



2024 Economic Outlook  
and Revenue Assessment  
Committee

Brian Whitlock, President  
January 4, 2024





## IDAHO HOSPITAL ASSOCIATION'S 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

51  
HOSPITALS

# HOSPITALS

A VITAL ECONOMIC  
ENGINE FOR IDAHO

**34,768**

Employees



*9.25% increase from last year*

**\$7.12 billion**

Wage and Salary

*15.6% increase from last year*



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# HOSPITALS

A VITAL ECONOMIC  
ENGINE FOR IDAHO

**100,313**

Total Jobs Supported



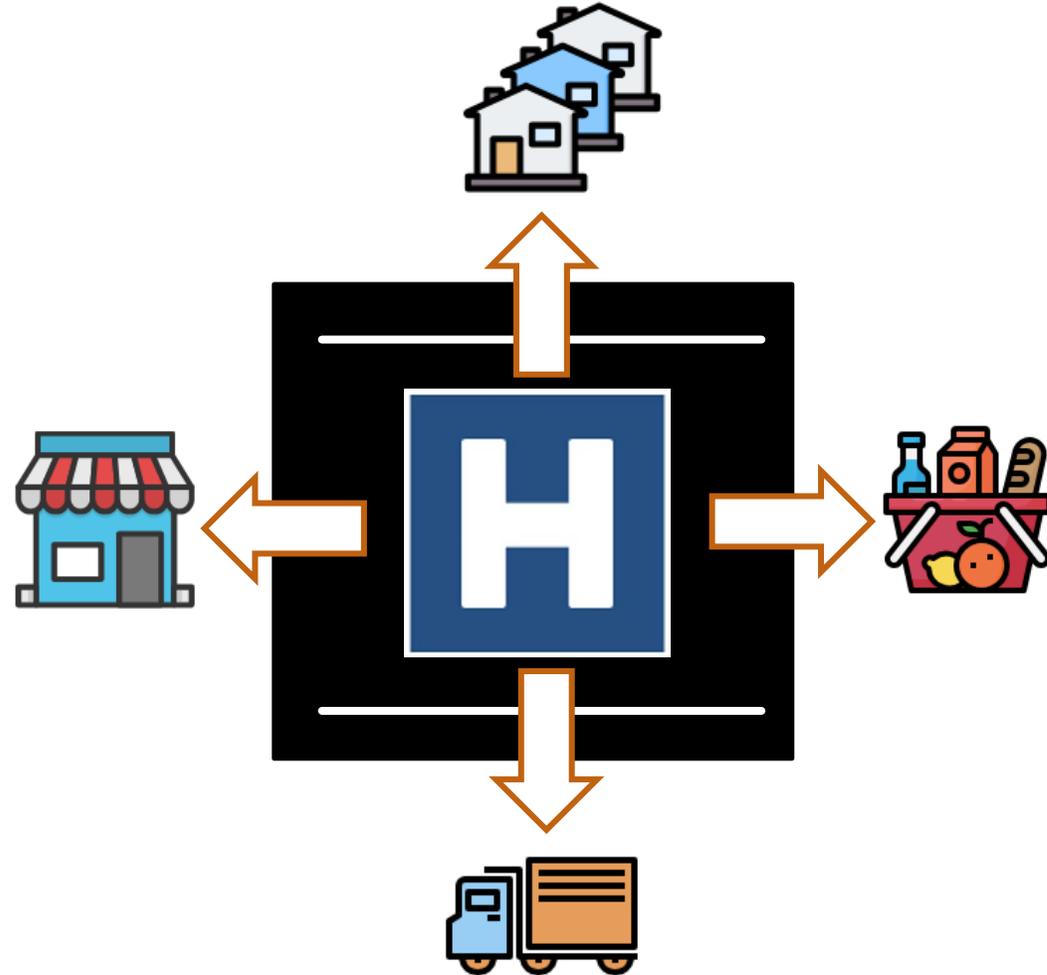
# HOSPITALS

A VITAL ECONOMIC  
ENGINE FOR IDAHO

**\$17 billion**

Total Sales  
Contributions  
Derived from  
Hospitals

*15.6% increase  
from last year*

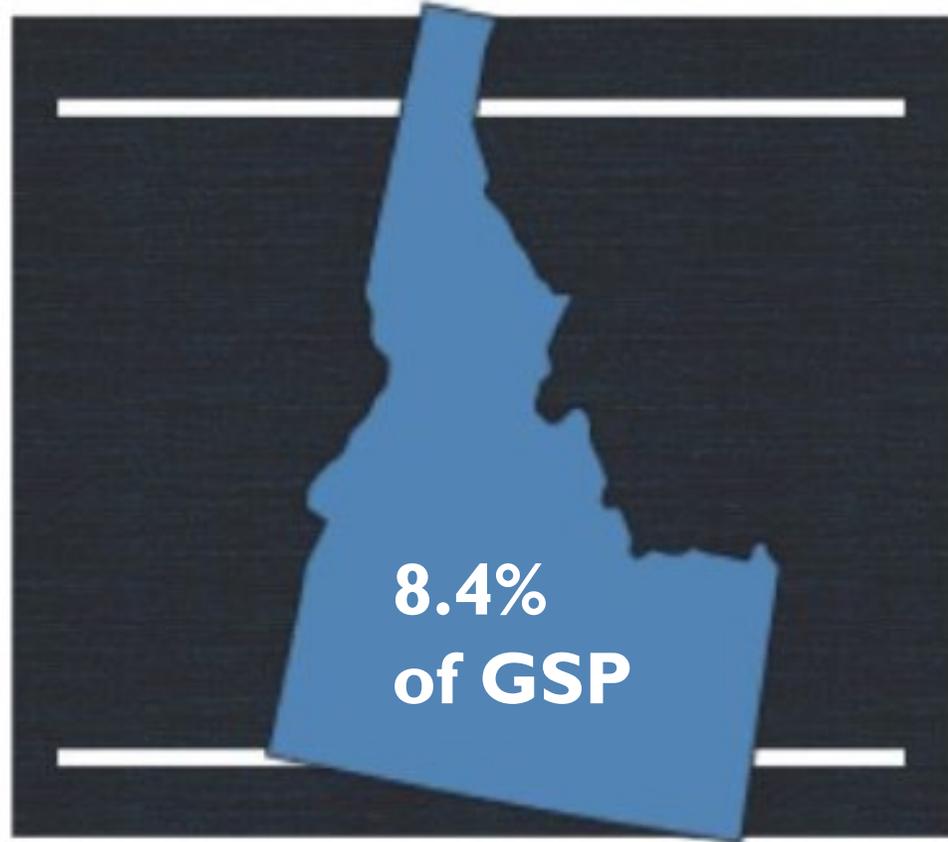


# HOSPITALS

A VITAL ECONOMIC  
ENGINE FOR IDAHO

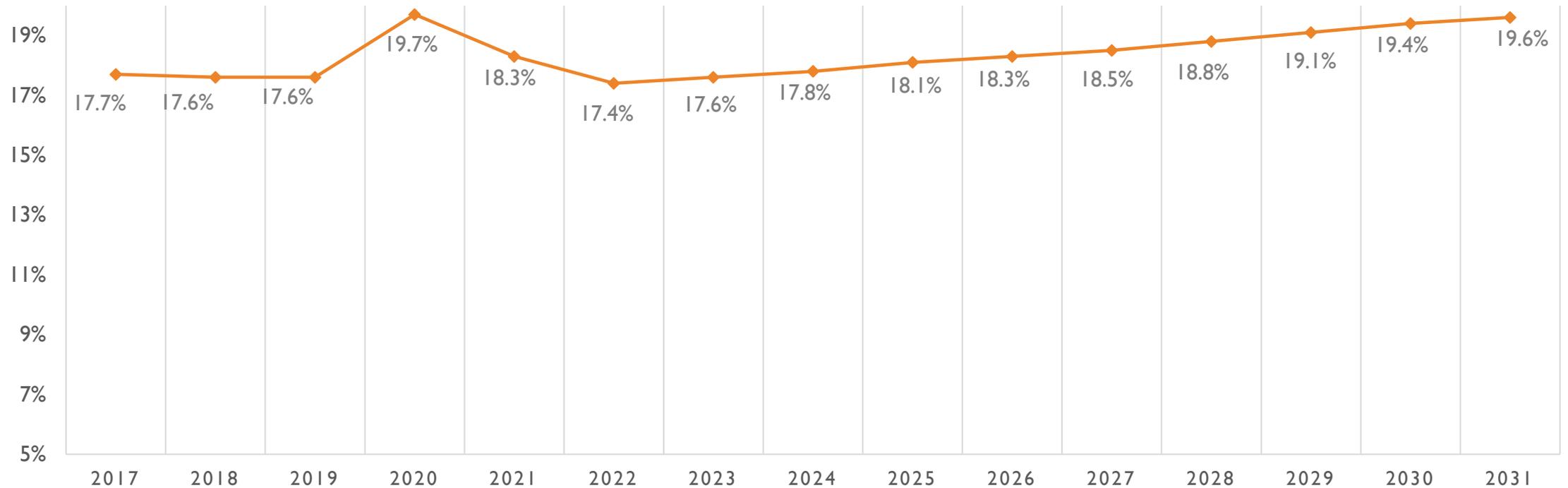
**\$9.3 billion**

Contributed  
by Hospitals  
to the Gross  
State Product



# HEALTHCARE SPENDING

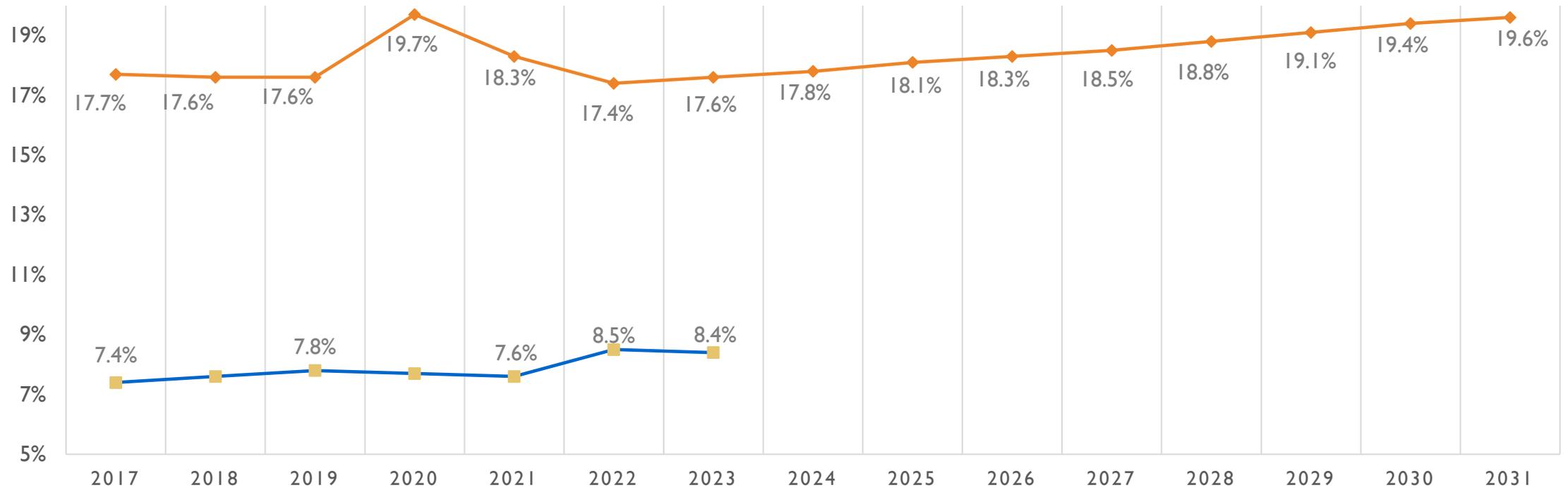
Orange = National GDP



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

# HEALTHCARE SPENDING

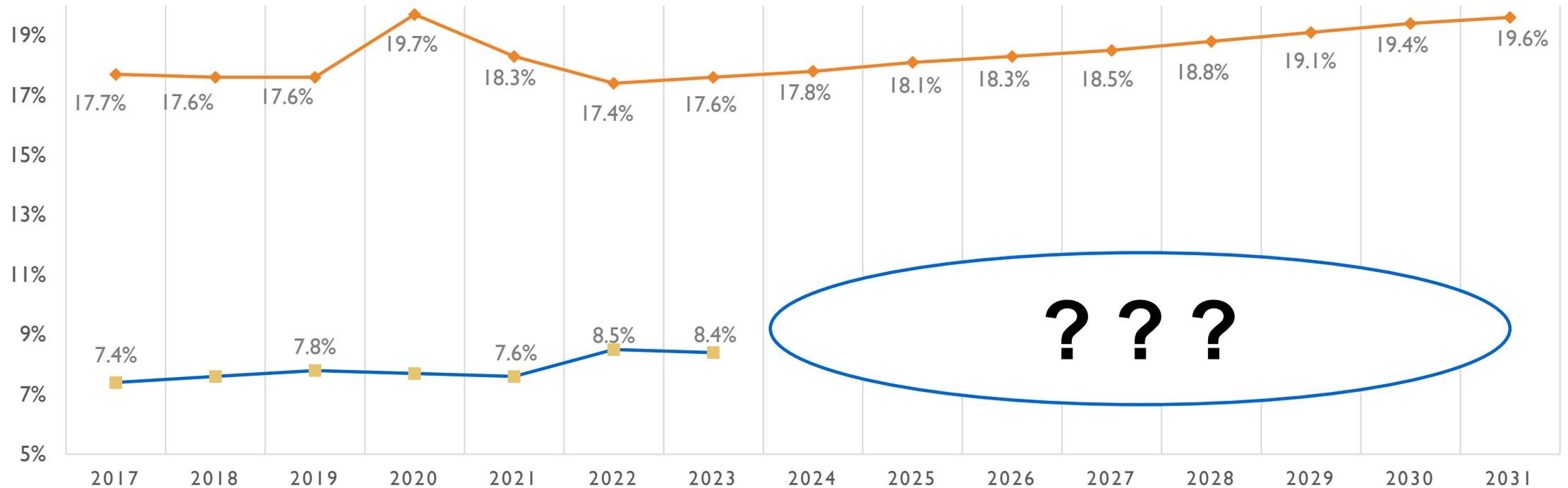
Orange = National GDP  
Blue = Idaho GSP



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

# HEALTHCARE SPENDING

Orange = National GDP  
Blue = Idaho GSP



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

# HARPER



# JENGA<sup>®</sup>

Remove one block  
from the tower.



# JENGA<sup>®</sup>

Remove one block  
from the tower.

Place the removed  
block on the top level  
– three across.

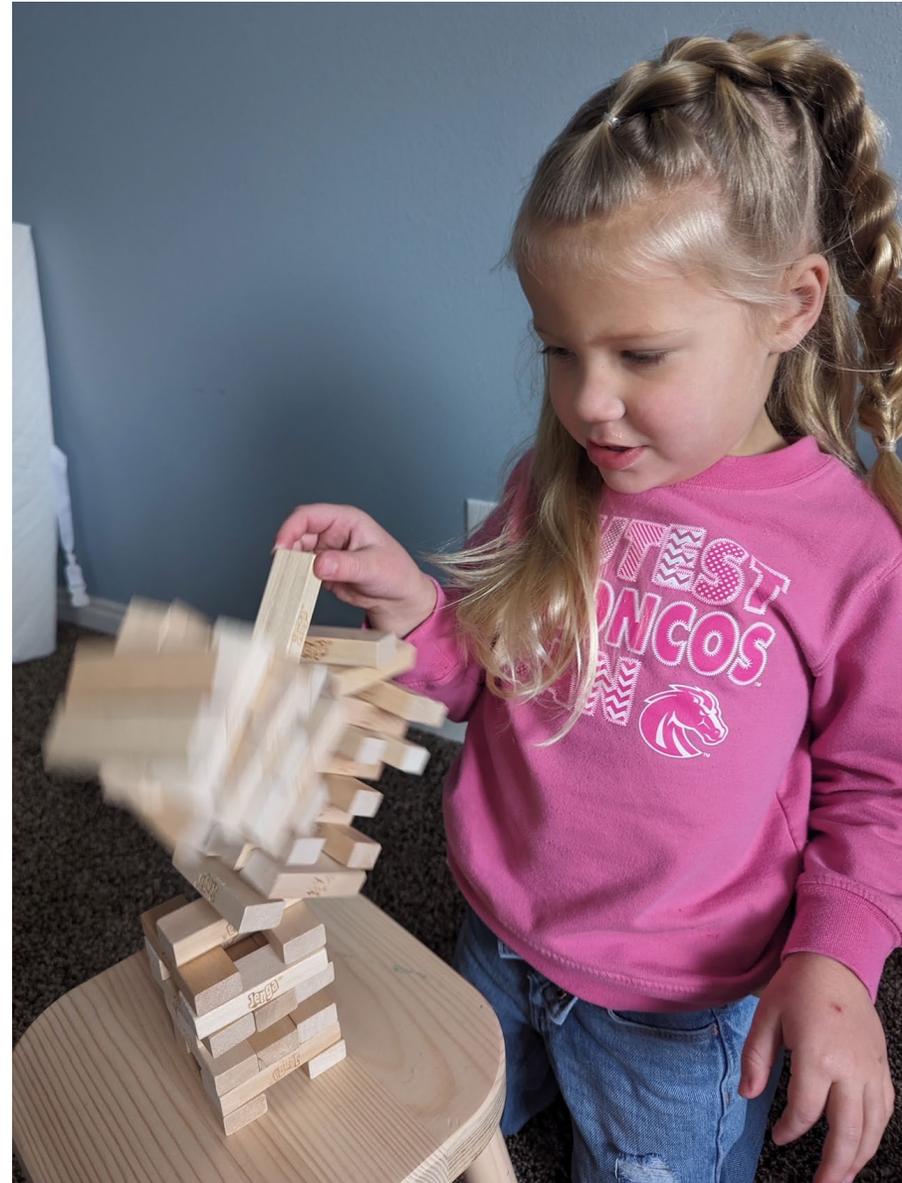


# JENGA<sup>®</sup>

Remove one block from the tower.

Place the removed block on the top level – three across.

The game ends when the tower falls.



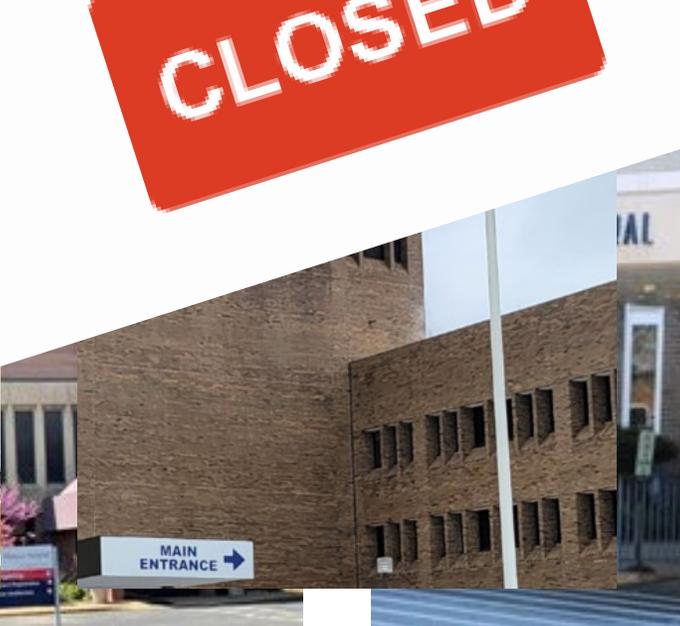


# Healthcare Jenga®



# Healthcare Jenga®





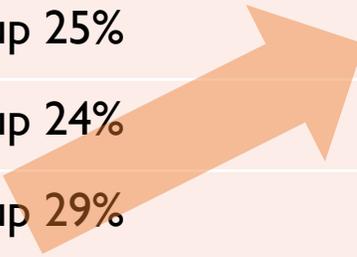


# HOSPITAL PRESSURE POINTS

## 2023 compared to 2020

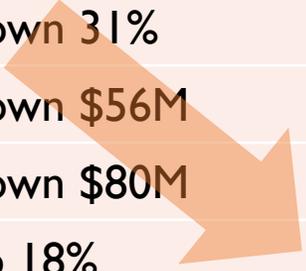
### Increasing Costs

Labor	up 25%
Supplies	up 24%
Drugs	up 29%
ER Visits	up 20%



### Decreasing Revenues

Operating Margin	down 31%
Site-Neutral Cuts	down \$56M
UPL	down \$80M
Claims Denials Decreases Reimbursement	up 18%



# IDAHO HOSPITAL SNAPSHOT

July-Sept, 2023

**50%**

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

**Half**

of rural hospitals have **less than 100 days** cash on hand

**2,455**

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



# IDAHO'S POPULATION

- Total population grew 21% in the last decade
- 65+ age group increased 55%



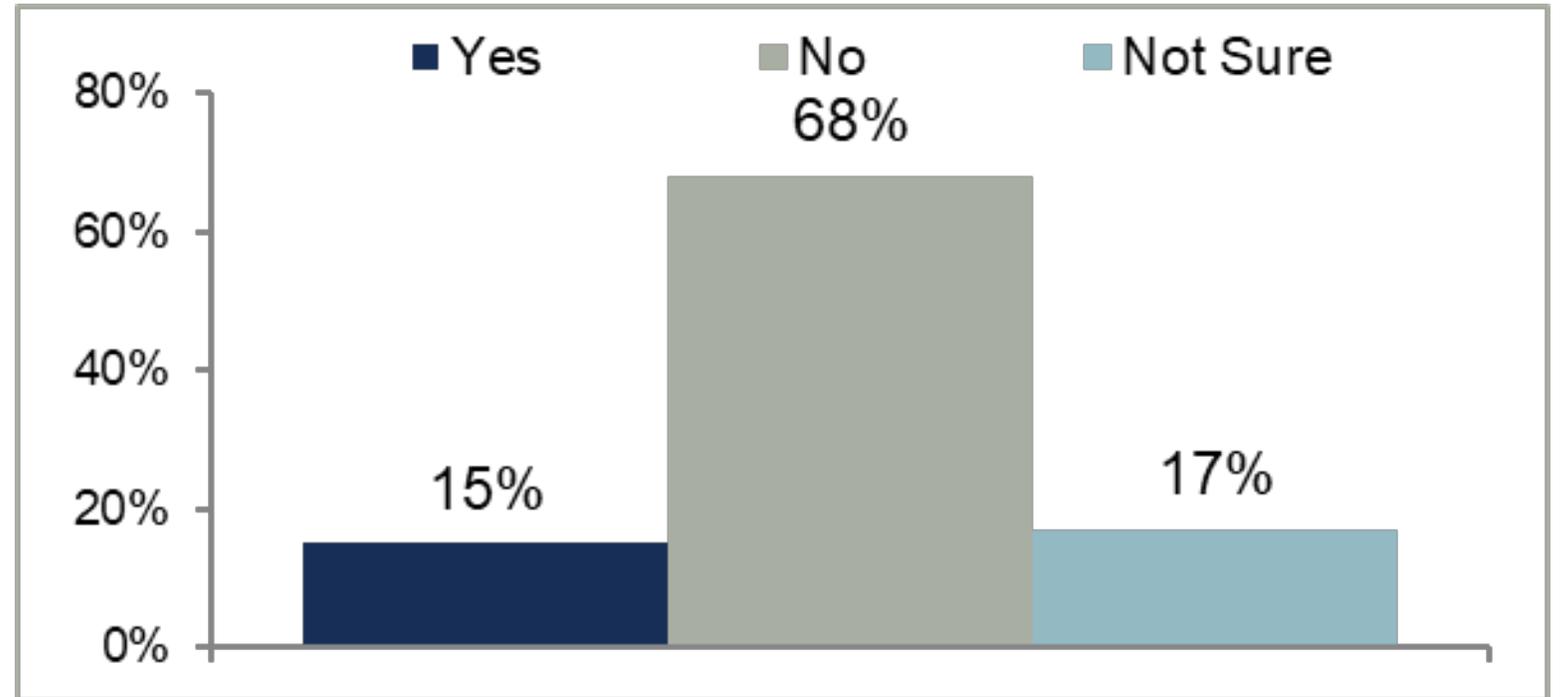
# GUIDING PRINCIPLES FOR IDAHO HOSPITALS

- Quality
- Accessibility
- Affordability



## IDAHOANS WERE ASKED:

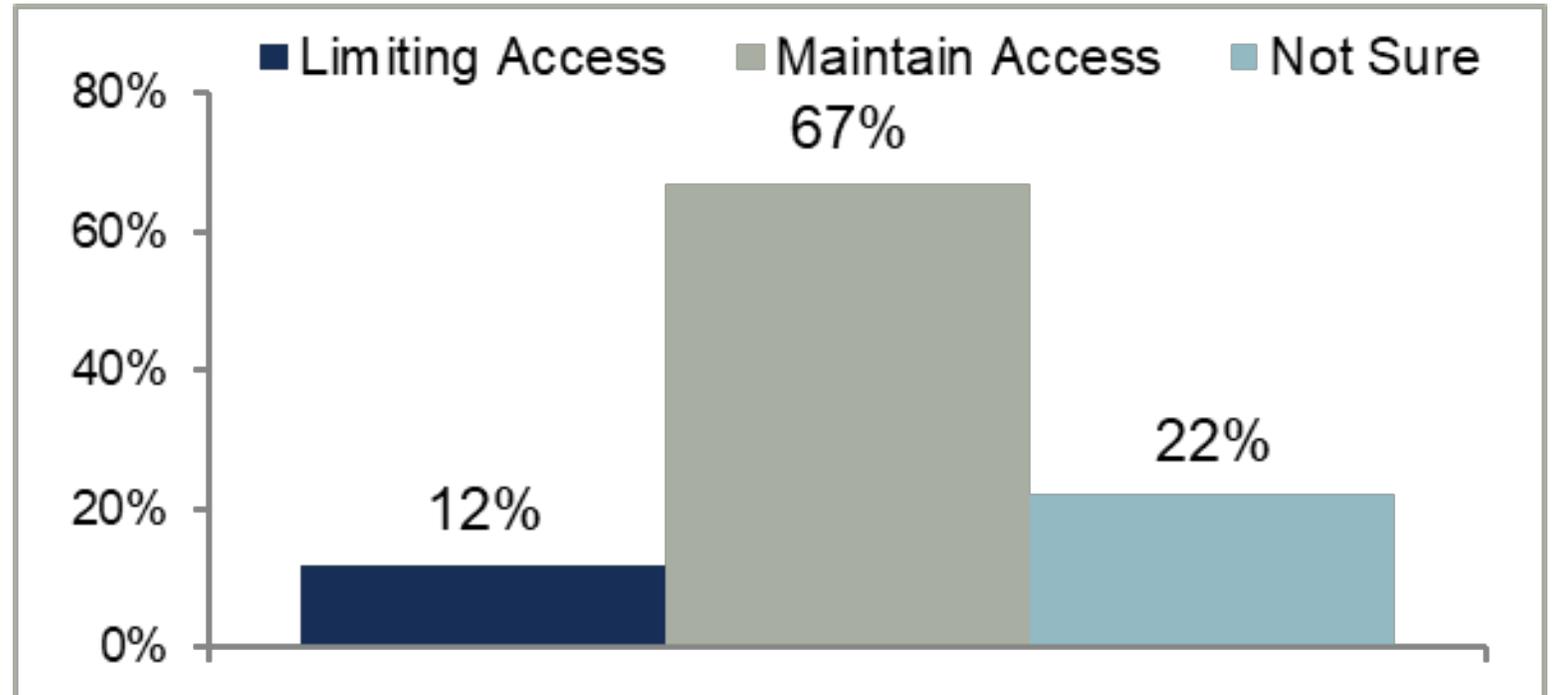
As you may know, Idaho is one of the fastest growing states in the country. Do you believe the state has enough healthcare resources to meet the needs of all Idahoans in the next 10 years?



## IDAHOANS WERE ASKED:

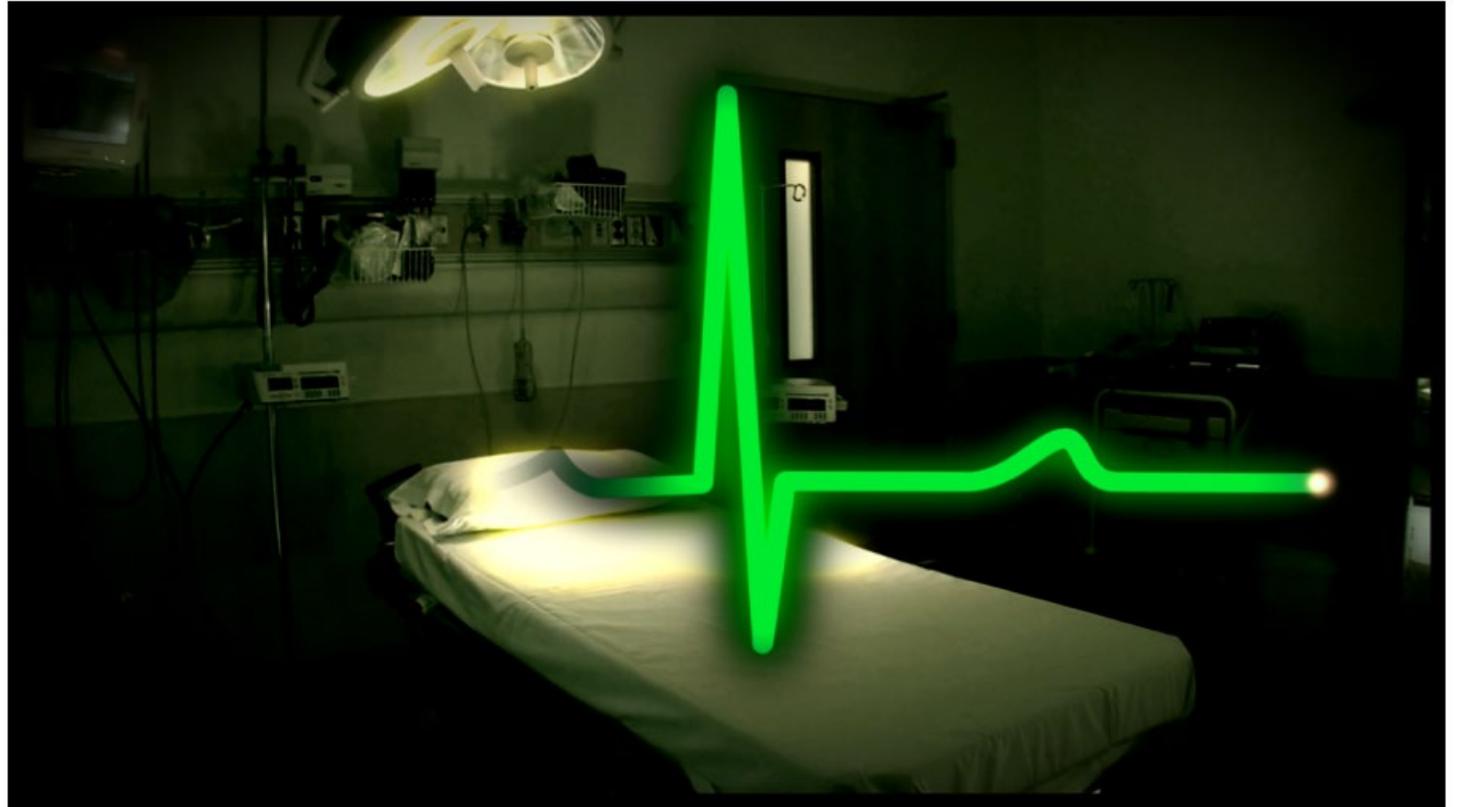
Which of the following comes closest to your opinion regarding healthcare costs in Idaho?

- We should control costs by **limiting access** to care or services
- We should **maintain access** to all services even if it costs more



# STABILIZING IDAHO'S HEALTHCARE

- Skyrocketing Costs
- Declining Revenues
- Healthcare Infrastructure



# QUESTIONS





# IDAHO HEALTHCARE SPENDING COMPARISON



## MEDICAID:

**\$12,397 per year**

(FY24 \$4.5 billion budget divided by 363,000 enrollees.)

## STATE EMPLOYEE HEALTH PLAN:

**\$14,393 per year**

(FY24 Employer/Employee traditional plan premium.  
State covers 93% of the premium cost.)

# GOVERNMENT PAYERS – UPPER PAYMENT LIMIT (UPL)

COST TO DELIVER CARE

MEDICARE REIMBURSEMENT  
(84% OF ALLOWABLE COST)

FINANCIAL  
LOSS

MEDICAID RATE  
(WITHOUT SUPPLEMENTAL PAYMENT)

FINANCIAL  
LOSS

MEDICAID RATE  
(WITH UPL SUPPLEMENTAL PAYMENT)

UPL PAYMENT

70%  
Federal  
Match

30%  
Hospital  
Tax

FINANCIAL  
LOSS