

**BOARD OF TRUSTEES - OPEN SESSION AMENDED AGENDA****April 30, 2021 @ 9:00 AM**<https://hsc-unm.zoom.us/j/91343180702> Meeting ID: 913 4318 0702 / Passcode: 725240

1-346-248-7799 / 913 431 807 02# 725240# US (Houston)

1-669-900-6833 / 913 431 807 02# 725240# US (San Jose)

- I. **CALL TO ORDER – Mr. Del Archuleta, Vice Chair, UNM Hospital Board of Trustees**
- II. **ANNOUNCEMENTS (Informational – 5 Minutes)**
- III. **ADOPTION OF AGENDA (Approval/Action - 5 Minutes)**
- IV. **PUBLIC INPUT (Informational)**
- V. **APPROVAL OF THE MINUTES**
  - [February 26, 2021 UNMH Board of Trustees Meeting Minutes](#) – Mr. Del Archuleta, Vice Chair **(Approval/Action – 5 Minutes)**
- VI. **MISSION MOMENT** – Mrs. Patti Kelley, UNMH CNO, to Introduce Jennifer McGrath, RN, MSN, OCN, Unit Director 3E Adult Oncology and 5E CRC/CTC **(Informational – 10 Minutes)**
- VII. **BOARD INITIATIVES**
  - UNM Hospitals Medical Staff Rules and Regulations – Dr. Nathan Boyd, Chief of Staff **(Approval/Action after Discussion in Closed Session)**
  - [FY21 Revised and FY22 Operating Budget](#) – Mrs. Bonnie White, UNM Hospital CFO **(Approval/Action – 15 Minutes)**
  - [FY21 Revised and FY22 Capital Budget](#) – Mrs. Bonnie White, UNM Hospital CFO **(Approval/Action – 15 Minutes)**
  - UNMH Board Members – Mr. Del Archuleta, Vice Chair
    - Dr. Jennifer Phillips' Term Ends June 30, 2021; replaced by Dr. Davin Quinn **(Approval/Action – 5 Minutes)**
    - Judge Joseph Alarid's Term Ends June 30, 2021 **(Informational – 5 Minutes)**
  - UNMH BOT Community Engagement Committee – Mr. Del Archuleta, Vice Chair **(Approval/Action – 5 Minutes)**
- VIII. **ADMINISTRATIVE REPORTS (Informational – 15 Minutes)**
  - [Executive Vice President Update](#) – Dr. Douglas Ziedonis
  - [HSC Committee Update](#) – Dr. Michael Richards
  - [UNMH CEO Report](#) – Mrs. Kate Becker
  - [UNMH CMO Report](#) – Dr. Irene Agostini
  - Chief of Staff Update – Dr. Nathan Boyd
- IX. **UNMH BOT COMMITTEE REPORTS (Informational – 10 Minutes)**
  - Finance Committee – Mr. Del Archuleta
  - Audit & Compliance Committee – Mr. Del Archuleta
  - Quality and Safety Committee – Mr. Erik Lujan
  - Native American Services Committee – Mr. Erik Lujan
- X. **OTHER BUSINESS**
  - [Financials](#) – Mrs. Bonnie White, UNMH CFO **(Informational – 10 Minutes)**
- XI. **CLOSED SESSION: Vote to close the meeting and to proceed in Closed Session (Approval/Action – Roll Call Vote)**
  - a. Discussion of limited personnel matters pursuant to Section 10-15-1.H (2), NMSA pertaining to the appointment and reappointment of medical providers to the medical staff of UNM Hospital and expansion of medical staff privileges for certain UNM Hospital medical staff providers, including the discussion of matters deemed confidential under the New Mexico Review Organization Immunity Act, Sections 41-9-1E(7) and 41-9-5, NMSA.
  - b. After discussion and determination where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other items were discussed, nor were actions taken.
- XII. **Certification that only those matters described in Agenda Item XI were discussed in Closed Session; consideration of, and final action on the specific limited personnel matters discussed in Closed Session. (Approval/Action – Roll Call Vote)**
- XIII. **Adjourn Meeting (Approval/Action)**

# February 26, 2021 UNMH Board of Trustees Meeting Minutes

| <i>Agenda Item</i>         | <i>Subject/Discussion</i>  | <i>Action/Responsible Person</i>  |
|----------------------------|--|---|
| Voting Members Present     | Terry Horn, Jennifer Phillips, Joseph Alarid, Erik Lujan, Del Archuleta, Kurt Riley, Tamra Mason, Michael Brasher, and Trey Hammond  |   |
| Ex-Officio Members Present | Kate Becker, Michael Richards, Garnet Stokes, Robert Schwartz, Irene Agostini  |   |
| Staff Members Present      | Michael Chicarelli, Dusadee Sarangarm, Jennifer James, Kori Beech, Kris Sanchez, Ryan Randall, Rohini McKee, Bonnie White, Davin Quinn, Martha McGrew, Cipriano Botello, Gabriel Gabaldon, Patti Kelley, Sara Frasch, Scot Sauder, Dawn Harrington, David Pitcher, Sireesha Koppula, Kim Wagner, and Fontaine Whitney  |   |
| County Officials Present   | Clay Campbell  |   |
| I. Call to Order           | A quorum being established, Mr. Terry Horn, Chair, called the meeting to order at 9:03 AM  |   |
| II. Announcements          | N/A  |   |
| III. Adoption of Agenda    | Mr. Terry Horn, Chair, requested a motion to adopt the Agenda.   | Mr. Trey Hammond made a motion to adopt the agenda. Mr. Del Archuleta seconded the motion. Motion passed with no objections.  |
| IV. Consent Items          | <p>Mrs. Bonnie White, UNM Hospital Chief Financial Officer, presented the below identified Consent Item (document in BoardBook) for review and approval. Funds come from the Operational Budget. Mr. Terry Horn, Chair, indicated the UNMH BOT Finance Committee discussed/reviewed the Consent Item in detail and recommend approval by the full UNM Hospital Board of Trustees. After discussion, Chair Horn requested a motion to approve the Consent Item listed below.</p> <ul style="list-style-type: none"> <li>Clifton Larson Allen (CLA) - \$1,917,670</li> </ul> | Mr. Del Archuleta made a motion to approve the Consent Item as presented and discussed by Mrs. Bonnie White. Dr. Tamra Mason seconded the motion. Motion passed with no objections. |
| V. Public Input            | N/A  |   |
| VI. Approval of Minutes    | Mr. Terry Horn, Chair, asked for any revisions to the January 29, 2021 UNM Hospital Board of Trustees Meeting Minutes. Hearing no revisions, Mr. Horn requested a motion to approve the January 29, 2021 UNM Hospital Board of Trustees Meeting Minutes as presented.  | Mr. Erik Lujan made a motion to approve the January 29, 2021 UNM Hospital Board of Trustees Meeting Minutes. Mr. Del Archuleta seconded the motion. Motion passed unanimously.      |

|                                     |   |  |
|-------------------------------------|---|--|
| <p>VII. Mission Moment</p>          | <p>Mrs. Kate Becker, UNM Hospital CEO, introduced Mrs. Patti Kelley, UNM Hospital CNO, who introduced the Mission Moment. Mrs. Kelley introduced two team members from 5 West, Mr. Cipriano Botello, Unit Director, and Mr. Christopher “Gabby” Gabaldon, Nurse on 5 West. She said that 5 West has been a general medical unit for many years and when COVID started 5 West became our first designated COVID unit and has been the unit challenged to be more flexible than any other unit.</p> <p>Mr. Botello and Mr. Gabaldon were thankful for being asked to present today’s Mission Moment. Mr. Botello stated that he feels lucky to have Mr. Gabaldon on the team and he asked Mr. Gabaldon to present the Mission Moment because he was given high regard from the patient. Mr. Gabaldon read the Mission Moment (included in Open Session BoardBook).</p> <p>Mr. Terry Horn, Chair, thanked Mr. Botello, Mr. Gabaldon, the team of 5 West and the entire hospital and said the State of New Mexico is Blessed to have this team and the hospital, especially with the stress they have been under for so many months with the pandemic. Chair Horn asked Mr. Botello to extend appreciate and thanks to the team from the Board of Trustees. Mr. Del Archuleta stated it is incredible and a joy for him to be on the Board and he is appreciative of the care given to the Community; it is touching the way the Nurses and the hospital take care of people and thanked them for being Hero’s. Dr. Tamra Mason stated all Nurses and caretakers in the hospital are every day Champion’s. Mr. Robert Schwartz stated that Mr. Gabaldon is an example of what is needed in Nursing. Mr. Kurt Riley said the letter is reflective of what everyone in the organization strives to do and he has some experience in trying to recruit this type of person. These are the kinds of things we are proud of to be on the Board of Trustees. Dr. Mike Richards also thanked Mr. Botello and Mr. Gabaldon and asked everyone to take a little time to celebrate and recognize Nurses and the nursing teams who have been real Heroes of the COVID-19 pandemic and even without a pandemic. He is very proud of this team and was thankful for being asked to present the Mission Moment.</p> |  |
| <p>VIII. Administrative Reports</p> | <p>Dr. Michael Richards presented Dr. Doug Ziedonis’ Executive Vice President Report in his absence. Dr. Ziedonis has completed his 90 day listening tour and we are expecting to hear some feedback soon from his observations. Dr. Ziedonis put together a health system leadership group that will focus on strategy and vision of health system. Dr. Ziedonis was a featured speaker at the recent LTE Conference where he shared his vision and had a question/answer session. (report included in BoardBook)</p> <p>Dr. Michael Richards presented the HSC Committee Report (report included in Boardbook)</p> <p>Mrs. Kate Becker presented the UNM Hospital CEO Report. Mrs. Becker announced the Gallup Clinic will be opening in the next couple of weeks, which is very exciting. Have done Outreach with Gallup for some time and this will give us a permanent home base. Have completed an RFP for the design for the Crisis Triage Center with Bernalillo County; responses will be reviewed and an Architect will be chosen in March. (report included in BoardBook)</p> <p>Dr. Irene Agostini presented the UNM Hospital CMO Report. Dr. Agostini stated we will be able to complete COVID testing now at the Gallup Clinic. Department of Emergency Medicine will also be working with the Gallup Clinic for Outreach into the area. Dr. Agostini highlighted Dr. Joanna Fair for the great job on the ACGME Survey. As of February 23, 2021 we were at 41,405 COVID-19 vaccines given for UNM Hospital – we are continuing to be at the top 4 states providing vaccines; PIT is going well and doing a great job. Dr. Mike Chicarelli stated that the PIT is the largest site in the state and EXPO NM is the second largest site. (report included in BoardBook)</p>  |  |

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|---------------------------------------|--|--|
|                                       | <p>Dr. Davin Quinn presented in Dr. Nathan Boyd’s absence. Dr. Quinn stated they are beginning the process of implementation of the Medical Staff Bylaws revisions which were recently approved. Dr. Agostini stated that we have met with the Greeley Company to work on Peer Review in the organization; a Peer Review Committee will be established that is multi-specialty and organization wide – Dr. Rohini McKee will lead the efforts.</p>   |  |
| <p>IX. UNMH BOT Committee Reports</p> | <p>Mr. Terry Horn gave a brief summary of the February UNMH BOT Finance Committee and the Feasibility Study Review Meetings.</p> <p>Mr. Terry Horn stated the UNMH BOT Audit &amp; Compliance Committee did not meet</p> <p>Mr. Erik Lujan and Mr. Kurt Riley gave a brief summary of the February UNMH BOT Quality and Safety Committee Meeting.</p> <p>Mr. Erik Lujan gave a brief summary of the February Native American Services Committee Meeting. He stated that discussion was held on the upcoming All Tribes Spring Consultation. The Committee is in the process of creating a document to explain the 100-bed agreement.</p> <p>Mr. Terry Horn stated that the UNMH BOT Community Engagement Committee was created three years ago by former Chair, Mr. Jerry McDowell, because there was some thought there may be some gaps in the hospital’s engagement with the Community and perhaps the Board of Trustees could be useful. The committee has been chaired by Mr. Joseph Alarid for the past year. Upon further review it was determined the current Outreach by the hospital is robust; therefore, it was determined this Committee is no longer required. Chair Horn stated subject to discussion, he will request an approval at the next Board of Trustees Meeting for disbandment of the Committee; however, in the future if there is a need for the Board to get involved in Outreach, it will be discussed and determined at a Board Meeting. Mr. Alarid stated that the function of the full Board of Trustees is to represent the community and be cognizant of our engagement as an institution; there is no need for a separate committee. Mrs. Kate Becker stated Outreach Reports will be presented to the Board of Trustees periodically. Mr. Del Archuleta stated he is supportive and that all of the Board of Trustees come from different aspects of the community and when necessary the staff can advise if assistance is needed by Members to get involved with Outreach concerns. Mr. Erik Lujan stated part of the purpose of creating the committee was an access issue because some community members were concerned about accessing information, staff and Board Meetings. Mr. Lujan stated 4-5 years ago we struggled as an organization in promoting Outreach meetings to verify from those in the community that sometimes feel they are not being heard to stated their concerns and feel they were being heard. However, Mr. Lujan believes the organization is currently doing a lot better in getting viewpoints heard and in getting communication out into the community.</p> |  |
| <p>X. Other Business</p>              | <p>Mrs. Bonnie White presented the Financial Update through January 2021</p>   |  |

|                                |   |  |
|--------------------------------|---|--|
| <p>XI. Closed Session</p>      | <p>At 10:06 AM Mr. Terry Horn, Chair, requested a motion to close the Open Session of the meeting and move into Closed Session.</p>   | <p>Mr. Michael Brasher made a motion to close the Open Session and move to the Closed Session. Mr. Del Archuleta seconded the motion. Per Roll Call, the motion passed.</p> <p><b>Roll Call:</b><br/>         Mr. Terry Horn – Yes<br/>         Dr. Jennifer Phillips – Yes<br/>         Mr. Joseph Alarid -- Yes<br/>         Mr. Erik Lujan - Yes<br/>         Mr. Del Archuleta – Yes<br/>         Mr. Kurt Riley – Yes<br/>         Dr. Tamra Mason – Yes<br/>         Mr. Michael Brasher – Yes<br/>         Mr. Trey Hammond – Yes</p> |
| <p>Vote to Re-Open Meeting</p> | <p>At 10:20 AM Mr. Terry Horn, Chair, requested a roll call motion be made to close the Closed Session and return the meeting to the Open Session.</p>  | <p>Mr. Del Archuleta made a motion to close the Closed Session and return to the Open Session. Dr. Tamra Mason seconded the motion. Per Roll Call, the motion passed.</p> <p><b>Roll Call:</b><br/>         Mr. Terry Horn – Yes<br/>         Dr. Jennifer Phillips – Yes<br/>         Mr. Joseph Alarid -- Yes<br/>         Mr. Erik Lujan - Yes<br/>         Mr. Del Archuleta – Yes<br/>         Mr. Kurt Riley – Yes<br/>         Dr. Tamra Mason – Yes<br/>         Mr. Michael Brasher -- Yes<br/>         Mr. Trey Hammond – Yes</p>  |
| <p>XII. Certification</p>      | <p><b>After discussion and determination where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other items were discussed, nor were actions taken.</b></p> | <p>Mr. Terry Horn, Chair, acknowledged the Clinical Privileges and Credentialing approvals from the UNMH BOT Quality and Safety Committee Meeting of February 24, 2021.</p> <p>Mr. Terry Horn, Chair, acknowledged the following Meeting Minutes as presented and approved by each committee.</p> <ul style="list-style-type: none"> <li>• Medical Executive Committee 01/20/2021</li> <li>• UNMH BOT Quality and Safety Committee 01/22/2021</li> </ul>   |

|                          |  |   |
|--------------------------|--|---|
|                          |  | <ul style="list-style-type: none"> <li>• UNMH BOT Finance Committee 01/27/2021</li> <li>• UNMH BOT Finance Committee Feasibility Study Review 01/26/2021</li> <li>• UNMH BOT Native American Services Committee 11/19/2020</li> <li>• UNMH BOT Native American Services Committee 01/15/2021</li> </ul> |
| <p>XIII. Adjournment</p> | <p>The next scheduled Board of Trustees Meeting will take place Friday, April 30, 2021 at 9:00 AM via Zoom Conference Call. There being no further business, Mr. Terry Horn, Chair, requested a motion to adjourn the meeting.</p> | <p>Mr. Michael Brasher made a motion to adjourn the meeting. Mr. Del Archuleta seconded the motion. The motion passed unanimously. The meeting was adjourned at 10:26 AM.</p>   |

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Mr. Kurt Riley, Secretary  
 UNM Hospital Board of Trustees

# MISSION MOMENT





# **Mission Moment Appreciation Email Inpatient Treatment**

UNM HOSPITAL BOARD OF TRUSTEES  
FRIDAY, APRIL 30, 2021

# You can clearly see and feel the passion they have for what they do.....

On February 3rd I came into the ER due to discoloration in my foot, and increased pain and weakness in my left leg. I ended up being admitted for pain management as the discoloration was determined to be a side effect of the chemo I was receiving.

Upon the routine blood work that is done it showed that my hemoglobin levels were low in the red, so I was all set up for my 3rd blood transfusion. At first everything was fine, until next thing I know I was being told that I was being intubated because the blood I got had CMV, I was placed under heavy sedation for I think 2 days or more, I was in the Trauma ICU for most of my stay, they took really good care of me. Made me feel welcome and truly cared about, I wish I were able to thank each and every nurse and Tec on team that took such good care of me, I cannot remember all of their names (I am really bad at remembering names) that cared for me in MICU, but they were all amazing. I was then moved to Carrie Tingly ICU overflow I was there a day in a half maybe, and the team that took care of me there were just as amazing and caring.

I then finished my stay on the Oncology Ward, 5 East. Each and every person that came in to my room to care for me, made me feel at home, made me feel as though I truly mattered to them that I was not just another patient sent up to be cared for. They greeted me as if they have known me for many years. Granted I have been inpatient quite a few times for different things, since being diagnosed with a very aggressive Cancer, and have seen them in passing, or maybe one night of my stay they were on my care team. I have been inpatient now for 20 days I am suppose to be discharged tomorrow 2/23/21 God willing, and it is bitter sweet to be honest.

# I have not been away from my family this long before.....

I have a 10 year old daughter she is a trooper and has been so brave and strong thru this, even through all the tears she cried because I was not able to come home and be with her and she was very scared and still is. It has also been very hard on my dad as he has lost both his parents in the past 6 months and fear is very high. At times I was shocked that I made it through the day or the night without completely losing my mind, I did have one episode where I lost it and sobbed for nearly 2 hours. The care and concern and words of encouragement I heard and saw in their faces made me feel better. Made me feel even more like family and if it were not for the restrictions of giving hugs I would of hugged everyone.

\* Whenever I needed them for something they were on it, when I would apologize for bothering them when I needed something they reassured me that it is not anything to be sorry about that that is why they are here. I honestly feel that if it were not for the amazing team I had I would not of been able to get as relaxed as I did and would not of been able to get better as quickly, as I am being told I recovered. Everyday, morning, noon, and night, they greeted me with a smile and kind words, I feel as though even though I was away from my biological family, that I was adopted into the family I have grown to love and care about here. It is bitter sweet knowing that I may be discharged before I am able to say goodbye to everyone, so if this letter can be given to them I will be so happy.

I wish there was a way that I could stay connected with them and send occasional say Facebook messages if it does not cross any policy that says this is a no-no to them just to see how they are doing and let them know how much I owe them for everything they have done for me. Never once did I have someone including the nursing students who were amazing as well was there the awkward silence we always found something to talk about even if it were just talking about the weather.

# Their patience is amazing..... I felt overwhelmed with their kindness...

Another thing Chemo brain is definitely a thing when it is, it's really annoying and I will say something, then end up repeating what I said I would get annoyed and would be told not to worry that its no big deal it happens and it would be brushed off, which is really helpful because at times it happens and I get so confused and so upset that I get really mad and discouraged that I would give up on what I am trying to say. Even more so when I am needing to ask for something and the nurse comes in and I have forgotten what it was I was needing their is patience amazing.

\*I suffer from mental ick that at times my thoughts tell me what an inconvenience to others I am and that what I may need is not important to others just to suck it up and hurry up and wait. But it was not like that with them for example, I page them to say use the restroom and five minutes later I am paging them again because I am drinking water like crazy and I have to go again, they come in smiling and ready to help and clean up my bed for me so when I am done in the restroom I have fresh bed to climb into.

\*Please let them know, how amazing I think they are. And how much I appreciate them, and everything they have done for me. I feel like a completely different person and it is because of them, I feel so down to earth and had a lot of time to self reflect. I don't know any other way to repay them other than to let them know how much I have grown to love and care, about them all and wish them the best in life and any goal they may set for themselves, it is clear for each and every one of them how much they truly care about the people they take care of. They treat me as more than just a paycheck. I felt overwhelmed with the kindness. You can clearly see and feel the passion they have for what they do. If it is possible to send this to the Nursing students instructors as well I would be grateful, as they were just as wonderful and helpful.

# Teamwork

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As you can see the patient went to all 3 of the ICUS as well as 5E and the kindness and compassion was shown on each unit she was on. This speaks to the culture of our areas and the collaborative teamwork that is done on the units day after day When I round with patients the We Care theme is present when patients talk about our staff.



# FY21 Revised and FY22 Operating Budget

# UNM Hospitals

Fiscal Year 2021 Operating  
Budget Revision

Fiscal Year 2022 Operating  
Budget

April 28, 2021

# Budget Driving Variables

- Inpatient beds at capacity
  - Length of Stay reductions necessary to increase capacity
- COVID Uncertainties
  - Status of vaccination efforts
  - Impact of COVID variants
  - Possible surge Winter 2021
  - Ability to hire local workforce rather than contract labor if there is another surge
  - What is the “new normal”?
  - Continuing capacity issues possible
- Implement telehealth system
- Manage new tower build and development along with day to day operations
- Volume and Revenue changes
  - Return to pre-COVID-19 activity levels
    - Decrease CMI from 2.1983 to 2.1137 (-4%)
    - Decrease patient days -3.0% (5,209 days)
    - Increase clinic visits 5.5% (approximately 29,000 visits)
    - Increase surgeries 9% (1,749 cases)



# Overview of Budget Process

- Statistics
  - Developed from pre-COVID volumes as well as current trends and known changes in providers/programs
  - Includes assumptions on new recruitments of providers
  - Projections coordinated across the Health System (Hospitals, Medical Group, School of Medicine)
- Revenues
  - Baseline period is pre-COVID, April 1, 2019 – March 31, 2020. Also compared to current year trends.
  - Incorporates changes in projected statistics
  - Includes assumptions on payer reimbursement (Medicare, Medicaid, contracted payers)
- Expenses
  - FTEs in alignment with volume changes
  - Standard inflation assumptions
  - Incorporate known changes to line items
- Non operating revenues/expenses
  - Mil Levy increased based on historical increases
  - Interest Expense based on amortization schedule
  - Donations based on historical trend

# FY 22 Budget Statistics

|                           | FY2019<br>Actual | FY2020<br>Actual | FY2021<br>Annualized | FY2022<br>Budget | Incr / (Decr)<br>from FY<br>2021 | FY2022<br>Baseline | FY22 Budget<br>Incr/(Decr)<br>from Baseline |
|---------------------------|------------------|------------------|----------------------|------------------|----------------------------------|--------------------|---|
| <b>Nursing Division</b>   |                  |                  |                      |                  |                                  |                    |   |
| Inpatient Days            | 155,656          | 156,128          | 173,353              | 168,144          | -3%                              | 163,149            | 3%  |
| Inpatient Discharges      | 25,418           | 24,687           | 25,096               | 26,985           | 8%                               | 25,874             | 4%  |
| Observation Discharges    | 11,427           | 10,867           | 8,705                | 13,146           | 51%                              | 11,654             | 13%   |
| Emergency Visits          | 83,616           | 80,099           | 115,764              | 88,552           | -24%                             | 86,068             | 3%  |
| Urgent Care Visits        | 20,369           | 17,681           | 9,078                | 16,000           | 76%                              | 20,972             | -24%  |
| Operations                | 20,127           | 18,198           | 18,680               | 20,429           | 9%                               | 19,978             | 2%  |
| Births                    | 2,892            | 2,894            | 2,694                | 2,584            | -4%                              | 2,941              | -12%  |
| <b>Ambulatory</b>         |                  |                  |                      |                  |                                  |                    |   |
| Primary Care Clinics      | 164,631          | 154,588          | 182,805              | 183,839          | 1%                               | 173,566            | 6%  |
| Specialty Clinics         | 378,666          | 350,013          | 342,971              | 371,096          | 8%                               | 388,371            | -4%   |
| <b>Ancillary Services</b> |                  |                  |                      |                  |                                  |                    |   |
| Lab Services              | 2,851,281        | 2,814,579        | 3,035,177            | 3,093,634        | 2%                               | 3,109,818          | -1%   |
| Pharmacy                  | 4,319,984        | 4,009,704        | 4,046,091            | 4,132,210        | 2%                               | 4,162,549          | -1%   |
| Radiology                 | 326,850          | 298,083          | 311,237              | 309,609          | -1%                              | 320,801            | -3%   |
| Rehab Services            | 617,290          | 698,390          | 807,939              | 717,126          | -11%                             | 705,372            | 2%  |
| Case Mix Index            | 1.9844           | 2.0780           | 2.1983               | 2.1137           | -4%                              | 2.0522             | 3%  |

# FY 22 Budget Behavioral Health Statistics

|                           | FY2019<br>Actual | FY2020<br>Actual | FY2021<br>Annualized | FY2022<br>Budget | % Incr /<br>(Decr)<br>from FY<br>2021 | FY22<br>Baseline | FY22 Budget<br>Incr/(Decr)<br>from Baseline |
|---------------------------|------------------|------------------|----------------------|------------------|---------------------------------------|------------------|---|
| Patient Days              | 24,395           | 23,526           | 22,703               | 24,456           | 8%                                    | 14,465           | 69%   |
| Other Stats               |                  |                  |                      |                  |                                       |                  |   |
| Outpatient Visits         | 69,424           | 100,508          | 112,753              | 132,327          | 17%                                   | 86,044           | 54%   |
| Midlevel                  | 95,484           | 92,095           | 79,768               | 100,311          | 26%                                   | 91,424           | 10%   |
| Methadone & Buprenorphine | 158,068          | 146,800          | 188,703              | 161,075          | -15%                                  | 158,825          | 1%  |
| Average Patients per day  | 433              | 402              | 517                  | 441              | -15%                                  | 435              |   |

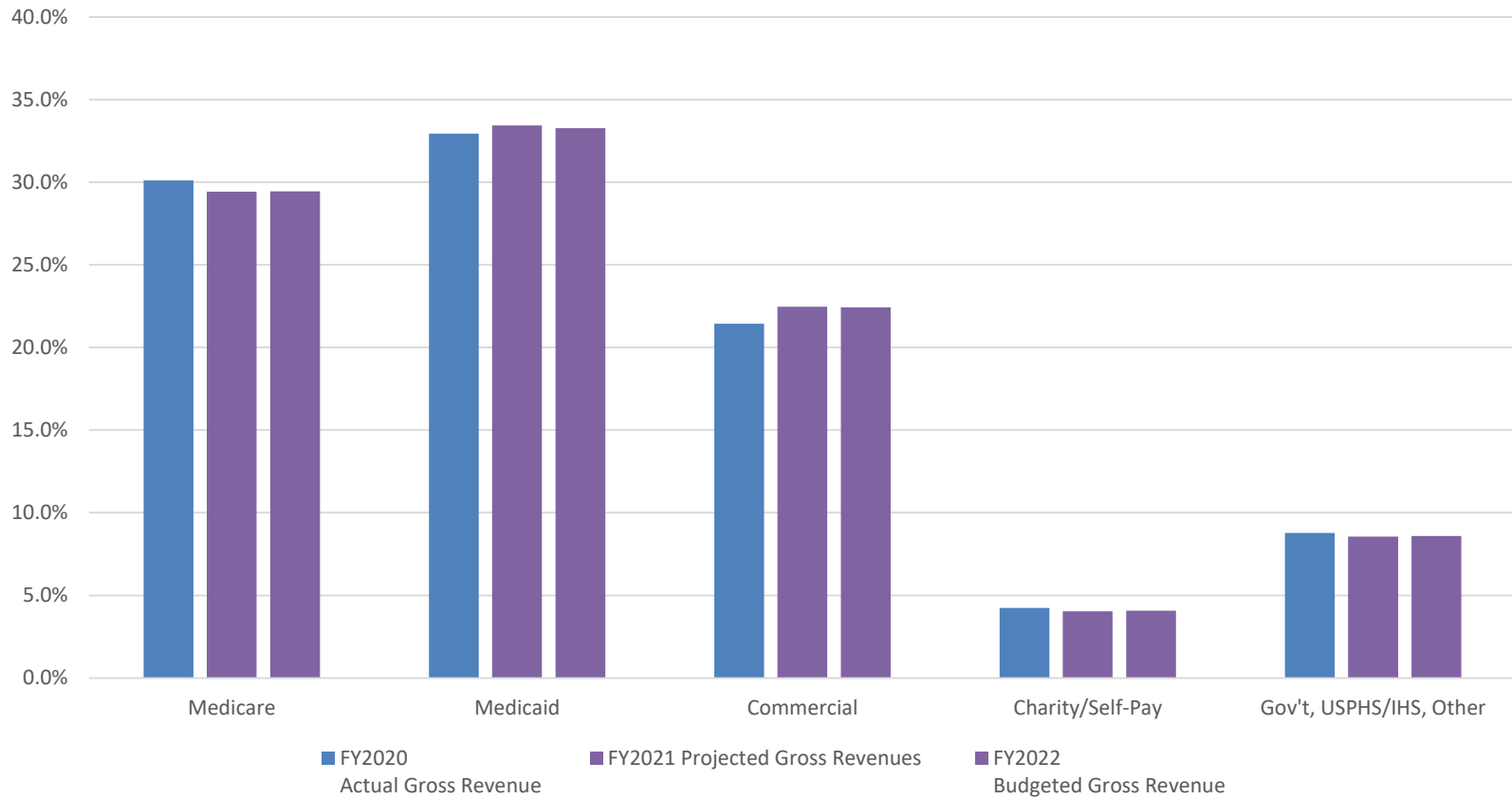
# FY22 Revenue Budget

- Total Operating Revenue decrease (\$53.5 million)
- Inpatient access and throughput increase \$29.7 million
  - Increase UNMH discharges 8%, reduction in Adult LOS – additional 1,890 discharges
  - Maintain ratio of Adult IP/Observation discharges
  - Increase clinic & surgical volumes
    - Primary Care Clinics preliminary increase 1%
    - Specialty Clinics preliminary increase 8%
    - Surgeries preliminary increase 9%
- Case Mix Index decrease (\$39.8 million)
  - COVID-19 patients had higher acuity

- Medicare decrease (\$2.8 million)
  - Additional COVID payment
- Medicaid Reductions (\$41.2 million)
  - Medicaid outlier change (\$27.1 million)
    - Impacts FFS and MCO
    - Impacts IME
    - NM HSD update cost to charge ratio – will do annually
  - Other Medicaid changes decrease (\$14.1 million)
- No other pending payer contract changes

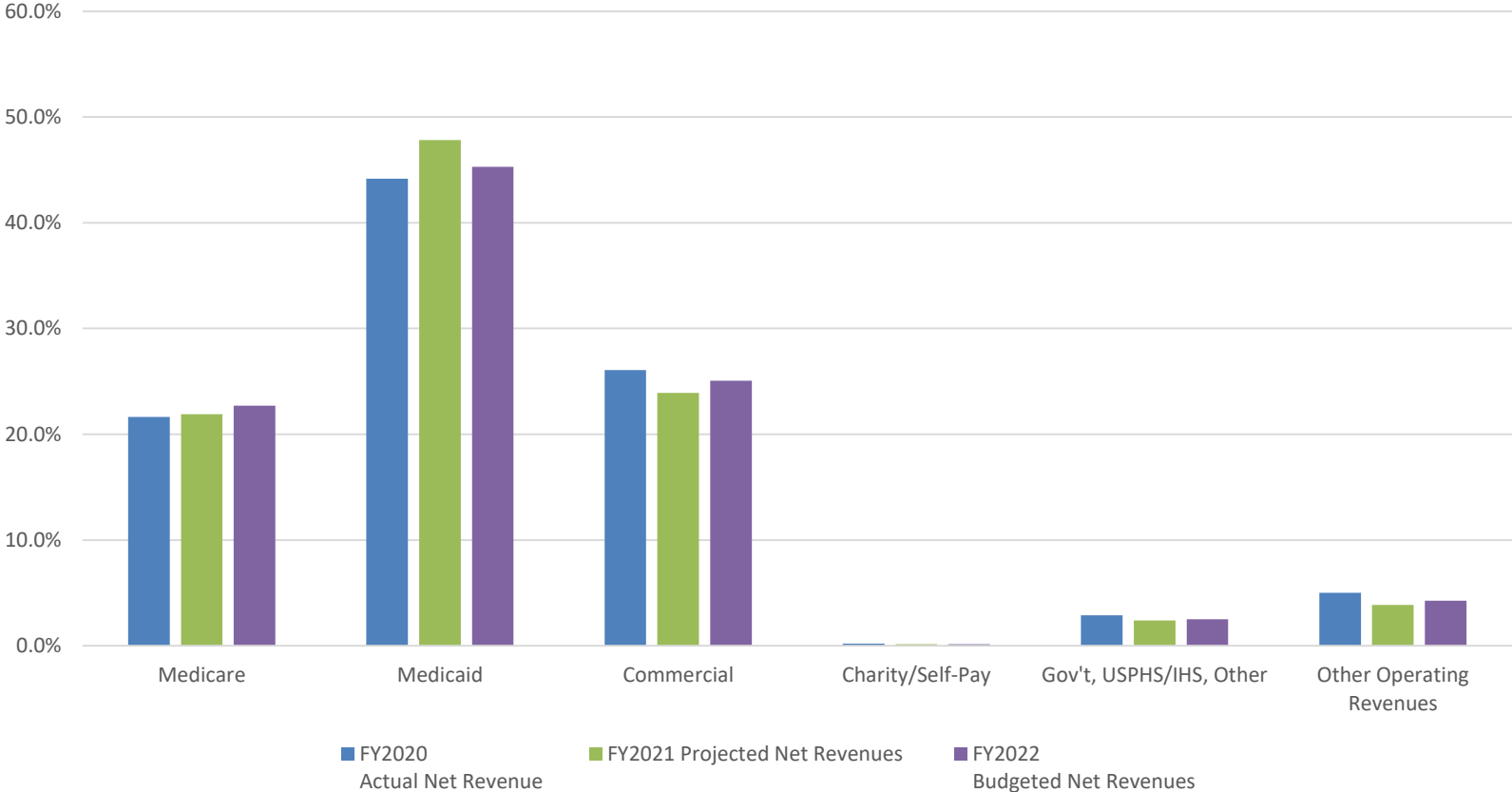
# Gross Payer Mix

## Gross Revenue Payer Mix by Year



# Net Payer Mix

Net Operating Revenue Payer Mix by Year



# FY22 Expense Budget

- Compensation and benefits decrease – (\$59 million)
  - Decrease usage of contract labor and overtime
  - Average increase on compensation and benefits – 3%
  - Increase in minimum wage
- UCP and Other Medical Services decrease – (\$9.8 million)
  - 1.5% increase UCP
  - Decrease of physician support added for COVID coverage
  - Decrease TriCore Expense
    - COVID testing is more expensive
- Housestaff – 2% increase and 14 new FTEs
  - Family Medicine at Shiprock, NM
  - Complex Family Planning
  - Regional Pain Anesthesia
  - Pediatrics
  - Family Medicine Santa Fe
  - Internal Medicine
  - Psychiatry
  - Urology
  - Dermatology



# FY22 Expense Budget

- Supplies increase - \$15.3 million increase
  - General supplies & Pharmaceutical - 3% inflation \$3.5 million increase
  - Volume increase in surgical services – implants \$5 million increase
  - Cancer Center pharmaceuticals - \$4.9 million increase
- Equipment/Occupancy/Depreciation - \$1.5 million increase
  - Equipment decrease \$2.7M
    - COVID related conversion of space to temporary patient care space
  - Telehealth
  - Kronos Upgrade
  - Utilities inflation
- Purchased Services/Supplies/Other \$4.7 million
  - Inflation increases on remote hosted software
  - Inflation on other supplies and other (food services, housekeeping, shipping)
  - Internal Auditing firm hired

# FY22 Non Operating Budget

- Non Operating Revenue and Expense
  - Mill levy - 1.5% increase
  - State Appropriations - \$225k for state funded salary and fringe increases
  - Interest Expense - decrease as per debt service schedule
  - Bond Issuance Costs & Mortgage Interest Expense for new hospital tower - \$9.3 million
  - Decrease in CARES Act funding

# Behavioral Health Program Included in Budget

- Care Campus (MATS) – continuing program development
- Intensive outpatient treatment program development
- Crisis triage center planning
- Access to crisis services – continue program planning and development
- Expansion of telehealth services
- Continued expansion of the health home
- Development of a Transitional Age Clinic

# FY22 Budget

|  | FY2019<br>Actuals    | FY2020<br>Actuals    | FY2021<br>Reforecast  | FY2022<br>Budget     | FY22 to FY21<br>Difference |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------------|
| <b>Total Operating Revenues</b>            | \$ 1,073,496,247     | \$ 1,151,859,081     | \$ 1,307,913,187      | \$ 1,254,359,139     | \$ (53,554,048)            |
| <b>Expenses:</b>                           |                      |                      |                       |                      |                            |
| Salaries & Benefits                        | 533,975,608          | 551,852,402          | 666,163,555           | 607,271,566          | (58,891,989)               |
| Housestaff                                 | 31,359,620           | 34,924,884           | 35,382,409            | 39,342,960           | 3,960,551                  |
| UCP  | 79,887,838           | 86,585,192           | 96,014,219            | 98,242,193           | 2,227,974                  |
| Cancer Center                              | 19,624,941           | 15,824,844           | 25,560,045            | 25,977,883           | 417,838                    |
| Other Medical Services                     | 52,428,031           | 57,538,622           | 76,063,204            | 63,950,608           | (12,112,596)               |
| Medical Supplies                           | 208,109,011          | 214,151,290          | 223,709,154           | 239,027,369          | 15,318,216                 |
| Equipment/Occupancy/Depreciation           | 99,589,635           | 106,409,327          | 108,746,874           | 110,237,313          | 1,490,439                  |
| Purchased Services/Supplies/Other          | 105,509,668          | 91,573,928           | 90,460,876            | 95,169,409           | 4,708,534                  |
| Health System                              | 22,553,423           | 44,430,458           | 11,726,183            | 10,972,148           | (754,035)                  |
| Gross Receipts Tax                         | -                    | 23,310,950           | 25,862,795            | 22,501,813           | (3,360,982)                |
| Institutional Support                      | 9,069,388            | 9,978,694            | 10,596,411            | 10,596,411           | -                          |
| <b>Total Expenses</b>                      | <b>1,162,107,163</b> | <b>1,236,580,591</b> | <b>1,370,285,725</b>  | <b>1,323,289,675</b> | <b>(46,996,050)</b>        |
| <b>Total Operating Gain (Loss)</b>         | <b>(88,610,916)</b>  | <b>(84,721,510)</b>  | <b>(62,372,538)</b>   | <b>(68,930,536)</b>  | <b>(6,557,998)</b>         |
| <b>Non Operating Revenue and Expenses</b>  |                      |                      |                       |                      |                            |
| Mill Levy                                  | 105,709,584          | 108,619,093          | 110,003,617           | 111,653,671          | 1,650,054                  |
| State Appropriations                       | 12,733,200           | 47,816,118           | 13,396,400            | 13,682,700           | 286,300                    |
| Interest Expense                           | (3,034,937)          | (2,934,229)          | (2,818,446)           | (2,676,657)          | 141,789                    |
| HSC Mission Support                        | (10,066,836)         | -                    | -                     | -                    | -                          |
| Other Non Operating Revenues               | 8,709,789            | 29,329,979           | 67,959,469            | 4,746,640            | (63,212,829)               |
| Other Non Operating Expenses               | (742,783)            | (208,581)            | (441,367)             | (8,671,267)          | (8,229,900)                |
| <b>Total Non Operating</b>                 | <b>113,308,017</b>   | <b>182,622,380</b>   | <b>188,099,672</b>    | <b>118,735,086</b>   | <b>(69,364,586)</b>        |
| <b>Increase (Decrease) in Net Position</b> | <b>\$ 24,697,101</b> | <b>\$ 97,900,870</b> | <b>\$ 125,727,134</b> | <b>\$ 49,804,550</b> | <b>\$ (75,922,584)</b>     |

# FY21 Revised and FY22 Capital Budget

# UNM Hospitals

Fiscal Year 2021 Capital Budget  
Revision

Fiscal Year 2022 Capital Budget

April 28, 2021

# Areas of Focus Capital

- Medical Equipment - \$16M
  - Radiology – (IR, portable x-ray units, ultrasound) - \$4.0M
  - Operating Room (Stealth, Sonopet ultrasounds, other surgical equip.) - \$3M
  - Cath Lab Fluoroscopy system - \$1.5M
  - Senior Health/Movement Disorder Clinic – \$1M
  - All other inpatient and ancillary - \$6.5M
- Renovations - \$28M
  - Movement Disorder & Senior Care Clinics - \$13M
  - Clinics (code required renovations, Ophthalmology) - \$4.6M
  - Life safety, HVAC, Electrical, Medical Vacuum - \$4.3M
  - Behavioral Health (Psychiatric emergency service expansion) - \$2.3M
  - Ancillary & Other- \$3.8M
- Information Technology - \$6M
  - Storage expansion, networking - \$3.6M
  - Electronic Medical Record– \$1.3M
  - Other clinical and support systems (radiology, cardiology, security) - \$1.1M

## FY 2021 and FY 2022 Sources of Funds – Major Projects

### Sources of Funds

UNMH Capital Funding

Other Funding

State Appropriations

UNMH Capital Reserve Funding

|  | FY 2021<br>Original | FY 2021<br>Revised | FY 2022<br>Budget |
|--|---------------------|--------------------|-------------------|
|  | \$ 38,500,000       | \$ 32,456,303      | \$ 32,366,692     |
|  | 1,572,113           | 1,713,859          | 2,000,000         |
|  | -                   | 1,831,692          | 1,633,308         |
|  | 12,927,477          | 3,663,384          | 14,836,616        |
|  | <u>52,999,590</u>   | <u>39,665,237</u>  | <u>50,836,616</u> |

- UNMH Capital Fund – equivalent to the Hospital’s annual depreciation. Depreciation is a non-cash item.
- Other Funding – donations received for capital expenditures, primarily medical equipment.
- State Appropriations – Capital appropriations received for specific projects.
- UNMH Capital Reserve Fund – the source of these funds is the accumulated excess of Hospital revenues over expenses. These funds are designated for use in building, expanding, and repairing facilities used by the Hospital.



# FY 2021 and FY 2022 Sources of Funds – Major Projects

**Inpatient Units**

Medical Equipment and Renovations  
**Total Inpatient Units**

| FY 2021 Original    | FY 2021 Revised     | FY 2022 Budget      |
|---------------------|---------------------|---------------------|
| 7,359,752           | 5,494,476           | 3,666,682           |
| <b>\$ 7,359,752</b> | <b>\$ 5,494,476</b> | <b>\$ 3,666,682</b> |

**Ancillary Areas**

Surgical Services Renovation and Equipment  
 Radiology - CT  
 Radiology - IR  
 Cath Lab Equipment and Renovation  
 Other Radiology Equipment and Renovations  
 Other Ancillary Equipment and Renovations  
**Total Ancillary**

| FY 2021 Original     | FY 2021 Revised      | FY 2022 Budget       |
|----------------------|----------------------|----------------------|
| \$ 4,600,000         | \$ 3,055,302         | \$ 3,000,000         |
| 1,825,000            | 1,935,000            | -                    |
| -                    | -                    | 2,656,905            |
| -                    | 1,721,090            | -                    |
| 3,375,000            | 2,804,087            | 2,100,285            |
| 2,996,645            | 6,478,973            | 3,091,140            |
| <b>\$ 12,796,645</b> | <b>\$ 15,994,452</b> | <b>\$ 10,848,329</b> |

# FY 2021 and FY 2022 Sources of Funds – Major Projects

## Ambulatory

Movement Disorder/Senior Care Clinic  
Other Clinic Equipment and Renovations  
**Total Ambulatory**

| FY 2021<br>Original  | FY 2021<br>Revised  | FY 2022<br>Budget    |
|----------------------|---------------------|----------------------|
| \$ 7,727,477         | \$ 3,663,384        | \$ 14,836,616        |
| \$ 3,295,408         | \$ 2,142,024        | \$ 5,686,208         |
| <b>\$ 11,022,884</b> | <b>\$ 5,805,408</b> | <b>\$ 20,522,824</b> |

## Building and Infrastructure

Life Safety, fire sprinklers, bldg renovations  
Plumbing repairs, domestic soil pipe replacement, boiler  
**Total Building and Infrastructure**

| FY 2021<br>Original | FY 2021<br>Revised  | FY 2022<br>Budget   |
|---------------------|---------------------|---------------------|
| 4,570,000           | 3,278,171           | 4,251,521           |
| \$ 2,200,000        | \$ 796,397          | \$ 2,250,000        |
| <b>\$ 6,770,000</b> | <b>\$ 4,074,568</b> | <b>\$ 6,501,521</b> |

## New Tower Project

New Tower Prep - Roadwork  
**Total New Tower**

| FY 2021<br>Original | FY 2021<br>Revised | FY 2022<br>Budget |
|---------------------|--------------------|-------------------|
| 5,200,000           | -                  | -                 |
| <b>\$ 5,200,000</b> | <b>\$ -</b>        | <b>\$ -</b>       |

New Tower Prep – Roadwork has been moved and captured with full project on slide 9.

# FY 2021 and FY 2022 Sources of Funds – Major Projects

**Information Technology**

Electronic Medical Record  
 Systems upgrades and expansions  
 Network  
 Other IT Hardware and Software  
**Total Information Technology**

|  | FY 2021<br>Original | FY 2021<br>Revised  | FY 2022<br>Budget   |
|--|---------------------|---------------------|---------------------|
|  | \$ 1,100,000        | \$ 1,100,000        | \$ 1,331,218        |
|  | 1,020,139           | 1,020,139           | 700,000             |
|  | 2,896,132           | 2,360,132           | 2,819,700           |
|  | 983,729             | 983,729             | 861,892             |
|  | <b>\$ 6,000,000</b> | <b>\$ 5,464,001</b> | <b>\$ 5,712,810</b> |

**Other Clinical Operations and Support Services**

ASAP/Carrie Tingely/UNMPC/CPC  
**Total Other Clinical Operations & Support Services**

|  | FY 2021<br>Original | FY 2021<br>Revised  | FY 2022<br>Budget   |
|--|---------------------|---------------------|---------------------|
|  | \$ 3,850,309        | \$ 2,832,333        | \$ 3,584,449        |
|  | <b>\$ 3,850,309</b> | <b>\$ 2,832,333</b> | <b>\$ 3,584,449</b> |

# Status of FY21 Capital Items Subject to Approval

| Over \$1 Million |  |              |  |
|------------------|--|--------------|--|
| Equipment        |  | Budget       | Notes                                  |
| Radiology        | Radiology - CT Scan BBRP CT Scanner (north)              | \$ 1,825,000 | In Process                             |
| Other Equip      | Cardiac Cath Lab Flex Robotic System                     | \$ 1,080,000 | Cancelled                              |
| IT               |  |              |  |
|                  | Clinical Application EMR Enhancements                    | \$ 1,100,000 | In evaluation phase, multiple projects |
| Facilities       |  |              |  |
|                  | BBRP - 3 West - Fan Wall HVAC Systems                    | \$ 1,000,000 | Approved September 2020                |
|                  | BBRP - ED - Improvements                                 | \$ 1,000,000 | Project postponed                      |
|                  | UH Main - OR - Air Handler Upgrades                      | \$ 1,100,000 | Project postponed                      |
|                  | UH Main - Basement Machine Room 8 - Medical Air Compress | \$ 1,100,000 | Project postponed                      |
|                  | UPC - PES - Expansion without IOP Conversion Plan        | \$ 1,500,000 | Approved January 2019                  |
|                  | 1600 University -Ophthalmology Clinic                    | \$ 1,000,000 | Project postponed                      |

| \$250,000 - \$999,999 |   |            |                                    |
|-----------------------|---|------------|------------------------------------|
| Facilities            |   | Budget     |                                    |
|                       | BBRP - CT North Room - Replacement and Renovation           | \$ 350,000 | Reduced scope; amt below threshold |
|                       | BBRP - General X-Ray - Room 2 Replacement                   | \$ 300,000 | Reduced scope; amt below threshold |
|                       | BBRP - Radiology - X-Ray Replacement                        | \$ 300,000 | Approved September 2020            |
|                       | UH Main - General X-Ray - Convert Fluoro Room               | \$ 250,000 | Amount below threshold             |
|                       | UH Main - 1st Floor Fluoroscopy Dept - Fluoro Unit Replacer | \$ 250,000 | Amount below threshold; postponed  |
|                       | UH Main - Pulmonary - Lab Renovation                        | \$ 450,000 | Approved February 2020             |
|                       | UH Main - OR Recovery - Air Handler Upgrade                 | \$ 300,000 | Approved May 2019                  |
|                       | 1209 University - DOH Licensing                             | \$ 600,000 | Approved January 2021              |
|                       | 2400 Tucker - DOH Licensing                                 | \$ 600,000 | Approved January 2021              |
|                       | UH Main - Adult Oncology - Positive Pressure Room HVAC In   | \$ 600,000 | Approved August 2018               |
|                       | UH Main - Basement - Server Room HVAC Upgrade               | \$ 600,000 | Approved May 2019; postponed       |
|                       | BBRP - Medical Air Compressor Upgrade                       | \$ 400,000 | Project postponed                  |
|                       | BBRP - Medical Vacuum Upgrades                              | \$ 370,000 | Project postponed                  |
|                       | UH Main - Pneumatic Tube System Controls                    | \$ 700,000 | Approved November 2018             |
|                       | CTH - General Room 1 - Equipment Replacement                | \$ 300,000 | Approved September 2020            |
|                       | CTH - Radiology - EOS Imaging System Project                | \$ 450,000 | Approved September 2020            |
|                       | UH Main - 2nd Floor - PACU - Soiled Utility Renovation      | \$ 250,000 | Amount below threshold; postponed  |

# FY22 Capital Items Subject to Approval

| Over \$1 Million   |  |   |              |
|--------------------|--|---|--------------|
| Equipment          |  |   | Budget       |
| <b>Radiology</b>   | Interventional Radiology                           | Philips Dual Plane Replacement          | \$ 2,656,905 |
| <b>Other Equip</b> | Cadiac Cath Lab                                    | Artis Q. Single Plane Flourosopy System | \$ 1,528,133 |
| <b>Surgical</b>    | Surgical   | Stealth Conversion                      | \$ 1,125,000 |
| IT                 |  |   |              |
|                    | Network  | Access Switch Replacement               | \$ 1,855,000 |
|                    | Clinical Application                               | EMR Enhancements                        | \$ 1,331,218 |
| Facilities         |  |   |              |
|                    | UPC - PES - Expansion without IOP Conversion Plan* |   | \$ 2,300,000 |
|                    | 1600 University -Ophthalmology Clinic*             |   | \$ 1,500,000 |
|                    | BBRP - 3 West - Fan Wall HVAC Systems*             |   | \$ 1,200,000 |
|                    | 1209 University - DOH Licensing*                   |   | \$ 1,150,000 |
|                    | 2400 Tucker - DOH Licensing*                       |   | \$ 2,000,000 |

| \$300,000 - \$999,999 |  |  |            |
|-----------------------|--|--|------------|
| Facilities            |  |  | Budget     |
|                       | UH Main - Basement Machine Room 8 - Medical Air Compressor*    |  | \$ 925,000 |
|                       | BBRP - Mechanical Room - Air Handling Unit Upgrade*            |  | \$ 375,000 |
|                       | BBRP Medical Air Compressor Upgrade                            |  | \$ 400,000 |
|                       | BBRP Medical Vacuum Upgrades                                   |  | \$ 400,000 |
|                       | UH Main Steam Plant - Kewanee Boiler replacement - Multi Year* |  | \$ 750,000 |
|                       | UH Main Chiller replacement                                    |  | \$ 300,000 |
|                       | BBRP General X-Ray room 2 replacement                          |  | \$ 300,000 |
|                       | EOS Imaging System project - Multi Year*                       |  | \$ 345,000 |
|                       | UH Main - 2nd Floor - SPD - Decon. Renovation - Multi Year *   |  | \$ 350,000 |

\* Multi year or postponed project previously approved by BOR.

# For Informational Purposes – Summary of Planned Tower & Parking Garage Cash Flows

## Total Project Cash and Debt use by year

| Debt draw<br>down | Capital<br>Initiatives<br>Draw Down | Operating Cash<br>Draw down | Total Project<br>Expenditure |
|-------------------|-------------------------------------|-----------------------------|------------------------------|
| \$ -              |                                     | \$ 11,053,642               | \$ 11,053,642                |
| \$ -              | \$ 50,000,000                       | \$ (6,087,433) *            | \$ 43,912,567                |
| \$ 59,776,147     | \$ 50,000,000                       | \$ 21,237,816               | \$ 131,013,962               |
| \$ 208,591,608    | \$ 50,000,000                       | \$ 16,167,589               | \$ 274,759,196               |
| \$ 51,632,246     | \$ 46,000,000                       | \$ 24,056,834               | \$ 121,689,080               |
| \$ -              | \$ -                                | \$ 33,771,553               | \$ 33,771,553                |
| \$ -              | \$ -                                | \$ -                        | \$ -                         |
| \$ -              | \$ -                                | \$ -                        | \$ -                         |
| \$ 320,000,000    | \$ 196,000,000                      | \$ 100,200,000              | \$ 616,200,000               |

\* Roll excess cap ini of \$6,087,433 into FY22.

# Executive Vice President Update

EVP Health Sciences & CEO UNM Health System Report to UNM Hospitals Board of Trustees.

April 30, 2021.

Good Morning, Chairperson Horn, Board of Trustees members, and CEO Becker.

Many points of pride:

Thank you for this opportunity to provide my EVP & CEO update. Since we last met in late February, I continue to expand my listening and learning with 5 months in my roles. Every day I am grateful for the hard work of the Health System and Health Sciences leaders, teams, and front-line workers that are making such great impacts. There are many points of pride for all of us at UNM, in all mission areas and in our fiscal stability.

Since our last meeting, we all took a moment of silence and reflection on Thursday March 11th to recognize that COVID-19 had made its mark in New Mexico for one year. I could feel, like others, the full-range of emotions with the many memories popping in my mind. This moment was deeply personal and yet we all shared a common humanity experience of loss, isolation, stress, marvel, connection to mission, and compassion for the many families who lost loved ones. The marvels of science, rapid adaptability, making due, and teamwork make a difference, and yet we still have much to do in COVID response and recovery. We do worry that the unrelenting focus and need for compassion has had an impact on the workforce in terms of burnout and wellbeing - they have been resilient but can be so only so long - we must anticipate enhancing our supports for all our caregivers – which means all the faculty, staff, residents, students, and volunteers.

Since the end of February, our increased vaccinations and ongoing public health measures have created a sense of hope that we are entering the new normal soon, although recognizing that other states and nations are continuing to have difficulties or worse conditions. We have administered over 100,000 vaccinations at the PIT and have seen the number of COVID positive cases in our clinical settings drop dramatically. We have entered a critical time period for continued vaccinations and ongoing public health precautions.

While I could have a long report of the many accomplishments and activities in our educational, clinical and research areas, I will highlight a few critical areas.

### **Health System**

CEO Becker and Drs. Richards, Agostini, and Boyd will next provide important health system details in their administrative reports ; however, I wanted to highlight four items: (1) our new UNM Health System Executive Leadership Group formation, (2) our early thinking about sponsoring a Health Equity Summit, (3) our advancement of considerations on how tele-health, tele-communication, and tele-education programs can grow in our Health System as we strive to enhance the health of all New Mexicans, and (4) our upcoming 10 to 100 campaign to increase employee vaccinations and learn lessons to help reduce vaccine hesitancy in our communities.

Our Health System Executive Leadership Group is focused on clarifying a shared vision on what our UNM Health System is and what we aspire to become. What is our unique role in helping all New



Mexicans? We must be grounded in our core values, more deeply understand the historical context of the HSC and commitment to the community, including as a Hispanic Serving Institution and in serving our Native American Community on whose ancestral lands we sit and partner with today. How do we balance priorities of our tertiary and quaternary critical role for the State and our expanding focus on primary care and population health? How do we assure the primacy of our focus on patient and family care while also integrating our academic missions? Our collective answer to these and other fundamental questions will be summarized, including acknowledging the creative tensions and issues to address. We look forward to sharing more in the future.

I am engaging our leadership team in developing a plan on how to move forward in engaging the community, State, Counties, Cities, and our faculty, staff, and students in the planning of a Health Equity Summit later this year. We hope to get your ideas and recommendations as this idea grows to fruition. We recognize the vital importance of enhancing health equity and better understanding the needs and priorities of the communities we serve.

Earlier this month, CEO Robb McLean, Dr. Sanjeev Arora, and myself presented and dialogued for an hour discussion with the UNM Regents on tele-health, tele-consult, and tele-education. This was a very informative meeting. We are international leaders with Project ECHO in tele-education and tele-mentoring, have just completed a strategic planning process for Virtual Health to grow our expertise in tele-health, and collectively have had experiences in bringing tele-consult services through State support, ACO development, and to enhance our quality of care within our network. Perhaps at a future meeting we may discuss this topic in more detail.

New Mexico is the leading state in vaccinations; however, we now can see that vaccine hesitancy is a barrier to getting higher vaccination rates (not availability of vaccines). There are many causes and possible solutions, including the need for trusted partners to some communities. We hope to start by supporting all of our employees, faculty, staff, and students to become vaccinated so as to better help our patients and also learn valuable lessons to help our communities.

Starting on May 10th we will be launching a 10 to 100 Challenge which is a multimedia effort designed to increase the percentage of employees vaccinated in the UNM Health System with a goal of getting 100% of our UNMH employees to get vaccinated or registered for a vaccination in a 10 day time period. Each day of the 10-day challenge will focus on different aspects of the COVID vaccination process, with a dedicated web site, videos, social media hashtags, radio phone banks and the like tackling topics such as vaccine hesitancy, myths about the vaccine and COVID, vaccine use in the LGBTQ+ and indigenous communities, etc. Communication and Marketing has put together a wonderful initiative with people sharing their story, including their worries and experiences on how they decided to get vaccinated. Our larger goal is to gain more insights and experiences that will help us in our efforts with our patients, families, and communities that we serve.

Related to this goal of helping our community, I am excited to share with you about a new \$1.4M research grant that we received this week. Our WEAVE NM grant (Wide Engagement for Assessing COVID-19 Vaccination Equity) is part of the NIH-funded CEAL (Community Engagement Alliance Against COVID-19 Disparities) grants. WEAVE NM provides UNM HSC with new resources and connections with the NIH and other CEAL sites in other states to go beyond understanding individual behaviors of vaccine hesitancy, to looking at the systems and policy barriers from a racial equity lens-- engaging with communities across our state and using innovative methodologies such as digital policy stories (across

urban and rural racial/ethnic communities), catalyst films to understand provider perspectives, and population-based surveys. This grant is a collaboration of three of our existing Centers, including our NIMHD funded Transdisciplinary Research Engagement and Equity Center (PI/Director- Lisa Cacari Stone); the Center for Native American Health (CNAH-Dr. Tassy Parker); and the Center for Participatory Research (Nina Wallerstein). Our goal is to take a deeper dive to understand vaccine hesitancy across the state, to support community-driven strategies to enhance vaccine uptake, and to build health equity capacities within select urban and rural Native and Hispanic communities and a larger community of practice with over 200 organizations from across the state.

## **Education**

I want to thank the Health System leadership and front-line workers who are supporting our Health Sciences students and all the students across the University in regards to health, behavioral health, and public health matters. The academic year for many HSC students is winding down with most eager to return to learn. Protocols are in place to assure public health measures. Our educational mission has adjusted with the state's color-coded system. We are following the state's guidelines and have been able to open up more spaces for in-person learning and utilization of the library in person. It hasn't been easy as we also have to meet accreditation requirements for our health professions programs. We are grateful for our simulation center and online learning that has allowed training to continue. We are working together as one University as we look towards spring graduation, constantly evaluating and reassessing what is safe and supportive. We know this is a tricky and highly coordinated event with several moving parts so we appreciate the working group who is tasked with trying to find a way to have a safe and celebratory in-person event.

Our US News and World Report rankings have just been released. There are many highlights and also we see the opportunity to create strategies to continue to enhance our reputation in all ranking areas. A few highlights are the ranking of the School of Medicine as #5 in Most Diverse Medical School, as 11th in Family Medicine, 28th for primary care, and 81st in research. Our College of Nursing Nursing-Midwifery program took home the 11th ranking in the country, the nursing Master's Program ranked 60th and the Nursing DNP Program 77th. The College of Pharmacy ranked 43rd. The College of Population Health ranked 90th in its field. We are very proud of these rankings but not fully satisfied. I have already engaged main campus, our marketing folks and the deans to make a major push on continued momentum up in the rankings.

For the School of Medicine, we have recently celebrated Match Day and have a new class of residents who will be entering our clinics and hospitals in late June. We also are working on expanding and continuing to evolve our SOM diversity office and will soon be posting for an Executive Diversity Office.

For our College of Nursing, just want to remind everyone that May 6th is National Nurses Day. Our nurses have been, and always are, such an important part of our patient care. I want to take this moment to say thank you! We are actively working on expanding our clinical placements, including through enhanced IPE opportunities.

Our College of Pharmacy has been focusing a lot of effort on attracting out of state students to our Pharm D program. I want to thank Dean Godwin who has been innovative, creative and thoughtful to ensure UNM continues to be competitive in this field.

In our College of Population Health, we continue to explore how we increase the college faculty size, start our first PhD program in Health Equity, and expand our work in Health System Science, including health policy, dissemination and implementation science, and health equity.

## **Diversity**

Dr. Romero-Leggott and her team have done outstanding work in collaborating with all major units in the Health Sciences Center to create a new Inclusive Excellence Council with great diversity and passion to embrace our diversity and inclusion including enhancing all our efforts to address systemic racism, enhancing the feeling of belonging, and creating clear outcomes for all our mission areas and in recruitment, retention, and promotion. Fabián J. Armijo, Director of Diversity, Equity, & Inclusion (DEI) | Interpreter Languages Services (ILS)

serves on the IEC as the UNM Hospitals DE&I Executive Officer (DEI-EO). An academic health sciences center's achievement of Inclusive Excellence is dependent on how well it includes, engages, and values the communities it is called to serve internally and externally, including the rich diversity of learners, staff, faculty, administrators, alumni, patients, and community members.

Stigma, racism, and violence continues. Leadership released a message condemning the recent violence against the Asian American, Pacific Islander community and sharing our concern for the families of the victims. The shootings in Atlanta certainly disturbed us all and brought to the surface the pain and raw emotion many in this community have felt for some time. Our message provided information on needed resources.

## **Research**

We have had a banner year in Research growth with this year being a record high for Health Sciences. A big thanks to Dr. Larson for his leadership and also the many faculty researchers who continue to make a difference through their discoveries and innovations. FY21 will bring in \$220M, not even counting the additional \$237M ECHO grant with Dr. Sanjeev Arora leading this incredible initiative. Of note, the COP is ranked #6 in NIH research funding of 86 Schools of Pharmacy in the nation based on the Blue Ridge Institute for Medical Research. Congrats!! This year the School of Medicine moved up two rankings to #70 amongst the 151 medical schools in the country. Family and Community Medicine is #11, Pathology is #19, and Neurosciences is #29 in those same Blue Ridge rankings.

We are committed to further enhancing our research efforts, through enhanced and new career development programs (including K Award grant training), mentoring training programs, pilot funding, cross-campus and cross-HSC partnership incentives, and focused research leadership consultations to our Schools, Colleges, and Departments. Provost Holloway, Vice President for Research Ellen Fisher, Executive Vice Chancellor Richard Larson, and I are meeting routinely to enhance cross-campus collaborations and grow our research footprint and showcase more of our research on national and international stages. The UNM HSC is hosting a BioVenture networking event that brings together our New Mexico bioscience companies with our faculty inventors at the HSC and on Main campus in May. Over the last 3 years this event has hosted more than 100 participants each year.

## **VA Research Collaboration Expansion**

I am personally very committed to enhancing our partnership with the New Mexico Veterans Affairs (VA) Health Care System. We already have many excellent educational program partnerships; however, there are great opportunities to expand our research collaborations and clinical support for veterans. Director Welch and I meet routinely, and are pleased to announce a new VA – UNM Strategic Advisory Group of leaders from both entities that will initially focus on enhancing our research collaborations and include other matters. Obtaining VA federal research funds will create a new funding stream for our faculty's research efforts as well as bring new resources to New Mexico in the service of veterans in New Mexico and beyond. We have begun to work on a Research MOU, a plan for targeting research funding, and enhancing and establishing needed processes and infrastructure supports. We have recently worked out an Intellectual Property MOU which is an example of specific needed infrastructure supports.

In summary, I want to thank you all and also our terrific faculty, staff, residents, students, and volunteers. I am happy to answer any questions you have and thank you for your time today.

Douglas Ziedonis, MD, MPH

Executive Vice President of UNM Health Sciences

Chief Executive Officer of the UNM Health System

# HSC Committee Update

## MEMORANDUM

**To:** UNM Hospital Board of Trustees

**From:** Mike Richards, MD  
Senior Vice Chancellor Clinical Affairs, UNM Health System

**Date:** April 28, 2021

**Subject:** Monthly Health System Activity Update

This report represents unaudited year to date February 2021 activity and is compared to audited year to date February 2020 activity.

**Activity Levels:** Health System clinical activity remains exceptionally high, particularly in adult inpatient activity, even with decreasing COVID volumes. In comparison to prior year, key clinical measures include:

- Total inpatient days are up 1%
  - UNM adult inpatient days are up 13%
  - SRMC adult inpatient days are up 26%
- Total discharges are down 12%
  - UNM adult discharges are up 3%
  - SRMC adult discharges are up 3%
- Adult length of stay (without obstetrics) is up 11%
- Case Mix Index (CMI) is up 9%
- Total outpatient activity is down 3%
  - Primary care clinic visits are down 1%
  - Specialty and other clinic visits are down 8%
  - Emergency visits are up 33% over prior year
- Surgical volume is down 10%
- Births are down 9%
- UNM Medical Group RVUs are down 7%

**Finances:** Health System had total year-to-date operating revenue of \$1,066 million, representing a 6% increase over prior year. Total non-operating revenue was \$162.7 million, representing a 32% increase over prior year primarily due to Non-recurring State Appropriations in FY20 and increase in CARES Act Funding not recognized during the same time period last year. Total operating expenses were \$1,135 million, representing a 5% increase over prior year. Health System margin was \$93.3 million as compared to \$50.6 million prior year.

The balance sheet is stable with a current ratio of 1.82 as compared to 1.90 prior year. The cash and cash equivalents for UNM Health System is \$564.5 million as compared to \$422.8 million prior year. Net patient receivables are up 16% and total assets are up 16%. Total liabilities are up 17% over prior year. Total net position is up 15% over prior year.

# UNMH CEO Report

**MEMORANDUM**

**To:** UNM Hospital Board of Trustees

**From:** Kate Becker  
Chief Executive Officer

**Date:** April, 2021

**Subject:** UNMH Monthly Activity Update

The Hospital has been involved in a variety of activities and this report will focus on operations through March 2021.

**Finance:** Inpatient adult volume is better than budget by 20% for the month of March and better than budget by 13% year to date. Inpatient pediatric volume is behind budget 11% for the month of March and behind budget by 8% year to date. Observation days are below budget by 22% year to date. Total inpatient discharges are 3% lower than budget year to date. Case mix index is higher than prior year by 8.6% at 2.23 year to date and average length of stay is up 11.3% compared to prior year. Outpatient clinic visits are 6% lower than budget for the month of March and are 2% better than budget for the year. Emergency department arrivals are 6% under budget for the month of March and below year to date budget by 16%. Behavioral health patient days are under budget by 7.3% and behavioral health clinic visits are behind budget by 0.8% year to date. Net margin year to date is positive at \$84.4 million with \$54.4 million available for operations after setting aside \$30 million for capital investment. Net patient revenues are positive compared to year to date budget and prior year. Operating expenses are over budget by \$91.1 million, primarily in employee compensation and benefits, medical services and equipment. Non-operating revenues include \$61.5 million recorded for CARES Act funding received from HHS.

**Native American Liaison:** UNMH reached out to provide guidance on care coordination and payment contracting for Laguna Pueblo's new 638 independent healthcare facility. Contracts with UNM Health System entities are in place, and the team is working on access to MPage Reach to facilitate smooth care coordination. Referrals of tribal members to UNMH for services have returned to pre-Covid volume levels. The Native American Services committee of the board met on April 26, 2021. Of note, the committee acknowledged the opening of UNMH's first community Clinic in Gallup NM; we saw our first patient on March 25, 2021! Board members reviewed internal education on the operationalization of the board policy on beds and pueblo preference, and made recommendations on bed census reporting to include pueblo and non-pueblo census information while maintaining HIPAA privacy standards. APCG, Inc. has experienced turnover in its leadership and has many new Health Council members. As a result, the consultative process may have changed. In February, UNMH Native American Health Services requested its usual dedicated Spring Consultation with the pueblo governors. On March 4, we provided requested information to the APCG Health Council, including historic background documents and a suggested agenda for the spring consultation. We are respectfully awaiting follow-up and a date for spring consultation with



the pueblo governors, as we seek to understand and respond to pueblo communities' health needs. Meantime, our liaisons to tribal communities continue to offer outreach to individual tribal offices via virtual meetings. Albuquerque Area I.H.S. hired Tracy Sanchez, PA to replace Sandra Winfrey. Tracy is the former AO of the Albuquerque Service Unit and well known to UNMH. We continue to work closely with AAIHS on a number of items including improvement of access to clinic and diagnostic specialty services.

**Bernalillo County:** UNMH Management met with Bernalillo County to present the FY22 Budget on April 20<sup>th</sup>. This included a review of expense and program assumptions as well as anticipated volume for FY22. The Bernalillo County Quarterly Report was submitted to the County on April 16<sup>th</sup> which included updating the implementation status of Exhibit A and C to the UNM Hospital Lease MOU. Program Planning meetings have started with the Crisis Triage Center Architect along with County and UNMH Staff. The Intergovernmental Agreement for the Care Campus is in the process of updating for FY22 and UNMH and the County have agreed to priorities for the next scopes of work in system development.

If there are any questions on this or other matters, please feel free to contact me.



UNMHospitalTower (1).mp4

# UNMH CMO Report

**Date:** April 30, 2021  
**To:** UNMH Board of Trustees  
**From:** Irene Agostini, MD  
 UNMH Chief Medical Officer

The CMO Board report for April will highlight work around the Medical Peer Review process.

**Medical Peer Review**

Medical Peer Review is the process by which health care professionals, including those in nursing and pharmacy, evaluate each other’s clinical performance. Peer Review can actually drive quality improvement through positive reinforcement.

**Why is Peer Review Important?**



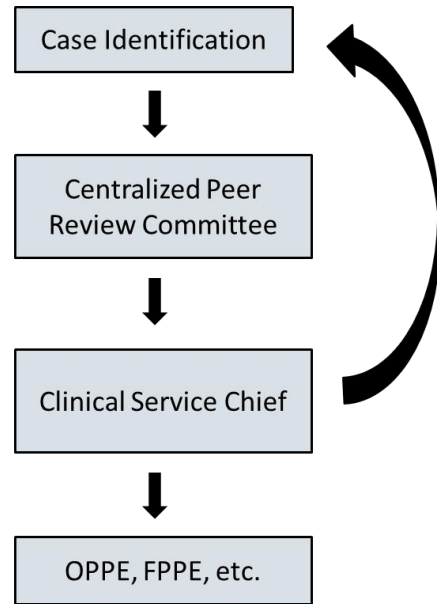
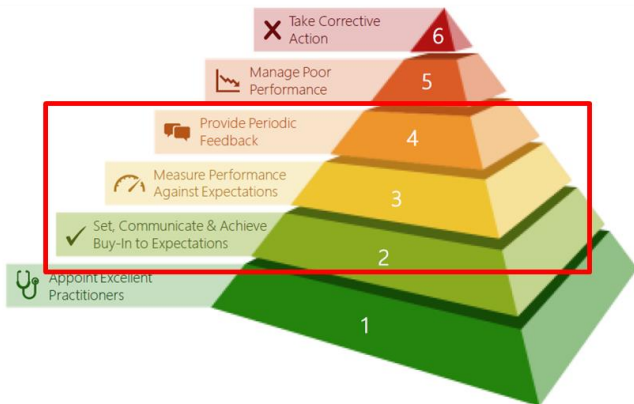
- Greeley Pyramid—when confronted with a medical staff problem or “opportunity of improvement”, the idea is to identify what level of the pyramid you are working at and then address in that context.

**UNMH Peer Review Task Force**

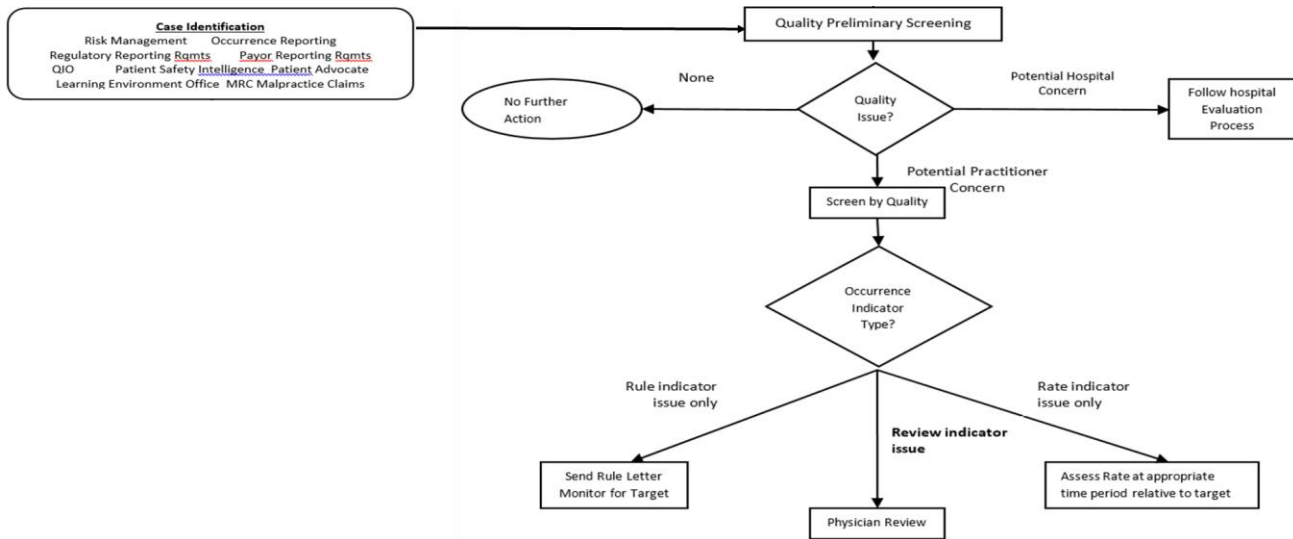
- Convened on Feb. 23 to redesign the Peer Review process.
- Comprised of representatives from all clinical services.
- Voted to radically redesign the current system, which is decentralized.
- Pending approval through Medical Executive Committee (MEC).

### Proposed Peer Review Process

- Peer Review ultimately reports to MEC, therefore all Peer Review activity acts at levels 2-4 and does not involve punitive action.
- The Clinical Chairs, MEC and the credentialing committee would still ultimately remain the principal agents in managing poor performance and taking corrective action.



- There are many ways in which Peer Review cases can be identified and that system is still being worked out. However, one major method will be from improved quality and safety reporting.



### Next Steps

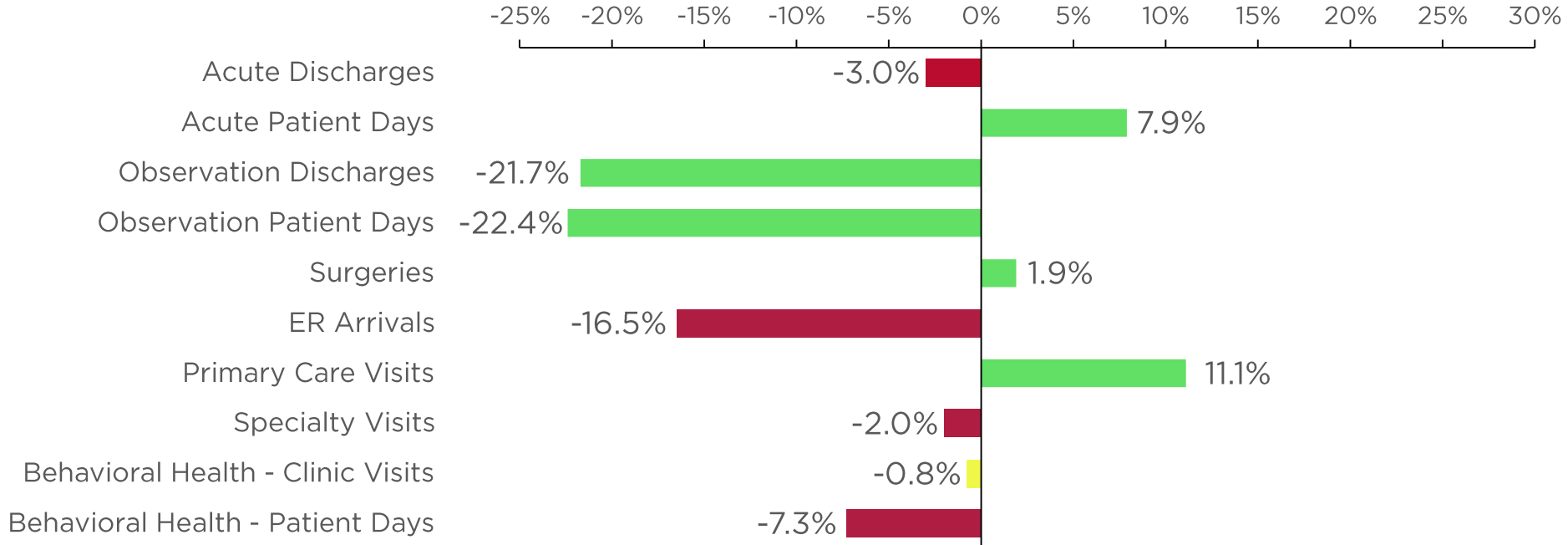
- Greeley returned to UNMH for three days (March 30-April 1) and met with all the departments.
- We will determine the core and specialty specific parameters to track for our quality and safety report cards.
- The Peer Review Committee will be operational in 6-7 months.

# Financials

# UNM Hospitals

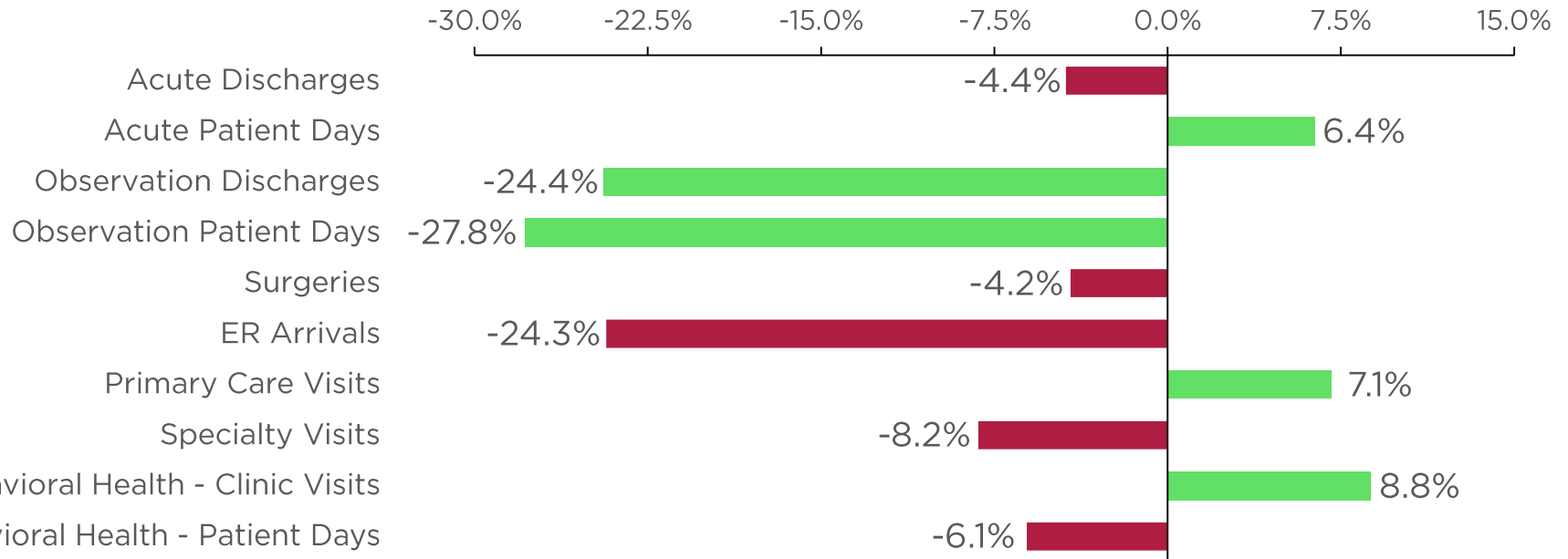
Financial Update  
Through March 2021

**UNM Hospital  
YTD Stats Variance to Budget  
Through March 2021**



|                                   | MTD Actual | MTD Budget | MTD Variance | MTD % Variance | YTD Actual | YTD Budget | YTD Variance | YTD % Variance |
|-----------------------------------|------------|------------|--------------|----------------|------------|------------|--------------|----------------|
| Acute Discharges                  | 2,061      | 1,962      | 99           | 5.0%           | 16,816     | 17,342     | (526)        | -3.0%          |
| Acute Patient Days                | 14,512     | 12,973     | 1,539        | 11.9%          | 123,762    | 114,671    | 9,091        | 7.9%           |
| Observation Discharges            | 841        | 942        | (101)        | -10.8%         | 6,644      | 8,481      | (1,837)      | -21.7%         |
| Observation Patient Days          | 1,149      | 1,309      | (160)        | -12.2%         | 8,975      | 11,566     | (2,590)      | -22.4%         |
| Surgeries                         | 1,827      | 1,779      | 48           | 2.7%           | 14,280     | 14,007     | 273          | 1.9%           |
| ER Arrivals                       | 6,261      | 6,663      | (402)        | -6.0%          | 49,179     | 58,892     | (9,713)      | -16.5%         |
| Primary Care Visits               | 15,552     | 15,302     | 250          | 1.6%           | 145,377    | 130,846    | 14,531       | 11.1%          |
| Specialty Visits                  | 30,545     | 33,901     | (3,356)      | -9.9%          | 251,237    | 256,428    | (5,191)      | -2.0%          |
| Behavioral Health - Clinic Visits | 18,992     | 18,574     | 418          | 2.2%           | 148,209    | 149,451    | (1,242)      | -0.8%          |
| Behavioral Health - Patient Days  | 1,945      | 2,084      | (139)        | -6.7%          | 17,080     | 18,420     | (1,340)      | -7.3%          |

**UNM Hospital  
YTD Stats Variance to Prior YTD  
Through March 2021**



|                                   | MTD Actual | Prior MTD | MTD Variance | MTD % Variance | YTD Actual | Prior YTD | YTD Variance | YTD % Variance |
|-----------------------------------|------------|-----------|--------------|----------------|------------|-----------|--------------|----------------|
| Acute Discharges                  | 2,061      | 1,984     | 77           | 3.9%           | 16,816     | 17,588    | (772)        | -4.4%          |
| Acute Patient Days                | 14,512     | 12,876    | 1,636        | 12.7%          | 123,762    | 116,310   | 7,452        | 6.4%           |
| Observation Discharges            | 841        | 794       | 47           | 5.9%           | 6,644      | 8,794     | (2,150)      | -24.4%         |
| Observation Patient Days          | 1,149      | 999       | 150          | 15.0%          | 8,975      | 12,432    | (3,456)      | -27.8%         |
| Surgeries                         | 1,827      | 1,451     | 376          | 25.9%          | 14,280     | 14,902    | (622)        | -4.2%          |
| ER Arrivals                       | 6,261      | 6,074     | 187          | 3.1%           | 49,179     | 64,961    | (15,782)     | -24.3%         |
| Primary Care Visits               | 15,552     | 12,393    | 3,159        | 25.5%          | 145,377    | 135,785   | 9,592        | 7.1%           |
| Specialty Visits                  | 30,545     | 28,855    | 1,690        | 5.9%           | 251,237    | 273,614   | (22,377)     | -8.2%          |
| Behavioral Health - Clinic Visits | 18,992     | 18,145    | 847          | 4.7%           | 148,209    | 136,185   | 12,024       | 8.8%           |
| Behavioral Health - Patient Days  | 1,945      | 2,064     | (119)        | -5.8%          | 17,080     | 18,189    | (1,109)      | -6.1%          |



| <b>UNM Hospitals</b>                          | <b>Action OI Benchmark</b> | <b>Mar-21</b> | <b>YTD</b>   | <b>YTD Budget</b> | <b>% Budget YTD</b> | <b>Prior YTD</b> | <b>% Growth</b> |
|---|----------------------------|---------------|--------------|-------------------|---------------------|------------------|-----------------|
| ALOS  |                            | 7.04          | 7.36         | 6.61              | -11.30%             | 6.61             | -11.29%         |
| Case Mix Index                                |                            | 2.09          | 2.23         | 2.08              | 7.01%               | 2.05             | 8.55%           |
| CMI Adjusted Patient Days *                   | 58,021                     | 64,314        | 561,945      | 525,432           | 6.95%               | 519,285          | 8.22%           |
| Net Core Patient Revenues (\$ in thousands)   |                            | \$ 92,378     | \$ 789,960   | \$ 724,124        | 9.09%               | \$ 760,570       | 3.86%           |
| Total Operating Expenses** (\$ in thousands)  |                            | \$ 122,341    | \$ 1,020,322 | \$ 929,131        | -9.81%              | \$ 928,789       | -9.86%          |
| Total Operating Expenses*** (\$ in thousands) |                            | \$ 122,033    | \$ 1,016,933 | \$ 921,485        | -10.36%             | \$ 892,916       | -13.89%         |
| Net Operating Income (\$ in thousands)        |                            | \$ (11,944)   | \$ (74,498)  | \$ (70,170)       | -6.17%              | \$ (67,952)      | -9.63%          |
| Net Income (\$ in thousands)                  |                            | \$ 15,823     | \$ 104,415   | \$ 26,036         |                     | \$ 60,532        |                 |
| Net Core Revenue/CMI Adj Patient Day          |                            | \$ 1,436      | \$ 1,406     | \$ 1,378          | 2.00%               | \$ 1,465         | -4.02%          |
| Cost**/CMI Adj Patient Day                    | \$ 1,841                   | \$ 1,902      | \$ 1,816     | \$ 1,768          | -2.68%              | \$ 1,789         | -1.52%          |
| Cost***/CMI Adj Patient Day                   | \$ 1,841                   | \$ 1,897      | \$ 1,810     | \$ 1,754          | -3.19%              | \$ 1,720         | -5.24%          |
| FTEs  |                            | 7,000         | 6,867        | 7,062             | 2.76%               | 6,447            | -6.52%          |

\* CMI Adjusted Patient Days (Adjusted Patient Days X CMI) is to account for the outpatient activities in the hospital and the relative acuity of the patients. CMI is a relative value assigned to a diagnosis-related group. Adjusted patient days (Patient Days X (Gross Patient Revenue/Gross Inpatient Revenue)) is to account for outpatient and other non-inpatient activities in the Hospital. Action OI benchmark is a quarterly report and for October - December 2020 the 50th percentile is 174,062. The metric above divided by three months for comparative purposes.

\*\* Operating expenses exclude Contract Retail Pharmacy Expense

\*\*\* Operating expenses exclude Contract Retail Pharmacy & HS Exec Initiatives