

## Hospital task force weighs goal

By Andrew Oxford

*The Taos News*, 1/23/2014

What is the prognosis from an intergovernmental committee that has convened twice monthly since Dec. 3 to discuss the survival and sustainability of Holy Cross Hospital? After scrutinizing the nonprofit's finances, there appear to be a lot of prescriptions but no panacea.

"I think we have got enough information now that we can meaningfully decide what it is we want to get done," committee member John Plummer said during a meeting Jan. 8 after successive financial presentations from the hospital's chief operative officer.

But at their latest meeting Jan. 14, committee members remained uncertain of what form their recommendations may take or whether the body is prepared to provide an update on their work to the Taos Town Council and Taos County Commission. When they voted to create the committee in November, town councilors tasked the body with providing some report by the end of January.

Hospital administrators said projections of the nonprofit's revenue and losses for the year would remain cloudy at least until after the current legislative session in Santa Fe. Lawmakers convened there Tuesday (Jan. 21) for a 30-day session that may include the approval of new plans for disbursing millions of dollars to hospitals across New Mexico through the sole community provider program.

Holy Cross received \$2.5 million in sole community provider funding this fiscal year. Changes to the program could have a sizable impact on the hospital's balance sheet.

Financial projections for the fiscal year continue to shift, a spokesperson for Taos Health Systems said this week, noting that the hospital saw a slight profit in December.

That uncertainty left some task force members questioning whether their work was ill timed.

"I'd like to tell [the council] that while there are challenges, things are getting better. To the best of my ability, I can't say that," Taos Town Manager Oscar Rodriguez told the committee at its Jan. 14 meeting.

Hospital administrators have outlined a series of cost-saving measures and opportunities for growth during the committee's meetings. The board will also consider seeking critical access designation — a move that could increase federal funding without necessarily precipitating any operational changes.

A gross receipts tax has also been mentioned as a means of raising revenue for Holy Cross board treasurer Chris Stagg said at the Jan. 14 meeting stood to lose as much as \$7 million this

fiscal year. But Stagg dismissed the prospect of a new tax and county officials on the committee have expressed trepidation.

“We’ll have a red number at the end of this year that is \$7 million and not getting littler,” he said. “Quite honestly, I don’t think the answer to that is the county passing a tax because we’re not going to raise that much.”

Other committee members have suggested the task force also examine the hospital’s governance and administration.

“There may be internal changes that have to be made in addition to what the community does,” Suzanne Schutze, who represents consumers, said.

Schutze requested more details on the hospital’s contract with a consulting and executive recruitment firm, Quorum Health Resources, which employs the nonprofit’s chief executive and chief financial officers. Schutze also suggested a broader discussion of agreements between the hospital and the union representing many of its employees.

The intergovernmental committee has made progress in bringing the hospital’s various stakeholders together after a round of layoffs in October that employees and local leaders said took them by surprise.

“It feels good to be here because we want to be part of the process,” Martha Jaramillo, a nurse and officer in the union representing health care workers at Holy Cross, said during the committee’s Jan. 8.

That spirit of inclusion and dialogue has prompted calls from Santa Fe city councilors to create a similar body to address issues at St. Vincent’s Hospital.

The opportunity for administrators and board members to share the details of their work has also left some local government officials expressing greater confidence in the hospital’s leadership.

“I can appreciate the board and the hospital and what they’re doing,” said town councilor and county commission candidate Michael Silva at the committee’s Jan. 8 meeting. “We can help them to deliver that message that we do have good people in place.”