

**SIERRA VISTA HOSPITAL
GOVERNING BOARD MEETING MINUTES**

July 26, 2022

12:00pm

**Elephant Butte Lake RV Resort
Event Center**

1. The Governing Board of Sierra Vista Hospital met July 26, 2022, at 12:00 pm at Elephant Butte Lake RV Resort Event Center for a regular/ annual meeting. Cookie Johnson, Vice Chairperson, called the meeting to order at 12:05.

2. Pledge of Allegiance

3. Roll Call

GOVERNING BOARD -----

SIERRA COUNTY

Kathi Pape, **Secretary** – Present
Serina Bartoo, Member – Present
Shawnee R. Williams, Member – Present

ELEPHANT BUTTE

Katharine Elverum – Present
Vacant

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- Absent
Charlene Webb, County Manager- Absent
Travis Day, JPC Chairperson- Absent

VILLAGE OF WILLIAMSBURG

Denise Addie, Member – Present

STAFF

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

GUEST:

Erika Sundrud, QHR, present by phone
David Perry, QHR, present by phone

There is a quorum.

4. Approval of Agenda

Kathi Pape motioned approval of the agenda. Denise Addie 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

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5. Approval of minutes Cookie Johnson, Vice Chairperson

A. June 28, 2022 Regular Meeting

Bruce Swingle motioned to approve the June 28, 2022 minutes. Katharine Elverum seconded. Kathi Pape abstained from the vote as she was not present at the meeting. Motion carried.

6. Public Input – 3-minute limit

None

7. Old Business- Cookie Johnson, Vice Chairperson

None

8. New Business-

Before proceeding with new business, Cookie Johnson, Vice Chair read the following statement: “We are very saddened to know that Dr. Greg D’Amour was not reappointed to the SVH Governing Board as he was the best Chair this Board has ever had in my opinion. Dr. Greg is a PHD Pharmacist who lent his expertise to SVH particularly during the COVID pandemic. He took his position very seriously meeting with our CEO daily. Dr. Greg spent countless hours at SVH assisting in numerous issues.”

In addition, Cookie Johnson introduced and welcomed Serina Bartoo and Shawnee R. Williams.

A copy of the Bylaws containing the definition of duties of Chairperson, Vice Chairperson and Secretary were handed out to each member.

A. Election of Officers- Cookie Johnson, Vice Chairperson, called for nominations for Chairperson.

1. Chairperson

Kathi Pape nominated Cookie Johnson for Chairperson. Cookie Johnson respectfully declined due to her husband's illness.

Cookie Johnson nominated Bruce Swingle for Chairperson. Bruce Swingle stated he would accept the nomination and noted that Greg D’Amour was a tremendous asset to the hospital and to the Board. There were no other nominations.

Roll Call Vote:

COOKIE- Y BRUCE- Y KATHI- Y ART- Y

DENISE- Y KATHARINE- Y SERINA- Y SHAWNEE- Y

2. Vice Chairperson

Cookie Johnson nominated Kathi Pape for Vice Chair. There were no other nominations.

Roll Call Vote:

COOKIE- Y BRUCE- Y KATHI- Y ART- Y

DENISE- Y KATHARINE- Y SERINA- Y SHAWNEE- Y

3. Secretary

Kathi Pape nominated Denise Addie for Secretary. There were no other nominations.

Roll Call Vote:

COOKIE- Y BRUCE- Y KATHI- Y ART- Y

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DENISE- Y KATHARINE- Y SERINA- Y SHAWNEE- Y

At this time Cookie Johnson asked to be excused from the meeting for personal reasons and handed over the Chairperson duties to Chairperson, Bruce Swingle.

B. Secretaries report on Conflict-of-Interest Statement, Jennifer Burns stated that conflict of interest statements have been handed out to all members of the board and when returned, Secretary Denise Addie will review them and give a report to the Board at the August meeting.

C. Member Attendance Report, Jennifer Burns reported that the member attendance report is included in the packet on page GB15. Last year, our Board members were all above 80% attendance. There were 19 meetings and one strategic planning meeting.

D. Resolutions Bruce Swingle, Chairperson

1. Resolution 22-105

Nondiscrimination English & Spanish

Katharine Elverum motioned to approve Resolution 22-105. Denise Addie seconded. Motion carried unanimously.

2. Resolution 22-106

Open Meetings- Jennifer Burns noted changes to lines number 2, 4 and 6 regarding location of public notice within the hospital and time of notification for emergency meetings.

Denise Addie motioned to approve Resolution 22-106 with amendments as presented. Kathi Pape seconded. Motion carried unanimously.

3. Resolution 22-107

Public Records- Denise Addie asked about increasing the cost to obtain public records. Discussion was held regarding the cost of obtaining medical records versus public records.

Katharine Elverum motioned to approve Resolution 22-107. Denise Addie seconded. Motion carried unanimously.

E. Employee Retirement Match, Jennifer Burns explained that the Board generously approved the employee retirement match with each pay period, thereby doing away with the need to approve the match annually. This item can be removed from the Annual meetings policy. Bruce Swingle explained to the new Board members the change made to the employee retirement plan.

9. Finance Committee- Cookie Johnson, Chairperson

Bruce Swingle stated that the Finance Committee met this morning and discussed each of the agenda items below.

A. June Financial Report- Ming Huang, CFO, directed the Board to page FC5 of the packet. Total patient days in June were 79 days, 30 days less than May. There were 844 outpatient visits, 79 visits less than May. There were 528 RHC visits, 19 visits less than May and the ER had 748 visits, nine visits less than May. Days cash on hand at the end of June was 167 days, 151 days available. Accounts receivable net days were 22 days and accounts payable days were 32. June statistics overall are lower than May except for ER, MRI and Mammo which are higher than the year-to-date average.

Gross revenue in June was \$4,213,781. Non-operating revenue was \$321,334 including a State Capital Appropriation for EMS in the amount of \$180,000. Total operating revenue was \$2,532,599.

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Contract Services were \$720,752 which is \$259,003 over budget due to higher agency staffing expenses. Total operating expenses were \$2,341,368. EBITDA was \$191,231 which equals an 8% margin. We had a net loss of (\$247,096) because of higher depreciation expenses. Year to date, EBITDA is \$6,280,034, this is earnings from operations. Our net income for the year is \$1,338,373.

At the end of June, we had \$12,393,003 in the bank. Under construction in progress, we have paid \$954,129 to the tunnel project but still have a balance of approximately \$250,000 to pay when it is finished.

Kathi Pape motioned based on the recommendation of the Finance Committee acceptance of the June Financial Report. Denise Addie seconded. Motion carried unanimously.

B. Capital Equipment Disposal- Ming Huang, CFO, page FC18. At year end, we did a capital equipment inventory, and this list includes items that need to be disposed because they are no longer in use, or it's broken. This list will go to the State for disposal.

Kathi Pape motioned based on the recommendation of the Finance Committee approval of the Capital Equipment Disposal list. Art Burger seconded. Motion carried unanimously.

C. Investment Options- Ming Huang, CFO, In April, the board approved investing with Moreton Capital Markets for three months while Ming investigated the New Mexico Local Government Investment Pool option. \$6 million was invested with Moreton. At the end of June, we see a \$4,774 gain from that investment. This treasury bill will mature on August 4th at which time we will have a gain of \$11,375. The yield from the treasury bill is 2.28% while the yield from the NM LGIP is only 1.28%.

Kathi Pape motioned based on the recommendation of the Finance Committee approval of continuing investment with Moreton exclusive of NM LGIP. Denise Addie seconded. Motion carried unanimously.

D. Budget FY2022- Ming Huang, CFO, we have increased revenue for FY23 by over \$3 million based on the new services we are starting to include surgery, cardiology and two new providers in the clinic. We have also increased expenses in salaries and contract services. We have increased the cost of supplies 15% due to inflation and the professional fees budget due to an increased rate for ESS. We are budgeting EBITDA to be \$4,385,747 and a margin of 13%. We are budgeting a net loss of (\$525,104) because of higher depreciation expenses from the new building. The new services will take time to generate revenue, so we have calculated conservatively the income for FY23.

Kathi Pape motioned based on the recommendation of the Finance Committee approval of the FY23 budget. Denise Addie seconded. Motion carried unanimously.

1. Budget Resolution 22-104

Kathi Pape motioned to approve Budget Resolution 22-104. Denise Addie seconded. Motion carried unanimously.

E. Fourth Quarter financial report-

1. Resolution 22-110

Serina Bartoo motioned to approve Resolution 22-110. Kathi Pape seconded. Motion carried unanimously.

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F. Budget Revision/ Variance FY22- Ming Huang, CFO, the prior year budget was revised in the following ways. In the adjustment column, we increased net patient revenue by \$4,000,000. Salaries and benefits were increased by \$1,000,000, and contract services were increased by \$2,000,000. Supply expenses were increased by \$150,000 and repairs and maintenance increased by \$150,000 due to issues with the old building. Other operating expenses increased due to legal fees and advertising expenses. Taxes increased because of higher revenue.

1. Resolution 22-103

Kathi Pape motioned to approve Resolution 22-103. Katharine Elverum seconded. Motion carried unanimously.

10. Board Quality- Denise Addie, Chairperson

A. Med Staff- Sheila Adams, CNO, reported that there is one new policy for Infection Prevention. It has been approved by the IP and Med Staff committee. The Hep B Vaccine policy was reviewed to be sure it is up to date with State requirements. This has also been approved by the IP and Med Staff committee. The new hire policy has been updated to include the Quantiferon Gold lab test.

Zach Heard reported that the Chaplaincy policy and spiritual needs assessment set the outline for the Chaplaincy program that will be managed by the Ministerial Alliance of Sierra County and the Spiritual Care Committee of the hospital.

- Chaplaincy Program Policy-Policy #850-01-082
- Spiritual Needs Assessment- # F-850-01-82-1
- Coronavirus Disease Guidelines Policy- no Policy#- will be updated into Policy format.
- Criteria for Assessment for TB- Policy # 690-04-012
- Hep B Vaccine program-Policy# 6490-04-2041
- Infection Control Risk Assessment-Policy # F-690-01-016-3
- New Hire Employee-Policy# 690-04-002

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

11. Administrative Reports

A. Human Resources- LJ Baker, Interim HR Manager. HR is focused on staff stabilization and policy refinement. Zach and LJ interviewed a candidate for the plant operations director position. The candidate is the first through an effort to recruit former Military service members. Other key positions include Psychiatrist, LCSW, Nurses/ Nurse Practitioners and Behavioral Health.

We are phasing out contract workers and travelers and doing market rate research to provide competitive pay when updating job descriptions for recruiting.

Turnover rate was 4% for June. There were two terminations, one voluntary and one involuntary. All quality metrics are at 100%. We are following-up on two previous minor workers comp reports. Daily meetings with infection control are in place as several staff members are out with COVID.

Townhall meetings were held recently with all staff. LJ did a presentation called the A.R.T. or leadership for all Managers and the A.R.T. of teamwork for all staff members (Accountability. Responsibility. Trust and Teamwork.) Everybody has a responsibility in the hospital to help us achieve the mission and the vision of SVH.

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B. Nursing Services- Sheila Adams, CNO, the board approved hiring incentive is still in place and it has been fruitful as we have maintained every RN that was on staff and have hired four new full time RNs. Eight foreign educated RNs will be coming in over the next 18 months.

Education through the HealthStream, JANE, is in progress. This is an assessment that helps to determine strengths and opportunities. LJ and Sheila are working on a process to bring CNAs to SVH.

Bettina Fitzgerald, Infection Preventionist, conducted a hand hygiene campaign in July. Denise Addie, Katharine Elverum, and Greg D'Amour served as judges. Respiratory Therapy has increased the number of outpatient visits and is working on competencies of nursing staff for bi-pap and ventilators. The Trauma program fitted and handed out over 300 life vests over the fourth of July weekend. EMS continues with BLS, ACLS, and PALS for staff and community. EMS completed NRP classes, and one staff demonstrated her competency when a baby was delivered in our ER this month. Preparation for bringing general surgery and GI in-house is ongoing.

Of tests run at SVH, we are at 18% positive. Home tests are not included in our test numbers. Many patients are calling into the clinic to change their appointments to telehealth appointments. We have not had many patients hospitalized, vented, or transferred due to this spike in COVID.

Discussion was held regarding foreign nurses and the possibility of bringing in nurses from Ukraine.

C. CEO Report- Frank Corcoran, CEO, our focus right now is Quality. The QHR joint commission mock survey team is here going through everything to give us a baseline assessment of where we are at now. The Joint Commission standard is higher than the CMS standard and we are aiming for the Joint Commission Standard. There are many reasons for doing this including better patient care, safety and satisfaction and higher compensation. An interim Quality Director is coming at no cost except for travel, to help us get Quality programs up and running. We have a candidate coming in to interview for this position next week.

Dr. Vaidya is doing telehealth visits in the clinic once per week. His service will help us take care of patients who are experiencing issues but can't see their primary care provider because they have no openings for weeks. When the issue is resolved the patient will then continue to see their primary care provider. Arena's neurologist and psychiatrist are almost ready to start. Getting through the credentialing process has been slow.

We have four or five employees out every week with COVID. COVID is spreading faster but the severity is much less. Symptoms are sinus congestion, sore throat, and headache. All employees are being tested every week or if symptomatic, the employee is tested before coming in the building and coming to work.

We will bring the GE contract to the board next month. GE does all of the maintenance on our bio-med equipment. With QHR's help we have negotiated a contract under HPG with GE which will save the hospital money.

The sleep study group that presented to the board a few months ago has provided an estimate of annual revenue based on our data. We have referred 300 patients to sleep over the last three years. That would indicate an annual revenue of \$300,000.

There is good news and bad news regarding malpractice insurance. The good news is that we are a public entity and the new cap at \$7 million doesn't apply to us; we stay at the \$1-3 million. The company that covered us previously has left the state as many others are doing because of the \$7 million coverage. We have found another company to cover us for approximately \$100,000 more. Kathi Pape asked if this should have come before the board. Heather Johnson explained that on July 1 only three companies remained in New Mexico providing medical malpractice insurance for any health care

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entity. This is something we could not wait on. This will be an agenda item at the August meeting for ratification.

In July, we had three check forgeries which the bank caught. One was in Florida and two in New York. We have closed that account and opened another. These were accounts payable checks.

D. Governing Board- Bruce Swingle, Chairperson, stated it's been an exciting 30 minutes. Department introductions will resume with the August meeting. Prior to the COVID pandemic a department Manager and selected staff from that department would attend Governing Board meetings, introduce themselves and be recognized and appreciated by the Board.

Motion to Close Meeting:

Bruce Swing read the following:

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:

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

- A. Board Self-Assessment/ Evaluation Bruce Swingle, Chair
- B. Credentials Frank Corcoran, CEO
- Two-Year Appointment
Roxanne Chan, MD (Onrad)

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 Heather Johnson
- B. QAPI Report Sheila Adams, CNO
- C. QHR Report to Board Erika Sundrud, QHR
- D. Old Building Update Frank Corcoran, CEO

Roll Call to Close Meeting:

BRUCE- Y KATHI- Y ART- Y DENISE- Y

KATHARINE- Y SERINA- Y SHAWNEE- 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. Board Self-Assessment/ Evaluation
No Action
- B. Credentials
Two-Year Appointment

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Roxanne Chan, MD (Onrad)

Katharine Elverum motioned based on the recommendation of the Board Quality Committee, approval of the two-year appointment of Roxanne Chan. Art Burger seconded. Motion carried unanimously.

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

A. Risk Report

Katharine Elverum motioned based on the recommendation of the Board Quality Committee, approval of the Risk Report. Art Burger seconded. Motion carried unanimously.

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

A. Annual Compliance Report to Board Members Only

Katharine Elverum motioned to approve the Annual Compliance Report to the Board. Art Burger seconded. Motion carried unanimously.

B. QAPI Report

Katharine Elverum motioned to approve the Annual Compliance Report to the Board. Art Burger seconded. Motion carried unanimously.

C. QHR Report to Board

No Action

D. Old Building Update

No Action

14. Other

Discussion

Kathi Pape discussed a report that Bret Goebel did for the Governing Board in 2017 after problems with a prior CEO. The board, at that time didn't know a variety of things that were going on and as a result, we ended up with two days cash on hand. It took two to three years to recover both financially and with our workforce. It is important for new board members to understand where we started and where we are now. Bruce Swingle explained, as board members, we have a fiduciary responsibility to the hospital. It was very clear in this report that not all board members at that time had acted with that responsibility.

Kathi stated that when QHR came in, they pointed out all of the deficiencies in every department. They gave us the information to implement the tools we needed to get us to where we are now. This report isn't a good read, but it is an important read.

Next Regular Governing Board meeting will be August 23, 2022 at 12:00. Finance Committee will be on August 23, 2022 at 10:30 and Board Quality will be on August 22 at 12:00.

15. Adjournment

Kathi Pape motioned to adjourn. Katharine Elverum seconded. Motion carried unanimously.

JB

8/23/22

Recording Secretary, Jennifer Burns

Date of Approval

Bruce Swingle, Chairperson