

About Island Health

Island Health has been providing local access to award-winning, life-saving care since 1962.

Our Public Hospital District History

Then:

1957: Ho Taylor, Estelle Ferguson and Jo Driftmier campaigned for a bigger and better local hospital.

1958: Anacortes voters approved the formation of Skagit County Public Hospital District No. 2.

1962: Island Hospital opened.



Our Public Hospital District History

Now:

- 3 Primary & Family Care Clinics
- 1 Walk-in Clinic
- 6 Specialty Clinics
- 43 Licensed Hospital Beds
- 180 Physicians
- 740 Employees



2024 Island Health Stats

46,447 Individuals Served

17,615 Emergency Visits

4,793 Surgeries

2,367 Inpatients

426 Babies Delivered



Island Health Medical Services

- Acute and Intensive Care
- Birth Center
- Cardiopulmonary Rehabilitation
- Diabetes Education
- Diagnostic Imaging
(X-ray, mammography, MRI, CT, ultrasound)
- Emergency Department
(Level III Trauma/ Level II Stroke)
- Family Medicine
- Infusion Center
- Internal Medicine
- Laboratory
- Obstetrics & Gynecology
- Orthopedics
- Pediatrics
- Physical, Occupational, Speech Therapy
- Psychiatry & Behavioral Health
- Pulmonology
- Sports & Spine
- Surgery (Inpatient & Outpatient)
- Urology
- Wound Care & Hyperbaric Medicine

Community Partnerships

- Anacortes Family Center
- Anacortes School District
- Community Paramedicine Program
- Island Health Foundation
- Island Health Education Programs



ANACORTES
FIRE DEPT.



ANACORTES
SCHOOL DISTRICT



The Anacortes
Family Center



ISLAND HEALTH
FOUNDATION

Top Quality Awards



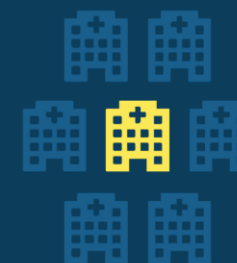
- 5-star Medicare Rating (2022; 2023; 2024)
- Leapfrog 'A' grade for patient safety (2021; 2022)
- America's 100 Best Hospitals for Orthopedic Surgery by Healthgrades (2021)
- Best Hospitals: Emergency Care by Women's Choice (2021; 2024)

CMS 5-star Rating

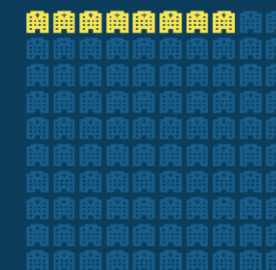
Based on 46 quality measures:

- Mortality
- Safety of Care
- Re-admissions
- Patient Experience
- Timely/Effective Care

In 2024
We were **one** of only seven hospitals in Washington state to receive a 5-star rating.



In 2024
Only the top 8% of hospitals in the US received a 5-star rating.



In 2024
We were the **only** hospital north of Seattle to receive a 5-star rating.



Skagit County Public Hospital District #2

A special purpose district with authority to finance public projects through tax levies.

Our district includes:

Fidalgo, Guemes, Cypress and Sinclair Islands

Governance is conducted by a publicly-elected, five-member Board of Commissioners.

Board of Commissioners

Elected by *You*



Chip Bogosian, MD
Position 5

Warren Tessler
Position 2

Paul Maughan, PhD
Position 3

Jan Iversen
Position 1

Lynne Lang, PhD
Position 4

Strategic Plan 2025-2035

Strategies to meet the need for expanded primary and specialty care in our district:


1. Personalized Patient Engagement
2. Outpatient Services
3. Strategic Partnerships

[Strategic Plan](#)

Community Need and Growth Goals

As a public hospital, Island Health is committed to meeting the needs of our community. Our most recent Community Health Needs Assessment (visit QR Code for access to the report) and strategic planning process outlined the following key areas of focus:

- Expand access to primary and preventative care: Based on the population and demand, especially among those over age 65, there has been a lack of primary care providers in our community.
- Expand non-surgical specialty care: As with primary care, there is an overall lack of specialty providers and services in the area relative to demand. Island Health will invest in building its core programs to support the need with long-term sustainability.
- Expand existing surgical specialties: Building upon many of our current specialties and partnerships, Island Health plans to incorporate new technology to increase access to urology, orthopedics, general surgery, cardiology and gynecology.



Access the Report

Addressing the Need: Strategies and Tactics

The following tactics have been outlined and prioritized to meet the need for expanded primary and specialty care in our hospital district:



1. Personalized Patient Engagement
2. Outpatient Services
3. Strategic Partnerships

Tactic 1: Personalized Patient Engagement

Island Health will embrace each segment of our service area population and create healthcare solutions that optimize care, meeting each patient along their healthcare journey.

Island Health will:

- Offer solutions for each cohort to remove barriers and create equitable access to care.
- Provide community outreach and communication to strengthen and develop relationships and support for our district residents.

Emergency Services Project Completed

- ✓ 24th Street Registration
- ✓ ED Interior
- ✓ Central Waiting
- ✓ Rooftop Helipad
- ✓ Elevator Shaft/Stairs
- ✓ ED Waiting
- ✓ Repave 24th Street Parking Lot
- ✓ Relocate Helipad
- ✓ Remove old Helipad for more parking



THANK YOU
SENATOR CANTWELL &
ISLAND HEALTH FOUNDATION!



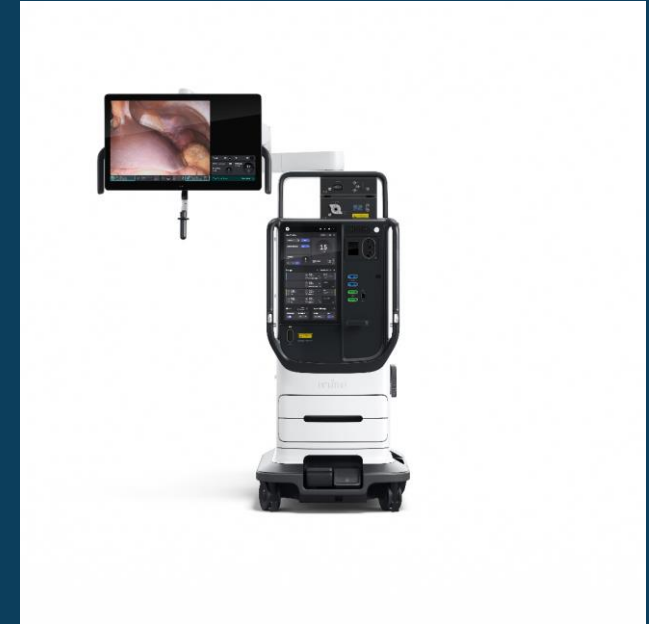
Island Specialty Care – 22nd Street

- Construction start: February
- Completion: July/August
- 6 Exam rooms
- 4 Procedure rooms
- HVAC, electrical, flooring, paint



Robotic Surgery: da Vinci 5

- Soft launch May
- Multi-specialty:
 - ✓ General Surgery
 - ✓ Gynecologic Surgery
 - ✓ Urologic Surgery
 - ✓ Gastrointestinal Surgery



THANK YOU
SENATOR MURRAY &
ISLAND HEALTH FOUNDATION!



UROGYNECOLOGIST

Jeffrey Clemons, MD, FACOG

- Joined Island Obstetrics & Gynecology – 24th Street
- Pelvic reconstructive surgery;
pelvic organ prolapse; urinary incontinence;
childbirth trauma
- *Seattle* magazine Top Doc



Island Orthopedics



Eric Secrist, MD



Ryan Myers, MD



Jennifer Reem, DO



Spine surgeon



Ciera Cline, PA-C



APC

- Joint Replacement

- Hip
- Knee
- Shoulder

- Upper & Lower Extremities

- Sports Medicine Injuries



ISLAND ORTHOPEDICS

OPENING MAY 2025!

Call 360.299.4218.

Funding a Healthy Future

Strong Local Healthcare Starts with Local Support



Strong Local Healthcare Starts with Local Support

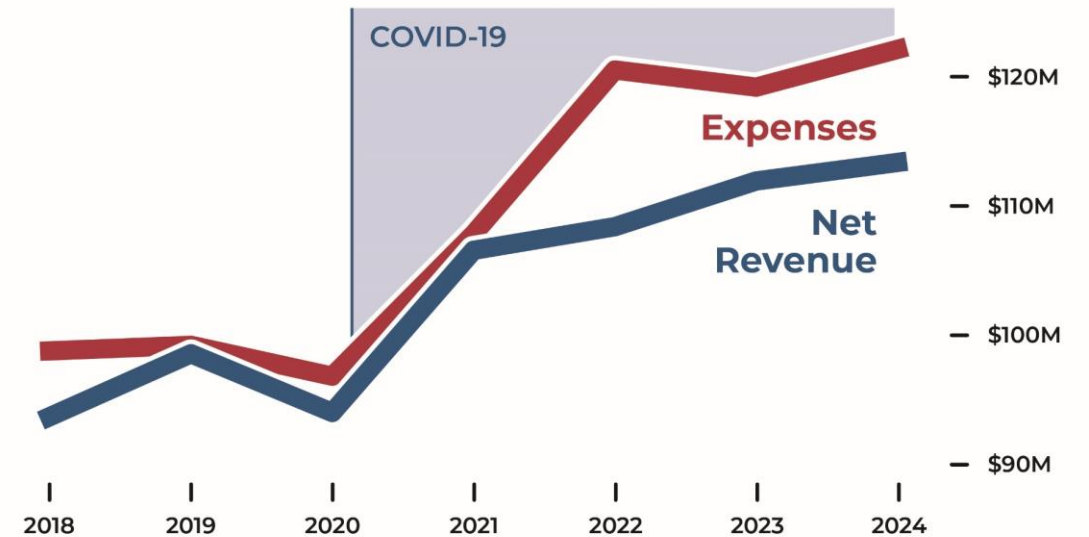
- Island Health Board of Commissioners will vote to ask Public Hospital District No. 2 (Island Health) residents to approve a 41-cent increase in its annual Maintenance & Operations (M&O) property tax levy on the April 2025 ballot.
- Raise property tax levy rate from 34¢ to 75¢ per \$1,000 of assessed property value.
- Simple majority of votes to pass.



Why is a levy necessary?

Confronting Rising Healthcare Costs

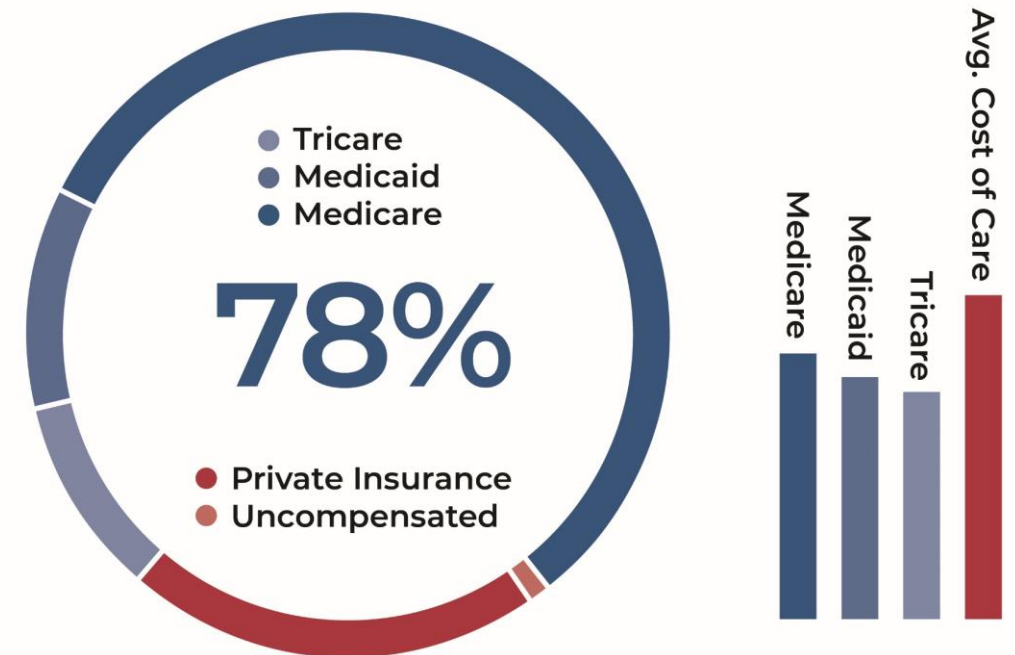
In 2024, it costs over \$330,000 per day (\$122 million per year) to operate Island Health—a 21% increase over pre-pandemic expenses in 2020.



Compensating for Gaps in Coverage

- More than 78% of IH patients are covered by government insurance plans—Medicare, Medicaid and Tricare.
- On average, Medicare covers 82% of the cost of care, leaving IH to find funding to cover the remaining 18%.

Insurance Breakdown



Our Roadmap for a Sustainable Future

When faced with obstacles, we are determined to find solutions.
Here are some of the steps we are taking to ensure that quality
care remains close to home for years to come.



Advocacy at All Levels

- Washington State Hospital Association
- State & Federal advocacy

Streamlining Operations

- Finding efficiencies
- Improving processes
- Reducing expenses
- Renegotiating with insurance companies





Expanding Access to Care

We are responding to your needs and enhancing our services:

- Orthopedics
- Pulmonology
- Urology
- General surgery
- Primary care

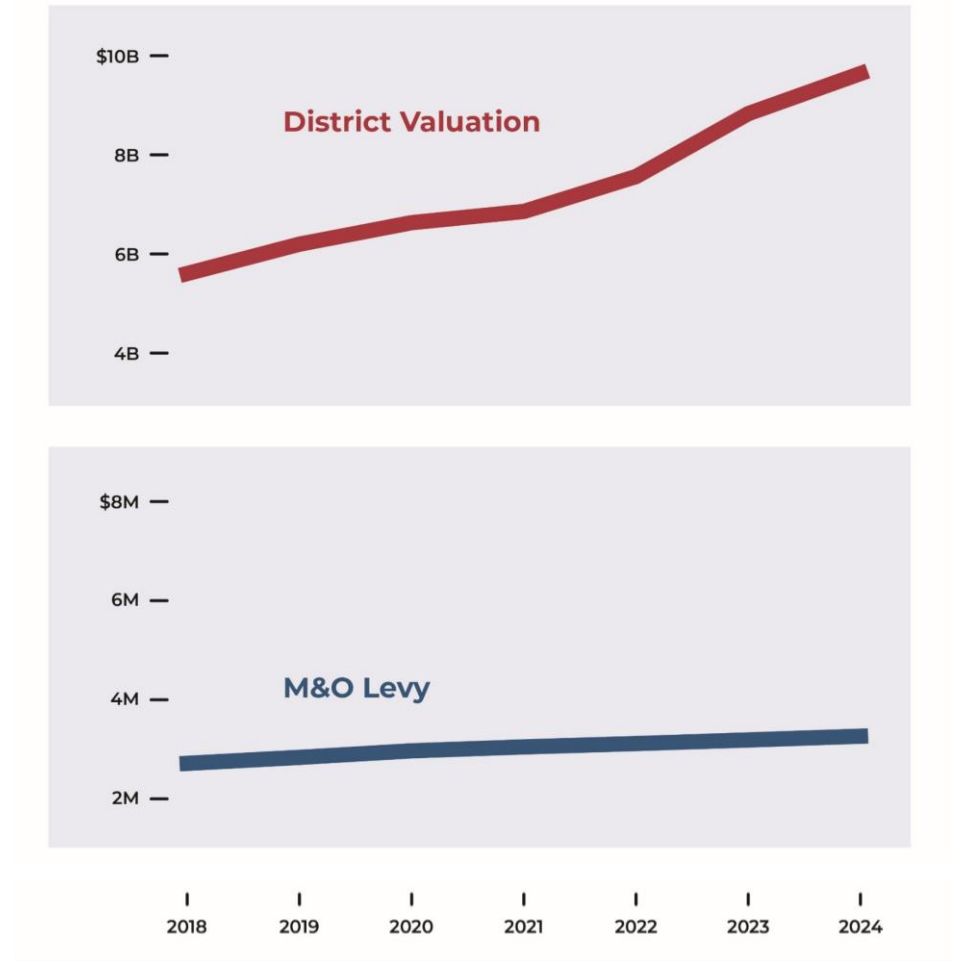
Local Support

- Philanthropy
- Property tax levy

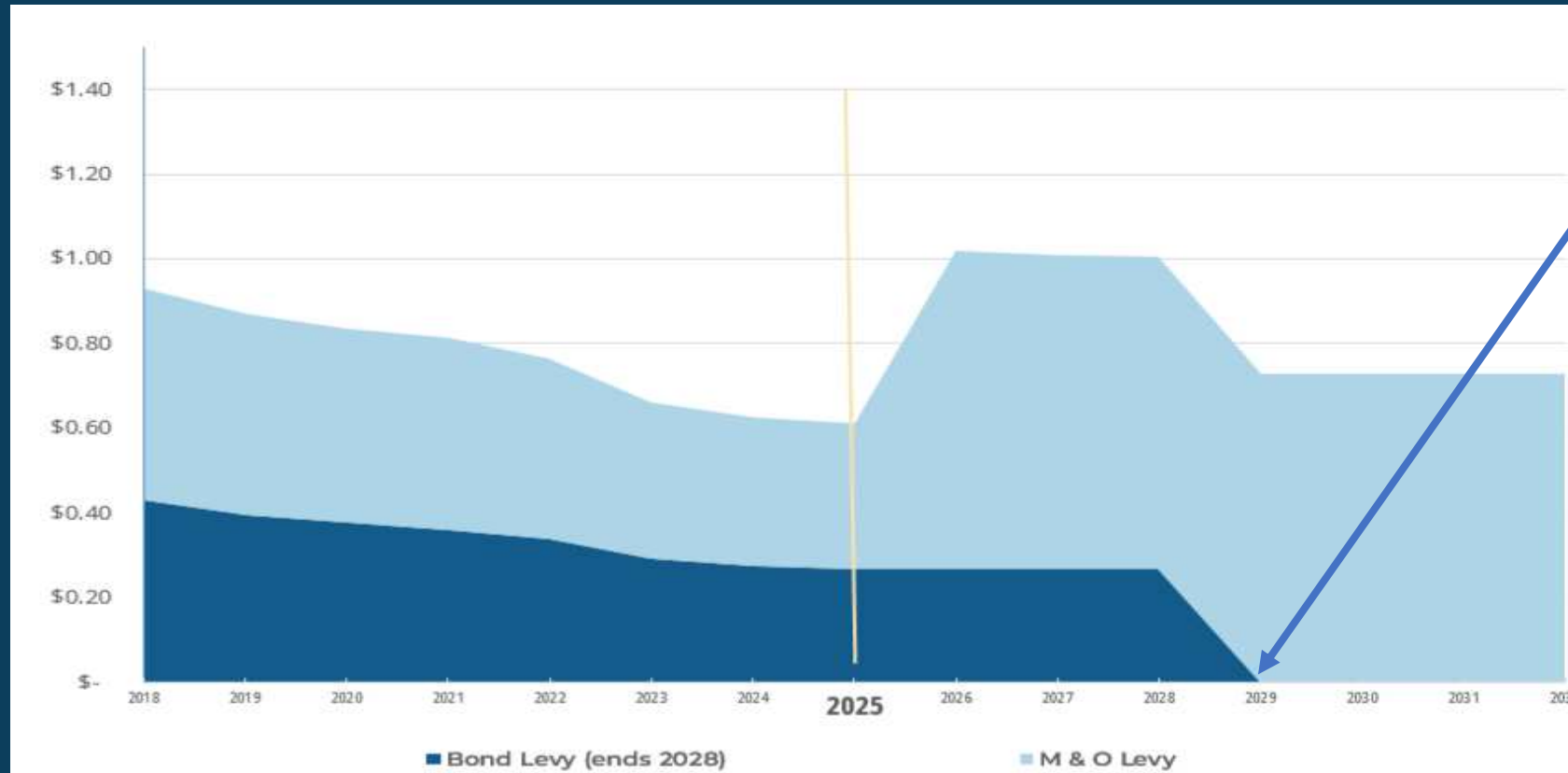


Property Values vs. IH Levy Rate

- The hospital levy does *not* increase with property values.
- As the value of property in our district has increased over the last several years, the amount IH collects in taxes has remained relatively flat.



Current Island Health Bond & Levy



**estimated projections based on 2025 property values*

Bond Levy:

- Passed to build new hospital in 2004
- **Ends in 2028**
- 27¢ per \$1,000 in 2024

M&O Levy:

- Approved for 50¢ per \$1,000 in 2018
- Levy rate decreased overtime to 34¢ per \$1,000 in 2024
- Only allowed to increase 1% per year (~\$34,000 total increase per year)

Total Levy:

- Will decrease in 2029 due to the Bond Levy ending in 2028.

Local Healthcare Needs Local Support

- Levy rate increase from 34¢ to 75¢ per \$1,000 of assessed property value.
- Based on the average property value in Anacortes (\$800,000), the levy would be an additional 89¢/day (\$326/year).
- If passed, the levy will provide an additional \$4 million per year.

What will my levy dollars fund?

If approved, examples from our [Strategic Plan](#) include:

- **Equipment Replacements & Upgrades**
 - Diagnostic Imaging
 - MRI; CAT Scan; Nuclear Medicine Camera; Ultrasounds
 - Lab Automation
- **Technology**
 - EMR Integrations
 - Secure network infrastructure upgrades
- **Facilities**
 - Surgical Services Upgrades
 - Expanded clinic space to support specialists
 - Labor & Delivery updates (c-section room)



Strong Local Healthcare Starts with Local Support

islandhealth.org/fundingahealthyfuture



1. Why do we need a hospital levy?

- Skagit County Public Hospital District, No. 2 (Island Health) was created in 1962 to build a hospital in Anacortes, serving Fidalgo, Cypress, Guemes and Sinclair Island residents.
- As a Public Hospital District (PHD), a portion of tax payer dollars support hospital maintenance and operations.
- Approximately 3% of Island Health's revenue is from taxpayer dollars. Hospital levies help provide funds for the equipment and facilities needed to care for our district residents, advancing care in our community.

2. What will my levy dollars fund?

If approved, examples from our [Strategic Plan](#) include:



Equipment Replacements & Upgrades

- Diagnostic Imaging:
 - MRI; CAT Scan; Nuclear Medicine Camera; Ultrasounds
- Lab Automation

Technology

- EMR Integrations
- Secure network infrastructure upgrades

Facilities

- Surgical Services upgrades
- Expanded clinic space to support specialists
- Labor & Delivery updates (c-section room)



3. How will the levy benefit the community?

If approved, the levy will provide the equipment, technology and facilities to support:

- **Local, Critical Hospital Service, 24/7/365 Life-saving, Award-winning Care:** As a community safety-net hospital, Island Health provides critical hospital services to residents of Skagit, San Juan and Island County 24 hours a day, 365 days of the year, including labor and delivery, trauma care and emergency services, and intensive hospital care. These life-saving services are critical to our community.
- **Less Travel, Better Outcomes:** When a member of our community needs healthcare, having essential and life-saving services available nearby is vitally important. Healthcare close to home means more convenience, less travel, better outcomes and more time with the ones you love.

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3. How will the levy benefit the community?

- **Highest Quality of Healthcare:** Island Health is a 5-star hospital, rated by the Centers for Medicare and Medicaid. At the heart of our organization is the healthcare workforce that cares for our community each and every day. Reasonable and competitive wages, as well as organizational stability, are crucial to retaining and recruiting the people who take care of you to provide this 5-star care.
- **Sustainable Healthcare:** The levy will support flexibility for Island Health to develop enhanced healthcare services and programs, ensuring we can adapt to the evolving needs of our residents.

4. What is the term of the levy?

The levy rate will be set at 75¢ in 2026 based on the assessed property values. The levy does not expire but can only be increased by a maximum 1% per year regardless of property values without going out to district residents for a vote. The levy does not increase with assessed property values.

5. When was the last M&O levy lift for Skagit County Public Hospital District No. 2 (Island Health)?

The last M&O levy lift request was voted on and passed in 2017.

6. What is the proposed M&O levy rate?

The levy proposes a total M&O rate of 75¢ per \$1,000 of assessed property value.

7. How much will the M&O levy provide to Island Health?

If passed, the M&O levy will provide an estimated \$4 million annually to support the equipment, technology and facilities to provide and expand essential healthcare services at Island Health.

8. If passed, how much will my property taxes increase?

Based on the average property value in Anacortes (\$800,000), the levy would be an additional 89¢/day (\$326/year).

9. Why is my property bill at 61¢ per \$1,000 of assessed value?

Your property tax bill reflects two levies for Hospital District 2 (Island Health). The Bond Levy was passed by the voters of the district to pay the debt associated with the construction of the new hospital in 2004. This equates to 27¢. **This levy will end in 2028.** The remaining 34¢ is for the Maintenance & Operations levy. This is the levy that Island Health is requesting voters increase to 75¢. Ballots have been mailed to vote on this initiative.

[View graph](#)

10. What happens if the levy does not pass?

Without additional funding, Island Health will not be able to grow with and respond to the community's evolving healthcare needs. Other hospital districts and hospitals in our state have reduced critical services such as labor and delivery, mental health and specialized services, due to lack of funding. With your support, Island Health will be able to keep up with the rising costs associated with healthcare technology, equipment and facility updates to meet the critical needs of our community.

11. Would passing the M&O levy bring cancer care services back to our community?

It will not. Our ability to provide cancer care is based on several factors related to federal and state designations as well as financial barriers. Advocacy at both federal and state levels continue to be a focus with a long-term goal of returning these services to our community.

12. How do I find out if I qualify for a tax exemption or deferral?

Senior citizens or persons with disabilities may qualify for tax exemptions or tax deferrals. For more information on these options, please contact the Skagit County Assessor's office at 360.416.1780 or visit <https://www.skagitcounty.net/Departments/assessor/main.htm>.

13. Were taxpayer dollars used to fund the new helipad or the new surgical robot?

No. Both the Emergency Services Project (new helipad) and the new da Vinci 5 surgical robot were funded through federal grants and generous donations made through the Island Health Foundation. No operating dollars were used for these projects. You can read more about these projects in our latest issue of Heartbeats. Details on the surgical robot can be found [here](#), and information on the Emergency Services Project can be viewed online [here](#).

14. Will Island Health be using funds from the levy to stand up the new orthopedics clinic?

No. Island Orthopedics will be opening in May 2025. If approved, the increased levy rates will start in 2026.

15. Why are patients from outside of Public Hospital District #2 (Island Health) able to use our facility if they don't pay taxes?

All patients are able to use any hospital or healthcare provider they choose. With over 46,000 individuals utilizing our services each year, we are attracting patients from outside of our district due to our high quality of care and exceptional patient experience. This increased patient volume allows us to bolster the services that we're able to offer locally. Because patients outside of our district choose Island Health, we are able to offer more specialty services in our community such as urology, orthopedics, pulmonology, gynecology and more. This allows our district residents to stay closer to home for their healthcare needs.

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15. Why are patients from outside of Public Hospital District #2 (Island Health) able to use our facility if they don't pay taxes?

There are 58 public healthcare districts in Washington State, 39 of which operate public hospitals. Most communities within the state pay taxes to support local healthcare. Just as you are able to use Harborview, Skagit Regional, Whidbey Health or any hospital you choose, we appreciate everyone who chooses Island Health.