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## Teton Valley on the mend

The local hospital, especially in a largely rural area, in some ways provides the best snapshot of that area's economy.

In Teton County, workers in the billing department at the local hospital can tell you the number of uninsured patients has gone up 20 percent in the past year alone. Emergency-room doctors can tell you construction, once the major employer in the valley, has all but ground to a halt, with as many as 1,000 jobs lost during the past two years.

At the peak of Teton County's construction boom, the hospital would handle five or six emergency-room visits a day from workers injured on a job site, said Virgil Boss, CEO of Teton Valley Hospital in Driggs. "Now, if we get five in a week, we'd consider that busy," he said. "That's a really good way to measure what's happened with the industry. It isn't there."

Though the rest of the local economy has deteriorated around it, Teton Valley Hospital appears to be shoring up its own financial standing. Three years ago, Teton Valley's "days in cash" -- a crucial yardstick that measures how long a hospital can stay open with no incoming revenue -- fell to zero. In October of last year, that number stood at 8.5.

Today, the hospital is operating with 32 days in cash, Boss said. When Boss, a valley resident with a background in finance, talks about the hospital's resurgence, he sounds -- not surprisingly -- like an economist. "There are indicators that show that we are recovering," he said. "The operation is steadily improving. There's no doubt about it. But it is an uphill battle."

After realizing a small profit in the last fiscal year, Boss said he anticipates about a \$250,000 operating loss this year. "For me, that's OK, because we fixed some things that had been put off for three or four years that had to be expensed," he said.

One of those items was contracting -- to the tune of about \$450,000 -- with a doctor-outsourcing firm to provide physicians who cover the hospital's emergency room for 60 hours each weekend. Another is a contract, worth approximately \$189,000 a year, with Bingham Memorial Hospital to provide on-site consulting services.

Boss called both contracts costly but necessary. In the case of the consulting arrangement with Bingham Memorial, Boss believes the investment has paid for itself. Teton Valley Hospital's operating revenue is up 2.7 percent this year over last, and Boss thinks it's largely because the hospital has implemented tighter billing practices -- i.e., charging patients for services they receive.

While revenue from inpatient services has fallen this year, income from outpatient services and the county's clinics have more than made up the difference, Boss said. More good financial news appears on its way in the form of a \$100,000 earmark set aside in a U.S. Senate appropriations bill for the hospital to buy "facilities and equipment."

A third, and necessary, shot in the arm came this spring when Teton County voters granted the hospital a second straight two-year reprieve by passing -- barely -- a supplemental levy that will allocate \$1.8 million over the next two years to bolster its operations.

That the measure passed by just 124 votes was sobering to hospital officials.

"The take-away from that is to pay as much attention to the 'no' votes as to the 'yes' votes," said Ann Loyola, the hospital's organizational projects manager. "And really get to understand the reasoning behind the 'no' vote."

Failing to convince nearly half of the county's voters that the hospital is worth keeping and that it needs some supplemental money may not seem like much of a victory, but Boss is convinced that Teton Valley Hospital's improving bottom line means "there's an improved confidence in our operation, that convenience is still a major driver for health care, and that there are signs that things are slowly getting better."

"Through the whole turmoil of change and the economy, people still need to see doctors," he said.