

TAOS HEALTH SYSTEMS, INC.
BOARD OF DIRECTORS MEETING MINUTES
May 27, 2015

Members Present: Ron Burnham; Jeannie Masters; Pamela Romero; Andy Torres; Chris Stagg; Karen Matherlee, Linda Aubrecht; Stuart Hamilton; Dan Guttman, MD; Fred Peralta; Bruce Coleman;

Members Absent: Geilan Ismail, MD; Tim Moore, MD;

Administration: Bill Patten, CEO; Steve Rozenboom, CFO; Anna Abeyta, CCO; Brian Chew, HRO; Todd Naliboff, CIO; Linda Chase, Compliance/QO; Jack Garland, MD for Tim Moore, MD; Lenora Cisneros, Admin. Services Manager;

Guests: Barbara Brooks, QHR; Martha Jaramillo; Maria Meadowcroft; Margie Cisneros

Citizens: Fritz Haun; Stephen Hall; Andrew Oxford;

- 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, May 27, 2015, by Mr. Ron Burnham, Chairman. Attendance was recorded, and a quorum was present.
- II. **Board Member Presentation** - The board acknowledged Mrs. Jeannie Masters for her 26 years of service on the Taos Health Systems Board. The board presented Mrs. Masters with a fish plaque that will be placed on the “Over the Rio Grande” donor wall in recognition of her service on the board.
- III. **Pledge of Allegiance**
- IV. **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 presented. All were in favor and the motion carried.
- V. **Approval of Minutes** — April 22, 2015 — Following review and discussion, a motion was made and seconded to approve the April 22, 2015 minutes as presented. All were in favor and the motion carried.
- VI. **Public Comments** – Mr. Stephen Hall address his concern regarding disclosure of the recent Engineering Study to the community and the delivery of reports to Taos County per the hospital lease.
- VII. **Quality Management Report – Linda Chase, Quality/PI Officer/QM Rep.** – Linda reported that the hospital is scheduled to convert to the new Ethicspoint system on June 1st. Training on the new system has been provided to staff. The Performance Improvement Committee continues to focus on customer satisfaction. Linda reported that the Social Workers are being highly utilized and are covering 40 hours per week.

VIII. 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 the motion carried.

a. Financial Report

- 1) Approval of the April 2015 Financial Statements — Approved on Consent Agenda as recommended by the Finance Committee.
- 2) Approval of the May Capital Requests - Approved on Consent Agenda as recommended by the Finance Committee.
- 3) Approval of the 2015-2016 Commercial/Property Insurance Renewal - Approved on Consent Agenda as recommended by the Finance Committee.
- 4) Approval of the Board Resolution to add Bill Patten as a Signor on all THS Bank Accounts - Approved on Consent Agenda as recommended by the Finance Committee.
- 5) Approval of the FY2016 Capital and Operating Budgets - Approved on Consent Agenda as recommended by the Finance Committee.

b. Patient Care/LifeWings Report - Approved on Consent Agenda.

IX. CEO Report – Bill Patten, CEO – Mr. Patten reported that he attended the QHR Orientation in Nashville, TN last week. He stated that he was very impressed with the scope of the orientation and mentioned that this was the most comprehensive orientation he has ever received.

Mr. Patten commented on the LED Lighting replacement project and made his recommendation to the Finance Committee to place the project on hold due to the hospital's cash position.

Mr. Patten reported that the Penasco Clinic was briefly discussed at the Finance Committee today, and he will be moving forward in getting a comparative value study for the clinic and then, based on that information, he will get it listed, and bring back any offers to the Board for approval.

Bill reported that he has reviewed the Aramark contract and recommended that THS continue with the contract. Bill stated that he will be taking the Aramark contract off the table and will continue the contract with them for the next two years. Bill will be evaluating the contract from now through the summer of 2016 to make sure they are a good value for the hospital. Plant operations, EVS, and laundry will be combined under the Facilities Director. One of the support positions will not be filled. The Food Services Department will now be under its own Director as part of the Aramark contract. Bill mentioned that there is an internal candidate (Matthey Curry) who has applied for the Food Service Director position and he will be in speaking with Aramark on Friday to see if this will work out.

Bill mentioned that he met with Steven Archuleta, County Manager, and he has offered his insight into the hospital's options for reaching out to the community asking for their support. Bill recommended that the board designate an ad hoc sub-committee to drive

this project forward and come up with a strategy to work with Taos County Commissioners.

Bill reported that he will be presenting a draft of the board education calendar at the June board meeting.

Bill mentioned that there are two initiatives that he will be focusing on. The first initiative that he will be addressing is the Quality initiative. Bill will be evaluating the different quality committees to clarify their focus and how they are tied together. The second initiative relates to needed culture change. Bill stated that he will be talking about these initiatives during the next few months and will be talking to the board about how to move these initiatives forward.

QHR Update – Barbara Brooks reported that she has a conference call scheduled for next week to begin the strategic planning process and will be setting a date soon. Barbara reminded the board to complete the annual Trustee Survey. Barbara also reviewed the annual QHR Purchasing Advantage Disclosure report that was e-mailed to the board earlier in the day. She mentioned that this is a requirement to report to the board and includes the savings and any administrative fees.

- X. **Chief of Staff Report – Jack Garland, MD for Tim Moore, MD** – Dr. Garland reported in Dr. Moore’s absence and reviewed the highlights in Dr. Moore’s written report. Dr. Garland stated that the Professional Standards met today and Bill was very active in the meeting. He related that this is a true example of a culture change. Ron emphasized the function and importance of the Professional Standards Committee and asked Dr. Garland to convey to the medical staff the board’s congratulations on the great peer review process.

XI. **Committee Reports**

- 1) **Finance Committee – Steve Rozenboom, CFO** - Mr. Rozenboom gave a financial recap for the month of April. Steve reported that the hospital had a loss of (\$412,000) for the month. The Finance Committee approved three unbudgeted capital expenditures that were necessary and also approved the FY2016 Capital and Operating Budgets. The current budget projects a (\$593,000) loss, which is thought to be conservatively realistic. The hospital has budgeted \$1.9M in capital expenditures. Steve mentioned that he does not anticipate a significant change in our cash position. The committee also approved the 2015-2016 commercial and property insurance renewal which is \$2,000 less than the previous year. They also approved a resolution to authorize Bill Patten to be a signor on all of THS bank accounts.
- 2) **Joint Conference Committee – Jeannie Masters, Chair** – Jeannie Masters reported that the Joint Conference Committee met on May 6, 2015. She mentioned that Dr. Ismail communicated her concerns and reasons for her resignation. Ms. Masters also mentioned that the committee discussed the cardiology coverage issues with NM Heart Institute. Mr. Burnham clarified the miscommunication regarding Tristate Careflight, and there should no issues with patient transfers.
- 3) **Personnel Labor Relations Committee – 1st Qtr. 2015 Report** – Mr. Andy Torres reported that the committee met on May 6th and approved the 1st Qtr. 2015 HR

Summary. Following review and discussion, a motion was made and seconded to approve the 1st Qtr. 2015 HR Summary as recommended by the Personnel Labor Relations Committee. All were in favor and the motion carried.

- 4) **Nominating Committee** – Mr. Stuart Hamilton and Karen Matherlee presented the Nominating Committee recommendations for the two (2) open positions whose four (4) year terms will expire on 5/31/2019.

Following review and discussion, a motion was made and seconded to appoint Gregory Trujillo to serve a four (4) year term on the Board of Trustees as the Northern Taos County Representative. All were in favor and the motion carried.

- 5) Following review and discussion, a motion was made and seconded to re-appoint Andy Torres to serve another four (4) year term on the Board of Trustees as the Southern Taos County Representative. All were in favor and the motion carried. Andy Torres abstained from voting.

Mr. Burnham thanked the Nominating Committee members for serving on the committee.

XII. New Business

- 1) Annual Conflict of Interest Disclosure Statement – Linda Chase, Compliance Officer, distributed the Annual Conflict of Interest Disclosure Statement form to the board and senior leaders for their completion.
- 2) Ratification of Union Contract – Mr. Brian Chew, HRO, began by thanking the negotiating team for all their hard work. Mr. Chew reviewed all of the article changes made to the contract. He reported that the Union ratified the contract two (2) weeks ago. Following review and discussion, a motion was made and seconded to ratify the Union Contract as recommended by Administration. All were in favor and the motion carried.

XIII. Old Business – Mrs. Jeannie Masters thanked the board for their support throughout the years.

XIV. Executive Session – A motion was made and seconded to enter into executive session at 7:03 p.m. to discuss the Medical Staff credentialing recommendations, Strategic Planning, and Personnel issues. All were in favor and the motion carried. A motion was made and seconded to reconvene into open session at 8:06 p.m. All were in favor and the motion carried.

A motion was made and seconded to delegate the Board Executive Committee to serve as the Ad-hoc committee for the Tax Support project. All were in favor and the motion carried.

A motion was made and seconded to approve each of the recommendations from the Medical Staff to the Board for privileges and Medical Staff membership. All were in favor and the motion carried. Dr. Ismail abstained and asked that the minutes reflect her abstention with respect to the vote on Steve Carver, CNP, Apogee Hospitalist Program.

Appointments:

Wells, John, DO, Emergency Medicine – Emergency Medicine Department

Williams, Dean, MD, Emergency Medicine – Emergency Medicine Department

Boyle, Joseph, MD, Emergency Medicine – Emergency Medicine Department

Marceaux, Michael, CRNA, CCI – Surgery & Anesthesia Department

Carver, Steve, CNP, Apogee Hospitalist Program – Pediatric and Adult Medicine Department

Davis, Mark, MD, V-Rad – Pediatric and Adult Medicine Department

Mayne, Jennifer, MD, V-Rad – Pediatric and Adult Medicine Department

Tran, Ann, MD, V-Rad – Pediatric and Adult Medicine Department

Vreeland, Thomas, MD, V-Rad – Pediatric and Adult Medicine Department

Reappointments:

La Motte, Gary, MD, Radiology - Pediatric & Adult Medicine

Herbert, Scott, MD, Oncology, – Pediatric & Adult Medicine Department

Waitzkin, Howard, MD, Internal Medicine – Pediatric & Adult Medicine Department

Foster, John, MD, Internal Medicine – Pediatric & Adult Medicine Department

XV. Adjournment — There being no further business, the meeting adjourned at 8:08 pm.

Respectfully submitted by: _____ Approved by: _____
Lenora Cisneros, Recorder Stuart Hamilton, Secretary