCARE SPENDING

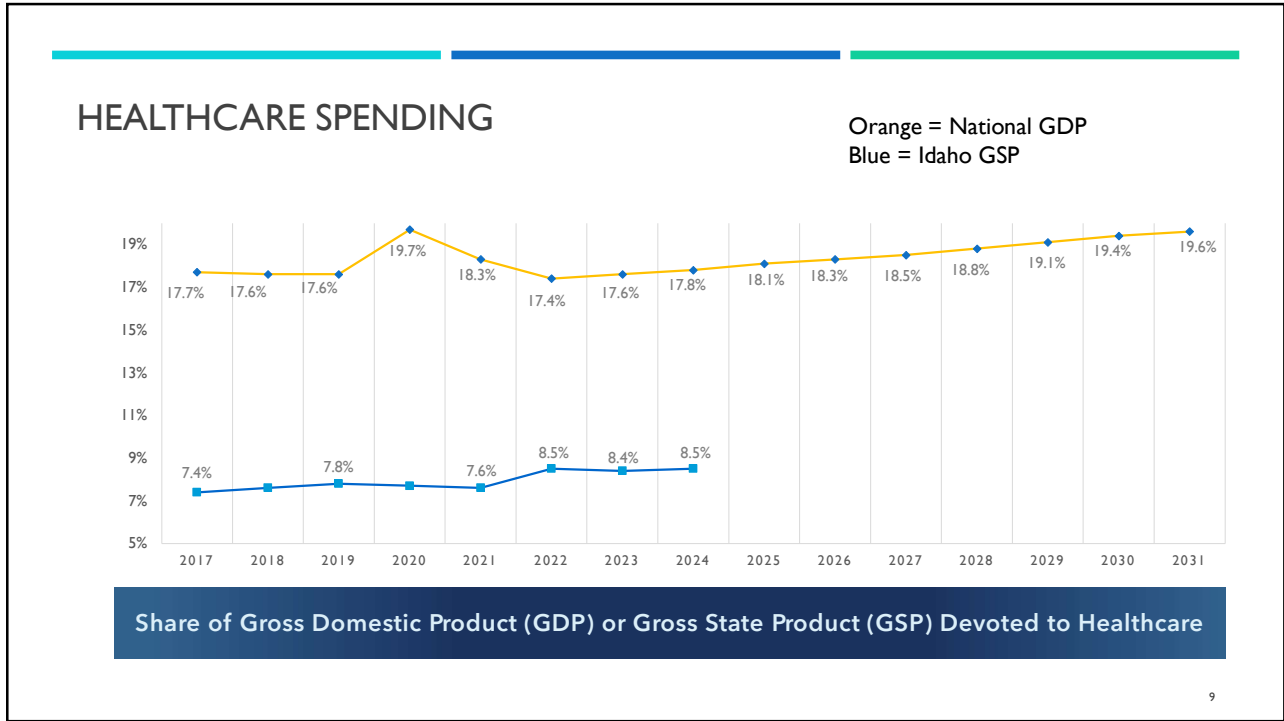
Orange = National GDP



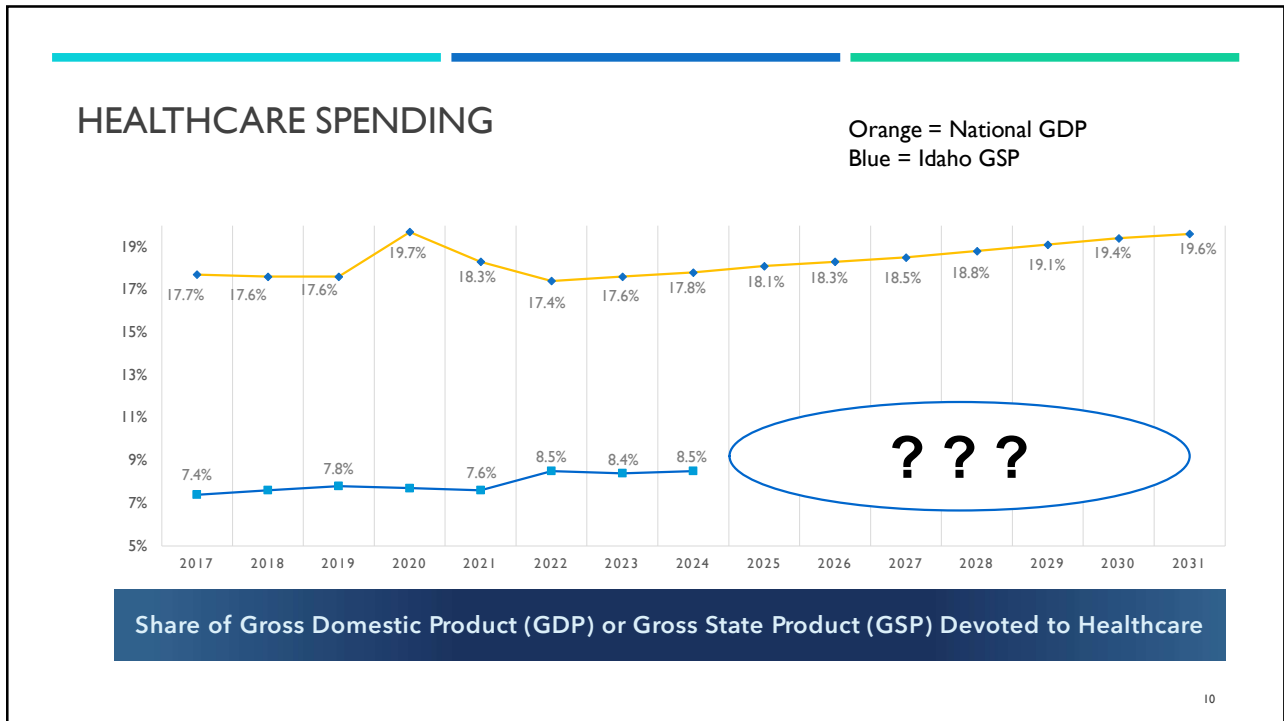
Share of Gross Domestic Product (GDP) or Gross State Product (GSP) Devoted to Healthcare

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8



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During 2024
There Were 23 Hospital Closures
Nationwide

No Hospital Closures in Idaho
But....
Some Service-Lines Were Discontinued

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Hospital Expenses

Increasing Costs

- Implementing, maintaining, and upgrading information management systems.
- Cybersecurity
- Administrative expenses associated with labor-intensive practices like working through claims denials and onerous prior authorization requirements


Labor is the largest hospital expense


Category	Percentage
Labor	60%
Other	19%
Supplies	13%
Drugs	8%

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Hospital Fragility Threatens Access to Care

Decreasing Revenues

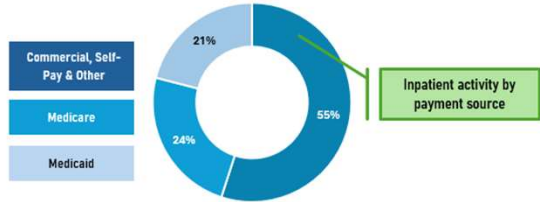
 **Insurance Carriers:** Claims Denials, Payment Delays, and Delayed Provider Credentialing.

 **7,070** Number of extra days patients stayed in Idaho hospitals waiting for nursing home or behavioral health beds (usually not billable).
12-mo: JULY2023-JUNE2024

Consistent Underpayment

Hospitals received payment of only **82 cents for every dollar spent** by hospitals caring for Medicare patients. Medicaid reimbursement is even less.

Idaho Hospital Reimbursement - 2022

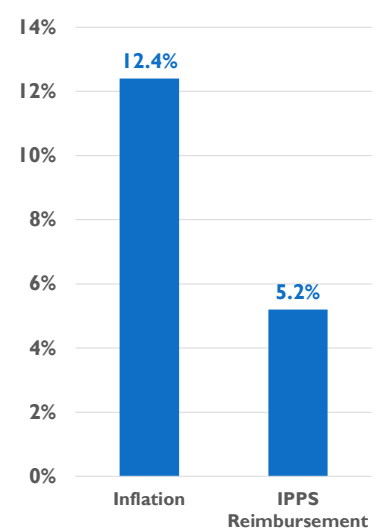


Payment Source	Percentage
Commercial, Self-Pay & Other	21%
Medicare	24%
Medicaid	55%

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Hospital Expenses

Inflation Growth vs Reimbursement Increases (IPPS) 2021- 2023



Category	Percentage
Inflation	12.4%
IPPS Reimbursement	5.2%

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Under federal law all patients presenting in the emergency room must be given care regardless of their ability to pay

In 2022, Idaho hospitals cumulatively provided over **\$78 million in charity care** (over 18% increase over 2021).

In 2022, hospitals wrote off over **\$203 million in bad debt** (6% increase over 2021). As with charity care, this is based on the actual cost to provide care.



SAMPLE FOOTER TEXT
15

15

IDAHO HOSPITAL SNAPSHOT

July 2023 – June 2024

H

44%

of county, district, or not-for-profit hospitals have operating margins of less than 1%

7,070

Number of extra days patients stayed in hospitals waiting for nursing home or behavioral health beds

16

16



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Coalition report finds integration can benefit rural hospitals, access to care

© Nov 21, 2024 - 04:01 PM

New [analysis](#) conducted by Dobson | DaVanzo released Nov. 21 by the Coalition to Strengthen America's Healthcare found that integration can provide more financial security and resources to rural hospitals, preserving patients' access to care.

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Contributors to Hospital Fragility

- **Change Healthcare Cyber Attack**
- Baxter Manufacturing Site Hit by Hurricane Helene



USNews
 PATRICK SISON | AP
 Pages from the United Healthcare website are displayed on a computer screen in New York on Feb. 29, 2024.
 The ramifications of a cyberattack on a critical health care technology company are still being felt in the U.S.
 The hack of Change Healthcare reportedly affected billing and care authorization portals. It's led to prescription backlogs and missed revenue for providers, posing potential threats to worker paychecks and even patient care.

Contributors to Hospital Fragility

- Change Healthcare Cyber Attack
- **Baxter Manufacturing Site Hit by Hurricane Helene**

FORBES > INNOVATION > HEALTHCARE
EDITORS' PICK
Hurricane Helene Damages Could Result In IV Bag Shortage
 Robert Glatter, MD Contributor
 Robert Glatter is a New York-based physician covering public health. [Follow](#)
 Oct 6, 2024, 01:20pm EDT
 Updated Oct 10, 2024, 02:24pm EDT




Close-up of various intravenous solutions used during operations (Photo by Universal Images Group ...
 [*] UNIVERSAL IMAGES GROUP VIA GETTY IMAGES

Hurricane Helene's flood-related damage to a key medical supply

Contributors to Hospital Fragility

- Change Healthcare Cyber Attack
- Baxter Manufacturing Site Hit by Hurricane Helene
- **Hospital Violence**
- Workforce Shortages




The screenshot shows the top of a webpage from the American Hospital Association (AHA). The header includes the AHA logo and navigation links: AHA Member Center, About, Press Center, AHA Help Center, and My. Below the header is a blue banner with the title "AHA Partners with the FBI on Mitigating Targeted Violence in Health Care Settings". Underneath the banner, it says "AHA Special Bulletin" and "October 22, 2024". The main text begins with "The AHA in partnership with the FBI today released a new resource and webpage on mitigating targeted violence in health care settings." and continues with a definition of targeted violence in health care.

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- Change Healthcare Cyber Attack
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- Hospital Violence
- **Workforce Shortages**



The image shows a healthcare worker, likely a nurse, sitting on a grey couch. She is wearing light blue scrubs and white shoes. She has her hair in a bun and is looking down with her right hand pressed against her forehead, appearing to be in distress or exhaustion.

22

22

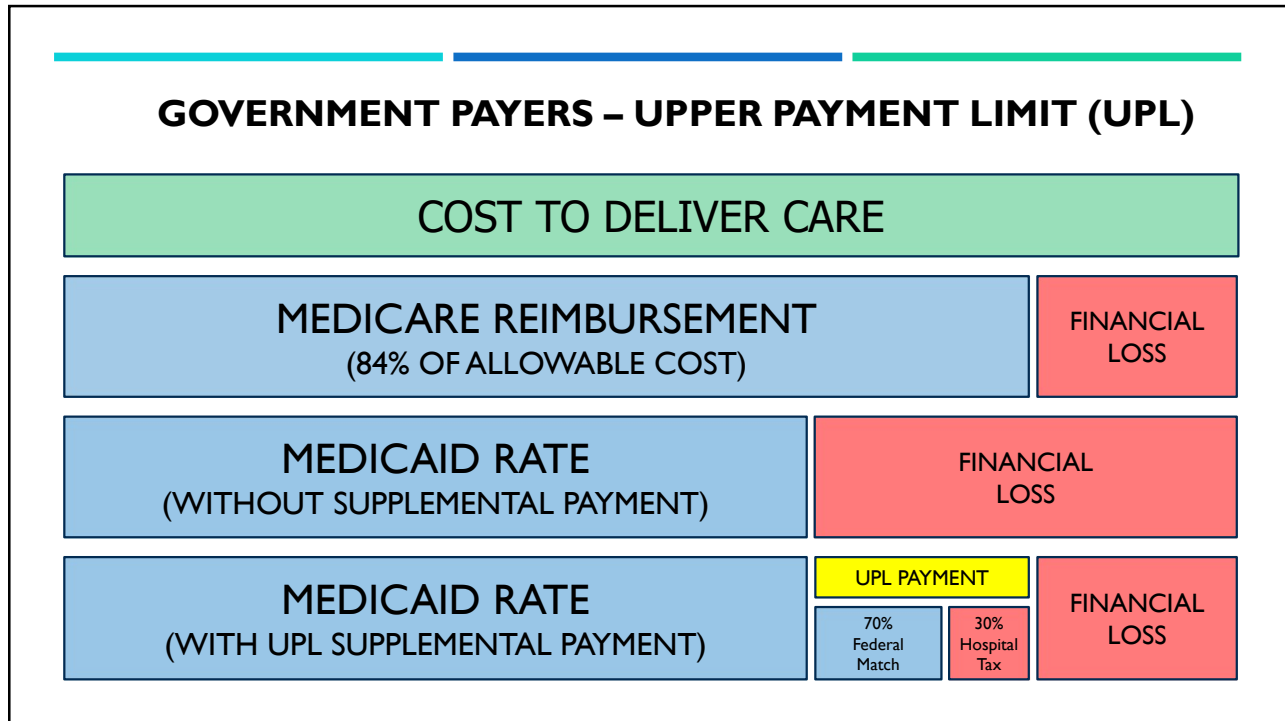
THE FORECAST
CALLS FOR...



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QUESTIONS

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