

Keeping the doors open will require closing some services

In order for Teton Valley Hospital to remain open, some services will have to be revised or suspended. For the past 4 months, all service lines have been under analysis in order to determine community usage, profitability, and sustainability.

Immediate changes included implementing a hiring freeze on vacated positions, capturing \$900,000 in annual savings, renegotiating various vendor and staff contracts, and initiating a review of patient billing and coding practices.

These were the easier changes. Now, hospital administration is forced to make decisions about services that are more difficult to cut. This includes hospice care and obstetrics, two programs that serve a very important purpose but are simply not profitable. The delivery of hospice care and the delivery of babies are services that are close to the heart for many of us. During times of prosperity, our hospital has been able to offer care that is widely known to be unprofitable because other areas of patient care help "float the boat." Our hospital no longer has that ability.

All of our boats need to float. All of our services and processes need to bring revenue or break-even in order to keep the doors open for those in need of emergency care. (Emergency care also includes emergency OB services.)

Within the past three weeks, hospital trustees approved the elimination of hospice care and obstetrics. A decision to close Teton Valley Home Health Care was temporarily reversed in favor of limiting the service area to Teton Valley, thereby reducing travel expenses to outlying areas. Two Home Health vehicles have been sold through a County-approved call for bids. Home Health offices will be moved from their stand-alone location on First Street to hospital office space, allowing the sale of their former office space and the adjoining property, which is also owned by Teton Valley Hospital.

On Monday, August 25th, the newly-revised hospital board met in open session to discuss many of the obstacles facing our hospital. The board consists of the Board of County Commissioners – Larry Young, Mark Trupp, and Alice Stevenson – along with Robert Emerson and LaNice Murphy. The BOCC has stated that the commissioners' tenure as trustees will end by January 2009 after the repayment of \$600,000 loaned to the hospital. Prior to that deadline, three additional trustees will be named.

After allowing public input regarding the decision to suspend obstetrics, it was decided to appoint a Service Line Committee which will meet on September 4th in order to give medical staff, hospital administration, members of the community, and new hospital trustees more time to consider financial ramifications and alternatives. The intent is that discovery period will provide everyone with confidence that the correct decisions are being made.

Right now, Teton Valley Hospital is struggling with \$3 million in debt, with the anticipation of a fiscal year loss of \$2 million. Our current accounts payable is \$1.4 million, with an average of 71 days to pay vendors.

An infusion of \$600,000 in cash from the County last week was made possible by the community's YES vote for a temporary tax levy, and must be paid back when the tax revenues become available in 2009. Hospital administration and staff met immediately after receiving the check from the County. After listing past-due vendors and prioritizing their invoices according to patient care needs, the highest priorities for payment totaled \$340,000.

We'll keep you up-to-date on our progress as we further research OB services.

The road ahead is going to be tough. Regaining solid footing and the trust of our community will require time, understanding, and hard work. The end result will be a healthcare facility that will be source of pride for all of us.

Other updates:

Hospital attorneys have determined that the hospital cannot pursue protective bankruptcy because the organization is viewed as a department of Teton County, Idaho. Teton County would have to declare bankruptcy in order for the hospital to qualify.

Due to the closure of Victor Health Clinic, Dr. Rob Wolfe is caring for patients at Driggs Health Clinic. Please call 354-2302 to make an appointment.