

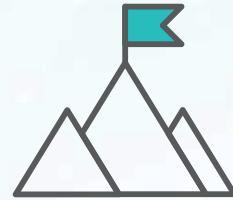


# FHN REPORT TO OUR COMMUNITIES 2023



*We're here, for you.*

**FHN**



## OUR MISSION

FHN, together with those we serve, improves health and provides superior, quality healthcare services. Respect, dignity and compassion guide our interactions, while leadership and wise stewardship of resources direct the process.



## OUR VISION

Healthcare Excellence for our Communities



### FROM OUR PRESIDENT AND CEO, MARK GRIDLEY

On behalf of FHN's Board of Directors and the entire FHN team, I'm pleased to share our Annual Report for 2023.

Like so many other healthcare organizations in the United States, FHN is facing a number of challenges, from spiraling costs and declining admissions and birth rates to an increasingly complex payor system and government-created shortfalls.

In our case, these circumstances led to total net income loss of more than \$2.6 million in the past year. We are working hard every day to meet this challenge, endeavoring to be wise stewards of our resources and your generous gifts to the FHN Foundation.

Some healthcare systems across the state haven't been so fortunate. A few Illinois hospitals have been forced to close, and others have been taken over by larger entities, taking local decision-makers out of leadership.

We believe that a community healthcare system helmed by members of that community, with their families' and neighbors' health top of mind, is vital to a healthy community.

Decisions about our local healthcare system are made with careful attention to our most recent Community Health Needs Assessment, which outlines the needs of our community and ways we can help enhance our neighbors' health.

The strength of our communities is just that – community – and we have been fortunate to be able to partner with other organizations to provide some of the services and resources that can make northwest Illinois healthier.

When another organization can fulfill a need for our communities, we have made the wise decision to carefully and thoughtfully transition away from that service in order to conserve our resources.

We are proud to continue investing in our most valuable resource, our FHN team. Together, we care for thousands of patients each year – an average of about 1,500 daily visits to our 16 locations spread across five northwest Illinois counties.

All of us at FHN are proud to be your locally governed healthcare provider, and we thank you for the privilege of caring for you.



## 2024 FHN BOARD OF DIRECTORS

Mark Gridley

Heather McPherson,  
*Board Chair*

Rich Chang,  
*Board Vice Chair*

Bruce Baldwin,  
*Board Secretary*

Stephen Kneubuehl,  
*Board Treasurer*

Neal Richardson,  
*Board Past Chair*

Amy Baker

Kimberly Beggin

J. Steve Harweger,  
AGACNP-BC

Timothy Jessen, MD

Beth Kalnins, MD

Glenda Koeller, RN

Clarence Parks, MD

Gary Quinn

Dan Schmitt

Shokry Tawfik, MD

Mark Wright

## FHN FINANCIAL SUMMARY 2023

<b>What we charged for our services:</b>	<b>\$726,087,223</b>
<b>Portion of charges not paid due to:</b>	
Discounts taken by Medicare	\$(336,846,031)
Discounts taken by Medicaid	\$(108,712,364)
Discounts taken by Insurance	\$(88,640,231)
Discounts provided to Self Pay Patients	\$(2,363,518)
Financial Assistance	\$(1,819,022)
Bad Debt Write Offs	\$(8,812,814)
<b>Total Payments received for Patient Care</b>	<b>\$178,893,243</b>

<b>What it cost us to provide services:</b>	
To pay staff and provide benefits	\$121,229,353
To purchase supplies, pay utilities & other operating costs	\$64,800,209
To purchase and maintain equipment & buildings	\$13,023,790
<b>Total Cost to provide Patient Care</b>	<b>\$199,053,352</b>

<b>Total Net Income (Loss) from Patient Care</b>	<b>\$(20,160,109)</b>
--	-----------------------

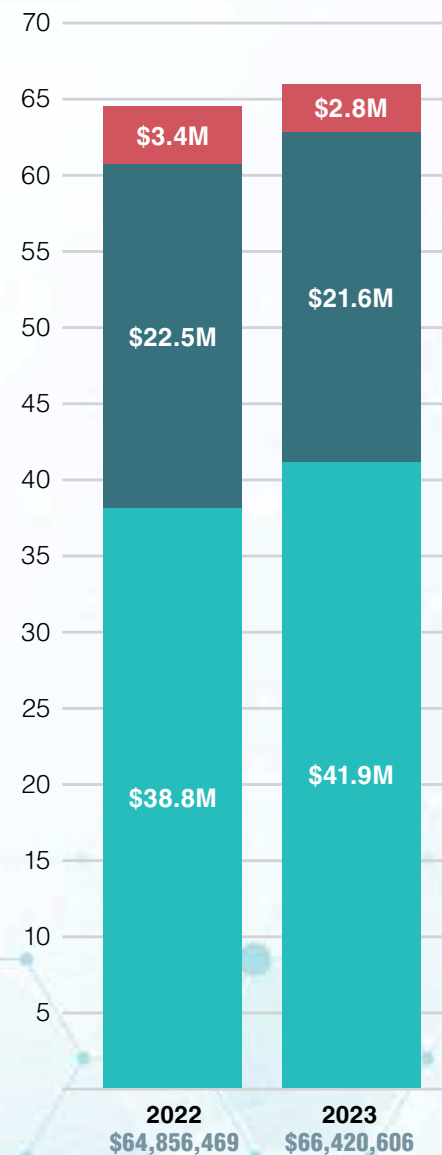
Other Income	\$16,386,896
Donor Contributions	\$1,157,881
<b>Total Net Income (Loss)</b>	<b>\$(2,615,332)</b>

### KEY PATIENT SERVICES

	2022	2023	Change
Inpatient Admissions	3,215	3,441	7.0%
Inpatient Days	14,343	14,165	-1.2%
Observation Days	9,339	7,490	-19.8%
Emergency Department Visits	27,496	27,417	-0.3%
Surgical Cases	3,312	3,443	4.0%
Babies Delivered	257	252	-1.9%
Physician Office Visits	216,340	215,565	-0.4%



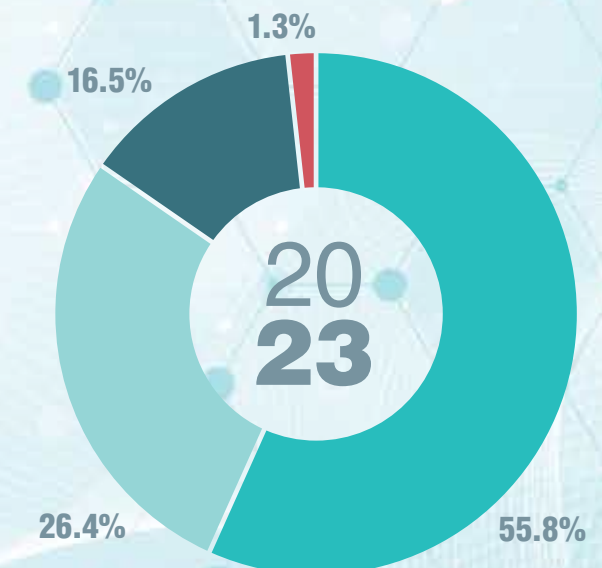
### STATEMENT OF COMMUNITY CONTRIBUTION



### PAYOR MIX

	2022	2023	Change
Medicare	55.0%	55.8%	1.5%
Medicaid	17.2%	16.5%	-4.1%
Insurance/Other	26.7%	26.4%	-1.1%
Self Pay	1.1%	1.3%	18.2%

■ Medicare ■ Medicaid ■ Insurance/Other ■ Self Pay



**CRUCIAL FOR COMMUNITY HEALTH AND ECONOMIC STABILITY**

According to the Illinois Health and Hospital Association, each dollar that hospitals spend on payroll, supplies, and capital results in an additional \$1.40 spent in state and local economies. And for every full-time hospital job, 1.4 jobs are created in other sectors of the economy.

The charts below highlight the significant role FHN Memorial Hospital play in our area's economy, and the ripple effect of the dollars we bring into our communities and the jobs we help create.

**2024 ECONOMIC IMPACT**  
**\$337.2 MILLION**

Annual amount infused into local economies

	<b>PAYROLL</b>	<b>SUPPLIES/SERVICES</b>	<b>CAPITAL</b>
<b>DIRECT</b>	\$56,586,242	\$83,497,803	\$2,847,755
	+	+	+
<b>INDIRECT</b>	\$76,900,703	\$113,473,514	\$3,870,099
	=	=	=
<b>TOTAL</b>	\$133,486,945	\$196,971,317	\$6,717,854



**FOR EVERY ILLINOIS HOSPITAL JOB, 1.4 JOBS ARE CREATED IN OTHER SECTORS.**

**1,267**  
**JOBS** supporting  
**WORKING**  
**FAMILIES**

<b>FULL-TIME JOBS GENERATED</b>
540 DIRECT JOBS
+
727 INDIRECT JOBS
=
1,267 TOTAL JOBS

THIS REPORT REFLECTS THE **ECONOMIC IMPACT CREATED BY FHN MEMORIAL HOSPITAL** EMPLOYEE COUNT AND PAYROLL; SUPPLIES AND SERVICES; AND CAPITAL SPENDING.

IF THE ECONOMIC IMPACT OF FHN FAMILY HEALTHCARE CENTERS AND SPECIALTY CENTERS IS INCLUDED, **THE IMPACT IS MUCH GREATER.**



**FHN LOCATIONS**

Located in northwest Illinois, FHN has 16 locations in Stephenson, Jo Daviess, Ogle, Carroll and Winnebago counties. Our regional offices offer primary care, while most of our specialists are located in Freeport.

**FREEPORT LOCATIONS**

**FHN Community Healthcare Center**  
 10 W. Linden Street  
 Freeport, IL 61032  
 815-599-8414

**FHN Hospice**  
 773 W. Lincoln Boulevard,  
 Suite 403  
 Freeport, IL 61032  
 815-599-7240

**The Leonard C. Ferguson Cancer Center at FHN Memorial Hospital**  
 1163 West Stephenson Street  
 Freeport, IL 61032  
 815-599-7000

**FHN Memorial Hospital**  
 1045 West Stephenson Street  
 Freeport, IL 61032  
 815-599-6000

**FHN/Physicians Immediate Care Urgent Care Clinic**  
 1009 Fairway Drive  
 Freeport, IL 61032  
 815-986-4200

**FHN Memorial Hospital Rehabilitation at Burchard Hills**  
 1010 W. Fairway Drive  
 Freeport, IL 61032  
 815-599-6340

**FHN FAMILY HEALTHCARE CENTERS**

**FHN Family Healthcare Center – Burchard Hills**  
 1010 W. Fairway Drive  
 Freeport, IL 61032  
 815-599-6000

**FHN Family Healthcare Center – Highland View Drive**  
 3001 Highland View Drive  
 Freeport, IL 61032  
 815-235-3165

**FHN SPECIALTY CARE**

**FHN Specialty Care – Harlem Avenue**  
 25 North Harlem Avenue  
 Freeport, IL 61032  
 815-599-6000

**FHN Specialty Care – Stephenson Street**  
 1036 West Stephenson Street  
 Freeport, IL 61032  
 815-599-6000

**REGIONAL LOCATIONS**

**FHN FAMILY HEALTHCARE CENTERS**

**FHN Family Healthcare Center – Forreston**  
 803 First Avenue  
 Forreston, IL 61030  
 815-938-3130

**FHN Jo Daviess Family Healthcare Center**  
 600 North Rush Street  
 Stockton, IL 61085  
 815-947-3211

**FHN Family Healthcare Center – Lanark**  
 602 West Olympic Drive  
 Lanark, IL 61046  
 815-493-2831

**FHN Family Healthcare Center – Lena**  
 160 West Main Street  
 Lena, IL 61048  
 815-369-3300

**FHN Family Healthcare Center – Mt. Carroll**  
 1120 Healthcare Drive  
 Mt. Carroll, IL 61053  
 815-244-4181

**FHN Family Healthcare Center – Pecatonica**  
 1301 Main Street  
 Pecatonica, IL 61063  
 815-239-1400

**FHN Family Healthcare Center – Savanna**  
 2107 Chicago Avenue  
 Savanna, IL 61074  
 815-273-3323

Source: Illinois Health and Hospital Association



*We're here, for you.*

**FHN**