

**BOARD OF UNION COUNTY COMMISSION
REGULAR MEETING
May 8, 2018**

UNION COUNTY, NM
DOCUMENT #201800540
06/8/18 09:20:43 AM
1 of 19
BY Nicholas Gilbert

BOARD MEMBERS PRESENT:

Chairman Justin Bennett Commissioner Walter C. Hall Commissioner W. Carr Vincent

OTHERS PRESENT:

Clerk Mary Lou Harkins Treasurer Brandy Thompson Mgr. Angie Gonzales
Admin. Assistant Cheryl Garcia Assessor Frankie Aragon Superintendent Russell Kear
Sheriff James Lobb Emergency Mgr. Dusty Russell

GUESTS:

Sue Richardson, Reporter - Union County Leader
Terri Martinez, CFO - Union County General Hospital
Tammi Stump, CEO - Union County General Hospital
Judy Steen, Clayton Health Systems Board Member/Town of Clayton Council Member
Freddie Rael, President - Union County/Clayton Chamber of Commerce
Jerrett Gilbreath - 2018 candidate for county commissioner
Monte Anderson - 2018 candidate for county commissioner
Ryan Smith, RN, EMR-P, NREMTP, CFRN - Rico Aviation

At 9:00 a.m., Chairman Bennett called the meeting to order, in the Union County Commissioner's Office, located in the Union County Courthouse. The Pledge of Allegiance was recited.

Chairman Bennett stepped down as chairman and moved to suspend Roberts Rules of Order due to Commissioner Hall's delayed absence. Commissioner Vincent seconded. There was no further discussion. Vote: All YES. Motion carried.

Commissioner Vincent moved to approve the agenda and the regular meeting minutes of April 10, 2018, with changes made as indicated by Clerk Harkins. Commissioner Bennett seconded. There was no further discussion. Vote: All YES. Motion carried. Minutes signed.

HOSPITAL REPORT

Tammie Stump, CEO, distributed copies of the "County Commissioner Monthly Hospital Report, Union County General Hospital, Tammie Stump, CEO, dated May 8, 2018" (5 pgs), copies of email correspondence between Stump and Sara Cordova of the Human Services Department (HSD) (2 pgs), a copy of a letter dated May 3, 2018 to Stump from Myers from Reuben Merriman of Myers and Stauffer LC (1 pg), and a copy of a resignation letter from CFO Terri Martinez. All documents attached as exhibits. Stump reported on the following (but not limited to the following): **Uncompensated Care Allocation** - HSD has approved a payment plan beginning June 30th. Cost Report Preparer has been asked to review 2017, 2018 as well as 2019 for estimates in preparation of pay-backs; **Physician Recruitment Update; Rural Health Clinic Update; Addition Services Update; Business Office/Revenue Cycle Update** - The current Medical Records Director is a certified coder; **Provider Insurance Update; Regulatory Surveys; Scrubs Camp; Financial Assistance: UCGH; Union County Health Fair;**

Construction Updates; Radiology Update and Additional Update - CFO resignation effective May 31st. Interim replacement is being sought until a permanent replacement is made.

Terri Martinez, CFO, supplied copies of the following: "Clayton Health Systems, Inc Union County General Consolidated Executive Financial Summary 9 months FY 2018" (1 pg), "Clayton Health Systems, April 23, 2018, Notes to Financial Statements, Period Ending March 31, 2018" (1 pg), "Request from UCGH Mill Levy/GRT" in the amount of \$531,267.13. All documents attached as exhibits. Martinez reported on the following (but not limited to the following): income statements, balances, statistics, revenues and expenses.

At 9:20 a.m., Commissioner Hall joined the meeting.

DISCUSSION/POSSIBLE ACTION ITEMS

CLAYTON HEALTH SYSTEMS BOARD MEMBER CONFIRMATION

Board appointment briefly discussed. Board member Judy Steen reported that the Board voted on the appointment of Paul Briesch who will replace current member Jim Brooks. CEO Stump reported that at this time, the Board has decided to stay with a five (5) member board.

Commissioner Vincent moved to confirm the appointment Clayton Health Systems Board member Paul Briesch. Chairman Bennett offered a friendly amendment, and asked that a copy of the CHS Board meeting minutes be sent to the county administration reflecting their decision. Discussion followed: Commissioner Vincent concurred and asked that Stump and/or Steen send copies of the draft minutes pursuant to any future appointments that are made. Stump and Valdez agreed. Commissioner Vincent amended his motion to confirm the appoint of Paul Briesch to the CHS Board, along with approved CHS Board meeting minutes showing the approval made by the Board. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried.

CLAYTON SCHOOL DISTRICT KISER SCHOOL MEMORANDUM OF AGREEMENT

Mgr. Gonzales reported to the Board that the Memorandum of Agreement (MOA) was inadvertently overlooked at last month's meeting. The Board previously approved the Donation Agreement and QuitClaim Deed. The Board reviewed the MOA. A brief discussion followed. There we no changes made to the document.

Commissioner Vincent moved to approve the Memorandum of Agreement outlining the county services to be provided on the school's behalf. Commissioner Hall seconded. Vote: All YES. There was no further discussion. Motion carried. Memorandum of Agreement signed.

AIR METHODS ADVANTAGE MEMBERSHIP AGREEMENT

Pursuant to last month's presentation for the Air Methods Advantage Membership, a proposed agreement between Union County and Air Methods Corporation was reviewed and briefly discussed. Ryan Smith, RN, EMR-P, NREMT-P, CFRN - Rico Aviation was present for questions. Mgr. Gonzales and Commissioner Vincent voiced concerns about "County Obligations", Section 4, and subsection b. The words "shall cause" was concerning for the County. Smith commented that the agreement is a nationwide agreement and also a standard contract and that counsel for Air Methods is looking into the county's concern. During the meeting, Mgr. Gonzales corresponded a e-mail with counsel for Air Methods, and asked that the the words "shall cause" be changed to "shall assist". This item was tabled until later on during the meeting/agenda.

OLD RABBIT EAR FIRE DEPARTMENT LEASE SHIRLEY CARTER

Mgr. Gonzales reported that Shirley Carter is interested in renting the building during the summer months. Mgr. Gonzales reported that in the past, Mrs. Carter paid \$1500 rent for the building rental for a period of three (3) months. Commissioner Hall asked that the public have an equal opportunity to either rent the building or to buy it. Hall suggested future advertising and that the building rental/sale be opened up to the public. Discussion followed about the acquisition of the Kiser building and the lease with the National Guard Building, which houses the sheriff. If the County acquires Kiser, long-term rental options for the Rabbit Ear Fire Department building will be considered. Commissioner Hall asked that this item be on September's agenda.

Commissioner Vincent moved to approve the rental of the Rabbit Ear Fire Department building to Shirley Carter during the three (3) summer months. Chairman Bennett stepped down as chairman and seconded. There was no further discussion. Vote: Bennett YES, Vincent YES, Hall abstained. Motion carried.

RESOLUTION #106-36 BUDGET INCREASE

A proposed resolution for the authorization of Capital Improvement/Emergency Fund (602) (DFA #300) to increase the Capital Improvement/Emergency Fund (602-85) due to an additional expense on the County Courthouse roof which was approved at the April 10th regular meeting was reviewed and discussed. The project is part of the CES Contract #16-032B-R121-ALL with J3 Systems LLC.

Commissioner Vincent moved to approve Resolution #106-36 Budget Increase/transfers. Commissioner Hall seconded. There was no further discussion, Vote: All YES. Motion carried. Resolution signed.

APPROVAL OF BILLS

The Board reviewed and discussed bills in the amount of \$162,662.44.

Commissioner Vincent moved to approve the payment of bills in the amount \$162,662.44, plus postage needed in the administration office and per diem for the emergency manager. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried.

At 10:00 a.m., meeting recessed for a short break.

CITIZEN'S FORUM

Ferdinand Garcia, Executive Director – Golden Spread Rural Frontier Coalition. On behalf of the Coalition, seven (7) drivers and thousands of passengers over the past year, Garcia thanked the Board for their past support and consideration of future support. Garcia reported that there was over thirteen thousand (13,000) transports for 2017, and he is expecting more than that in 2018. State and Department of Transportation funding is expected to be cut, and the administrative expenses are reimbursed at 80% and operating expenses are reimbursed at 50%.

ROAD CROSSING PERMITS

Permits with attached maps numbered 281-288 were reviewed, and were for the purpose of allowing Permittee (E.N.M.R. Telephone Cooperative) to lay pipe or cable for the purpose of laying fiber optic telecommunication lines across certain designated county roads as follows: Permit 281 - Pogue Rd (A 023); Permit 282 - Leavitt Rd (A 021); Permit 283 - Fluhman Rd; Permit 284 - Heringa Rd (A 034); Permit 285 - Grinde Rd (C 001); Permit 286 - Campbell Rd (A 055); Permit 287 - Weese Rd (A 065); and Permit 288 - Elam Rd (A 062)

Commissioner Vincent moved to approve Road Crossing Permits 281-288. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried. Permits signed.

INVENTORY ITEMS DISPOSITION

Commissioner Vincent inquired about a D7 bulldozer in the Sheriff's Department that is not being utilized. Vincent reported that the Whittington Center, a non-profit organization, may be interested in leasing the dozer. Sheriff Lobb will look into the legalities of a lease. Road Superintendent Kear is not interested in using the bulldozer, and reported there may be a hydraulic leak in this piece of equipment.

HEALTH CARE ASSISTANCE PROGRAM - Approval of Claims

No Claims for the Health Care Assistance were presented.

COUNTY TRAVEL REQUESTS

The following employees reported/requested travel approval: Manager Gonzales reported that **Emergency Manager Russell** attended a Child Ready Program in Albuquerque on April 10th; Sheriff Lobb reported that **Deputy Sheriff John Grice** will be traveling to Albuquerque on May 11th for an evaluation; **Commissioner Vincent** may attend the El Llano Estacado Resource Conservation & Development meeting in Tucumcari on June 6th; and **Commissioner Hall** will attend the Northeast Regional Transportation Planning Organization (NERTPO) meeting in Raton on the 16th of May. All travel approved.

UNION COUNTY STRATEGIC PLAN WITH NM ECONOMIC DEPARTMENT

Mgr. Gonzales reported that the last Strategic Plan was done in 2002. A brief discussion followed, which included funding for the planning and prioritization of long-term goals. All of which shall be inclusive of the Town of Clayton. Strategic planning needs to be kept on the regular meeting agenda added to the next Joint Communications meeting. Chairman Bennett commented that the public also consider ideas for the county plan. Mgr. Gonzales will post the old plan on the county website.

ORDINANCE #2011-21 PERSONNEL POLICY ADDENDUM SOCIAL MEDIA POLICY REVIEW

Mgr. Gonzales explained that the adoption of a social media addendum for the personnel policy has been discussed by staff for quite some time. The draft contained in the meeting packet has been modified from Santa Fe County's policy to fit Union County's needs with permission given by the County Attorney Stephen Ross. The consensus of attendees was that the addendum needs to be adopted. Once the addendum has been adopted, county employees will have to acknowledge the new rule. Mgr. Gonzales reported that volunteer positions serving in official capacities (county fire or sheriff's posse) are exempt from the personnel policy. This item tabled until next month's meeting.

ORDINANCE #5 DOG ORDINANCE REVIEW

Mgr. Gonzales prepared a clean draft pursuant to last month's meeting. The draft was reviewed and discussed. Concerns were discussed, which included, but was not limited to the following: Section 3. Running at Large and Section 7. Dogs which attack livestock, persons, etc. Mgr. Gonzales will prepare another draft for the next regular meeting. This item was tabled.

AIR METHODS ADVANTAGE MEMBERSHIP AGREEMENT, Continued

Mgr. Gonzales reported that she has received e-mail correspondence from Air Methods indicating that the change as requested by the County had been made to reflect the change of language under "County Obligations", Section 4, and subsection b.

Commissioner Vincent moved to approve the membership agreement with Air Methods Advantage. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried. Agreement signed.

BUDGET 2019 WORKSHOP

Mgr. Gonzales reported that the following have submitted requests for budget assistance consideration: Herzstein Museum; Clayton Golf Club; Golden Spread Coalition; Clayton Library; Chamber; and countywide EMS's. Mgr. Gonzales reported that budget planning was announced in the local paper, as well as published on the county's Facebook page. The proposed interim budget was discussed at length. Mgr. Gonzales reported that the interim budget is due by June 1st with the final budget due in July. Areas of budget concerns were as follows: Emergency Manager; Road Superintendent & the local elected officials pay increase. Mgr. Gonzales reported that the county road department was awarded monies for the 2019 calendar year from the New Mexico Department of Transportation. The award was a result of Union County's auditable processes. Chairman Bennett suggested that the salaries be gradual up to the maximum 15% increase, so that any possible budget cuts may be prevented, and suggested 5% for the newly elected officials beginning January 1, 2019, manager and road superintendent effective July 1, 2018. Commissioner Hall and Vincent agreed.

Commissioner Vincent moved to approve the 5% increase for elected officials beginning January 1, 2019, and effective July 1, 2018, for the county manager and road superintendent. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried.

Commissioner Vincent moved to approve the submission of the fiscal year 2018-2019 interim budget to the New Mexico Department of Finance. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried.

ROAD SUPERINTENDENT'S REPORT

Kear reported on the following (but not limited to the following): equipment issues which included the D8; working on routine road maintenance despite the extreme dry conditions; currently working on Atencio Road with plans to do some work on Lum and Quates Roads, patchwork on Corrupma, Pacheco and 6R while in the area.

Commissioner Hall asked about what could be done about an abandoned mobile home up north. Discussion followed. Fire Coordinator O'Bryant and Superintendent Kear have been approached about the mobile home. Kear will continue to work with the owner to get it removed.

FIRE COORDINATOR REPORT

Coordinator O'Bryant reported on the following (but not limited to the following): performed various controlled burns; completed S30 190 Basic Fire Fighter Trainings; State Forestry has been encouraging O'Bryant to get the younger firefighters Red Carded. If the firefighters have a Red Card, a higher reimbursement can be made to the department if they are on a forest fire for more than four (4) hours. Discussion followed. The Red Card class will be a condensed 40-hour class. Ich Stewart has been assisting O'Bryant, and will be giving the "Red Card" instruction; and completed the annual mandatory RT130 training in Amistad which was well attended.

EMERGENCY MANAGER REPORT

Manager Russell submitted a report (attached as an exhibit) updated on May 2018, as contained in the meeting packet. Russell reported on the following (but not limited to the following): LEPC (Local Emergency Planning Committee); SHSGP (State Homeland Security Grant Program); EMPG (Emergency Management Performance Grant - Salary Grant); Hazard Mitigation Grant; FirstNet; Communications (Dispatch & Fire Departments); Homeland Security Site Visit; encouraged attendance of a Crisis Management for School-Based Incidents in Raton at the Convention Center on June 13th. Commissioner Vincent also encouraged officials to attend; Russell completes EMT coursework on July 12th, and will then undergo a series of tests in Massachusetts from July 1st through August 13th. The EMT internship will then be done in Raton and Colorado Springs.

ELECTED OFFICIALS REPORTS

Sheriff Lobb reported on the following: transports, citations/written warnings, civil services, arrests, crash reports, and offense/incident reports; canine training has been scheduled. Joe Siebrasse will re-certify/train the canine for \$125.00 beginning May 21st through May 24th. Certification and training will be done annually.

Assessor Aragon reported that the protest period was over on May 2nd and his evaluation has been completed, receiving only one (1) informal protest.

Clerk Harkins reported that Early and Absentee Voting for the Primary Election began today. Harkins and staff attended a "Local Elections Act" meeting in Tucumcari on May 2nd. The meeting presenter was Senator Daniel Ivy Soto (County Clerk Affiliate Director). The meeting topic was about the consolidation of local elections.

Commissioner Vincent reported on his recent attendance of the El Llano Estacado Resource Conservation & Development Council meeting which was well attended and held at the local Herzstein Museum.

Commissioner Hall reported on his attendance of the Northeast Regional Transportation and Planning Organization (NERTPO) meeting, and learned of the NMDOT monies awarded to the county road department as reported earlier by Mgr. Gonzales. Commissioner Hall asked that whoever replaces him as a commissioner and as a member on NERTPO board, that they pursue trail and path funding for our county.

Chairman Bennett reported that the New Mexico Association of Counties Board has voted on a new name and logo. The Association's new name will be "New Mexico Counties 33 Strong". The association name and logo will be unveiled during the Summer Conference. The New Mexico Association of Counties (NMAC) has been confused with the New Mexico Administrative Code (NMAC) acronym thus the reason for the new name and logo.

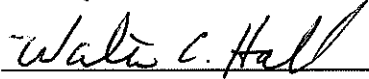
Meeting Announcements: The next regular meeting will be held on Tuesday, May 8, 2018, at 9:00 a.m. The next Joint Communications meeting date is pending.

ADJOURN: At 12: 45 p.m., Commissioner Vincent moved to adjourn the meeting after lunch. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried. Meeting adjourned.

**Board of County Commission
Union County, New Mexico**




Justin K. Bennett - Chairman



Walter C. Hall - Vice Chairman

W. Carr Vincent - Member





Mary Lou Hatkins - Clerk

County Commissioner Monthly Hospital Report
Union County General Hospital
Tammie Stump, CEO
May 8, 2018

Uncompensated Care Allocation:

- New Mexico Department of Human Services has approved our proposed payment plan as below:
 - 6/30/2018 Payment Amount: \$162,077.50
 - 9/30/2018 Payment Amount: \$162,077.50
 - 12/31/2018 Payment Amount: \$162,077.50
 - 3/31/2019 Payment Amount: \$162,077.50
- In addition to the payments above, we have off-set the over-payment amount of \$2,125,349 by having the state retain the 2017 HQII payment of **\$177,580** (*this is a reduction from previous amount, see attached letter*) and the 2018 UC Allocation of \$1,125,349. Normally we would receive the 2018 UC Allocation on a quarterly basis throughout calendar year 2018.
- Areas of NOTE:
 - The off-setting of the payback with the 2017 UC Allocation will mean we will not have the extra money that we usually receive quarterly and therefore we must be able to pay our monthly debt out of collections which we receive.
 - The delay in payer credentialing Dr. Weaver could take up to 90 days for Medicare and then additional for Medicaid and Commercial. Most of this can be recouped once he is payer credentialed. But we know there will be a lag time.
 - The delay in payer credentialing for the RHC could take 90 days for Medicare. Once we receive these new numbers and have a successful survey, we will have to re-credential the providers with the new numbers. This can cause a lag time in collections; our plan is to continue to bill under the family practice payer contracts until the RHC contracts and credentialing is completed.
- We have instructed the Cost Report Preparer to review 2017 for any errors and to also look at making sure 2018 is submitted with errors corrected. In addition, we have asked that the cost report preparer estimate our 2019 UC pickup or pay-back so that we can make appropriate preparations.

Physician Recruitment Update:

- Dr. Weaver Update
 - Dr. Weaver has received his NM Medical License and are submitting his NM Controlled Substance Registration (CSR) on May 8th; this usually takes approximately 7-10 days. We have also begun his payer credentialing application process. He relocated to Clayton, NM on May 7th and is scheduled to begin working as soon as he received his NM CSR; I am thinking around May 16th. He will work the rest of May in the clinic and then start rotations in the emergency room and in-patient unit in the month of June.
- Jamie Armijo, CNP
 - Ms. Armijo is a CNP that is currently living in Albuquerque, NM. Her husband is a PTA (Physical Therapy Assistant). She is from Cimarron and he is from Raton. They are interested in relocating within the next couple of months to our area. They have been offered positions in Raton, but she

had worked with Jay in Texline and is interested in what opportunities that they may have in Clayton. We have started negotiations for Ms. Armijo's contract and they are preliminary scheduled for a site visit and interview process on May 25th.

Rural Health Clinic Update:

- We have extended and received our temporary license for the RHC which is good until 8/24/2018.
- We are in the window currently for our RHC unannounced survey. They have a 6-week window in which they must come and complete our survey. This process must be completed by June 8th, this includes dates we were able to block out.

Addition Services Update:

- Dr. O'Rourke (surgeon) provides surgical coverage for us twice a month for 2 days each time. He works close with the providers and is willing to come additional days to do surgeries if available and we have the need. He was not scheduled to come on 5/7, however we have a patient who needed urgent surgery and he was available. This is positive for our patients.
- I continue to have Tele-psychiatry on hold until I can move other projects forward.

Business Office/Revenue Cycle Update:

- Registration & Collections continue to do better. The Business Office director reviews all registrations the next morning for errors and early corrections. She is also meeting each morning with CHC to go over the revenue cycle and where the claims are at for each day.
- The Business Office director is also working with the Family Practice clinic to ensure billing is going out appropriately and timely.
- Coding Timeliness: We have reduced of contract for our outsourced coding. The Medical Records Director is a certified coder, so we have brought back in-house all outpatient coding excluding ED. Our plan is to eventually bring all coding back in-house. We will bring in Surgeries and In-Patient coding next.
- Billing statements and letters: We have hired a full-time Patient Financial Consultant who will be performing follow-up on our accounts and be sending out statements. This will allow us to cancel our contract with Trubridge and bring statements and follow-up in-house. This will be a cost reduction and we will have control over the collections process on accounts.

Provider Insurance Update:

- Dr. Van Wormer
 - Molina: Denied, trying to appeal, but not getting very far. Molina is in suit with state of NM. They also did not get the contract with the state of NM starting Jan 1, 2019.
 - UHC: Approved after appeal by Hospital; we do not have a date of start because file is in configuration (takes about 10 days).
 - Tricare: Denied, secondary to past felony
 - Signa: Approved.
 - Presbyterian: Approved.
 - NM Health Connections: Approved
 - Multiplan (Aetna): In process.
 - BC/BS: In process

- Colorado Medicaid: Filed an appeal, it is in review
- Oklahoma Medicaid: In process

- Dr. Weaver
 - Starting process this week.

- Dr. O'Rourke
 - BC/BS: Done
 - Cigna: Done
 - Healthnet (Tricare): Agreement signed and returned to payor for their signature.
 - NM Medicaid: Done
 - Medicare: Done
 - Molina: Done
 - Multiplan: Done for hospital, waiting on approval for clinic
 - UHC: Done
 - NM Health Connection: Done
 - Presbyterian: Done

- Jay Fluhman
 - All: Done
 - Texas Medicaid does not credential mid-levels
 - Oklahoma Medicaid: 4/26/2018
 - Colorado Medicaid: 4/18/18

- Dr. Khanlian
 - NM Medicaid: Done
 - Pecos: Reassignment of him to us
 - Medicare: Done
 - CAQH: Updating complete
 - BC/BS: Approved for Hospital, waiting on clinic approval
 - Cigna: Approved
 - Molina: Hospital Done, waiting on clinic approval
 - Multiplan: In process
 - NM Health Connections: Done
 - Presbyterian: Hospital Done, waiting on clinic
 - UHC: Done

- UCGH & Clinic
 - Oklahoma Medicaid:
 - Approved for CFP 3/30/2018
 - Approved for UCGH 4/9/2018
 - Colorado Medicaid:
 - Approved for UCGH 3/14/18
 - Waiting on approval for CFP
 - Texas Medicaid:
 - Working on Process

Regulatory Surveys:

- June 5: NM Department Health EMS Bureau Trauma Program will conduct a verification site visit for a 3-year Level IV Trauma Survey
- April 30 – June 8: RHC Initial Un-Announced Survey
- June 26 & 27: CHC will conduct a Mock CMS Readiness Survey in Hospital and Clinic

Scrubs Camp:

- UCGH held a Scrubs Camp for the Texline school on April 20th. We had 17 students participate in the camp and have received an additional 8 children who would like to come back and get more one on one time for future preparation for their education.
- UCGH held a Scrubs Camp for Des Moines school on May 3rd. We had 30 students participate in the camp and have numerous students who would like to come back for more one-on-one times for future preparation for their education.
- We are looking at doing another camp during the summer for other students who have not been able to participate. We have received calls from families of home schooled students who are interested also.
- The goal of the Scrub Camps is to increase student knowledge of available careers within healthcare and to increase future workforce, both educated and non-educated fields within the hospital.

Financial Assistance: UCGH:

- We have received a total of 26 applications for financial assistance to date.
- Breakdown analysis reveals:
 - Approved for full Medicaid 5
 - Approved for Family Planning Only 10
 - Denied Medicaid 2
 - Approved for UCGH Financial Assistance 6
 - Pending Medicaid Applications 3

Union County Health Fair:

- UCGH completed 454 blood draws so far for the Health Fair however, we still have Roy, NM to attend.
- 5/9/2018: Roy Health Fair from 9:00 to 3:00
- We have also been able to sign up 30 Bone Density scans and 28 Mammograms from information obtained from the health fair. We also believe that we will end up around 25 patients requesting DXA's scans; these are wellness exams and are covered by patient insurance policies.
- In addition, we were able to assist the NM Blood Donors with 29 blood donations during the Clayton Health Fair.

Construction Updates:

- Back-up Battery has been delivered.
- Engineer found that when battery was set up, only one breaker box was set up. The specifications were for two breaker boxes. The engineers are working on correcting this with the manufacturer.
- Once the CT scan Battery back-up construction is completed, then we will move back to working on the approved Laboratory HVAC construction.

Radiology Update:

- The X-ray machine at the hospital is past life span at approximately 17-18 years old. We had an X-ray tube burn out which caused two of the large computer boards and the console display to go out. This was fixed a few weeks ago costing \$22k.
- On 4/27, the X-ray machine went off line again due to burned fuses and the power supply. Because of the age of the machine it was difficult to find parts and the power supply is run off floppy discs, which we were unable to find. The technician was able to remove the floppy disc from the old power supply and replace into the new power supply to get us back up and running on 5/4. The cost of this repair is going to be approximately \$15k.
- The technician believes that these are the most expensive repairs for the X-ray machine. We are hoping to get 2 additional years of service out of the X-ray machine prior to replacement. The technician believes that the major cause of the two breakdowns were age, but dirty electricity fluctuations can play a role.
 - We have two pieces of equipment that will be paid off within approximately 22 months, the CT scanner and the Ultrasound machine. Both are set up that we make monthly lease payments and then purchase for \$1. New X-ray machines cost in the ballpark of \$300k.

Additional Update:

- Terri Martinez, CFO has submitted her letter of resignation. Her last day at the Hospital will be 5/31/2018.

Tammie Stump

From: Cordova, Sara, HSD <Sara.Cordova2@state.nm.us>
Sent: Thursday, April 19, 2018 2:41 PM
To: Tammie Stump
Cc: Terri Martinez
Subject: RE: Union county SNCP Payments

Hi Tammie,

The Secretary's office has approved your request.

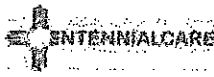
If you have questions please let me know.

Thank you.

Sara Cordova, Financial Analyst

Financial Management Bureau | Medical Assistance Division
NM Human Services Department
P.O. Box 2348 | Santa Fe, NM 87504-2348
Ark Plaza | 2025 S. Pacheco St. | Santa Fe, NM 87505
(505) 476-6808 | sara.cordova2@state.nm.us

No seed ever sees the flower.



From: Cordova, Sara, HSD
Sent: Thursday, April 19, 2018 9:51 AM
To: 'Tammie Stump'
Cc: Terri Martinez
Subject: RE: Union county SNCP Payments

Hi Tammie,

Sorry, I didn't forget. I have it out for approval. I will get back to you this afternoon.

Thanks.

Sara

From: Tammie Stump [<mailto:tammie.stump@ucgh.net>]
Sent: Thursday, April 19, 2018 9:50 AM
To: Cordova, Sara, HSD
Cc: Terri Martinez
Subject: RE: Union county SNCP Payments

Good morning Sara, I don't want to rush you, but have you heard anything on our proposal?

Thank you,
Tammie Stump, CEO

From: Cordova, Sara, HSD <Sara.Cordova2@state.nm.us>
Sent: Wednesday, April 11, 2018 11:08 AM
To: Tammie Stump <tammie.stump@ucgh.net>

Cc: Terri Martinez <terri.martinez@ucgh.net>

Subject: RE: Union county SNCP Payments

Good morning Tammie,

Thank you for the proposal. I will present this to the Secretary's office for approval. I will get back to you hopefully by the end of the week.

Thank you.

Sara Cordova, Financial Analyst

Financial Management Bureau | Medical Assistance Division

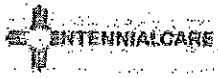
NM Human Services Department

P.O. Box 2348 | Santa Fe, NM 87504-2348

Ark Plaza | 2025 S. Pacheco St. | Santa Fe, NM 87505

(505) 476-6808 | sara.cordova2@state.nm.us

No seed ever sees the flower.



From: Tammie Stump [<mailto:tammie.stump@ucgh.net>]

Sent: Wednesday, April 11, 2018 8:37 AM

To: Cordova, Sara, HSD

Cc: Terri Martinez

Subject: Union county SNCP Payments

Good morning Sara, UCGH Board of Directors met in a special meeting early this week and please find the attached proposal for SNCP payments.

Thank you for any and all assistance,

Tammie Stump, RN, CEO

Please Note New Email Address, Thank you



**MYERS AND
STAUFFER** LC
CERTIFIED PUBLIC ACCOUNTANTS

May 3, 2018

Ms. Tammie Stump, CEO
Union County General Hospital
300 Wilson
Clayton, NM 88415

Demonstration Year 4 HQII Payments

Dear Ms. Stump,

It was brought to our attention that the Domain 2 payments calculated for Demonstration Year (DY) 4 were not correct. Domain 2 payments utilize county population measures to determine the amount of HQII funds to be allocated to each facility. A facility is eligible for payment if their measurement within a quality category is greater than or equal to the 50th percentile of all counties. The original calculation made for DY 4 only counted providers with a rate greater than the 50th percentile. This erroneously excluded 10 facilities from qualification for increased payments.

The total amount of funds available for distribution based on Domain 2 measures are \$3,543,709. The total amount of targets met is 105, which is an increase of 10 from the previous calculation. Each measure at or above the 50th percentile for a provider should receive \$33,749.61, which is a decrease from the original calculation of \$37,302.20.

The impact to your facility is a net decrease in HQII payments of \$10,658.

The decrease will impact your facility's UC 2016 repayment plan. The original remaining balance was \$637,652 after the 2017 HQII and 2018 UC Allocation had been applied to the UC 2016 overpayment. Now with the HQII decrease, the remaining balance is \$648,310, or \$10,658 more than the original amount, which will be satisfied in four quarterly payments of \$162,077.50.

If you have any questions or concerns please contact me.

Reuben Merriman CPA
Manager

05/01/2018

Ms. Tammie Stump
CEO
Union County General Hospital
300 Wilson St
Clayton, NM 88415

Dear Tammie,

Please accept this letter as notice of my resignation from my position as CFO for Union County General Hospital. My last day of employment will be 05/31/2018.

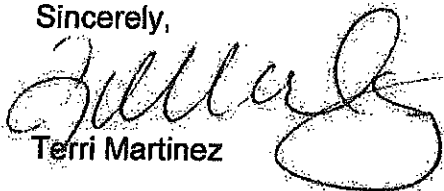
I received an offer to serve as CFO at another facility, and after careful consideration, I realize that this opportunity is the right move for me and my family.

It has been a pleasure working with you over the last year and a half, but my work/life balance is struggling. There are not enough hours in the day and there is not enough of me, even with the help you have given, to complete all the tasks at hand. I would encourage you to continue to stress to CHC that this facility needs more help in areas of Revenue Cycle, CDM, Billing and establishing RHC CDM. I realize all these things are in the works but there needs to be a sense of urgency in completing these tasks. You will need a CFO but you will also need an Accountant to assist with daily routines, so the CFO can focus on the Revenue Cycle as it is going to continue to be a struggle.

I would like to help with the transition of my CFO duties so that systems continue to function as smoothly as possible after my departure. I will speak to you and Community Hospital Corporation about an agreement to assist with my duties until a replacement is found.

Tammie, thank you for all that you have done for me, all that you do for this facility and what you are trying to do in this community. I wish you and your staff all the best and I look forward to staying in touch with you.

Sincerely,


Terri Martinez

Union County General Consolidated Executive Financial Summary

9 Months FY 2018

Unaudited

KEY STATISTICS

	03/31/18 ACTUAL	03/31/18 BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Total Admissions	17	20	133	186	(53)
Total Patient Days	67	69	621	631	(10)
Average Length of Stay Total	3.94	3.38	4.67	3.41	(1.26)
Total Emergency Room Visits	166	298	2,618	2,682	(64)
Outpatient Visits (NOT CLINIC)	363	368	3,279	3,634	(355)
Total Surgeries	3	4	23	36	(13)
Total GI Procedures	6	11	37	112	(75)

STATEMENT OF REVENUE AND EXPENSES - YTD

REPORTED IN THOUSANDS	03/31/18 ACTUAL	03/31/18 BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Revenue:					
Gross Patient Revenues	\$1,236	\$1,421	\$10,461	\$13,490	(3,029)
Deductions from Revenue	(1,358)	(654)	(4,807)	(6,288)	1,481
Net Patient Revenues	(122)	767	5,654	7,202	(1,548)
Other Revenue	138	151	1,295	1,359	(64)
Total Net Revenues	16	918	6,949	8,561	(1,612)
Expenses:					
Salaries, Benefits & Contract Labor	538	452	4,539	4,010	529
Professional Fees	65	107	502	943	(441)
Purchased Services	157	90	891	818	73
Supply Expenses (freight)	76	70	581	674	(93)
Other Operating Expenses	184	159	1,521	1,435	86
Depreciation & Interest Expense	65	79	585	715	(130)
Total Expenses	1,085	957	8,619	8,595	24
OPERATING MARGIN	(1,069)	(39)	(1,670)	(34)	(1,636)
NET MARGIN	(\$1,069)	(\$39)	(\$1,670)	(\$34)	(\$1,636)

BALANCE SHEET

Unaudited	Audited		
	03/31/18	02/28/18	06/30/17
ASSETS			
Current Assets	\$4,538	\$5,004	\$4,612
Property, Plant & Equipment (Net)	9,779	9,832	10,310
Other Assets	24	24	21
Total Unrestricted Assets	14,341	14,860	14,943
Assets Whose Use is Limited	1,871	1,871	1,682
Total Assets	\$16,212	\$16,731	\$16,625
LIABILITIES AND NET ASSETS			
Current Liabilities	\$3,713	\$3,144	\$2,063
Debt Borrowings, net of current	4,914	4,935	4,875
Total Liabilities	8,627	8,079	6,938
Net Position	7,585	8,652	9,687
Total Liabilities and Net Position	\$16,212	\$16,731	\$16,625

CLAYTON HEALTH SYSTEMS

APRIL 23, 2018

NOTES TO FINANCIAL STATEMENTS

Period Ending March 31, 2018

INCOME STATEMENT:

1. Gross Patient Revenues for March 2018 were \$1.2M.
2. Total Net patient revenue for the month, after deductions of \$1.4M which includes additional \$1.25M SNCP Payable, was (\$122K).
3. Total MTD net revenues, after all other revenues were \$16K.
4. Operating expenses for March were \$1.1M
5. Operating margin of (\$1.1M) after subsidies (Mill/GRT).
6. YTD, we have an operating margin of (\$1.7M).

YTD Budget to Actual Variances is as follows:

Gross Patient Revenues are **under** budget by \$3M.

Total Net Patient Revenues are **under** our projected YTD budget by \$1.5M. This includes the additional \$1.25M payback for SNCP.

Overall expenses are **over** budget by \$24K

Salary/Benefits are over budget YTD by \$529K. This includes but is not limited to Dr. Van Wormer's salary for ER because it falls here instead of Professional fees.

Professional fees/Purchased Services are **under** budget by \$368K.

Pharmacy, Medical, Office Supplies are **under** budget by \$93K.

Other operating expenses (postage, subscriptions, dues, licenses, taxes, maintenance, lease, utilities, travel and education) are **over** budget by \$86K. Includes physician recruiting and Audit Invoices.

Depreciation and Interest are **under** budget by \$130K. This is due to the corrections and updates to the Fixed Asset Schedule after the completion of the budget.

BALANCE SHEET:

7. Clayton Health Systems has total cash and equivalents of \$813K.
 - a) Bank account reconciled.
 - b) CD Balances: Total = \$1.87M
 1. F&S - \$126,089.56
 2. F&S - \$551,797.74
 3. F&S - \$503,014.24
 4. FNB - \$505,384.27
 5. FNB - \$182,554.64
8. Net Patient AR YTD is \$984K.
9. Accounts Payable total \$371K.
10. Accrued Expense Payable is \$540K.
11. Estimated 3rd party settlements \$529K from Interim Cost Report (possible payback) and \$2.125M SNCP payable.
12. Current Portion of Long Term Debt is \$159K.
13. Days Cash on Hand is 24.

STATS:

1. Total Admissions YTD are 133, we are under budget by 53.
2. Clinic Visits YTD are 3439 under budget YTD by 1221.
3. OP visits/lab/x-rays YTD 3279, under budget by 355.
4. Surgeries/GI Procedures are under budget by 88 YTD.

REQUEST FROM UCGH MILL LEVY/GRT

4/23/2018

BY: Terri Martinez

INV #	PAID TO:	AMOUNT	Line Total
8788	FIDELIS PARTNERS	15,913.85	15,913.85
02.12.18	DR. KHANLIAN	5,954.76	5,954.76
02.22.18	DR. KHANLIAN	5,954.76	5,954.76
02.26.18	DR. KHANLIAN	5,954.76	5,954.76
03.05.18	DR. KHANLIAN	5,954.76	5,954.76
03.30.18	DR. KHANLIAN 03-09-18	5,954.76	5,954.76
03.30.18	DR. KHANLIAN 03-11-18	5,954.76	5,954.76
04.02.18	DR. KHANLIAN	5,954.76	5,954.76
04.10.18	DR. KHANLIAN	5,954.76	5,954.76
3549	CHC	30,000.00	30,000.00
3504	CHC	30,000.00	30,000.00
3459	CHC	30,000.00	30,000.00
3412	CHC	30,000.00	30,000.00
3363	CHC	30,000.00	30,000.00
3316	CHC	30,000.00	30,000.00
3298	CHC	30,000.00	30,000.00
3240	CHC	30,000.00	30,000.00
3199	CHC	30,000.00	30,000.00
PMT 7	IPFS JULY 17	27,323.01	27,323.01
PMT 8	IPFS AUG 17	27,323.01	27,323.01
PMT 10	IPFS OCT 17	27,323.01	27,323.01
10981011	LOCKTON INSURANCE DOWN PMT AND 1ST PMT	49,922.04	49,922.04
PMT 2	IPFS MARCH 18	18,329.43	18,329.43
GSD-052465	NM GENERAL SERVICES DEPARTMENT	47,494.70	47,494.70
			-
			-
TOTAL			\$ 531,267.13