

Dear Nobles and Friends of the Spokane Shriners Hospital

As you can imagine the main topic at this months meeting of the board of governors in Spokane is the vote that will take place at Imperial Session in San Antonio in July as you know, Imperial is putting forth three options for the nobles to vote on.

The first option being to keep all hospitals open, except Galveston which is still closed from the last hurricane. Each hospital will cut their cost by 7% in 2009 and an additional 3% more in 2010. For us in Spokane that equals \$953,000.00 in extra cuts this year and another \$379,000.00 IN 2010. We have cut all the fat from our budget and now we are starting to cut the flesh.

The second option calls for the closure of 5 hospitals in the system, Spokane being one of them.

The third option calls for reopening Galveston but all hospitals will face a 25% in their budgets.

For your information only option two needs a 2/3rd vote of the nobility. The other two options can be ordered administratively by the board of Trustee's.

I would like to share with you the position of the Board of Governors the Spokane hospital put out by Ken Boni, Chairman of the Board of Governors in Spokane.

The Rest of the Story – A Letter from Local Shriners

Dear Friends of Spokane Shriners Hospital,

We, the Board of Governors of Shriners Hospital for Children in Spokane would like to take this opportunity to first thank the members of this community for the outpouring of support we have received in the past few weeks. From letters, emails, calls, visits and donations, we are overwhelmed at the strength of this community and the generosity of spirit toward us. We are determined, along with each of you, to see this hospital continue to treat thousands of children each year right here in Spokane.

We want to also take this opportunity to clear up some confusion and give you the rest of the story that may have been untold in recent media interviews and coverage. Rest assured that our hospital remains committed to our mission and one goal of helping children Defy the Odds.

The Rest of the Story:

1. The economic downturn has indeed impacted the Shriners Hospitals for Children's endowment trust with an approximately 3 billion dollar loss of value. That loss is for the entire system, not Spokane only. The Board of Trustees at the national level has suggested several options to address the immediate financial concerns of our organization and reduce costs. One of those options includes the closure of 6 of the 22 hospitals, including Spokane. We want to emphasize that there is **NO DECISION MADE YET**. The vote will take place July 6-8th in San Antonio and will be made by representative delegates from each of the 191 Shrine groups (or temples) across North America. Until the vote, there is no final decision. **We are still accepting patients and scheduling surgeries for children ages 0 to 18 with a treatable orthopedic condition, regardless of income or financial need.**

2. Several media interviews have stated that Spokane is under utilized and that we only have 6 patients on average and yet employ 170 staff. This phrase alone has led to some misunderstandings. As of March 31, 2009, the Average Daily Patient Census **at midnight** in the Spokane Shriners Hospital was 6.8. But, what you didn't get told was that **on a daily basis we see approximately 50 children in the Outpatient Clinic and 10-15 on the Inpatient Unit** who are either preparing for or recovering from surgery. Since over 50% of the surgeries we perform are same day surgeries, many of our patients are able to heal in the comfort of their own homes and thus not in a bed at midnight when the census is taken. So in reality, **we are seeing between 60 and 70 children a day** at Spokane Shriners.

3. Since we are a hospital, we must have staff present 24 hours a day. We do have 144 full time positions filled with 170 employees, many of whom are part time. But as with all businesses, not everyone is at work at the same time. We have on a typical weekday around 80 staff present who in the first quarter of 2009 have performed 174 surgeries, seen 2158 patients in clinic, seen 970 patients in physical therapy, seen 196 patients in

occupational therapy, performed 1242 laboratory procedures, completed 2131 radiology orders, assisted 238 patients with orthotics, assisted with 46 patients with prosthetics and provided the necessary nursing care, rehabilitation, scheduling, medical records, transcription, nutrition, facilities, fiscal services and administrative support to each of these functions. Our staff is supplemented by nearly 100 volunteers on a daily basis and every one of them is working hard to take care of children at no charge. We can assure you that on a daily basis we are reviewing and adjusting our staffing levels to ensure the most prudent use of resources and yet still ensure safe and quality care for our patients.

4. Our hospital system was been founded on a mission of philanthropy and to date, has not made third party billing or collection of insurance a part of our mission (with few exceptions for outside services). That issue is also on the agenda for the July meeting for approval. We believe that this will be a critical issue and addition to our hospital system in recovery of some costs and are optimistic that it will pass. That vote, however, will not change how we care for our patients or who we treat, it will simply allow us to recover a portion of our expenses.

We again, thank you for your support and outpouring toward us. For those who wish to assist us and make a donation, we welcome your gifts gratefully. Cash, check or credit card donations received in Spokane are used to support our costs for caring for children right here. That in turn, reduces what we would draw from our national endowment and becomes a win-win for our hospital, for the children and the organization as a whole. Please contact the hospital at (509) 455-7844 or by mail at 911 W. 5th Avenue, Spokane, WA 99204 if you have questions or would like to contribute.

Thank you for helping us Help Kids Defy the Odds,

The members of the Spokane Shriners Board of Governors

In closing I want to say the Spokane Shriners Board of Governors is committed to treatment of all kids in the northwest. We will help any child we can. In the future we may be delivering care in radically different manner than today, but those decisions should be well thought out and not based on a current crisis. Please contact our Imperial Reps to please vote against option # 2

Until next month

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