



Holy Cross Hospital requests tax election

If passed, money raised to leverage federal dollars

By Matthew van Buren

The Taos News, 9/27/2012

Holy Cross Hospital is requesting an election that could result in increased property taxes county-wide.

Hospital representatives presented their case to the Taos County Commission Tuesday (Sept. 25), saying reduced services and layoffs could result if the election is not allowed to proceed.

The commission held a work-study session regarding the issue Tuesday and will likely vote Oct. 2 on whether to authorize the special election.

Hospital representatives are suggesting a mill levy property tax at a rate of 1.6 mills — or \$1.60 per thousand dollars of net taxable property value — to be used to pay for hospital facilities and services.

Holy Cross Board Chairman Ron Burnham told the commission the mill levy would raise approximately \$1.9 million in annual revenue, which could then be used to obtain matching federal funds at a rate of 3.4-to-one, for a total of about \$6 million. He said that additional funding would help Holy Cross make up for declining revenues and increasing health care costs.

Burnham delved into a brief history of the hospital and said Holy Cross has long had a “very heavy commitment” to providing high-quality care.

“That’s the root of hospital care in Taos County,” he said. “That created a heritage for us of caring for our own.”

He said county residents also have a history of helping the hospital provide better service, including voting in favor of allowing bond sales to benefit Holy Cross in the early ‘90s. “Both of those bonds were retired early,” he said. “We felt like we were good stewards of that support.”

Burnham said Holy Cross is “extremely proud” of its medical staff and continues to work to expand services so Taos County residents don’t have to travel far to receive essential care. He said the hospital serves a county with one of the highest rates of uninsured people in the nation, including providing about \$10 million worth of uncompensated care annually. He said the hospital is now at “somewhat of a crossroads,” however.

According to materials Holy Cross submitted to the county, tapping further into the Sole Community Provider Fund for federal funding to be used for patient care would help bolster the hospital’s budget.

“Holy Cross Hospital qualifies because of its distance from other hospitals, because of its size and because of its patient mix,” its Sept. 19 letter to the county states.

According to information presented to the county, money used to match the sole community provider funds must be public funds and not come from the hospital itself, necessitating the board’s request to the commission.

“Although Taos County has traditionally allocated a portion of the Indigent Fund to make its contribution to the New Mexico Sole Community Provider Fund, the fund has other important purposes,” the letter to the county states. “Because Taos County is limited in what it can contribute from the Indigent Fund, millions of federal dollars that could come to help the community are not accessed. For example, for the fiscal year 2013 (beginning July 1, 2012), Holy Cross is eligible to receive \$5,433,000 but will receive only \$2.2 million, leaving \$3.24 million ‘on the table.’” Burnham told the commission that Holy Cross has exhausted its options in terms of finding further funding and making cuts. Recent budget reductions, including for overtime, staff and other expenses, have saved more than \$3 million total. He said without new sources of revenue, the hospital will face hard questions in terms of where to cut costs further. A slide in his presentation warned, “Without local commitment to support our health system, we all lose out on local health care.”

“We have turned over every rock,” he said regarding board’s search for savings, but the hospital still finds itself \$6 million “short of the mark.”

Holy Cross is requesting a special election be held regarding the mill levy Dec. 18. It would be conducted by mailed ballot, rather than using polling places, as the county’s voting machines cannot be made available between the Nov. 6 General Election and the end of 2012, according to information from the hospital.

Commissioners questioned the timing of the board’s request for a special election. Commissioner Andrew Chávez asked why the request wasn’t made in time to put the item on the Nov. 6 ballot; he said he expects greater participation in the General Election, and County Clerk Elaine Monta-o told the commission the request came about two weeks too late for the item to be added to the Nov. 6 ballot.

Chávez said he suspects the “last-minute” timing to be a “calculated effort” by proponents of the mill levy, as he said he suspects the question has a better chance of succeeding if voter turnout is lower.

“I have been in organizations that have done the same thing,” Chávez said, adding that he would also want a special election if he were advocating for a tax.

Commissioners were largely supportive of the work the hospital does but questioned the timing, voter outreach efforts and ability for county residents to afford a higher mill levy when they are being asked to pay more for other services, as well.

“Let’s not kid ourselves,” Chávez said. “We cannot consider this as an isolated request.”

According to information presented to the county, the tax would become effective for the ensuing fiscal year and sunset after eight years. Burnham said the county could reduce the rate in future years if new funding sources were to become available — but that he “can’t guarantee” that would happen.

[Powered by TECNAVIA](#)

[Copyright \(c\)2012 The Taos News 09/27/2012](#)