

Holy Cross Hospital reports healthier bottom line

By Andrew Oxford

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Revenue outpaced expenses at Holy Cross Hospital in December, boosting confidence in the nonprofit's future after a loss of more than \$5 million during the previous fiscal year.

"The bleeding has stopped," Taos County Commissioner Tom Blankenhorn said, noting the \$218,376 gain tempered calls for a new tax to fund the hospital.

A mill levy or gross receipts tax was discussed by an intergovernmental committee tasked with drafting recommendations for the future of Holy Cross.

Blankenhorn, who was elected Feb. 5 to chair the committee as Taos Town Councilor Michael Silva prepares to step down next month, said a combination of cost-saving measures and an emerging deal on state funding under consideration in the legislature suggested the hospital would cut its losses.

"It's not like we are about to close our doors or make more cuts," he told *The Taos News*. "The signal is clear that the drain on cash reserves has stopped."

Meanwhile, lawmakers are advancing legislation that would provide millions of dollars of funding for indigent health care Holy Cross previously lost.

The bill to finance safety net providers through a program formerly known as sole community provider could ensure as much as \$6 million for Holy Cross in the coming year. The hospital only received \$2.5 million through the program in 2013, a significant cut from the more than \$6.5 million in 2012.

The Legislature's action will in large part determine how large a financial loss the hospital may post this year.

"It was understood by everybody that legislation is just something we have to wait for," Silva told *The Taos News*, suggesting local leaders will not consider a tax to fund Holy Cross until March at the earliest.

An uptick in business at the end of 2013 has also helped stabilize the hospital's finances. The nonprofit's bottom line is also beginning to benefit from cuts to beds and the elimination of some staff positions in October, administrators said.

Representatives of the union representing health care workers at Holy Cross were skeptical the last round of layoffs had a positive impact.

"It's too soon to tell the effect of those cuts," Martha Jaramillo, an intensive care unit nurse and union official, told *The Taos News*. But she noted the task force had improved relations between Taos Health Systems and the community.

"I think the hospital has been a lot more open and transparent and willing to work with us to find a good solution," she said.

The hospital study committee now hopes to broaden its scope to other health issues affecting the local community.

Committee members voted Feb. 5 to rename the group the Taos Health Study Committee.

Holy Cross administrators said they hoped to involve more clinicians to identify important findings in the hospital's community needs assessment and develop solutions.

Silva, who formally proposed expanding the committee's mission, said members were well equipped to share resources for combating challenges like obesity. "We can look at how everything works together with doctors and the community," he told *The Taos News*.