

Dear Nobles and Friends of the Spokane Shrine Hospital

2009 was quite the year for our little Hospital. Last spring the Board of trustee's was calling for the closure of Spokane, along with five other shrine facilities. But the general nobility said no to this at the Imperial Session in July. They also voted to except third party pay. (money from patients insurance companies). Our annual budget in Spokane was cut from approx.\$13.6 million down to 12.4 million. Making our dedicated staff do more with less. We also had layoffs for the first time in our history. There was even talk of changing our mission or maybe merging with another entity . Uncertainty was our theme for 2009.

But for the Nobility there was no question, Our mission remains the same. We will help every child we can . We will find them and raise the money needed to help them defy the odds. and that's just what the members of the Mystic Shriner did. Our admissions were up for the year. We did the most spine surgeries since 2005. Bagdad help lead the way with an average of seven admissions a month compared with 4 per month in 2008. Donations were also up, even in such a economically depress year as 2009. From a third grade girl from Spokane who held a bake sale for us ,to radio stations and large corporations who took up our cause. We are recognized for our great work and we should be proud. The Spokane unit has gather up a great head of steam going into the new year, and I'm confidante we will be up to any challenge that comes before us. Remember We Help Kids Defy The Odds .

Enclosing I would like to share with you the Spokane Shrine Hospital Administrator Gene Raynaud's year end letter with you. Best Wishes
E G Leipheimer

December 29, 2009

"WE'RE HERE FOR THE KIDS"

I read an article the other day that argued the year 2009 was a year to forget. I couldn't disagree more! I firmly believe that hardship and challenge produce persistence, persistence produces character, and character produces the capacity to weather any hardship.

The year produced its share of hardship and challenge for our hospital, our health care system, and our nation. You were tested, measured and came through with flying colors! You did not shrink from the challenges put before you. Rather you rallied as a team and overcame adversity. Now we are reaping the benefits of your efforts.

Here are a few examples as of November 2009 as compared to 2008:

- Average Relative Weight (care intensity index) - 1.24 10.7% increase
- Number of Discharges - 721 11.1% increase
- Average Daily Census - 8.0 12.3% increase
- Applications - 1615 65.5% increase
- Number of Operations - 691 13.5% increase
- Nursing Hours per Patient Day - 6.91 24.7% decrease
- Regionally Adjusted Expense per Discharge - \$9,979 17.4% decrease

You produced these results without a pay raise, a loss in benefits, with fewer staff, and nearly \$1.2 Million dollars less in the operating budget. Unprecedented performance!

You watered the eyes of the Joint Commission evaluator. Her quote to the leadership group during the out brief was "you have a special place here". You demonstrated courage, grace, humility, strength, and perseverance during the open debate about your worth and value to the system, the layoffs that followed and yet another budget cut.

We finished 2009 fewer in number but blessed in so many ways.

- We are no longer the best kept secret in Spokane or the region.
- We are followed by nearly 19,000 friends of Spokane Shriners hospital on Facebook.
- We kicked off a spine implant fund drive that has generated \$68,000 dollars in two months!
- We are the sponsored charity for the new country station 99.9 "Coyote Country" for 2010.
- We started a Juarez, Mexico outreach program and transportation fund. In a few short months we have funds

for six children to travel here for surgery.

- We kick off a community stable trauma program that helped two children on average per week get surgery

(that's double last year's numbers).

- We performed a record number of spine surgeries 58 as of the end of Nov. with more on a waiting list.

- 2009's surgery totals were the highest since 2005!

I could go on and on but you get the point. I cannot foresee the challenges we will face in 2010. What I do know is we have the heart and the character to meet them and succeed.

I want to thank you all so much for your hard work and dedication. Thank you to our volunteers and Shriners who have been an integral part of the team. Without your support we would not be able to help so many children defy the odds.

I wish you all a happy and prosperous New Year!

With gratitude,

Gene