2026

Idaho Healthcare Provider Legislative Briefing

Claims Experience and Financial Trends Reported for 2021-2025

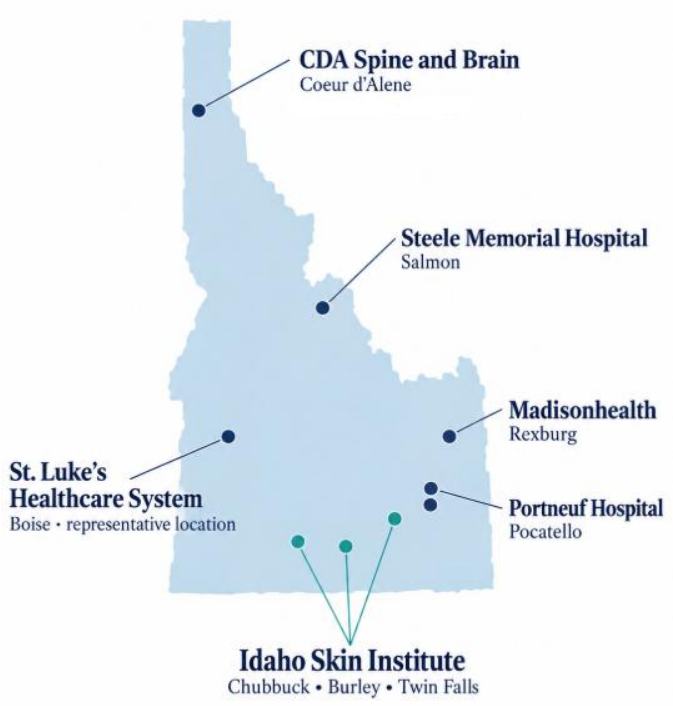
Idaho Health Insurers Working Group

October 21, 2026



EXECUTIVE SUMMARY

The Idaho Health Insurers Working Group (IHIWG) requested input from healthcare providers and associations through an online questionnaire and data worksheet. Eight respondents included St Luke's, Portneuf, Madisonhealth, the Skin Institute, Steele Memorial Hospital, CDA Spine and Brain, the Idaho Medical Association, and the Idaho Hospital Association.



The submissions support targeted action on administrative friction and rural access, alongside stronger provider cost and quality accountability. They do not establish how much of Idaho premium growth is caused by insurer practices, provider prices, utilization, or other factors.

KEY POINTS FOR LEGISLATORS

Prior authorization workload increased across all three providers with complete data. From 2021 to 2025, reported requests rose 115.1% at Portneuf, 63.9% at Madisonhealth, and 41.2% at St. Luke's. These are volumes, not rates per patient or proof that requirements became more restrictive. [S2, S4, S5; Provider Data, row 13]

Denial trends are mixed. From 2024 to 2025, initial denials fell at Portneuf and Madisonhealth but rose at St. Luke's. Different denominators prevent an overall hospital ranking. [S2, S4, S5; Provider Data, row 6]

Rural hospitals face greater payment friction. Initially denied billed dollars were 29.0% rural versus 20.9% urban. Of initially fully denied dollars, 47.6% remained fully denied in rural hospitals versus 38.6% urban. The sample covers approximately half of Idaho hospital claims, according to IHA; it is not statewide. [S3; S11, pp. 1-2]

Financial pressure differs across providers. In 2025, reported operating margins were -4.37% at Steele Memorial, -2.19% at Madisonhealth, and +1.47% at St. Luke's. Portneuf did not supply a margin series. These results do not isolate the cause of financial stress. [S1, S2, S5]

PRIOR AUTHORIZATION WORKLOAD ROSE

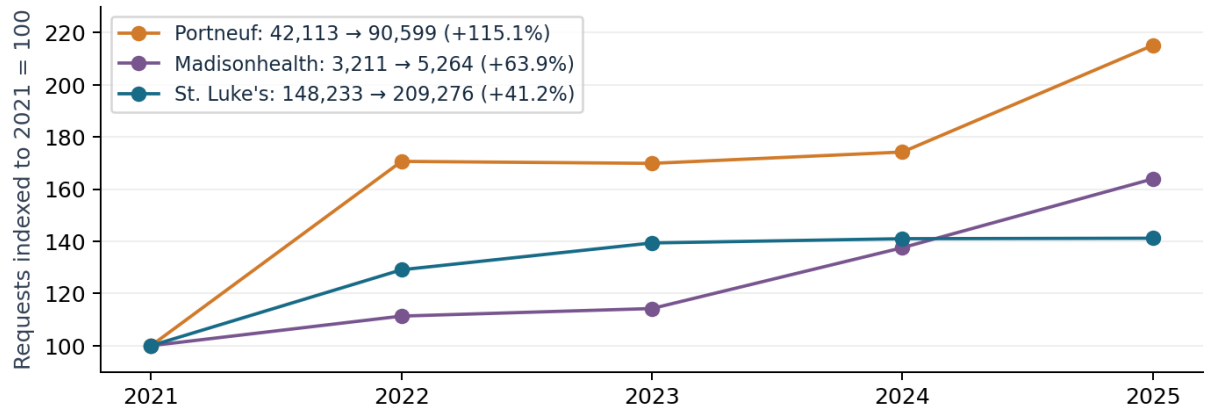


Figure 1. Reported annual prior-authorization requests, indexed within each hospital. Source: S2, S4, S5, Provider Data F13:J13. Underlying counts appear in the legend. Different service scopes and patient volumes are not adjusted.

Initial denial measure	2021	2022	2023	2024	2025
St. Luke's: primary remits	7.41%	6.99%	6.58%	5.90%	6.82%
Portneuf: distinct accounts	9.41%	10.71%	12.18%	12.92%	9.78%
Madisonhealth: reported rate	—	—	13.7%*	16.1%	15.7%
Steele Memorial: reported rate	—	—	—	—	10.0%

Source: S1, S2, S4, S5, Provider Data F6:J6 and L6. *Madisonhealth 2023 covers August-December only; do not compare it as a full year. Dashes indicate unavailable data. Rates reflect each respondent's definition.

There is no consistent trend in rework across providers. Portneuf reported 2,977 accounts needing correction/resubmission/appeal in 2021 and 15,210 in 2025 (+410.9%). St. Luke's reported 99,714 and 88,407 (-11.3%); its appeal-level tracking began October 2021. Madisonhealth fell from 17,079 in 2024 to 9,879 in 2025 (-42.2%). Scope and tracking differences limit interpretation. [S2, S4, S5; row 8]

THE IHA SAMPLE IDENTIFIES RURAL PAYMENT FRICTION

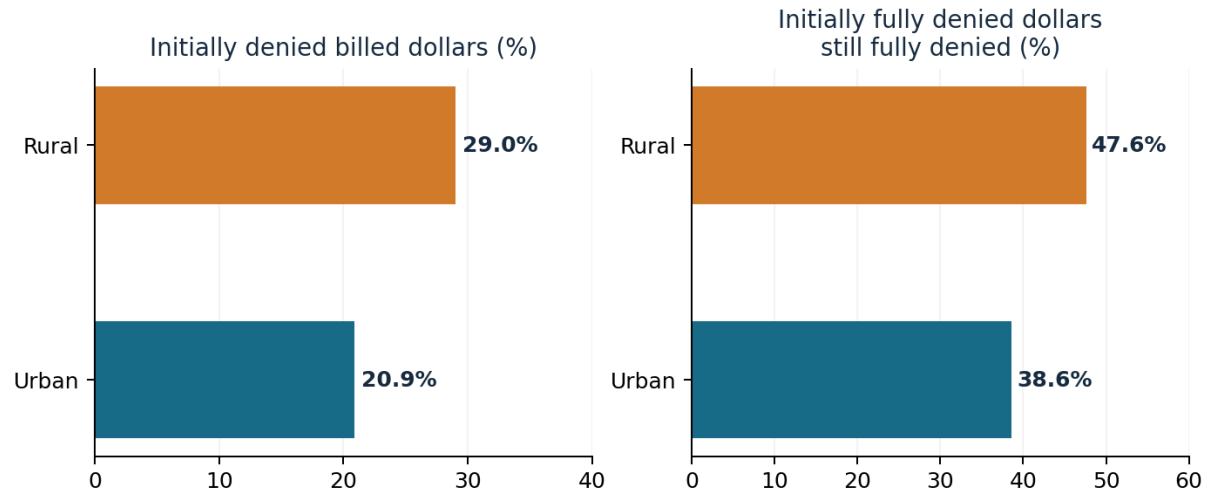


Figure 2. May 2025-June 2026 discharge sample. The left panel uses total remittance charges; the right panel uses only charges fully denied initially. Source: S3, Denials 117 134 114, G5/G88 and K5/K88. These are dollar-based measures, not percentages of patients or claim counts.

Payment measure	Rural	Urban	Interpretation
Initial full-denial notification lag	20.5 days	17.1 days	Rural average is 3.4 days longer.
Clean claims paid after 30 days	4.99%	3.19%	A 1.80 percentage-point gap.
Payment time among clean claims paid after 30 days	59.8 days	54.2 days	Conditional average; excludes faster payments.

Source: S3, Denials F5/F88; Prompt Pay E4:F4 and E11:F11, definitions in rows 33-35. A statistical delay measure is not a finding of a statutory violation.

The Idaho Hospital Association (IHA) provided aggregate denial and prompt payment data from urban and rural hospitals representing approximately 50% of state hospital claims for the period May 2025 through June 2026.

Initial and fully denied claims account for a larger share of care at rural hospitals. Rural hospitals had 8.1% more in claims dollars initially denied and 9.0% more fully denied than urban hospitals. Differences could reflect service mix, patient mix, billing practices, and payer rules. Across the combined sample, 40.3% of initially fully denied dollars were later paid in full, 19.6% partially paid, and 40.0% remained fully denied. Later payment does not establish that the initial denial was improper; unresolved claims may still be appealed or settled. [S3; Denials I3:K3]

Denial rates vary by payer type. The IHA full-denial value measure is highest for managed Medicaid among the named major payer categories: 18.4% rural and 16.0% urban, versus 5.8%/3.1% for Medicaid fee-for-service and 1.3%/1.6% for Medicare fee-for-service. Commercial results are 5.8% rural and 6.5% urban. This is a separate metric from initial denial value in Figure 2. [S3; Denials column E, payer-total rows]

MARGINS SHOW DIFFERENT DEGREES OF FINANCIAL STRAIN

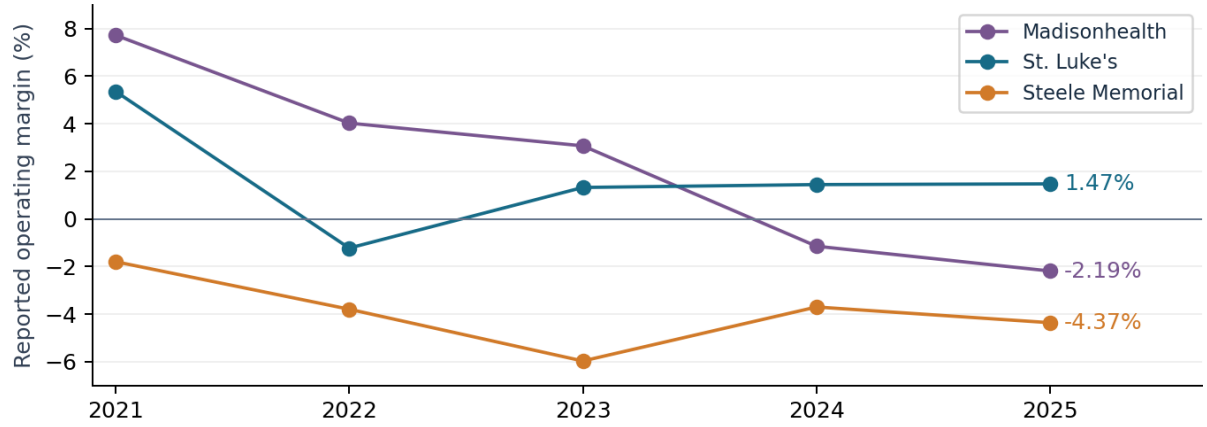


Figure 3. Reported operating margins. Sources: S1 and S2, Provider Data F27:J27; S5, Provider REF125 F7:J7. St. Luke's excludes COVID-related FEMA and Provider Relief Fund assistance. Other accounting scopes are not standardized; no pooled margin is calculated.

Madisonhealth: expense growth outpaced revenue. Operating revenue increased from $100.0 million to $116.7 million (+16.8%), while operating expenses rose from $92.3 million to $119.3 million (+29.3%). The 2025 operating loss was $2.56 million. The separately reported $6.81 million net loss includes a $3.35 million investment impairment; net loss is not operating loss. [S5; Provider REF125, rows 9-15]

Steele Memorial: persistent operating losses. Margin was negative in all five years, reaching -5.98% in 2023 and -4.37% in 2025. The net-revenue row increased from $31.6 million to $40.1 million (+26.9%); its service scope is not specified. The narrative of relatively flat reimbursement may concern payment rates rather than total revenue. [S1; rows 20, 27; S10, p. 3]

St. Luke's: positive but lower margin than 2021. Reported reserves increased from $1.48 billion to $2.21 billion (+49.9%), and debt from $824 million to $1.60 billion (+93.5%). These totals do not establish unrestricted cash availability or affordability capacity. Executive compensation for officers and key employees rose from $4.89 million to $8.49 million (+73.7%); the employee roster and compensation components are not held constant. [S2; rows 27, 33-35]

Unpaid balances are growing. St. Luke's pending-insurance open receivables rose 43.5% to $1.21 billion; Portneuf's reported insurance outstanding balances rose 95.7% to $347.5 million. The categories include open balances and do not isolate accepted claims past due, allowed amounts, or improper denials. [S2, S4; row 9]

SHARED CONCERNS, DIFFERENT PRIORITIES

Respondent	Narrative highlights
Madisonhealth (Madison Memorial Hospital)	Standardize documentation and authorization rules; address registration errors. Pediatric service line ended in 2023, with continuing care and consolidation in 2026.
St. Luke's Health System	Standardization, integrated workflows, lower-cost care settings, medication support, and better discharge placement. Emphasizes essential-service readiness.
Portneuf Hospital	Calls for independent review of contract claims and service-specific network access. Reports nearly $100m invested and employed providers rising from 67 to 129 since 2017.
Steele Memorial Hospital	Critical access hospital reports limited room for cuts, vulnerable obstetric/medical-surgical services, and a potential 150-mile one-way trip if local care is lost.
Idaho Medical Association	Seeks authorization exemptions for services/medications with approval rates ≥85%, 24/48-hour decisions, clearer appeals, and universal credentialing.
Idaho Skin Institute	Reports one extra FTE (~$60,000/year) for referrals and 1.5 FTE for medication authorization; concerns about repeated visits and modifier-25 policies.
CDA Spine and Brain	Emphasizes importance of standardization across insurers to reduce delays in patient care associated with prior authorization.
Idaho Hospital Association	Reports rural denial/payment friction; explains data-system, staffing, and disclosure barriers to reporting.

Respondents broadly favor simpler payer rules and preserving timely local care. They differ on how to evaluate payment levels: hospitals emphasize the cost of maintaining essential capacity, while Idaho Skin Institute emphasizes lower-cost independent settings. Madisonhealth and Idaho Skin Institute report no separate facility fees; St. Luke's and Steele describe facility-based charges. No supplied material establishes that higher prices cause better outcomes or that one ownership model consistently performs better. [S6, S8-S10, S12; PROQ1/4]

ID	Source
S1	22_Data - Steele Memorial Medical Center(1).xlsx; Provider Data rows 6-34.
S2	12_Data - St. Lukes.xlsx; Provider Data rows 6-35.
S3	23_Data - IHA hospital discharge(1).xlsx; Denials 117 134 114 and Prompt Pay; definitions at bottom of each sheet.
S4	4_Data - Portneuf.xlsx; Provider Data rows 6-29.
S5	2_Data - Madisonhealth.xlsx; Provider Data; REF106 & 132; REF125; REF137 Service Lines, Workforce, and quality schedules.
S6-S8	S6: 2_Questionnaire - Madisonhealth.pdf (5 pp.); S7: 4_Response - Portneuf.pdf (4 pp.); S8: 12_Questionnaire - St. Lukes Health System.pdf (8 pp.).
S9-S12	S9: 20_Questionnaire - Idaho Medical Assoc..pdf (4 pp.); S10: 22_Questionnaire - Steele Memorial Medical Center.pdf (5 pp.); S11: 22_Response - Idaho Hospital Association.pdf (2 pp.); S12: 21_Questionnaire - Idaho Skin Institute.pdf (9 pp.).

APPENDIX.

The working group sent data requests to providers based on contact information provided by the Idaho Hospital Association (IHA) via email to CEOs and government relations officers. IHA sent an email to their members letting them know to expect a request for information from the committee and encouraged them to take the opportunity to share their experience with the working group.

Requested Data from Providers: 2021-2025

ID	Ref	Data Element Requested	Idaho Code Reference	Basis	Unit
		Claims and Revenue Cycle [41-5602, 41-1329 — provider vantage]			
51	117	Submitted claims rejected/denied initially (all payers)	41-1329	Annual	%
52	134	Rejection/denial rate by payer (attach by-payer schedule)	41-1329	Annual	% attach
53	118	Claims requiring correction, resubmission, appeal, or peer-to-peer	41-5602	Annual	count
54	119	Dollars in disputed, approved, or otherwise unpaid claims (by category)	41-5603	Year-end	$
55	135	Accounts receivable and unpaid claims by status and age (attach aging)	41-5603	Year-end	$ attach
56	114	% of disputed claims from own documentation/coding/eligibility/billing	41-5602	Annual	%
		Prior-Authorization Experience [41-3930]			
57	111	Prior-authorization requests submitted	41-3930	Annual	count
58	111	Approval/denial/appeal/overturn rates by insurer (attach)	41-3930	Annual	% attach
59	112	Median treatment delay from authorization/coverage review	41-3930	Annual	days
60	112	90th-percentile treatment delay	41-3930	Annual	days
61	113	De-identified representative delay cases (attach)	41-3930	n/a	attach
		Prices, Charges, and Access [committee examining; no governing insurance-code provision]			
62	106	Commercial price trend, most common services (attach)	no provision	Annual	% attach
63	132	Net revenue trend, common services; site-of-care and facility-fee info	no provision	Annual	$ attach
64	107	Facility-fee occurrences and patient-notification practice	no provision	n/a	narrative
65	120	Administrative FTE attributable to payer requirements	no provision	Annual	FTE

Requested Data from Providers: 2021-2025					
ID	**Ref**	**Data Element Requested**	**Idaho Code Reference**	**Basis**	**Unit**
66	120	Clinician time attributable to payer administration	no provision	Annual	hrs
67	122	Financially vulnerable services or locations (with supporting data)	no provision	n/a	narrative
68	123	Services reduced/consolidated/discontinued and travel/access effect	no provision	Annual	narrative
		Financial and Governance [committee examining; no governing insurance-code provision]			
69	125	Operating margin	no provision	Annual	%
70	125	Reserves, debt, executive compensation, charity care (attach)	no provision	Annual	$ attach
71	137	Quality, access, workforce, service-line, charity-care data (attach)	no provision	Annual	attach