

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 26, 2023 @ 2:00pm

1. The Joint Powers Commission of Sierra Vista Hospital met January 26, 2023, at 2:00pm in the boardroom at Sierra Vista Hospital for a regular/ annual meeting. Deb Stubblefield, Vice Chair, called the meeting to order at 2:00pm.

2. **Pledge of Allegiance** Deb Stubblefield, Vice Chairperson

3. **Roll Call** Melissa Forsythe, Recorder

Joint Powers Commission

Attendees: City of Elephant Butte

Edna Trager, via phone
Kim Skinner, via phone
Phillip Mortensen, Mayor, via phone
John Mascaro, City Manager, absent

City of T or C

Rolf Hechler, present
Destiny Mitchell, via phone
Shelly Harrelson, Member, absent
Bruce Swingle, Ex-O, present

Sierra County

Travis Day, **Chair**, via phone
Jim Paxon, present
Hank Hopkins, via phone
Amber Vaughn, County Manager Ex-O, via phone

Village of Williamsburg

Vacant, Member
Magorie Powey, present
Deb Stubblefield, **Vice Chair**, present
Amanda Cardona, VCW, Ex-O, Absent

Sierra Vista Hospital

Frank Corcoran, CEO, present
Ming Huang, CFO, present
Sheila Adams, CNO, present
Bruce Swingle, **Governing Board Chair**, present

AGENDA ITEMS

PRESENTER

ACTION REQUIRED

4. Approval of Agenda

Travis Day, Chairperson

Rolf Hechler motioned to approve the agenda. Jim Paxon seconded. Motion carried unanimously.

5. Approval of Minutes

A. October 27, 2022, Regular Meeting Minutes

Jim Paxon motioned to approve the October 27, 2022, minutes. Rolf Hechler seconded. Motion carried unanimously.

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 26, 2023 @ 2:00pm

6. Public Comment- 3-minute limit

None

7. Old Business

Deb Stubblefield, Vice Chairperson

None

8. New Business

Deb Stubblefield, Vice Chairperson

A. Financial Report- Ming Huang, CFO, reported the following,

Correction to be made on page 10, Bond Coverage Ratio in December was 148%, not 370%.

Page 12, Income Statement by month – October Gross Patient Revenue – 5.1 Million. Net revenue is 2.5 Million. Operation Expense 2.3 Million.

EBITDA – (Earnings before interest, taxes, depreciation, amortization)

October - positive EBITDA \$211,000. Net loss \$192,000 after subtracting depreciation expenses, interests, taxes.

November – Gross Patient Revenue is 5.3 Million. Net Operating Revenue is almost 2.9 Million. Operating Expenses is 2.4 Million. EBITDA is \$415,000. Ending with Net Income \$2,000.

December – Gross Patient Revenue is 4.7 Million. Net Operation Revenue is 2.6 Million. Operating Expenses is 2.5 Million. EBITDA is \$111,000. Net loss of \$303,000 after subtracting depreciation expenses, interests, taxes.

Year-to-date – EBITDA 1.2 Million from July – end of December 2022.

Next, page 14. Balance Sheet – Total cash end of December \$10,770,000. Under construction, we finished the Tunnel Project for 1.1 Million – we still have \$100,000 to be completed on the project.

Bruce Swingle reported – October Gross Revenue was 5.1 Million, November Gross Revenue was 5.3 Million, it's possibly the highest the hospitals ever received in revenue.

Magorie Powey motioned to approve financial report. Jim Paxon seconded. Motion carried unanimously.

B. CEO Report – Frank Corcoran, CEO, reported the following.

Capital Outlay Funds/Legislative Meeting:

Plan A - Capital Outlay Funds have been requested to replace the old building. 25 Million requested. Behavior Health was not included at this time. Focusing on replacing the building first. SVH does not

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 26, 2023 @ 2:00pm

have the funds or tax support to take on the project ourselves. Can't cut our way to profitability, looking to generate revenue and get the funds.

Plan B – Senate Bill 7, Senator Stuffonix pushing. Same Bill or similar Bill as last year for hospitals that want to start up new service lines, needs capital to offset operational losses till up and running. This bill will help us add the Behavior Health piece.

Frank heading up in two weeks for legislative meetings. Meet with the Hospital Association, meet with our legislators. Focuses on couple of Health Bills, Rural Health Senate Bill 7. Bill for CRNA's – help keep them independent. CRNA is like a Nurse Practitioner, but in the anesthesia world. If we had to add an anesthesiologist, cost goes up, cost reimbursement does not cover anesthesiologist. Med Malpractice Cap, 7 Million range. We're trying to get that repealed. Right now as a public hospital we do not fall into that, we're at the 3 Million Cap. Someone is pushing to have public hospitals in the 7 Million dollar Cap. Three insurance companies covering the state right now. Number of independent physicians leaving the state right now due to Malpractice being so high. State trying to recruit in or bring service lines in. Hard to get insurance coverage.

Back up plan – at some point the Fire Marshall is going to say we can't use the building if we can't get it up to code. We can't spend the money to negate all the asbestos in here we'd have to move to portable buildings if we have to. Fire Marshal was told the governor in support and trying to get us some funds. Fire Marshall gave us a grace period.

RHC Provider Update: Surgery Services have started. Dr. Walker has performed surgery the last two weeks. His procedures are on Wednesdays, clinic on Tues and Thursdays. In a month or two we may pick up another day of surgery, cause we're getting busier. Our two new providers are doing well. Nurse practitioner is doing well. We are trying to hire another behavior health practitioner, waiting on credentials. Our current nurse practitioner has only been here a couple of months and she's already at the 75th percentile. Schedule filing up quickly.

Tunnel Project:

Have to disconnect and reconnect some fiberoptics that's running through the old tunnel, next step excavate the old tunnel, fill it in, cap off and put in new sidewalk.

COVID 19 – New policy in place. Monitor transmission levels in our area. If levels less than 15% then mask optional. If greater than 15% then full mask for everyone. We are at 4% now and tends to be dropping. Policy working well. COVID, Flu, RSV seem to be declining in the State. Predicting 2nd wave of Flu towards the end of the Flu cycle.

Telemedicine: Applied for FCC grant for Telemedicine availability. We have a grant already with FCC to help with Broadband and infostructure, they give us a discount. Other part of that is Telemedicine carts. We have one cart right now, it's like a tablet, helps with a Telehealth visits with patients and providers. We are trying to get three more carts. Two for the Clinic and one for the ED with more of a bigger monitor, with a stethoscope, pulse ox, EKG. Comes with a platform, any of our providers can use them. Cost about \$18,000 fully loaded. If the grant is not approved then SVH will purchase one of

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 26, 2023 @ 2:00pm

the carts for about \$13,000. Any patient brought into our clinic that needs to see a specialist out side of our clinic such as psychology, internal medicine, neurology. Trying to get pulmonology on board.

Surgical Services talked about earlier. Trying to get a marketing campaign going. February is colon/rectal surgery month, getting together brochures to hand out. May is skin cancer month.

IT Replacement: Switching from Athena to Cerner. Kick off is April, go live is October, November 2023. Bringing in project management team to lead. We will see revenues drop because of the switch. AR is now at 40 days and will go to 90/120days. This means how long it's taking you to get your money in the bank. Working with a couple of companies to do the revenue cycle, which is the billing and collections. We have 3 billers now, but Athena does the posting. When we switch, they will not be doing that any longer. Rough days till we get through the process. Resolution, we've worked with prior. R-1, from Cerner are two of the companies we're looking at.

Compliance Officer – Zachary Heard is our new compliance officer. He will be working closely with Heather Johnson.

340B Update – We made \$430,000 from the program.

Chartspan Udpate – Company we use to do the monitoring of patients at home. Patients sign up- they bill Medicare – 20 minute phone call, it's a way for someone to monitor our patients (Remote monitoring). We made \$120,000, net \$50,000 after paying the company. Looking for revenue generating programs, Surgery, Sleep Study, Cardiologist (1 day a week, soon). Looking to partner with wound care program.

Rolf Hechler motioned to approve CEO's report. Jim Paxon seconded. Motion carried unanimously.

- C. Governing Board Petition passed. Each board member committed to 25 signatures. 100 days cash on hand good place to be. We are now at 140 days cash on hand. Welcomed couple new board members. Great relationship with QHR. Committee is 3 board members and chair attending all the committee meeting. Group would love to have 4 board members attending. Adding to next agenda. Review the bylaws now. Denim and Diamond coming up April 15, 2023. Board fundraiser for the Hospital. James Bond is the theme.

Jim Paxon motioned to approve Governing Board report. Rolf Hechler seconded. Motion carried unanimously.

- D. Special Hospital District – The Creation of the District. 492 signatures, confirmed by Shelly Trujillo, Clerk. If every of JPC and Governing Board were to get 25 sign, we'd exceed that number. Travis Day working on handout materials addressing the concerns we

Sierra Vista Hospital
Regular Joint Powers Commission Minutes
January 26, 2023 @ 2:00pm

encountered at the last referendum. There will be public meetings schedule for April and May and advertised through the Sentinel. The deadline for signature July 14, 2023 to be in

to the clerk. Hand deliver or to Travis Day. Clerk then to verify all signatures are valid. Melissa Forsythe to adjust the petition to lines to make more room for signature. Petition adjusted and passed out to JPC members.

Jim Paxon motioned to accept Travis Day's report on the Creation of the District. Rolf Hechler seconded. Motion carried unanimously.

E. Mill Levy – Mill Levy passed. Good for another 8 years. Make sure the Mill Levy message continues to be positive.

Rolf Hechler motioned to accept Travis Day's report on the Mill Levy. Jim Paxon seconded. Motion carried unanimously.

9. Executive Session – In accordance with Open Meetings Act, **NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 9** the JPC will vote to close the meeting to discuss the following item

No Executive Session had

10. Other

Next meeting- April 20, 2023, at 2:00.

11. Adjournment

Jim Paxon motioned to adjourn; Rolf Hechler seconded.
Motion carried unanimously.

Travis Day, **Chair**, via phone

Deb Stubblefield, JPC Vice Chairperson