

# Joint Powers Commission

---



## Regular Meeting- March 20, 2025

Agenda.....	1-2
Minutes November 12, 2024.....	3-10
October 2024 Financial Analysis .....	11
November 2024 Financial Analysis.....	12
December Financial Analysis.....	13
December Income Statement.....	14
Income Statement by month.....	15
12-month Income Statement.....	16
December Balance Sheet.....	17
Balance Sheet by month.....	18
January CEO Report.....	19-21
February CEO Report.....	22-23

**Sierra Vista Hospital  
Joint Powers Commission Agenda  
March 20, 2025 @ 2:00**

**Purpose:** Regular Meeting

**Location:** Sierra Vista Hospital Boardroom

**Time:** 2:00

- |                         |                                     |
|-------------------------|-------------------------------------|
| 1. Call to Order        | Jim Paxon, Chairperson              |
| 2. Pledge of Allegiance | Jim Paxon, Chairperson              |
| 3. Roll Call            | Jennifer Burns, Recording Secretary |

**Joint Powers Commission**

**Attendees:** City of Elephant Butte

Phillip Mortensen, Mayor, Vice Chair  
Cathy Harmon, Member  
Kim Skinner, Member  
Janet Porter-Carrejo, City Manager, Ex-O

City of T or C

Rolf Hechler, Member  
Amanda Forister, Member  
Ingo Hoepfner, Member  
Gary Whitehead, City Manager, Ex-O

Sierra County

Travis Day, Member  
Jim Paxon, Chairperson  
Hank Hopkins, Member  
Amber Vaughn, County Manager, Ex-O

Village of Williamsburg

Vacant, Member  
Magorie Powey, Member  
Deb Stubblefield, Member  
Amanda Cardona, VCW, Ex-O

Sierra Vista Hospital

Dr. Don Bates, CEO  
Ming Huang, CFO  
Lisa Boston  
Aaron Dow, CIO  
Kathi Pape, GB Chair

AGENDA ITEMS	PRESENTER	ACTION REQUIRED
<b>4. Approval of Agenda</b>	Jim Paxon, Chairperson	Action
<b>5. Approval of Minutes</b> A. November 12, 2024 Joint Meeting Minutes	Jim Paxon, Chairperson	Action
<b>6. Public Comment – Limit 3 minutes</b>		
<b>7. Old Business</b> None	Jim Paxon, Chairperson	Report/Action
<b>8. New Business</b>		
A. Governing Board Report	Kathi Pape, Chairperson	Report
B. October, November December Financials	Ming Huang, CFO	Action
C. Funds for EMS	Mayor Mortensen	Discussion

Sierra Vista Hospital  
Joint Powers Commission Agenda  
March 20, 2025 @ 2:00

D. CEO Report

Dr. Don Bates, CEO

Report

**9. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 7 the JPC will vote to close the meeting to discuss the following items:**

**10-15-1 (H) 7 – Attorney Client Privilege / Pending Litigation**

A. EHR Outage Update

Aaron Dow, CIO

Discussion

**10. Re-Open Meeting – As required by Section 10-15-1 (J), NMSA 1978 matters discussed in executive session were limited only to those specified in the motion to close the meeting.**

**10-15-1 (H) 7 – Attorney Client Privilege / Pending Litigation**

A. EHR Outage Update

No Action

**11. Other**

Next meeting: TBD

**12. Adjournment**

Action

DRAFT

Sierra Vista Hospital  
Governing Board and Joint Powers Commission Joint Meeting Minutes  
November 12, 2024 @ 12:00pm

---

**November 12, 2024**

**12:00pm**

**Elephant Butte Lake RV Resort  
Event Center**

1. The Governing Board and Joint Powers Commission of Sierra Vista Hospital met November 12, 2024, at 12:00 pm at Elephant Butte Lake RV Resort Event Center for a regular joint meeting. Kathi Pape, GB Chairperson, called the meeting to order at 12:09. Jim Paxon, JPC Chair called the meeting to order at 12:09.

**2. Pledge of Allegiance**

**3. Roll Call**

**ATTENDEES:**

**JOINT POWERS COMMISSION**

**CITY OF ELEPHANT BUTTE**

Phillip Mortensen, Mayor, **Vice Chair, P**  
Kim Skinner, Member, **P by phone**  
Cathy Harmon, Member, **P**  
Janet Porter-Carrejo, Ex-O, **A**

**CITY OF T O R C**

Rolf Hechler, Member, **P**  
Amanda Forister, Member, **A**  
Ingo Hoepfner, Member, **P**  
Angie Gonzales, City Manager, Ex,**A**

**SIERRA COUNTY**

Jim Paxon, **Chairperson, P**  
Travis Day, Member, **P by phone**  
Hank Hopkins, Member, **A**  
Amber Vaughn, County Manager, Ex-O, **A**

**VILLAGE OF WILLIAMSBURG**

Cathy Luening, Member, **A**  
Magorie Powey, Member, **P**  
Deb Stubblefield, Member, **P by phone**  
Amanda Cardona, VCW, Ex-O, **P**

**4. Roll Call**

**ATTENDEES:**

**GOVERNING BOARD**

**COUNTY**

Kathi Pape, **Chair, P**  
Serina Bartoo, **Vice Chair, P**  
Shawnee R. Williams, Member, **P**

**ELEPHANT BUTTE**

Katharine Elverum, Member, **P**  
Richard Holcomb, Member, **P**

**CITY OF T O R C**

Bruce Swingle, Member, **P**  
Jesus Baray, Member, **P**  
Greg D'Amour, Member, **P**

**EX-OFFICIO**

Frank Corcoran, CEO, **P**

**VILLAGE OF WILLIAMSBURG**

Cookie Johnson, **Secretary, P**

---

**SIERRA VISTA HOSPITAL  
GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

**SVH STAFF AND GUESTS:** Sheila Adams, CNO. Ming Huang, CFO. Zach Heard, Operations. LJ Baker, HR Director. Heather Johnson, HIM Manager. Lisa Boston, Interim Consultant, Erika Sundrud, Ovation. Dingus.

There is a quorum of JPC Members and a quorum of Governing Board Members.

**5. Approval of Agenda**

Frank Corcoran stated that agenda item 10-15-1(H) 2 C. Provider contract revision should be removed. The contracts are not ready for presentation.

Greg D'Amour motioned to approve the amended agenda for the Governing Board. Jesus Baray seconded. Motion carried unanimously.

Philip Mortensen motioned to approve the amended agenda for the JPC. Majie Powey seconded. Motion carried unanimously.

**“Are there any items on this agenda that could cause a potential conflict of interest by any Governing Board Member or JPC Member?”**

None for the Governing Board

None for the JPC

**6. Approval of minutes**

A. October 8, 2024 Governing Board Special Meeting

Richard Holcomb motioned to approve the October 8, 2024 minutes. Katharine Elverum seconded. Motion carried unanimously.

B. September 24, 2024 Governing Board Regular Meeting

Katharine Elverum motioned to approve the September 24, 2024 minutes. Cookie Johnson and Sabrina Bartoo abstained as they were not present. Bruce Swingle seconded. Motion carried unanimously.

C. August 8, 2024 JPC Regular Meeting

Majie Powey motioned to approve the August 8, 2024 JPC regular meeting minutes. Philip Mortensen seconded. Motion carried unanimously.

**7. Public Input –**

Ted K. addressed the boards asking that information about the hospital be shared on more than just Facebook. A piece in the newspaper would help those who don't use Facebook. In addition, many people leaving the ER department are reporting that their personal belongings are being lost. Billing issues continue. People are being charged copayments when they shouldn't be.

Dr. Walker addressed the boards stating that in October, we did more cases than any month previously. This is his last report as his contract has been terminated effective Thursday, November 7<sup>th</sup>. Dr. Walker asked the board for a letter that states his privileges are active and in good standing.

**8. Old Business-**

GB None

JPC None

**9. New Business-**

Governing Board- Kathi Pape, Chair

**SIERRA VISTA HOSPITAL**  
**GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

1. Recognition of EMS staff- Ashlee West and Brian Hamilton attended the meeting to represent the EMS department. Ashlee was recently awarded EMT of the year by the state of New Mexico and the EMS department received the EMS department of the year award by the state of New Mexico.

Kathi Pape also presented Bruce Swingle with a plaque acknowledging his leadership of the Governing Board from July 2022 to June 2024.

JPC- Jim Paxon, Chair, reiterated the accolades stated by the Governing Board and expressed his appreciation of their services to our County on behalf of the JPC.

**10. Finance Committee- Bruce Swingle, Chairperson**

A. September Financial report- Ming Huang, CFO, directed both boards to page FC6 of the packet. Days cash on hand at the end of September were 52 days which equals \$5,498,045. Accounts receivable net days were 60 and accounts payable days were 24. Net income in September was \$311,660 versus a budgeted loss of (\$323,507). Gross revenue was \$6,407,535 or \$1,087,960 more than the budget.

Patient days were 80, 33 less than August. Outpatient visits were 1,185, 107 more than August. RHC visits were 764, 108 less than August and ER visits were 728, 52 more than August.

Revenue deductions for September were \$3,386,374. Other operating revenue was \$290,006. Non-operating revenue was \$628,466 including \$375,000 from Senate Bill 161. Total expenses were \$3,232,358. Compared to budget, benefits were over budget by \$67,888 due to employee physicals (flu vaccines) and unemployment expenses. Other operating expenses include \$33,500 for Physician recruitment expenses.

EBITDA for September was \$714,912 versus a budget of \$89,416. Year to date EBITDA is \$676,731 versus a budget of \$274,208. The bond coverage ratio is 6% versus an expected ratio of 130%.

Bruce Swingle motioned based on the recommendation of the Finance Committee, approval of the September financial report. Cookie Johnson seconded. Greg D'Amour asked about AR. Frank stated that we currently have \$17,117,897 in gross accounts receivable. We usually collect about 45% of gross. The problems with Cerner and the billing system are being solved so that we can collect these funds. In the last three to four weeks, the claims that we sent out were received but we could not transfer the file to Cerner. This was just another kink in the system. Amplify is going after the other monies in AR.

Motion carried unanimously.

Rolf Hechler motioned to approve the September financial report as presented for the JPC. Ingo Hoepfner seconded. Motion carried unanimously.

**11. Board Quality- Shawnee Williams, Chairperson**

A. Policy Review-

1. Antimicrobial Stewardship Charter- Sheila Adams, CNO, this charter is our commitment to improving antibiotic use in our facility. There are seven core elements for antimicrobial stewardship, and they are explained in detail in this charter.

B. Appointment of Bettina Fitzgerald- Sheila Adams, CNO, stated that it has been over 24 months since the appointment of our Infection Control Authority. In September, Medical Staff approved Bettina Fitzgerald to run the infection prevention program, and we are asking the Board to approve this appointment as well.

Shawnee Williams motioned based on the recommendation of the Board Quality Committee approval of the Antimicrobial Stewardship Charter and the appointment of Bettina Fitzgerald. Cookie Johnson seconded. Motion carried unanimously.

**12. Administrative Reports**

**SIERRA VISTA HOSPITAL**  
**GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

A. Human Resources- LJ Baker, HR Director, reported that critical recruitment includes registered nurses and patient access representatives. We had seven new hires and eight terminations in September. The majority of the terminations were voluntary. Our priority of effort is staff retention. Our turnover rate for the first quarter was 3.2% and our goal is to stay below 4%.

Recent hires will expand capabilities and should result in positive flow of income from additional sources. We will begin training our own medical assistants and CNAs to support our medical staff.

Key initiatives include behavioral health program recruitment. We continue to work closely with representatives of the NM Department of finance and administration regarding funding for planned future capital improvements. We are working with the New Mexico Grant Administration to obtain funding for SVH strategic initiatives. We have seven students in the paid internship program with Hot Springs High School.

We currently have 10 contract staff and 26 travel staff.

B. Nursing Services- Sheila Adams, CNO. International staff are coming in slowly and working out well. We are trying to lower the contract nursing cost by converting to local contract or direct hire.

The SVH certified nursing assistant program has been approved and classes will open soon. The sleep laboratory just completed a successful survey and accreditation. Volume continues to grow. We are ready for our trauma survey. Our EMS program was awarded EMS service of the year from the state. Ashlee West was awarded EMT-1 of the year.

C. CEO Report- Frank Corcoran, CEO, reported that a behavioral health provider has given notice and is moving on which will leave us with two BHNPs and we continue to recruit LCSWs. For the RHC, we have been talking with Dr. Tahir from El Paso about part time work in the clinic and as hospitalist in MedSurg. The Cardiology department at MMC is looking at leasing office space in our clinic.

Sandy Garcia from Ovation and her team were on site to do the mock survey for TJC. We are waiting for the final findings. We always have room for improvement.

We experienced a power outage and lost generator power due to a circuit breaker. This closed the clinics, lab, CT, MRI and EMS were put on divert. Managers met for a post event debrief and future actions were discussed.

Issues with the IT system replacement are slowly being worked through. We have reached out to Presbyterian and Loveless to discuss partnering with EPIC.

We received a BCBS quality payment in the amount of \$152,000. The HDAA program has been reviewed by CMS who asked only one question about the quality side of the program. We expect CMS to make a final decision within the next five weeks.

A group of CEOs and CNOs met with the Lt. Governor last week to discuss nurse patient ratios. We are trying to kill this bill in the next session.

Congratulations again to our EMS. They are the pride of our county, now they are the pride of the state.

Telemedicine is set to expire December 31, 2024. We expect to hear from CMS soon regarding new rules and requirements if telemedicine is to continue.

D. Governing Board- Kathi Pape, Chairperson, reported that most of her report will be given in closed session.

E. JPC Report-

**SIERRA VISTA HOSPITAL**  
**GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

1. JPC selection of CEO Ad Hoc Members- Jim Paxon, Chairperson, explained the need for three members of the JPC to participate in the interview process on the CEO Ad Hoc committee. The members will meet with the Governing Board members and the CEO candidates in person over the next three to four weeks. Discussion was held regarding the agenda for the candidates and availability of JPC mayors and members. Ultimately, Jim Paxon, Philip Mortensen and Rolf Hechler were selected to represent the JPC.

Note: Jim Paxon motioned for the JPC to approve Jim Paxon, Philip Mortensen and Rolf Hechler to be appointed as the JPC CEO Ad Hoc Committee representatives. Kathy Harmon seconded. Motion carried unanimously. However, the agenda item did not call for action.

**Motion to Close Meeting:**

**Governing Board-**

Cookie Johnson motioned to close the meeting. Bruce Swingle seconded.

**JPC-**

Philip Mortensen motioned to close the meeting. Kathy Harmon seconded.

**13. Executive Session – In accordance with Open Meetings Act, NMSA 1978, Chapter 10, Article 15, Section 10-15-1 (H) 2,7,9 including credentialing under NM Review Organization Immunity Act, NMSA Section 41-2E (8) and 41-9-5 the Governing Board will vote to close the meeting to discuss the following items:**

*Order of business to be determined by GB Chairperson:*

*Dingus/ FY24 Audit will be the first item of business to accommodate their schedule.*

**10-15-1(H) 2 – Limited Personnel Matters**

**A. Privileges**

Frank Corcoran, CEO

**Initials:**

Roi Altit, MD (Cardiology)

**60-Day Temporary to Provisional:**

Andres Diocares, MD

**Provisional to 2-Year Appointment:**

Nichelle A. Vigil, CNP

Matthew M. Peters, FNP (ESS)

**2-Year Reappointments:**

Karen L. Fiato, NP

Michael S. Stephens, MD (ESS)

Chandran Vedamanikam, MD

Omkar U. Vaidya, MD Arena Health

**RP Delegated Reappointments:**

Michael M. Hovsepien MD

Juan C. Mena, MD

Sarvenaz Pourjabbar, MD



**SIERRA VISTA HOSPITAL  
GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

**Terms:**

RP-Steve Nelson, MD term notice 09/12/2024

RP-Jay Tank, MD term notice 09/10/2024

RP-Phoebe Dann MD term notice 09/18/2024

- |  |                     |
|--|---------------------|
| B. CEO GB Ad Hoc Committee Update  | Kathi Pape, Chair   |
| C. Provider contract revisions (tentative)<br><i>Removed from agenda</i> | Frank Corcoran, CEO |
| D. Provider Personnel Issue  | Frank Corcoran, CEO |

**10-15-1 (H) 7 – Attorney Client Privilege/ Pending Litigation**

- |                |                 |
|----------------|-----------------|
| A. Risk Report | Heather Johnson |
|----------------|-----------------|

**10-15-1 (H) 9 – Public Hospital Board Meetings- Strategic and long-range business plans**

- |   |               |
|---|---------------|
| A. FY24 Audit   | Dingus        |
| B. Quarterly Compliance Report                            | Zach Heard    |
| C. Quarterly Quality Report                               | Lisa Boston   |
| D. Ovation Management Contract/ 2 <sup>nd</sup> Amendment | Erika Sundrud |
| E. Ovation Report to Board                                | Erika Sundrud |

**Roll Call to Close Meeting:**

**Governing Board-**

Kathi Pape- Y	Katharine Elverum- Y	Jesus Baray- Y
Serina Bartoo- Y	Richard Holcomb- Y	Greg D’Amour- Y
Shawnee Williams- Y	Bruce Swingle- Y	Cookie Johnson- Y

**JPC-**

Philip Mortensen- Y	Rolf Hechler- Y	Travis Day- Y
Kim Skinner- Y	Ingo Hoepfner- Y	Majie Powey- Y
Kathy Harmon- Y	Jim Paxon- Y	Deb Stubblefield- Y

**14. Re-Open Meeting – As required by Section 10-15-1(J), NMSA 1978 matters discussed in executive session were limited only to those specified in the motion to close the meeting.**

**10-15-1(H) 2 – Limited Personnel Matters**

A. Privileges

**Initials:**

Roi Altit, MD (Cardiology)

**60-Day Temporary to provisional:**

Andres Diocares, MD

**Provisional to 2-Year Appointment:**

Nichelle A. Vigil, CNP

Matthew M. Peters, FNP (ESS)

**SIERRA VISTA HOSPITAL**  
**GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

**2-Year Reappointments:**

Karen L. Fiato, NP  
Michael S. Stephens, MD (ESS)  
Chandran Vedamanikam, MD  
Omkar U. Vaidya, MD Arena Health

**RP Delegated Reappointments:**

Michael M. Hovsepian MD  
Juan C. Mena, MD  
Sarvenaz Pourjabbar, MD

**Terms:**

RP-Steve Nelson, MD term notice 09/12/2024  
RP-Jay Tank, MD term notice 09/10/2024  
RP-Phoebe Dann MD term notice 09/18/2024

Greg D'Amour motioned based on the recommendation of the Board Quality Committee, approval of all privileges as presented with the exception of Sarvenaz Pourjabbar. Pourjabbar is approved pending approval letter from RadPartners. Serina Bartoo seconded. Motion carried unanimously.

- B. CEO GB Ad Hoc Committee Update  
No action required
- C. Provider contract revisions  
*Removed from agenda*
- D. Provider Personnel Issue  
No action required

**10-15-1 (H) 7 – Attorney Client Privilege/ Pending Litigation**

- A. Risk Report  
No action required

**10-15-1 (H) 9 - Public Hospital Board Meetings- Strategic and long-range business plans**

- A. FY24 Audit  
No action
- B. Quarterly Compliance Report  
No action required
- C. Quarterly Quality Report  
No action required
- D. Ovation Management Contract/ 2<sup>nd</sup> Amendment  
Cookie Johnson motioned approval of the Ovation Management Contract. Greg D'Amour seconded. Motion carried unanimously.
- E. Ovation Report to Board  
No action required

**SIERRA VISTA HOSPITAL  
GOVERNING BOARD AND JOINT POWERS COMMISSION JOINT MEETING MINUTES**

**15. Other**

Next Regular GB Meeting- January 28, 2025 @ 12:00  
Next Regular Quarterly JPC meeting- TBD

**16. Adjournment Governing Board**

Serina Bartoo motioned to adjourn. Cookie Johnson seconded. Motion carried unanimously. (3:45)

**17. Adjournment JPC**

Kathy Harmon motioned to adjourn. Rolf Hechler seconded. Motion carried unanimously. (2:30)

JB

1/28/25

\_\_\_\_\_  
Jennifer Burns, Recording Secretary

\_\_\_\_\_  
Date

\_\_\_\_\_  
Kathi Pape, GB Chairperson

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jim Paxon, JPC Chairperson

\_\_\_\_\_  
Date



## **Financial Analysis**

**October 31<sup>st</sup>, 2024**

**Days Cash on Hand** for October 2024 are 48 (\$5,101,131)

**Accounts Receivable Net** days are 58

**Accounts Payable** days are 23

### **Hospital Excess Revenue over Expense**

The **Net Income** for the month of October was (\$857,630) vs. a Budget Income of (\$334,291).

**Hospital Gross Revenue** for October was \$6,068,566 or \$571,671 more than the budget. Patient Days were 108 – 28 more than September, Outpatient visits were 1,186 – 1 more than September. RHC visits were 831 – 67 more than September and ER visits were 714 – 14 less than September.

**Revenue Deductions** for October were \$3,698,425.

**Other Operating Revenue** was \$158,806.

**Non-Operating Revenue** was \$328,569, including \$125,000 for Senate Bill 161.

**Hospital Operating Expenses** for October were \$3,294,489. Compared to Budget, Benefits were under budget by \$77,134 because of the reimbursement of Unemployment Expenses. Contract Services contained the payment of \$48,431 to the architects of the new hospital. Other Operating Expenses include \$23,385 for nurse recruitment expenses.

**EBITDA** for October was (\$425,708) vs. a Budget of \$92,396. YTD EBITDA is \$249,655 vs. a Budget of \$366,604.

The **Bond Coverage Ratio** in October was -108% vs. an expected ratio of 130%.



## **Financial Analysis**

**November 30<sup>th</sup>, 2024**

**Days Cash on Hand** for November 2024 are 41 (\$4,323,049)

**Accounts Receivable Net** days are 67

**Accounts Payable** days are 31

### **Hospital Excess Revenue over Expense**

The **Net Income** for the month of November was (\$537,195) vs. a Budget Income of (\$323,507).

**Hospital Gross Revenue** for November was \$5,958,328 or \$638,753 more than the budget. Patient Days were 121 – 13 more than October, Outpatient visits were 1,104 – 82 less than October. RHC visits were 765 – 66 less than October and ER visits were 757 – 43 more than October.

**Revenue Deductions** for November were \$3,533,228.

**Other Operating Revenue** was \$203,291.

**Non-Operating Revenue** was \$296,805.

**Hospital Operating Expenses** for November were \$3,025,023. Compared to Budget, Repairs/Maintenance expenses are under budget due to a reclassification to capital equipment.

**EBITDA** for November was (\$96,051) vs. a Budget of \$89,416. YTD EBITDA is \$153,604 vs. a Budget of \$456,019.

**The Bond Coverage Ratio** in November was -129% vs. an expected ratio of 130%.



## **Financial Analysis**

**December 31<sup>st</sup>, 2024**

**Days Cash on Hand** for December 2024 are 50 (\$5,131,298)

**Accounts Receivable Net** days are 54

**Accounts Payable** days are 35

### **Hospital Excess Revenue over Expense**

The **Net Income** for the month of December was (\$518,878) vs. a Budget Income of (\$334,291).

**Hospital Gross Revenue** for December was \$5,742,437 or \$245,542 more than the budget. Patient Days were 137 – 16 more than November, Outpatient visits were 879 – 225 less than November. RHC visits were 658 – 107 less than November and ER visits were 782 – 25 more than November.

**Revenue Deductions** for December were \$3,297,809.

**Other Operating Revenue** was \$145,900.

**Non-Operating Revenue** was \$312,485.

**Hospital Operating Expenses** for December were \$2,973,480. Compared to Budget, Salaries expenses are under budget because of the reduction of accrued PTO liability of \$81,322.

**EBITDA** for December was (\$69,093) vs. a Budget of \$92,396. YTD EBITDA is \$84,511 vs. a Budget of \$548,415.

**The Bond Coverage Ratio** in December was -141% vs. an expected ratio of 130%.







Sierra Vista Hospital  
TWELVE MONTH INCOME STATEMENT  
December 31, 2024

Description	Month Ending 12/31/2024	Month Ending 11/30/2024	Month Ending 10/31/2024	Month Ending 9/30/2024	Month Ending 8/31/2024	Month Ending 7/31/2024	Month Ending 6/30/2024	Month Ending 5/31/2024	Month Ending 4/30/2024	Month Ending 3/31/2024	Month Ending 2/29/2024	Month Ending 1/31/2024
<b>Revenues</b>												
Gross Patient Revenue	\$ 5,742,437	\$ 5,958,328	\$ 6,068,566	\$ 6,407,535	\$ 6,117,139	\$ 6,396,968	\$ 5,741,886	\$ 6,681,638	\$ 5,396,678	\$ 5,255,478	\$ 4,200,198	\$ 5,538,569
Contractual Allowances	2,669,871	2,988,783	3,264,731	2,678,727	3,000,044	3,321,360	2,877,694	3,417,518	2,777,194	2,436,641	2,107,232	2,631,191
Bad Debt	375,313	287,808	223,750	162,199	280,439	263,774	311,734	305,679	302,535	134,293	267,486	262,860
Other Deductions	252,625	256,637	209,944	545,447	293,346	142,724	90,773	53,221	34,769	124,204	152,185	129,404
<b>Total Revenue Deductions</b>	<b>\$ 3,297,809</b>	<b>\$ 3,533,228</b>	<b>\$ 3,698,426</b>	<b>\$ 3,386,374</b>	<b>\$ 3,573,829</b>	<b>\$ 3,727,858</b>	<b>\$ 3,280,201</b>	<b>\$ 3,776,418</b>	<b>\$ 3,114,498</b>	<b>\$ 2,695,138</b>	<b>\$ 2,526,902</b>	<b>\$ 3,023,455</b>
Other Patient Revenue	1,375	3,775	8,266	7,635	2,046	5,006	27,727	7,500	0	0	1,899	122
<b>Net Patient Revenue</b>	<b>\$ 2,446,002</b>	<b>\$ 2,428,875</b>	<b>\$ 2,378,406</b>	<b>\$ 3,028,796</b>	<b>\$ 2,545,356</b>	<b>\$ 2,674,116</b>	<b>\$ 2,489,412</b>	<b>\$ 2,912,721</b>	<b>\$ 2,282,180</b>	<b>\$ 2,560,340</b>	<b>\$ 1,675,195</b>	<b>\$ 2,515,235</b>
<b>Gross to Net %</b>	<b>43%</b>	<b>41%</b>	<b>39%</b>	<b>47%</b>	<b>42%</b>	<b>42%</b>	<b>43%</b>	<b>44%</b>	<b>42%</b>	<b>49%</b>	<b>40%</b>	<b>45%</b>
Other Operating Revenue	145,900	203,291	158,806	290,006	323,844	257,755	251,514	303,334	355,901	121,589	283,294	229,241
Non-Operating Revenue	312,485	296,805	328,569	628,466	214,579	192,549	277,759	234,113	291,074	165,153	196,225	354,985
<b>Total Operating Revenue</b>	<b>\$ 2,904,387</b>	<b>\$ 2,928,971</b>	<b>\$ 2,865,781</b>	<b>\$ 3,947,269</b>	<b>\$ 3,083,779</b>	<b>\$ 3,124,420</b>	<b>\$ 3,018,685</b>	<b>\$ 3,450,168</b>	<b>\$ 2,929,155</b>	<b>\$ 2,847,082</b>	<b>\$ 2,154,714</b>	<b>\$ 3,099,461</b>
<b>Expenses</b>												
<b>Salaries &amp; Benefits</b>	<b>1,254,985</b>	<b>1,400,071</b>	<b>1,437,569</b>	<b>1,451,433</b>	<b>1,357,932</b>	<b>1,400,193</b>	<b>1,302,813</b>	<b>1,418,983</b>	<b>1,355,557</b>	<b>1,342,407</b>	<b>1,256,661</b>	<b>1,319,351</b>
Salaries	1,046,253	1,155,545	1,267,403	1,145,357	1,107,855	1,158,045	1,067,723	1,160,810	1,048,313	1,104,636	1,034,276	1,115,860
Benefits	182,144	217,302	142,695	280,625	225,724	219,074	206,427	216,641	273,001	194,115	191,566	181,278
Other Salary & Benefit Expense	26,588	27,224	27,471	25,451	24,353	23,074	28,664	41,533	34,242	43,656	31,019	22,213
Supplies	233,486	214,955	207,928	227,530	199,109	209,516	223,579	215,896	245,030	114,459	99,180	202,691
Contract Services	982,668	938,058	1,142,022	972,593	1,033,438	1,015,466	1,102,394	1,011,032	940,549	1,022,335	1,106,058	1,151,016
Professional Fees	190,653	190,026	194,776	215,418	204,868	179,686	183,410	194,380	181,355	183,410	177,735	187,317
Leases/Rentals	6,713	7,784	9,220	8,921	6,349	4,207	7,302	4,886	11,931	10,046	11,355	6,116
Utilities	42,718	43,988	34,600	52,043	55,040	53,964	56,931	43,717	41,233	41,540	36,049	58,300
Repairs / Maintenance	68,191	42,146	82,291	81,281	57,161	56,893	93,457	48,499	59,865	71,850	49,461	82,734
Insurance	157,503	155,474	122,239	155,084	157,370	155,474	87,741	88,136	88,984	87,752	90,569	88,962
Other Operating Expenses	36,561	32,520	63,845	66,421	34,847	64,866	33,054	30,458	57,129	41,147	24,234	77,061
<b>Total Operating Expenses</b>	<b>\$2,973,480</b>	<b>\$3,025,023</b>	<b>\$3,294,489</b>	<b>\$3,230,725</b>	<b>\$3,106,113</b>	<b>\$3,140,266</b>	<b>\$3,090,681</b>	<b>\$3,055,987</b>	<b>\$2,981,631</b>	<b>\$2,914,947</b>	<b>\$2,851,302</b>	<b>\$3,173,548</b>
<b>EBITDA</b>	<b>(\$69,093)</b>	<b>(\$96,051)</b>	<b>(\$428,708)</b>	<b>\$716,544</b>	<b>(\$22,335)</b>	<b>(\$15,846)</b>	<b>(\$71,996)</b>	<b>\$394,181</b>	<b>(\$52,476)</b>	<b>(\$67,865)</b>	<b>(\$696,588)</b>	<b>(\$74,087)</b>
<b>EBITDA Margin</b>	<b>-2%</b>	<b>-3%</b>	<b>-15%</b>	<b>18%</b>	<b>-1%</b>	<b>-1%</b>	<b>-2.4%</b>	<b>11%</b>	<b>-2%</b>	<b>-2%</b>	<b>-32%</b>	<b>-2%</b>
<b>Non - Operating Expenses</b>												
Depreciation and Amortization	300,372	322,842	296,811	289,146	302,821	291,737	286,862	298,589	284,373	290,571	274,022	291,365
Interest	76,037	76,844	73,587	73,607	74,527	73,648	73,667	74,733	73,707	73,727	74,936	73,766
Tax/Other	73,376	41,458	58,524	42,130	69,313	53,675	59,099	51,127	44,418	37,287	33,304	64,570
<b>Total Non Operating Expenses</b>	<b>\$449,785</b>	<b>\$441,144</b>	<b>\$428,922</b>	<b>\$404,884</b>	<b>\$446,662</b>	<b>\$419,060</b>	<b>\$419,629</b>	<b>\$424,448</b>	<b>\$402,498</b>	<b>\$401,585</b>	<b>\$382,262</b>	<b>\$429,701</b>
<b>NET INCOME (LOSS)</b>	<b>(\$518,878)</b>	<b>(\$537,195)</b>	<b>(\$857,630)</b>	<b>\$311,660</b>	<b>(\$468,997)</b>	<b>(\$434,906)</b>	<b>(\$491,624)</b>	<b>(\$30,267)</b>	<b>(\$454,973)</b>	<b>(\$469,449)</b>	<b>(\$1,078,850)</b>	<b>(\$503,788)</b>
<b>Net Income Margin</b>	<b>(18%)</b>	<b>(18%)</b>	<b>(30%)</b>	<b>8%</b>	<b>(15%)</b>	<b>(14%)</b>	<b>(16.3%)</b>	<b>(1%)</b>	<b>(16%)</b>	<b>(16%)</b>	<b>(50%)</b>	<b>(16%)</b>

Sierra Vista Hospital  
BALANCE SHEET  
December 31, 2024

December 31, 2024 (Unaudited)	DESCRIPTION	June 30, 2024
	<b>Assets</b>	
	<b>Current Assets</b>	
\$ 4,954,013	Cash and Liquid Capital	\$ 5,740,889
\$ 177,285	US Bank Clearing	\$ 115,051
\$ 5,131,298	<b>Total Cash</b>	\$ 5,855,939
\$ 17,200,880	Accounts Receivable - Gross	\$ 14,714,146
\$ 12,575,469	Contractual Allowance	\$ 9,435,272
\$ 4,625,411	<b>Total Accounts Receivable, Net of Allowance</b>	\$ 5,278,874
\$ 1,897,314	Other Receivables	\$ 1,083,401
\$ 421,818	Inventory	\$ 383,474
\$ 153,050	Prepaid Expense	\$ 68,738
\$ 12,228,891	<b>Total Current Assets</b>	\$ 12,670,426
	<b>Long Term Assets</b>	
\$ 59,737,235	Fixed Assets	\$ 59,087,815
\$ 21,945,242	Accumulated Depreciation	\$ 20,148,771
\$ -	Construction in Progress	\$ -
\$ 37,791,993	<b>Total Fixed Assets, Net of Depreciation</b>	\$ 38,939,044
\$ 37,791,993	<b>Total Long Term Assets</b>	\$ 38,939,044
\$ 2,632,315	New Hospital Loan	\$ 1,942,930
\$ 52,653,198	<b>Total Assets</b>	\$ 53,552,400
	<b>Liabilities &amp; Equity</b>	
	<b>Current Liabilities</b>	
\$ 2,005,482	Account Payable	\$ 1,632,554
\$ 1,004,943	Interest Payable	\$ 543,556
\$ 73,376	Accrued Taxes	\$ 59,574
\$ 749,892	Accrued Payroll and Related	\$ 570,609
\$ (487,000)	Cost Report Settlement	\$ (487,000)
\$ 3,346,694	<b>Total Current Liabilities</b>	\$ 2,319,294
	<b>Long term Liabilities</b>	
\$ 28,636,711	Long Term Notes Payable	\$ 28,660,502
\$ 28,636,711	<b>Total Long Term Liabilities</b>	\$ 28,660,502
\$ 1,017,361	Unapplied Liabilities	\$ 667,868
\$ 477,073	Capital Equipment Lease	\$ 223,431
\$ 33,477,839	<b>Total Liabilities</b>	\$ 31,871,095
\$ 21,681,305	Retained Earnings	\$ 25,108,277
\$ (2,505,946)	Net Income	\$ (3,426,971)
\$ 52,653,198	<b>Total Liabilities and Equity</b>	\$ 53,552,400

Sierra Vista Hospital  
BALANCE SHEET by Month  
December 31, 2024

Assets	6/30/2025	5/31/2025	4/30/2025	3/31/2025	2/28/2025	1/31/2025	12/31/2024	11/30/2024	10/31/2024	9/30/2024	8/31/2024	Month Ending 7/31/2024
<b>Current Assets</b>												
Cash and Liquid Capital							4,954,013	4,194,582	4,949,497	5,496,903	5,675,326	5,741,636
US Bank Clearing							177,285	128,468	151,634	1,142	204,512	171,111
<b>Total Cash</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$5,131,298	\$4,323,049	\$5,101,131	\$5,498,045	\$5,879,837	\$5,912,747
Accounts Receivable - Gross							17,200,880	19,176,039	17,003,464	17,117,897	15,259,234	15,568,712
Contractual Allowance							12,575,469	13,418,227	11,930,483	11,605,766	10,335,379	10,193,983
<b>Total Accounts Receivable, Net of Allowance</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$4,625,411	\$5,757,812	\$5,072,981	\$5,512,131	\$4,923,855	\$5,374,729
Other Receivables							1,897,314	2,028,169	1,905,913	1,717,825	1,222,873	1,206,005
Inventories							421,818	410,419	403,211	410,324	404,177	399,266
Prepaid Expense							153,050	176,405	210,252	153,237	201,486	219,785
<b>Total Current Assets</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$12,228,891	\$12,695,855	\$12,693,488	\$13,291,563	\$12,632,228	\$13,112,533
<b>Long Term Assets</b>												
Fixed Assets							59,737,235	59,729,446	59,229,034	59,210,151	59,102,953	59,092,117
Accumulated Depreciation							21,945,242	21,644,870	21,322,028	21,025,217	20,736,071	20,442,141
<b>Total Fixed Assets, Net of Depreciation</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$37,791,993	\$38,084,576	\$37,907,007	\$38,184,934	\$38,366,882	\$38,649,976
<b>Total Long Term Assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$37,791,993	\$38,084,576	\$37,907,007	\$38,184,934	\$38,366,882	\$38,649,976
New Hospital Loan												
<b>Total Assets</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,632,315	\$2,513,332	\$2,393,650	\$2,273,474	\$2,152,708	\$2,030,484
<b>Liabilities &amp; Equity</b>												
<b>Current Liabilities</b>												
Account Payable							2,005,482	1,781,211	1,337,841	1,379,901	1,266,339	1,630,908
Interest Payable							1,004,943	928,046	851,148	774,250	697,352	620,454
Accrued Taxes							73,376	41,458	57,690	42,130	66,532	53,200
Accrued Payroll and Related							749,892	1,192,877	1,148,844	1,089,968	962,087	835,144
Cost Report Settlement							(487,000)	(487,000)	(487,000)	(487,000)	(487,000)	(487,000)
<b>Total Current Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$3,346,694	\$3,456,592	\$2,908,522	\$2,799,249	\$2,505,310	\$2,652,706
<b>Long term Liabilities</b>												
Long Term Notes Payable							28,636,711	28,640,676	28,644,641	28,648,606	28,652,571	28,656,537
<b>Total Long Term Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$28,636,711	\$28,640,676	\$28,644,641	\$28,648,606	\$28,652,571	\$28,656,537
<b>Unapplied Liabilities</b>												
Capital Equipment Lease							1,017,361	1,017,361	1,017,361	1,017,361	1,017,361	1,017,361
<b>Total Liabilities</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$33,477,839	\$33,599,526	\$32,762,712	\$32,660,908	\$32,374,416	\$32,546,593
<b>Retained Earnings</b>												
Net Income							\$21,681,305	\$21,681,305	\$21,681,305	\$21,681,305	\$21,681,305	\$21,681,305
							(\$2,505,946)	(\$1,987,068)	(\$1,449,873)	(\$592,243)	(\$903,903)	(\$434,906)
<b>Total Liabilities and Equity</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$52,653,198	\$53,293,764	\$52,994,145	\$53,749,970	\$53,151,818	\$53,792,992

CEO Report

Dr. Don Bates

01/28/2025

1. **Amplify Update:**
  - a. DNFB – January 1, 2025 ~11.03 days; January 22, 2025 ~3.19 days
  - b. A/R Days – January 1, 2025 ~ 91 days; January 21, 2025 ~52 days
  - c. Validation Rate – MTD is at 71% and we have billed \$6,161,795.29 through January 21, 2025.
  
2. **Cash on Hand** – January 1, 2025 – ~56 days (\$5,164,138.38); January 22, 2025 – ~95 days (\$9,769,351.20)
  
3. **RHC Update/Provider Recruitment:** As you are aware from Frank’s final report both Karen and Jamie are leaving at the end of the month. Human Resources has opened a requisition to fill one position, as Emily will be onboard soon. We have interviewed a couple of candidates to fill Sabrina Alvord position. One candidate was especially strong and will be brought on campus for a face-to-face interview.
  
4. **GI Surgery service line:** Met with Dr. Mysore to discuss his interest in coming to T or C and provide GI surgical services on Tuesday, January 21<sup>st</sup>.
  
5. **HDAA:**
  - a. 60% of the program (Access Incentive)  
Assessment Fee Date: 06/09/25 (15%), 09/08/25 (15%), 12/09/25 (15%), 03/11/26 (15%) – each payment is \$126,378  
  
Receivable Date: 06/29/25 (15%), 09/28/25 (15%), 12/29/25 (15%), 03/31/26 (15%) – each quarterly incentive should be \$1.5 million
  - b. 40% of the program (Quality Incentive)  
Assessment Fee Date: 05/10/26 – annual payment is \$337,007  
Receivable Date: 05/30/26 – the annual incentive should be \$4 million
  
6. **SB161:** \$1,500,000      Received on 01/22/2025
  
7. **Medicare Cost Report Receivable:** \$790,855.00      Received 01/10/2025

8. **ERC:** \$2,858,949.00 Received 01/13/2025

9. **Grants Update:**

a. **Rural Hospital Stabilization Program:** The Rural Hospital Stabilization Program (RHSP) provides technical assistance to rural hospitals to improve financial stability by enhancing or expanding healthcare services that meet community needs. Submitted 01/15/2025

b. **Rural Health Care Delivery Funds:**

i. \$541,470 - Partial Hospitalization & Intensive Outpatient service lines (selected)

1. The primary costs are the recruitment and salaries of 2 additional LCSW's, BH techs, and a nurse. Additionally, it covers Dr. Diocares's salary. There is also a cost leasing of a building space to perform these services, since the building requirements for behavioral health services are not as stringent as full medical care.

ii. \$269,976 - Behavioral Health Crisis Response team (selected)

1. This is a mobile BH team that responds to the 988 behavioral health crisis calls. Primary costs are the van for mobile response and the salaries for 2 CR drivers, 2 peer-support workers, and a program manager. LCSW's are also needed, but they were already included in the other application.

iii. \$252,063 - All-terrain EMS vehicle & additional staffing for Community EMS (not selected)

10. **Service Line Updates:** Met with John Lanning, CEO of Three Crosses to discuss the logistics associated with a relaunch of surgical services and a possible pain clinic. We plan to host providers from Three Crosses within the next week and discuss patient flow, equipment, our EHR, and the business model purposed to assure financial feasibility.

a. Future service line considerations could include Women's Health and Cardiology.

11. **ChartSpan:** Administration and I plan to end the ChartSpan contract and internalize the Chronic Care Management coordinator function – adding a personal local touch.

12. **Patient Experience Officer:** To address the negative responses from our community, Press Ganey reports, OASCAHPS, HCAHPS this individual would focus primarily on the patient experience. He/She would participate in the

development and implementation, or treatment improvement plans and projects: data collection, chart abstraction, analysis and display of data; developing and submitting reports; facilitating the introduction of performance improvement techniques; and acting as a resource for guidelines surrounding the patient experience during treatment.

13. **CHNA:** We reviewed the survey results of our Community Health Needs Assessment on January 8<sup>th</sup> and are composing an action plan to address the top items.
14. **Marketing:** Janine and I are working on an integration/presentation plan for our stakeholders and key organizations.
15. **Gail Wegger Retirement:** Our project manager with HealthNet Consulting is retiring at the end of the month. Gail has been our liaison bringing resolution to Cerner issues. IT will assume responsibility for that function moving forward.
16. **Sierra County Republican Party Introductions:** Sheridan Fuss invited me to attend the bi-annual meeting of the Sierra County Republican Party on Saturday, January 4<sup>th</sup> and introduced me to many elected officials and community leaders.
17. **Meeting Legislators:** I attended the prayer breakfast at Johnny B's for our legislators on Sunday, January 19<sup>th</sup> and met Sen. Brantley and Rep. Armstrong. Rep. Dow was also present – she and Aaron had invited my family out for dinner previously, so we've had the opportunity to get familiar.
18. **67 Arabian Lane:** The lease for 67 Arabian Lane ended on December 31, 2024. We opted not to renew it, as our negotiated hotel rate is \$81 daily at Holiday Inn Express and financially a more feasible solution for housing considering how infrequently the house was used.
19. **New Mexico Legislative Session:** LJ and I will be attending the New Mexico Legislative Session on February 19<sup>th</sup> & 20<sup>th</sup>.

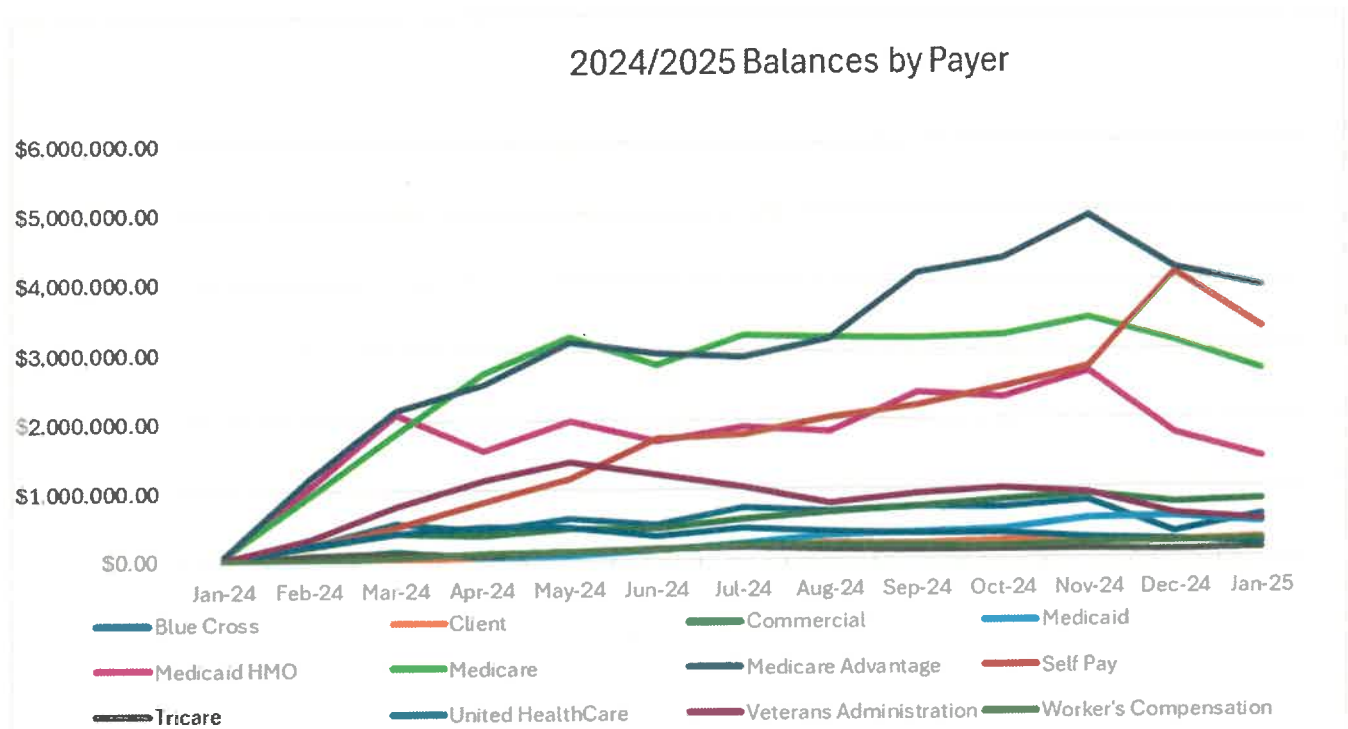
CEO Report

Dr. Don Bates

02/17/2025

1. Amplify Update:

- a. DNFB – February 17, 2025 ~ 9.31 days
- b. A/R Days – February 17, 2025 ~70 days (including S/P) ~46 days (excluding S/P)
- c. Validation Rate – 58%



2. Cash on Hand – February 14, 2025 – ~79 days (\$8,656,631.06)

3. RHC Update/Provider Recruitment: Kellye Foster interviewed onsite for the Director of Provider Services position and an offer was extended, which she accepted. We are coordinating a start date with her as she identifies a place to live.

4. **Resignation:** LJ has submitted his 60 days' notice resigning his position, effective April 11, 2025. Ovation will assist us with interim leadership as we start the search for a new Director of Human Resources.
5. **Service Line Updates:** We plan to host providers from Three Crosses as soon as they reschedule and discuss patient flow, equipment, our EHR, and the business model purposed to assure financial feasibility.
6. **CHNA:** We reviewed the survey results of our Community Health Needs Assessment on January 8<sup>th</sup> and are composing an action plan to address the top items.
7. **Marketing:** Janine and I are working on our new marketing strategies and pursuing potential new donors for Denims & Diamonds.
8. **RFP for New Rehabilitative Services Building:** The Admin Team are in the process of initiating RFP to start the process towards building a new Rehabilitative Services building. We need to move forward on the buildout prior to July to get in line and ask for additional funding for our building project.
9. **New Mexico Hospital Association – Behavioral Health Task Force:** I took Frank's seat on this task force and have been able to provide input on several behavioral health bills based on my educational background, child welfare experience, and IOP background.
10. **New Mexico Legislative Session:** LJ and I will be attending the New Mexico Legislative Session on February 19<sup>th</sup> & 20<sup>th</sup>.

**CLOSED SESSION**

11. **Introduction of Aaron Dow as our CIO/Recap of January 30<sup>th</sup> Incident**