



Cascade Medical Center: 2024 Annual Report

Financial Summary

CMC was challenged financially on several fronts in 2024. During the year, CMC took on a comprehensive restructuring, validation, and realignment of our financial systems. This initiative was strategically undertaken to prepare CMC for several key priorities scheduled for FY25, including operational improvements, new funding strategies, and replacement of CMC's software systems. Beyond positioning CMC for long-term success, this effort improved the transparency, consistency, and usability of our financial reporting, offering clearer insights to both internal leadership and external stakeholders.

Revenue: As insurance companies looked to increase shareholder profits, CMC experienced growing reimbursement deductions (23.6% in FY24) from our billed charges. Combined with a reduction in emergency room and inpatient volume, and one-time write-downs of uncollectible accounts, CMC's revenue fell by nearly \$1.5 million compared to FY23.

Expenses: The costs of operating a healthcare facility continue to rise. In addition to keeping up with the rising wages for skilled personnel, CMC made the bold move to open a rural health clinic in Donnelly. In order to establish CMC's market position in the northern part of our tax district, the Donnelly clinic is an investment in CMC's future. Typical of new businesses, The Donnelly Clinic ran a deficit in its first year of operation. As awareness and reputation of the clinic grow, it will eventually contribute positively to CMC's bottom line.

While CMC took an audited loss of \$2.2 million, the actual reduction of cash and cash equivalents was just \$776,750, leaving CMC with current assets of \$6,570,970 – meaning that despite the difficult financial year, CMC remains strong. The work in previous years to “put hay in the barn” was intentional so that we could weather lean years like 2024. Even with the loss, we finished the year with 211 days cash on hand – a key indicator of hospital financial health. By comparison, the average Idaho hospital has 84 days cash on hand, and the U.S. rural hospitals average is 107.

CMC provides employment to 70 people (53 FTEs) – a major employer in the County. CMC reinvested in assets like equipment to maintain safe and state-of-the-art operations by purchasing \$287,167 in capital assets. FY2024 Audited Financial Statements are included at the end of this report.

Setting a New Course

The team at Cascade Medical Center entered 2024 knowing it would be a year of tremendous change and transition. With wise governance from our appointed/elected Board of Trustees and input from our providers and staff, here are some highlights that underscore how 2024 ushered in a new era for healthcare in Valley County.

Opened the Donnelly Clinic. Halfway through FY24, CMC opened a clinic in Roseberry Plaza to see walk-in patients as well as those wanting to establish the CMC Donnelly Clinic as their medical home. Complete with X-ray and Lab, the clinic has been welcomed by local residents, second homeowners, and tourists alike. Saving patients the travel time and expense of an Emergency Room visit, those with minor injuries and illnesses can get the care they need 7 days a week in Donnelly.

Hosting an Orthopedic clinic. Cascade is honored to host Dr. Neuschwander 2 or 3 times per month so that Valley County residents can continue to get outpatient orthopedic care without the drive.

Launched Home PT in January 2024. CMC Completed over 40 home visits during the year, getting patients started on their road to recovery with rehabilitation in the safety and comfort of familiar surroundings.

Committed to the Epic platform for Electronic Medical Records. With input from providers, staff, and community leaders, and after a year of due diligence examining options, CMC's Board of Trustees approved a \$1 million investment in the industry's leading EMR, Epic. Implementing the new EMR will require planning and preparation during all of FY25 and "flipping the switch" in FY26. The work and investment will pay off as it will put CMC on the same medical record platform as other health care providers with whom CMC shares patients – including St. Luke's, Saint Alphonsus, Intermountain Health, and University of Utah. This will yield better quality of care, care coordination, medication safety, and sharing and access to lab results. Patients already familiar with the Epic MyChart® portal will be able to use it for their care at CMC.

Decided to convert to a Rural Emergency Hospital. In 2022, Cascade Medical Center was featured on the front page of the New York Times as being one of the hospitals that will need to choose between remaining a Critical Access Hospital or relicense as a Rural Emergency Hospital. Over a year of due diligence, gathering expert opinions, and with input from community members, the Board voted to license Cascade Medical Center as a Rural Emergency Hospital – the first in the Northwest and the 40th in the country.

Doubled Up on Our Commitment to Patient Safety. With the support of the Cascade Medical Center Foundation, CMC purchased two new ER Gurneys. CMC uses its ER

gurneys several times a day, and relies on them for patient safety, ease of transfer to CT, as well as comfort. At a cost of \$18,000 each, we could not have made this important upgrade without the generosity of CMC Foundation donors and participants in its annual golf tournament fund raiser.

Maintained Focus on Patient Satisfaction. While medical quality and patient safety are always #1, we endeavor to deliver a great customer experience. In CMC's two clinics, Cascade and Donnelly, patient satisfaction and recommendation scores are consistently around 96%, outpacing national Family Practice standards. In the ER, CMC's care team wants to get you roomed ASAP so we can begin assessing your situation. Then, when the medical screening exam is done and we've got a plan, we complete the registration. This year the Cascade Medical Center Auxiliary purchased a COW for the hospital (that stands for Computer On Wheels). This allows registration staff to bring registration to the bedside instead of having to always do it at a desk in the lobby. We appreciate the kindness and energy of the ladies in the Auxiliary for making this gift, in addition to their funding of scholarships for local students pursuing education in the health care field.

Caring for Everyone: Unfortunately, many people we see are unable to pay for all their medical care. Many are in the donut hole (they make too much to qualify for Medicaid and too little to afford commercial health insurance). CMC has a program that qualifies families for discounted care based on income, with as much as 100% of the bill being written off. Other patients are unable to qualify for the discount but still can't pay their bill. In FY24, CMC provided \$548,489 in discounted or written-off bills due to charity care and bad debt. The hospital's full audited financial statements are at the end of this report.

Community Outreach: CMC's patient transport van was busy running from one end of the County to the other, and sometimes to Boise and Council, getting patients to their medical appointments. In order to keep people healthy and prevent them from overusing the ER, CMC removed "lack of transportation" from the reasons people don't get preventive care and other planned medical appointments. In FY24 CMC provided over 300 round-trips getting patients to their medical appointments – which included physical therapy, doctor appointments, cataract surgery, colonoscopies, and prosthetic limb fittings. We've taken people to the hospitals in Boise, St. Luke's in McCall, the Dental clinic in Council, as well as to CMC. In addition, CMC "meets people where they are" by our Community Health Advocate providing them with information at local food banks, sponsoring vaccination clinics and free sports physicals, and participating in health fairs. Best of all, CMC has a committed troop of volunteers who stand ready to support care outreach, from monthly foot care clinics to providing companionship to patients.

Maintaining the hospital. CMC's building turned 50 years old in 2024. Our facility manager and hospital staff keep the hospital and grounds up to par. Our annual campus clean-up allows our employees to show their pride by planting new flowers and bushes. CMC passed its triennial hospital Fire, Life & Safety inspection in June 2024. We also passed inspections in the Laboratory, Pharmacy, and Donnelly Clinic.

On behalf of our dedicated Providers, Staff, Volunteers and Board Members, thank you for your support of Cascade Medical Center. We stand ready to serve.

Tom

Tom Reinhardt, CEO

Cascade Medical Center Mission:

To save lives and improve
the health and well-being of our community

**Cascade Medical Center Hospital District
doing business as Cascade Medical Center**
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended September 30, 2024 and 2023

	2024	2023
<i>Operating revenues</i>		
Patient service revenue	\$ 5,445,996	\$ 6,965,798
Other	116,374	72,676
Total operating revenues	5,562,370	7,038,474
<i>Operating expenses</i>		
Salaries and wages	4,626,758	4,228,778
Defined benefit pension plan benefits	1,171,952	1,006,273
Employee benefits other than defined benefit pension plan benefits	839,850	754,859
Professional fees	1,005,616	949,146
Supplies	548,751	495,362
Utilities	97,630	100,610
Insurance	78,562	48,035
Repairs and maintenance	45,372	27,976
Depreciation	330,914	298,741
Other	335,615	237,590
Total operating expenses	9,081,020	8,147,370
<i>Operating loss</i>	(3,518,650)	(1,108,896)
<i>Nonoperating revenues (expenses)</i>		
Taxation	1,066,362	997,053
CARES Act Provider Relief Fund	-	278,585
Grants and contributions	215,945	148,433
Interest income	249,942	185,619
Loss on disposal of assets	(243,539)	-
Total nonoperating revenues, net	1,288,710	1,609,690
Change in net position	(2,229,940)	500,794
Net position, beginning of year	7,126,253	6,625,459
Net position, end of year	\$ 4,896,313	\$ 7,126,253

**Cascade Medical Center Hospital District
doing business as Cascade Medical Center
Statements of Cash Flows
Years Ended September 30, 2024 and 2023**

	2024	2023
<i>Increase (Decrease) in Cash and Cash Equivalents</i>		
<i>Cash flows from operating activities</i>		
Receipts from and on behalf of patients	\$ 5,830,133	\$ 6,937,101
Other receipts	193,164	6,353
Payments to and on behalf of employees	(5,976,486)	(5,428,643)
Payments to suppliers and contractors	(2,061,401)	(2,157,429)
Net cash from operating activities	(2,014,590)	(642,618)
<i>Cash flows from noncapital financing activities</i>		
Contributions	215,945	148,433
CARES Act Provider Relief Fund	-	255,181
Taxation	1,059,120	990,351
Net cash from noncapital financing activities	1,275,065	1,393,965
<i>Cash flows from capital and related financing activities</i>		
Purchase of capital assets	(287,167)	(302,178)
<i>Cash flows from investing activities, investment income</i>	249,942	185,619
Net change in cash and cash equivalents	(776,750)	634,788
Cash and cash equivalents, beginning of year	5,831,511	5,196,723
Cash and cash equivalents, end of year	\$ 5,054,761	\$ 5,831,511