

Interim CEO outlines plans, priorities for Holy Cross Hospital

By Andrew Oxford

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During Lucinda Bradley's first day on the job as interim CEO of Taos Health Systems, Dec. 1, a patient's family requested to speak with her.

The Oklahoma native did not know what to expect. Complaints?

The career hospital administrator was not expecting compliments but the patient's family showered praise on the staff who cared for their loved one.

The encounter said a lot about the hospital she had arrived to lead, if only for a short time, Bradley told the nonprofit's board of directors earlier this month.

Two weeks into the job, Bradley told *The Taos News* during an interview Dec. 17 she still had plenty of reasons to be optimistic.

"I've been in several small rural communities but there's so much going for this hospital," she said.

A strong medical staff puts Taos Health Systems on a solid foundation, Bradley explained.

"If you don't have a quality medical staff, it's hard to do much of anything," she said.

There has been positive financial news for the strapped hospital, too.

Expenses were under budget in October and November. Taos Health Systems also had a positive bottom line during five of the last six months. That represents a marked change from fiscal year 2013, for example, when the nonprofit lost more than \$5 million. October was reported to have been a particularly busy month for outpatient visits and surgeries.

"Our financials are so much better this year than they were this time one year ago," Bradley said. "It's tremendous but we still have a ways to go."

The interim CEO outlined part of that "ways to go" in an action plan presented to board members Dec. 10.

Financial health

Improving the nonprofit's financial health is key among her objectives for the next several months.

Bradley said she aims to ensure Taos Health Systems has 25 days worth of cash on hand or more by March. She also intends to reduce the nonprofit's rate of daily spending from \$142,900 and maintain positive margins each month.

To accomplish this, Bradley said hospital administrators will reexamine contracts with suppliers to cut waste and secure better deals. Taos Health Systems may also renegotiate rates with insurance companies that cover its patients to ensure the nonprofit is paid more for the care it provides.

Bradley said the hospital's leaders will also examine the efficiency and economics of certain programs.

"I'm not talking about OB or ER or anything like that," she said, referring to obstetrics and the emergency department, loss-leaders nonetheless seen as essentials for the community. "But we will look at programs in terms of what we really are accomplishing with that program and what it costs. Are we losing money and how could we do this better and more effectively?"

Bradley also said administrators will re-evaluate staffing at the hospital, but said there would not be "another layoff or anything like that."

Taos Health Systems, which includes Holy Cross as well as Taos Women's Health Institute, Taos Surgical Specialties, the Pe-asco Health Clinic and Taos Center for Rehabilitation and Sports Medicine, continues to be a major local employer. The nonprofit employed 570 staff and contractors in fiscal 2013.

Pediatric inpatients

Recruitment will be a key issue for Bradley in the coming months and she acknowledged attracting physicians will remain an important objective into 2015.

Holy Cross is expected to resume accepting pediatric inpatients at the beginning of the year. The hospital suspended admissions in August after a local pediatrician with a private practice informed the hospital she would no longer cover calls.

Bradley said administrators also hope to recruit four emergency room physicians, including a medical director, before summer.

Some emergency department physicians will leave the hospital Jan. 31, she noted. In February, the hospital may be forced to rely on visiting doctors known as locums until replacements are found.

Locums can prove expensive, however, and Bradley said the hospital hopes to recruit two or three long-term locums. Several candidates for permanent positions have already been identified, she added.

Bradley was optimistic the posts will be filled.

"I've been telling people it will be easier to recruit to Taos than other places I've been," she said.

A career in hospitals

Bradley was formerly head of Great Plains Regional Medical Center in Nebraska, where she worked for 22 years before leaving in 2008. Since then, she has served as interim CEO at several hospitals.

Most of the organizations she has led for limited periods of time are small, rural hospitals. She also served as associate director of clinical operations for Stephenson Cancer Center at the University of Oklahoma for several months in 2012.

A career health care executive, Bradley received a bachelor's of business administration from the University of Oklahoma and a master's of health administration from Duke University.

Holy Cross Hospital is a distinctly Taos institution, though, and Bradley suggested she would work with administrators to identify ways in which the community could take more responsibility for the organization's infrastructure.

Taos County owns the hospital building and by March, Bradley indicated administrators will outline means by which the county can support Taos Health Systems.

"I think financial support from the county is a huge piece of the financial picture on a longterm basis in terms of being able to do some work on the physical plant, equipment that's aging and bringing that up-to-date," Bradley said.

Aging equipment represents a mounting expense for the hospital, which plans to identify the costs of deferred maintenance and draft a three-year budget for improving facilities. Administrators will also draft a pro-forma for four loss-leaders — the emergency department, pediatrics, labor and delivery and the intensive care unit.

What remains unclear is the coming legislative session's impact on the hospital's finances.

Administrators have attributed the organization's multimillion dollar losses in recent years in large part to cuts in state funding through a program once known as the Sole Community Provider Program and now known as the Safety Net Care Pool.

Legislators are likely to revisit the program's funding during their 2015 session, casting doubt on how much the hospital can expect to receive from the state.

"That will really make a huge difference if we can know how much we are going to get and when we are going to get it," Bradley said.

Bradley will also prepare for the hospital's board to decide by May whether to build longplanned new facilities with a USDA loan secured in 2012.

Partnership with UNM

Bradley will also steer the nonprofit as it explores a relationship with UNM.

In the long term, Bradley said the university has discussed taking over the medical direction of and physician staffing in the emergency department.

In the short-term, the university may provide visiting doctors to temporarily fill vacancies, she said.

Telemedicine programs and other clinical services could eventually be extended to the hospital, she added.

CEO search

A new CEO is expected to begin work by the second quarter of 2015, a representative of Quorum Health Resources told the board earlier this month. Quorum Health Resources is a private management and consulting firm contracted to recruit a new CEO.

One candidate has already met with board members and staff. Janet Sternberg is a registered nurse and hospital administrator who formerly served as president and CEO of Huron Medical Center in Michigan.

The board reportedly hopes to interview one more candidate before reaching a decision.

Whoever is selected will replace Peter Hofstetter, who led the organization from 2009 before leaving this summer for a position in Oregon.

While Bradley was clear, during a board meeting earlier this month, she intends to stay at the hospital's helm only temporarily, there was no mistake she nonetheless has lots of work ahead of her.



Lucinda Bradley

Courtesy Taos Health Systems