

FY 2020 Annual Report | OCTOBER 1, 2019 – SEPTEMBER 30, 2020

CASCADE MEDICAL CENTER

Our mission is to save
lives and improve the
health and well-being of
our community



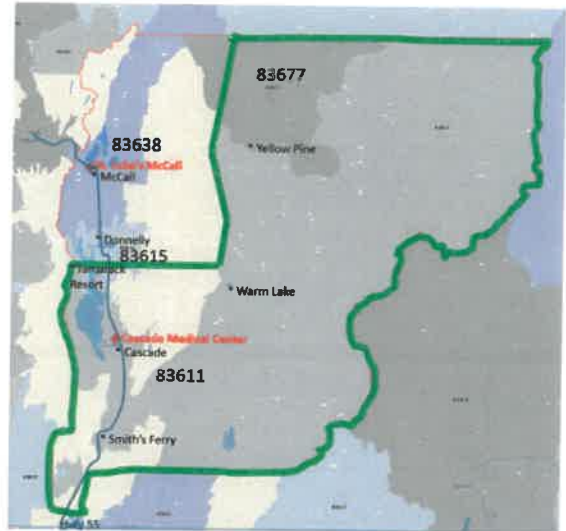
The Communities and People We Serve

Cascade Medical Center (CMC) is committed to improving the health and well-being of everyone in our community, including those who travel to and through it.

Geographically, our primary service area is the 2,800 square mile hospital tax district which includes approximately 75% of Valley County's land, and 33% of its population. The tax district includes the towns of Cascade, Smith's Ferry, Yellow Pine, and portions of Donnelly and Tamarack Resort. Almost all of the population lives within a few miles of the Highway 55 corridor. Approximately 4,000 full time residents live in the CMC tax district, with many more who are second-home owners and weekend visitors.

CMC is a purely independent health care organization. We exist for and are governed by the residents of our tax district. While we enjoy constructive relationships with St. Luke's, Saint Alphonsus, and the University of Utah, we are not owned or managed by them. Our independence frees us to focus 100% on what is best for the Valley County communities we serve.

Traffic on Hwy. 55 through Cascade averages around 3,100 cars per day in March and November. It more than doubles to over 7,000 cars per day each July. While residential population has grown about 2% per year, car traffic has risen 6% per year since 2012.



Licenses & Services

LICENSURE

CMC is licensed by the U.S. Centers for Medicare and Medicaid Services (CMS) and overseen by Idaho's Department of Health and Welfare, Bureau of Facility Standards.

- CMC is one of 41 full service hospitals in Idaho providing 24x7 acute and inpatient care, and one of 27 in Idaho with the Critical Access Hospital (CAH) designation.
- CMC is home to a Rural Health Clinic (RHC) providing primary care, chronic care management, and walk-in acute care 6 days per week.

SERVICES

Emergency 24x7, Inpatient and Skilled Nursing, Laboratory, Radiology, Physical Therapy, Primary Care Clinic, Walk-in Acute Care, and Mental Health Counseling

INPATIENT

CMC is licensed for 10 inpatient beds. In addition to caring for general medicine patients, we offer skilled nursing rehabilitation care for those requiring inpatient physical therapy and medical care during a longer recovery.



Licenses & Services

IMAGING

We offer digital radiology including X-Ray, CT, and Ultrasound. All our studies are read by Gem State Radiologists. In FY2020 we performed nearly 2,000 imaging studies.

LABORATORY

We are in the process of installing \$120,000 in lab equipment upgrades to be able to perform more tests more quickly, which means quicker decision making for our clinicians and better care for our patients. We performed over 3,200 lab tests this year.

TRANSFERS

Cascade is on the front line of care. That means time sensitive emergencies such as heart attacks, strokes, and traumas often come to our hospital first for medical attention and stabilization. These patients often must be transferred to one of the larger Boise hospitals. We have partnerships with Air St. Luke's, Life Flight, and several ground transport services to get patients to a higher level of care, fast.

“

Courtney Hill, PA looked me straight in the eyes and really listened. We made a mutual plan and will follow up in a month to evaluate my progress.

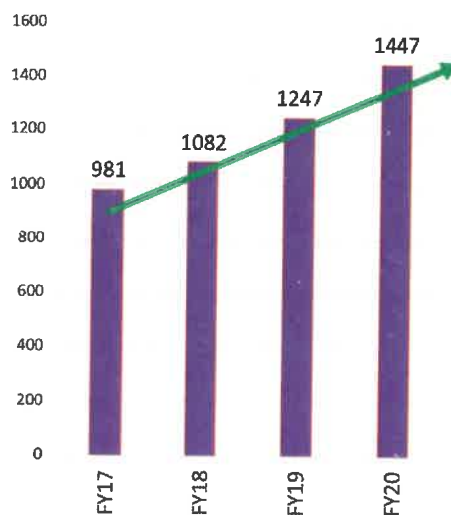
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ER Volumes by Fiscal Year

Boise growth, increased tourism, rising traffic, and an aging population add up to rising ER utilization. Cascade's ER volume rose 47.5% in the past 3 years. At times we are caring for 6 or more patients in the ER at once. The CMC Foundation helped fund new patient monitors and resuscitation equipment to enhance our ability to care for patients in a time sensitive emergency.

NUMBER OF ER VISITS



“

Everyone was kind and helpful. The facility definitely has a helpful and caring attitude toward their patients.

”



Cascade Family Practice

Our clinic continued to see more patients establish care with one of our 6 Family Practice providers. In the past year, we cared for 2,416 patients with 5,453 clinic visits, a 34% increase compared to 3 years ago.

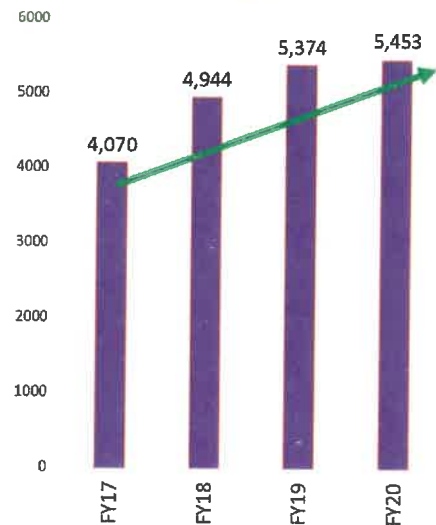
After hiring our first mental health counselor in 2019, we added another in 2020. We care for our patients body, mind, and spirit by integrating behavioral health into the healing of chronic diseases.

“

Dr. Ellsworth was super easy to talk to, and a good listener. I was happy he took the time to discuss my past health and current conditions as well as review my present medications with me before renewing my prescriptions. I hope to continue seeing Dr. Ellsworth in the future and Cascade is very lucky to have him.

”

NUMBER OF CLINIC VISITS



“

Heather Lewis PA is a caring and compassionate professional. She is knowledgeable and thorough. I highly recommend her to my friends.

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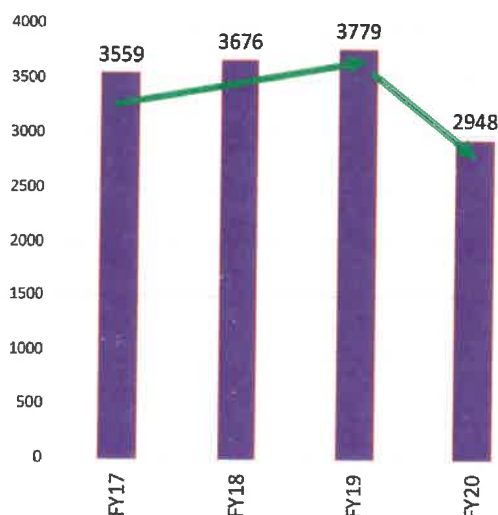


Physical Therapy

Many hospitals around the country saw volumes and revenues plummet by 40% or more this year due to the pandemic. Overall, CMC volumes held pretty steady, with the exception of PT. Prior to COVID, PT was trending stronger than in 2019. But with elective orthopedic surgeries being cancelled or postponed, PT appointments were cancelled. Weekly PT volumes returned to normal by August, but over the year therapy sessions fell by 22%.

On the bright side, we hired a second Doctor of Physical Therapy, Alison Zeller. Alison also brings Dry Needling as a new alternative therapeutic technique to our team.

PHYSICAL THERAPY



“

David Hill PA spent plenty of time with me. He did not seem like he had to rush through our visit to go to his next appointment. He made sure I was totally informed and brought us useful suggestions for any health related issue in the future I was very pleased.

”



Managing a Pandemic

The COVID emergency made 2020 a difficult time for our community. CMC responded quickly by . . .

- Rolling out secure telemedicine visits, allowing patients to stay home but still receive care for many issues. One of our Yellow Pine patients commented that “the appointment was easy to set up, helpful, and informative.”
- Immediately training staff on enhanced infection control measures, including masks, hand hygiene, and social distancing. This resulted in no COVID spread among staff or patients at CMC.
- Beginning testing in early March and adding new tests as approved for use by the FDA. CMC now provides 3 rapid tests on site and sends tests to larger labs as needed.
- Rescheduling non-urgent patient appointments and cancelling non-essential services during peak times of infection. This reduced patient volume and revenue especially in Physical Therapy and the Clinic, but kept infection rates down.
- Collaborating with regional health systems, public health agencies, local schools, and area businesses to keep people informed and protected.
- Investing in additional staff, equipment, building space, and PPE to keep our staff, patients, and neighbors safe.
- COVID is an ongoing concern. CMC is prepared to deal with the next phase, and has an agreement with Central District Health to be a Point of Distribution for vaccines and treatments as they are developed.

“

I really liked the idea of the appointment via Zoom. I was comfortable in my own environment and my husband was there as well so he could remember everything that was said by Dr. Ellsworth that I might forget. I loved the fact I didn't have to go into the clinic at this time. We have been so careful about me going into public spaces because I am high risk and this Coronavirus is a worry.

”



Creating a Joyful Workplace

Over the past 3 years we have devoted ourselves to creating a joyful workplace, where staff feel appreciated and recognized for the great work they do. In order to make sure we are all rowing in the same direction, we communicate with all staff frequently and with transparency. The results show in greatly improved employee retention, and former employees returning. For the first time in years, we are fully staffed and regularly receive unsolicited applications from doctors, nurses, and others who have heard about us. This year we launched our new employee orientation program, where new team members shadow other staff and learn other jobs for a week before they start their own. It takes great people to deliver amazing care.



“

“Getting to know our patients on a more personal level instead of just another number in the queue is great. Treating patients like people.”

Bryan, Radiology

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“

CMC gives me flexibility with my schedule. My co-workers feel like friends and I get a feeling of being valued as part of the team.

Sam, ER Paramedic

”



The “Bottom Line”

Despite the challenging year, our resilient staff and Cascade grit powered us through to a positive bottom line. More important, we emerged stronger than before, and better prepared to deliver great care in 2021:

- Increased staffing and greatly improved employee retention led to training investments paying off and experience to carry forward.
- Hired a second full-time Family Practice and ER physician, Dr. Katie Camarata, who joins Dr. Ellsworth, Dr. Dardis, and PAs David Hill, Courtney Hill, and Heather Lewis.
- Invested nearly \$400,000 in new equipment and supplies, including new video security, cardiac monitors, ventilators, laundry, lab equipment, and 2 modular all-weather buildings.
- Invested \$200,000 in a triplex to house on-call staff and temporary employees.
- CMC is debt-free and maintains over 200 days cash-on-hand. We are financially solid, and well monitored by our Board of Trustees.

AUDITED FY18 AND FY19 INCOME STATEMENTS

OCTOBER 1, 2017 — SEPTEMBER 30, 2019

REVENUE	2018 ACTUAL	2019 ACTUAL
Gross Patient Service Revenue	\$ 3,976,183	\$ 5,096,964
REVENUE DEDUCTIONS		
Contractual Adjustments	153,380	681,408
Bad Debt Writeoff	16,570	160,894
Charity Care Writeoff	168,327	103,074
Total Revenue Deductions	\$ 338,277	\$ 945,376
Net Patient Service Revenue	\$ 3,637,906	\$ 4,151,588

NON-PATIENT REVENUE		
Donations	141,538	66,688
Grants	42,506	66,673
Taxes	792,665	872,488
Other nonoperating revenue	89,021	181,312
Total Non-patient Revenue	\$ 1,065,730	\$ 1,187,161
Total Revenues	\$ 4,703,636	\$ 5,338,749

EXPENSES	2018 ACTUAL	2019 ACTUAL
Total employee-related Expense	\$ 2,808,629	\$ 3,273,441
Total Other Expense	\$ 1,263,062	\$ 1,476,812
Depreciation and Amortization	\$ 294,955	\$ 313,534
Total Expenses	\$ 4,366,646	\$ 5,063,787
NET INCOME	\$ 336,990	\$ 274,962



CMC's Economic Impact

CMC plays an important financial role in our community. At the end of CY2020, we employ 64 employees, 38 of them full time. Our payroll including benefits is approaching \$4 million. The vast majority of our employees live and spend in our tax district, creating an economic multiplier that benefits all of our businesses and tax base.

Paying it forward: Our experienced clinicians mentored several graduate students this year in Family Practice, Emergency Medicine, Radiology, Physical Therapy, and Mental Health disciplines. By completing their clinical rotations in Cascade, they gained important experience in rural medicine, while enjoying their time in our mountain community. We hope they'll return to Cascade at some point in their career.

Charitable Care: As our mission is to improve the health of EVERYONE in our community, we provide care on a sliding fee scale to lower income patients. This year we wrote off over \$260,000 in charges for those who could not afford their care.

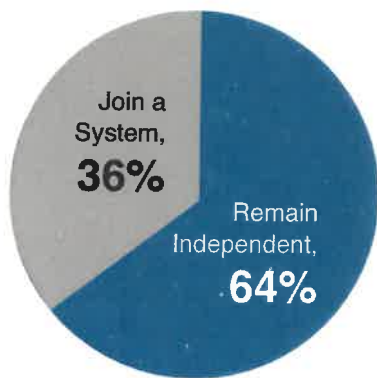
Perhaps our greatest contribution to the community's economic health is keeping the workforce healthy. We offer preventive care, DOT physicals, and many vaccinations. We introduced drive through flu shots this year to get people back to work as quickly as possible and plan to provide drive-through COVID vaccines in 2021. We have expanded Saturday hours to reduce time-off for doctor's appointments.



Survey Says . . .

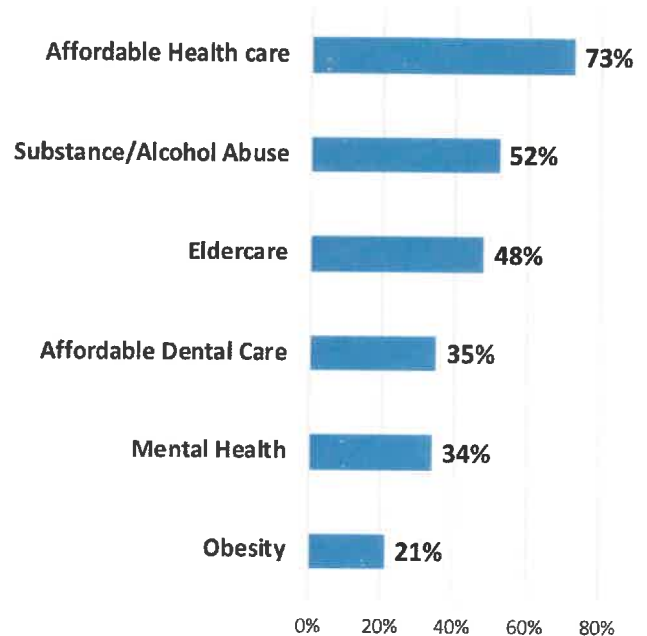
This Spring we surveyed 479 area residents and frequent visitors to get their opinions of health care and suggestions for CMC. In addition to the graphs on this page, we learned that most people don't know that we offer mental health counseling, a cardiology clinic, cardiac rehab, and inpatient rehabilitation care.

Should CMC Remain Independent or Join a System?



Most of those surveyed want CMC to remain independent.

Greatest Health Issues Facing Cascade Area



Affordable care is the #1 issue on peoples' minds.

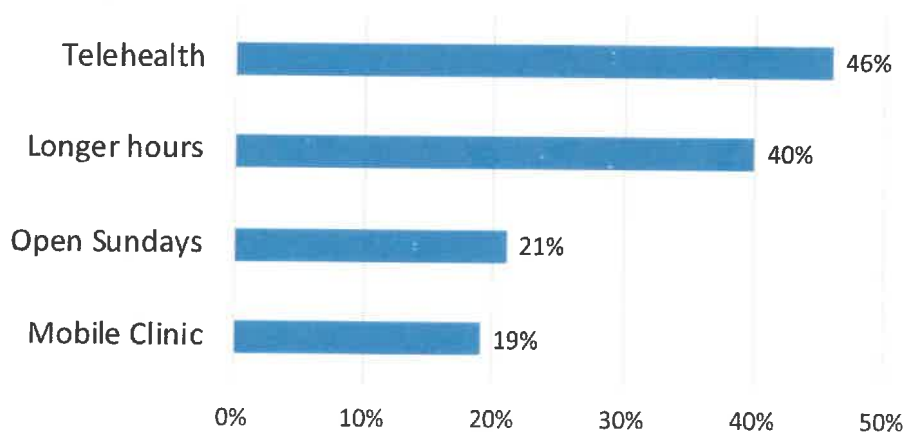


And We're Listening . . .

THIS YEAR WE ADDED NEW SERVICES:

- **Cardiac Rehabilitation:** So local heart patients can get the monitored exercise therapy they need without driving to Boise.
- **Dry Needling:** Similar in some ways to acupuncture, we have seen many patients find relief for muscle pain and tightness with this therapy.
- **Osteopathic Manipulative Therapy (OMT).** Combining elements of both Chiropractic and Physical Therapy, OMT helps patients with joint and muscle pain as well as alignment issues.
- In February 2020, CMC launched its secure **telehealth service** using Zoom. Now patients can see their Cascade Provider for many things without leaving their home.
- Our clinic is now **open all day Saturday** for both unscheduled injury and illness care, as well as regular scheduled primary care appointments.

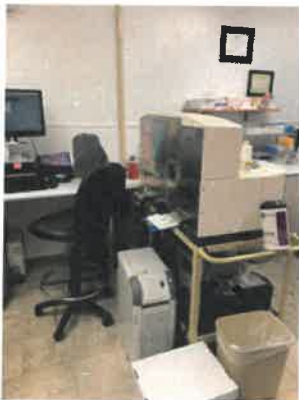
Access Improvements Wanted



Space Required to Meet Today's Needs

Built in 1974, our hospital served us well for nearly half a century, but is now outdated and woefully short of space. The clinic added in 1999 is also at capacity.

This year we commissioned a study of the medical center's capacity to handle the growing volume. The results show that CMC is already bursting at the seams. In fact, just to handle the volume of patients we see today, we will have to nearly double the size of our hospital. Bringing the hospital up to current occupancy and care standards will require a significant expansion and investment.



The hospital's Board of Trustees is evaluating options to address the space issue.

Total facility size today: **12,467'**

Size needed today: **21,924'**

Additional square footage needed by department to meet today's demand:

Physical Therapy: **+1,545**

Inpatient and Nursing: **+1,375**

Lab: **+1,043**

Pharmacy: **+869**

Offices: **+752**

Meeting space: **+750**

ER: **+456**

Imaging: **+257**

Dietary, IT, Storage, other: **+2,410**



Caring for the Next Generation

As we consider the needs of our community for the next two generations, we anticipate more growth and demand for health care services close to home.

One area of unmet need is for specialty physician services. The following specialties have the greatest local need, for which patients typically need to drive to Boise:

- Cardiology
- Neurology
- Ophthalmology
- Gastroenterology
- Urology
- Infusion (Oncology, Infections)

Valley County has one of the longest life expectations in Idaho, at 81 years from birth. The Cascade area in particular has a very high proportion of senior citizens, with 35% of the hospital's tax district residents over the age of 65. Our senior population is growing faster than younger age groups.

Today, more than 85% of Medicare patients must leave Cascade to receive inpatient care. Our vision for the community is to expand resources and care to local seniors to help them age in place, live longer at home, and access health care locally when possible.

Conservative estimates predict growth of 2% per year in our local population. That could increase if new housing, mining, and other developments come to pass.

Population of the greater Boise area has boomed in recent years, with more coming every day. As the Treasure Valley grows, more people seek nature and recreation in the Cascade area due to its proximity and wide open spaces. This has driven increased ER use, especially in the Summer. Our facility assessment recommends expanding from 2 to 4 ER treatment bays to meet peak demand.



The Decision Ahead

Meeting the current and future needs of our community's health will require investment. Our two options are:

Bridge strategy: Expand and renovate our hospital on the current 2 acre site, which will disrupt normal operations for about two years. This option will meet our needs for the next several years at an estimated cost of \$6 to \$7 million. At that point, we will need to build a replacement hospital based on current growth projections.

Replacement hospital: Build a new facility at a new location with room for long-term expansion. The estimated cost is \$18 to \$23 million and will serve our community well for decades to come.

SPACE NEEDED

Next 10+ Years

28,569 Sq.Ft.

SPACE NEEDED

Today-5 yrs.

21,924 Sq.Ft.

CURRENT SITE

12,467 Sq.Ft.



Our Commitment to You

Our steady growth is a reflection of the confidence you have in us. We are humbled and encouraged by your trust and we are committed to earning it again and again, with every patient visit.

It is our sacred privilege to care for the health of our patients. We are open 24/7. We never close. We are here for you. If there is a way we can serve you better, please let us know.

Tom Reinhardt, CEO

treinhardt@cmchd.org
(208) 382-4285



Thank you for your trust in us as we do our best to help you with your healthcare needs. We are grateful for all of the wonderful people that we meet daily. We are inspired by your patience and kindness as we have been growing and learning how to care for more and more patients over the last three years. We enjoy building relationships one by one, and look forward to continuing that process through the years to come. We have a wonderful new team of providers that work closely together to make sure you are well cared for. If you feel there is something that we can do better, please let me know.

Ron Ellsworth M.D.

Medical Director
ronaells@cmchd.org
(208) 382-4285





CASCADE MEDICAL CENTER

