

**SIERRA VISTA HOSPITAL
GOVERNING BOARD REGULAR / ANNUAL MEETING MINUTES**

July 25, 2023

12:00pm

**Elephant Butte Lake RV Resort
Event Center**

1. The Governing Board of Sierra Vista Hospital met July 25, 2023, at 12:00 pm at Elephant Butte Lake RV Resort Event Center for a regular / annual meeting. Bruce Swingle, Chairperson, called the meeting to order at 12:08.

2. Pledge of Allegiance

3. Roll Call

GOVERNING BOARD -----

SIERRA COUNTY

Kathi Pape, **Vice-Chair** – Present
Serina Bartoo, Member – Absent
Shawnee R. Williams, Member – Present

ELEPHANT BUTTE

Katharine Elverum, Member – Present
John Mascaro, Member- Present

CITY OF T O R C

Bruce Swingle, **Chairperson** – Present
Jesus Baray, Member- Present
Greg D’Amour, Member- Present

EX-OFFICIO

Amanda Cardona, Clerk VofW- Present
John Mascaro, City Manager EB- Present
Amber Vaughn, County Manager- Absent
Angie Gonzales, City Manager, Absent
Travis Day, JPC Chairperson- Present

VILLAGE OF WILLIAMSBURG

Denise Addie, **Secretary** – Present

STAFF

Frank Corcoran, CEO- Present
Ming Huang, CFO- Present
Sheila Adams, CNO- Present
LJ Baker, HR Director- Present
Heather Johnson, HIM Mgr., Present
Zach Heard, Operations Manager, Present

GUEST:

Erika Sundrud, Ovation, by WebEx
David Perry, Ovation
Veronica Lynch – Amplify
Dr. McClain, RSSG
Jim Paxon, JPC Member

There is a quorum.

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After roll call, Bruce Swingle introduced Jesus Baray, new board member appointed by the City of Truth or Consequences and thanked Art Burger for his services to the board.

4. Approval of Agenda Bruce Swingle, Chairperson

Katharine Elverum motioned to approve the agenda but table item 8 B. Election of Officers to the August Governing Board meeting because the County of Sierra has not reappointed nor appointed their representative to the board. Greg D’Amour seconded. Motion carried unanimously. Kathi Pape abstained from the vote.

“Are there any items on this agenda that could cause a potential conflict of interest by any Governing Board Member?”

None

5. Approval of minutes Bruce Swingle, Chairperson

A. June 27, 2023 Regular Meeting

Kathi Pape motioned to approve the June 27, 2023 minutes. John Mascaro seconded. Motion carried unanimously.

6. Public Input

Ted Kuzdrowski addressed the board with concern for Dawn O’Keefe resignation from Sierra Vista Hospital and Clinics. Bruce Swingle stated that the Governing Board does not make decisions regarding personnel and directed Mr. Kuzdrowski to speak to Frank Corcoran.

7. Old Business- Bruce Swingle, Chairperson

A. Mission / Vision Statement - Frank Corcoran, CEO.

John Mascaro motioned to approve the Mission / Vision / Values / Guiding Principle Statement. Denise Addie seconded. LJ Baker explained that the Values could become an acronym spelling out SHARP KIT if a couple of the words were rearranged. Stewardship. Honest. Accountable. Respect. Professional. Kindness. Integrity. Trust. This would help employees remember as well as patients. John Mascaro renewed his motion with changes. Denise Addie seconded. Motion carried unanimously.

B. Bylaws Procurement Update Frank Corcoran, CEO. The legal opinion is that as a government body we need to follow the procurement code which means that the CEO can purchase up to \$60,000. The number does not need to be spelled out in the Bylaws because it is spelled out in the procurement code itself. After discussion, it was decided that the new Mission / Vision / Values / Guiding Principle would be added to the Bylaws and the procurement wording finalized. The JPC will look at the changes at their meeting on August 3rd and make recommendations, approve, or deny and send the Bylaws back to the Governing Board.

8. New Business-

A. RSSG – Surgical Services Update, Dr. Greg McClain gave the board members an update on productivity since the start of the surgical program in December 2022. The number of patients seen in the clinic as of July 22 is 443. There is now a two-week wait to see Dr. Walker. The ED and inpatient numbers are good considering that Dr. Walker is only on site three days per week. Our focus is to

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increase the number of surgeries. Areas of improvement include clinic conversion ratio, availability of cardiac clearance visits, timely clinic visit referral, ED, recently discharged and increase clinic availability. Actual revenue has surpassed the revenue projection thus far. Dr. McClain is in the process of obtaining his New Mexico license to become Dr. Walker's back up for our surgery program.

B. Election of Officers – Tabled until August.

1. Chairperson
2. Vice Chairperson
3. Secretary

C. Secretaries report on Conflict-of-Interest Statement – There is a conflict-of-interest statement in the packet. Each board member should fill it out completely and return it to Jennifer. The secretary will report at the August meeting any possible conflicts reported.

D. Member Attendance Report – Jennifer Burns reported that this is on page GB16. Bylaws state that board members are expected to attend 80% of meetings. There were 15 meetings in FY23.

E. Board Member Pledge - Bruce Swingle explained the change that was made to the original pledge based on the discussion at our last Governing Board meeting. Staff should not be speaking to members of the board regarding operations, they need to speak to the CEO or HR. Denise Addie stated that she asked the Village of Williamsburg legal department to review the document because she was appointed by the Municipality, and she does not answer to the CEO of the hospital. Amanda Cardona stated that this is a standard code of conduct and there are no issues with it. Katharine Elverum asked for clarity on item F.

Kathi Pape motioned to adopt the Governing Board Member Pledge Code of Conduct as presented. Greg D'Amour seconded. Shawnee Williams asked if it was mandatory or voluntary to sign? Kathi Pape asked that if a board member didn't sign this, does it mean that they shouldn't be a member? Bruce Swingle stated that there is no language to that effect in our Bylaws. Discussion was held regarding the removal of a board member. Katharine Elverum read from section 2.3 of the Bylaws. Further discussion was held regarding violation of the code of conduct and repercussions.

Greg D'Amour stated that there is nothing in the code of conduct that a reasonable board member would not strive to do. The pledge is that I am going to do my best to meet this code of conduct.

Travis Day agreed with Greg in that this should be a set of standards that anyone on any board should set for themselves. This just puts it in writing. Whether you sign it or not is completely up to the individual. This has no teeth except from a personal standpoint.

Motion carried unanimously with John Mascaro abstaining.

F. Resolutions

Bruce Swingle, Chairperson

1. Resolution 23-105
Nondiscrimination English & Spanish

Katharine Elverum motioned to adopt Resolution 23-105 as presented. Kathi Pape seconded.

Motion carried unanimously.

2. Resolution 23-106
Open Meetings

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John Mascaro motioned to adopt Resolution 23-106. Greg D'Amour seconded. Motion carried unanimously.

3. Resolution 23-107

Public Records

John Mascaro motioned to adopt Resolution 23-107. Greg D'Amour seconded. Motion carried unanimously.

G. Board Certification Program - Frank Corcoran / Erika Sundrud. Frank Corcoran explained that this Certification program would require board members to complete eight hours of education each year. Ovation offers board education in a variety of formats. There are three levels of certification including bronze, silver, and gold each requiring a different percentage of completion by all board members.

Kathi Pape motioned that the Governing Board participate in the certification program. Discussion was held about the level that is realistically obtainable. Ultimately, it was decided to go for the gold! Kathi Pape amended her motion to strive for the gold level. Greg D'Amour seconded. Motion carried unanimously.

H. Special committee creation for draft of CEO evaluation form/criteria - Bruce Swingle discussed the need for and the goal of this committee.

Greg D'Amour motioned to task the current Bylaws committee, with the addition of Bruce Swingle to this project. Kathi Pape seconded. Motion carried unanimously.

9. Finance Committee- Kathi Pape, Chairperson. The Finance Committee did not have a formal meeting as there was not expected to be a quorum of members. Finances were reviewed.

A. June Financial Report - Ming Huang, CFO, directed the board to page FC6. Days cash on hand at the end of June were 121 days, equal to \$10,348,345. Accounts receivable net days were 25 and accounts payable days were 25. The net loss in June was (\$821,305) versus a budget income loss of (\$43,159).

Gross revenue for June was \$5,370,369. Patient days were 108, 30 more than May. Outpatient visits were 1,002, 109 less than May. RHC visits were 941, 42 more than May and ER visits were 639, 116 less than May. Revenue deductions for June were \$2,847,728. Other operating revenue was \$19,370 and non-operating revenue was \$97,805.

Total hospital operating expenses were \$2,995,084. Benefits were over budget by \$311,203 because of a payment of \$287,103 to the State Employee Health Benefits Fund. Contract services expenses were over budget due to agency staffing. Lease / Rental expenses include \$17,818 for the generator lease.

EBITDA for June is (\$351,441). Year to date EBITDA is \$1,299,632. We have not received COVID monies since 2022 and we are not expecting any.

Katharine Elverum stated that in the future, contract services will be broken down to specify what is included in this category and the amount for each month.

Frank Corcoran reminded the board of the expenses faced during the last fiscal year. We added two Physician in the clinic, a Nurse Practitioner for Behavioral Health, a LCSW and support staff for these Providers. We have added a Cardiologist, a surgery program, and a sleep study program. We are also changing our EHR system from Athena to Cerner. We have seen our HAP/TAP payments cut from \$4 million to about \$1.5 million and we are two quarters behind in receiving those funds. Amplify has been working on our 90 day and over dollars. There is about \$1.1 million that is 90 days and older that needs to be collected. The mil loss was about \$750,000 for the year. Unexpected settlements and maintenance and repairs added up over the last year.

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Our Medicare cost report indicates that we are owed about \$400,000.

Bruce Swingle pointed out that there were six months that revenue was \$5 million or greater. We have not seen revenue that high before. It takes time for the revenue to start coming in from the new services put in place. When we transition to Cerner we will see less revenue with one system working the old and the new system working current business.

Greg D'Amour added that we did know what to expect when we switched from CPSI to Athena. We do now and we are preparing for it. Katharine Elverum stated that year to date, we have \$3.7 million in loss but of that \$3.2 million was depreciation.

Katharine Elverum motioned to accept the June Financial report. Kathi Pape seconded. Motion carried unanimously.

B. Capital Equipment Disposal - Ming Huang, CFO, asked that this item be deferred to the August meeting.

C. Investment Report - Ming Huang, CFO. At the beginning of this calendar year, we had \$8,028,358 in our investment account. At the end of June, we had \$8,161,284. Investment reports will be given quarterly going forward.

D. Budget FY2024 - Ming Huang, CFO, for FY24 we have budgeted gross patient revenue at \$63,699,238. We arrived at this number using the monthly average of \$5.3 million for projection. With help from Amplify we estimate revenue deductions to be \$31,819,187. Under other operating revenue, we reduced the mil levy to half because will not receive it until January 2024. We also reduced the HAP money. Under salaries, we have included a 3% salary adjustment for employees. We have reduced contract services by \$1 million. Repair and maintenance have increased as well as Leases and rentals for the generator. EBITDA is projected to be 7% which is \$2,317,204. With high depreciation expense, interest, and tax, we will still have a net loss of (\$2,609,057).

1. Resolution 23-104 Budget FY24

Kathi Pape motioned to approve Final Budget FY24 and Resolution 23-104. Greg D'Amour seconded. Motion carried unanimously.

E. Fourth Quarter financial report and Budget Revision - Ming Huang, CFO, explained that the last budget revision we did was based on numbers at the end of March. With the changes from April to June, we will revise the budget again and submit to the state. This revision includes an increase in patient revenue and operating expenses. Net patient revenue increased by \$1,000,000. Non-operating revenue was reduced by \$450,000 (HAP/TAP funds). Salary expenses, contract services, leases and rentals, repairs and maintenance and other operating expenses all increased. EBITDA has been reduced by \$1,300,000 ending with a 4% margin.

1. Resolution 23-110 & Resolution 23-103 B

Kathi Pape motioned to approve fourth quarter finance report and budget revision 23-103 B. Greg D'Amour seconded. Motion carried unanimously.

F. Insight – Dell Server- Frank Corcoran, CEO, introduced Mike Owens, CIO from Ovation. Insight is a server. Our current server capacity is not large enough for Cerner. Mike explained the need for and benefit of these servers. Life expectancy for these servers is five years. The cost of \$59,164 is a one-time fee and 20% of that is annual maintenance.

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Kathi Pape motioned to approve the Insight, Dell Server purchase. Katharine Elverum seconded. Motion carried unanimously.

G. ezERC- Frank Corcoran, CEO, stated that this will be a report only item at this time. ERC stands for employee retention credit. It was created as a result of the pandemic. Through the ERC we would qualify for about \$2.3 million based on financials that we provided to ezERC. The company ezERC is recommended by the New Mexico Hospital Association and would take a percentage of what we qualify for for doing the work to get us those funds. David Perry has recommended another company that will take a smaller percentage without upfront payment to get these funds. We want to talk to them before we ask the board to proceed.

H. Apic Solutions, Inc. Contract - Frank Corcoran, CEO. This too is something we need for Cerner. These are the data access points for wireless connectivity throughout the new building. We need 33 points. The price is \$75,722 and the company is a state approved vendor.

Kathi Pape motioned to approve the Apic Solution contract. John Mascaro seconded. Motion carried unanimously.

I. Generator Status - Frank Corcoran, CEO. Repairing the generator we currently have will cost as much as purchasing a new one. We have quotes from three vendors for a 500 KW generator. There is an option to lease/purchase with a one dollar buy out with Global Power Supply MTU with a total cost of \$163,254.68. The Nixon Power Service Kohler Power is \$251,125 and the Generator Source Caterpillar is \$164,000. Because this is an emergency procurement related to life safety, we do not have to go to RFP. Discussion was held regarding what a generator runs and when and full purchase or lease.

Kathi Pape motioned to approve the Global Power Supply MTU 500 KW option. Ming stated that with the current cash flow situation, lease to own is a good option. Leasing will cost an additional \$28,000 in interest. Discussion was held regarding lease or buy. Kathi Pape amended her motion to purchase the Global Power Supply MTU 500 KW and forgo the lease option. John Mascaro seconded. Motion carried unanimously.

10. Board Quality- Denise Addie, Chairperson

A. Med Staff

1. Policy Review – Zach Heard, Operations Manager

* #953-02-011 - Influenza Vaccination Administration in RHC

Zach Heard reported that this policy was up for review. It has been updated to include the latest recommendations for vaccination administration in the clinic.

Denise Addie motioned based on the recommendation of the Board Quality Committee to approve the Influenza Vaccination Administration Policy. John Mascaro seconded. Motion carried unanimously.

11. Administrative Reports

A. Human Resources - LJ Baker, HR Director, reported that priority of effort is recruitment in support of expanding service lines and realignment of positions to increase efficiency. Realignment is to reduce the redundancy of some positions so that we are not wasting money. Shawnee Williams asked if a position is eliminated does that mean that the employee is not eligible for rehire? LJ responded that it depends on that person's skill set. If there is a position that they are qualified for, then yes, they can come back.

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We had seven new or rehires in June. There were three terminations: all involuntary. We are close to having a licensed Psychologist on board in the clinic and a speech therapist for rehabilitation services.

Key initiatives include obtaining funds for capital improvements from our political sources for EMS and Rehabilitation services housing. Policy review continues and is about 98% complete at this time. We are transitioning to electronic employee evaluations. Starting in FY24 employees will receive performance-based salary increases versus across-the-board flat increases. Contract and travel staff numbers have not changed much in the last two months. Nurses are still hard to find. Jamie Robillard and her family have moved here. She will be running our after-hours/ extended clinic hour services.

B. Nursing Services - Sheila Adams, CNO, reported that in MedSurg and ER our focus aside from our patients is Cerner, train the trainer. We are planning our yearly skills fair that will take place in October. EMS was busy over the 4th of July. Brian Hamilton, EMS Manager, has distributed the ALICE online training to all staff. We will plan for our mock incident once adequate staff are trained. EMS Community Health continues assisting patients to and from clinic appointments and follow-up after discharge. The surgery team is working well together. Patients who had a procedure in July will get a survey from Press Ganey as will all surgery patients going forward. Press Ganey currently surveys our ER and inpatient patients. Our trauma team gave out 280 lifejackets over the 4th of July weekend. Bambi Mitchell wrote and received a grant so that we can do lifejackets again next year. She also received a small grant for fall prevention.

C. CEO Report - Frank Corcoran, CEO, reported that we are working on a Locums to replace Dawn O'Keefe while we interview another candidate. Our tele psych provides services half a day per week. A clinical psychologist will allow us to start group therapy and take our behavioral health to another level. As LJ mentioned, once Jaime Robillard is credentialed with our payors, we can start the walk-in clinic. Initially, the hours will be Wednesday through Friday 11:00 to 7:00 and on Saturday 8:00 to 12:00. No appointment necessary.

Sewer and water lines continue to break. The water tanks have been moved to their permanent location.

We are working on a crisis intervention partnership with Western Sky and Olive Tree. If EMS arrives to a scene where someone is in crisis emotionally, we try to deescalate them and avoid an ER visit. That person will have an appointment within three days in our clinic.

Our IT system is still on track for a go live date the first week of November.

The insurance premium covering the hospital including malpractice, property and vehicles was \$810,537 last year. This year it is \$925,415. Our broker went to 19 insurance providers, only two were willing to insure us. Discussion was held regarding the legislation approved in the last session and it's devastating effects on hospitals and providers.

D. Governing Board, Bruce Swingle

1. Special Hospital District Update – We were 49 signatures short for the Special Hospital District. It will not be a ballot item in November. Rolf Hechler contacted Bruce regarding a lobbyist to perhaps fight for this issue in the next legislative session. Travis Day stated that we should look at this initiative again in the future but not in the short term.

Motion to Close Meeting:

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John Mascaro motioned to close the meeting and go into Executive Session. Kathi Pape seconded.

12. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 2,7,9 including credentialing under NM Review Organization Immunity Act, NMSA Section 41-2E (8) and 41-9-5 the Governing Board will vote to close the meeting to discuss the following items:

Order of business to be determined by Chairperson:

10-15-1(H) 2 – Limited Personnel Matters

A. Privileges

Frank Corcoran, CEO

Initial

Yosef Raskin, MD – ESS (Hospitalist)

Provisional to 2-Year

Peace Chukwuma, NP

Sara Koenemann, NP – Arena Health

Udit Bhatnagar, MD - LCPP

Muhammad Sardar, MD – LCPP

Frank Walker, MD

Mia Austin, CRNA

Angela Fietze, CRNA

Cassandra Groves, CRNA

2-Year Reappointment

Mary Pattridge, LCSW

RadPartners – Reappointments

Vikas Menghani, MD

Samuel Song, MD

Terminations

Peter Razma, MD – Newport Health

Joel Shockley, MD – RadPartners

James Cunningham, DO – RadPartners

Adina Weis, MD - Radpartners

10-15-1 (H) 7 – Attorney Client Privilege/ Pending Litigation

A. Risk Report

Heather Johnson

**10-15-1 (H) 9 – Public Hospital Board Meetings-
Strategic and long-range business plans**

A. Annual Compliance Report to Board Members Only

Zachary Heard, Comp.

B. Ovation Report to Board

Erika Sundrud, Ovation

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Roll Call to Close Meeting:

Kathi Pape – Y	Katharine Elverum – Y	Greg D’Amour - Y
Jesus Baray – Y	Shawnee Williams – Y	Denise Addie - Y
Bruce Swingle – Y	John Mascaro – Y	

13. Re-Open Meeting – As required by **Section 10-15-1(J), NMSA 1978** matters discussed in executive session were limited only to those specified in the motion to close the meeting.

10-15-1(H) 2 – Limited Personnel Matters

A. Privileges

Initial

Yosef Raskin, MD – ESS (Hospitalist)

Provisional to 2-Year

Peace Chukwuma, NP
Sara Koenemann, NP – Arena Health
Udit Bhatnagar, MD - LCPP
Muhammad Sardar, MD – LCPP
Frank Walker, MD
Mia Austin, CRNA
Angela Fietze, CRNA
Cassandra Groves, CRNA

2-Year Reappointment

Mary Pattridge, LCSW

RadPartners – Reappointments

Vikas Menghani, MD
Samuel Song, MD

Terminations

Peter Razma, MD – Newport Health
Joel Shockley, MD – RadPartners
James Cunningham, DO – RadPartners
Adina Weis, MD - Radpartners

Denise Addie motioned based on the recommendation of the Board Quality Committee approval of all above listed Privileges. John Mascaro seconded. Motion carried unanimously.

10-15-1 (H) 7 – Attorney Client Privilege/ Pending Litigation

A. Risk Report
No Action

10-15-1 (H) 9 - Public Hospital Board Meetings-

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Strategic and long-range business plans

- A. Annual Compliance Report to Board Members Only
No Action
- B. Ovation Report to Board
No Action

14. Other

Next Regular Meeting- August 22, 2023 at 12:00. Finance Committee will meet August 22, 2023 at 10:30 and Board Quality will meet August 21, 2023 at 12:00.

15. Adjournment

Denise Addie motioned to adjourn. John Mascaro seconded. Motion carried unanimously.

JB

8/22/23

Jennifer Burns, Recording Secretary

Date

Bruce Swingle, Chairperson

Date