

PeaceHealth

KETCHIKAN MEDICAL CENTER



Fiscal Year 2026 Report Card

July 1, 2025 – June 30, 2026

EXECUTIVE SUMMARY

Fiscal Year 2026 at PeaceHealth Ketchikan Medical Center (KMC) was a year of stabilization and continued commitment to the health of Southeast Alaska. Through strong fiscal stewardship and disciplined resource management, KMC maintained all core service lines throughout the year while providing access to a broad continuum of care. We completed Phase I of the facility remodel bringing on a new CT scanner and are underway with Phase II to improve and relocate our laboratory.

ACCESS TO CARE

PeaceHealth sustained access to specialty services through visiting physician clinics, providing more than 3,500 specialty visits in cardiology, oncology, urology, pediatric neurology and other disciplines. These services reduced the need for patients to travel outside the region for routine specialty care and expanded access to essential health care close to home. We had a year of successful recruitment of two additional primary care clinicians who recently joined the practice.

QUALITY & PATIENT EXPERIENCE

KMC saw strong performance in both quality and patient experience measures. Annual targets were exceeded for overall hospital rating, physician communication and patient willingness to recommend the hospital. Clinical quality outcomes remained strong, with zero early elective deliveries, zero central line-associated bloodstream infections, zero hospital-acquired pressure injuries and no falls resulting in serious harm during FY26.

COMMUNITY COMMITMENT

As a mission-driven nonprofit health care provider, PeaceHealth continued to invest in community well-being. The organization provided more than \$5.9 million in charity care and approved 793 financial assistance applications, helping ensure access to care regardless of ability to pay. In addition, \$100,000 was invested in local community organizations addressing priorities identified through the Community Health Needs Assessment.

LOOKING AHEAD

As PeaceHealth Ketchikan Medical Center enters FY27, KMC remains focused on strengthening access to care, maintaining high-quality clinical outcomes, enhancing the patient experience and building partnerships that improve community health. PeaceHealth is well positioned to meet the evolving needs of the region.



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CORE SERVICES

PeaceHealth Ketchikan Medical Center maintained all Core Services throughout FY26, supporting a broad continuum of care across inpatient, outpatient, long-term care, diagnostic, surgical, rehabilitation and home-based services.

Average Daily Census (ADC) reflects average daily patient volume; **Visits** measure patient encounters; **Tests** measure diagnostic analyses completed; **Procedures** measure clinical services performed and **Days** measure the duration of care provided.

Service	Availability	FY26
Long Term Care	YES	ADC: 24.3
Emergency Department	YES	• 7,864 visits • ED Admits: 558 • Door to Discharge Avg.: 106.75 min. • Arrival to Doctor Avg: 3.75 min. • Left without being seen: 0.34%
General Inpatient	YES	• Acute ADC: 10.3 • Inpatient Admits: 761 • Inpatient Days: 2,926
Hospitalists	YES	3,994 visits
Labor and Delivery	YES	137 deliveries
Food and Inpatient Nutritional Needs	Yes	38,949 meals
Diagnostic Imaging	YES	21,791 procedures
Laboratory Services	YES	127,951 tests
Pathology	YES	2,297 tests
General Surgery Cases	YES	1,861 cases
General Surgery Clinic Visits	Yes	937 visits
Orthopedic Surgery Services	YES	426 cases
Orthopedic Clinic	YES	4,084 visits
Primary Care Services	YES	14,805 visits
Pediatrics	YES	4,163 visits
Obstetrics	YES	2,999 visits
Behavioral Health Services	YES	3,010 visits
Priority Care	YES	2,512 visits
Home Health Services	YES	2,963 visits
Hospice Services	YES	12,563 days
Physical and Occupational Therapy	YES	32,444 procedures

VISITING PHYSICIAN SERVICES

Visiting specialty clinics expand access to specialized healthcare services within the community, reducing the need for patients to travel for routine specialty care.

During FY26, visiting specialists provided 3,520 patient visits, with the highest volumes in oncology (805 visits), urology (671 visits) and cardiology (449 visits). Additional services included dermatology, otolaryngology (ENT), gastroenterology, pediatric psychiatry, pediatric neurology, pulmonology and neurology, supporting comprehensive specialty care access to Southeastern Alaskans throughout the year.

Service	Availability	FY26
Cardiology	YES	280 visits
Dermatology	YES	525 visits
Gastroenterology	YES	303 visits
Neurology	YES	12 visits
Oncology	YES	1041 visits
Otolaryngology (E/N/T)	YES	365 visits
Pediatric Neurology	YES	68 visits
Pediatrics Psychiatry	YES	156 visits
Pulmonology	YES	63 visits
Urology	YES	1020 visits



RECRUITMENT & RETENTION

Retention and recruitment were a top priority to continue to strengthen physician and clinician coverage across key service lines. Recent successes include the addition of new primary care clinicians, expanded hospitalist coverage, new per diem support in obstetrics and gynecology and general surgery and the engagement of two highly qualified locum oncologists with interest in long-term opportunities. Several candidates have also expressed interest in transitioning to more permanent roles. Retention efforts remain a priority and are producing positive results. Regular rounding on our medical staff team and a high level of community support have contributed to the highest level of participation ever recorded in the Provider Survey, with 18 responses in 2026 compared with fewer than five in prior years. Together, recruitment momentum and retention initiatives are helping strengthen access to care.

Recruitment Efforts During FY26

- Primary Care
 - Recruited and onboarded two family medicine practitioners.
- Hospitalists
 - Recruited one permanent physician.
 - Onboarded seven per diem hospitalists.
- Ob/Gyn
 - Recruited 2 per diem OB/Gyn physicians.
- General Surgery
 - Recruited two per diem general surgeons.
- Oncology
 - Currently recruiting for oncology coverage with two strong candidates interested.



PATIENT FINANCIAL SERVICES

PeaceHealth remains committed to ensuring access to care regardless of a patient's ability to pay. During FY26, 793 Financial Assistance Plan applications were approved, resulting in more than \$4.1 million in adjusted patient balances. PeaceHealth also maintained a strong focus on patient experience and issue resolution, with no billing concerns remaining unresolved after the initial point of contact.

In total, PeaceHealth Ketchikan Medical Center, accompanying clinics, Home Health and Hospice Care provided more than \$5.9 million in charity care during FY26, reflecting its ongoing commitment to serving the healthcare needs of the community.

FY26 Financial Assistance & Collections	
Financial Assistance Plan applications meeting eligibility	793
Total dollars adjusted	\$4,123,340
Total number sent to collections	645
Number of billing concerns not resolved after first point of contact	0
Total Uncompensated Care Across all KMC, FY26	\$5.9m



COMMUNITY BENEFIT

PeaceHealth is focused not just on individual patient outcomes but also on maximizing community health benefits and ensuring access to high-quality, affordable care.

We are proud of our healing Mission and are committed to giving back to the communities we serve. As a mission-driven non-profit health system, we reinvest our profits into our communities by enhancing the healthcare services we provide or through supporting community health initiatives.

Through community partners, PeaceHealth makes direct investments that improve wellness, access, quality and health justice.

Community health needs define our priorities for investments with partners. Every three years, we conduct a Community Health Needs Assessment and work with community-based partners to address critical social determinants of health. Our most recent CHNA was completed in 2025 and identified four focus areas outlined below. Learn more about our Community Health initiatives at www.peacehealth.org/about-peacehealth/community-health.

Community Health Improvement Plan 2025-2028



Home

- Respond to the needs of unhoused community members.
- Maintain or increase access to housing for low-income households.



Hope

- Improve access to substance use disorder treatment and recovery resources.
- Respond to mental health needs of the community.



Care

- Improve and maintain service connections to address access barriers.
- Partner to decrease social isolation in community.



Nourish

- Increase and maintain access to healthy, culturally appropriate foods.
- Support food system sustainability and nutrition education programs.



COMMUNITY BENEFIT, cont.

With the guidance of the Community Health Needs Assessment and the governance of the Community Collaboration Committee (CCC), PeaceHealth Ketchikan Medical Center contributed \$100,000 to community organizations in FY26.



Home: Housing – \$44,000

- Warming Shelter – KIC
- PATH Shelter Furnace
- Love in Action, Emergency Utilities & Rental Assistance



Hope: Behavioral Health & Substance Use – \$23,000

- Youth Health & Wellness, Craig Parks & Recreation
- Ketchikan Afterschool Program (KAP)



Care: Community Caregiving – \$20,000

- Ketchikan123 Navigation Program



Nourish: Nutrition, Health & Wellness – \$13,000

- The Giving Table
- Sunny's Lunch

**Total funding distributed
in FY26: \$100,000**



PATIENT EXPERIENCE

Patient experience results in FY26 demonstrated strong performance in several key areas of care. The hospital exceeded its annual targets for both overall hospital rating (75.14 percent vs. 65.7 percent target) and physician communication (85.71 percent vs. 81.2 percent target). Performance for recommending the hospital (78.17 percent) also exceeded the FY26 target of 72.65 percent. Nurse communication remained strong at 79.36 percent, narrowly missing the target of 80.17 percent.

FY27 first-quarter results reflect continued strength in nurse communication at 88.89 percent, while opportunities remain to improve overall hospital ratings, physician communication and patient willingness to recommend the hospital. Ongoing efforts are focused on enhancing the patient experience and maintaining high-quality, patient-centered care across all service areas.

Patient Experience						
Measure	Target FY26	FY26				FY27 To-Date
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1
		Jul • Aug • Sep	Oct • Nov • Dec	Jan • Feb • Mar	Apr • May • Jun	Jul • Aug • Sep
Recommend the Hospital	≥ 72.65%	78.17%	78.89%	51.28%	67.46%	61.11%
	n size	52	26	25	31	18
Rate the Hospital	≥65.7%	75.14%	64.86%	51.28%	77.12%	55.56%
	n size	52	27	25	31	18
Nurse Communication	≥80.17%	79.36%	95.60%	76.82%	87.50%	88.89%
	n size	52	27	25	30	18
Physician Communication	≥ 81.2%	85.71%	84.72%	70.62%	85.26%	77.78 %
	n size	51	27	25	30	18

Legend

Meets/Exceeds Target	Below Target
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CLINICAL QUALITY & SAFETY

Clinical quality outcomes in FY26 reflect a strong commitment to patient safety and high-quality care. PeaceHealth Ketchikan met or exceeded targets in four of five key quality indicators, reporting zero early elective deliveries prior to 39 weeks gestation, zero central line-associated bloodstream infections (CLABSI), zero hospital-acquired pressure injuries (HAPI) and zero catheter-associated urinary tract infections (CAUTI) during FY26. Falls with serious harm remained below the annual target, with no incidents reported for the year.

FY27 first-quarter performance has continued to demonstrate strong quality outcomes, with no falls resulting in serious harm, no early elective deliveries, no CLABSIs and no HAPIs reported. One CAUTI event occurred during the first quarter, and corrective measures continue to support ongoing patient safety and quality improvement efforts.

Clinical Quality						
Measure	Target FY26	FY26				FY27 To Date
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	July
Falls with Serious Harm	≤ 0.196	0.00	0.00	0.00	2.56	0.00
Early Elective Deliveries (Prior to 39 weeks gestation)	≤ 1.06	0.00	0.00	0.00	0.00	0.00
CLABSI Central Line Associated Blood Stream Infection	0	0	0	0	0	0
HAPI Hospital Acquired Pressure Injury	≤ 0.35	0.00	0.00	0.00	0.00	0.00
CAUTI Catheter-Associated Urinary Tract Infection	0	0	0	0	1	0

Legend

Meets/Exceeds Target	Below Target
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DEFINITIONS

Falls with Serious Harm - Rate

- Numerator = Number of reported patient harm occurring from a fall
- Denominator = 10,000 patient days

Early Elective Deliveries – Percentage

- Numerator = Number of patients with elective deliveries < 39 weeks
- Denominator = Number of patients delivering newborns with ≥ 37 and < 39 weeks of gestation completed

CLABSI – Standardized Infection Ratio (SIR)

- Numerator = Observed central line blood stream infections
- Denominator = Number of predicted central line blood stream associated infections calculated based on nationally aggregated data during a baseline period

HAPI – Rate

- Numerator = Observed number of hospital-acquired pressure injuries stage III and greater
- Denominator = 1,000 discharges

CAUTI – Standardized Infection Ratio (SIR)

- Numerator = Observed number of healthcare associated urinary catheter infections
- Denominator = Number of predicted urinary catheter associated infections calculated based on nationally aggregated data during a baseline period

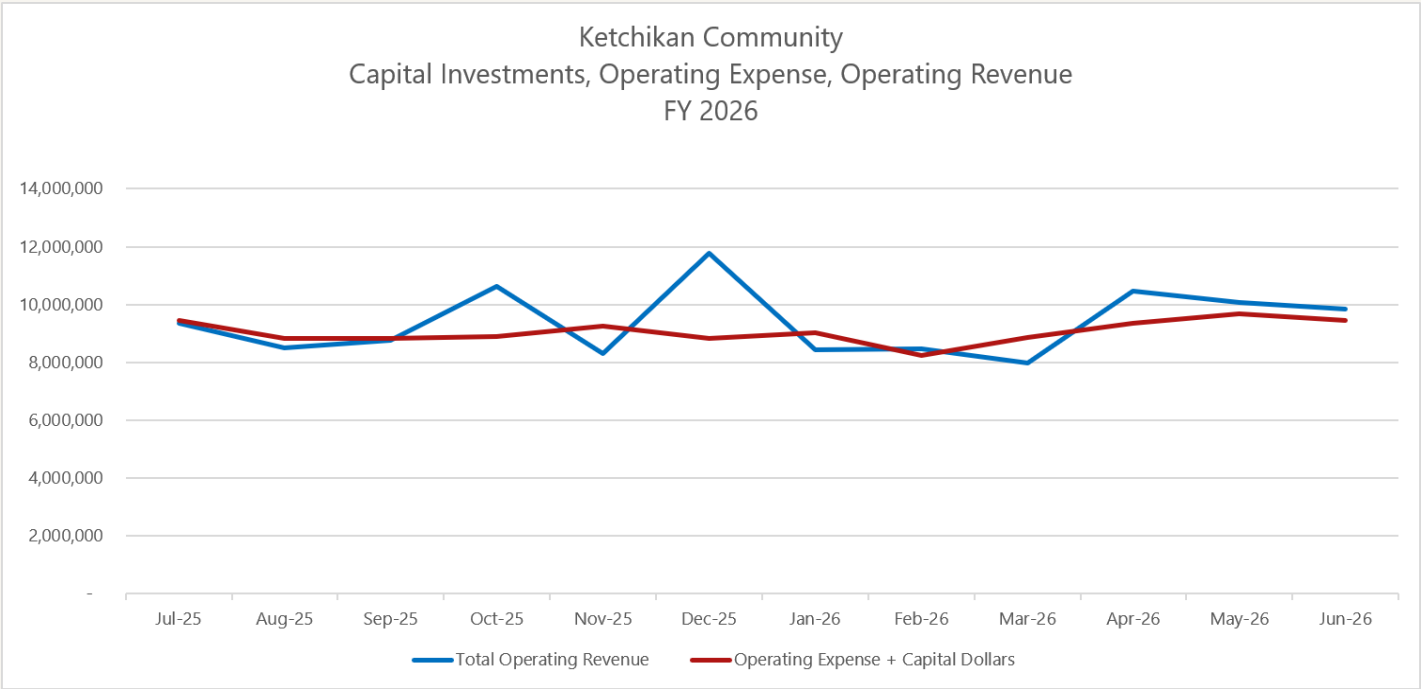


OPERATING RESULTS

PeaceHealth Ketchikan Medical Center concluded FY26 with a strong financial performance, generating \$112.6 million in total operating revenue while managing \$108.7 million in operating expenses and capital investments. This resulted in a total operating gain of \$3.9 million for the fiscal year.

Despite fluctuations throughout the year, operating expenses and capital expenditures remained relatively consistent, demonstrating effective financial management and cost control. Revenue exceeded expenses during most reporting periods, supporting sustained positive operating performance.

The favorable year-end result reflects continued operational discipline and the organization's ability to align expenses with revenue trends while maintaining investment in capital needs. Overall, FY26 results demonstrate the financial stability of Ketchikan Medical Center and provide a solid foundation for ongoing investments in patient care, workforce support and strategic priorities.



FY26 Operating Results	
Total Operating Revenue	\$112,560,525
Operating Expense & Capital	\$108,688,229
Total Gain	\$3,872,296

