

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

BOARD MEMBERS PRESENT:

Chairman Justin K. 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 Sheriff James Lobb Emergency Mgr. Dusty Russell

GUESTS:

Sue Richardson, Reporter - Union County Leader
Steve Bishop, Interim 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
Jim Mayfield, C&C Communications
Keith Barras, Interim President - Union County Community Development Corporation
April Gallegos, Executive Director - Union County/Clayton Chamber of Commerce
Clayton Kiesling - 2018 General Election Candidate for Commissioner
Robert Simms, Anesthesiologist - Union County General Hospital

At 9:04 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 Vincent's delayed absence. Commissioner Hall seconded. There was no further discussion. Vote: All YES. Motion carried.

Commissioner Hall moved to approve the agenda and the regular meeting minutes of May 8, 2018. Commissioner Bennett seconded. There was no further discussion. Vote: All YES. Motion carried. The minutes were signed.

HOSPITAL REPORT

Tammie Stump, CEO, distributed copies of the "County Commissioner Monthly Hospital Report, Union County General Hospital, Tammie Stump, CEO, dated June 8, 2018" (4 pgs - attached as an exhibit), copies of "mln FACT SHEET – Health Professional Shortage Area Physician Bonus Program" and copies of a resume and professional highlights" for Interim CFO Steve Bishop.

Stump introduced Interim CFO Steve Bishop and then reported on the following: **Physician Recruitment Update; Rural Health Clinic Update; Des Moines Clinic Update; Regulatory Compliance Update; Business Office/Revenue Cycle Update; Provider Insurance Update; Method II Billing; Financial Assistance; UCGH; and Construction Update.** All avenues for local patients and their dialysis treatments are being considered and the hospital's audit will begin on August 13th.

Copies of the following reports were supplied to the County: "Clayton Health Systems, May 29, 2018, Notes to Financial Statements, Period Ending April 30, 2018" (1 pg), "Clayton Health Systems, Inc Union County General Consolidated Executive Financial Summary, 10 months FY 2018" (1 pg), and "Clayton

Health Systems, Inc Clayton Family Practice Executive Financial Summary, 10 months FY 2018” (1 pg) (attached as exhibits).

Steve Bishop, Interim CFO, reported on the following (but not limited to the following): income statements, balances, statistics, revenues, and expenses*.

Mgr. Gonzales reported to CEO Stump and Interim CFO Bishop that the capital assets finding on the county’s audit will be remedied pursuant to consultation with the county’s financial advisor, Mike Newman, and County attorney, Stephen Ross. The Rural Health Care Clinic will be added as an asset to what is now the 5th Amended and Restated Hospital Operating Agreement. The change will be reflected in the proposed Amended 6th Restated Hospital Operating Agreement on Exhibit A, under “real property”. The clinic will show as an asset for the hospital. The change is being worked on and will be presented during next month’s regular meeting.

At 9:40 a.m., the meeting recessed for the attendance of the Joint Communications meeting at 10:00 a.m., located at the Union County Courthouse Annex building. At 10:15 a.m., Commissioner Vincent joined the Joint Communications meeting. At 11:23 a.m., the regular meeting resumed.

DISCUSSION/POSSIBLE ACTION ITEMS

2018 PRIMARY ELECTION CANVASS

Clerk Harkins presented the 2018 Primary Election Canvass for review. A total of eight hundred nineteen (819) voters participated in the election. There were seven (7) provisional ballots, all of which were recommended for approval by Harkins. The Board agreed and Chairman Bennett signed the provisional ballot envelopes. The provisional ballot votes were included in the official totals.

Commissioner Hall moved to approve the 2018 Primary Election Canvas as presented. Commissioner Vincent seconded. Vote: All YES. There was no further discussion. Motion carried. The certification of Canvass Results was signed by the Canvassing Board and Clerk.

CITIZEN’S FORUM

Ferron Lucero, Manager for the Town of Clayton, approached the Board and requested financial assistance to pay for one half (½) of the personnel services in the ambulance department for the Town of Clayton. Lucero supplied a copy of his request, dated May 25, 2018, and a disbursement for ambulance services from 2007 to present as contained in the meeting packet. Lucero reported that the cost for personnel services have increased in amounts four (4) times greater than they were ten (10) years ago. In 2007, the total cost was \$79,702.00. It is projected for 2018 that the cost will be \$277,217.00. **Justin Drumm, Fire Chief for the Town of Clayton**, reported that one of the factors for the increase is due to the decline in licensed volunteers. Drumm elaborated on the various personnel increases in the fire department. Drumm reported that funding received from the county designated for operations has been used for supplies, fuel, and ambulance maintenance services. Mgr. Lucero asked that the Board consider funding half of the expense of \$252,394.00 (\$127,000.00). The request should be considered a standing request for future funding. Discussion followed.

Ted Bennifield spoke to the Board about his ongoing issue with Echo Canyon Road. Bennifield reported that the Echo Canyon Road closure was opposed in 2015 because it would affect his egress and ingress through the Steinle property. Bennifield requested that the Board reconsider the closure because of legal issues affecting his historic rights. Bennifield asked that this item is added to the July meeting agenda. Bennifield stated that an

easement was recorded in the Clerk's Office in 1982, granted by the Howards. Discussion followed. A copy of the easement will be supplied to the County Manager by Bennifield. The easement should be reviewed by the county attorney.

LEASE OF MILITARY BULLDOZER TO NRA WHITTINGTON CENTER

Commissioner Vincent and Sheriff Lobb spoke about a possible lease and transfer of the military dozer to the NRA Whittington Center. Commissioner Hall suggested that the county attorney draw up a lease agreement. Commissioner Vincent suggested drafting the lease in-house and submitting the draft to the attorney for consideration and that the attorney review industry standards for equipment lease agreements. Any changes to the drafted lease should be made accordingly. Chairman Bennett suggested that value of the equipment and the cost of the lease/maintenance be reviewed by the NRA Whittington Center before going forth with the lease agreement. Commissioner Hall asked who would provide transportation of the dozer because he did not want county resources used for transportation. Discussion followed. No action was taken.

At 12:06 p.m., the meeting recessed for lunch until 1:30 p.m. At 1:38 p.m., the meeting resumed. Commissioner Vincent was absent during the remainder of the meeting.

RESOLUTION #106-37 NMDOT CO-OP PROJECT PARTICIPATION

A proposed resolution for the participation in Local Government Road Fund (LGRF) program administered by the New Mexico Department of Transportation (NMDOT) was reviewed and discussed. Union County and NMDOT have entered into a joint effort. The total cost of the project will be \$258,423.00 to be funded in proportional share as follows: NMDOT's share shall be 75% or \$193,817.00 and Union County's proportional share shall be 25% or \$64,539.00. Union County will pay all costs exceeding the total amount of \$258,423.00. (Cooperative Agreement Project #SP-4-19(955), Control #L400395 with NMDOT for LGRF project for year terminating on December 31, 2019.)

RESOLUTION #106-38 SCHOOL BUS PROJECT TRANSPORTATION

A proposed resolution for the participation in Local Government Road Fund (LGRF) program administered by the New Mexico Department of Transportation (NMDOT) was reviewed and discussed. Union County and NMDOT have entered into a joint effort. The total cost of the project will be \$308,728.00 to be funded in proportional share as follows: NMDOT's share shall be 75% or \$231,546.00 and Union County's proportional share shall be 25% or \$77,182.00. Union County will pay all costs exceeding the total amount of \$308,728.00. (Cooperative Agreement Project #SB-7759(963)19, Control #L400388 with NMDOT for LGRF project for year terminating on December 31, 2019.)

RESOLUTION #106-39 NMDOT CAP PROJECT PARTICIPATION

A proposed resolution for the participation in Local Government Road Fund (LGRF) program administered by the New Mexico Department of Transportation (NMDOT) was reviewed and discussed. Union County and NMDOT have entered into a joint effort. The total cost of the project will be \$551,228.00 to be funded in proportional share as follows: NMDOT's share shall be 75% or \$413,421.00 and Union County's proportional share shall be 25% or \$137,807.00. Union County will pay all costs exceeding the total amount of \$551,228.00. (Cooperative Agreement Project #CAP-4-19(405), Control #L400374 with NMDOT for LGRF project for year terminating on December 31, 2019.)

RESOLUTION #106-40 NMDOT COOP PROJECT MATCH WAIVER REQUEST

A proposed resolution for the participation in Local Government Road Fund (LGRF) program administered by the New Mexico Department of Transportation (NMDOT) was reviewed and discussed. Union County and NMDOT have entered into a joint effort. The total cost of the project will be \$258,423.00 to be funded in proportional share as follows: NMDOT's share shall be 75% or \$193,817.00 and Union County's proportional share shall be 25% or \$64,539.00 if a "Hardship" for "Match Waiver" is not deemed to be present by the Department of Finance and Administration and the DOT. Union County will pay all costs exceeding the total amount of \$258,423.00. (Cooperative Agreement Project #SP-4-19(955), Control #L400395 with NMDOT for LGRF project for the year 2019.)

RESOLUTION #106-41 NMDOT CAP PROJECT MATCH WAIVER REQUEST

A proposed resolution for the participation in Local Government Road Fund (LGRF) hardship match waiver program administered by the New Mexico Department of Transportation (NMDOT) was reviewed and discussed. Union County and NMDOT have entered into a joint effort. The total cost of the project will be \$551,228.00 to be funded in proportional share as follows: NMDOT's share shall be 75% or \$413,421.00 and Union County's proportional share shall be 25% or \$137,807.00 if a "Hardship" for "Match Waiver" is not deemed to be present by the Department of Finance and Administration and the DOT. Union County will pay all costs exceeding the total amount of \$551,228.00. (Cooperative Agreement Project #CAP-4-19(405), Control #L400374 with NMDOT for LGRF project for the year 2019.)

Commissioner Hall moved to approve Resolutions #106-37 NMDOT CO-OP Project Participation, #106-38 NMDOT School Bus Participation, #106-39 NMDOT CAP Project Participation, #106-40 NMDOT CO-OP Project Match Waiver Request and #106-41 NMDOT CAP Project Match Waiver Request. Chairman Bennett stepped down as chairman and seconded. There was no further discussion. Vote: Both - YES. Motion carried. Resolutions signed.

BERNALILLO COUNTY YOUTH SERVICES CENTER COST OF CARE AGREEMENT

Mgr. Gonzales reported that the Taos County Juvenile Detention Center will be closing. Housing options for juveniles needs to be considered. A proposed "Cost of Care Agreement" from Bernalillo County, as contained in the meeting packet, was reviewed and discussed. Santa Fe and Clovis are other housing options. Sheriff Lobb agreed with the proposed agreement because of cost.

Chairman Bennett stepped down as chairman and moved to approve the contract with Bernalillo County Youth Services Center. Commissioner Hall seconded. There was no further discussion, Vote: Both – YES. Motion carried. The contract is to be signed by the county attorney and county manager.

At 1:50 p.m., Emergency Manager Russell announced that he needed to leave the meeting. He briefly asked that the use of satellite phones be considered because of the poor communications during the recent fires. Russell reported that Baca and Los Animas Counties in Colorado are interested in helping Union County with communications planning.

BID #17/18-13 SEDAN FREQUENCY & COUNTYWIDE RADIO AWARD

County Mgr. Gonzales reported that one (1) bid was received from Baca Valley Telephone/Sierra Communications (BVT/SCI) for the Sedan Dire Department frequency and countywide radio re-programming

specifications. The bid was in the total amount of \$27,839.84 plus GRT. The bid was opened on June 7, 2018, at 2:00 p.m. by Mgr. Gonzales, Assistant Manager Cheryl Garcia, Emergency Manager Russell and Paul Briesch of Baca Valley Telephone. Sedan Fire Department funds will be used to pay for this award.

Jim Mayfield of C&C Communications addressed the Board with his concerns which included the following (but not limited to the following): there is a lack of education amongst operators regarding frequency use; communication inoperability exists between fire, police, EMS and public utilities; Mayfield does not agree that awarding this bid will fix communication problems, and suggests that if the Board approves this award, there should be training for countywide operators.

Chairman Bennett stepped down as chairman and moved to approve Bid #17/18-13 Sedan Frequency & Countywide Radio Award to Baca Valley Telecommunications/Sierra Communications in the amount of \$27,839.84 plus GRT. Intensive radio training will be mandatory for all county operators. Commissioner Hall seconded. There was no further discussion. Vote: Both – YES. Motion carried. Radio protocol/intensive training discussion will be added to the July meeting agenda.

APPROVAL OF BILLS

The Board reviewed and discussed bills in the amount of \$232,868.32.

Chairman Bennett stepped down as chairman and moved to approve the payment of bills in the amount \$232,868.32. Commissioner Hall seconded. There was no further discussion. Vote: Both - YES. Motion carried.

ROAD CROSSING PERMITS

There were no permits presented for consideration.

INVENTORY ITEMS DISPOSITION

There were no inventory items presented for disposition.

HEALTH CARE ASSISTANCE PROGRAM - Approval of Claims

Five (5) claims for the Health Care Assistance Program were presented in the amount of \$1,066.02. Claims were reviewed and discussed.

Commissioner Hall moved to approve the payment of claims in the amount \$1,066.02. Chairman Bennett stepped down as chairman and seconded. There was no further discussion. Vote: Both - YES. Motion carried.

COUNTY TRAVEL REQUESTS

The following employees reported/requested travel approval: **Clerk Harkins, Chief Deputy Clerk Green, and Deputy Clerk Gonzales** will attend New Mexico EDGE (Education Designed to Generate Excellence) classes and the New Mexico Association of Counties (NMAC) Summer Conference in Socorro from June 17th - 22nd; **Chairman Bennett, Commissioners Hall, and Vincent, and Deputy Assessor Trujillo** will attend the NMAC Summer Conference; **Commissioner Hall** will attend the Northeast Regional Transportation Planning Organization (NERTPO) meeting in Cimarron on the 27th of June; **Chairman Bennett** will be attending the

Eastern Plains Council of Governments (EPCOG) meeting on the 13th of June; **Assistant Manager Garcia** will be attending a Human Resources management training on June 25-26th in Albuquerque. All travel approved.

UNION COUNTY STRATEGIC PLAN WITH NM ECONOMIC DEPARTMENT

Chairman Bennett briefly discussed the strategic plan as it was discussed during the Joint Communications meeting on this day during the morning session. Bennett reiterated that there is currently no funding to proceed with planning, but funding should be budgeted. A meeting/workshop will be held during the 3rd week of July for joint and collective planning on how to proceed with a strategic plan. This item was tabled.

LEASE OF MILITARY BULLDOZER TO NRA WHITTINGTON CENTER (continued from earlier).

In regards to the previous discussion on the possible military bulldozer lease, Sheriff Lobb reported that he was advised during the meeting via a phone call from the State's military equipment coordinator, that military equipment may not be leased to another entity or county because the military equipment is given to law enforcement and must be utilized for law enforcement purposes only. Acquired military equipment may be sold publicly after a one (1) year period of time.

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

The draft contained in the meeting packet has been modified after referencing Santa Fe County's policy in order to fit Union County's needs. Permission was given by attorney Stephen Ross who was then Santa Fe County's attorney and is now Union County's attorney. Once the addendum has been adopted, county employees should comply to the new rule.

Mgr. Gonzales received direction to advertise and publish this addendum prior to next month's meeting. A copy of the addendum will be made available in the Clerk's office for the public's review. A hearing, reading and comment session will be on next month's meeting agenda. This agenda item was tabled.

ORDINANCE #5 DOG ORDINANCE REVIEW

A draft ordinance was contained in the meeting packet. The draft ordinance was reviewed and a brief discussion followed.

Mgr. Gonzales received direction to advertise accordingly, prior to next month's meeting. A copy of the ordinance will be made available in the Clerk's office for the public's review. A hearing, reading and comment session will be on next month's meeting agenda. This agenda item was tabled.

The meeting recessed for a short 10-minute break, and then the meeting resumed.

BUDGET 2019 WORKSHOP

Mgr. Gonzales reported that she has not received any official reply about the preliminary budget. A brief discussion followed which included the budget increase needed for dispatch as previously discussed; Mgr. Gonzales reported that the Town of Clayton will be billed for 33% of the Emergency Manager's position and Mgr. Lucero, Town of Clayton, has acknowledged and agreed to pay 33% of the salary; \$20,000 will be added to the commissioner's budget in the economic development line item; \$50,000 will be budgeted in the indigent fund and will be applied to the Clayton Emergency Medical Services (EMS); \$23,500 will be taken out of the

fire administration capital outlay and will be applied towards the Computer-Aided Dispatch (CAD) enhancement under the contractual fund (line item 500); \$200,000 will be budgeted for the Kiser School building in the fund (line item 601). The 2019 Budget Resolution will be added to the July meeting agenda as well as a Resolution for the fourth (4th) Quarter Report.

ROAD SUPERINTENDENT'S REPORT

Superintendent Kear was not present. No report was given.

FIRE COORDINATOR REPORT

Fire Coordinator O'Bryant was not present. No report was given.

EMERGENCY MANAGER REPORT

Manager Russell submitted a report (2 pgs - attached as an exhibit) for May 2018, as contained in the meeting packet. Russell delivered his report during the morning session of the Joint Communications meeting.

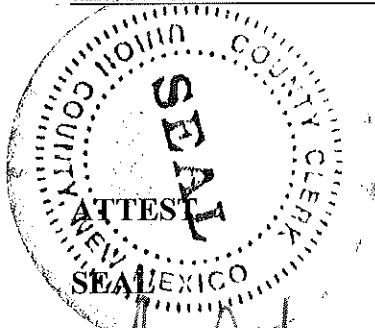
ELECTED OFFICIALS REPORTS

Sheriff Lobb reported on the following: transports, arrests, offense reports, citations; officer firearm qualifications; Deputy Grice will attend the Police Academy in July; the sheriff's office will provide security at the Annual Clayton Lake Fishing Derby, and the State Armory Division has recently provided routine building maintenance.

Treasurer Thompson reported that taxes are 94% collected. The second (2nd) half of delinquent tax notices have been sent out.

Meeting Announcements: The next regular meeting will be held on Tuesday, July 10, 2018, at 9:00 a.m. The next Joint Communications meeting is set for Tuesday, September 11, 2018, at 9:30 a.m.

ADJOURN: At 3:30 p.m., Commissioner Hall moved to adjourn. Chairman Bennett stepped down as chairman and seconded. There was no further discussion. Vote: Both - YES. Motion carried. Meeting adjourned.



Mary Lou Harkins

Mary Lou Harkins - Clerk

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

Justin K. Bennett - Chairman

Walter C. Hall

Walter C. Hall - Vice Chairman

W. Carr Vincent

W. Carr Vincent - Member

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

Physician Recruitment Update:

- Dr. Weaver Update
 - Dr. Weaver worked the remaining month after starting in the clinic and is currently covering the emergency room and hospitalist. We will plan a community wide event to welcome him to Clayton in the near future.
- Jamie Armijo, CNP
 - Ms. Armijo and the hospital are at the end of contract negotiations and we are hoping to take a signed contract to the Hospital Board for approval at the June meeting. We are estimating her start date in August.

Rural Health Clinic Update:

- The Compliance Team performed an unannounced survey of the clinic on May 24, 2018. We received the results on June 5th. We received zero Condition of Participation deficiencies and zero Quality/Safe Practice deficiencies, however we did receive 4 recommendations:
 - i. NP collaboration chart review by physician with opportunity for feedback.
 - We have changed our process and policy to allow for feedback and signature proof that both providers participated in the review.
 - ii. Maintaining a secured environment. Patient was found on south side of the building when Dr VW was in the ER. The patient was unattended.
 - We have ordered a simple barrier, such as in the air port which we will affix signage to not enter the area when unattended. In addition, we will shut off the fax machine when unattended so that patient information is not being left secured.
 - iii. Emergency Equipment are not organized in one location.
 - We will attach an oxygen bottle to the crash cart and move the AED which was secured to the wall, to a closer location by the crash cart.
 - iv. Documentation of follow-up of patient' testing. Documentation of follow up was not found on 1/10 charts where the provider had called and spoke with the patient of values.
 - Re-educating providers on electronic medical records and where documentation of follow up testing should be place.
- Once we have approval of acceptance of corrective action plan, TCT will notify the state of our regulatory compliance. We will be issued a temporary fee schedule at this time.

Des Moines Clinic Update:

- Met with Kodi Sumpter and Joni Hall on 6/4/2018, toured the clinic and discussed what the needs are of the Des Moines community.

- Met with Kristin Kristy on 6/7/2018, she will share past policies, contracts, operations manuals and Department of Health Contacts.
- I will be calling the State to set up a meeting with the Department of Health to begin the application process. In addition, I will need to set up a time to talk with the Des Moines School Board to ensure that we gain a contract and lease on the building and that we are able to meet their needs.

Regulatory Compliance Update:

- Board of Pharmacy (Hospital): 5/15/2018, zero recommendations
- Board of Pharmacy (Clinic): 5/17/2018, six recommendations.
 - Medication receipt log needs to have location received from added; corrected
 - Clinic licensed would be better served as B1 and not B3; corrected
 - Medications labeled with all mandated information when dispensed; corrected
 - Separate disposition record for expired meds; corrected
 - Documentation of medication education needs to be in the medical record
 - Consultant Pharmacist telephone number must be on dispensing medications
- NM Department of Health EMS Bureau Trauma Program, June 5
 - Recommendation to move to a state approved Trauma Flow sheet.
 - Ensure that each department who shows up to the Trauma has the time of arrival documented in chart.
 - Encouraged UCGH to add Dr. Van Wormer has a co-director of the Trauma Medical Director position.
 - Recommendation to review coding, potential of under-coding.
- June 26 & 27: CHC will conduct a Mock CMS Readiness Survey in Hospital and Clinic

Business Office/Revenue Cycle Update:

- Coding Timeliness: We have reduced of contract for our outsourced coding. We begin coding in-house Surgeries and In-Patient coding on June 11. We are canceling M-modal coding of rehabilitation records next. Once HIM Director has stabilized the coding of these charts, we will end that last out-sourced coding of ER records. We have also assisted Brooke Rachor in continuing education for coding. She began her classes the end of May and has already completed two sections. Once she completes the program, she will have to work under a certified coder (our HIM director) for one year. After the year she will be able to sit for the national coding exam for certification. She has signed a contract that she will stay for two years after completion of her studies for repayment of her classes. We are encourage that she is doing so well.
- Billing statements and letters: The Patient Financial Consultant is working with patient and accounts to help set up payments and ensure that we have all correct and up-to-date payment information for patients. If patient communicates concerns with payments, we are facilitating the patients to meeting with our financial assistant coordinator.

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.
 - Tricare: Denied, secondary to past felony
 - Signa: Approved.
 - Presbyterian: Approved.
 - NM Health Connections: Approved
 - Multiplan (Aetna): Denied, we have appealed.
 - BC/BS: In process
 - Colorado Medicaid: Approved
 - Oklahoma Medicaid: In process
- Dr. Weaver
 - Online Pecos application completed
 - Filed for Novitas 855I for Medicare
 - Submitted application for Medicaid
 - Submitted 855R for Clinic
 - Cannot file for Commercial until after approval for Medicare and Medicaid
- Dr. O'Rourke
 - BC/BS: Done
 - Cigna: Done
 - Healthnet (Tricare): Approved 2/16/18
 - 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, Clinic Done

- 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
 - Approved for CFP
 - Texas Medicaid:
 - Working on Process
 - Western Sky Community Care
 - Takes over contract for Medicaid for NM on January 1, 2019.
 - Working on contract with hospital and credentialing of providers.

Method II Billing:

- On May 29, 2018, we applied for Optional Method II for Outpatient Services Election. We elected the Optional Method (Method II) payment methodology for the upcoming FYE 6/30/2019 cost reporting period and we made the election at least 30 days prior to the start of the cost report period on July 1, 2018.
- The Medicare Benefits Improvement and Protection Act of 2000 (BIPA) established an optional reimbursement method (Method II) for Critical Access Hospital professional outpatient services. Specifically, the CAH may elect to be paid for outpatient professional services at 115 percent of what would otherwise be paid under the fee schedule. A requirement for this election is the provider must reassign their billing rights to the CAH. We have met this requirement with both each provider's contract and with each provider signing an attestation of such. We have refiled CMS 855R for each of the providers.
- We have received documentation on 6/1/2018, that our file has been updated to reflect the Method II billing option that will go in effect on 7/1/2018. In addition, we have requested HPSA (Health Professional Shortage Area) incentive payments for physicians to be paid on a quarterly basis. (See attached)

Financial Assistance: UCGH:

- We have received a total of 32 applications for financial assistance to date.
- Breakdown analysis reveals:
 - Approved for full Medicaid 7
 - Approved for Family Planning Only 10
 - Denied Medicaid 2
 - Approved for UCGH Financial Assistance 13
 - Pending Medicaid Applications 3
 - Referred to County 2

Construction Updates:

- Scheduled to begin Laboratory HVAC construction on June 25, 2018.

CLAYTON HEALTH SYSTEMS

MAY 29, 2018

NOTES TO FINANCIAL STATEMENTS

Period Ending April 30, 2018

INCOME STATEMENT:

1. Gross Patient Revenues for April 2018 were \$1.38M.
2. Total Net patient revenue for the month, after deductions was \$637K.
3. Total MTD net revenues, after all other revenues were \$774K.
4. Operating expenses for April were \$874K
5. Operating margin of (\$100K) after subsidies (Mill/GRT).
6. YTD, we have an operating margin of (\$1.771M).

YTD Budget to Actual Variances is as follows:

Gross Patient Revenues are **under** budget by \$2.8M.

Total Net Patient Revenues are **under** our projected YTD budget by \$1.6M. This includes the additional \$1.25M payback for SNCP.

Overall expenses are **under** budget by \$31K

Salary/Benefits are over budget YTD by \$594K. 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 \$456K.

Pharmacy, Medical, Office Supplies are **under** budget by \$97K.

Other operating expenses (postage, subscriptions, dues, licenses, taxes, maintenance, lease, utilities, travel and education) are **over** budget by \$71K. Includes physician recruiting and Audit Invoices.

Depreciation and Interest are **under** budget by \$143K. 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 \$704K.
 - a) Bank account reconciled.
 - b) CD Balances: Total = \$1.87M
 1. F&S - \$126,404.11
 2. F&S - \$552,284.53
 3. F&S - \$503,014.24
 4. FNB - \$506,392.27
 5. FNB - \$183,325.34
8. Net Patient AR YTD is \$780K.
9. Accounts Payable total \$328K.
10. Accrued Expense Payable is \$578K.
11. Estimated 3rd party settlements \$529K from Interim Cost Report (possible payback) and \$2.125M SNCP payable for total of \$2.7M.
12. Current Portion of Long Term Debt is \$159K.
13. Days Cash on Hand is 29.

STATS:

1. Total Admissions YTD are 150, we are under budget by 54.
2. Clinic Visits YTD are 3846 under budget YTD by 1385.
3. OP visits/lab/x-rays YTD 3648, under budget by 274.
4. Surgeries/GI Procedures YTD are 70, under budget by 92 YTD.

Clayton Health Systems, Inc

Union County General Consolidated Executive Financial Summary

10 Months FY 2018

Unaudited

KEY STATISTICS

	04/30/18 ACTUAL	04/30/18 BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Total Admissions	17	18	150	204	(54)
Total Patient Days	51	63	672	694	(22)
Average Length of Stay Total	3.00	3.43	4.48	3.41	(1.07)
Total Emergency Room Visits	145	298	2,763	2,980	(217)
Outpatient Visits (NOT CLINIC)	369	288	3,648	3,922	(274)
Total Surgeries	4	5	27	40	(13)
Total GI Procedures	6	10	43	122	(79)

STATEMENT OF REVENUE AND EXPENSES - YTD

REPORTED IN THOUSANDS	04/30/18 ACTUAL	04/30/18 BUDGET	YTD ACTUAL	YTD BUDGET	YTD VARIANCE
Revenue:					
Gross Patient Revenues	\$1,381	\$1,175	\$11,841	\$14,665	(2,824)
Deductions from Revenue	(744)	(526)	(5,549)	(6,512)	1,263
Net Patient Revenues	637	649	6,292	7,853	(1,561)
Other Revenue	137	151	1,433	1,510	(77)
Total Net Revenues	774	800	7,725	9,363	(1,638)
Expenses:					
Salaries, Benefits & Contract Labor	504	440	5,044	4,450	594
Professional Fees	28	107	531	1,050	(518)
Purchased Services	80	90	971	908	63
Supply Expenses (freight)	53	58	634	731	(97)
Other Operating Expenses	144	159	1,665	1,594	71
Depreciation & Interest Expense	65	79	651	794	(143)
Total Expenses	874	933	9,496	9,527	(31)
OPERATING MARGIN	(100)	(133)	(1,771)	(164)	(1,607)
NET MARGIN	(\$100)	(\$133)	(\$1,771)	(\$164)	(\$1,607)

BALANCE SHEET

Unaudited	04/30/18		Audited	
	04/30/18	03/31/18	06/30/17	
ASSETS				
Current Assets	\$4,469	\$4,538	\$4,612	
Property, Plant & Equipment (Net)	9,724	9,779	10,310	
Other Assets	24	24	21	
Total Unrestricted Assets	14,217	14,341	14,943	
Assets Whose Use is Limited	1,871	1,871	1,682	
Total Assets	\$16,088	\$16,212	\$16,625	
LIABILITIES AND NET ASSETS				
Current Liabilities	\$3,691	\$3,713	\$2,063	
Debt Borrowings, net of current	4,912	4,914	4,875	
Total Liabilities	8,603	8,627	6,938	
Net Position	7,485	7,585	9,687	
Total Liabilities and Net Position	\$16,088	\$16,212	\$16,625	

Clayton Health Systems, Inc

CLAYTON FAMILY PRACTICE**Executive Financial Summary****10 Months FY 2018**

Unaudited

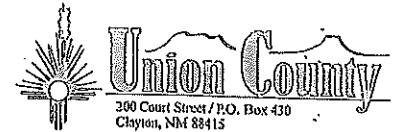
KEY STATISTICS

	<i>04/30/18</i> ACTUAL	<i>04/30/18</i> BUDGET	YTD ACTUAL	YTD BUDGET
Visits by Provider				
Physician Visits	148	241	488	1,997
Nurse Practitioner Visits	259	337	3,358	3,241
Total Clinic Visits	407	578	3,846	5,238
Total Days Clinic Open	19	21	192	209
Average Visits per Day Physician	8	11	3	10
Average Visits per Day NP	14	16	17	16

STATEMENT OF REVENUE AND EXPENSES - YTD

REPORTED IN THOUSANDS	<i>04/30/18</i> ACTUAL	<i>04/30/18</i> BUDGET	YTD ACTUAL	YTD BUDGET
Revenue:				
Gross Patient Revenues	\$74	\$137	\$626	1,238
Deductions from Revenue	(79)	(54)	(463)	(514)
Net Patient Revenues	(5)	83	163	724
Bad Debt Allowance	(11)	(21)	(79)	(199)
Total Net Revenues	(10)	62	84	525
Expenses:				
Salary/Benefits/Cont Labor/NP	62	33	519	331
Purchased Services/Professional Fees	4	27	35	260
Supply Expenses	3	4	45	33
Other Operating Expenses	3	5	107	51
Depreciation	4	3	37	28
Total Expenses	76	72	743	703
Operating Income (Loss)	(92)	(10)	(659)	(178)
NET MARGIN	(\$92)	(\$10)	(\$659)	(\$178)

Emergency Managers Report
May 2018



↪ **LEPC (Local Emergency Planning Committee):**

- Next meeting is in July 18, 2018 - 10:00 am at the Sheriff's Office.

↪ **EMPG (Emergency Management Performance Grant - Salary Grant):**

- **2017** – After a site visit on April 30th, sounded like we should be receiving the reimbursement for quarter 2 and everything looked good and were compliant for quarter 3. The grants specialist is the only person now and she is covering the whole state. It might take some time to receive the payments.
 - **Received paperwork back from the state saying that reimbursement has been approved for 2nd quarter.**
- **2018** – This grant has been submitted on April 27th for equipment. Radios that are P25 compliant were asked for, this is where communications is headed and will help with interoperability with outside agencies.
 - **No word on this grant as of 5-31-2018**

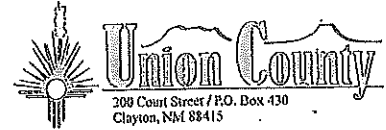
↪ **Hazard Mitigation Grant:**

- No update as of May 31, 2018

↪ **Communications (Dispatch & Fire Departments):**

- Dustin Cabledue from Yucca Communications was up on March 20th and did some work on the repeater base unit in dispatch and believes we have resolved one of the issues that we seem to have, that was channel steering. The channel steering is used because we have Sedan Fire on the same channel as County Fire. Several test pages and testing in general had been done and looks as if everything is working right now. The permanent solution is separating out the frequencies like we have planned. Scotty from Baca Valley is working on the frequency application for Sedan and that should be in place in the next couple of months.
- Separating out the frequencies is going to take some work and we have got to get a set of specs put together and advertise for the project before we start buying equipment. We are going to need to buy another repeater base unit to place in the PD, antenna tuning, programming of the dispatch console, programming radios county wide and labor. As stated at the Joint Comm meeting this is going to cost but it is the fix for the problems that we are having.
- Use of pagers and how they sometimes sound really bad and sometimes it comes in real clear, that has to do with programming and how they are using the pager. Rabbit Ear currently scans two channels, one for town area and one for county area. This is what is causing the problem with clarity. When scanning it will pickup the channel that its on when a page is coming through, so if it is on the county channel and they are in town

Emergency Managers Report May 2018



the clarity is not going to be as clear as if it was on the town channel. Dustin had suggested that when in town they just use the town channel and when out in the county they use the county channel. This is the only solution that we have right now for the pagers. We are looking into Sedan's pagers to see how they are working and how they are programmed.

- This project is a little behind, it has taken Dustin time to get the list of equipment and needs for this project to move forward. Specs will be written up and advertised so that at the June meeting the bid can be awarded.
 - Bids will be opened on Thursday June 7th at 1500 (3:00 pm) and awarded at the commission meeting on Friday June 8th.

↳ CAD (computer aided dispatch)

- With the PD getting an upgraded system sometime this fall, we have been looking at a CAD system that will help bring our Dispatch come up to the digital age with call logs. Over the last couple of weeks I have been researching and looking at demos and looks like we have a couple of options that would work great for our dispatchers.

If you need anything, please don't hesitate to call or email.