

Media Release for August 30, 2022

Invitation to Learn About and Discuss Estes Park Health's Proposed Additions and Changes in Services

Estes Park Health (EPH) strongly encourages Estes Valley community members to attend an EPH Special Board meeting via GoTo Webinar on date and time listed below. Participants will learn about and discuss proposed actions to strengthen EPH services and finances. The proposed actions are intended to allow EPH to provide sustainable high-quality healthcare services to our community members and visitors.

Thursday, September 1 5:30 pm to 7:30 pm.

Please email rryan@eph.org to register for the GoTo Webinar meeting or attend in person at the Estes Valley Community Center: 660 Community Drive, Estes Park, CO, 80517. In-person conference will be held in the lower level of the building, in the Chiquita Conference Room.

Why are the proposed actions to strengthen EPH services and finances necessary?

Nationally, the healthcare industry has been experiencing significant, ongoing adverse financial impacts from the COVID-19 Pandemic, and according to national and regional healthcare economists there is no expectation of a return to pre-pandemic conditions. Across the county, healthcare organizations are experiencing severe labor shortages with associated dramatic increases in labor costs. Nationally, the cost of contract labor and cost of supplies has increased significantly.

The 2022 EPH Budget presented at the December 14, 2021 Board Meeting included a projected \$7 million loss from operations that was partially offset by nonoperating income that included \$3.5 million in projected property tax revenues and \$2.7 million in projected Federal Government COVID-19 relief funds. The overall impact of the operations loss and nonoperating income offsets was a projected \$1 million overall financial loss in 2022. However, due to uncertainties about how much of the \$2.7 million in projected Federal Government COVID-19 relief funds will be received, it is likely that the actual 2022 overall financial loss will be greater than \$1 million.

With Federal Government COVID-19 relief funding ending, unless mitigating actions are taken, the financial outlook for EPH in 2023 and beyond will be unsustainable.

Faced with the projected 2022 and 2023 financial losses, EPH's Medical Staff, Leadership Team, and Board of Directors are certain that, to continue to provide high-quality healthcare services and continue to survive financially, significant changes must be made in some of the hospital's clinical and support services. As a result, the EPH leadership including the Medical Staff and the Senior Leadership Team, with the support of the EPH Board, initiated a thorough assessment of all EPH clinical and support services to identify opportunities to bring EPH onto a long-term, financially sustainable path through revenue increases and expense reductions.

First and foremost, the primary focus of the entire Estes Park Health organization, including the Medical Staff, Senior Leadership and Board of Directors is to provide high-quality, sustainable healthcare for our Estes Valley residents and visitors.

As part of the plan to provide high-quality, sustainable healthcare for our Estes Valley residents and visitors, EPH has announced successful recruitment of a number of physician positions that will serve important community healthcare needs and also make positive financial contributions to EPH:

Dr Cynthia DiLauro, MD - Internal Medicine – for the recently retired Dr Luchsinger – Starting Nov 1, 2022

Dr Sarah Dech, MD - Ophthalmology - for the recently retired Dr Prochoda – Starting Sept 19, 2022

Dr Paige Dekker, DO - Family Medicine – Started July 18, 2022

Dr John Knudtson, MD - Radiologist – Started April, 2022

Dr Paxon Riding, DPM - Podiatry – Started June, 2022

To add and restore high-quality healthcare services our community needs, and to make positive financial contributions to EPH, Chemotherapy services have been restarted, and EPH proposes to expand Cardiac Rehabilitation Service (Phase I and II), Cardiopulmonary Rehabilitation Service, and a Diabetic Nutrition Education Service.

In addition to filling these positions, EPH will also initiate searches for a Urologist and some other clinical services based on our community's demographics and the positive financial experience with these services at other Critical Access Hospitals like EPH.

All of these additions will provide high-quality healthcare services to our community and will support a sustainable future by making positive financial contributions to EPH.

Along with these service additions, EPH has proposed a number of expense reduction efforts in support services including leadership and workforce reorganization, information technology, and revenue cycle processes. Some clinical services like Home Health, Home Care, and Hospice need to be optimized as well.

EPH is committed to following best practices to provide high-quality healthcare. In a small community like ours, some clinical activities do not have enough volume to meet best practice requirements. These low-volume clinical services can be better provided by resources and facilities available on the Front Range. It has been proposed that Inpatient Pediatrics and Obstetric Delivery services be transferred to nearby affiliate organizations that have sufficient patient volumes to maintain staff expertise and provide enough revenue to support the required staffing levels. Transferring these services to nearby organizations will also eliminate the need for very costly on-call services that are currently required 24 hours per day, 7 days per week, but are rarely used. EPH will continue to offer Pre-Delivery and Post-Delivery “Well Baby” services.

The EPH Senior Management Team and Board of Directors look forward to discussions with our community members about a sustainable future for EPH.

If you have questions or comments about these proposed changes, please attend the upcoming public meeting listed above or on the EPH website, email rryan@eph.org or call 970-577-4470.