

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

April 26, 2022

12:00pm

**Elephant Butte Lake RV Resort
Event Center**

1. The Governing Board of Sierra Vista Hospital met April 26, 2022, at 12:00 pm at Elephant Butte Lake RV Resort Event Center for a regular meeting. Cookie Johnson, Vice Chairperson, called the meeting to order at 12:02pm.

2. Pledge of Allegiance

3. Roll Call

GOVERNING BOARD -----

SIERRA COUNTY

Stan Thompson, Member – Present
Kathi Pape, **Secretary** – Present
Greg D’Amour, **Chairperson**- Excused

ELEPHANT BUTTE

Vacant
Katharine Elverum – Present

CITY OF T O R C

Bruce Swingle, Member – Present
Art Burger, Member- Present
Peggy (Cookie) Johnson, **Vice Chair**- Present

EX-OFFICIO

Amanda Cardona, Clerk VofW- Present
Stephen Archuleta, City Manager EB- Present
Charlene Webb, County Manager- Absent
Travis Day, JPC Chairperson- Present

VILLAGE OF WILLIAMSBURG

Denise Addie, Member – Present

STAFF

Frank Corcoran, CEO- Present
Ming Huang, CFO- Present
Sheila Adams, CNO- Present
Tim James, Director of HR- Absent
Heather Johnson, HIM Mgr.- Present
Zach Heard, Operations Manager

GUEST PRESENT

Erika Sundrud, QHR, present by phone
Dan Lenerville, QHR
Joe DeVenuto, QHR

Victor Prado, Newport Health
Jesse Torres, Newport Health
David Ramos, Newport Health

There is a quorum

Greg D’Amour was unable to attend this meeting. Cookie Johnson, Vice Chairperson led the meeting and began by reading the following stipulation:

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Stipulation regarding Strategic Planning Workshop: On March 31, 2022, the Governing Board of Sierra Vista Hospital held a closed session strategic planning workshop. This meeting was properly published in print, on radio, in the Hospital and on the Sierra Vista Hospital website. The meeting was called to discuss strategic and long-range business plans of Sierra Vista Hospital pursuant to NMSA 1978, Section 10-15-1 (H). As required by Section 10-15-1 (J). NMSA 1978, no action was taken during this meeting.

4. Approval of Agenda

Cookie Johnson, Vice Chairperson

Bruce Swingle motioned to approve the agenda. Stan Thompson seconded. Motion carried unanimously.

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

Bruce Swingle stated that he would abstain from the vote on the SCRDA contract as he is a member of their board.

5. Approval of minutes

Cookie Johnson, Vice Chairperson

A. March 29, 2022 Regular Meeting Minutes

Kathi Pape motioned to approve the minutes from March 29, 2022 regular meeting. Stan Thompson seconded. Motion carried unanimously.

6. Public Input – No public input will be called for during this meeting as allowed by Section 10-15-1 Formation of Public Policy: A. State Policy on Open Meetings page 6.

7. Old Business- None

8. New Business-

A. Sleep Study Proposal/ Presentation, Victor Prada turned the meeting over to Jesse Torres who gave a short history of Newport Health, who Newport Health is and how they will provide a sleep study program at Sierra Vista Hospital. An analysis on Sierra County showed the opportunity and the need for this service for our community. Using conservative numbers, this program would make money for the hospital. Discussion was held regarding the data used to establish the number of potential patients SVH could see each month. The economical business model is set up so that the hospital is not paying Newport Health if patients aren't being generated for the program. The break even for the hospital is four patients per month.

Discussion was held regarding where in the hospital the sleep study would take place and where VA patients will be sent for the sleep study. Dentist now make up 25% of referrals for sleep centers. Frank Corcoran stated that we have looked at other companies that provide this service and we favor this one for many reasons. A proforma will be provided at a future Governing Board meeting.

Note: A member of the Newport Health group experienced a medical emergency at this point in the meeting. Kathi Pape, Sheila Adams, and Frank Corcoran assessed his condition. Denise Addie called 911. EMS arrived and took him to our ER where he was eventually flown to a higher level of care.

B. vCIO Presentation/ Introduction, Daniel Lenerville, QHR, the vCIO contract was approved at the Governing Board meeting in March. Daniel Lenerville and Joe DeVenuto explained how they will assist

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and work with us through the selection and implementation of the new EHR and many other aspects that are currently lacking or needing attention in the IT department. Art Burger requested a written strategic IT plan that the board could follow along with for the first year.

9. Finance Committee- Cookie Johnson, Chairperson

A. March Financial Report- Ming Huang, CFO, on page FC6, key statistics for March, total patient days in March were 141, two days more than February. There were 962 outpatient visits, which is 70 less than February. There were 661 RHC visits in March, 116 more than February. The ER had 650 visits, 116 more than February.

Days cash on hand at the end of March were 172, 149 available. Accounts receivable net days were 26 and accounts payable days were 27. EBITDA for March was 12%.

On page FC12, gross patient revenue for March was \$4,116,284 which is (\$111,197) less than budget. Contractual allowance decreased by \$160,000 for Medicare. Net patient revenue was \$2,229,722. Total operating revenue was \$2,669,027.

Salary and benefits were \$1,071,947 which is \$14,166 more than budget. Contract services were \$713,877 which is \$247,559 more than budget due to late invoices from a nursing agency company. EBITDA for March is \$313,444. For March, we had a net loss of (\$97,479). Year to date, total EBITDA is \$6,137,767 or 24%. Net income year to date is \$2,453,560. EBITDA should be the focus as it is the actual operating revenue from the operation of the hospital. When the budget for this year was created, we budgeted a net loss of (\$793,649).

On page FC15, at the end of March we had \$12,523,558 in the bank. Under other receivable, of the \$1,687,149, \$1.4 million is related to the safety net care pool. We have paid \$775,646 toward construction in progress (tunnel project) and will still have to pay \$466,000 when it is completed. The cost report settlement is \$1,066,171; \$556,000 is the Medicare advance payment balance that we are paying back monthly.

Cookie Johnson motioned based on the recommendation of the Finance Committee to accept the March financial report. Kathi Pape seconded. Motion carried unanimously.

B. Investment Options- Ming Huang, CFO, on page FC19, based on New Mexico State Audit rules, the hospital can only invest in certain low risk options. Three options are included in this packet. The first is IntraFi Network Deposits which is a company that works with Bank of the Southwest. This company would open checking accounts for us at multiple banks. The second option is Moreton Capital Markets. This company would open CD accounts at different banks for SVH and help us decide how to invest the hospital's money. For example, three-month CDs, six-month CDs, one- or two-year CDs and the amounts to invest for each term. The third option is RBC Wealth Management. This company would invest in US Treasury bills or bonds or Federal home loans. The first and second options charge no fees, the third option charges a fee based on how much we want to invest.

Cookie Johnson stated that the Finance Committee looked carefully at each option and recommends to the Governing Board approval of the Moreton Capital Markets option. Kathi Pape seconded. Discussion was held regarding the interest gain on CDs, stability of cash flow and the LGIP option (Local Government Investment Pool). This has not been looked into as an option for the hospital.

The vote on the motion was split with Bruce Swingle, Stan Thompson and Kathi Pape voting yes and Katharine Elverum, Denise Addie, and Art Burger voting no. Those voting no asked for more information about the LGIP option. Ming stated that the Bank of the Southwest is currently charging us \$500 per month for the management fee of our account, starting in May, they will charge us \$5,000 per month. The bank

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wants us to move the money as soon as possible. As a compromise, Ming asked to move the money to Moreton temporarily while researching the LGIP option. After clarification and assurance that we can go with Moreton for three months and then move the money if that is the decision of the board, Art Burger made an amended motion to approve changing the account over from Bank of the Southwest to Moreton Capital Markets for a maximum (at this time) of three months while researching the LGIP option. Stan Thompson seconded the amended motion. Amended motion carried unanimously.

Kathi Pape and Bruce Swingle noted the clients Moreton handles in New Mexico including the oil rich counties of Lea, San Juan, and Eddy. This list is found on page FC28.

C. FY22 Auditor Contract- Ming Huang, CFO, the first of two proposals begin on page FC53. The first is Moss Adams who we have worked with for three years. We can work with them for eight years; however, the board only approved a three-year contract with them three years ago. The board needs to decide if we will continue to work with Moss Adams or switch to another auditor. We have worked with Dingus in the past and they currently prepare our cost report every year, they are the other option. Moss Adams will cost \$38,000; Dingus will cost \$35,000. Ming stated that he can work with either company but prefers Dingus as he is currently sharing the same information with both companies.

Cookie Johnson stated that the Finance Committee approved and recommends approval of the contract with Dingus. Kathi Pape seconded. Motion carried unanimously.

D. SCRDA Services Agreement- Frank Corcoran, CEO, this is a renewal of the dispatch agreement with Sierra County for our EMS. The amount has gone up to \$51,642 and that price is based on the number of calls for service. Each entity, the city, county, City of Elephant Butte, and Williamsburg expressed that their service agreement cost increased for FY23 as well.

Cookie Johnson motioned based on the recommendation of the Finance Committee approval of the SCRDA Services Agreement. Kathi Pape seconded. Motion carried. Bruce Swingle abstained from the vote because he is a member of the SCRDA board.

10. Board Quality Committee- Denise Addie, Chairperson

Denise Addie stated that the Board Quality Committee met on Monday, April 25 and reviewed the following policies.

A. Policy Review: Sheila Adams reported that these are respiratory policies that Toni Davis, Respiratory Manager, has updated to include best practices and references. Med Staff approved these at their meeting on April 21.

1. Continuous Aerosol Therapy Policy#055-01-004 -Toni Davis

2. Suctioning Policy# 005-01-012 Toni Davis

Denise Addie motioned based on the recommendation of the Board Quality Committee approval of the above listed policies. Katharine Elverum seconded. Motion carried unanimously.

11. Joint Conference Committee- Stan Thompson, Chairperson

A. Stan's Report- Stan attended the Med Staff meeting on April 21. Dr. Garver, Karen Fiato and the clinic providers were present. Credentials will be discussed in closed session. The policies were discussed and approved. There were no sub committee meetings or reports.

12. Administrative Reports

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A. Human Resources- Tim James, HR Director, was not present at this meeting. Sheila Adams read this report. New hire orientation, certifications, licensures, and annual training are at 100%. Evaluations and competencies are at 90%. There were seven workers comp submissions in February. Six COVID positive, 25 days lost. One employee fall, minor, no days lost. No worker's comp submissions in March.

The turnover rate was 4% in February, 3% in March. The average turnover rate calculated on a monthly basis for OPI purposes for FY22 is 4%. Our target for monthly turnover is less than 5%. We had 175 employees on the first day of February and 173 employees on the last day of March. There were six new hires, six involuntary terminations and one voluntary termination in February. There were four new hires, two involuntary terminations and three voluntary terminations in March. The annual turnover rate: 57 terminations over an average of 176 staff equals 32%. We have three contract staff. New Foreign educated RNs are arriving as contract staff in the coming months. We have 16 travel staff.

Due to the shortage of COVID testing supplies, we are now only testing staff who are symptomatic or who are requesting testing due to known exposure. Contracts are in the works for Interim HR Director, two clinic MDs and a locum tenens Behavioral Health NP. We continue to advertise locally and nationally for key positions.

Current RN traveler billing continues at \$150 per hour. We continue to track the COVID rate decline locally, statewide, and nationally. We plan to push down the traveler rate to \$130 per hour for any new travel RNs going forward. We are contracted with an agency that presents foreign educated RNs for employment at SVH. Sheila with the help of her staff and Vangie have successfully interviewed many submissions and we have secured three-year assignments for six RNs at the cost of \$81 per hour bill rate. This billing rate covers all expenses to include H1b and permanent resident legal costs. The RNs will arrive at SVH between March 2022 and March 2023.

Tim wrote in his report: This will be my last Board Meeting for Sierra Vista Hospital. It has been my great pleasure and honor to have served SVH, the people of Sierra County and the SVH Governing Board. I thank you all for the trust you have shown me. I hope I have lived up to your expectations. Respectfully submitted.

Cookie Johnson stated that we wish Tim the best of luck in his retirement, and we hope he gets to feeling better.

B. CNO Report- Sheila Adams, CNO, many process improvements have been put in place. In the ED we are looking at the transfer matrix for communication. This means documenting that appropriate information is given to the receiving facility when we transfer a patient out. We have improved from 40% to 90% and continue to measure this. In MedSurg, bedside scanning is in place. Scanning the patients arm band will help us decrease medication errors and will increase patient satisfaction. In EMS we noticed an increase in the length of time from receiving a call to getting to the truck. We are looking for the cause in order to reduce that time. EMS is now offering American Heart BLS classes for \$25.00. The class schedule and contact information will be added to the hospital website. Community EMS is now involved with the multidisciplinary team on MedSurg to ensure discharged patients have what they need at home including medicine and home health visits. Every patient is being followed whether we can bill for it or not. We want to reduce the number of patients who return to the ED within 72 hours of discharge. In trauma, we noticed an increase in missed trauma activations. We did across the board education with newer staff and continue to track to eliminate missed activations. Bettina Fitzgerald, Infection Prevention, starts on Monday.

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C. CEO Report- Frank Corcoran, CEO, our COVID positive rate right now is 6% which is about where it was one year ago. The numbers are down with 137 patients tested and eight positive. The severity seems to be less. No one has had to be transferred or intubated at this point.

Materials management has moved to the shell space after the waterfall created by the burst chill line in the old hospital flooded their warehouse area. There is asbestos in the ceiling and that has now been sealed off and contained.

The next day, the freezer that has been in the kitchen since 1968 quit. The freezer is built into the hospital, so we are gathering the components to rebuild it. Victor purchased two free standing freezers in El Paso to hold us over. Thank you to Bruce Swingle for putting Frank in touch with Andrea at the nursing home. They let us store some of our frozen foods in their freezer. We did have approximately \$3,000 in food loss.

The tunnel project is still underway. Insulation of the pipes for both hot and cold is going on now. Mark Wade with the Design Group is working on ideas for the old building.

The Sierra County Art Society donated a piece of art from Delmas Howe. The Sentinel had a nice story about it last week.

L.J. Baker will be coming in as Interim Human Resources Director.

The hospital will participate in Fiesta this year. We have three tents. EMS will do some health screening and we will be handing out water.

D. Governing Board, Cookie Johnson, Vice Chairperson- Cookie reported that she attended the JPC meeting on April 21. The JPC is interested in the Governing Boards achievements from the strategic planning meeting. Cookie also shared a KUDOS from a friend of hers who had recently come to our ER department.

The floor was open to anyone who wanted to speak. Bruce Swingle stated that we haven't seen KUDOS in the reports, and he would like to see those return or continue. Art Burger spoke about the student art show from the prior weekend.

Motion to Close Meeting:

Cookie Jonson read the following:

13. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 2, 7, and 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:

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

- | | |
|------------------------------|---------------------|
| A. Provider Update | Frank Corcoran, CEO |
| B. Dr. Sonia Seufer Contract | Frank Corcoran, CEO |
| C. Credentials | Frank Corcoran, CEO |

Provisional

Francis Cortes, CNP

Provisional to Two Year Appointment

Gina Nelson, MD (ESS)

Arturo Sidransky, MD (ESS)

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Resignation

Rhea Hazen

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

A. Risk Report- Heather Johnson, HIM Mgr.

10-15-1 (H) 9 - Strategic and long-range business plans

A. RSSG Contract Frank Corcoran, CEO
B. Memorial Medical Center Contract Frank Corcoran, CEO
C. QHR Board Report Erika Sundrud, QHR

Roll Call to Close Meeting: Jennifer Burns

Kathi Pape – Y Katharine Elverum – Y
Stan Thompson – Y Bruce Swingle – Y
Art Burger – Y Denise Addie - Y

14. 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. Provider Update
No Action

B. Dr. Sonia Seufer Contract
Bruce Swingle motioned to extend the contract as is to Dr. Sonia Seufer. Art Burger seconded.
Motion carried unanimously.

C. Credentials
Provisional
Francis Cortes, CNP
Provisional to Two Year Appointment
Gina Nelson, MD (ESS)
Arturo Sidransky, MD (ESS)
Denise Addie motioned to approve the above listed credentials. Katharine Elverum seconded.
Motion carried unanimously.

Resignation
Rhea Hazen

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

A. Risk Report-
No Action

10-15-1 (H) 9 - Strategic and long-range business plans

A. RSSG Contract
Kathi Pape motioned to approve the contract with RSSG with amendments discussed. Denise Addie seconded. Motion carried unanimously.

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B. Memorial Medical Center Contract

Art Burger motioned to approve the noninvasive MMC Cardiology Services contract. Stan Thompson seconded. Motion carried unanimously.

C. QHR Board Report

No Action

15. Other

Next Regular Meeting-

The next regular Governing Board meeting will be on May 24, 2022 at 12:00. Finance Committee will meet on May 24, 2022 at 10:30 and Board Quality will meet on May 23, 2022 at 12:00.

16. Adjournment

Cookie Johnson motioned to adjourn. Kathi Pape seconded. Motion carried unanimously.

JB

5-24-22

Recording Secretary, Jennifer Burns

Date of Approval

Greg D'Amour, Chairperson