

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

June 29, 2021

12:00pm

**Elephant Butte Lake RV Resort
Event Center**

1. The Governing Board of Sierra Vista Hospital met June 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 12:20pm.

2. Pledge of Allegiance

3. Roll Call

GOVERNING BOARD -----

SIERRA COUNTY

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

ELEPHANT BUTTE

Vacant, Member
Patsy Barnett, **Secretary** – Present

CITY OF T O R C

Bruce Swingle, Member – Present
Rolf Hechler, Member- Present
Peggy (Cookie) Johnson, **Vice Chair**- Present

EX-OFFICIO

Eric Stokes, CEO - Present
Amanda Cardona, Clerk VofW – Present
Vicki Ballinger, City Manager EB- Absent

VILLAGE OF WILLIAMSBURG

Denise Addie, Member – Absent

STAFF

Tim James, HR Manager- Present
Ming Huang, CFO- Present
Heather Johnson, HIPAA/HIM- Present
Sheila Adams, CNO- Present
Dr. Adkins, CMO- Present
Dr. Garver, DO- Present

GUEST

Scott Towle, QHR- by phone
Mike Williams, EB City Councilor
Kim Skinner, JPC Chair, by phone

There is a quorum.

Greg D’Amour thanked Patsy Barnett for her service to the Governing Board. Patsy has always made sure that the Board was doing what they should and doing it well. This will be Patsy’s last meeting. The full Board agreed and applauded her. Kim Skinner also thanked Patsy on behalf of the City of Elephant Butte.

4. Approval of Agenda

Greg D’Amour, Chairperson

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Stan Thompson motioned to approve the agenda. Patsy Barnett seconded. Motion carried unanimously.

“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 Special Meeting:** On Friday, June 18, 2021, the Governing Board of Sierra Vista Hospital held a Special closed session meeting. This meeting was properly published on radio, in the Hospital and on the Hospital’s website. The meeting was called to discuss pending litigation and mediation settlement terms pursuant to NMSA 1978, Section 10-15-1 (H) 7 Attorney Client Privilege/ Pending Litigation. No other matters were discussed in closed session. In open session, Rolf Hechler motioned to allow Theresa Parrish, Rodey Law Firm, Attorney for SVH, to proceed as discussed in closed session. Cookie Johnson seconded. Motion carried unanimously.*

5. Approval of minutes Greg D’Amour, Chairperson

A. June 18, 2021, Special Meeting-

Cookie Johnson motioned approval of the June 18, 2021 Special meeting minutes. Kathi Pape seconded. Motion carried unanimously.

B. May 25, 2021, Regular Meeting-

Cookie Johnson motioned approval of the May 25, 2021 minutes. Kathi Pape stated that on page GB 12 the word Sentinel should be capitalized. Kathi seconded with this correction. Motion carried unanimously.

6. Public Input – None

7. Old Business- Greg D’Amour, Chairperson

A. Med Staff Rules & Regulations Revision, Dr. Adkins, CMO

This was an agenda item at the May 25, 2021 meeting. It was unclear whether the Governing Board needed to make a motion to approve. No motion was made. The Board does need to make a motion to approve all changes to the Med Staff Bylaws, therefore, this item is again on the agenda for action.

Cookie Johnson motioned to remove this item from the table and act on the item. Stan Thompson seconded. Motion carried unanimously.

Patsy Barnett moved to approve the change to the rules and regs as presented by Med Staff. Cookie Johnson seconded. Motion carried unanimously.

8. New Business-

A. General Discussion, Dr. Garver- Currently we have Nurse Practitioners on MedSurg and Doctors covering the ER. If we put doctors up in MedSurg, we can keep some of our sicker patients, provide better care, and up our level of service. The ESS Renewal will allow us to provide this type of care on this schedule for a small increase in the contract.

Discussion was held regarding how Dr. Garver and his staff work together with EMS, continuity of care and the MedSurg staff.

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9. Finance Committee- Cookie Johnson, Chairperson

A. May Financial Report-Ming Huang, CFO- on page 17 of the packet (key stats), patient days in May were 152 including acute and swing bed days, 61 days more than April. ER visits were 641, 73 more than April. EBITDA margin for May is 24%, 20% year to date. Days cash on hand at the end of May were 184; 108 days available. Accounts receivable net days were 23 and accounts payable days were 25.

On page 20 (department stats) ambulance, lab and imaging saw their highest numbers in FY21. Behavioral Health saw 374 patients; also, the highest month in FY21. The vaccine clinic had a decrease with only 183 vaccinations.

Gross patient revenue for May was \$4,514,001 which is \$840,369 more than budget. Bad debt expense is higher due to more self-pay patients in the ER. Total patient revenue deductions were \$2,231,964. Other operating revenue was \$225,516 for a total revenue amount of \$2,652,811 for May. Salaries and benefits were over budget by \$40,868. Contract services were \$555,541 including a onetime payment of \$12,000 for the behavioral health assessment and a onetime payment of \$17,000 for the PPP loan forgiveness application. Total operating expenses were \$2,012,283.

EBITDA for May was \$640,528 and year to date is \$5,263,889. Net income for May was \$228,453.

Total cash at the end of May was \$11,948,480. Current reserves are broken down and explained on page GB 29.

Discussion was held regarding the provider relief funds and how they will be applied. Scott stated that Ming and Scott will be working on this in July. The safety net care pool funds and the provider relief funds are not related in anyway. Patsy Barnett asked what the comfortable balance of cash on hand is. Scott stated that 100 days cash on hand is always the goal.

Cookie Johnson motioned, based on the Finance Committee recommendation, to accept the May Financial report. Kathi Pape seconded. Motion carried unanimously.

B. ESS Renewal- Eric Stokes, CEO, & Dr. Garver DO, Cookie Johnson explained that Dr. Garver was discussing this at the beginning of the meeting. It is an amendment to our existing contract and for the services described by Dr. Garver, there will be an increase from \$1.65 million per year to \$1.77 million per year. Dr. Adkins stated that the change in MedSurg has been working out very well. We are keeping patients that we would otherwise have to transfer. The ESS group that is working here now is fantastic.

Cookie Johnson motioned based on the recommendation of the Finance Committee, approval of the ESS Renewal/ ED and Hospitalists contract. Kathi Pape seconded. Motion carried unanimously.

C. PenRad Mammo- Eric Stokes, CEO, this is Mammography software that will allow the user to automate data entry and reporting to the state of New Mexico. Our mammo tech at the time was limited to only mammo due to the time consumption of manual data entry. With this software, our mammo tech will be able to do x-ray and CT in addition to mammo. The total of this software is \$23,700 in year one and \$21,000 annually after.

Cookie Johnson motioned based on the recommendation of the Finance Committee, approval of the PenRad Mammography Software contract. Kathi Pape seconded. Motion carried unanimously.

Kathi Pape stated that this contract did not have to come before the Board. Eric brought it to the Board for the purpose of transparency.

D. Far UV- Eric Stokes, CEO, this is a contract for \$70,000 which will be paid for with COVID funds. There is an optional service contract after year one for \$8,000 per year. The purchase includes hardware

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and installation of FAR UV lighting in direct patient care areas (clinic, ED, and hospital rooms). This lighting deactivates 99.9% of all bacteria, viruses, and fungi. The additional electric work is included in the installation.

Cookie Johnson motioned based on the recommendation of the Finance Committee, approval of the purchase of FAR UV Disinfecting lighting and service contract. Kathi Pape seconded. Motion carried unanimously.

E. Brentwood Communication Marketing- Eric Stokes, CEO, this is two marketing contracts; one is a digital marketing agreement, and the other is a direct mailer. The digital marketing is \$1,500 per month over a three-year period. The direct mailer includes two mailers per year to 5000 homes each for \$10,000 per year for three years. Both contracts can be terminated within 30 days of the anniversary date of the contract. The goal is to increase community awareness of SVH services and new services being brought in.

Cookie Johnson stated that the Finance Committee, except for Herself, recommends approval of the Brentwood Communication Marketing contracts. Kathi Pape seconded. Motion carried by a majority with Cookie Johnson voting opposed.

F. Healthstream- Sheila Adams, CNO, Tim James, HR Manager, this is an internet-based program for education and competencies for our staff. We currently use Relias CE-Direct and Carelearning which does not offer this testing. The Human Resources capacity tracks and notifies certifications and licensure, manager, and employee dashboard. The current education program does not meet the needs of the hospital and clinic. This contract would replace the two that we have now. Option (1) for Healthstream is a three-year contract at an annual cost of \$22,188.53. We would be obligated to buy out our remaining contract with CE Direct at \$19,000. Healthstream is the gold standard for the industry.

Cookie Johnson motioned based on the recommendation of the Finance Committee approval of the three-year contract and buy out of the CE Direct contract. Kathi Pape seconded. Motion carried unanimously.

G. Authority Rx- Eric Stokes, CEO, Authority Rx is a partner company with our 340B vendor, SunRX. This program has proven to be good for the hospital. With the addition of Authority Rx, we anticipate a 10-15% increase in the 340B revenue by capturing viable 340B scripts that SVH is not already capturing. The 340B program netted the hospital \$480,000 last year. Davis Fleck has just signed on to this program with us.

Cookie Johnson motioned based on the recommendation of the Finance Committee, approval of the Authority Rx contract at \$18,000 annually. Kathi Pape seconded. Motion carried unanimously.

H. Budget FY22- Ming Huang, CFO, Ming directed the Board to the EBITDA chart which shows 2019 and 2020 actual EBITDA totals and 2021 projected EBITDA (less the recognized provider relief funds and the construction grant). The 2021 EBITDA amount of \$2,133,000 is used for the baseline for the FY22 budget. Green items on this chart include net patient revenue, employee related expenses, other operating revenue and non-operating revenue and represent increases in EBITDA. Red items include contract services, other expenses, repairs, and rentals, supplies and expenses and represent decreases in EBITDA. Ming explained the expectations for each of these areas of the chart. The projected EBITDA for FY22 is \$3,823,000.

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Looking at the FY22 budget, patient revenue is projected to be \$49,551,158 based on increases in the Cardiology program, the hospitalist program and increase in clinic visits. Contractual adjustments remain at 47%. Discussion was held regarding non-covered write offs and timely filing write offs.

340B income is projected to be \$747,825 including Meds to Beds and Davis Fleck. The one-time grant revenue for small hospital improvement is \$230,000.

Repairs and maintenance are estimated to be \$588,490. Rental expense includes PET/ CT and is estimated to be \$207,880 in FY22. Employee recognition is a line item in the budget to fund celebrations for hospital week, Christmas, etc. in the amount of \$73,608. The budget for supplies increased based on the anticipated revenue increase.

Physician services is estimated to be \$1,833,300 which is the ESS contract. Purchased services is estimated to decrease from FY21 to \$5,516,633. \$50,000 has been budgeted for advertising that was approved by the Board today.

The projection for FY22 is a net loss of (\$686,528). This is due to high depreciation of the new building. However, EBITDA is projected to be \$3,822,994 which is 14%. Scott Towle stated that the focus needs to be on EBITDA, cash from operations.

Cookie Johnson motioned based on the recommendation of the Finance Committee approval of the FY22 Budget. Kathi Pape seconded. Motion carried unanimously.

10. Board Quality- Stan Thompson, Chairperson

A. Safety Committee Report- Eric Stokes, CEO, the safety committee met on June 10. Each of the subcommittees meet monthly and report to the safety committee and that is what you see in the minutes from the meeting on the 10th. Charters have been completed for all subcoms except for Emergency Preparedness and Medical Equipment Management. All have set goals except for Haz Mat/ Waste Management.

Security Management reported an increase in escorting visitors to the MedSurg floor as COVID restrictions have been relaxed. Staff is concerned about the lack of 24/7 security on site. As a result, we have filled the security position and will provide round the clock security.

By the end of the year, Emergency Preparedness led by Lane Zeitler, will hold a mass casualty drill. Mini drills will be held leading up to this event to prepare staff for their roles. Haz Mat/ Waste Management will be providing Stericycle training for housekeepers and the committee through the DOT.

A uniform red tag procedure is being developed by the Medical Equipment Management Committee. Anthony McCray, committee Chair, will be training staff on this procedure once in place.

Fire Safety/ Utility Systems committee are focusing on the potable water concern. The city's current deteriorating infrastructure is a real problem and, by CMS standards, our EOP must include a backup water plan.

Stan Thompson motioned based on the recommendation of the Board Quality Committee, approval of the Safety Committee Report. Cookie Johnson seconded. Motion carried unanimously.

B. Quality Management and

Performance Improvement Plan 22-23 Sheila Adams, CNO, this is a revision of the plan that we currently have in place. On page three, Values has been left blank because SVH does not have a value statement. On page eight, Individual performance improvement is Physician or Provider evaluation which utilizes the mechanisms of ongoing practitioner performance evaluation (OPPE) and focused professional practice evaluation (FPPE).

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The framework for performance improvement activities is the Lean/PDSA (Plan, Do, Study, Act) process. There are five lean principles and eight wastes. Department leaders will be educated in July on this process.

On page 14 is an overview of Sierra Vista Hospital and Clinics priority objectives. Med Staff has reviewed and approved this plan.

Cookie Johnson recommended taking out values as we do not have a value statement at this time.

Stan Thompson motioned based on the recommendation of the Board Quality Committee, approval of the Quality Management and Performance Improvement Plan for 22-23. Cookie Johnson seconded. Motion carried unanimously.

11. Administrative Reports

A. CEO- Eric Stokes, CEO, we celebrated Steve Huey's last day with cake and ice cream on June 4th. Management teams have developed their annual goals for FY22. Discussion for waiving copays and coinsurance for employees and dependents continues. This could be extended to several other governmental entities.

Cindy Marks, QHR was on site to train staff on the new quality program and follow up on outstanding issues from prior operational assessments. We submitted our annual Environmental Safety Attestation to Optum to demonstrate we are meeting their requirements to continue to provide behavioral health services to Optum members. Davis Fleck will be a partner in our "Meds to Beds" program. This is a program where, prior to discharge from the hospital, patients meet with one of our pharmacists and are sent home with their discharge meds in hand before leaving the Hospital. This program should begin no later than Q2 of FY22.

All full-time staff who received the COVID vaccine were paid \$200 and those who get the vaccine by July 1 will also be paid \$200. Part-time and PRN received \$100. This incentive did generate a small number of staff getting the vaccine. This was covered by COVID funds.

Conversation continues with Burrell Residency program to have their residents rotate through SVH hospital and Clinics possibly as soon as this fall. The construction kickoff meeting was held on June 24th. On site work will begin mid to late July with a 90-day targeted completion date for both the permanent MRI pad and the utility tunnel.

Dan Hobbs, QHR, was on site to perform a GAP analysis of our patient financial services. Overall, our PFS is performing well. Ming and his department met with each manager to finalize operating and capital budgets for FY22. We renewed our agreement with the State to receive financial assistance to provide breast and cervical cancer early detection services to patients who are uninsured or underinsured. We signed our agreement with accounting group, Dingus, in the amount of \$11,500 for them to prepare our FY21 cost report. In addition, the Steris renewal contract was signed in the amount of \$16,358. This is a service and maintenance contract for the washers and sterilizers in the OR and elsewhere in the facility.

Joanie Anderson from Hot Springs High School talked to our management team about collaborating with Project Lead the Way Biomedical Sciences Program. This program educates children and exposes them to the clinical aspects of care. Members of the SVH Admin team met with members of the SVNH, assisted living, and home health and Hospice to discuss how we can collaborate to the benefit of our shared patients and organizations. Funds were donated to the 9-11 Memorial wall in Elephant Butte. The Governor and former Secretary Kunkle visited and toured the Hospital. Discussion centered on how SVH can assist the State in better meeting the behavioral health needs of the residents in the southern portion of the State by converting our old hospital building into an inpatient behavioral health facility. More

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meetings are scheduled. Discussion was held regarding this opportunity and what it could look like for Sierra County and the hospital.

B. Human Resources- Tim James, HR Manager, for May, new hire orientations and annual trainings were at 100%. Evaluations and competencies were at 80% as we begin to change the process and due dates to July 31 for Directors, Managers and Supervisors. Certifications and licensures were at 100%. There was one workers comp claim with no days lost.

The turnover rate was 3% in May. Average turnover rate calculated monthly for OPI purposes for FY21 is 3%. Our target for monthly turnover is less than 5%. We had 186 employees on the first day of the month and 182 on the last day of the month. There were 152 full-time, eight part-time, 19 PRN, and three temporary employees. There were two new hires bringing the total for FY21 to 43. There were six terminations; one involuntary and five voluntary bring our totals for FY21 to 21 and 36, respectively. Annual turnover rate is 57 terminations with an average of 190 staff equals 30%. We have 11 contract staff: six in ED, three in MedSurg, one in Lab and one in PT.

Charles Gibson, RN will be our first participant in the Trumont RN Apprenticeship program. New Mexico Workforce Solutions will pay the \$4,000 tuition.

Our traveler RN billing rate is down to \$85.00 per hour for new travelers.

C. Nursing Services- Sheila Adams, CNO, we recognized Certified Nurse Aide week with a gift bag filled with multiple little things. Thank you notes are sent to providers and staff that are mentioned in patient satisfaction survey comments. Wellscans are in and will be in use soon.

Our overall hospital score for OPI increased to 91%. Staff will be educated in July on the new quality plan that the Board approved today. The hospital wide balanced score card is in progress and will be presented to the Board in August. The SCD machines that help prevent blood clots are in service.

The bedside wall mount computers and monitors have been installed and we will go live soon. Patient satisfaction for inpatient and ED saw a slight decrease. Sheila rode with the EMS crew for an afternoon.

We continue recruitment for RNs and patient care technicians.

Nursing leadership community goals have been established for FY22. Pfizer vaccinations were received, and the vaccination clinic did see an increase with over 40 shots distributed.

D. Rural Health Clinic- Eric Stokes, CEO, staffing in the Clinic includes five providers, three medical assistants, three schedulers, one scheduler/ assistant and the Clinical RN Coordinator position was posted on April 27, 2021. Karen Fiato and Estela Rubin were both out for a portion of June.

June is Alzheimer's Awareness month. An article was written by Karen Fiato for the month of June and published in the newspaper and on Facebook.

The total amount of calls for the month of May was 3,686 with an average queue time of 43 seconds. There were 1078 visits in May.

E. Governing Board- Greg D'Amour, Chairperson

1. Policies and Bylaws- Greg asked all Board Members if they had any suggested changes to any of the current Governing Board policies. No one had any changes or suggestions.

Kathi Pape motioned to approve the current Governing Board policies and Bylaws as is. Cookie Johnson seconded. Motion carried unanimously.

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QHR will be holding Board education in Colorado Springs, CO. on August 4 and 5. There are deadlines to register and make hotel reservations. Contact Jennifer as soon as possible.

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 the Governing Board will vote to close the meeting to discuss the following items:

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

- A. Clinic Structure Eric Stokes
 - 1. Kassouf & Co. Contract Eric Stokes
- B. CEO Evaluation Greg D'Amour

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

- A. Risk Report Heather Johnson
- B. OPI (May data) Sheila Adams

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

- A. Strategic and Long-Range Business Plans
 - 1. QHR Report to the Board Scott Towle
 - 2. Projects 20-21 Scott Towle
- B. Cardiology PSA Eric Stokes
 - 1. Digisonics
 - 2. Philips Holter Monitors
 - 3. GEMMS
 - 4. Echo Tech Contract

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 O R C

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

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A. Clinic Structure

1. Kassouf & Co. Contract-

Kathi Pape motioned to approve the Kassouf & Co. Contract. Stan Thompson seconded. Motion carried by majority with Cookie Johnson voting opposed.

B. CEO Evaluation

No Action

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

A. Risk Report

Stan Thompson motioned to accept the Risk Report. Patsy Barnett seconded. Motion carried unanimously.

B. OPI (May data)

Stan Thompson motioned to approve the OPI Report. Rolf Hechler seconded. Motion carried by majority with Kathi Pape abstaining from the vote.

10-15-1 (H) 9 – Public Hospital Board

A. Strategic and Long-Range Business Plans

1. QHR Report to the Board

No Action

2. Projects 20-21

No Action

B. Cardiology PSA

1. Digisonics

2. Philips Holter Monitors

3. GEMMS

Stan Thompson motioned to approve the Cardiology PSA with the caveat that section 9, Paragraph 9 is reviewed by SVH legal counsel for clarification. This motion includes approval of the Digisonics Contract, Philips Holter Monitors and GEMMS contract. Bruce Swingle seconded. Motion carried unanimously.

4. Echo Tech Contract-

Patsy Barnett motioned to table the Echo Tech Contract as it is not available at this time. Cookie Johnson seconded. Motion carried unanimously.

14. Other-

The next Governing Board meeting will be on Tuesday, July 27th at 12:00. Finance Committee will be held on Tuesday, July 27th at 10:00. Board Quality will be held on Monday, July 26th at 10:30.

15. Adjournment-

Greg D'Amour motioned to adjourn. Cookie Johnson seconded. Motion carried unanimously.

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JB_

7/27/21

Recording Secretary, Jennifer Burns

Date of Approval

Greg D'Amour, Chairperson