

TAOS HEALTH SYSTEMS, INC.
BOARD OF DIRECTORS MEETING MINUTES
Hospital Board Room
December 7, 2016
6:00 p.m.

Present: Bruce Coleman, Karen Matherlee, Chris Stagg, Tim Moore, M.D., Lucille Gallegos-Jaramillo, Geilan Ismail, M.D., Gregory Trujillo, Dan Guttman, M.D, Andy Torres, Fred Peralta, Pam Romero, Cisco Gonzales, and Linda Aubrecht

Members Absent:

Administration: Bill Patten, Steve Rozenboom, Brian Chew, Renee Sudborough, Mary Karlik, and Denise Clark

Guests: Tom McCall, RVP; QHR; Don Smithburg, RVP, QHR; Jody Pigg, AVP, QHR; Vinny Brooks, John Hummel, and Dennis Manzanares, Legal Counsel

Citizens: John Plummer, Bob Silver, Dirk Herman

- I. **Call to Order** - Holy Cross Hospital, a division of the Taos Health Systems, Inc., Board of Directors meeting was called to order at 6:00 p.m., Wednesday, December 7th, 2016, by Chris Stagg, Chairman. Attendance was recorded and a quorum was present.
- II. **Pledge of Allegiance**
- III. **Approval of Agenda** - The agenda was presented for review and approval. Following review and discussion, a motion was made and seconded to approve the agenda as amended to add the Meditech Replacement Project Update as Item VIII. All were in favor and the motion carried.
- IV. **Approval of Minutes** - Following review and discussion, a motion was made and seconded to approve the October 26th, 2016 minutes as presented. All were in favor and the motion carried.
- V. **Public Comments** – Mr. John Plummer will be presenting his comments with the Critical Access discussion later in meeting.
- VI. **Introduction of Local Legal Counsel**

Mr. Patten introduced Dennis Manzanares, who will be the hospital's local legal counsel. An orientation session is planned for Mr. Manzanares in the coming weeks.

Mr. Stagg introduced Ms. Denise Clark, our new CNO. She has been on board for over a month. Mr. McCall reported that this is his last board meeting. Mr. McCall introduced Don Smithburg, RVP, and Jody Pigg, AVP. They will be overseeing Taos Health Systems in place of Tom McCall and Barbara Brooks. Mr. Smithburg and Mr. Pigg both gave a brief background of their work experience.
- VII. **Department Presentation – Vinny Brooks, Materials/Supply Chain Director**

Mr. Brooks presented an overview of the Materials Management/Supply Chain Department. He reviewed the successes of the department, value analysis processes, and the purchase order reductions for the past three years. The board thanked Mr. Brooks for his presentation.
- VIII. **Meditech Replacement Project Update – Brian Chew, IT/HR/Compliance VP & John Hummel, IT Director**

Brian Chew and John Hummel gave a presentation regarding our electronic medical record (EMR) replacement project. They reported that there is a need to replace the Meditech Magic due to 1) aging technology; 2) inability to meet Meaningful Use without significant investment; 3) inadequate data and

reporting capabilities; and 4) complexity and cost of interfaces to other EMR's and structures. They also discussed:

- The decision process
- Athena
- T-systems
- CPSI Proposal
- Next steps

Bill asked what the decision making will look like if a decision needs to be made before the end of the year. The consensus of the board is that if a decision needs to be made by the end of December, Bill will e-mail the full board and get their vote via e-mail. As needed, Bill will also follow-up with a phone call.

IX. Quality Management Report - Mary Karlik, Quality Director

Mary reported that she has added the color purple to the Quality Dash Board Report to identify new updates and yellow to show items that are in process. Bill presented four draft policies for the board's review 1) Quality and Safety Program (Board policy); 2) Principles of the Holy Cross Hospital Quality and Safety Program; 3) Department Quality/Safety Programs (Lifewings); and 4) Customer Experience and Satisfaction Program (defines a patient experience and satisfaction program). Bill will bring back the final review of these policies for approval at the next Board meeting. Dr. Ismail acknowledged Mary Karlik for our recent recognition in quality and safety. She also commended Ira Vandever, Marketing Director, for the great article on the paper.

X. Approval of the Consent Agenda - Following review and discussion, a motion was made and seconded to approve all the items listed under the Consent Agenda. All were in favor and motion was carried.

a) Financial Report – Steve Rozenboom, CFO

- 1) Approval of the October 2016 Financial Statements - Approved on Consent Agenda as recommended by the Finance Committee.
- 2) Approval of the Financial Assistance Policy – Tabled until recommended revisions are complete.
- 3) Approval of the ED Physician Employment Agreement – Richard Foutch, DO – Approved on Consent Agenda as recommended by the Finance Committee.
- 4) Approval of the Holy Cross Medical Arts Plaza Lease (HR Dept.) - Approved on Consent Agenda as recommended by the Finance Committee.
- 5) Approval of the Amendment to Michael Darnell's Physician Employment Agreement – Approved on Consent Agenda as recommended by the Finance Committee.

b) CEO Department Quarterly Report - Approved on Consent Agenda.

c) CFO Department Quarterly Report - Approved on Consent Agenda.

XI. CEO Report – Bill Patten, CEO

Mr. Patten highlighted several items from his CEO Report. He also reported on the following:

- Acknowledged Denise for her great start as our new nursing leader.
- Brian Chew has submitted his resignation. He will be with us through the first couple of weeks in January. Bill thanked Brian for his years of service.
- Bill thanked Tom McCall for his service to Taos Health Systems. Tom thanked the Board for the opportunity to work with them. Bill also acknowledged Barbara Brooks.
- Detox – Bill gave an update on the Commissioner meeting he attended earlier this week.
- Expedited Care – THS will begin the pilot program in February or March. This is a three to six month pilot program that will address the four busiest days of the week.
- Mill Levy – At the meeting yesterday, the commissioners stated that they will create an account in which they will hold the mill levy money.
- Holiday Dinner with Leadership Team – Please let Lenora know if you are planning to attend.

- Recruitment
 - Dr. Stephen Lucero, a Santa Fe Urologist, will be coming to interview on December 13th.
 - The OR Director candidate has turned down the offer due to personal and family reasons. We will continue our recruitment efforts.
- Critical Access – Bill gave a narrative of the Critical Access model and explained how this model will benefit Taos Health Systems. He reviewed the steps that have been taken thus far to educate our providers and staff: 1) In July *All Staff Meetings* were held; 2) In October, three teams made site visits to three large critical access hospitals; 3) In November, we repeated the *All Staff* meetings and invited the members of the site visit teams to speak about their findings. Bill will be reaching out to the surrounding communities, Taos County Commissioners, Town of Taos Council and various civic groups to educate them. Conversion will be a four to five month process.

Mr. John Plummer presented his concerns regarding converting to critical access status. He touched on several specific items:

- 96 hour rule
- Medicare patients required to pay 20% of the hospital's original bill rather than 20% of the Medicare negotiated rate.
- Physician recruitment and retention.
- Impact on quality.

Mr. Plummer asked the board to evaluate several options including: 1) publish a plan for development that is based on growth rather than financial manipulation, 2) publish monthly reports for one year describing progress on this plan, and 3) hold a public meeting at the end of the year to evaluate progress made, and if necessary reintroduce the possibility of adopting a CAH designation. The board thanked Mr. Plummer for his presentation.

Mr. Bob Silver mentioned that he agreed with John Plummer's questions and concerns. He thanked John for all the hard work on the Study Group. Bob commended Bill's leadership and transparency in the community with the past Mill Levy efforts. He mentioned that he has the confidence that Bill will move forward to educate the community about critical access.

In response to Mr. Plummer's presentation, Bill presented Holy Cross specific volume and financial data. Following review and discussion, a motion was made and seconded to accept Mr. Patten's recommendation to move forward with the conversion to critical access status. All were in favor and motion carried.

- **THS Report Card** – Informational.

- **Educational Calendar** – Informational.

XII. **QHR Report – Tom McCall, QHR**

Mr. McCall reported that the Board Self Evaluation Form has been finalized and Don Smithburg, new AVP will be moving forward to administer the survey.

Mr. McCall presented a Security PowerPoint presentation on hospital security. Tom reported that the Board is responsible under Duty of Care to provide a safe environment for patients and staff. Some of the common themes affecting hospitals is the increase in drug and alcohol use, threats from family members, and mental health issues. The Board's role in hospital security is to reduce security risk by making sure that annual assessments and response planning is done. Other issues addressed were Active Shooter Training, Recovery Plan and a security checklist. The Board thanked Mr. McCall for his presentation.

XIII. **Chief of Staff Report – Tim Moore, MD** - Dr. Moore reported on the following issues:

Dr. Moore reported that the annual medical staff meeting was held on November 17th. He stated that they are almost ready to adopt the updated Medical Staff bylaws. The Rules and Regulations will also need to be reviewed. The new Medical Staff officers were elected: Chief of Staff: Dr. Tim Moore; Secretary/Treasurer: Dr. Paul Johnson; Professional Standards: Dr. Peter Selzer will Co-Chair with Dr. Jack Garland; and Dr. Jemery Kaufman will continue as Chair of the Credentials Committee. The Chief of Staff Elect has not been filled at this time. The remainder of the committees will be having their elections this month.

XIV. **Committee Reports**

a) **Finance Committee Report - Steve Rozenboom, CFO**

Mr. Rozenboom gave an overview of the Finance Committee meeting held earlier this afternoon. He gave a summary of the October Financial Statements. The Finance Committee also discussed:

- October financial results.
- Review of the Financial Assistance Policy.
- Approved the ED Physician Employment Agreement for Dr. Richard Foutch.
- Approval of the Holy Cross Hospital Medical Arts Plaza Lease (Suite 101 - HR and Marketing)
- Approval of the amendment to Dr. Michael Darnell's Employment Agreement.
- The Form 990 is in process of being completed and will be sent out to the full Board for review prior to it being submitted.

b) **Joint Conference Committee Report – Chris Stagg**

Mr. Stagg reported that the JCC met on November 9th, 2016, and there were no action items or recommendations to bring forward. Mr. Stagg mentioned that the main topic of discussion was relating to IT Systems issues, USDA loan, and physician recruitment.

XV. **New Business**

- a) **Approval of Board Resolution – Texas Health & Human Services Commission** - Following review and discussion, motion was made and seconded to approve the Board Resolution as presented by Administration. All were in favor and motion carried.

XVI. **Old Business**

- a) **Approval of the Donation and Gift Acceptance Policy** – Mr. Patten presented the final draft of the Donation and Gift Acceptance Policy for review and approval. Following review and discussion, motion was made and seconded to approve the Donation and Gift Acceptance Policy as presented by Administration. All were in favor and motion carried. A recommendation was made to send the policy to legal for final review.
- b) **Approval of the Donation/Gift Acknowledgement Policy** – Mr. Patten presented the Donation/Gift Acknowledgement Policy for review and approval. Following review and discussion, motion was made and seconded to approve the Donation/Gift Acknowledgement Policy as presented by Administration. All were in favor and motion carried. A recommendation was made to send the policy to legal for final review.

XVII. **Executive Session**

- A motion was made and seconded at 8:35 p.m. to enter into Executive Session to discuss Medical Staff credentialing and Privileging recommendations, legally protected matters, and personnel issues. All were in favor and the motion carried.
- Motion was made and seconded to reconvene into open session at 9:02 p.m. All were in favor and motion carried.

XVIII. **Other Business**

Motion was made and seconded to approve each of the Medical Staff recommendations to the Board for privileges and memberships as listed below. All were in favor and motion carried.

NOVEMBER CREDENTIALING

Appointments:

Davis, Aaron, DO, Apogee Physicians – Appointment in the Pediatric & Adult Medicine Department.

Oase, Brian, DPM – Appointment in the Surgery & Anesthesia Department.

Pereda, Brenda, MD, OBGyn – Appointment in the Perinatal and Surgery & Anesthesia Departments.

Ransom, Sharon, MD, OBGyn - Appointment in the Perinatal and Surgery & Anesthesia Departments.

Reappointments:

Ismail, Geilan, MD, Cardiology - Reappointment in the Pediatric and Adult Medicine Department.

Jaramillo, Cipry, MD, Apogee Physician – Reappointment in the Pediatric & Adult Medicine Department.

Shapiro, Allan, MD, Pediatric Cardiology – Reappointment in the Pediatric and Adult Medicine Department.

Nylund, Justin, DDS – Reappointment in the Surgery & Anesthesia Department.

Rudolf, Jon, MD, ED – Reappointment in Emergency Medicine Department.

Jacobs, Roland, MD, Psychology – Reappointment in Pediatric & Adult Medicine Department.

CHANGE OF STATUS:

Ortiz y Pino, Loretta, MD – Honorary Status.

DECEMBER CREDENTIALING:

Appointments:

DiCarlo, Mary, MD, Apogee Physicians – Appointment in the Pediatric & Adult Medicine Department.

Merkle, William, PhD, Clinical Psychologist - Appointment in the Pediatric & Adult Medicine Department.

Reappointments:

Schreiber, Lucas, MD, Family Medicine - Reappointment in the Pediatric and Adult Medicine & Surgery & Anesthesia Departments.

Baca, Justin, MD, ED – Reappointment in the Emergency Medicine Department.

Balsamo, Beatrice, PAC, Emergency Medicine – Reappointment in the Emergency Medicine Department.

Knight, Jesse, MD, Otolaryngology – Reappointment in the Surgery & Anesthesia Department.

XIX. **Other Actions** – None.

XX. **Adjournment** - There being no further business, the meeting adjourned at 9:03 p.m.

Respectfully submitted by: _____
Lenora Cisneros, Recorder

Approved by: _____
Greg Trujillo, Secretary