



County, town calls for transparency at Holy Cross

By Andrew Oxford

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Holy Cross Hospital should operate more transparently and with greater community involvement, according to Taos County commissioners and town of Taos councilors who devoted two hours of a joint meeting Tuesday morning (Sept. 24) to the discussion of recent layoffs at the nonprofit health-care provider.

Much of the session was dominated by hospital staff and patients who expressed concern and, in some instances, outrage with the Sept. 9 announcement 44 employees would be terminated amid the latest round of cuts at Holy Cross.

The move followed the approval of a strategic plan for the hospital approved by the organization's 13 board members though lambasted for the lack of input sought from the broader community.

During the meeting, transparency and a more inclusive decision-making process were a common theme among the wide range of issues raised by staff and local residents.

"We could get all the money in the world but what we would love is a little accountability," said Martha Jaramillo, a nurse in the intensive care unit and a leader of the union representing health care workers at the hospital. "We would like to have community involvement in hospital decisions. Everyone ought to have a voice in the future of Holy Cross."

Similar sentiments were shared by several town and county officials. Members of both bodies voted unanimously to pursue the creation of what Mayor Darren Córdova described as a joint task force that would include hospital administrators, board members, staff, and local residents to identify solutions to the financial woes of Holy Cross.

Exactly who would serve on such a task force and what scope the group would have will be specified in a future joint resolution. The move, however, follows a recommendation from the union representing health-care workers at Holy Cross which called for a "community-driven strategic plan and timeline for Taos' community hospital" in a packet distributed to local officials.

"I'm very encouraged," Jaramillo told *The Taos News*, adding that staff would play an active role on the task force. "We are going to bring accountability because we are on the frontline and we know the real data."

Holy Cross CEO Peter Hofstetter told *The Taos News* Wednesday (Sept. 25) that administrators met frequently with union officials, made numerous presentations to community groups about the hospital's finances and invited county commissioners to board meetings — invitations, he noted, that were never accepted.

“Where are we missing the communication?” he asked. “The real question is what do they want and that is unclear to me.”

The CEO began the session with a slideshow presentation outlining the financial predicament facing the hospital. The graphic illustration of a \$15 million shortfall over the last three years due largely to cuts in federal and state funding prompted county commission chairman Dan Barrone to ask what local governments could do.

“Is there something we as a community can do?” he asked, before inquiring what had become of the \$5.1 million provided by the county to fund the hospital through the state’s sole community provider program.

Noting that the majority of those funds are currently held by the state and may not be relinquished to the county as planned, Hofstetter urged legislative advocacy. “I think the key is going to be lobbying like crazy,” he said, referring to a litany of state and federal-level policies. It was unclear, for example, how much New Mexico hospitals would be paid to care for patients enrolled in Centennial Care—the state’s new Medicaid program due to launch Jan. 1.

Meanwhile, Hofstetter said, hospitals across the country are receiving smaller payments to treat Medicare patients and the ramifications of the Affordable Care Act remain unclear.

“Government cutbacks have been extreme and they are only expected to get worse,” the CEO said.

“We can argue all day long about the CEO and the board,” he added. “But [the hospital] is being paid \$15 million less than we were three years ago.”

One of several remedies mentioned by Hofstetter sparked a protracted discussion among local leaders — the option of imposing a 3/8 gross receipts tax without a referendum for the purposes of financing the hospital. Las Cruces created just such a tax after the passage earlier this year of House Bill 641 which permits similar gross receipts taxes for financing health systems among other community services.

The hospital’s board backed a property tax referendum in the fall of 2012 but discussion of new taxes was quickly dismissed by county and town officials.

“This is the wrong way to go,” Córdova said, adding that he would prefer the hospital seek other options for boosting revenue.

The mayor also said that he would seek financial support for Taos area health-care services from Los Alamos National Laboratories, which is currently involved with St. Vincent’s Hospital in Santa Fe.

The conversation returned to transparency in hospital affairs with councilor Andrew Gonzales suggesting Holy Cross examine its structure and policies more thoroughly before seeking additional finances from local governments.

“Even if we implement a tax increase, even if we go to LANL, are we just putting a Band-Aid on the problem?” Gonzales asked. “I would like to see more engagement between the governments and the hospital.”

Already the hospital's landlord, commissioner Gabe Romero more bluntly suggested the county examine how it might influence affairs at Holy Cross through their lease agreement.

Taos County owns the hospital building and the land on which it sits, county attorney Robert Malone reported. The 30-year lease signed in 2001 precludes the county from playing an active role in the nonprofit's administration, he added. Taos County also had the option of terminating its lease with Holy Cross without cause within 180 days.

Romero seized on that stipulation suggested the county consider how it might affect a change of leadership at the hospital after asking Hofstetter whether he had also taken a cut in salary amid the recent layoffs. "Are we working with the right management company here?" the commissioner asked, referring to the consulting firm that administers the hospital and employs Hofstetter through a contract with the Holy Cross board.

Barrone and Còrdova also mentioned structural changes, asking whether the hospital should become entirely public.

New concerns regarding patient care in the immediate term also surfaced during the meeting.

Shrinking the intensive care unit from five beds to two could prompt more patients to be transferred to hospitals beyond Taos.

The day after layoffs were implemented, nurses in that unit reported sending a patient to Espanola because there was not a third bed.

Such moves could further strain emergency services, Questa firefighter Mark Ortega told local officials. If a patient in Penasco is transported to Espanola or Santa Fe, he said an ambulance from Questa would be sent south to substitute during the transfer.

"That leaves Questa and all of the northern part of the county uncovered," Ortega said. "So it does affect our community more than not having the beds in the intensive care unit. It also affects our ambulance services."