

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

April 29, 2021

12:00pm

Elephant Butte Lake RV Resort Event
Center

1. The Governing Board of Sierra Vista Hospital met April 29, 2021 at 12:00 pm at Elephant Butte Lake RV Resort Event Center for a regular meeting. Greg D’Amour, Chairperson, called the meeting to order at 12:04pm.

2. Pledge of Allegiance

3. Roll Call

GOVERNING BOARD -----

SIERRA COUNTY

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

ELEPHANT BUTTE

Vacant, Member
Patsy Barnett, Member – Present
Secretary

CITY OF TORO

Bruce Swingle, Member – Excused
Rolf Hechler, Member- Present
Peggy (Cookie) Johnson, Member,
Vice Chairperson- Present

EX-OFFICIO

Eric Stokes, CEO - Present
Amanda Cardona, Clerk VofW – Absent
Vicki Ballinger, City Manager EB- Absent
Traci Alvarez, Interim City Manager TorC- Absent
Serena Bartoo, ISCM- Present

VILLAGE OF WILLIAMSBURG

Denise Addie, Member – Present

STAFF

Stephen Huey, QHR – Present
Tim James, HR Manager- Excused
Vesea Yazza, DPS- Present
Ming Huang, CFO- Present
Heather Johnson, HIPAA/HIM- Present
Sheila Adams, CNO- Present

GUEST:

Josh Lewis, MossAdams, by WebEx
Sujan Bhandari, MossAdams, by WebEx
Javi Marco, EMS- SVH
Jeremi Scott, EMS- SVH

There is a quorum.

4. Approval of Agenda

Greg D’Amour, Chairperson

Cookie Johnson motioned to approve the agenda. Kathi Pape seconded. Motion carried unanimously.

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

“Are there any items on this agenda that could cause a potential conflict of interest by any Governing Board Member?” None

Greg D’Amour read the following stipulation:

Stipulation regarding Strategic Planning Workshop: On March 31, 2021, the Governing Board of Sierra Vista Hospital held a closed session meeting. 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.

5. Approval of minutes Greg D’Amour, Chairperson

A. March 25, 2021, Regular Meeting

Cookie Johnson motioned approval of the March 25, 2021 minutes. 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- Greg D’Amour, Chairperson None

8. New Business-

A. EMS Presentation and Acknowledgement- Javi Marco, EMS and Eric Stokes, CEO- Javi Marco explained that each year, the DOH through the EMS Bureau offers the opportunity to nominate outstanding EMS, Paramedics and EMTs. There are usually 1200 to 1400 nominees each year for this award. Our own, Jeremi Scott, EMS, has been awarded Provider of the Year by New Mexico EMS. The Board applauded Jeremi.

Eric Stokes announced that Javi Marco, EMS Manager, will be leaving SVH to pursue a career in nursing. May 7th will be his last day with SVH. Eric spoke highly of Javi and his representation of the community and the hospital. Javi was presented with a tablet as a gift and appreciation. The Board applauded Javi. Ashlee West and Brian Hamilton have both been interviewed to fill Javi’s position.

B. Audit- Moss Adams- Josh Lewis and Sujun Bhandari- These are the results of the financial audit ending June 30, 2020. Sujun Bhandari explained the required communications, the financial statement trends, comparisons to other facilities and industry trends. There were no findings under internal control over financial reporting and on compliance or other matters. There were no significant changes to accounting policies and accounting estimates are reasonable. Allowances on receivables were reduced by \$400,000 as the hospital is being conservative. There were no uncorrected misstatements. There were no disagreements with management and no consultation with other accountants. Provider relief fund is new on the audit. The hospital received approximately \$4 million in provider relief funds half of which has been recognized. The Payroll Protection Program (PPP) must be reported as a liability. This liability of approximately \$2 million will stay on the books until it is forgiven by the SBA. The single audit requirement, only on PRF program, has been delayed until 2021 and should be a one-time single audit in FY21.

There were no significant findings and all prior year findings have been cleared.

Josh Lewis provided historical information regarding the financial statements. Total assets increased in 2020. Days cash on hand averaged 162.7 days in 2020. Days in net accounts receivable dropped to 22.9. Josh discussed operating revenue and expenses, operating margin, long term debt to capitalization, and

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

liabilities and net assets. The Financial Position Recap is existing reserves are strong and have improved dramatically. The age of the plant is very strong. Debt leverage is weak but improving as expected with a recent debt issuance.

Salaries and benefits as a percentage of revenue is a large expense and should be monitored. It was an average of 46.0% in 2020.

In his Financial Performance Recap, Josh stated, after a couple of years of weak margins (2017 and 2018), 2019 and 2020 have showed significant improvement including two years of positive operating margin, significant improvement in excess margin and improvement in controlling largest costs.

Comparison to other facilities in the State and industry trends were provided in the audit report.

Cookie Johnson motioned to accept the FY20 audit as presented by MossAdams and send it to the JPC. Kathi Pape seconded. Motion carried unanimously.

9. Finance Committee- Cookie Johnson, Chairperson

A. March Financial Report- Ming Huang, CFO, directed the Board Members to page 12 (key stats) of the packet. There were 116 patient days in March which is 11 days more than February. Outpatient visits were 2,141 which is 600 less than February. This is due to the decrease in vaccination clinic days from two days per week in February to one day per week in March. There were 699 RHC visits, 73 more than February. ER visits were 513 which is 83 more visits than February.

EBITDA for March is 20%. The benchmark from QHR is 4% to 7%. We had budgeted 8% for March. Days cash on hand was 206 days, 115 available. Accounts receivable net days were 18. Accounts payable days were 65 which is higher than usual because we had to pay back the over payment of the safety net care pool in the amount of \$1.1 million. This amount was paid back in early April.

On page 15 of the packet (detailed stats) there are significant changes in the Behavioral Health and Physical Therapy departments. Behavioral Health had 360 visits in March compared to their monthly average of 313. Physical Therapy is much higher than the average of 179 with 263 visits in March. Radiology also saw a large increase in March with 434 visits.

Volume Trends are on page 17 of the packet. ER and Inpatient admissions remain steady. Outpatient visits vary depending on the vaccination clinics and COVID testing. Surgeries are zero as this service stopped at the end of January.

The income statement is on page 18. Gross revenue for March is \$3,934,973. After subtracting contractual allowances, bad debt and other deductions, revenue is \$1,778,737. Net patient revenue (revenue from operations) is \$2,156,263 plus other operating revenue and non-operating revenue before expenses is \$2,509,373.

Salaries and benefits in March were \$1,026,515 which is \$48,000 more than budget. Contract Services was the most unfavorable expense variance at \$529,963 versus a budget of \$439,306. This includes travelers and a one-time payment to Athena of 4% of collections. Professional fees include ESS. After subtracting total operating expenses, our EBITDA is \$502,537 for March. Year to date EBITDA is \$4,156,109; this is revenue based on actual operations. Year to date EBITDA is 19%. Net income for March was \$128,224, year to date net income is \$832,488.

The Balance sheet is on page 21 of the packet. At the end of March, there was \$13,349,304 total cash in the bank. This balance includes the \$2 million PPP loan that has not been recognized as income and \$2 million in Provider Relief Fund that also has not been recognized yet. There is \$2.2 million for Medicare cost report settlement. Of the \$13 million, \$7 million belongs to SVH until the PPP loan is forgiven and Provider Relief is recognized. The PPP, PRF and interest are on the balance sheet under Current liabilities in the amount of \$4,905,158.

Financial Trends are on page 23 of the packet. Total operating revenue is on a downward trend as we have exhausted all the construction grant funds. Contract Services have increased due to agency/ traveler expenses and a couple of one-time payments.

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

B. Reserves Report- Ming Huang, CFO, this report is on page 24 of the packet. We received Medicare advance payments of approximately \$2.4 million total in April and May 2020. Of this, \$2.2 million has been reserved because it will have to be paid back beginning in May of this year. This is on the balance in the amount of \$2,278,652 as a line-item titled Cost Report Settlement. We can either pay back the entire balance at one time or we can allow Medicare to withhold our payments by a percentage. Since the money is there, it would be best to pay it in full. Ming would prefer to pay it all at once.

Cookie Johnson motioned to approve the March Financial report and the Reserves report. Kathi Pape seconded. Motion carried unanimously.

C. Well Scan Contract- Sheila Adams, CNO, this contract is for the purchase of three Well Scan units to screen employees, patients, visitors, vendors, and Providers. The units would be placed at the main entrance, ED, and the employee entrance. An employee would still have to be stationed with the unit from 7a to 5p at the main entrance. The units at the ED and employee entrance would not require this eliminating 4.2 FTEs for screeners. The machines scan temperature, ask questions about health and will print a name tag to be worn by the visitor.

The cost of each unit is \$12,500. The contract for screening agreement is three years at \$4,000 per machine per year. Purchasing the whole package at this time will allow us to use COVID funds for the purchase. The contract can be terminated at the end of three years with 90-day notice. The Finance Committee suggested looking at a five- year contract.

Discussion was held regarding the operation and process of the use of these units.

Cookie Johnson motioned to approve the purchase of the Well Scan units as presented and if the five-year contract option can be purchased at or under \$100,000 then that purchase is approved. Kathi Pape seconded. Motion carried by a majority with Patsy Barnett voting opposed.

10. Board Quality- Stan Thompson, Chairperson

A. Safety Committee Report- Eric Stokes, CEO, the safety committee met on April 8 with the six subcommittees present. This was our second meeting with the revised structure. Three of the six committees understand what they are doing, they have their charter in place and they are working on their purpose. The other three are coming along but need a bit more direction from the CEO. The Safety Committee, also known in some places as Environment of Care Committee includes patient complaints, HR issues, life safety and emergency preparedness. Because SVH is a small hospital, these issues have been combined into this committee.

Stan Thompson motioned to approve the Safety Committee Report. Rolf Hechler seconded. Motion carried unanimously.

B. Quality Program Update- Sheila Adams, CNO, the OPI quarterly report would normally be presented at this time. However, Sheila is in the process of improving and updating the presentation and Quality Program. Some information will be presented in closed session but the full OPI report that the Board has seen in the past will not be presented.

C. Med Staff Report-

Policies:

1. Convalescent Plasma Protocol
2. Minimal Risk Medication
3. Beyond Use Date on Parenteral Medication
4. Infection Prevention Program

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

Sheila Adams explained the policies and answered questions from the Board. All policies have been approved by Medical Staff.

Stan Thompson motioned approval of the four policies listed above. Denise Addie seconded. Motion carried unanimously.

11. Administrative Reports

A. CEO- Eric Stokes, CEO, all items in the CEO report have been sent out in the weekly reports to the Board. We have hired a full-time cardiopulmonary services coordinator, Toni Davis. Toni has purchased a home in Elephant Butte and worked here at SVH back in the 80's. Mandatory leader training was held on April 22 by QHR. This was to kick off our efforts to restructure the PI process and train our leaders on how we will be approaching PI/ Quality going forward.

The primary difference on the Organizational Chart is the restructuring of the Nursing Departments as EMS will now be under CNO. Explanation of the dotted line and solid line connection was provided. Eric and the Board would like for Dr. Adkins or a representative of Medical Staff to attend a portion of the Governing Board meetings. This is Eric's goal by the May meeting.

Nurse follow-up calls are being made to all patients discharged from the Hospital and the Emergency Department within 72 hours of discharge. We submitted our statement to the VA affirming our ability to meet the requirements for the VA's Primary Care contract in Sierra County. Beginning April 17, the imaging department will be open for CT and X-ray on Saturday and Sunday. Dr. Boulware and his group, Southern New Mexico Heart, were on site on April 20. Discussion was held regarding a cardiology program at SVH. The details of the contract are being worked out.

The quote from the second vendor regarding the utility tunnel came in at \$930,000. The Materials Management building is not in danger because of the failing tunnel. If the tunnel collapsed, it would not shut down the Hospital. Only the old building would be affected; not including the ED. The written report from the engineer has not been received yet. Eric will have a recommendation for the Board's consideration at the May meeting. A final agreement with the City for pending amounts owed will be completed with the new City Manager. We are negotiating final agreement to include Dais Fleck Rx as a contract pharmacy under the Hospital's 340B program.

SVH had planned on participating in Fiesta until it was cancelled. A meeting was held with Crystal Walton from the Senior Center and we will evaluate services at the center in the future. The Hospital sponsored the Miss Fiesta scholarship in the amount of \$2,000. Eric attended the Sierra County Design Team meeting and the Development Board meeting in April. Advertisement in the Sentinel included imaging modalities with focus on PET/ CT and extended MRI hours and Outpatient Lab services.

B. Human Resources- Vesea Yazza for Tim James, HR Manager, for March 2021 new hire orientations, annual training, evaluations and competencies, certifications and licensures were all at 100%. There was one workers comp claim with no days lost.

The turnover rate for March is 3%. The average turnover rate calculated on a monthly basis for OPI purposes for FY21 is 3%. Our target for monthly turnover is less than 5%. There were 189 employees on the first day of the month and 185 on the last day of the month: 161 full-time, nine part-time, 15 PRN and four temporary employees. We had one new hire bringing the FY21 total to 37. There were four involuntary terminations and two voluntary terminations bringing the total terminations for FY21 to 49. Annual turnover rate for FY21 is 49 terminations over an average of 191 staff equals 26%. We have three contract staff in ED, six in MedSurg, one in Lab and one in PT.

We are investigating with NM Workforce Solutions the Trumont RN Apprenticeship Program to develop confident and competent new RN graduates into permanent staff for SVH and revising the education incentive policy to encourage home grown talent within SVH and the Community.

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

The Traveler RN billing rate has been further reduced from \$110 per hour to \$95 per hour.

C. Nursing Services- Sheila Adams, CNO, as part of the nursing restructuring, two night shift house supervisors have been put in place. This has created positive results in education and training and identifying additional needs. The nursing services clinical supervisor is also in place. Quarterly nursing forums started this month and 30, 60 and 90-day goals have been set with the nursing staff.

Mock survey action plans are in place with checks and balances to monitor compliance.

We received five patient satisfaction surveys in March which is up from an average of one per month. Results have improved over the last six-months. Wall mounted computers, hourly rounding, bedside reporting, and leader rounding actions are now or will soon be put into place.

Traveler costs are being reduced. The last contract extension was signed at \$85.00 per hour. Advertising directed to RNs will be appearing in surrounding areas.

We have given over 5000 doses of the COVID-19 vaccination. The vaccination clinics have been moved indoors and that is working well. Because the County has gone back to yellow, Saturday testing for COVID may start again.

Discussion was held regarding the duties of the Clinical Supervisor.

D. Rural Health Clinic- Vesea Yazza, DPS, staffing includes five Providers, four Medical Assistants, three schedulers and one scheduler/ assistant. One of the medical assistants is currently screening.

An Athena campaign was sent out the first week of April to all patients requiring a PAP to screen for cervical cancer. Our May marketing focus is on stroke awareness.

The total amount of calls received by schedulers in March was 2,483 with an average wait time of one minute, 17 seconds. Total March visits were 1022. Discussion was held regarding well-being visits.

E. Governing Board- Greg D'Amour, Chairperson, Tim James sent an email regarding the 180-day CEO evaluation. Greg would like to do this evaluation in June. Discussion will be held with Scott Towle, Tim James and Board Members were asked to provide their thoughts. Eric explained that all Management Team Members evaluations will begin on July 1 and end on June 30th the following year. Eric suggested that his evaluation be aligned to this schedule as well. Overall performance of the hospital and goal accomplishment results will assist the Board in evaluation of Eric. Greg agrees with Eric and this approach. Patsy Barnett suggested including hospital survey results be included in the evaluation process. What is important to the Board is and should be important to Eric; the Board should make those things very clear.

Motion to Close Meeting:

12. 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. Credentials:

Report/Action

Temporary-

None

Provisional-

Rooshin Dalal, MD (OnRad)

Lee Beville, MD (OnRad)

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

Gerald Holtz, MD (OnRad)

Two Year Appointment-

David Ishimitsu, (OnRad)
Martin Price, (OnRad)
Jay Radhakrishnan, MD (OnRad)
Lance Dell, MD (OnRad)
Vikas Menghani, MD (OnRad)

Two Year to Two Year Re-Appointment-

Staci West, CNP (ESS)
Michael Pena, MD (ESS)

Two Year Re-Appointment-

None

10-15-1 (H) 7 Attorney Client Privilege/ Pending Litigation Report/Action
A. Risk Report Heather Johnson
B. Compliance Heather Johnson
C. Survey Readiness Update Sheila Adams, CNO

10-15-1 (H) 9 - Public Hospital Board Report/Action
A. Strategic and long- range business plans. Hospital Leadership/Management
1. Cardiology PSA Eric Stokes, CEO
This item will be tabled as the contract is not ready for presentation to the Board
2. Strategic Plan Follow Up Eric Stokes, CEO
3. QHR Report to the Board Ming Huang, CFO

Roll Call to Close Meeting: Jennifer Burns

SIERRA COUNTY

Kathi Pape, Member Y
Stan Thompson, Member Y

ELEPHANT BUTTE

Patsy Barnett, **Secretary**, Member Y

CITY OF T OR C

Peggy (Cookie) Johnson, Member, **Vice Chair-** Y
Rolf Hechler, Member Y

VILLAGE OF WILLIAMSBURG

Denise Addie, Member 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. **Credentials:** Report/Action

Temporary-

None

SIERRA VISTA HOSPITAL GOVERNING BOARD MEETING MINUTES

Provisional-

Rooshin Dalal, MD (OnRad)
Lee Beville, MD (OnRad)
Gerald Holtz, MD (OnRad)

Two Year Appointment-

David Ishimitsu, (OnRad)
Martin Price, (OnRad)
Jay Radhakrishnan, MD (OnRad)
Lance Dell, MD (OnRad)
Vikas Menghani, MD (OnRad)

Two Year to Two Year Re-Appointment-

Staci West, CNP (ESS)
Michael Pena, MD (ESS)

Two Year Re-Appointment-

None

Denise Addie motioned to approve credentialing of all above listed provisional, two year appointment and two year to two year re-appointment. Patsy Barnett seconded. Motion carried unanimously.

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

- A. Risk Report
No Action
- B. Compliance
No Action
- C. Survey Readiness Update
No Action

10-15-1 (H) 9 – Public Hospital Board

- A. Strategic and long- range business plans. Hospital Leadership/Management

- 1. Cardiology PSA

Patsy Barnett motioned to table the Cardiology PSA until the next meeting. Denise Addie seconded. Motion carried unanimously.

- 2. Strategic Plan Follow Up
No Action
 - 3. QHR Report to the Board
No Action

14. Other

Next Regular Governing Board Meeting will be on Tuesday, May 25th at 12:00. Finance Committee will be held at 10:30, May 25th and Board Quality will be held on Monday, May 24th at 10:30

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

15. Adjournment-

Denise Addie motioned to adjourn. Rolf Hechler seconded. Motion carried unanimously.

JB

5/25/21

Recording Secretary, Jennifer Burns

Date of Approval

Greg D'Amour, Chairperson