

UNM Hospital Board of Trustees
OPEN SESSION - AGENDA
Friday, March 31, 2017 at 9:00 AM
Barbara and Bill Richardson Pavilion Conference Room 1500

- I. **CALL TO ORDER – Debbie Johnson, Chair, UNM Hospital Board of Trustees**
- II. **ANNOUNCEMENTS**
 - [From the Desk of the Chief of Staff – Jennifer Phillips, MD](#)
- III. **ADOPTION OF AGENDA**
- IV. **PUBLIC INPUT**
- V. **CONSENT APPROVAL/INFORMATIONAL AGENDA**
 - **Consent/Approval Items (Approval)**
 - ❖ [Cerner CareAware Connect, \\$3.9 Million \(Approval\)](#)
 - ❖ [Siemens Medical Solutions USA, \\$1.7 Million \(Approval\)](#)
 - ❖ [Siemens Medical Solutions, \\$1,987,083.00 \(Approval\)](#)
- VI. **APPROVAL OF THE MINUTES**
 - [February 24, 2017 UNMH Board of Trustees Meeting Minutes \(Approval\)](#)
- VII. **BOARD INITIATIVES**
 - [Board Member Engagement & the Role of the Trustee: Best Practices – Larry Gage](#)
 - [Resolutions Concerning Public Notice of UNMH Board of Trustees Meetings – Steve McKernan \(Approval\)](#)
 - [FY 17 Revised Operating Budget / FY 18 Operating Budget – Ella Watt](#)
 - [FY 17 Revised Capital Budget / FY 18 Capital Budget – Ella Watt](#)
 - [UNMH Quality Plan QAPI – Mike Chicarelli \(Approval\)](#)
 - [Mission Excellence Update – Sara Frasch](#)
- VIII. **ADMINISTRATIVE REPORTS**
 - Chancellor for Health Sciences - Paul Roth, MD
 - [CEO, UNM Hospitals - Steve McKernan](#)
 - [CMO, UNM Hospitals – Irene Agostini, MD](#)
 - UNM Board of Regents Update – Steve McKernan
- IX. **UPDATES**
 - [POCEC Credentialing & Privileging – Robb McLean, MD](#)
 - [Addictions – An Introduction – Mauricio Tohen, MD and Snehal Bhatt, MD](#)
- X. **COMMITTEE REPORTS**
 - [Performance Oversight / Community Benefits Committee – Dr. Raymond Loretto](#)
 - [Finance, Audit & Compliance Committee – Jerry McDowell](#)
 - Native American Services Committee – Jerry McDowell
- XI. **OTHER BUSINESS**
 - [February Financials – Ella Watt](#)
- XII. **CLOSED SESSION: Vote to close the meeting and to proceed in Closed Session.**
 - a. Discussion and determination where appropriate of limited personnel matters pursuant to Section 10-15-1.H (2), NMSA.
 - b. 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), NMSA.
 - c. Discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA.
 - d. Vote to re-open the meeting
- XIII. **Certification that only those matters described in Agenda Item XII were discussed in Closed Session; consideration of, and action on the specific limited personnel matters discussed in Closed Session.**



**From the Desk of the
Chief of Staff:
Getting Your Work Done On Time
So You Can Go Home On Time!**

Provider burnout and 'ease of practice' are two interrelated issues that affect healthcare quality and safety. They are exceedingly important because the health of our communities depend on healthcare worker wellness. Individual wellness is important but system's issues and organizational wellness also contribute. I think that many of the solutions to ease of practice are system based. How can we train ourselves to work smarter not harder? Many of the solutions are having healthy, sustainable and diverse teams that take care of communities together. It's not all up to the individual anymore. We also have to use technology in the most efficient way possible.

I read a great article by a friend and colleague Colleen Fogarty, MD, MSc in *Family Practice Management* called "Getting Your Notes Done on Time". I have summarized her 7 tips to spend less time on charting below and I have added some of my own after that.

1. Delegate what you can to your team.
2. Get done what you can in the room.
3. Know documentation guidelines and leave out things that aren't meaningful for care or billing.
4. Learn how to use your EMR tools.
5. Let go of perfection.
6. Don't write a novel (or write it at home and not in the EMR).
7. Time yourself.

My Powerchart and charting tips:

1. Use 'provider view' to create dynamic documentation note.
2. Use Dragon dictation to finish your note.
3. Use Quick Orders.
4. Take 1-2 hours every quarter to get more Powerchart training.
5. Document as much as you can as you go and don't save it all to the end.
6. Ask someone from powerchartsynergy@salud.unm.edu to work with you, ask to shadow a super user or have them shadow you.

Together we can learn and build tools and teams to become more efficient. In our efficiency we can streamline our processes, reduce variation and focus on the diagnostic, creative and more joyful parts of our job and especially our connection with patients and each other. **This will create more joy in practice!**

It is an honor to serve as your Chief of Staff please send me comments, ideas, questions and musings to UNMH-ChiefofStaff@salud.unm.edu or visit <http://clinicalaffairs.unm.edu/unmhmsa/chief-of-staff/index.html>.

Hoping you feel the meaning in your medicine and Happy Springtime,

Jen

Jennifer K. Phillips, MD

Associate Professor and Associate Chair in the UNM Department of Family and Community Medicine
Chief of Staff UNM Hospital and Clinics (Jan 2017-Dec 2018)

CHANGES COMING TO REAPPOINTMENT PROCESS

From Alison Webster, Director, Clinical Affairs

The biannual reappointment process for all UNM Health System credentialed practitioners is going paperless. For reappointments expiring July 2017 onwards, the reappointment and re-privileging process will be entirely electronic. Practitioners will receive an email from UNM Health System Credentials Verification Office (CVO) informing that a second email will be forthcoming from AppCentral. ***There will be one month to log-in, verify and update information, and submit.***

AppCentral is a software solution hosted by CACTUS software, which is the database used by UNM for credentialing. The healthcare practitioner is able to complete the entire application process through a secure web-based experience.

Improvements in the reappointment process include:

- AppCentral link sent directly to the practitioner, no more paper copies circulating.
- Same application for Initial and Reappointment.
- Application and clinical privilege description are pre-populated from credentialing data already saved in the credentialing database.
- No peer evaluations submitted with application; CVO will send directly to references listed.
- No CV required for reappointment.
- Auto reminders sent to practitioners, with copies to Credentialing Liaison support.

App Central instructions can be found on the Clinical Affairs website at <http://clinicalaffairs.unm.edu/unmhscvo/documents.html> or you may contact the CVO directly at 505-272-2526 if you have any questions. **Thanks for supporting CVO & Medical Staff Affairs!**

CONTROLLED SUBSTANCE PRESCRIBING: CHANGES AS OF JANUARY 2017

1. Key changes to New Mexico Prescription Monitoring Program (PMP) requirements:

- Consult the PMP before prescribing more than four (4) days of any controlled substance (Schedules II-V).
- Consult the PMP every three (3) months for patients on continuous therapy.
- Urine toxicology screens must be obtained prior to prescribing opioids for chronic pain, and then every six (6) months.
- Review the course of treatment for chronic pain, the patient's state of health, and any new information, every six months;
- Suboxone requirements are now listed; consult the PMP at time of intake and then every three (3) months.

Access the PMP website at <https://newmexico.pmpaware.net/login>; access the updated UNMH policy Controlled Substance Prescription Processing, Security and Issuance on the UNMH Intranet at <https://hospitals.health.unm.edu/intranet>.

2. The US Drug Enforcement Administration (DEA) eliminated the informal grace period which previously allowed registrants to renew their registrations and will now send only one renewal notification to the registrant's "mail to" address approximately 65 days prior to the expiration date. No other reminders will be provided by DEA. Failure to file a renewal application by 12 am EST of the expiration date will result in the "retirement" of the registrant's DEA number. Any registrant who fails to meet the deadline will be required to apply for a new DEA registration and will receive a new DEA registration number.
3. Practitioners credentialed to provide patient care at UNMH are required to maintain, when applicable, prescriptive license(s). Failure to renew a DEA or NM controlled substance registration (CSR) prior to expiration will result in automatic suspension of prescriptive authority for controlled substances until renewal can be verified.

ANNOUNCEMENTS

Albuquerque's TOP DOCS

For more than a dozen years, *Albuquerque The Magazine* has asked the thousands of physicians practicing in the Albuquerque area the same question: "If you had to refer a loved one to a local doctor other than yourself, to whom would you refer them to?" Congratulations to these UNM Hospital physicians named TOP DOC in their specialty:

Dr. Eli Torgeson – Anesthesiology (tie)

Dr. Sara Popek – Colon and Rectal Surgery

Dr. Steve McLaughlin – Emergency Medicine

Dr. Michael Gavin - Gastroenterology

Dr. Edward Auyang – General Surgery

Dr. George Comerchi Jr. – Internal Medicine

Dr. David Lemon – Pediatric Surgery

Dr. Denise Kesler – Preventive Medicine

Each physician was showcased in the March 2017 issue of *Albuquerque The Magazine*. Many faculty medical staff members were named as also receiving votes in their specialty category. Congratulations to all, and thank you for your outstanding service to our community.

Dr. Mark Crowley Named Interim Executive Director of Children's Services

Mark Crowley, MD, has been named interim executive director of Children's Services at the UNM Children's Hospital. Crowley received his MD from the University of California, Irvine. He completed his pediatric residency at Los Angeles County-USC Medical Center and subsequently served as chief resident. He completed his pediatric critical care fellowship at the University of California, San Francisco before joining the UNM faculty as a pediatric intensivist in 1990. Crowley served as the Pediatric Intensive Care Unit medical director from 1998-2015 and as the director of pediatric and adult Extracorporeal Membrane Oxygenation from 1992-2013. He has served as the executive medical director of Pediatric Inpatient Services since 2014 and as the Pediatric Critical Care division chief since 1998. Crowley is a dedicated leader in pediatrics and at the UNM Children's Hospital. Congratulations to Dr. Crowley.

Dr. Melissa Martinez Joins National Vaccine Advisory Committee

Melissa Martinez, MD, professor in General Internal Medicine, Locum Tenens medical director and practicing physician in LoboCare Clinic, recently accepted a four-year position as a National Vaccine Advisory Committee (NVAC) member. NVAC is a federal advisory committee utilized by the Department of Health and Human Services to study and make recommendations on vaccine utilization and safety in the U.S., along with overall advising and council on public health and science issues. Martinez is one of 17 selected for this distinguished national committee. Congratulations Dr. Martinez.

Dr. Donna Sigl Named SOM Assistant Dean for Faculty Affairs and Career Development

Donna Sigl, MD, professor of child psychiatry, is the new assistant dean for Faculty Affairs and Career Development for the School of Medicine Office of Faculty Affairs and Career Development. Sigl is a former chief of the UNMH Medical Staff, a founding member and co-chair of the Physician Advisory Board, and serves as the current vice chair for Administration & Finance in the UNM Department of Psychiatry and Behavioral Sciences. Congratulations to Dr. Sigl.

Please Welcome Our Newest Medical Staff Members

Name	Specialty	Department	Appointed
Burkhardt, Gillian, MD	Obstetrics & Gynecology	Obstetrics & Gynecology	Mar-17
Espy, Paul, MD	Dermatology	Dermatology	Jan-17
Esters, Danielle, MD	Maternal/Fetal Medicine	Obstetrics & Gynecology	Jan-17
Good, Gabriella, MD	Internal Medicine	Internal Medicine	Feb-17
Harville, Aaron, MD	Anesthesiology	Anesthesiology	Mar-17
McArthur, Samuel, MD	Orthopedic Trauma	Orthopedics	Feb-17
Schmedes, Gregg, MD	Otolaryngology	Surgery	Jan-17
Shevy, Laura, MD	Infectious Diseases	Internal Medicine	Feb-17
Singh, Deeptej, MD	Dermatology	Dermatology	Jan-17
Vowles, Kevin, PhD	Clinical Psychology	Neurosurgery	Feb-17
Wiltz, Katy, MD	Dermatology	Dermatology	Jan-17
Woslager, Megan, MD	Pediatrics	Pediatrics	Mar-17

CHANGE TO PROCESS FOR CLINICAL PRIVILEGES IN FLUOROSCOPY

To better meet regulatory requirements, and to address patient, staff, and provider safety, the Medical Executive Committee and Board of Trustees have voted to implement a new process for non-radiologists physicians wishing to perform fluoroscopy at UNMH. Medical Staff Affairs will reach out to all non-radiologist providers who use fluoroscopy with details of this new process, which includes completion of the Learning Central course SRS 1206, Fluoroscopy Training, and transition to the newly developed clinical privilege set, *Fluoroscopy Non-Core*. Please contact UNMH Medical Staff Affairs at UNMH-medicalstaffaffairs@salud.unm.edu with questions in this matter.

PHYSICIAN ADVISORY GROUP UPDATE

The Physician Advisory Group (PAG) represents and provides advice to the UNMMG Board on policy matters, ease of practice initiatives, and program/planning activities. All physicians are welcome and encouraged to attend PAG monthly meetings which are held on the 2nd and 4th Thursdays at 7 am in BBRP 1500. Please contact PAG Chair, Dr. Kendall Rogers, at krogers@salud.unm.edu with questions or suggested topics for discussion.

Thank you to the UNMH Progress Notes Editorial Board:

Alison Webster, Office of Clinical Affairs
Bobbi Henderson, Office of Clinical Affairs
David Pitcher, MD, UNMH Administration

Robb McLean, MD, Office of Clinical Affairs
Steve McKernan, UNMHS Administration
Mike Richards, MD, MPA, UNMHS Administration



UNM Hospital Board of Trustees
March 2017
Recommendation to HSC Committee
April 2017

Approval

(1) Cerner Corporation (“Cerner”)

Ownership:

2800 Rockcreek Parkway
Kansas City, MO 64117

Officers Information:

Neal Patterson, Chairman
Zane Burke, President

Source of Funds: UNM Hospital Operating and Capital Budget

Description: Request approval to purchase a smartphone based care team communications solution (CareAware Connect) for use in the adult inpatient units, pediatric inpatient units and post anesthesia care unit and emergency room. The unified patient centered communication system/devices are comprised of four integrated Emergency Medical Records (EMR) components: medication scanning at time of administration, secure patient centric communication system, patient secondary alerts for physiological secondary alerts, and electronic medical record order notification. The purchase includes CareAware Connect Communications servers (Three production servers and one test server), subscription, hosting, professional services, 900 MC40 phone and accessories, sublicensed software, equipment and sublicensed software maintenance.

The CareAware Connect purchase is needed to improve patient centered communication between all clinical staff, by putting secure voice communication, text messaging, and connectivity to the EMR, smart alerting and real-time device notifications that link clinician to patient. The integrated components of this system will provide improved patient safety in the areas of medication administration, timeliness and focused patient centered alerts to improve time to intervention, communication between clinical staff and information provided by the electronic medical record to enhance patient care. By using this integrated system it will allow improved system management over multiple systems from separate vendors. The single unified system also mitigates risk of HIPAA violations by minimizing the number of interfaces needed to other systems.

Process: - Sole Source. Pursuant to the Procurement Code 13-1-126-1, UNMH has met the Sole Source notice and the procurement was not challenged. Purchase was recommended by the Chief Medical Information Officer, Dr. Gary Iwamoto, Dr. Aaron Jacobs, Dr. Mario Cruz and Dr. Dusadee Sarangarm Kim McKinley, UNMH Senior Clinical Documentation Nurse and the UNMH Clinical Systems IT team. In addition, an IT security plan was provided, reviewed and approved.

Previous Contract: New

Contract Term: Five year term

Termination Provision: Either party may terminate this Agreement at any time with or without cause by delivering written notice to the other party at least 30 days in advance of the proposed date of termination.

Contract Amount: Total contract award is estimated at \$3,913,483 over the term of the contract.

<u>Description</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
Subscription for CareAware Connect (Monthly fees at \$33,900)	\$ 406,800.00	\$ 406,800.00	\$ 406,800.00	\$ 406,800.00	\$ 406,800.00	\$ 2,034,000.00
Managed Services Sky Box Mobility Hosting (Monthly Fees at \$900 for 36 months)	\$ 10,800.00	\$ 10,800.00	\$ 10,800.00			\$ 32,400.00
Remote Hosting (Monthly fees at \$2,200)	\$ 26,400.00	\$ 26,400.00	\$ 26,400.00	\$ 26,400.00	\$ 26,400.00	\$ 132,000.00
Professional Services _ Implementation (One time Fixed Fee)	\$ 353,250.00	\$ -	\$ -	\$ -	\$ -	\$ 353,250.00
Equipment - MC40 phone purchases (one time Fixed Fee)	\$ 929,593.92	\$ -	\$ -	\$ -	\$ -	\$ 929,593.92
Sublicensed Software (One Time Fees)	\$ 45,000.00	\$ -	\$ -	\$ -	\$ -	\$ 45,000.00
Installation (One Time Fees)	\$ 6,000.00	\$ -	\$ -	\$ -	\$ -	\$ 6,000.00
Software Maintenance	\$ 76,248.00	\$ 76,248.00	\$ 76,248.00	\$ 76,248.00	\$ 76,248.00	\$ 381,240.00
	<u>\$ 1,854,091.92</u>	<u>\$ 520,248.00</u>	<u>\$ 520,248.00</u>	<u>\$ 509,448.00</u>	<u>\$ 509,448.00</u>	<u>\$ 3,913,483.92</u>

(2) Siemens Medical Solutions USA, Inc.

Ownership:

40 Liberty Boulevard
Malvern, PA 19355

Officers Information:

Walter Stenborg, Product Sales Executive
Kyle Gibson, Account Executive

Source of Funds: UNM Hospital Capital Budget

Description: Request approval to purchase the Siemens Biograph mCT40 PET CT scanner, a Hybrid device with the latest PET technologies coupled with a high performance 40 slice Clinical CT Scanner. This procurement is to replace the 11 year old Biograph 14 PET/CT scanner located in the UNMH Main and used primarily for inpatient and pediatric services. The new scanner provides for an enhanced patient throughput and a better patient experience, with shorter scan times and a larger opening. Respiratory gating technologies allow improved management of patient motion issues in the chest and abdomen. The updated CT technology will better serve the CT needs of the department, again with faster scan times and updated technologies that lessen the radiation exposure to the patient, and improve clinical image quality. With the CT Fluoro package, CT interventional exams can be performed in the room, increasing the flexibility of how this replacement scanner will be utilized.

Process: GPO purchase - Vizient

Previous Contract: N/A - This is a new equipment and service purchase.

Contract Term: Service Agreement is a five year agreement

Termination Provision: UNMH may remove any equipment from the service agreement at any time after the first 18 months of the term by providing no less than 30 days prior written notice to Siemens and by paying to Siemens as liquidated damages, and not as a penalty, a cancellation fee:

Effective Date of Cancellation	Cancellation Fee
During months 19-24 of Agreement Term	15%
During months 25-36 of Agreement Term	10%
During months 37-48 of Agreement Term	5%
After Month 48 of Agreement Term	0%

Contract Amount: Equipment purchase is estimated at \$1,789,438. Annual Service and maintenance estimated cost is \$197,645. The decision and selection for this procurement was based on guidance and advisement from the Chair and Medical Director of Radiology, as well as the Chair of Nuclear Medicine.

Equipment pricing discounts are as follows:

Vizient provided UNMH with a 39% discount off list price.

Vizient Group Buying Discount is an additional 3% off list pricing.

Purchasing Department negotiated an additional 16.81% off list pricing

UNMH is receiving a total discount of 58.81% off list pricing on discountable part/line items.

(3) Siemens Medical Solutions USA, Inc.

Ownership:

40 Liberty Boulevard
Malvern, PA 19355

Officers Information:

Walter Stenborg, Product Sales Executive
Kyle Gibson, Account Executive

Source of Funds: UNM Hospital Capital Budget

Description: Request approval to purchase the 1.5 Tesla Siemens MAGNETOM® Aera (MRI). This procurement is to replace the 13 year old 1.5 Tesla Siemens Symphony scanner located in the Barbara and Bill Richardson Pavilion, used primarily for Emergency, Intensive Care (ICU) services and Pediatric services. The MRI's core technologies allow for improved image quality. This equipment's multi-channel technology and larger opening will allow for improved patient experience through reduced scan times and accommodation of a larger population.

Process: GPO purchase - Vizient

Previous Contract: N/A - This is a new equipment and service purchase.

Contract Term: Service Agreement is a five year agreement

Termination Provision: UNMH may remove any Equipment from this service agreement at any time after the first 18 months of the term by providing no less than 30 days prior written notice to Siemens and by paying to Siemens as liquidated damages, and not as a penalty, a cancellation fee.

Effective Date of Cancellation	Cancellation Fee
During months 19-24 of Agreement Term	15%
During months 25-36 of Agreement Term	10%
During months 37-48 of Agreement Term	5%
After Month 48 of Agreement Term	0%

Contract Amount: Equipment is estimated to cost \$1,596,527. Annual service and maintenance estimated cost is \$119,432. The decision and selection for this procurement was based on guidance and advisement from the Chair and Medical Director of Radiology as well as the Chair of Muscular Skeletal Imaging.

Equipment pricing discounts are as follows:

Vizient provided UNMH with a 33% discount off list price.

Vizient Group Buying Discount is an additional 6% off list pricing.

Purchasing Department negotiated an additional 14% off list pricing

UNMH is receiving a Total discount of 53% off list pricing on discountable part/line items. The renovation cost associated with the install is estimated to be \$45,000.

<i>Agenda Item</i>	<i>Subject/Discussion</i>	<i>Action/Responsible Person</i>
Voting Members Present	Debbie Johnson, Jerry McDowell, Christine Glidden, Aimee Smidt, Joseph Alarid, Erik Lujan, Raymond Loretto, and Nick Estes	
Ex-Officio Members Present	Stephen McKernan, Dr. Irene Agostini, Dr. Paul Roth, and Dr. Michael Richards	
County Officials Present	N/A	
I. Call to Order	A quorum being established, Ms. Debbie Johnson, Chair, called the meeting to order at 9:03 AM	
II. Adoption of Agenda	Ms. Debbie Johnson, Chair, requested a motion to adopt the agenda.	Mr. Jerry McDowell made a motion to adopt the agenda. Mr. Joseph Alarid seconded the motion. There being no objections, the motion carried.
III. Announcements	Mr. Steve McKernan introduced Mr. Toyese Oyeyemi, Jr. Mr. Oyeyemi will give a presentation today in honor of National Black History Month (presentation included in packet).	
IV. Public Input	N/A	
V. Consent Approval	Mr. Steve McKernan gave a briefing on the Cyberonics Vagus Nerve Stimulators which was reviewed by Finance & Audit Committee and recommended to be taken to the Board for approval. Ms. Debbie Johnson, Chair, asked if there were any comments from the Finance & Audit Committee or any Board Members. No comments. Ms. Debbie Johnson, Chair, requested a motion to approve as submitted.	Dr. Raymond Loretto moved to approve the Cyberonics Vagus Stimulators Consent item. Mr. Jerry McDowell seconded the motion. There being no objections, the motion carried.
VI. Approval of Minutes	Ms. Debbie Johnson, Chair, requested a motion to approve the UNM Hospital Board of Trustees January 27, 2017 Meeting Minutes and the February 14, 2017 Special Board of Trustees Meeting Minutes.	Mr. Jerry McDowell made a motion to approve the January 27, 2017 Board of Trustees Meeting Minutes and the February 14, 2017 Special Board of Trustees Meeting Minutes. Dr. Raymond Loretto seconded motion. The motion passed unanimously.
VII. Board Initiatives	Ms. Sara Frasch presented an update of Mission Excellence (document included in packet). Mr. Stephen McKernan gave an update of the Operating Plan (document included in packet). Ms. Ella Watt presented the Operating Budget Assumptions (document included in packet).	
VIII. Administrative Reports	Chancellor for Health Services Report: Dr. Paul Roth reported there is a Bill both in House and Senate on hospital tax which we are being tracked carefully and depending on the outcome, if approved, it could result in extending the gross receipts tax to all hospitals and health care providers, an approximate \$18 mil hit. There could also be further cuts to academic programs, possibly 1% but	

Agenda Item	Subject/Discussion	Action/Responsible Person
	<p>may be up to 3% which would impact programs. Acting President, Chaouki Abdallah, met with the Chairs recently at a Town Hall meeting. President Abdallah is very motivated to create a good work environment within the University and has a perspective to value all aspects of the University. HSC has begun budget process and thanks to Mission Excellence, the process is becoming much more aligned.</p> <p>CEO Report: The CEO (report is in the packet).</p> <p>CMO Report: The CMO (report is in the packet).</p> <p>UNM Board of Regents: Mr. Stephen McKernan reported the Board of Regents met recently and discussed standard reports, no action taken other than approving Capital.</p>	
IX. Updates	January Financials: (report is in packet)	
X. Committee Reports	<p>Performance Oversight & Community Engagement Committee: The Performance Oversight & Community Engagement Committee met on February 17, 2017. Ms. Christine Glidden indicated the committee discussed reports, credentialing and licensing. Ms. Glidden was impressed with the Press Ganey presentation (tool) and suggested this presentation be given to the Board.</p> <p>Finance, Audit & Compliance Committee: The Finance, Audit & Compliance Committee met on February 27, 2017. Mr. Jerry McDowell indicated there continues to be a heroic effort by everyone at the hospital to do what is prudent and not to sacrifice patients in turbulent times.</p> <p>Native American Services Committee: The Native American Services Committee did not meet. Mr. Jerry McDowell stated he made a decision to postpone the meeting with short notice and apologized to anyone that may have affected.</p>	
XI. Other Business	Neurosurgery: Dr. Howard Yonas gave a Neurosurgery presentation (report in packet).	
XII. Closed Session	At 11:27 AM Ms. Debbie Johnson, Chair, requested a motion to close the Open Session of the meeting.	Dr. Raymond Loretto made a motion to move to Closed Session. Ms. Christine Glidden seconded the motion. The motion passed unanimously.
XIII. Certification	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.	

<i>Agenda Item</i>	<i>Subject/Discussion</i>	<i>Action/Responsible Person</i>
XIV. Vote to Re-Open Meeting	<p>At 12:57 PM, Ms. Debbie Johnson, Chair, requested a motion be made to return the meeting to Open Session.</p> <p>Ms. Debbie Johnson, Chair, requested a motion be made that the Board accept/approve the Credentialing as presented by Dr. Robb McLean. Approval of the January 18, 2017 Medical Executive Committee Meeting Minutes and approval of the January 20, 2017 Performance Oversight Committee (POCEC) Meeting Minutes as presented in Closed Session to acknowledge, for the record, that those minutes were, in fact, presented to, reviewed, and accepted by the Board and for the Board to accept/approve the recommendations of those Committees as set forth in the minutes of those committees meetings and to ratify the actions taken in Closed Session.</p>	<p>Mr. Nick Estes made a motion to return to Open Session. Dr. Raymond Loretto seconded the motion. The motion passed unanimously.</p> <p>Mr. Jerry McDowell made a motion to accept/approve the Credentialing, January 18, 2017 Medical Committee Meeting Minutes and the January 20, 2017 Performance Oversight Committee Meeting Minutes. Dr. Raymond Loretto seconded the motion. The motion passed unanimously.</p>
XV. Adjournment	The next scheduled Board of Trustees Meeting will take place on Friday, March 31, 2017 @ 9:00 AM at the University of New Mexico Hospital in the Barbara & Bill Richardson Pavilion 1500. There being no further business, Ms. Debbie Johnson, Chair, requested a motion to adjourn the meeting.	Mr. Jerry McDowell made a motion to adjourn the meeting. Dr. Raymond Loretto seconded the motion. The motion passed unanimously. The meeting was adjourned at 12:57 PM.

Christine Glidden, Secretary
UNM Hospital Board of Trustees



Board Member Engagement & the Role of the Trustee: Best Practices

***A Report to the University of New Mexico Hospital
Board of Trustees***



Larry Gage

Senior Counsel, Alston & Bird LLP

March 31, 2017

I. Introduction & Current Structure of UNMH Board of Trustees

A. Background: Purpose of Report

In December, 2016, Alston & Bird LLP (“A&B”) was engaged by the University of New Mexico (“UNM”) to review the current governance structure of the University of New Mexico Hospital (“UNMH”). In particular, A&B was asked to review the activities and effectiveness of the UNMH Board of Trustees (“UNMH BOT”), a governing board created as a result of the lease by UNM of the former Bernalillo County Hospital.

In the course of conducting this review, A&B reviewed UNMH BOT organizational documents, including:

- The original Lease between the Board of County Commissioners and UNM (the “Lease”) and subsequent amendments to that lease;
- Other contracts and agreements between the County and UNM, and between UNM and other stakeholders, including the Indian Health Service (which has a contractual interest in the clinical programs that are part of UNMH);
- UNM policies adopted by the UNM Regents and other branches of the University that are applicable to UNMH BOT; and
- The agendas and minutes of approximately a dozen meetings of the BOT or its Committees.

We also reviewed a wide range of recent peer-reviewed and non-reviewed articles and studies in the general literature on the governance and legal structure of governmental and non-profit teaching hospitals (included articles and studies written by the authors of this report), in order to identify “best practices” that could be adopted by the UNMH BOT.

A&B also interviewed eight of the nine current appointed Trustees, as well as several members of UNMH management, and attended two BOT meetings as observer and participant. An initial overview of the engagement and preliminary findings were presented to the BOT at a special educational session on December 21, 2016. A more complete summary of findings and recommendations was presented for Board discussion at its January 27, 2017 meeting. As a result of the discussion at that meeting, this final report is being presented for consideration and possible adoption by the BOT at its March 31, 2017 meeting.

B. Overview of Current Governance Structure

a. Current Structure of BOT

The UNMH Board of Trustees consists of nine voting Trustees and eight ex officio non-voting Board members. Pursuant to the current version of the Lease, seven of the voting trustees are appointed by the UNM Regents, one of whom must be a representative of the All-Indian Tribal Council. Two trustees are appointed by the Bernalillo County Board of County Commissioners. In addition, individuals holding the following positions are ex-officio, non-voting members of the Board:

- President of University
- Chancellor for Health Sciences
- Dean of UNM SOM
- VP of Hospital Operations (Hospital CEO)

- University EVP for Finance and Administration
- University Associate VP for Finance and Administration (HSC)
- VP of Clinical Affairs/Sr. Associate Dean Clinical Affairs, SOM
- Chief of Staff, HSC Medical Staff

The Board of Trustees meets monthly, on the last Friday of each month, and on special occasions as needed. The Board has a limited Committee structure, as follows:

- Finance and Audit and Compliance Committee (four members)
- Strategic Planning and Executive Committee (four members – the three board officers and the chair of the POCEC)
- Performance Oversight and Community Engagement Committee (four members)
- Native American Services Committee (four members)

Under the Lease and other key UNM policies, the UNMH BOT has limited (but specific) delegated powers and duties, with a number of powers and duties retained by the Board of Regents. Powers delegated to the UNM BOT are as follows:

b. Powers Delegated to BOT

- Provide oversight for any non-education, non-research, clinical operations of UNMH, specifically including “those operations related to the delivery of routine patient care, including medical and surgical care, diagnostic procedures, psychiatric and mental health care, substance abuse services, rehabilitation, cancer treatment, home health services, and hospice care, to UNMH patients.”
- Have “all reasonably necessary powers” and “adopt such specific policies”, in furtherance of its oversight responsibilities, as the Board deems necessary.
- Review and recommend operating and capital budget for approval by the Regents.
- Review and approve, subject to final approval by the Regents, UNM Hospital’s operating plan and strategic plan.
- Review and approve, or in appropriate circumstances (above a certain dollar threshold) recommend Regent approval of, procurement of equipment, contracts for services and lease of real estate.
- Receive reports from the Hospital CEO and VP for Clinical Affairs regarding matters involving their respective authorities and responsibilities for UNMH, including matters related to the provision of quality care at UNMH.
- Review and approve medical staff bylaws, policies and procedures.
- Take final action on credentialing and privileging of medical staff (consistent with Joint Commission and CMS governing body requirements).
- Create standing and ad hoc subcommittees.
- Provide oversight of advisory committees.
- Evaluate BOT performance at least annually.

The BOT has no delegated powers related to hiring or firing of CEO, human resources or labor relations. Policies adopted by the BOT must be “consistent with applicable Regent policies and applicable standards, laws and regulations.”

c. Powers Reserved to Regents

- The Regents reserve the right to consider and determine, if in the exercise of sound discretion and it is considered necessary, any matter relating to UNMH.
- Appointment of seven voting members to the Hospital Board (two voting members are appointed by the Board of County Commissioners).
- Appointment of and removal of hospital CEO (as well as other key management officials of UNM Health Sciences).
- The Regents have reserved power over all decisions related to human resources and collective bargaining agreements.
- Final approval of operating and capital budgets
- Final approval of certain expenditures from the Hospital Fund.
- Approval of changes to bylaws, rules and regulations for the Hospital Trustees.

II. Summary of Findings and Recommendations

A. Findings

Our key findings with respect to UNMH BOT governance are based on a variety of factors, including our interviews of Trustees and management, our review of UNMH organizational documents, our participation in BOT educational sessions and Board meetings, and our review of “best governance practices” identified in our literature search and other recent reports. (“Best practices” identified in our review of applicable regulations, literature search and previous reports are summarized in Attachment A to this report.) Our findings can be summarized as follows:

- The UNMH Board of Trustees is a “hybrid” governing body – charged with substantial oversight responsibilities in some areas (e.g. quality and clinical care), while having little or no power in others (e.g. HR, labor relations, or appointment of hospital CEO).
- In some areas (e.g. operating and capital budgets) the Board’s role is to “review and recommend” to the Regents.
- In light of this confusing range of advisory and oversight duties, the role of a Trustee does not appear to be sufficiently clarified, leading to differing interpretations of, and approaches to, their role by individual Trustees.
- The Board has an unusually large number of “ex-officio” non-voting Trustees (some of whom never attend meetings).
- Some Trustees do not feel that they are adequately engaged or informed to enable them to serve as UNMH advocates to the various patient populations and communities served by UNMH; as a result, some may view their role as primarily to represent external constituencies.
- A very limited committee structure means some Trustees have a more substantial work-load (and more access to information) than others.
- Some Trustees (primarily Trustees who are not on the relevant committees) feel they are inadequately informed on some issues (e.g., quality improvement), and that even when a substantial amount of information is provided (e.g. in the area of financial performance) that information is not always summarized and interpreted for them.
- Trustees don’t always have adequate time to review Board materials – at times materials are provided the night before the Board meeting.

- Management feels there is often too little time between meetings to prepare, and managers do not always themselves receive important information in time to adequately summarize it for the BOT.
- Some Trustees feel there is inadequate time allocated in Board meetings to a discussion of the strategic goals and principal challenges facing UNMH.
- There does not appear to be an effective, coordinated approach between the Board and the appointing entities (Regents and County) to identify gaps in expertise or experience in order to recruit Trustee candidates to fill those gaps.

B. Recommendations

Based on these findings, we make the following recommendations for improving the current governance structure of the UNMH Board of Trustees:

a. Organization of Board of Trustees

- UNMH and the BOT, in consultation with the Regents and County Commission, should develop a process for identifying gaps in Trustee experience and identifying potential Trustee candidates for the appointing entities to consider. There is substantial evidence that a new range of skills and experience, beyond the traditional skill set, will be desirable in the future for all hospital boards.
- The Board should consider recommending a By-laws amendment to reduce the current number of ex-officio Trustees. Having a large number of ex-officio trustees raises the question of whether a board is representational rather than strategic. In a recent survey of nine major academic health systems, only one system surveyed had a relatively large number of ex-officio board members. The other eight systems had four or fewer ex-officio members. Three systems have only one ex-officio voting trustee (the CEO), and two have none.
 - There should be no more than four ex-officio Trustees: President of University, Chancellor for Health Sciences, Dean of UNM SOM and Hospital CEO.
 - Other UNM officers who are no longer ex officio Trustees could be appointed to serve on appropriate committees.
- While we do not recommend amending the County Lease solely for this purpose, if the Lease is amended in the future for other reasons, the number of voting Trustees should be expanded by three. The purpose will be to provide for a broader range of skills and community involvement in the Board. Two additional members could be appointed by the Regents and one additional member by the County. Note: if it proves feasible at some point to implement this recommendation, it is further recommended that the Hospital CEO be made an ex-officio voting member of the Board, which is a common practice in high-performing academic medical centers.
- The Committee structure should be reorganized, to spread the workload more broadly and to provide more opportunities for Trustees to participate in Committee work. Budget/Finance and Audit/Compliance are separate committees in most hospital boards. The POCEC also appears to have an overly-broad mandate and should be more clearly focused on quality and patient care issues. Strategic planning should be elevated as a Board focus and the Strategic Planning Committee should be revitalized. A revised committee structure is recommended, as follows:

- Budget and Finance
 - Audit and Compliance
 - Patient Care Quality and Safety
 - Strategic Planning and Community Engagement
 - Native American Services
- UNMH should consider requiring a minimum of three Trustees on each Committee, with each Trustee serving on a maximum of two Committees.
 - Non-Trustees with requisite skills and experience should be included on Committees where appropriate.
 - If the frequency of Board meetings is reduced, as recommended in Section (b) below, the Quality Committee could be delegated to assume credentialing and privileging responsibilities between Board meetings.¹

Hospital boards have the opportunity to significantly influence the quality of patient care. Studies have shown that hospital board engagement in quality-related issues has been linked to improved quality of care. For example, one study found that board chairs from high-performing hospitals were significantly more likely than board chairs from low-performing hospitals to report being somewhat or very familiar with Joint Commission core measures or with HQA measures.

b. Board Meetings and Information

- The number of Board meetings should be reduced to six per year (once every two months), with much of the work between meetings done in committee.
- With a reduced number of meetings, management should be able to provide Board materials at least one week in advance of each meeting.
- Management should also seek more clearly to highlight significant issues that merit Board attention in each part of the Board meeting; e.g. reduce the number and length of presentations and assume Trustees have read detailed materials in advance; provide overviews and context during the meeting itself.
- Brief executive sessions can be held at the end of each Board meeting (with or without presence of ex-officio Trustees), provided that such meetings are consistent with applicable open meeting requirements and major issues addressed in executive sessions are communicated by the Chair to CEO for whatever follow-up may be required.

c. Role of Trustees

¹ Joint Commission standard MS.06.01.07 states, “[t]he governing body **or its delegated committee** has final authority for granting, renewing, or denying privileges.” *Credentialing, Privileging, Competency, and Peer Review: Examples of Compliance for the Medical Staff*, published by the Joint Commission, states, “[t]he governing body, pursuant to its bylaws, may elect to delegate the authority to render initial appointment, reappointment, and renewal or modification of clinical privileges decisions to a committee of the governing body.”

- UNMH should provide increased opportunities for engaging Trustees in major UNMH initiatives. These should include ongoing opportunities for educating Trustees about important health industry developments, including developments affecting quality and financial performance.
- UNMH and the BOT should develop mechanisms for communicating effectively with Trustees between meetings. These could include retreats, social events and educational sessions.
- Together with the revitalization of the Strategic Planning Committee recommended in Section (b) above, UNMH should consider undertaking a strategic planning process to identify the core group challenges and goals unique to UNMH within the overall context of UNM and UNM Health Sciences. University-based health sciences centers are unique organizations in which it is important to achieve integration and coordination of clinical, research and academic elements. However, within such systems, there are also challenges and opportunities that are unique to the teaching hospitals that are at their core.
- Consider expanding the use of Trustee self-evaluation mechanisms. The Board should conduct a self-evaluation at least annually, using a format developed by one of the mainstream governance organizations (the AHA Center for Healthcare Governance, the Governance Institute, etc.) Examples of these tools and formats have been provided to management and should be evaluated by (and if necessary adapted to the specific characteristics of) the Board.
- All Trustees should understand and appreciate that their primary fiduciary commitment is to the success and viability of UNMH, rather than to other external constituencies.

d. Conclusion

In order to implement the recommendations included in this report in an orderly fashion, UNMH and the BOT should consider amending and updating the Board's Bylaws, policies and procedures. These should be incorporated into an up-to-date board policy manual covering the Board's oversight responsibilities, including in the areas of quality performance, financial performance, credentialing and privileging, community engagement and strategic planning. Upon BOT approval of the findings and recommendations in this

What Are the Challenges Facing UNMH? (Examples from Interviews)

- *Need for access to capital to build new hospital*
- *Need for continuous quality improvement*
- *Impact of potential repeal/replace of Affordable Care Act*
- *Changes in nature of state Medicaid program (shift to managed care, pressure on supplemental payment programs)*
- *Pressure on state revenues for UNM*
- *Diversity of population and communities UNM serves (e.g. needs of Native Americans, immigrants, homeless, low income families, mentally ill, addicted, etc. etc.)*
- *Need to improve quality and patient satisfaction*
- *Need to maintain mission as only tertiary/quaternary medical center in NM*
- *Implementation of "Mission Excellence"*
- *Need to address both systemic and operational inefficiencies*
- *Need to address provider satisfaction issues*
- *Need to strengthen primary care network and develop integrated delivery system with network of partners and affiliates*
- *Need to improve fundraising ability in community*

report, a draft of proposed amendments to the Board's bylaws and policies will be prepared and submitted for approval at the Board's April meeting.

Attachment A to this report sets out in narrative format the general duties and responsibilities of Trustees, as presented to the BOT at its special educational session in December and discussed at the January Board meeting. This attachment also includes a summary of the "best practices" of high performing AMC boards identified from a review of recent articles, surveys and reports. Attachment B provides a bibliography of selected references reviewed for this report.

Attachment A: What is Effective Governance?

Effective governance and a sound legal structure that encourages innovation and reform are essential elements of survival and success for government-owned teaching hospitals like UNMH. Throughout the hospital industry, there is heightened attention to the importance of governance. All hospitals face challenges today, but safety net teaching hospitals face a number of added pressures.

It is more vital than ever for such providers to have effective governing boards and a legal structure that minimizes unnecessary bureaucracy, provides adequate operating autonomy and improves the ability to control costs, increase quality and patient safety and obtain access to capital.

A. Legal and Regulatory Requirements

a. Joint Commission

Joint Commission standards are clear that a hospital governing body is “accountable for the safety and quality of care, treatment and services” rendered. The rationale behind this accountability standard is that “the governing body’s ultimate responsibility for safety and quality derives from its legal responsibility and operational authority for hospital performance.”² The governing body is expected to define in writing its responsibilities, provide for organization management and planning, approve the hospital’s written scope of services and provide for the resources needed to maintain safe, equality care, treatment and services. In addition, the governing body must work with senior managers and leaders of the Medical Staff to annually evaluate the hospital’s performance, provide a system for resolving conflicts between individuals working at the hospital, and provide the Medical Staff with the opportunity to participate in governance and to be represented in meetings.³

b. Medicare Conditions of Participation

Under Medicare Conditions of Participation, a hospital must have in place “an effective governing body that is legally responsible for the conduct of the hospital.”⁴ The governing body must meet a number of standards specific to the Medical Staff, chief executive officer, care of patients, institutional plan and budget, contracted services, and emergency services. Notably, the governing body must ensure that the Medical Staff is “accountable to the governing body for the quality of care provided to patients.”⁵ The governing body is also responsible for devising an overall institutional plan that includes an annual operating budget and provide for capital expenditures for at least a three year period. There are a number of other requirements that the governing body must meet, but they are too numerous to list in this report.

c. Other Regulatory Requirements

Similar to Medicare Conditions of Participation, New Mexico requires that hospitals have an “effective” governing body that is “legally responsible for the management and provision of all hospital services, maintenance of the hospital services and the quality thereof.”⁶ The governing body has a number of responsibilities, which include, among others, adopting by-laws, establishing a formal means of liaison

² LD.01.03.01.

³ LD.01.03.01, Elements of Performance 1 – 10.

⁴ 42 CFR § 482.12.

⁵ 42 CFR § 482.12(a)(5).

⁶ N.M. Admin. Code § 7.7.2.18.

with the Medical Staff by a joint conference committee or other means, and appointing members of the Medical Staff.

The Office of the Inspector General (“OIG”) of the U.S. Department of Health and Human Services has published a document entitled “Practical Guidance for Health Care Governing Boards on Compliance Oversight”⁷ in conjunction with the Association of Healthcare Internal Auditors, American Health Lawyers Association, and the Health Care Compliance Association. The OIG encourages health care governing bodies to fully engage in their oversight responsibility and to “make efforts to increase its knowledge of relevant and emerging regulatory risks, the role and functioning of the organization’s compliance program in the face of those risks, and the flow and elevation of reporting of potential issues and problems to senior management.” Specifically, organizations should define the relationships between the audit, compliance and legal functions in their organizational documents. In addition, the OIG recommends setting and enforcing expectations for receiving particular types of compliance-related information from various members of management.

B. Generally Recognized Duties of Nonprofit Boards

While governmental teaching hospital trustees often face unique challenges, they are also generally held to have duties and obligations similar to those of board members of other nonprofit hospitals. From a corporate perspective, board members of any non-profit entity are said to have three fundamental legal and fiduciary duties, or guiding principles: care, loyalty and obedience.

a. Duty of Care

The duty of care requires board members to act in a conscientious and informed manner with respect to all board decisions. They must be aware of and consider the reasonably available and relevant information prior to making a board decision. They must act in good faith and with the care that an “ordinarily prudent businessperson” would exercise in similar circumstances. For example, each board member is responsible for reviewing and understanding background documents, such as financial analyses, provided by staff. If any element seems inconsistent or raises questions, the board member should not take it at face value but must follow up until the questions are satisfactorily answered.

b. Duty of Loyalty

The duty of loyalty requires that every board decision be made in the best interests of the hospital and its mission, rather than in the interests of individuals or external constituencies. This can be difficult when public hospital board members are selected from a particular constituency. However, even in this case, the needs of constituencies should be considered in the context of the organization’s overall mission; they must never override the mission and best interests of the hospital.

c. Duty of Obedience

This duty requires board members to adhere to the legal mandates set forth when the organization was established. That is, they must ensure that the hospital operates in conformance with its organizational documents (e.g., its enabling act, charter, or articles of incorporation) and its mission. To do so, board members must have a solid understanding of the fundamental purpose and mission of the health system, as well as of the laws, regulations, accreditation standards and policies governing the hospital.

C. Additional Challenges Faced by Governmental Hospital Boards

⁷ <https://oig.hhs.gov/newsroom/news-releases/2015/guidance-release2015.asp>

Government hospital boards like the UNMH BOG typically also bear more complicated responsibilities than those of other hospitals in the community. Special challenges include legal, regulatory and political pressures, including the need to care for uninsured, underinsured and low income populations; heavier reliance on Medicaid funding and local taxpayer support; the impact of the nation's failure to address the need for immigration reform; the expansion of managed care and increased competition for Medicaid patients; responsibility for public health and other community services; the obligation to conduct sensitive business in the public eye; and other cumbersome political or bureaucratic obstacles.

In addition, government owned teaching hospitals often differ significantly from community hospitals in their physician staffing arrangements. Community hospitals rarely pay physicians to provide medical services. But public teaching hospitals like UNMH typically employ faculty physicians, either directly or through a faculty practice plan. Providing clinical services through a faculty practice plan, as at UNMH, adds an element of complexity, which necessitates strong oversight and communication between the parties.

As institutions, public hospitals provide services that are needed in the community but may not generate sufficient revenue to cover costs. In addition, because of the safety net role of these hospitals, as well as their public ownership or financial support, many community constituents feel a vested interest in what services they provide and how they conduct their business. Consequently, the governing boards of public hospitals face special challenges associated with the mission of their institution and, frequently, with their public nature.

In a 2011 commentary to the biennial report of the Governance Institute, the following additional challenges of governmental boards were identified:

- Government hospitals tend to have smaller boards, with fewer physicians and a narrower range of skills and experience.
- More uncertainty about long term tenure of board members.
- Fewer government hospital boards make effective use of committees, making it difficult to develop skills and experience needed to govern a complex teaching hospital.
- Government boards meet more often, creating a drag on the time and resources of executive teams and distracting them from operations and strategic initiatives.
- Open meeting and records laws may impede competitiveness and restrain free and candid discussion of problems and challenges.
- Government hospital boards spend less time on long range thinking, strategic planning
- Government hospital boards have the lowest reliance of any boards on modern digital board tools such as digital agenda books, dashboards.

D. Best Governance Practices of High Performing AMC Boards

In preparing this report for UNMH, the authors analyzed a number of recent studies and surveys of governance “best practices” in high performing academic medical centers (both governmental and private). Findings of this analysis include the following:

- Duration and frequency of system board meetings: High performing boards are moving to fewer but longer meetings.
- Agendas/content of system board meetings: High performing boards make extensive use of consent agendas for board meetings, with much of the work taking place in committees.

- Regular evaluation of boards and trustees: High performing boards have their members conduct annual individual self-evaluations, with explicit expectations.
- System standing committees: High performing AMC Boards have Finance, Audit & Compliance, Quality & Safety, and Governance/Nominating committees. Quality is the most common committee.
- Diversity: High performing boards strive to reflect the demographics of the populations served.
- Transparency: High-performing boards make a strong commitment to communicate transparently with internal and external stakeholders.
- Clinical experience on system boards: Access to experienced physician and nursing leadership for integrated health system boards is considered essential to improving quality.
- Board member recruitment and succession: High performing boards assess expertise, skills, availability and capabilities of their members and identify gaps.

E. Becoming a High Performing Board: How Do You Get There?

In conclusion, in order to carry out the fundamental legal and fiduciary duties set out in this Report, while addressing the additional challenges of governing a major public teaching hospital, Trustees should focus their attention and resources on a number of key areas of responsibility: strategic orientation, public accountability, financial oversight, quality assurance, advocacy, and board development. This final section of our Report to UNMH will seek to provide some thoughts (and guidance) in each of these areas.⁸

a. Strategic Orientation

Trustees should be actively involved in shaping the strategic orientation of the hospital, including reviewing and approving a strategic plan that is consistent with the health system's purpose and mission. To make informed decisions regarding strategic orientation, Trustees should keep up to date on the hospital's regulatory and competitive environment, including trends, opportunities, and threats. Once strategic priorities are set, they should be reassessed regularly and the hospital's progress towards those goals monitored regularly.

b. Public Accountability

Public accountability refers to the responsibility of Trustees to assess the short- and long-term needs of the community and the hospital's patient population and to monitor the fulfillment of these needs. The Board may accomplish this by facilitating regular communication with political leaders, the press, relevant organizations, and the public at large. Trustees must coordinate these communications within the hospital, rather than undertaking them haphazardly on their own.

c. Financial Oversight

Financial oversight responsibilities include reviewing and approving financial plans, evaluating organization goals, and ensuring that internal and external independent financial audits are completed on a timely basis. It is helpful to have comparative numbers such as historic performance or the performance of comparable institutions, to gauge the hospital's financial status.

⁸ These areas are discussed in more detail in Larry S. Gage, "Transformational Governance for Public and Nonprofit Health Systems", American Hospital Association Center for Healthcare Governance (November, 2012).

d. Quality Assurance, Improvement and Patient Safety

The Board must ensure that an effective quality improvement system is in place, with ongoing, systematic assessment resulting in action plans to strengthen performance. A board member's responsibilities include regularly reviewing quality performance data, holding management and clinical staff accountable for patient safety and quality of care, and ensuring that resources are available for these purposes. Quality goals should be linked to performance ratings and incentives and staff privileges. Through continuous quality oversight, an effective board can decrease the likelihood of adverse outcomes and encourage a culture of quality and patient safety.

e. Advocacy

A governing board has the responsibility to engage in advocacy on behalf of the hospital. Trustees should identify proactively both informal and formal opportunities for advocacy. Specific goals should be set, in coordination with management, with respect to public advocacy. Board members should have a common understanding of the hospital's goals, needs, and key issues. Equally important is the ability of the board to present a unified message. The board or its chair should therefore establish a protocol as to who may speak on behalf of the board and when, both generally and in the context of a specific advocacy agenda.

f. Board Development

A separate yet critical board responsibility pertains to board development and self-assessment. Board members should routinely assess the hospital's bylaws to identify areas that need improvement. Additionally, mechanisms should be established to evaluate the performance of the Board as a whole and for self-evaluation by individual board members. Board education also should be a regular aspect of the board's activities.

Attachment B: Best Governance Practices – References

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Board Member Engagement & the Role of the Trustee

Presentation of Findings & Recommendations

Larry S. Gage

Senior Counsel, Alston & Bird LLP

March 31, 2017



Overview

- Review:
 - What is Effective Governance?
 - Additional Challenges of Government Hospital Boards
 - Delegated Powers and Duties of UNMH Board
- Findings
- Recommendations
- Review: Key Challenges Facing UNMH
- Next Steps



Review: What is Effective Governance?

- Board's only focus is on the hospital it governs
- Board members have fiduciary duty to hospital
- Board members do not serve on board to protect external interests
- Board as a whole should have range of skills and experience best suited to addressing the needs and strategic goals of the hospital
- Ongoing Board education is essential
- Board is in partnership with (does not substitute for) effective management
- Board members are willing to work, through committees as well as full Board
- Board members should be enthusiastic advocates in the broader community
- Government-owned hospitals often face additional obstacles to effective dedicated governance



Review: Additional Challenges of Governmental Boards

- Government hospitals tend to have smaller boards, with fewer physicians and a narrower range of skills and experience.
- There is more uncertainty about the long term tenure of board members.
- Fewer government hospital boards make effective use of committees, making it difficult to develop skills and experience needed to govern a complex teaching hospital.
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Review: Delegated and Retained Powers of UNMH Board

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- Approval of changes to bylaws, rules and regulations for the Hospital Trustees.



Findings

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- In some areas (e.g. operating and capital budgets) the Board’s role is to “review and recommend” to the Regents.
- In light of this confusing range of advisory and oversight duties, the role of a Trustee does not appear to be sufficiently clarified, leading to differing interpretations of, and approaches to, their role by individual Trustees.
- The Board has an unusually large number of “ex-officio” non-voting Trustees (some of whom never attend meetings).
- Some Trustees do not feel that they are adequately engaged or informed to enable them to serve as UNMH advocates to the various patient populations and communities served by UNMH; as a result, some may view their role as primarily to represent external constituencies.
- A very limited committee structure means some Trustees have a more substantial work-load (and more access to information) than others.



Findings

- Some Trustees (primarily Trustees who are not on the relevant committees) feel they are inadequately informed on some issues (e.g., quality improvement), and that even when a substantial amount of information is provided (e.g. in the area of financial performance) that information is not always summarized and interpreted for them.
- Trustees don't always have adequate time to review Board materials – at times materials are provided the night before the Board meeting.
- Management feels there is often too little time between meetings to prepare, and managers do not always themselves receive important information in time to adequately summarize it for the BOT.
- Some Trustees feel there is inadequate time allocated in Board meetings to a discussion of the strategic goals and principal challenges facing UNMH.
- There does not appear to be an effective, coordinated approach between the Board and the appointing entities (Regents and County) to identify gaps in expertise or experience in order to recruit Trustee candidates to fill those gaps.



Recommendations: Organization of Board

- UNMH and the BOT, in consultation with the Regents and County Commission, should develop a process for identifying gaps in Trustee experience and identifying potential Trustee candidates.
- The Board should consider recommending a By-laws amendment to reduce the current number of ex-officio Trustees. Having a large number of ex-officio trustees raises the question of whether a board is representational rather than strategic. In a recent survey of nine major academic health systems, only one system surveyed had a relatively large number of ex-officio board members. The other eight systems had four or fewer ex-officio members. Three systems have only one ex-officio voting trustee (the CEO), and two have none.
 - There should be no more than four ex-officio Trustees: President of University, Chancellor for Health Sciences, Dean of UNM SOM and Hospital CEO.
 - Other UNM officers who are no longer ex officio Trustees could be appointed to serve on appropriate committees.
- If the County Lease is amended in the future for other reasons, the number of voting Trustees should be expanded by three. Two additional members could be appointed by the Regents and one additional member by the County.
- If this recommendation is implemented, the Hospital CEO should be made an ex-officio voting member of the Board.



Recommendations: Board Committee Structure

- The Committee structure should be reorganized, to spread the workload more broadly and to provide more opportunities for Trustees to participate in Committee work. A revised committee structure is recommended, as follows:
 - Budget and Finance
 - Audit and Compliance
 - Patient Care Quality and Safety
 - Strategic Planning and Community Engagement
 - Native American Services
- UNMH should consider requiring a minimum of three Trustees on each Committee, with each Trustee serving on a maximum of two Committees.
- Non-Trustees with requisite skills and experience should be included on Committees where appropriate.
- If the frequency of Board meetings is reduced, as recommended below, the Quality Committee could be delegated to assume credentialing and privileging responsibilities between Board meetings.



Need for Dedicated Quality Committee

- Hospital boards have the opportunity to significantly influence the quality of patient care.
- Studies have shown that hospital board engagement in quality-related issues has been linked to improved quality of care.
- For example, one study found that board chairs from high-performing hospitals were significantly more likely than board chairs from low-performing hospitals to report being somewhat or very familiar with Joint Commission core measures or with HQA measures.



Delegation of Credentialing to Quality Committee

- Joint Commission standard MS.06.01.07 states, “[t]he governing body **or its delegated committee** has final authority for granting, renewing, or denying privileges.”
- *Credentialing, Privileging, Competency, and Peer Review: Examples of Compliance for the Medical Staff*, published by the Joint Commission, states: “[t]he governing body, pursuant to its bylaws, may elect to delegate the authority to render initial appointment, reappointment, and renewal or modification of clinical privileges decisions to a committee of the governing body.”



Recommendations: Board Meetings and Information

- The number of Board meetings should be reduced to six per year (once every two months), with much of the work between meetings done in committee.
- With a reduced number of meetings, management should be able to provide Board materials at least one week in advance of each meeting.
- Management should also seek more clearly to highlight significant issues that merit Board attention in each part of the Board meeting; e.g. reduce the number and length of presentations and assume Trustees have read detailed materials in advance; provide overviews and context during the meeting itself.
- Brief executive sessions can be held at the end of each Board meeting (with or without presence of ex-officio Trustees), provided that such meetings are consistent with applicable open meeting requirements and major issues addressed in executive sessions are communicated by the Chair to CEO for whatever follow-up may be required.



Recommendations: Role of Trustees

- UNMH should provide increased opportunities for engaging Trustees in major UNMH initiatives. These should include ongoing opportunities for educating Trustees about important health industry developments, including developments affecting quality and financial performance.
- UNMH and the BOT should develop mechanisms for communicating effectively with Trustees between meetings. These could include retreats, social events and educational sessions.
- With the revitalization of the Strategic Planning Committee recommended in above, UNMH should consider undertaking a strategic planning process to identify the challenges and goals unique to UNMH within the overall context of UNM and UNM Health Sciences.
- Consider expanding the use of Trustee self-evaluation mechanisms.
- All Trustees should understand and appreciate that their primary fiduciary commitment is to the success and viability of UNMH, rather than to other external constituencies.



Review: What Are the Challenges Facing UNMH?

- Need for access to capital to build new hospital
- Need for continuous quality improvement
- Impact of potential repeal/replace of Affordable Care Act
- Changes in nature of state Medicaid program (shift to managed care, pressure on supplemental payment programs)
- Pressure on state revenues for UNM
- Diversity of population and communities UNM serves (e.g. needs of Native Americans, immigrants, homeless, low income families, mentally ill, addicted, etc. etc.)



Review: What Are the Challenges Facing UNMH?

- Need to improve quality and patient satisfaction
- Need to maintain mission as only tertiary/quaternary medical center in NM
- Implementation of “Mission Excellence”
- Need to address both systemic and operational inefficiencies
- Need to address provider satisfaction issues
- Need to strengthen primary care network and develop integrated delivery system with network of partners and affiliates
- Need to improve fundraising ability in community



Next steps

RESOLUTIONS CONCERNING PUBLIC NOTICE OF UNM HOSPITAL BOARD OF TRUSTEES MEETINGS (2017)

BE IT RESOLVED by the UNM Hospital Board of Trustees (the “**Board**”) that the following policies, procedures and requirements be, and they hereby are, adopted with respect to meetings of the Board pursuant to the New Mexico Open Meetings Act, Section 10-15-1 et seq., NMSA 1978, as amended (the “**OMA**”):

1. Regular Meetings.

- a. Regular meetings of the Board will be held in the University of New Mexico Hospital (“**UNMH**”) Barbara & Bill Richardson Pavilion, Conference Room 1500 at 9:00 a.m. on the last Friday of each month unless publicly otherwise announced in the Notice of Regular Meetings, pursuant to this Resolution.
- b. *Notice of Regular Meetings.* Notice to the public of the regular meetings of the Board will specify the date, time and place thereof and will state that a copy of the agenda will be available in the Public Affairs Office and at such other locations chosen by the Chief Executive Officer (“**CEO**”) of UNMH or his/her designee at least seventy-two hours (72) hours before the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the UNM Health Sciences Center (“**HSC**”) Public Affairs Office for such notices of meetings. Notice will be by mail, e-mail, and/or facsimile machine at least ten (10) days prior to the meeting.
- c. Notice will also be posted in a public hallway of the UNMH administrative area.

2. Special Meetings.

- a. Special meetings of the Board may be called by the Chairperson of the Board or by any five (5) voting members of the Board.
- b. *Notice of Special Meetings.* Notice to the public of special meetings of the Board will specify the date, time, and place thereof and will state that a copy of the agenda will be available in the Public Affairs Office and at such other locations chosen by the CEO of UNMH or his/her designee at least seventy-two (72) hours before the meeting. Notice will be given to those newspapers and broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice will be by mail, e-mail, and/or facsimile machine.
- c. Notice will also be posted in a public hallway of the UNMH administrative area.

3. **Emergency Meetings**

- a. Emergency meetings of the Board may be called by the Chairperson of the Board or by any five (5) voting members of the Board only in the event of unforeseen circumstances that, if not addressed immediately by the Board, will likely result in injury or damage to persons or property or substantial financial loss to UNMH. The Board will avoid emergency meetings whenever possible.
- b. *Notice of Emergency Meetings.* Notice to the public of emergency meetings of the Board will specify the date, time, place, and subject matter thereof and will be given to those newspapers and broadcast stations that have filed a written request with the Public Affairs Office for such notices of meetings. Notice will be given by telephone, e-mail, and/or facsimile and at locations chosen by the CEO of UNMH or his/her designee, at least twenty-four (24) hours prior to the meeting or by such other notice as soon as possible and as may be practicable under the circumstances.
- c. *Report to the New Mexico Attorney General.* Within five (5) days of taking action on an emergency matter, the Board shall report to the New Mexico Attorney General's Office the action taken and the circumstances creating the emergency.

4. **Compliance with the Americans with Disabilities Act.** In addition to the information specified above, all notices will include the following language:

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in a meeting of the UNM Hospital Board of Trustees, please contact the Office of Public Affairs at least one week prior to the meeting. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Office of the Public Affairs if an accessible format is needed.

5. **Remote Participation in or Telephonic Meetings.** A member of the Board may participate in a regular, special, or emergency meeting of the Board by means of a conference telephone or other similar communications equipment when it is otherwise difficult or impossible for the member to attend the meeting in person. Each member participating remotely must be identified when speaking, all participants must be able to hear each other at the same time, and members of the public attending the meeting must be able to hear any member of the Board who speaks during the meeting. The minutes of any meeting at which there is remote participation will identify the Board members who were not physically present but who participated remotely.

6. **Notice of a Recessed/Reconvened Meeting.** Prior to recessing, the Chairperson will state when and where the meeting will be continued and then immediately following the recessed meeting, this information will be posted on the door of the meeting room and in a public hallway of the UNMH administrative area, to give the public notice of the continued meeting. At the reconvened meeting, discussion will be limited only to those topics that appeared on the agenda for the original meeting.
7. **Closed Meetings (Executive Sessions)**
 - a. *Exceptions to Open Meetings Act.* Meetings of the Board may be closed, according to the procedures set out below, only if the matter to be considered falls within one of the enumerated exceptions defined in Section 10-15-1(H) of the OMA or if closure can be implied from or is required by other laws or constitutional principles that specifically or necessarily preserve the confidentiality of certain information.
 - b. *Closing an Open Meeting.*
 - (1) The intent to close an open meeting and the subject will be included on the agenda, except for emergency matters.
 - (2) Actual closing of a meeting will be by a majority vote of a quorum of the Board during the open meeting, with the vote of each member being recorded. The motion will state: (a) the authority for the closure (the statutory provision), and (b) the subject to be discussed with reasonable specificity. A reasonably specific description of the matter to be discussed must have been included on the agenda for the meeting in question, except for emergency matters.
 - (3) The minutes of the open meeting will: (a) record the vote of each individual member to close the meeting, and (b) state that the matters discussed in the closed meeting were limited only to those specified in the motion for closure.
 - c. *Calling a Closed Meeting Outside an Open Meeting.*
 - (1) Notice that a meeting will be closed, in whole or in part, will be given as specified above for a regular, special or emergency meeting, as appropriate, by so specifying either in the notice of the meeting or on the agenda. The notice will state the specific provision of the law authorizing the closed meeting and will state the subject to be discussed with reasonable specificity.
 - (2) The minutes of the next open meeting will contain information about the closed meeting, including the date, time, place, and subject matter of the

closed meeting, the names of the Board members present at the closed meeting, the names of the absent Board members, and a statement that the matters discussed in the closed meeting were limited only to those specified in the notice of the closed meeting.

- d. *Action.* Any final action taken as a result of discussion in a closed meeting will be made by vote of the Board at an open public meeting, with the exceptions allowed under Section 10-15-1(H).
- 8. **Agendas.** A copy of the agenda for each regular and special meeting of the Board will be available at least seventy-two (72) hours prior to the meeting (and the notice of the meeting will so state) at the HSC Public Affairs Office and at such other and/or additional locations chosen by CEO of UNMH or his/her designee. Except for emergency matters, the Board will take action only on items appearing on the agenda. The intent to close a regular meeting and the subject matter(s) involved will be included in the agenda.
- 9. **Public Input at Meetings.** An opportunity for public input will be provided at each regular meeting. The Chairperson of the Board, as the presiding officer, will determine at which point in the agenda public comment will be presented to the Board. The Chairperson of the Board will determine the length of time to be allowed for public input, the sequence in which individuals may address the Board, and the length of time that will be allowed for each person to address the Board.
- 10. **Minutes**
 - a. The Board shall approve and will keep written minutes of all its meetings. The minutes will include, at a minimum: (1) the date, time, and place of the meeting; (2) the names of members of the Board in attendance and those absent; (3) a statement of what proposals were considered; and (4) a record of any decisions made by the Board and how each member voted.
 - b. Draft minutes will be prepared within ten (10) working days after the meeting and will be available for public inspection. The draft minutes will clearly indicate that they are not the official minutes and are subject to approval by the Board.
 - c. Draft minutes will be approved, amended, or disapproved at the next regular meeting where a quorum is present. Minutes will not become official until approved by the Board. Official minutes will be subject to public inspection.
 - d. No minutes will be kept during closed sessions, but information about the closed session will be recorded as specified in the closed meetings section of this resolution.

BE IT FURTHER RESOLVED that the CEO of UNMH and members of management of the HSC and of UNMH be, and they hereby are, authorized and directed to take such steps as may be reasonably necessary to effectuate the terms of these Resolutions in any manner that is consistent with the OMA and these Resolutions.

BE IT FURTHER RESOLVED that the Secretary of the Board shall ensure that a true, correct, and complete copy of these Resolutions is appended to the minutes of the meeting of the Board at which they were adopted and shall ensure that the CEO of UNMH or his/her designee maintain a copy of these Resolutions for public inspection.

DULY ADOPTED THIS ____TH DAY OF MARCH, BY A VOTE OF THE MEMBERS OF THE UNM HOSPITAL BOARD OF TRUSTEES.

Debbie Johnson, Chair Date

ATTEST:

Christine Glidden, Secretary Date

UNM Hospitals

Revised FY 2017 Operating Budget and 2018 Operating Budget

FY 2018 Budget

UNM Hospital Statistics

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Budget	% Change
Nursing Division					
Inpatient Days	158,610	160,074	161,023	161,191	0%
Discharges	24,799	25,636	25,507	25,799	1%
Emergency & Urgent Care Visits	102,187	98,754	102,352	104,531	2%
Operations	19,947	20,845	20,452	21,406	5%
Births	3,024	2,999	2,978	2,950	-1%
Ambulatory					
Primary Care Clinics	157,471	153,523	159,633	166,906	5%
Specialty Clinics	362,568	358,534	348,826	371,773	7%
Ancillary Services					
Lab Services	2,889,951	3,004,297	2,835,264	2,879,240	2%
Pharmacy	3,915,132	3,960,666	4,008,536	4,064,937	1%
Radiology	304,774	304,185	316,977	321,897	2%
Rehab Services	600,012	593,559	583,643	611,928	5%
Case Mix Index	1.86	1.87	1.96	2.03	3%

Statistics are the key drivers of expense

FY 2018 Budget Behavioral Health Statistics

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Budget	% Change
Patient Days	23,242	24,102	22,769	23,282	2%
Other Stats					
Outpatient Visits	36,741	38,792	42,489	46,517	9%
Midlevel	93,204	97,270	96,374	100,461	4%
Methadone & Buprenorphine	143,151	144,910	144,943	154,420	7%

UNMH Revenue Budget

	FY 2017 Reforecast	FY2018 Budget
Operating Revenue prior fiscal year end	\$ 897,544,372	\$ 926,714,916
Payer Decreases due to reduced Mcaid Rates	(33,704,162)	-
Volume Increases	26,113,582	16,481,632
Cancer Center Revenue Increases	3,226,889	8,086,020
Revenue Cycle Improvements	22,579,331	14,716,510
Additional Revenue Cycle Improvements	-	3,000,000
Medicare Enacted Cuts	-	(2,811,500)
Prior year cost report settlements, non recurring	1,424,622	(3,180,354)
Prior year DSH reversal non recurring	18,203,574	-
IME Increase	8,513,543	-
GME Increase	10,980,060	-
IME IGT Increase	(17,166,895)	-
GME IGT Increase	(11,000,000)	-
Operating Revenues fiscal year end	<u>\$ 926,714,916</u>	<u>\$ 963,007,225</u>

UNMH Revenue Budget

- UNMH volume increases - \$16.5 million
- Cancer Center volume increase - \$8.1 million
- Revenue Cycle improvements - \$14.7 million
- Additional Revenue Cycle improvements - \$3 million
- Medicare reductions (market basket decreases, DSH reductions, packaging and bundling of services) – (\$2.8 million)
- Prior Year Medicare settlements received in FY17 – (\$3.2 million)
- No reductions in reimbursement from Medicaid or Medicare Advantage projected. However, there is continued pressure from payers to move to value-based models to include:
 - Shared savings models
 - Subcapitated Payment for Defined Populations (primary)*
 - Shared savings (ACO, PCMH, Obstetrics - reductions in C-Sections)*
 - Bundled payment models for bariatric, maternity, pneumonia and colonoscopies*
- Impact of pending GRT bills unknown at this time
- No change in payer mix

UNMH Revenue Budget

- State Appropriations estimated reductions
 - 2% reduction estimated but not finalized

	FY17 Post Recission Appropriation	FY18 Estimated Appropriation	Decrease
Carrie Tingley	\$ 4,938,200	\$ 4,839,436	\$ (98,764)
Children's Psychiatric Center	\$ 6,759,800	\$ 6,624,604	\$ (135,196)
Young Children's Health Center	\$ 460,100	\$ 450,898	\$ (9,202)
Totals	<u>\$ 12,158,100</u>	<u>\$ 11,914,938</u>	<u>\$ (243,162)</u>

UNM Hospitals Operating Revenue by Payer

	FY2016 Actuals	FY16 % of Total	FY2017 Reforecast	FY17 % of Total	FY2018 Budget	FY18 % of Total
Medicare	\$ 215,116,785	24%	\$ 223,946,203	24%	\$ 230,409,045	24%
Medicaid	374,523,238	42%	377,910,457	41%	392,070,384	41%
Commercial	244,746,458	27%	247,151,112	27%	262,220,211	27%
Gov't, USPHS/IHS, Other	38,080,839	4%	53,756,130	6%	55,062,303	6%
Other Operating Revenues	25,077,052	3%	23,951,015	3%	23,245,282	2%
Total Operating Revenues	\$ 897,544,372	100%	\$ 926,714,917	100%	\$ 963,007,225	100%

UNM Hospitals Operating Revenue – Medicaid

	FY2016 Actuals	FY2017 Reforecast	FY2018 Budget
Medicaid	\$ 320,405,558	\$ 309,320,897	\$ 323,546,657
Indirect Medical Education	65,920,643	62,208,889	62,143,056
Graduate Medical Education	6,400,611	6,380,671	6,380,671
Disproportionate Share	(18,203,574)	-	-
Total Medicaid Revenues	\$ 374,523,238	\$ 377,910,457	\$ 392,070,384

UNMH Expense Budget

Cancer Center expanded infusion suite FTEs; Expansion of fast track at Metropolitan Detention Center; 4ACC Backfill & Women's Health Clinic (Eubank) - APPs, RNs, MAs ; Pediatric salary agreements no longer paid by SOM

	Albuquerque*	U.S.*	UNMH 2017 YTD	% Lower than Albuquerque	% Lower than U.S.
Registered Nurses	\$ 43.17	\$ 43.94	\$ 41.88	-3%	-5%
Licensed Practical Nurses & Surgical Techs	\$ 25.86	\$ 25.74	\$ 20.90	-19%	-19%
Nursing Aides, Orderlies and Attendants	\$ 17.70	\$ 18.03	\$ 13.98	-21%	-22%
Medical Assistants	\$ 17.96	\$ 20.41	\$ 15.69	-13%	-23%
Other	\$ 31.93	\$ 33.60	\$ 26.95	-16%	-20%
Total	\$ 33.50	\$ 35.04	\$ 30.63	-9%	-13%

* 2013 Wage Index CPI Adjusted to 2017

UNMH Expense Budget

- Housestaff – transfer of residents from SRMC - \$488K
- UNMH Housestaff - \$531K
 - Pediatric Emergency Medicine -1.0 FTE
 - ENT – 1.0 FTE
 - Plastic Surgery – 2.0 FTE
 - OB – 3.0 FTE
- Cancer Center Physician support - \$3.7M

UNMH Expense Budget

Medical Services

Pathology LOO	\$ 94,032
Anesthesia	440,000
Dermatology MOHS and LOO	220,000
Emergency - Urgent & Critical Care	225,000
Internal Medicine - new hires	1,058,418
Family & Comm Med - new hires	343,750
Surgery - new hires	160,000
SOM FY18 Commitments Subttal	<u>\$ 2,541,200</u>
Peds Urology PRC \$134,000	\$ 67,000
OMFS Surgery \$335,000	195,417
Palliative Care 2 positions \$475,000	59,375
Neurology: Operation Support - 5 hires @ \$100,000 each	158,333
FY17 Savings add back to FY18 Subtotal	<u>\$ 480,125</u>
Other Adds:	
Anesthesia gap	\$ 1,560,000
Surgery gap	500,000
OB Gap (less 2.0 OB Fellows covered under Housestaff)	348,323
Total Medical Services Increase	<u>\$ 5,429,648</u>

UNMH Expense Budget

- Expense:
 - Medical Supplies
 - 3.5% contracted vendor increase - \$5.2M
 - Cancer Center volume increase - \$2.7M
 - Depreciation/Equipment/Occupancy
 - \$1M strategic equipment purchases per physician requests
 - \$0 Equipment service contract increase
 - \$0 Software maintenance & subscription increase
 - \$0 Non capital equipment increases
 - \$0 Utilities increase
 - \$0 Property insurance increase
 - \$0 Building repairs and maintenance increase

UNMH Expense Budget

- Expense:
 - Purchased Services/Supplies/Other
 - Contracted vendor increases of 2-3% - \$1.6M
 - Cancer Center projected decrease - \$117K
 - \$0 increase for new IT hosting services
 - \$0 Post Acute care increases
 - \$0 Malpractice insurance increase
 - \$0 Linen and Housekeeping supply increase
 - \$0 Food Costs increase
 - \$0 Office and other supplies increase
 - \$0 Uniform expense increase
 - \$0 Dues/Memberships/Subscriptions increase
 - Continuation of Pathways - \$890K

- Expense:
 - Health System UCP costs – increase of \$1.2M
 - Neonatal transport - \$500K
 - Pick up costs for four NTT's in the amount of (\$206,544 of existing plus one vacancy to be refilled of \$51k on UNMH)
 - Institutional Support - \$500K increase
- Non Operating Revenue and Expense:
 - Mill levy – 2.4% increase
 - State Appropriations – anticipated 2% decrease
 - Interest Expense – decrease as per debt service schedule

Statement of Revenues and Expenses

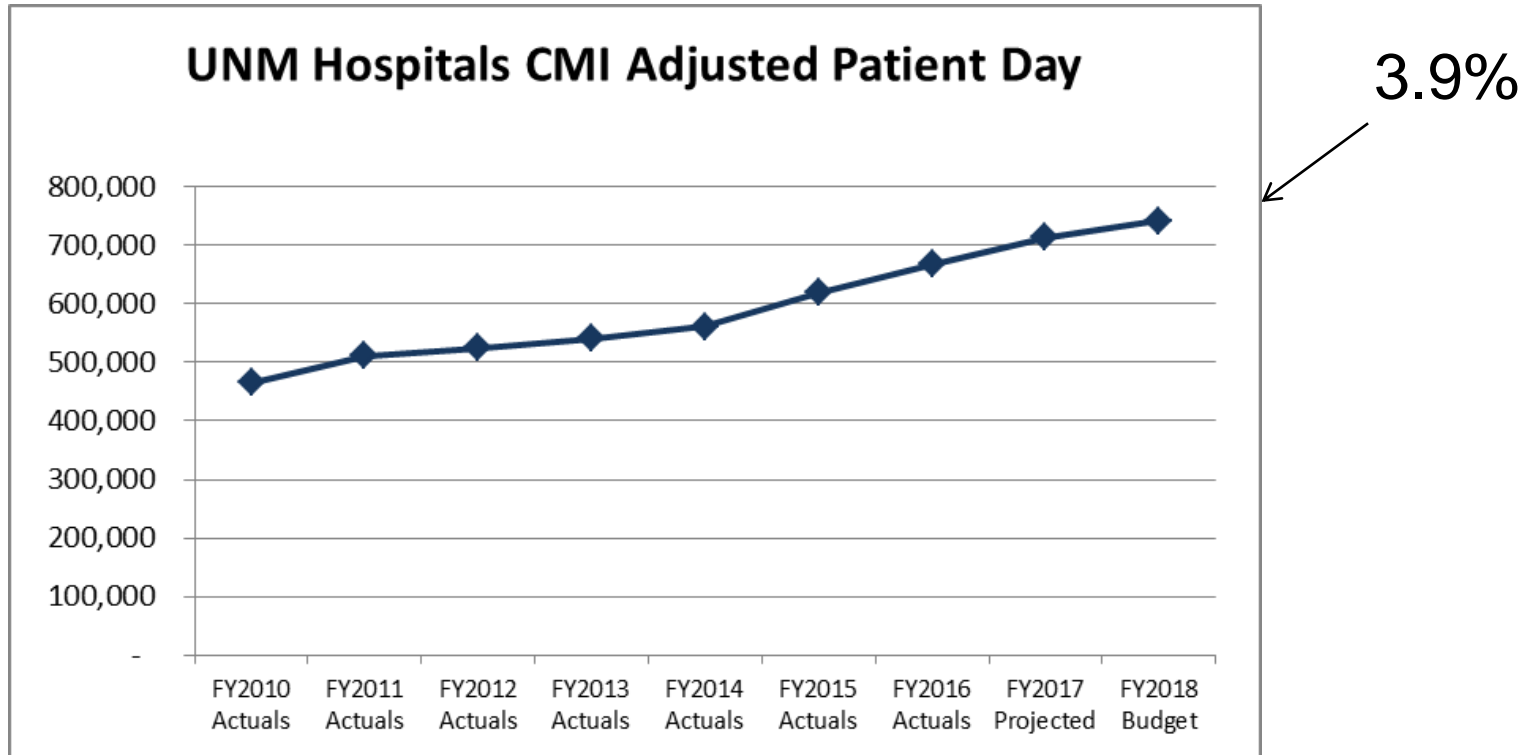
	FY 2016 Actuals	FY 2017 Annualized	FY 2017 Reforecast	FY 2018 Budget	FY17 to FY18 Difference	FY17 to FY18 % Change
Total Operating Revenue	\$ 897,544,372	\$ 922,114,201	\$ 926,714,916	\$ 963,007,225	36,292,308	3.9%
Expenses:						
Salaries & Benefits	473,622,590	495,470,594	496,287,227	513,544,973	17,257,746	3.5%
UCP/Housestaff/Medical Services	169,394,592	175,360,142	175,129,360	185,305,353	10,175,994	5.8%
Medical Supplies	160,792,949	176,141,368	177,082,561	185,018,668	7,936,107	4.5%
Equipment/Occupancy/Depreciation	96,847,294	85,474,709	85,414,280	86,468,032	1,053,752	1.2%
Purchased Services/Supplies/Other	65,738,423	72,383,903	73,047,494	74,521,872	1,474,378	2.0%
Health System	13,669,479	8,535,559	8,539,088	8,539,088	-	0.0%
Health System Non Recurring	-	1,613,074	1,613,074	(0)	(1,613,074)	-100.0%
Health Sytem UCP	8,126,098	7,171,650	8,857,388	10,066,839	1,209,451	13.7%
Neonatal Transport	-	-	-	500,000	500,000	
Institutional Support	8,703,029	8,569,388	8,569,388	9,069,388	500,000	5.8%
Total Expenses	\$ 996,894,454	\$ 1,030,720,385	\$ 1,034,539,859	\$ 1,073,034,212	\$ 38,494,354	3.7%
Total Operating Gain (Loss)	\$ (99,350,082)	\$ (108,606,185)	\$ (107,824,942)	\$ (110,026,987)	\$ (2,202,045)	2.0%
Non Operating Revenue and Expenses						
Mill Levy	95,849,349	95,997,714	95,977,992	98,276,636	2,298,644	2.4%
State Appropriations	13,038,299	12,167,373	12,158,100	11,914,938	(243,162)	-2.0%
Interest Expense	(3,182,592)	(3,171,978)	(3,171,978)	(3,120,622)	51,356	-1.6%
OPEB	6,811,182	-	-	-		
Other Non Operating Revenues	3,028,302	5,175,477	4,310,445	4,188,907	(121,538)	-2.8%
Other Non Operating Expenses	(1,190,714)	(1,215,608)	(1,250,088)	(1,228,739)	21,348	-1.7%
Total Non Operating	\$ 114,353,826 65/171	\$ 108,952,978	\$ 108,024,471	\$ 110,031,119	\$ 2,006,648	1.9%
Increase (Decrease) in Net Assets	\$ 15,003,744	\$ 346,793	\$ 199,529	\$ 4,132	\$ (195,397)	-97.9%

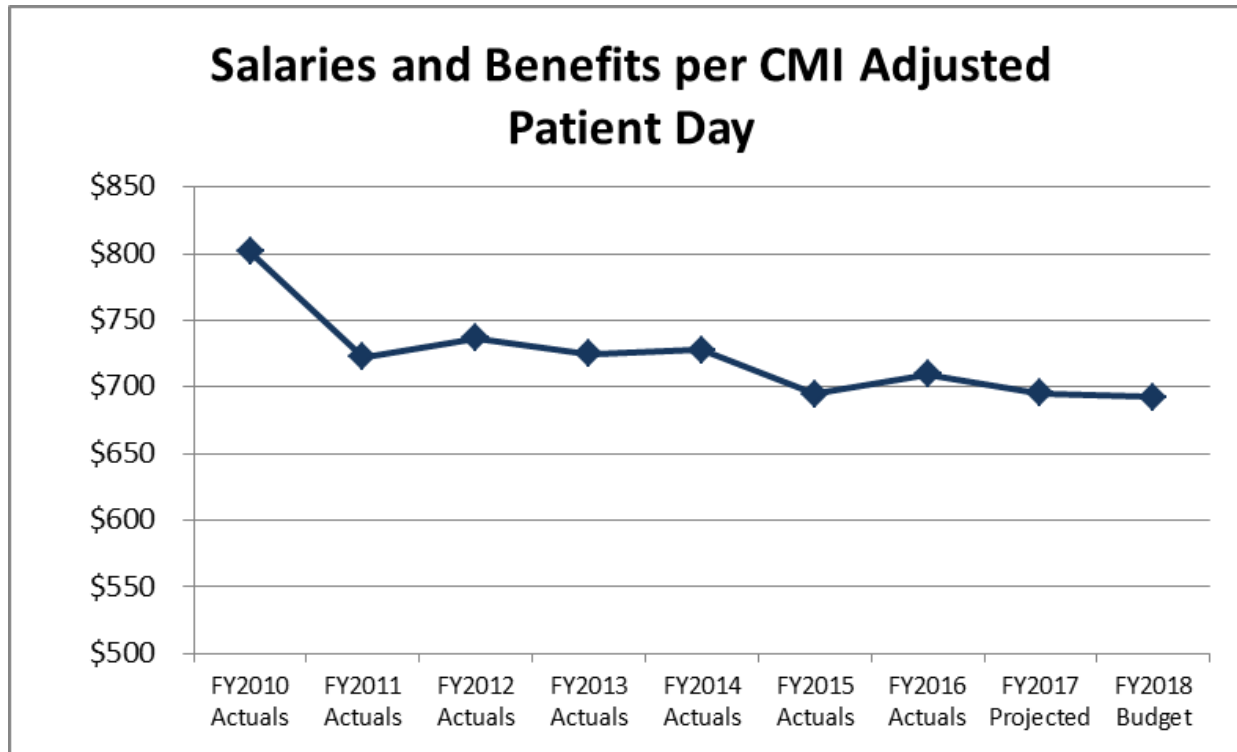
UNMH Budget

- Indian Health Services – top priorities for access:
 - Top priorities
 - Neurology
 - Rheumatology
 - Other access issues noted
 - Spine
 - Pediatric GI
 - Pediatric Neurology
 - Pediatric Cardiology
 - Children’s Psychiatry
 - Orthopedics
 - Adult Behavioral Health

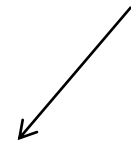
UNMH Budget

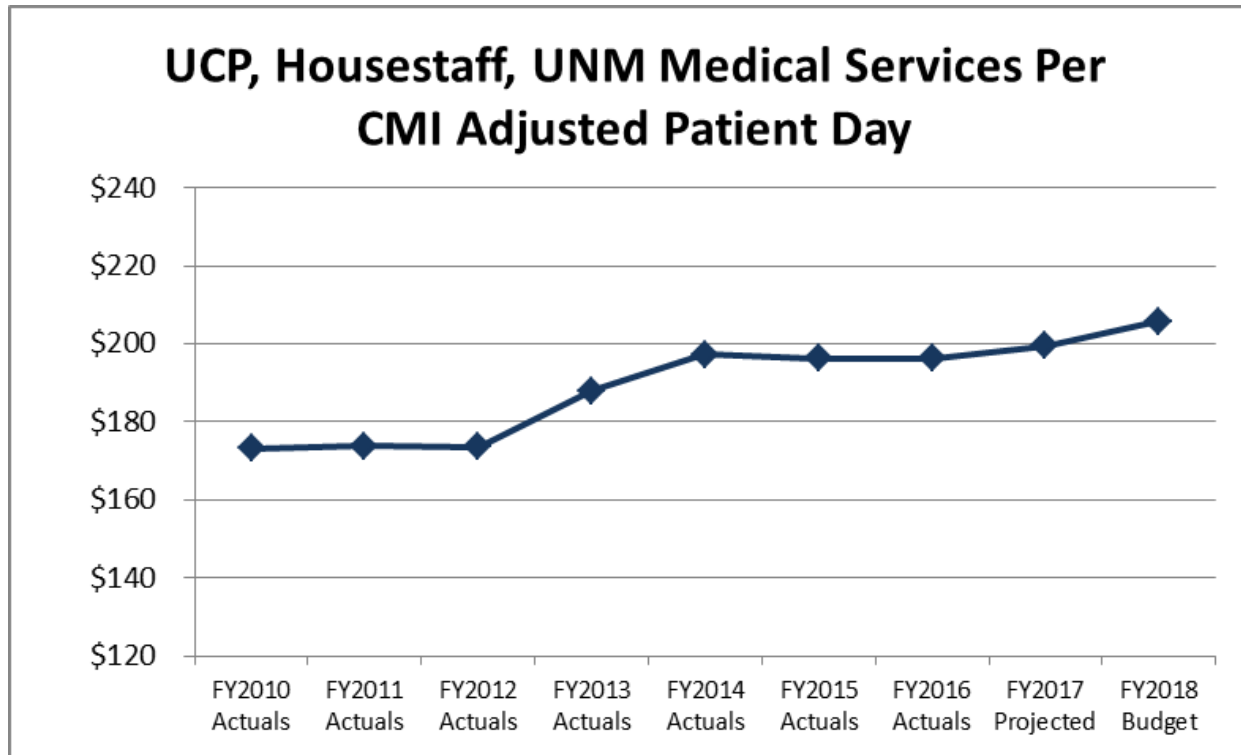
- Bernalillo County commitments:
 - Expansion of fast track at Metropolitan Detention Re-Entry Center in Downtown, Intensive Case Managers - \$1.11M
 - Continuation of Pathways - \$890K



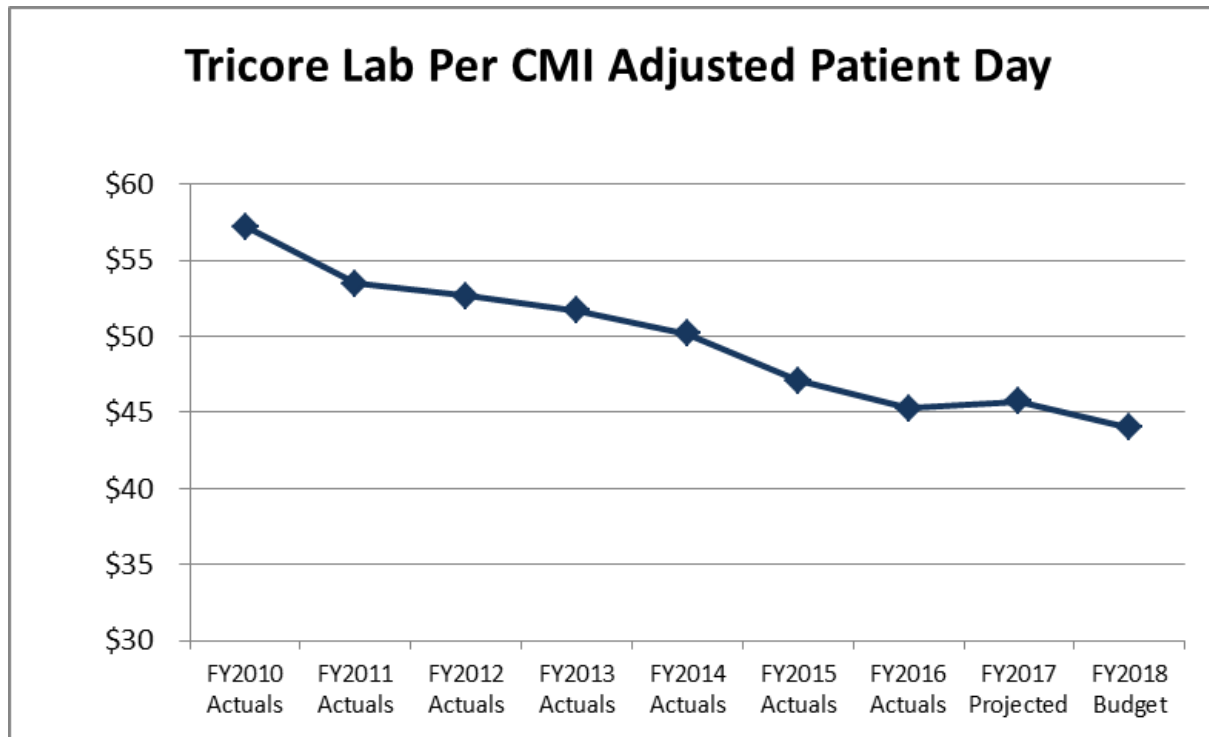


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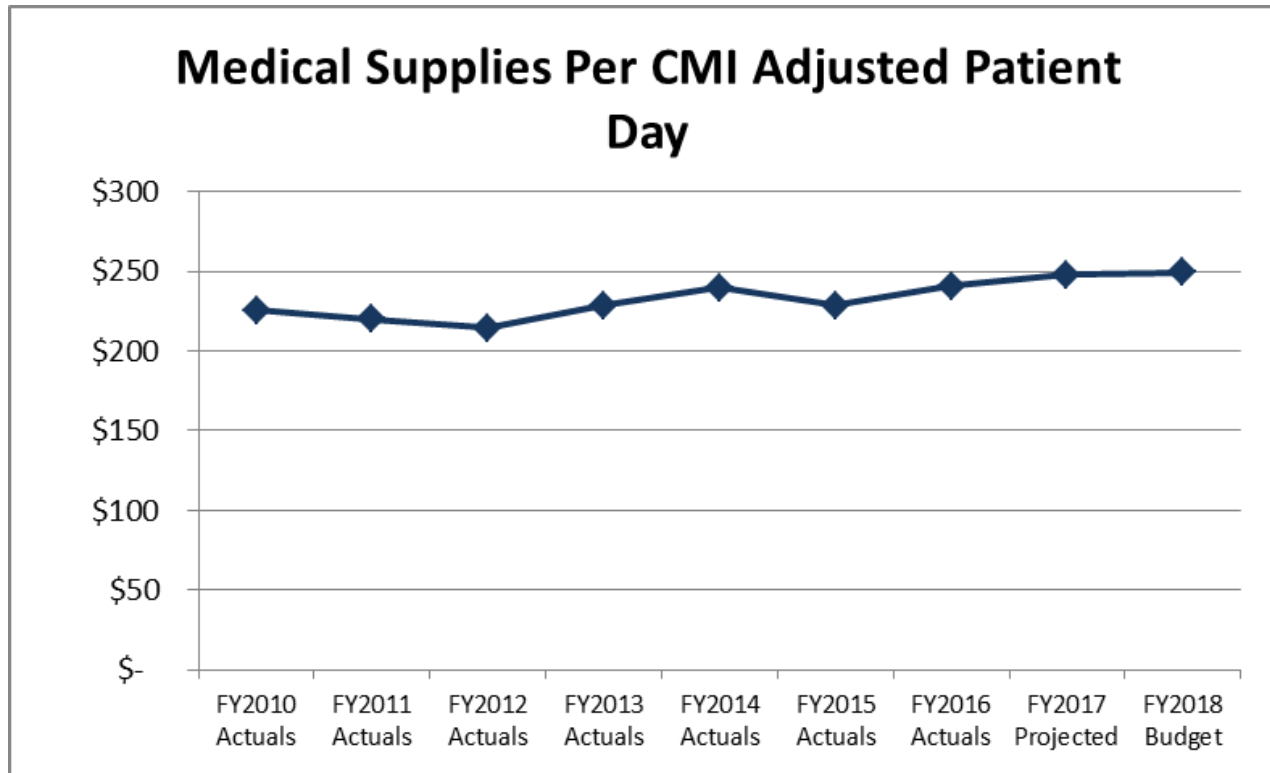


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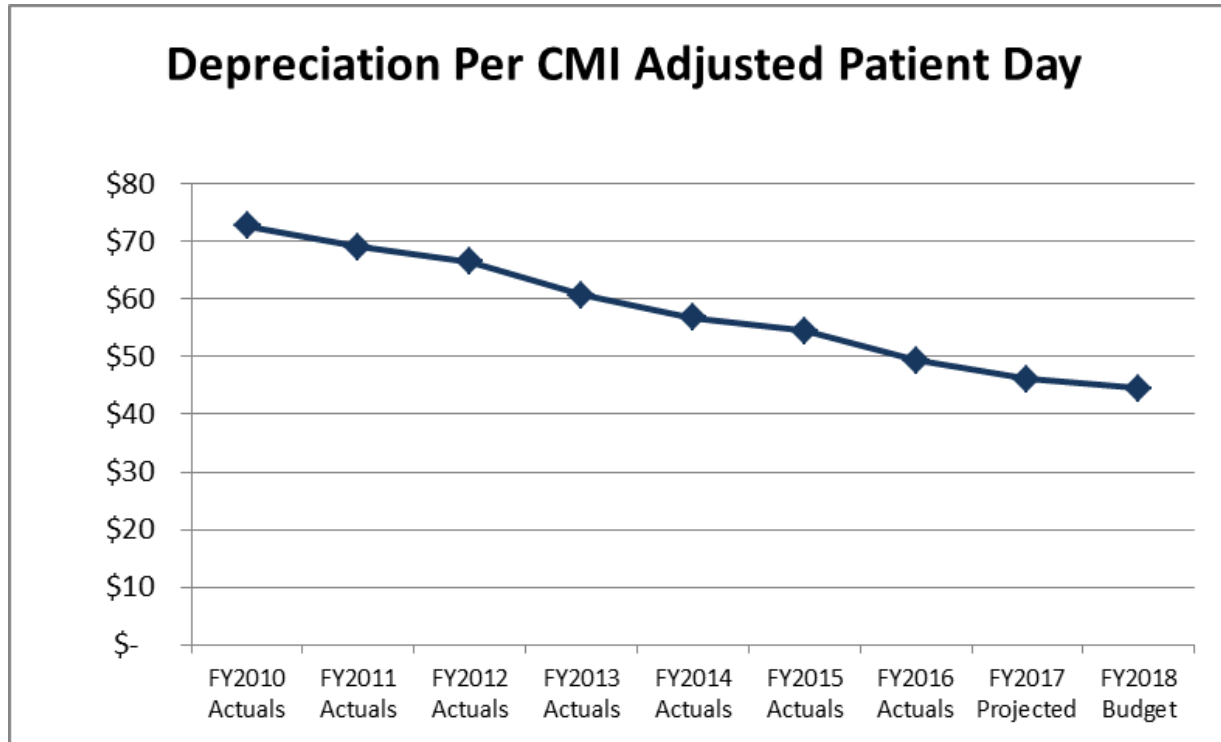


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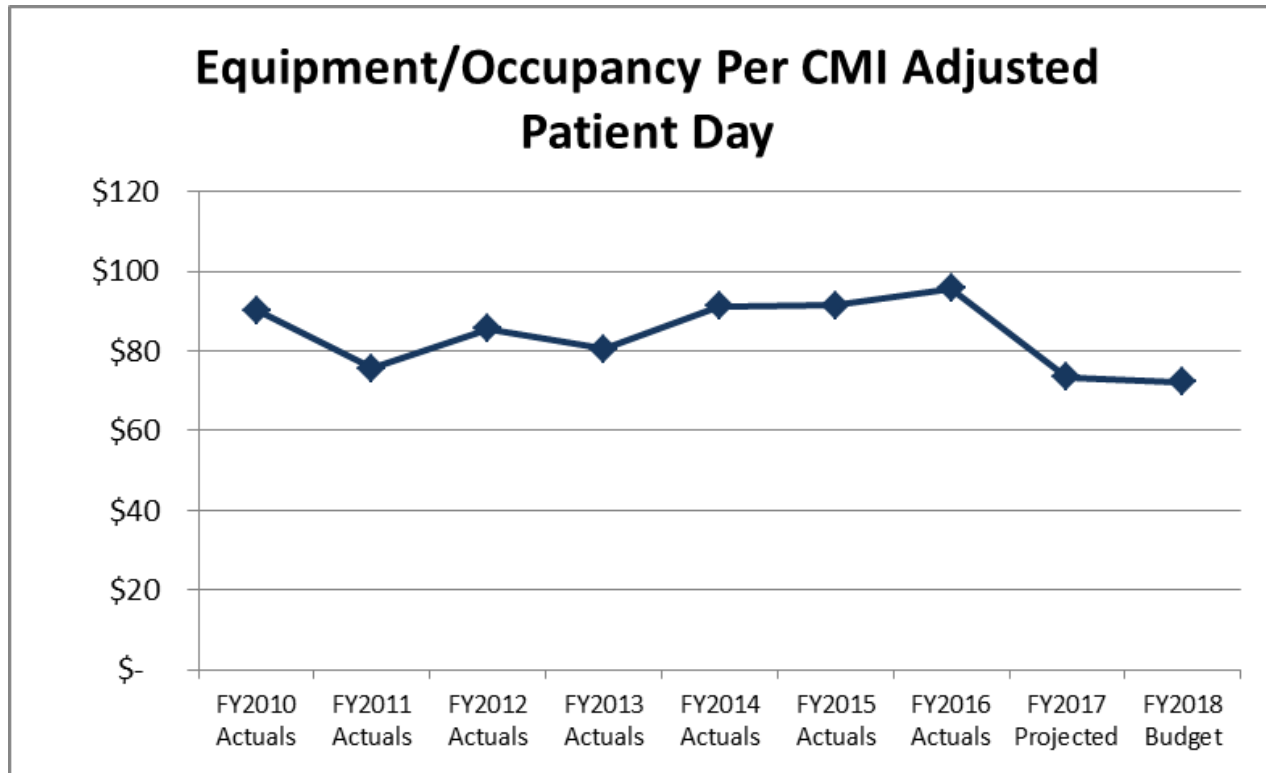




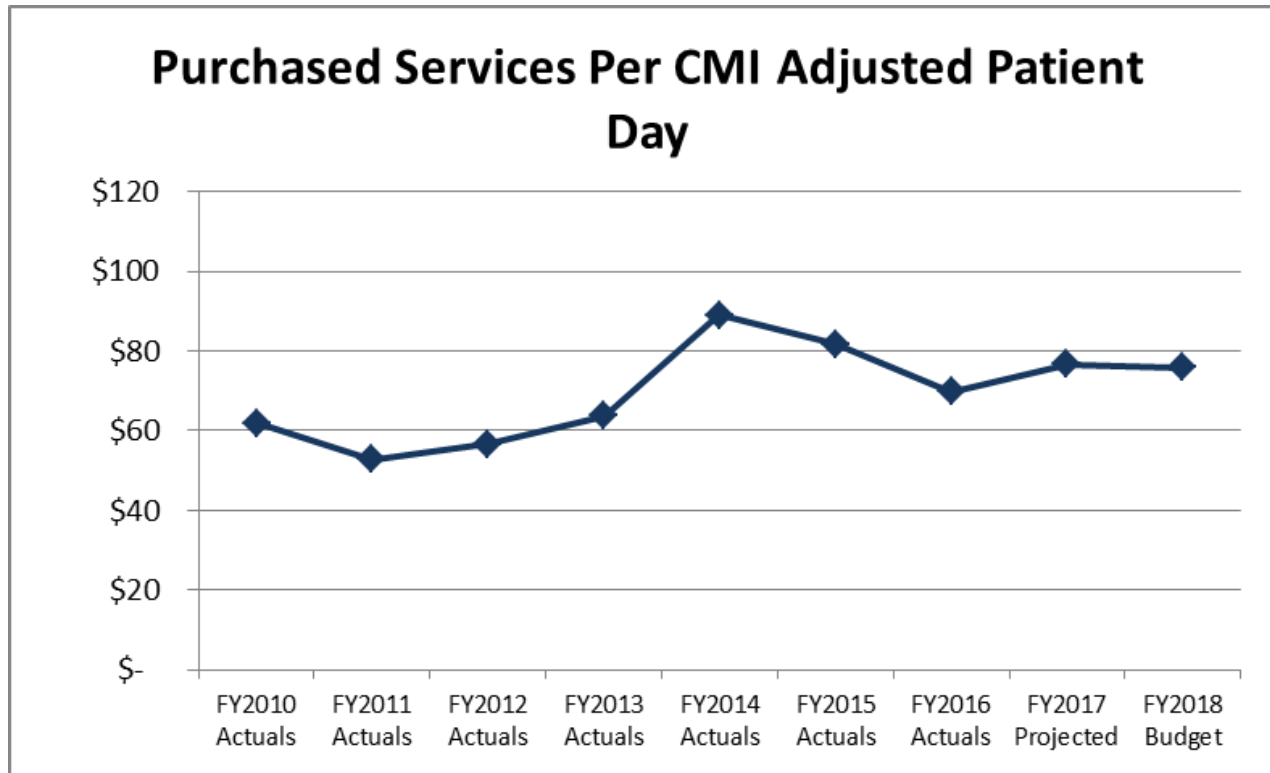
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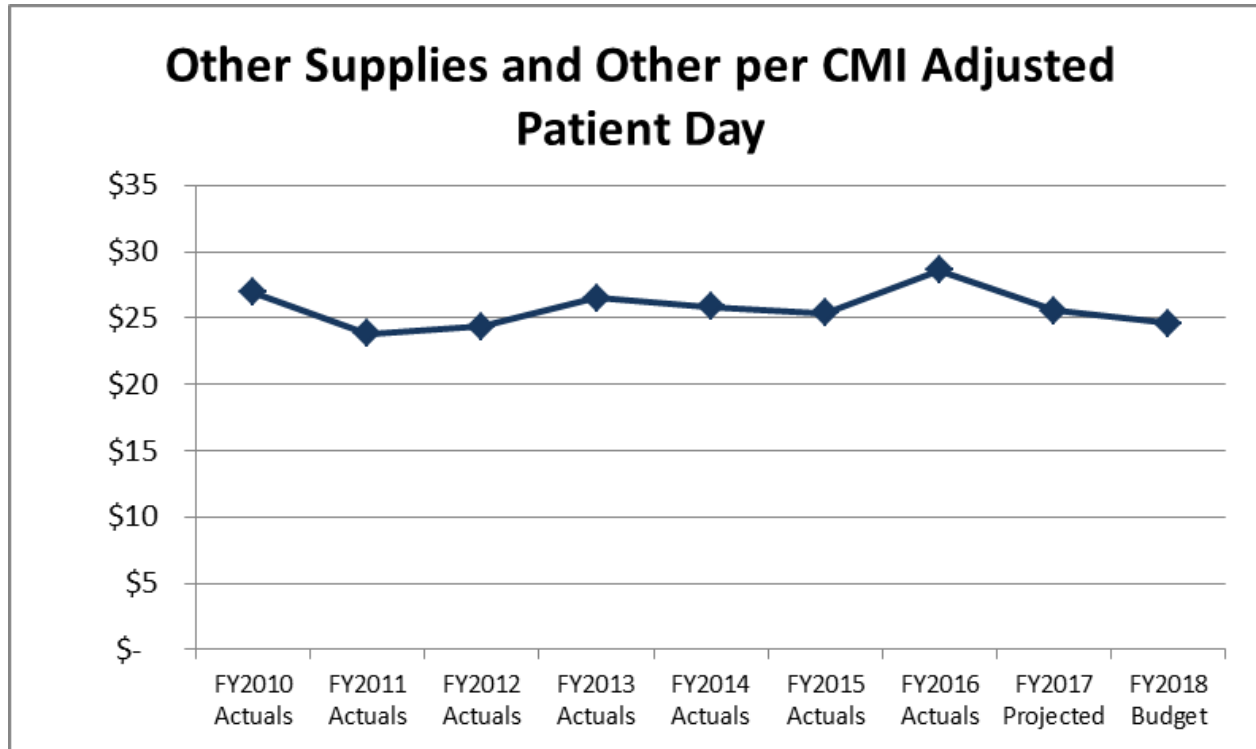
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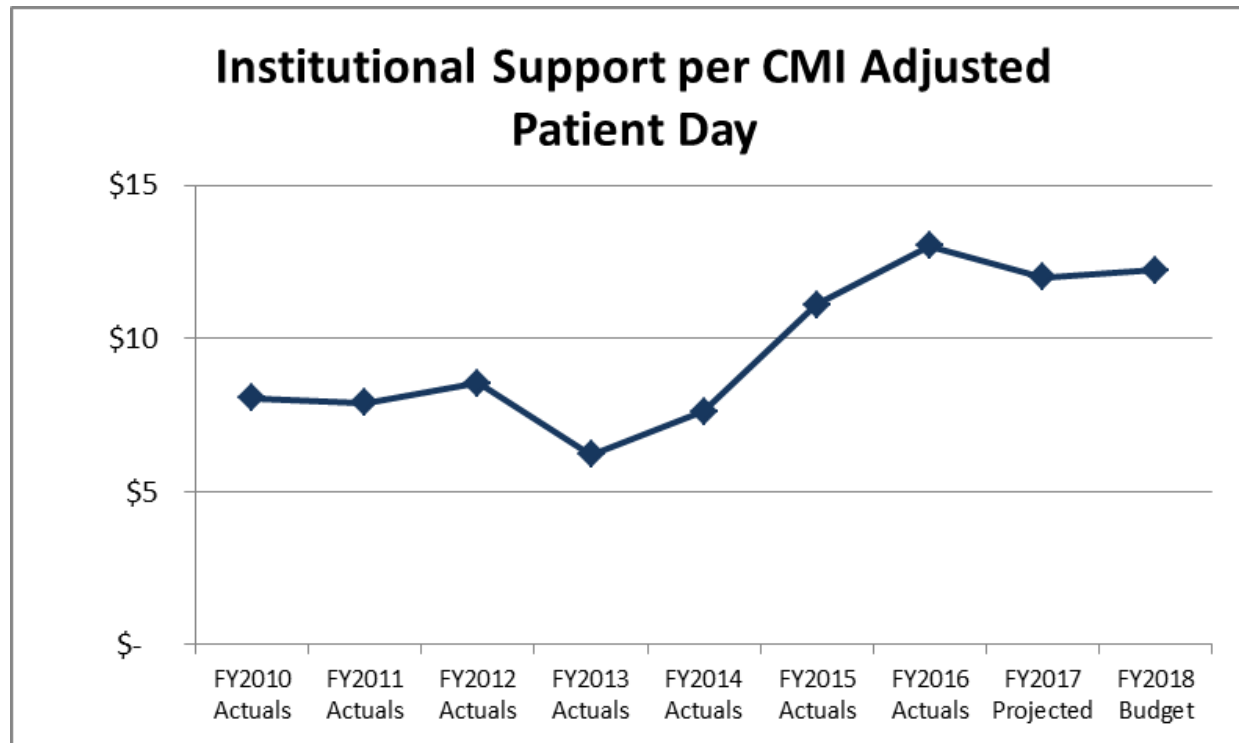
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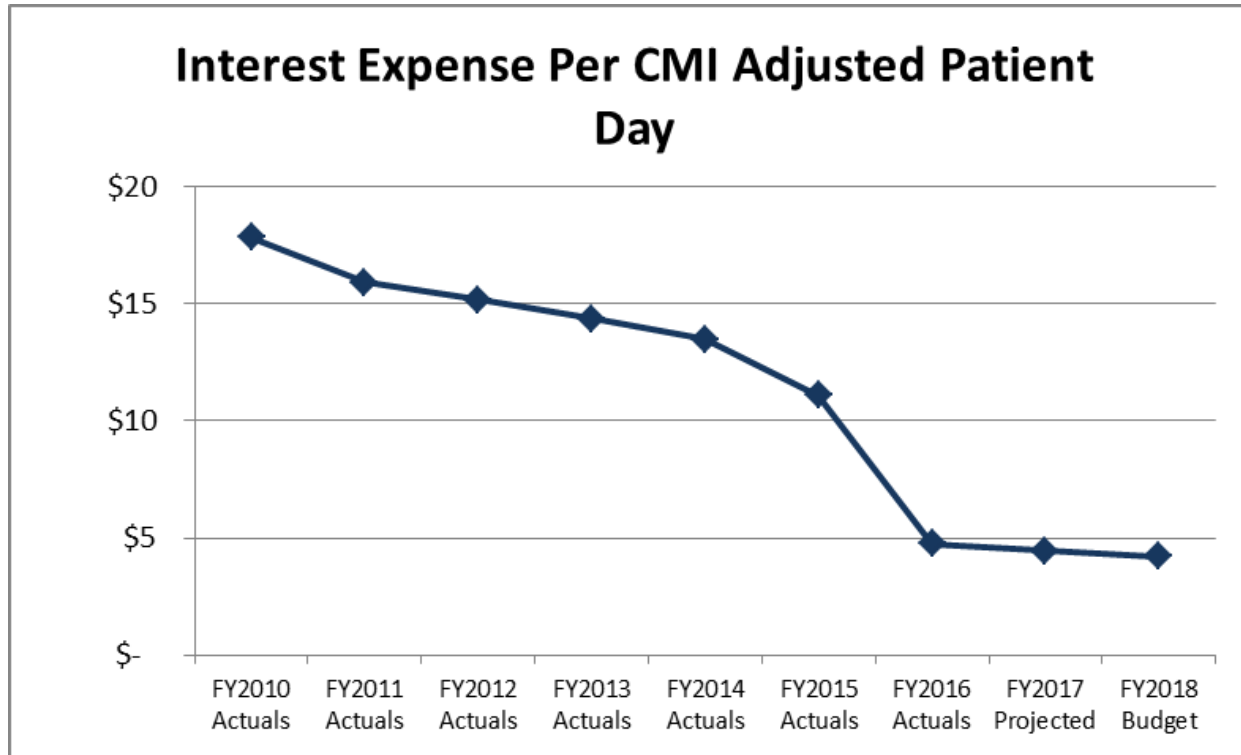
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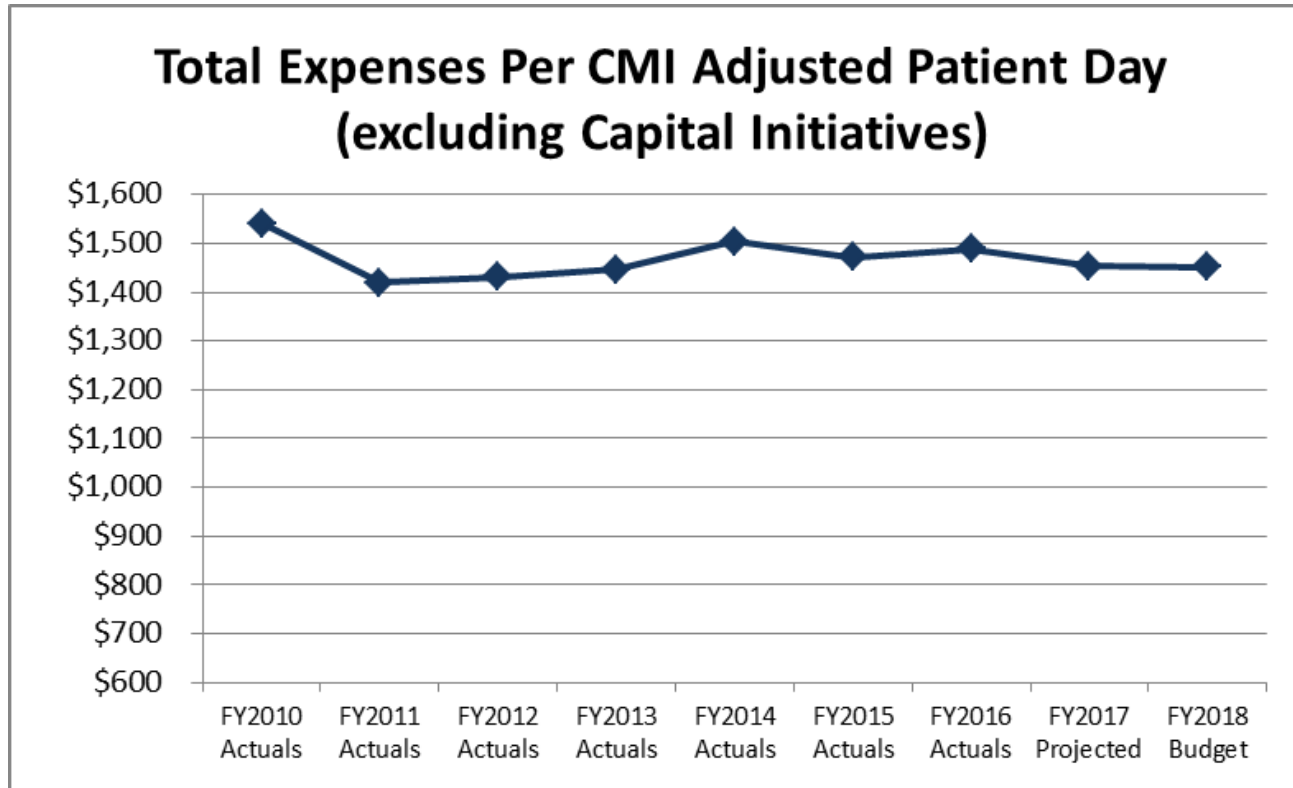


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Fiscal Year 2017 Capital Budget Revision

Fiscal Year 2018 Capital Budget

March 31, 2017

Areas of Focus Capital

- Medical Equipment - \$16.3M
 - Monitor replacements - \$7.8M (Three year plan)
 - Radiology
 - PET CT replacement (Regent approval in FY 17 for FY 18 purchase) -\$1.8M
 - Two 3D C-arms Spine and Neuro, Main OR - \$700K
 - Operating Room
 - OSIS Image Stream integration (Integrates all of the equipment, ability to download pictures to the EMR - \$1.3M
 - Lighting (OSIS and BBRP, newer and less expensive LED technology that permits better visualization - \$1M
- Renovations - \$14M
 - Clinics
 - Pediatric clinic (throughput, waiting area) - \$601k
 - Offsite clinics (code required renovations and other modifications) - \$1.5M
 - Interventional Radiology Room 3 remodel (CNC) - \$1.2M

Areas of Focus Capital

- Renovations Cont'd - \$14M
 - General Building Conditions - \$7.6M
 - HVAC
 - Electrical
 - Fire Sprinklers
 - Chillers
 - Plumbing
 - Roof Repairs
 - Behavioral Health
 - Psychiatric Emergency Service expansion - \$425K
 - HVAC, Boiler - \$1.3M
- Information Technology - \$6M
 - Backup hardware, storage expansion, networking - \$2M
 - Electronic Medical Record– \$2M
 - Clinical systems (IV pump software, Cardiology and Cath lab software) - \$1.2M

FY 2017 and FY 2018 Sources of Funds- Major Projects

	FY 2017 Original	FY 2017 Revised	FY 2018 Budget
Sources of Funds			
UNMH Capital Funding	\$ 33,611,889	\$ 35,866,361	\$ 34,075,919
Other Funding	716,826	932,097	995,420
UNMH Capital Initiatives Funding	12,919,272	12,508,655	1,200,000
Total Funding Sources	\$ 47,247,987	\$ 49,307,113	\$ 36,271,339

FY 2017 and FY 2018 Major Projects

Inpatient Units

Monitor Replacement - Phase I and II

IV Pumps and Ventilators

Other Medical Equipment/ Reno

Total Inpatient Units

FY 2017 Original	FY 2017 Revised	FY 2018 Budget
\$ 4,250,000	\$ 4,250,000	\$ 7,800,000
-	451,600	545,814
1,037,790	1,718,931	1,406,208
\$ 5,287,790	\$ 6,420,531	\$ 9,752,022

Ancillary Areas

Surgical Services Renovation and Equipment

Cath Lab Bi-Plane

Radiology - MRI

Interventional Radiology Bi-Plane

Radiology - PET CT

Other Radiology Equipment and Renovations

Other Ancillary Equipment and Renovations

Total Ancillary

FY 2017 Original	FY 2017 Revised	FY 2018 Budget
\$ 2,486,175	\$ 3,136,807	\$ 2,750,004
1,758,732	1,758,732	-
-	1,641,527	-
1,634,570	1,634,570	-
-	-	1,780,000
1,211,413	1,521,066	1,440,412
559,509	33,726	799,958
\$ 7,650,399	\$ 9,726,428	\$ 6,770,374

FY 2017 and FY 2018 Major Projects

Ambulatory

Eubank
 Other Clinic Equipment and Renovations
Total Ambulatory

FY 2017 Original	FY 2017 Revised	FY 2018 Budget
\$ 3,751,952	\$ 3,616,888	\$ -
3,478,779	1,787,011	3,952,521
\$ 8,028,731	\$ 5,403,899	\$ 3,952,521

Building and Infrastructure

Plumbing repairs, domestic soil pipe replacem \$
 Replacement Hospital - Architect
 Life Safety, fire sprinklers, bldg renovations
Total Building and Infrastructure

FY 2017 Original	FY 2017 Revised	FY 2018 Budget
\$ 889,938	\$ 1,319,099	\$ 1,327,736
1,012,922	1,228,661	-
8,271,017	7,045,964	6,555,552
\$ 10,173,877	\$ 9,593,724	\$ 7,883,288

FY 2017 and FY 2018 Major Projects

Information Technology

	FY 2017 Original	FY 2017 Revised	FY 2018 Budget
Electronic Medical Record	\$ 1,652,000	\$ 1,652,000	\$ 2,000,000
Systems upgrades and expansions	2,525,000	2,175,000	1,350,000
Network	358,969	358,969	678,118
Other IT Hardware and Software	1,464,031	3,681,763	1,540,017
Total Information Technology	\$ 6,000,000	\$ 7,867,732	\$ 5,568,135

Other Clinical Operations and Support Services

	FY 2017 Original	FY 2017 Revised	FY 2018 Budget
ASAP/Carrie Tingely/UNMPC/CPC clinic	\$ 1,952,792	\$ 2,631,693	\$ 2,344,999
Cancer Center 2nd & 4th Floor Buildout	8,154,398	7,663,106	-
Total Other Clinical Operations & Sup	\$ 10,107,190	\$ 10,294,799	\$ 2,344,999

UNMH Capital Initiatives Fund

	FY 2017 Original Budget	FY 2017 Revised Budget	FY 2018 Budget
Beginning Balance	\$ 217,325,259	\$ 217,325,259	\$ 204,816,604
Eubank Clinic	(3,751,952)	(3,616,888)	-
Cancer Center 2nd & 4th Floor Buildout	(8,151,398)	(7,663,106)	-
Replacement Hospital	(1,012,922)	(1,228,661)	-
Interventional Radiology Room 3	-	-	(1,200,000)
Ending Balance	<u>\$ 204,408,987</u>	<u>\$ 204,816,604</u>	<u>\$ 203,616,604</u>



QUALITY AND PERFORMANCE IMPROVEMENT PROGRAM

JANUARY 1, 2017 – DECEMBER 31, 2017

EXECUTIVE SUMMARY

The University of New Mexico Hospitals (UNMH) Board of Trustees (BOT) maintains accountability for the UNMH Quality and Performance Improvement Program (QAPI). The BOT approves the QAPI annually, based upon review of all assessments and pertinent measures. The priorities may be adjusted throughout the year as new findings and measures become available.

QUALITY OUTCOMES and PATIENT SAFETY PERFORMANCE IMPROVEMENT PROGRAM

The Quality Outcomes (QO) Department oversees a comprehensive program to monitor, assess and improve the quality of patient care and operational processes delivered at UNMH within a patient-centered framework. This QAPI plan supports the organizational mission to provide the highest quality health care to all patients. The values underpinning the QAPI plan and QO Program include the following:

- We build on the strengths of UNMH's deep commitment to quality and safety performance measurement and improvement.
- We share our quality and safety performance measurement and improvement information in an atmosphere of collegiality and cooperation, consistent with a just culture.
- We strive to achieve the highest possible standards of performance measurement, improvement activities, clinical care and service quality.
- We are accountable to our patients, community, and each other and to our high standards for the quality of our work.

The UNMH QAPI plan is based on evidence-based recommendations; data analysis of process and outcomes indicators; comparison of performance against benchmarks of national trends; adherence to regulatory requirements; patient satisfaction surveys; staff and provider culture of safety surveys; and patient safety activities to enhance patient care practices. The guiding principles listed below are intended to support quality and safety at UNMH in the pillar areas of People, Service, Quality, Growth/Community and Finance.

- **People:**
 - To engage everyone in a culture of patient safety with the goal of zero patient harm;
 - To support all healthcare workers in their daily delivery of patient care to reduce significant patient harm events;
 - To promote a safe patient care and working environment for patients, families, staff and visitors.
 - To provide optimal outcomes to all patients and families.
 - To actively involve direct care providers and staff in the performance improvement process.

- **Service:**
 - To provide timely and useful resources and information to all healthcare workers;
 - To provide ongoing and meaningful analysis, benchmarking and recommendations to UNMH clinical and administrative leadership, staff and providers about patient safety, quality outcomes and regulatory requirements;
 - To develop and disseminate new knowledge and insights pertinent to health care delivery and quality performance measurement and improvement
 - To foster a collaborative organizational environment that is dedicated to thoughtful innovation and change
- **Quality:**
 - To provide transparency of clinical data, processes and outcomes;
 - To support a culture of safety within the framework of a just culture;
 - To engage in a culture of innovation and intervention with improvement through teamwork;
 - To provide data and process support for robust process improvement;
 - To uphold a continual organizational focus on improving outcomes;
 - To promote the safest possible provision of care in inpatient and ambulatory settings;
 - To develop clinical and service quality performance measures for UNMH that are meaningful, measurable, actionable, and just;
 - To engage in ongoing organizational learning about quality and patient safety
- **Growth/Community:**
 - To provide knowledge of quality outcomes, processes and measurement tools to staff and providers;
 - To anticipate and respond proactively to national and state external quality performance measurement initiatives;
 - To engage in effective patient safety and risk management integration.
- **Finance:**
 - To provide evidence-based quality and safety strategies in an efficient and cost-effective manner;
 - To improve Value Based Purchasing results to realize a positive financial impact.

Services Provided and Geographic Location

UNMH is located in Albuquerque, New Mexico and includes UNMH, New Mexico Children's Hospital, University Psychiatric Center, Cancer Center, Carrie Tingley Hospital and affiliated clinics. UNMH is currently a 628-bed hospital with 53 affiliated clinics and serves a diverse population within New Mexico. The broader University Health System also includes Sandoval Regional Medical Center and UNM Medical Group Clinics. UNMH provides emergency, medical, surgical, transplant, obstetric, pediatric, neonatal, behavioral health and oncologic services. It is the only Level 1 Trauma Center in New Mexico and is a tertiary care hospital serving patients with severe illness or those requiring more specialized care. UNMH serves all of New Mexico and other areas in surrounding southern Colorado, western Texas and eastern Arizona. UNMH also serves the American Indian/Alaska Native (AI/AN) population through referrals from the Indian Health Service.

Patient Population

Many factors influence the public health status of New Mexico. New Mexico is a rural state with 17 persons per square mile (U.S. Census Bureau, 2015). Chronic conditions in New Mexico are prevalent. Cancer, heart disease, emphysema, stroke, and diabetes account for five of the leading six causes of death in New Mexico.

Unintentional injuries accounted for 10% of the deaths in New Mexico in 2012; this ranks as the third leading cause of death in 2012 (2013 State of Health, NM Department of Health). More than 20.4% of New Mexicans live below the poverty level (U.S. Census Bureau, 2015). New Mexico has a diverse racial population including 2.5% Native American, 1.7% Asian, 2.5% African American, 47.7% Hispanic or Latino, and 38.9% White not of Hispanic or Latino origin. Other issues affecting New Mexico include high rates of substance abuse, which contribute to a high rate of deaths due to drug and alcohol use and high rates of violence.

Scope

To foster a culture that supports the highest possible quality patient care, this Plan seeks and includes contributions from members of the medical staff, nursing staff, other professional staff, administrative staff, leadership and committees responsible for evaluating, monitoring and improving patient care and services throughout the organization. This includes committees organized at the patient care unit, service, division, department and organization-wide level.

UNMH maintains a coordinated quality improvement program which integrates the review activities of all hospital services to enhance the quality and safety of patient care. UNMH leadership and staff are committed to providing quality health care and services and achieve patient satisfaction by striving to meet or exceed requirements, expectations, and perceptions, and conducting performance improvement initiatives.

Organizational Framework

The organizational framework for clinical quality and safety activities is diagrammed in Figure 1, and serves as a foundation for achievement of the QAPI and communication about all quality and safety improvement initiatives. It facilitates a unified, collaborative, consistent, organizational-wide program for interdisciplinary improvement efforts and promotes close collaboration and communication among and between the UNMH strategic areas, service lines, departments, administration, medical staff and Board of Trustees.

Governance

The responsibility for the QAPI ultimately resides with the Board of Trustees and is implemented through the Quality Oversight Committee (QOC), Medical Executive Committee (MEC), and Performance Oversight and Community Engagement Committee (POCEC). These committees assure that the UNMH priorities are reflected in the QAPI annual goals and objectives

2017 UNMH QUALITY and SAFETY GOALS

QAPI POLICIES, PROCEDURES AND OPERATIONS

Quality and Safety Performance Measurement

All UNMH quality performance measurement activities are designed to illuminate patterns of care and outcomes in order to improve the quality and safety of patient care and outcomes. Measurements are selected and

designed by the appropriate team, patient care unit, committee, or department and are based on the needs of the organization and the specific quality and safety goal.

1. Areas of improvement will be prioritized with input from and discussion with senior leadership, departments and services from all areas involved with quality performance measurement and improvement. Priority areas focus on organizational goals and are articulated and refined by the QOC, MEC and POCEC.
2. Quality and safety measure specifications are developed by representatives from all involved clinical services. Team members are identified with the help of clinical and administrative leaders. Depending on the measure, input from the Information Technology Department may also be required. The product is both a written measurement specification, and, if necessary, a data abstraction form with clear, written definitions and instructions.
3. Data sources are identified and developed by bringing together information from disparate sources into a clinically meaningful summary. Quality and safety performance measures involve input from sources including, but not limited to, hospital administrative databases, the incident reporting system (Patient Safety Intelligence (PSI)), medical record abstraction and case review.
4. Data is gathered from regular reporting of electronic data. Data is ideally gathered from an established system with continued attention from clinical staff, information services and performance management staff.
5. Data is analyzed to examine different aspects of the quality issue. The goal is to standardize and automate the analysis and reporting process for all measures. Whenever possible and appropriate, statistical control methods, trending, and/or comparison with published benchmarks are used to report the measures.
6. Information is disseminated primarily through UNMH clinical and administrative leadership and committees. The first to receive results of any quality performance measures are the services being measured. Dissemination through regular service line, department and other meetings is encouraged, as is electronic (intranet) dissemination and communication. Results of all measures are reported through the committees outlined in Figure 1 to the UNMH Board of Trustees.

Occurrence Review Activities

Occurrence review is a qualitative method for quality performance measurement that reveals organizational themes critical for quality and safety improvement. The goal of occurrence review is to systematically and thoughtfully review specific occurrences to illuminate themes of organizational practice that point to opportunities for improvement. Root cause analysis (RCA) is the most rigorous and thorough form of occurrence review.

Occurrence review supports the evolution of a just culture throughout UNMH. A just culture seeks to understand the organizational supports that will decrease the frequency and impact of human error on clinical safety through encouraging the reporting of errors and situations that may result in errors if allowed to continue.

1. Occurrence reviews are carried out within departments, services, or patient care units, as appropriate and meaningful. When occurrences are identified that involve several departments, a multi-department or organization-wide review may be carried out. The Chief Medical Officer (CMO), Chief Nursing Officer (CNO), Chief Executive Officer (CEO), Chief of Staff (COS), Chief Medical Quality and Safety Officer (CQO) and/or

Medical Quality and Safety Officers in collaboration with Risk Management, Quality Outcomes and/or Infection Control and Prevention determines when this type of review is required.

2. Sources of occurrence reviews may include, but are not limited to, reports of adverse events and “near misses”, patient complaints, , mortality reviews, medical record audits carried out for other reasons, pathologic findings discrepant with clinical management (imaging, biopsy, autopsy), and specific cohorts identified through hospital information systems. These reviews may be called peer review, particularly when one or more practitioners review the practice of another.
3. When the occurrence is a serious adverse event, discipline-specific peer support is available for staff involved in the untoward event. This confidential peer communication is for the purpose of providing support to the individual and to further the institutional goal of error reduction through discussion and understanding of the underlying themes that may lead to an untoward event.
4. Occurrences where medical peer review is recommended are referred to the chief of the clinical department or service line and/or the designated clinical leader for the department or service line. Occurrences where nursing peer review is recommended are referred to CNO, executive director and/or unit director of the involved area. These individuals may delegate the review activities as they see fit. Reviews are carried out in a structured way, involving the providers and staff who cared for the patient, and results of all reviews are shared with the caregivers involved with the case. All reviews are carried out in a timely fashion; reviews often suggest future departmental or organization-wide quality improvement initiatives.
5. The organizational themes identified through occurrence reviews are communicated in department and service line committees, morbidity and mortality conferences, and, when appropriate, organizational committees with responsibility for oversight of specific aspects of care. Occurrences may also be referred to another department or service line if it is deemed that such review would be helpful to that department.
6. All trends gleaned from occurrence reviews are reported by the services, patient care units, or committees to the QOC for synthesis and reporting to the MEC with specific recommendations for changes to procedures or practice to lessen the likelihood of future less-than-optimal care or outcomes.

Quality and Safety Improvement Activities

Meaningful quality improvement requires concerted effort throughout the organization. Ad hoc, interdisciplinary performance improvement teams may be appointed by the QOC, MEC, or by services or patient care units. Support for quality and safety improvement teams is provided:

1. Hospital administration provides guidance and support for quality and safety improvement teams throughout the course of their work. The Chief Medical Quality and Safety Officer (CQO), Chief Medical Officer (CMO), Chief Nursing Officer (CNO) and Administrator for Ambulatory Services provide direct oversight of and support improvement initiatives at the point of care. The Office of Quality and Patient Safety, under direction of the CQO, may provide project facilitation, project management and performance measurement consultation and support, particularly for projects that involve organization-wide assessment or change.
2. The Risk Management Department is responsible for the RCA process and conducts case investigations of all RCAs, drawing upon the incident reporting system (UHC Patient Safety Intelligence (PSI) for sentinel events, and serious adverse and near-miss occurrences or trends. .

Opportunities for quality performance measurement and improvement initiatives may come from a variety of sources:

1. Individual caregivers who identify a specific quality concern and develop a plan for improving a clinical process;
2. Trends uncovered through occurrence reviews;
3. QOC and MEC identified priority initiatives based on urgency of the quality improvement need, estimated resources needed to address the problem and alignment of the project with organizational goals;
4. Regulatory agency requirements and outcomes of public reporting.

Facilitation and improvement methods and strategies appropriate for the priority project or initiatives are determined by the Executive Director of Quality and Infection Prevention or designated quality staff members.

1. Quality staff members are available to help select improvement strategies such as Plan-Do-Study-Act (PDSA), Lean and Failure Mode and Effects Analysis (FMEA). In general, teams meet frequently during the earlier start-up phase of a project (weekly or bi-weekly), and move to less frequent meetings during the maintenance phase.
2. An infrastructure that integrates the quality improvement into the care processes and identifies appropriate measures to track success and progress is encouraged. It is expected that teams will report progress and achievements to appropriate meetings of all involved departments.

Communication of Quality Activities

Communication of quality activities throughout UNMH is essential to their success, and deepens UNMH's capacity to learn, grow, change, and improve. Wide dissemination of quality and safety information is achieved through the reporting structure and communication plan outlined in Figure 1 as well as through regular reports in service, unit and leadership meetings; special meetings dedicated to quality and safety issues; and publications with audiences that include clinical professional and medical staff. In addition, communication is effected through written materials, invited verbal presentations, and presentation of quality and safety information on the intranet.

QAPI LEADERSHIP RESPONSIBILITIES

Board of Trustees

The Board of Trustees has the ultimate responsibility and authority for the establishment of a comprehensive and integrated quality improvement and patient safety plan that is compliant with applicable Federal and State laws, TJC, CMS, and other regulatory agency requirements, and requirements of third-party payers.

Performance Oversight and Community Engagement Committee

The POCEC acts on behalf of the Board of Trustees, and exercises the responsibility and authority for the oversight of all major activities relating to quality, risk, patient safety, credentialing, regulatory compliance, safety management, utilization management, patient complaints and satisfaction, and organizational improvement. The POCEC reviews corrective actions and monitors the implementation of the QAPI. The POCEC reports to the Board of Trustees on a monthly basis.

Medical Executive Committee

The MEC has responsibility for developing, prioritizing, reassessing, recommending and reviewing policies and standards, which influence the quality and safety of patient care. The MEC acts on findings and recommendations designed to affect the resolution of patient safety and care problems. The MEC sets standards

of professional and ethical practices as well as occurrence review and peer review activities in accordance with the medical staff bylaws and rules and regulations. The MEC reports to the POCEC and Board of Trustees on a monthly basis.

Quality Oversight Committee

The QOC oversees quality performance measurement, quality improvement and clinical safety activities throughout the organization. Oversight of all occurrence review and peer review activities including clinical case reviews, clinical risk management information and occurrence reporting, is part of this responsibility. Utilization management activities may be reviewed as they relate to organizational clinical quality and safety goals.

The QOC is responsible for facilitating and coordinating the QAPI, and in this capacity monitors and evaluates issues affecting the quality of care throughout UNMH and has the authority to establish interdisciplinary performance improvement teams when an opportunity for improvement is identified. The QOC provides guidance on collaboration, resource allocation and strategic planning for clinical quality.

Committees and selected services submit a written evaluation report to the QOC at least annually, describing the results of quality improvement, occurrence review, and quality performance measurement activities that support the QAPI. Standing reports include, but are not limited to, Infection Prevention and Control, Regulatory Readiness, Risk Management and Safety Committee.

The QOC consists of the following members: CQO (Chair), Administrator for Professional Support Services (Co-Chair), CMO, CNO, Executive Medical Directors, Executive Directors, Executive Director for Quality and Infection Prevention and other department representatives as appropriate.

The Chair, in collaboration with the Co-Chair, is responsible for setting the agenda, for assuring report pertinence and completeness, for scheduling follow-up reports when appropriate, and for guiding the QOC to support organization-wide improvement initiatives when appropriate. The QOC reports to the MEC on a monthly basis.

Chancellor of Health Sciences Center

The Chancellor of the UNM Health Sciences Center has administrative authority for all programs, services, staffing and budget at the UNM HSC. Oversight and administrative authority for performance improvement activities at all UNMH clinical operations are delegated to the UNMH CEO and to the CMO for oversight and administrative authority for organization-wide medical staff performance.

Chief Executive Officer, UNM and Chief Operating Officer, UNM Health System

The CEO has responsibility for and confers with the CMO, CNO, Hospital Administrators, and CQO regarding hospital-wide quality and safety priorities and initiatives. The CEO ensures participation by appropriate hospital leadership in multi-disciplinary committees such as the QOC that function as an executive coordinating decision-making body to oversee the QAPI.

Chief Medical Quality and Safety Officer, UNM Hospital and UNM Health System

The CQO has responsibility for the UNM Health System quality and patient safety as delegated by the Chancellor of Health Sciences. The CQO works as a dyad with the Administrator for Professional Support Services and in conjunction with the Executive Director of Quality Outcomes for the direction and oversight of quality and patient safety activities and outcomes. The CQO works with hospital administration, hospital committees and medical staff chairs, medical quality and safety officers, medical staff and medical staff committees to foster a culture of continuous quality improvement and accountability in order to achieve organizational quality and safety goals.

Administrator for Professional Support Services

The Administrator for Professional and Support Services has responsibility for the ongoing development, direction and supervision of Risk Management, Quality Outcomes Management, Diagnostic Services, Epidemiology, Pharmacy Services, Rehabilitation Services, Food and Nutrition, Materials Management and Purchasing, Facility and Support services. In this capacity, the Administrator has responsibility for many of the HSC quality activities and serves as co-chair of the QOC.

Chief of Staff

The COS supports the QAPI, chairs the MEC, presides at general medical staff meetings, and makes appointments to medical staff committees. The COS recommends and ensures that MEC takes into account pertinent quality and safety information when recommending re-appointment of the medical staff, in accordance with the medical staff bylaws.

Chief Medical Officer

The CMO is the hospital executive accountable for the hospital-wide QAPI. In this capacity and as advisor to the CEO and COS, the CMO resolves issues involving the hospitals' nursing, physician, and administrative staff when they affect the clinical departments and patient care, and collaborates with the CNO in establishing standards of practice.

Chief Nursing Officer

The CNO is authorized to develop, implement and evaluate nursing service performance improvement efforts and to collaborate in the implementation of such hospital-wide interdepartmental collaborative quality improvement and patient safety efforts. The CNO participates in the multi-disciplinary committees that oversee the QAPI.

Executive Director, Quality Outcomes and Infection Prevention

The Executive Director of Quality Outcomes (EDQO), under the direction of the CQO and the Administrator of Support Services, oversees all quality activities within the organization. The CQO and EDQO work with hospital administration, hospital committees and medical staff committees to foster a culture of continuous quality improvement in order to achieve organizational quality and safety goals. The EDQO is also responsible for the coordination of all quality and safety performance activities that support compliance with and continuous readiness for regulatory agencies, including TJC, CMS, and New Mexico Department of Health and accrediting and regulatory bodies with jurisdiction over specialized areas.

Clinical Service Chiefs and Medical Directors

The Clinical Service Chiefs and Medical Directors are responsible for creating an environment that enables UNMH to fulfill its mission and goals. They are responsible for coordinating and integrating services within the services and in conjunction with other services. Those duties include continuous assessment and improvement of their service's care delivery and collaboration to achieve QAPI goals. This includes measuring the quality and safety of the care provided by their services, providing orientation, in-service training, continuing education of staff within the department and ensuring that the credentials of all applicants for appointment, reappointment or promotion are appropriately reviewed.

Managers, Directors, and Executive Directors

Managers, Directors, and Executive Directors are responsible for implementing and maintaining a system for continuous monitoring and evaluation of important aspects of care and services provided. The scope of services is described in the Provision of Care and documented in an operational plan. Performance improvement

indicators are included as part of the annual evaluation of system-wide indicators to determine priorities for the hospitals for the year.

Executive Director, Risk Management

The Executive Director of Risk Management (EDRM) coordinates the review and reporting of all serious untoward patient events requiring filing with the New Mexico Department of Health or the significance of which indicates that a RCA be performed. The EDRM works with hospital administration, the EDQO, CQO, and professional staff to determine factors that contribute to actual and potential adverse events, as well as to assist in defining and initiating the necessary steps to decrease risk within the institution.

Associate Dean of Graduate Medical Education

The Associate Dean of Graduate Medical Education integrates patient safety and quality activities into graduate departments comprising an area within a clinical component.

Nursing Shared Governance Councils

The Shared Governance Councils are comprised of frontline nurses as well as management. These committees develop projects in relationship to nursing practice issues directly related to patient safety and quality.

QAPI CONFIDENTIALITY STATEMENT

All information related to the performance improvement activities of the medical staff or hospital personnel, in accordance with this plan, are confidential. Confidential information may include, but is not limited to, the Medical Executive Committee minutes, performance improvement reports, electronic data gathering and reporting, untoward incident reporting and clinical profiling. Some information may be disseminated on a “need to know basis” as required by agencies such as federal review agencies, regulatory bodies, the National Practitioners Data Bank or any individual or agency that proved a “need to know” , as approved by the Medical Executive Committee, Hospital Administration and/or the Governing Body. Some information in the aggregate state may be shared within the organization for purpose of information and education.

Approved by :

Quality Oversight Committee

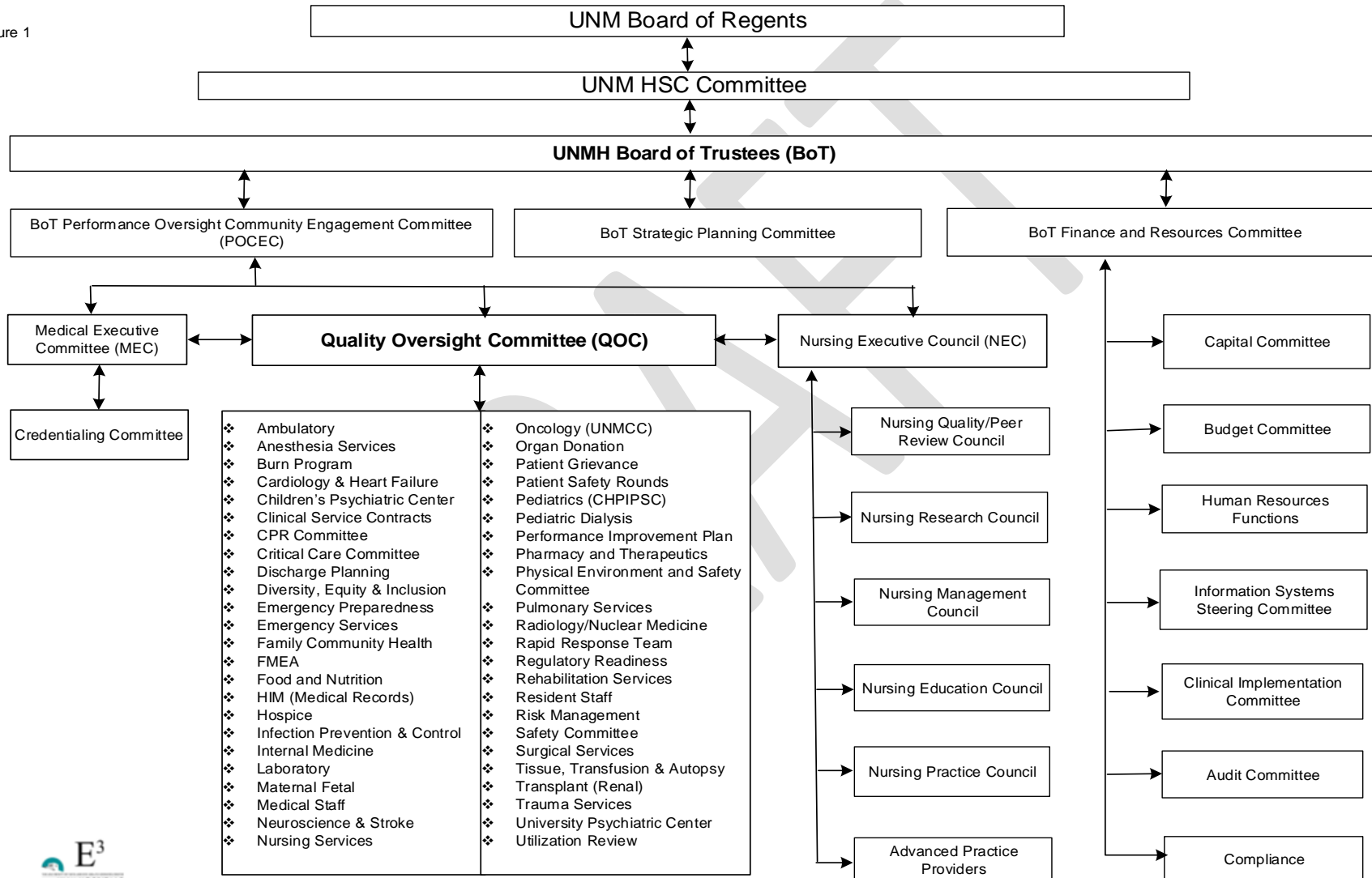
Medical Executive Committee

Performance Oversight and Community Engagement Committee

UNMH Board of Trustees

Quality and Safety Performance Improvement Program Structure

Figure 1



Mission: Excellence

UNM Hospitals Board of Trustees
March 23, 2017

LEADing to Excellence

- The Mission in MISSION: Excellence, What our History Tells Us
- The MISSION: Excellence scorecard
- Connect to Purpose
- Coaching Performance to AIDET
- Accountability & Goal Alignment

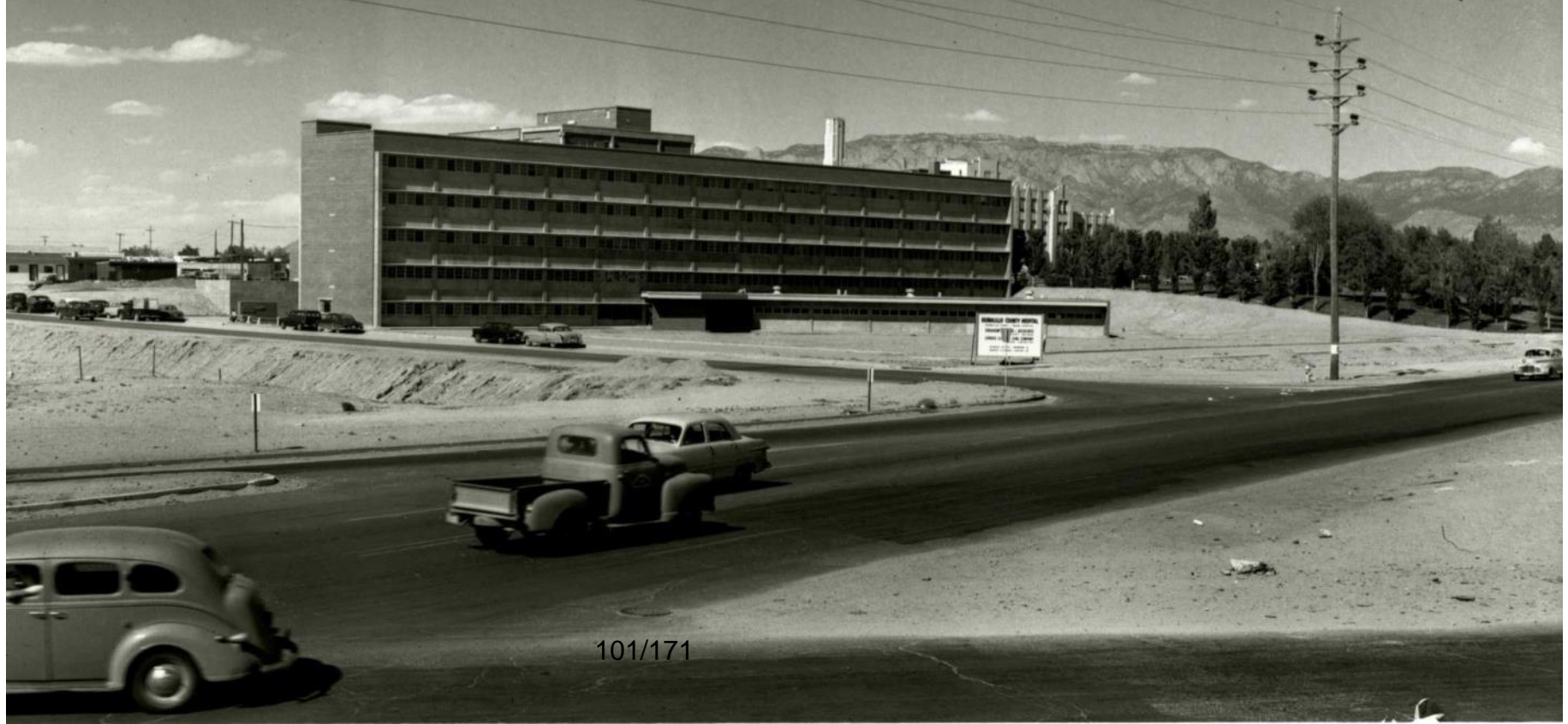
UNMH	HSC	UNMMG	SRMC	Total
619	159	75	31	884

Kendall Rogers, MD

THE MISSON IN MISSION: EXCELLENCE, WHAT OUR HISTORY TELLS US



Bernalillo County Indian (BC-I) Hospital Opens October 26, 1954!



101/171

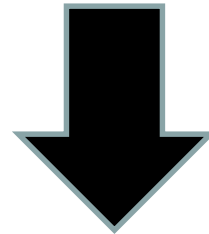
Focus on Our Mission

We Treat All Patients Equally

c. As a specific matter referring to morale and attitude, the professional staff strongly believes that the Hospital must be pervaded by the belief that all patients regardless of means or origin must be provided with a single high quality of care and that it is the mission and dedication of the hospital as a service group in society to help people who are sometimes unappreciative, unclean and invariably sick.

Focus on Our Mission

We Treat All Patients Equally



We Care for All Patients
Equally

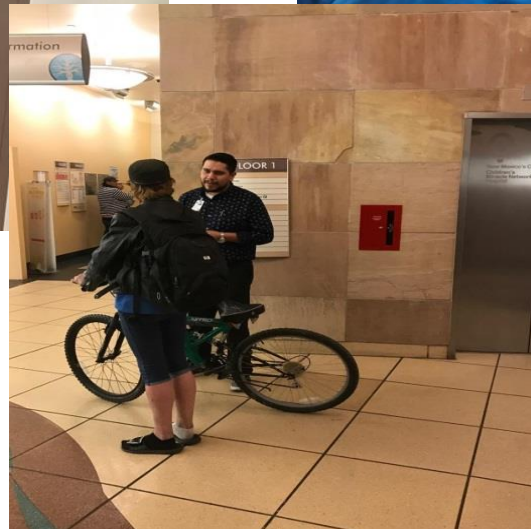
Juan Flores, Director

Anita Navarez, Manager, Environmental Services

FINDING OUR WAY TO AIDET



Finding our way to AIDET



****Acknowledge**Introduce**Duration**Explanation**Thank****

Environmental Services-Supervisor

- Knock, wait 5-10 seconds for acknowledgment, and enter room.
- "Good morning (afternoon, evening), my name is _____. I am the supervisor (assistant, manager) for housekeeping on this unit and I am here to check on how well we have cleaned your room today. It will take me about ____ (15) _____ minutes. Is now a good time?"
- If no, ask, "When would be a better time for you?" "Thank you, I will return at _____."
- If yes, "I have worked here at _____ UNMH _____ for _____ years. You are on one of our best units. My goal is to support our team in keeping your room and bathroom clean. How are we doing with that?"
- If positive, "That is good to hear."
- If not positive, "I am sorry we haven't met your expectations. What can I do to take care of that for you right now? I promise to get this issue resolved for you."

- Check that the tray table, telephone, remote, call light, and Kleenex are within reach of the patient.
- Make sure trash can is visible and within reach to the patient.
- "I have finished inspecting your room. Can you reach everything? Is there anything I missed?"
- If yes, "Let me take care of that right now."
- If no or after taking care of any issues, "Thank you for letting me be a part of your care team. Is there anything else I can do before I leave?"

[illegible]

Misc Notes:

Acknowledge *Introduce* *Duration* *Explanation* *Thank*

Environmental Services

Knock, wait 5-10 seconds for acknowledgment, and enter room.

- "Good morning (afternoon, evening), my name is _____. I am the housekeeper (associate, service worker) on this unit and I am here to clean your room today. It will take me about _____ minutes. Is now a good time?"
- If no, ask, "When would be a better time for you?" "Thank you, I will return at _____."
- If yes, "I have worked here at _____ for _____ years. You are on one of our best units. My goal is to keep your room and bathroom clean. How are we doing with that?"
- If positive, "That is good to hear."
- If not positive, "I am sorry we haven't met your expectations. What can I do to take care of that for you right now? I promise to get this issue resolved for you."

Closing:

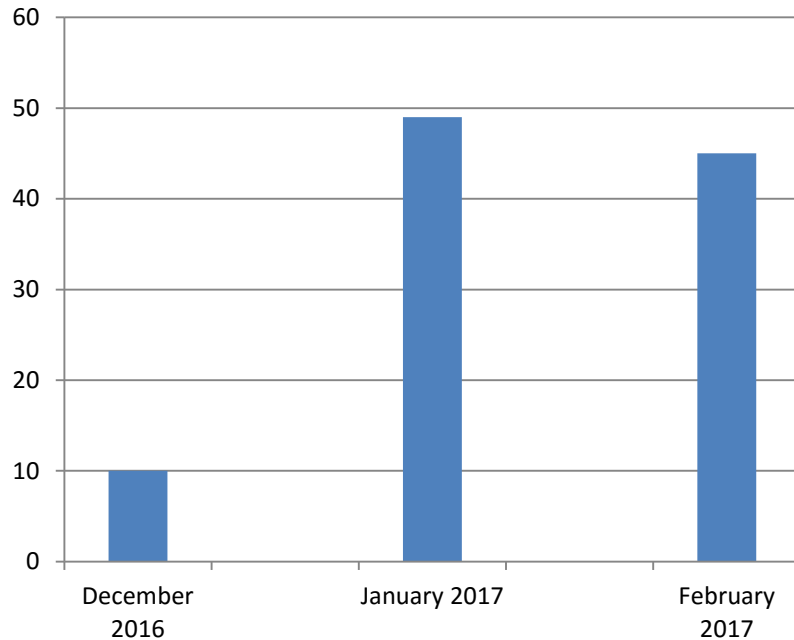
- Make sure: tray table, telephone, remote, call light, and Kleenex are within reach of the patient. Make sure trash can is visible and within reach to the patient.
- "I have finished cleaning your room. Can you reach everything? Is there anything I missed?"
- If yes, "Let me take care of that right now."
- If no or after taking care of any issues, "Thank you for letting me be a part of your care team. Is there anything else I can do before I leave?"

Servicios ambientales

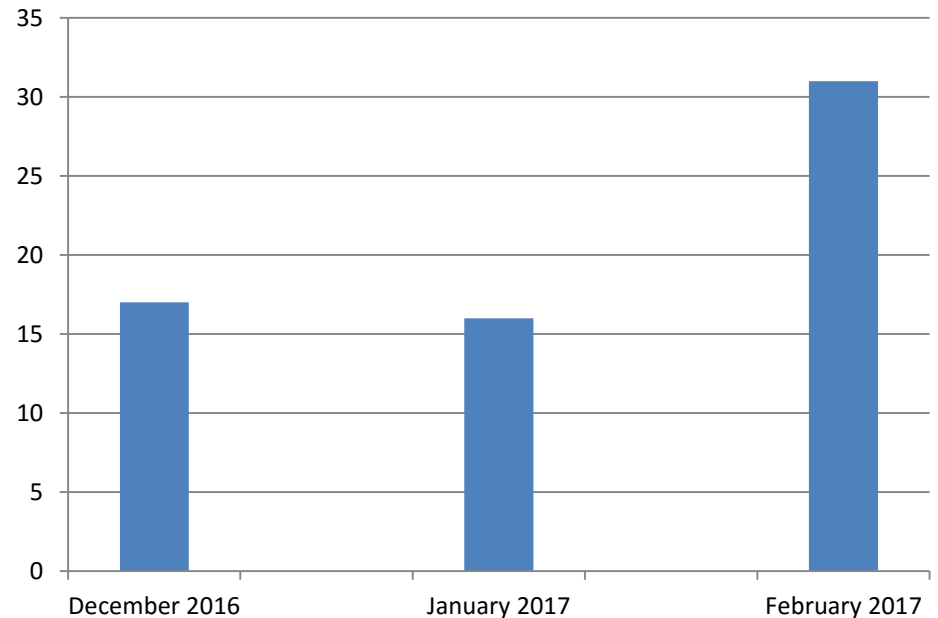
- Tocar la puerta, esperar 5-10 segundos para el reconocimiento y entrar al cuarto/área.
- "Buenos días (tardes, noches), mi nombre es _____. Soy el/la ama de llaves (persona de limpieza, asociado) en esta unidad y vengo a limpiar su habitación hoy. Me tomare _____ minutos. Es ahora un buen momento?"
- Si no, pregunte, "Cuando sería un tiempo mejor para usted?" "Muchas gracias, voy a volver a _____."
- En caso afirmativo, "he trabajado aquí en el hospital de UNM por _____ años. Usted está en una de nuestras mejores unidades. Mi objetivo es mantener limpia su habitación y baño. ¿Qué tal lo estamos haciendo?"
- Si positivo, "es bueno escuchar eso".
- Si no es positiva, "Siento que no hemos satisfecho sus expectativas. ¿Qué puedo hacer para arreglar ese problema ahora mismo? Prometo tener este tema resuelto para usted."
- Cierre:
- Hacer su mesa, teléfono, control remoto/botón de llamada de emergencia están al alcance del paciente. Asegúrese de que basurero es visible y al alcance del paciente.
- "He terminado de limpiar su habitación. ¿Puede alcanzar todo? ¿Hay algo más que crea que olvide limpiar?"
- En caso afirmativo, "Déjame hacerlo ahora mismo."
- Si no o después de tomar cuidado de cualquier problema, "gracias por dejarme ser parte de su equipo de cuidado. Hay algo más que puedo hacer antes de irme?"

Environmental Services- Press Ganey Scores

Room Cleanliness



Courtesy of Person cleaning the room



Shelby Brown, RN, MSN, ACNP
Michael Nuttall, BA, CFPM

ACCOUNTABILITY



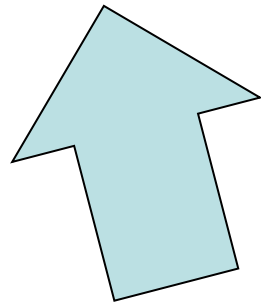
Culture of Accountability

- Passion
- Responsibility
- Personal interest
- Integrated
- Transparent
- Consistent

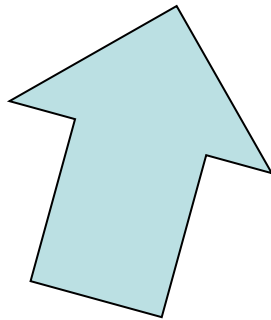


Froschheiser, L. (2017). *Pursue accountability and inspire your team to exceed its goals*. Retrieved from Reliable Plant: <http://www.reliableplant.com/Read/16834/pursue-accountability-inspire-your-team-to-exceed-its-goals>

What value does accountability bring to an organization?



Performance



Productivity

Rick, T. (2014). *How to Hold People Accountable*. Retrieved from Performance Management: <https://www.torbenrick.eu/blog/performance-management/how-to-hold-people-accountable/>



Accountability:

*Actions toward or
involving others that
reflect the integrity of the
person you want to be.*

Key Take-Aways

1. Leaders share scorecard with direct reports
2. Leader rounding should include questions regarding purpose (*e.g. what are you passionate about, what drives you?*)
3. Script your own AIDET
4. Get observed doing AIDET and get feedback
5. Generate MyRounding reports and post Stoplight in department



Physician Coaching

- Additional physician coach from Studer Group to work specifically with our frontline providers
 - Internal Medicine Chair & Division Chiefs
 - Surgery Chair & Division Chiefs
- Coached on CAHPS scoring and current standing, AIDET, Stoplight Reports, Chairs role in AIDET validation
- Onsite 3 days/month

Up Next!

- Quarterly Forums—16 in April
- Rounding Training
- Stoplight Report Issues
- Senior Leader Rounding
- Goal alignment continues...
- Onsite Consultants visit 8-9 areas in 1 day each month



THANK YOU!



MEMORANDUM

To: Board of Trustees

From: Stephen McKernan
Chief Executive Officer

Date: March 24, 2017

Subject: Monthly Activity Update

The Hospital has been involved in a variety of activities and this report will focus on services delivered through February.

Quality: Quality indicators are stable with the prior year and have shown some improvement recently. The focus is around those events that are also tracked by CMS and Vizient. The principal issues are related to infections and other events like lacerations and punctures. Documentation in the medical records plays a significant role in how the harm events are classified. The goals are to move to a three star rating in the Vizient quality and safety measurement system.

Statistics: UNMH has stable and increasing patient activity. Patient days were 1% above the prior year. Discharges are running 4% higher than the prior year. Clinic visits increased 1% above the prior year. The Case Mix Index is 6% above the prior year. The Emergency Room increase is 8% above the prior year. The number of surgeries increased 4%. The number of births has decreased 4%. Overall activity is being recorded at about 10% greater than the prior year with a significant proportion of that increase represented by the Case Mix Index increase of 6% above the prior year.

Financial: UNMH had revenues that were equal to the budget and 5% greater than the prior year. The expectation was that the revenues for the Hospital will drop from the prior year based on the rate cuts. The improvement in the Case Mix Index and the improvement in clinical activity has resulted in higher revenues that projected earlier in the year, but in line with the original budget. Expenses are recorded very close to budget and are about 5% above the prior year mostly due to salary and supplies expenses. The expenses related to supply and pharmacy items have grown \$11 million on a base of \$75 million or 16% compared to the prior year. This is a nationwide issue. There is a current focus in the organization to align the expenses with the revenues with the goal of improved efficiency. The full time equivalent employees are about 4% greater than the prior year, although when adjusted for workload they are equivalent to the prior year.

The balance sheet is stable with cash having increased but in a roughly proportional amount to the increase in liabilities. Net capital assets are \$11 below the prior year as depreciation has exceeded capital expenditures. Accounts receivable are below the year end amount. The current ratio is about the same as year-end and all debt covenants have been met.

Strategic Planning: The Board has been working with a consultant on its organizational structure and the recommendations will be presented at the March meeting.

The planning related to the replacement hospital is progressing. The architects have delivered their draft report which will be briefed to the Board through Committee. Options related to sizing and orientation of the facility is also being made. I can brief any Board Member about specifics.

Management is also reviewing the last Strategic Plan that was presented about 4 years ago and is developing a process to reevaluate this important function of the Board for the Hospital.

Human Resources: The turnover rates are now around 14%, about the same for the past year. We have added almost 11 employees on a base of 6,180 from the past year. We have decreased the total compliment of nurses by 34 on a base of 2,060 from the past year.

UNM Health System has initiated Mission Excellence and is using the Studer Group as a consultant. The organization conducted a leadership training program last week in which over 900 leaders of the organization attended. A briefing will be provided at the meeting to review the status of the engagement. All the Mission Excellence documents have been posted to Board Vantage so that the Board members can reference them.

Native American Liaison: UNM Hospital Board created the Native American Liaison Committee to review compliance with the condition of the 1952 Contract, the Lease and the two Consents to amend the Lease. There is a request to review the Hospital compliance with the 100 bed provision of the Contract. We have provided a legal opinion about UNM's interpretation of the provision and are waiting for an opportunity to engage in a dialogue on the matter. We have gotten a request on the areas of focus for service from the IHS for the budget for Fiscal Year 2018.

Bernalillo County: Management has been interacting with the County and the Indian Health Service on the next steps to develop the Memorandum of Understanding. All parties have each of the others party's evaluations of the last version of the County's MOU draft. We have also met with the County officials on multiple occasions and with the County Commissioners in a workshop on March 14th to discuss the UNMH Budget and the priorities for 2018.

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



THE UNIVERSITY OF NEW MEXICO ♦ HEALTH SCIENCES CENTER

UNM HOSPITALS

To: Board of Trustees

From: Irene Agostini, MD
UNMH Chief Medical Officer

Date: March 27, 2017

Subject: Monthly Medical Staff and Hospital Activity Update

1. The average wait time for a patient from the Adult Emergency Department to be placed after admission for the month of February was 8 hours and 11 minutes. This is down significantly from February of 2016 when the average wait time was 11 hours and 12 minutes. UNMH remains greater than 90% capacity on average. We continue to ensure surgeries are not canceled due to capacity.

- 34 patients were triaged to an SRMC Inpatient unit instead of placing at UNM Hospital.

2. The Community Partnership with Lovelace Health system continues to be successful in putting the needs of the “Patient First”, allowing continued access to those patients that can only be cared for by UNMH. In the month of November:

- 55 patients were triaged from the UNM Health System with 45 patients being directly accepted into the Lovelace Health System.

4. Our ALOS (average length of stay) for February 2017 was 6.71 an improvement as compared to February 2016 which was 7.31. Our ALOS FYTD for 2017 is 6.57 which is an improvement from FYTD 2016 when it was 7.06. We continue to hardwire our processes to decrease our ALOS despite accepting higher acuity patients by planning for discharge upon patient admit.

5. The Physician Advisory Group (PAG) provider engagement and satisfaction work continues. Our “Mission Excellence” journey is well underway with proven tools, expectations and behaviors. Our Leading to Excellence retreat occurred on March 15th and 16th. The focus was on utilizing AIDET (Acknowledge, Introduce, Duration, Explanation and Thank) Toolkit and MyRounding software tool to continue to hardwire foundational cultural expectations. There will be 16 Mission Excellence Quarterly Forums open to all April 7th through April 28th.

6. UNMH and Surgical Directions consultants continue the passionate work of optimizing our Surgical Services with a solid foundational structure. This work of creating reliable process to serve the needs of New Mexican’s has preliminarily shown good results in the On-Time start of operating room cases. In the month of February the UNMH OR has a 70% On-Time start of all cases.

The team has begun to monitor and measure the time it takes to turn an OR room over (TOT) to be available for the next scheduled patient surgery. The overall target is 55 minutes, for the month of February the TOT was 60 minutes for the UNMH OR. We will continue to monitor and report this vital step in creating efficiency and safety for our patients.

UNM Hospital

Credentialing & Privileging

A. Robb McLean, MD, MHCM

Executive Medical Director, Medical Staff Affairs

Definitions

Credentialing

the peer review process using criteria to review a provider's credentials, training and licensure, clinical practice and outcomes in order to approve their medical staff membership

Privileging

the peer review process of assessing an individual's competence to perform specific procedures utilizing criteria, peer review and quality data

CMS Requirements

§ 482.22 Condition of participation: Medical staff

- (1) The hospital must have an organized medical staff that operates under bylaws approved by the governing body and is responsible for the quality of medical care provided to patients by the hospital.
- (2) The medical staff must examine the credentials of all eligible candidates for medical staff membership and make recommendations to the governing body on the appointment of these candidates in accordance with State law, including scope-of-practice laws, and the medical staff bylaws, rules, and regulations.

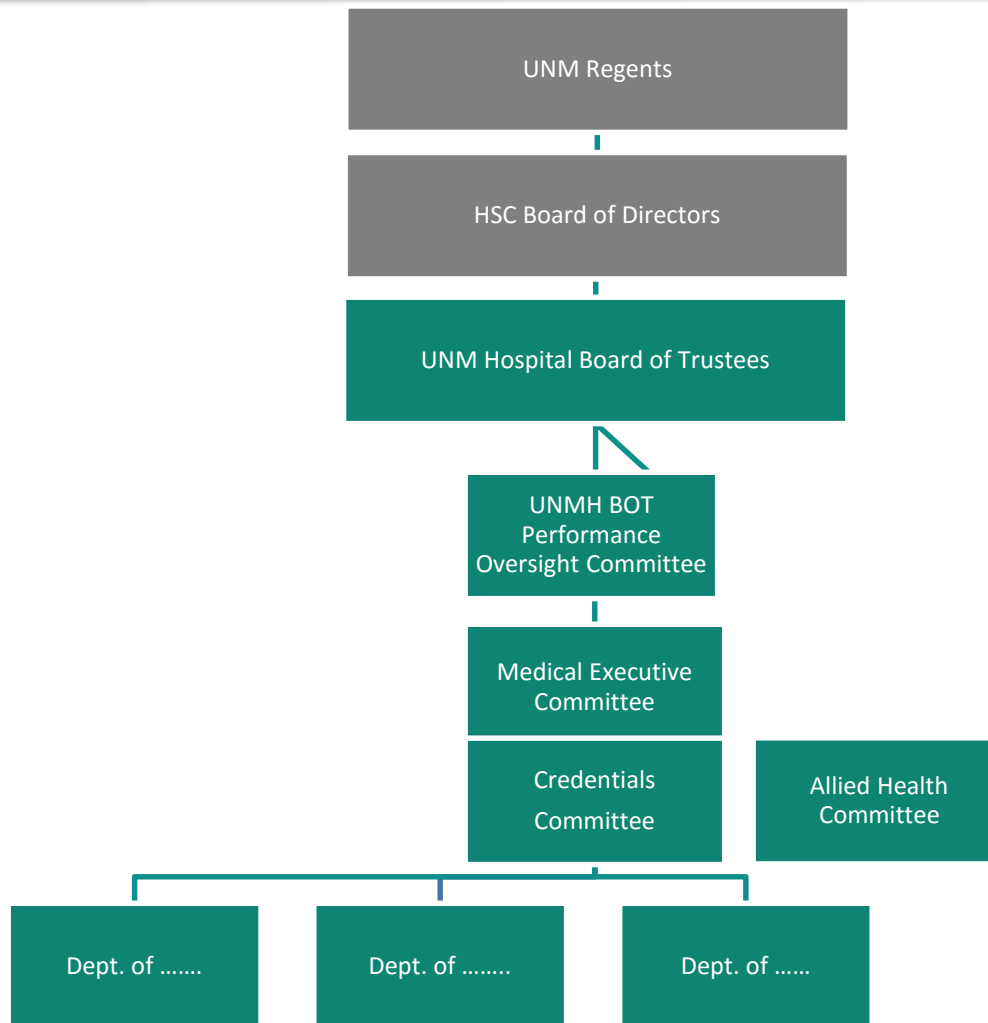
CMS Requirements

§ 482.22 Condition of participation: Medical staff

c) *Standard: Medical staff bylaws.* The medical staff must adopt and enforce bylaws to carry out its responsibilities. The bylaws must:

(4) Describe the qualifications to be met by a candidate in order for the medical staff to recommend that the candidate be appointed by the governing body.

(6) Include criteria for determining the privileges to be granted to individual practitioners and a procedure for applying the criteria to individuals requesting privileges.



Three Elements of Credentialing & Privileging

Verification of Primary Credentials and Competence

- Completed application
- Primary source verification – education, training, licensure, peer references & NPDB
- Competency evaluation

Review and Recommendation

- Credentials committee review of tier one data and recommendation of appointment and privileges to MEC
- MEC review of credential committee recommendations with independent recommendation to the governing body
- Governing body (POCEC & BOT) review and decision

Ongoing Review and Reappointment

- Ongoing, regular assessment of practitioner competence and performance (OPPE)
- "For cause" review
- Level II FPPE for any concerns over ability to provide safe, quality care
- Reappointment process

**These processes are delineated in TJC medical staff standards, CMS COP's, and medical staff bylaws.*

Primary Source Verification

- CVO verifies practitioner training and experience
 - At time of initial appointment and reappointment to Medical Staff or Allied Health Staff
- Practitioner attests to ability to perform clinical privileges requested
- Primary source verification
 - Education/training applicable to degree
 - References from peers (someone in same professional discipline)
 - Must have current knowledge about practitioner
 - Able to attest to current clinical competence
 - Hospital/healthcare entity affiliations
 - Professional licensure, DEA, CSR
 - National Practitioner Database (NPDB)
 - Health status (peer reference)

Strategies for Effective Credentialing

Identify and address all red flags

- Negative peer references
- No response to reference request
- History of disciplinary actions
- Resignation from a medical staff
- Past or pending investigative proceedings
- History or claims of fraud, abuse, misconduct
- Legal problems
- Competency concerns
- Reports of problems in prior practice
- Lack of verified liability coverage
- Jury verdicts and settlements in the past five years
- Failure to maintain practice or practice gaps
- History of impairment or disruptive behavior

FPPE/OPPE

Focused Professional Practice Evaluation

- Based on privileges granted at initial appointment/expansion (Level I) *OR*
- **Event triggered/criteria triggered (Level II)**

Ongoing Professional Practice Evaluation

- Peer review
- Every 8 months
- Performance and quality metrics
- Measure against criteria may trigger an FPPE

Strategies for Effective Credentialing

- **Use “Level II” FPPE Liberally**
 - Initial appointment if no documented competency in a privilege
 - Sentinel events
 - Patient/staff/peer complaints
 - Unexplained practice pattern change
 - Unusual comparative data (readmission, infection rates, etc)
 - Unusual resource utilization patterns
 - Failure to follow approved guidelines, policy, procedure...
- **Match Privileges with Institutional Resources**
 - Risks and benefits weighed
 - New equipment and additional staff training considered
 - Procedure judged appropriate and within organizational capabilities
 - Formally approve the procedure and privilege with evidence retained in file

Strategies for Effective Credentialing

Ensure leadership oversight of the Credentialing Process

POCEC, BOT, clinical leadership scrutiny and participation and due diligence throughout the three elements

Questions?

Addictions- An Introduction

Snehal Bhatt, MD
Associate Professor
Department of Psychiatry and Behavioral Sciences
Medical Director, Addiction and Substance Abuse Programs
Chief, Addiction Psychiatry
University of New Mexico

Financial Disclosure

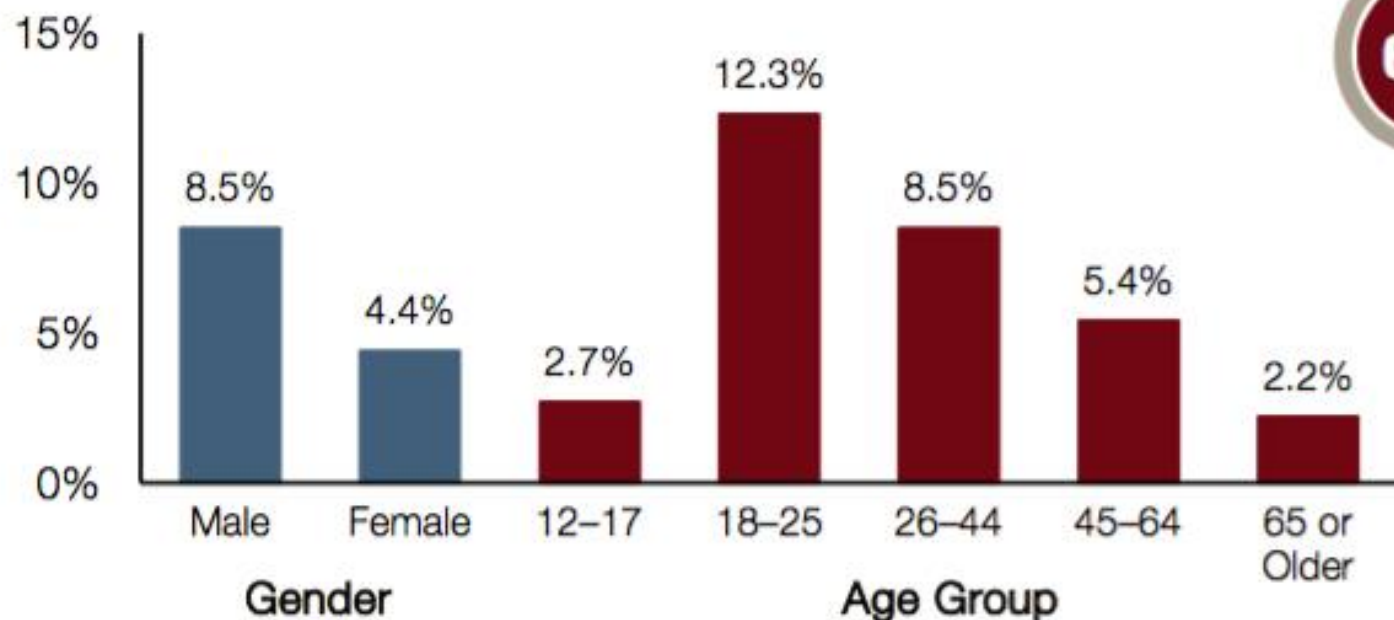
- Nothing to disclose.

Objectives

- Become familiar with epidemiology of substance use disorders
- Appreciate the bio-psycho-social etiologies of substance use disorders
- Recognize substance use disorders as chronic illnesses
- Become familiar with an overview of addictions treatment
- Learn about some of the treatments offered at UNM

Epidemiology

Past Year Alcohol Dependence or Abuse Among Individuals Aged 12 or Older in the United States, by Gender and Age Group (2014)

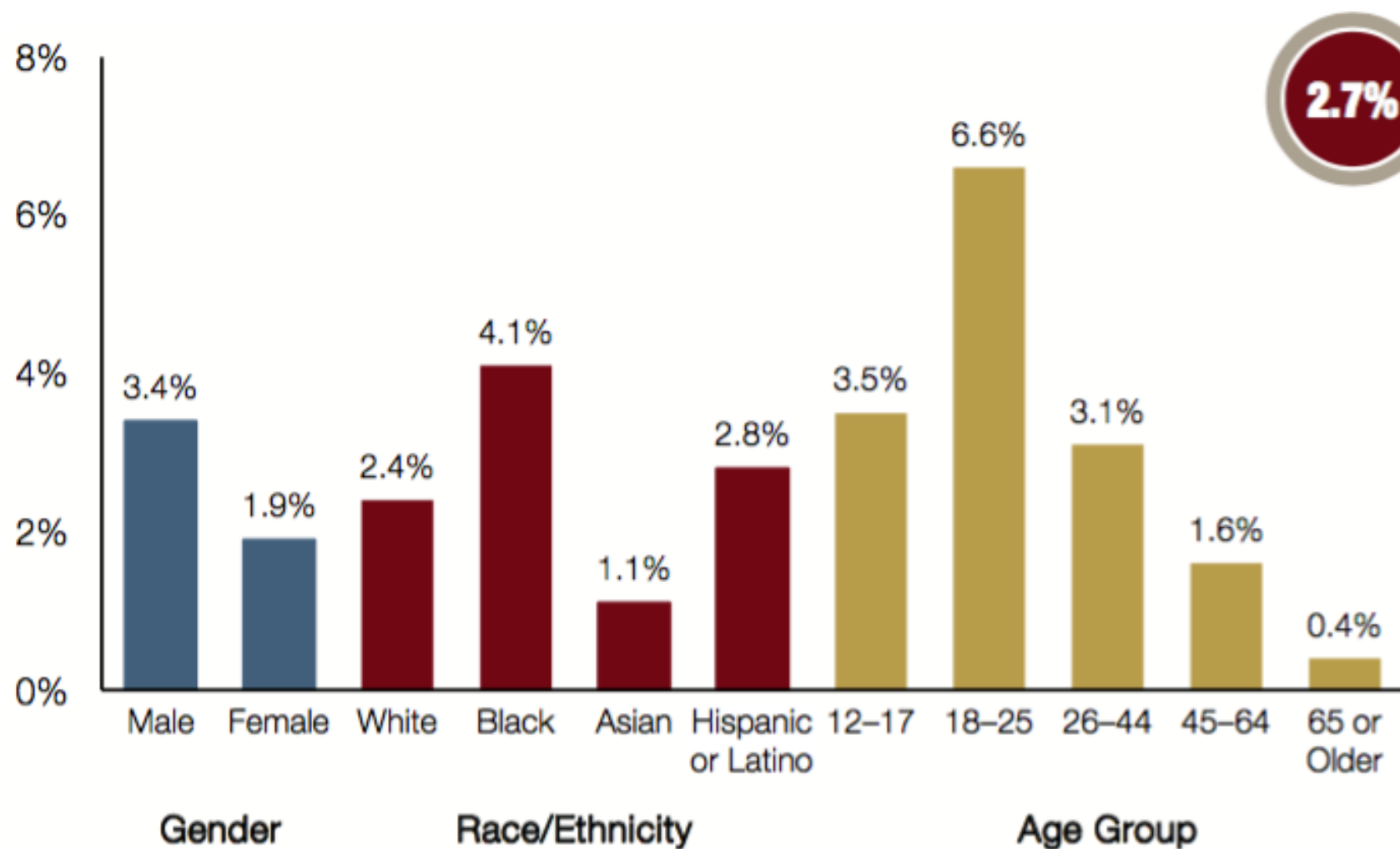


In 2014, 6.4% of individuals aged 12 or older in the United States (an estimated 17.0 million individuals) were dependent on or abused alcohol in the year prior to being surveyed.

In 2014, the percentage of individuals aged 12 or older in the United States with past year alcohol dependence or abuse was higher for males than for females, and this percentage was higher for young adults aged 18-25 than for the other age groups.

Source: SAMHSA, Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2014.

Past Year Illicit Drug Dependence or Abuse Among Individuals Aged 12 or Older in the United States, by Gender, Race/Ethnicity, and Age Group (2014)³



2.7%

In 2014, 2.7% of individuals aged 12 or older in the United States (an estimated 7.1 million individuals) were dependent on or abused illicit drugs in the year prior to being surveyed. This percentage has not changed significantly since 2010.

In 2014, the percentage of individuals aged 12 or older in the United States with past year illicit drug dependence or abuse was higher for males than for females and higher for Blacks than for Whites, Asians, or Hispanics. This percentage was higher for young adults aged 18–25 than for the other age groups.

White House Report on New Mexico

- More people on NM died as a direct consequence of drug use than motor vehicle accident or firearms
- Rate of drug-induced deaths in New Mexico is nearly **DOUBLE the rate** of drug-induced deaths in US as a whole
- *Source:* Centers for Disease Control and Prevention - National Vital Statistics Reports Volume 58, Number 19 for 2007
http://www.cdc.gov/nchs/data/nvsr/nvsr58/nvsr58_19.pdf
- NM rates of rates of drug use have consistently remained above the national average [SAMHSA, DAWN]

NM adolescents are at a particular risk

- NM among the states with **HIGHEST** rates of past month illicit drug, marijuana, and cocaine use among ages 12-17
[<http://www.samhsa.gov/data/StatesnMetro.aspx?state=NM>]
- Significantly higher rates of non-medical prescription opioid use than those over 25
- More likely than their national counterparts to have tried heroin
- Represent an increasing proportion of heroin overdose [City of Albuquerque opioid needs assessment]

Substances Involved in Drug Overdose Deaths in NM

- Prescription opioids: 48%
- Heroin: 34%
- Tranquilizers/ Muscle Relaxants: 23%
- Cocaine: 17%
- Methamphetamines: 16%
- Antidepressants: 12%
- [NM Dept of Health, 2016]

The Addictive Process

C's of Addiction

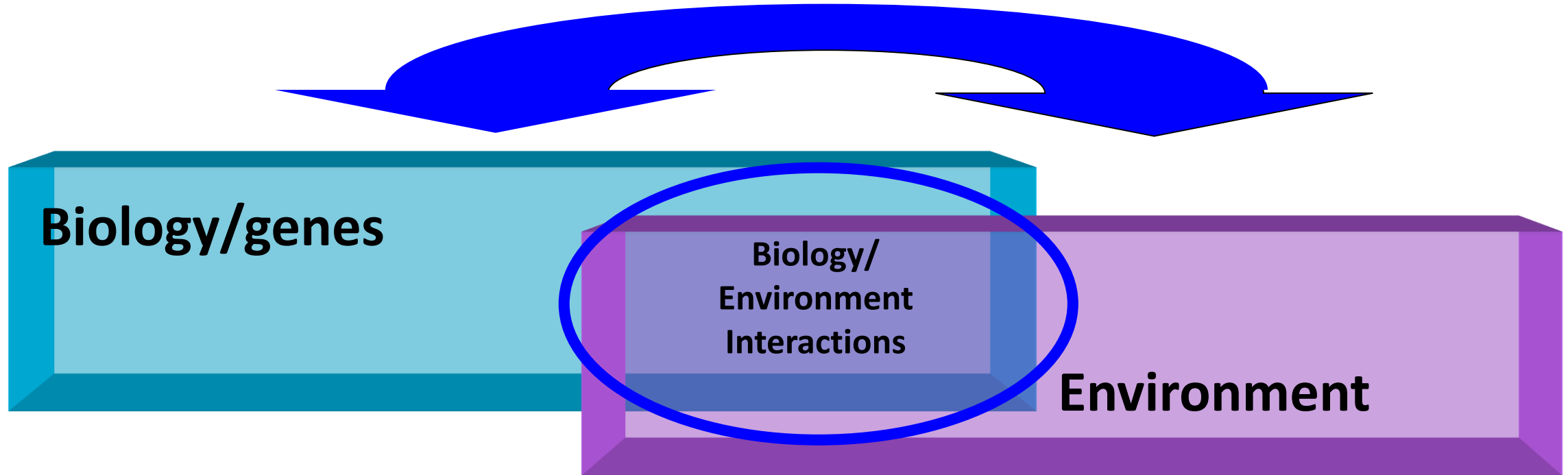
- Compulsion: To seek and take the drug
 - Control: Loss of control in limiting intake
 - Continued use despite problems
 - Cravings
 - Chronic, relapsing course
-
- Eventual emergence of a negative emotional state when substance not available

Hedonic Homeostatic Dysregulation

The patients are logically aware they do not “need” the drug, but survival drives tend to take precedence over logic and judgment

Continued substance use slowly takes “survival precedence” over life goals, self esteem, relationships, stability, safety, and health





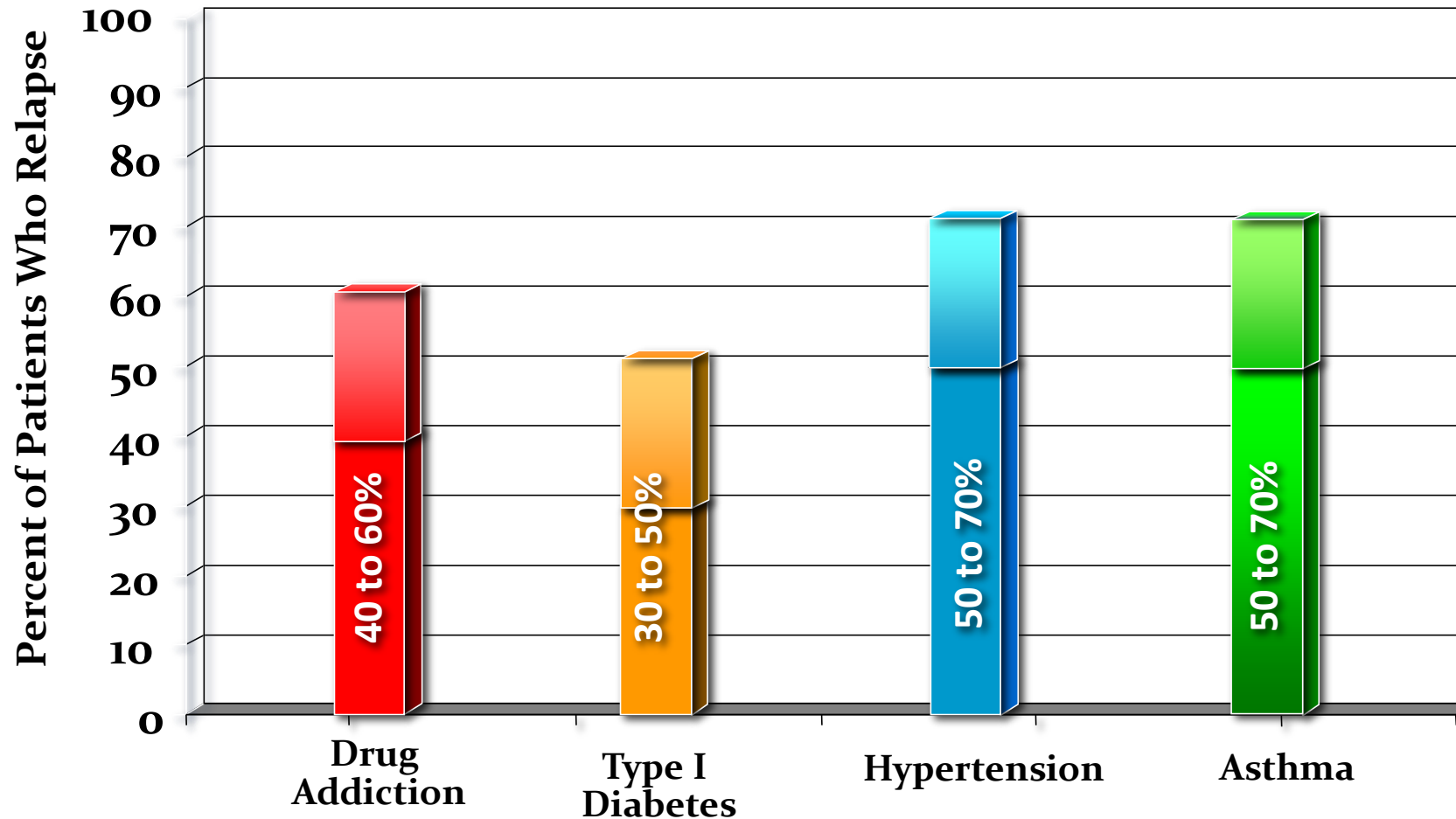
Role of genetics

- Heritability:
 - AD: 50-60%
 - OD: 43%
 - CD: 65-79%
 - ND: >60%

Similarities with Other Chronic Diseases (Type II Diabetes, HTN, Asthma)

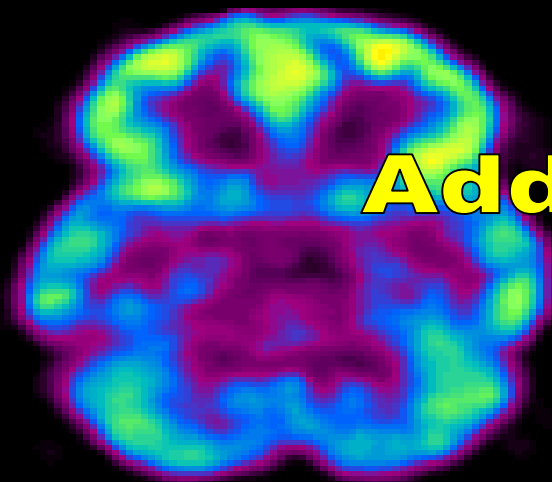
- **Genetic impact is similar**
- **The contributions of environment and personal choice are comparable**
- **Medication adherence and relapse rates are similar.**
- **Long term maintenance treatments proven most effective.
(McLellan, JAMA 2000)**

Relapse Rates Are Similar for Drug Addiction & Other Chronic Illnesses



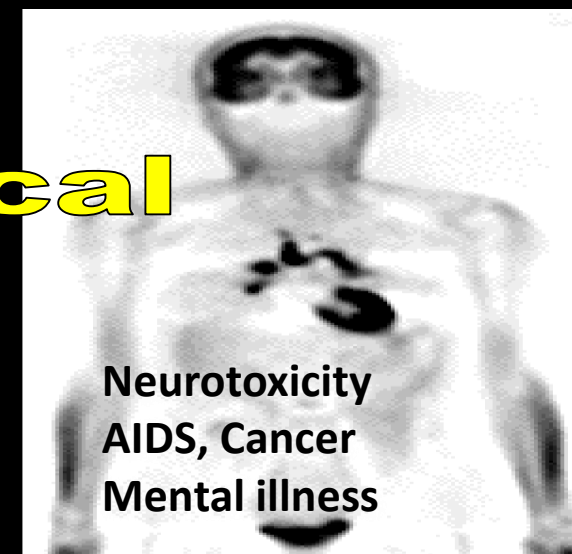
Implications

- As in all chronic diseases, treatment should be continuous rather than episodic
- Goal should be improvement, not “cure”
- Available treatment leads to substantial improvement in:
 - Reduction of alcohol and drug use
 - Increases in personal health and social functioning
 - Reduction in threats to public health and safety
 - Reduction in monetary costs
- Therefore, a case must be made to treat addictions like all other chronic illnesses.



Addiction

Medical



Neurotoxicity
AIDS, Cancer
Mental illness

DRUGS



Social

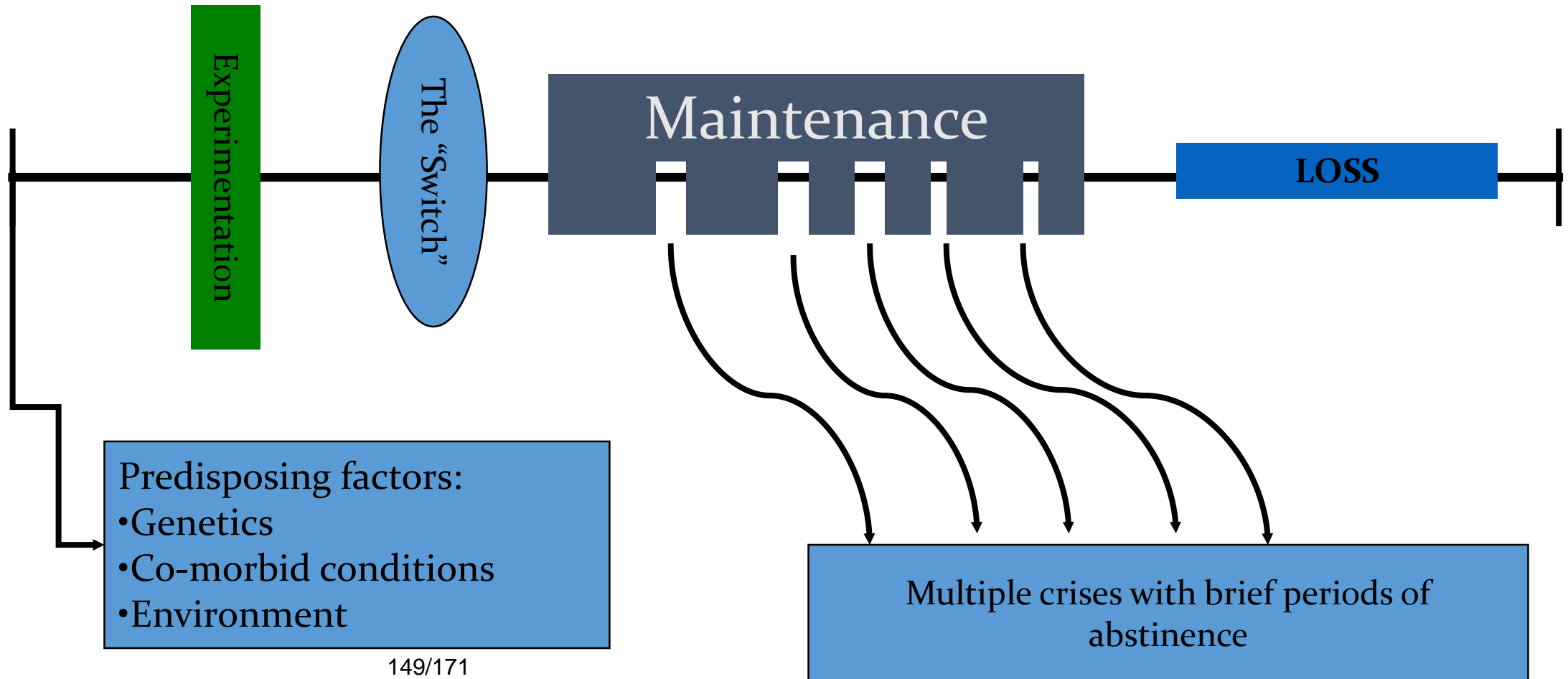
Homelessness
Crime
Violence

Economic



Health care
Productivity
Accidents

Timeline of Untreated Addiction



Treatment Considerations

We Need to Treat the Whole Person!

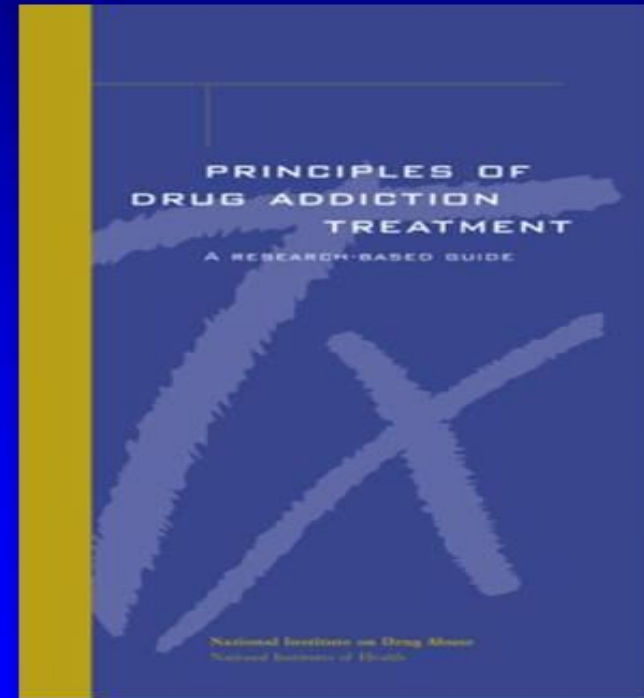


In Social Context

Treatment Can Work

NIDA's Principles of Treatment

- **No single treatment is appropriate for all individuals.**
- **Treatment needs to be readily available.**
- **Treatment must attend to multiple needs of the individual, not just drug use.**
- **Multiple courses of treatment may be required for success.**
- **Remaining in treatment for an adequate period of time is critical for treatment effectiveness.**



Phases of treatment and levels of care

Phases of treatment

- Assessment (addiction, medical, psychiatric)
- Induction or detoxification & stabilization
- Maintenance of Recovery
- Prevention and treatment of relapses

Levels of care

- Screening and brief intervention
- Brief treatment
- Outpatient specialty care (lower and higher intensity)
- Inpatient
- Residential

Coordination of available resources is key.

Components of treatment (across levels and phases)

- Counseling/Therapy
 - Group
 - Individual
 - Family
- Pharmacotherapy (medications)
- **Treatment of co-occurring psychiatric and medical illness**
- Addressing other social needs
 - Education
 - Safe housing
 - Vocational
- Case Management/care coordination

Effective Medications

- **Alcohol:**
 - Naltrexone
 - Disulfiram
 - Acamprosate
- **Opioids:**
 - Methadone
 - Buprenorphine
 - Naltrexone
- **Cocaine:** Vaccine in development
- **Nicotine:** NRT, varenicline, bupropion

Addictions Treatment lowers community burden of infectious diseases

- Cochrane review: SUD tx significantly reduced drug use behaviors with a high risk of HIV transmission
- Drug users out of methadone treatment 6x more likely to become HIV positive than those in methadone treatment [Metzger et al., 1993]
- Significant reductions in risk behaviors with both methadone and suboxone [Lott et al., 2006]
- Treatment for alcohol use disorders = better hepcc outcomes [Loftis et al., 2006]

Methadone data

- Methadone significantly improves retention in treatment – patients on methadone upto 4.5x more likely to remain in treatment
- Methadone also significantly reduces drug use by self report and by testing
- Studies show a trend favoring methadone in terms of reduced criminal activity, and reduced mortality
- [cochrane review, 2009]

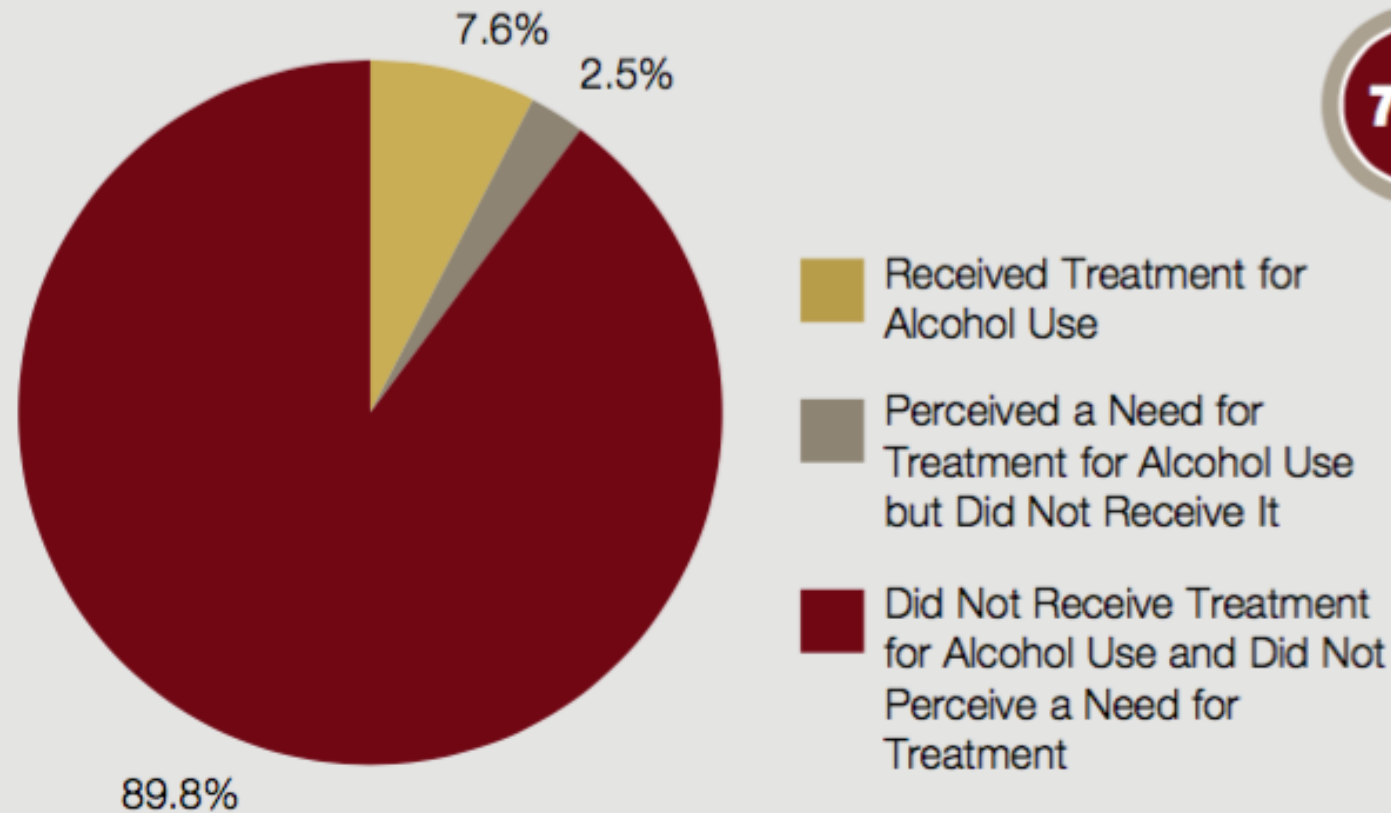
Methadone data

- Various other studies have also shown:
 - Decreased HIV incidence
 - Increased employment
 - Less incarceration
 - More child support payments
 - Cost effectiveness

There is unmet need for treatment

- Adolescents: 6,000 males and 5,000 females in New Mexico needed but did not receive treatment for past-year drug problems.
- Adolescents: 8,000 females and 6,000 males needed but did not receive treatment for alcohol problems.
- Ages 18-25: 7% of those with drug addiction and 17% of those with alcohol addiction did not receive treatment
- <http://www.samhsa.gov/data/StatesnMetro.aspx?state=NM>

Past Year Treatment for Alcohol Use and Perception of Treatment Need Among Individuals Aged 12 or Older with Alcohol Dependence or Abuse in the United States (2014)



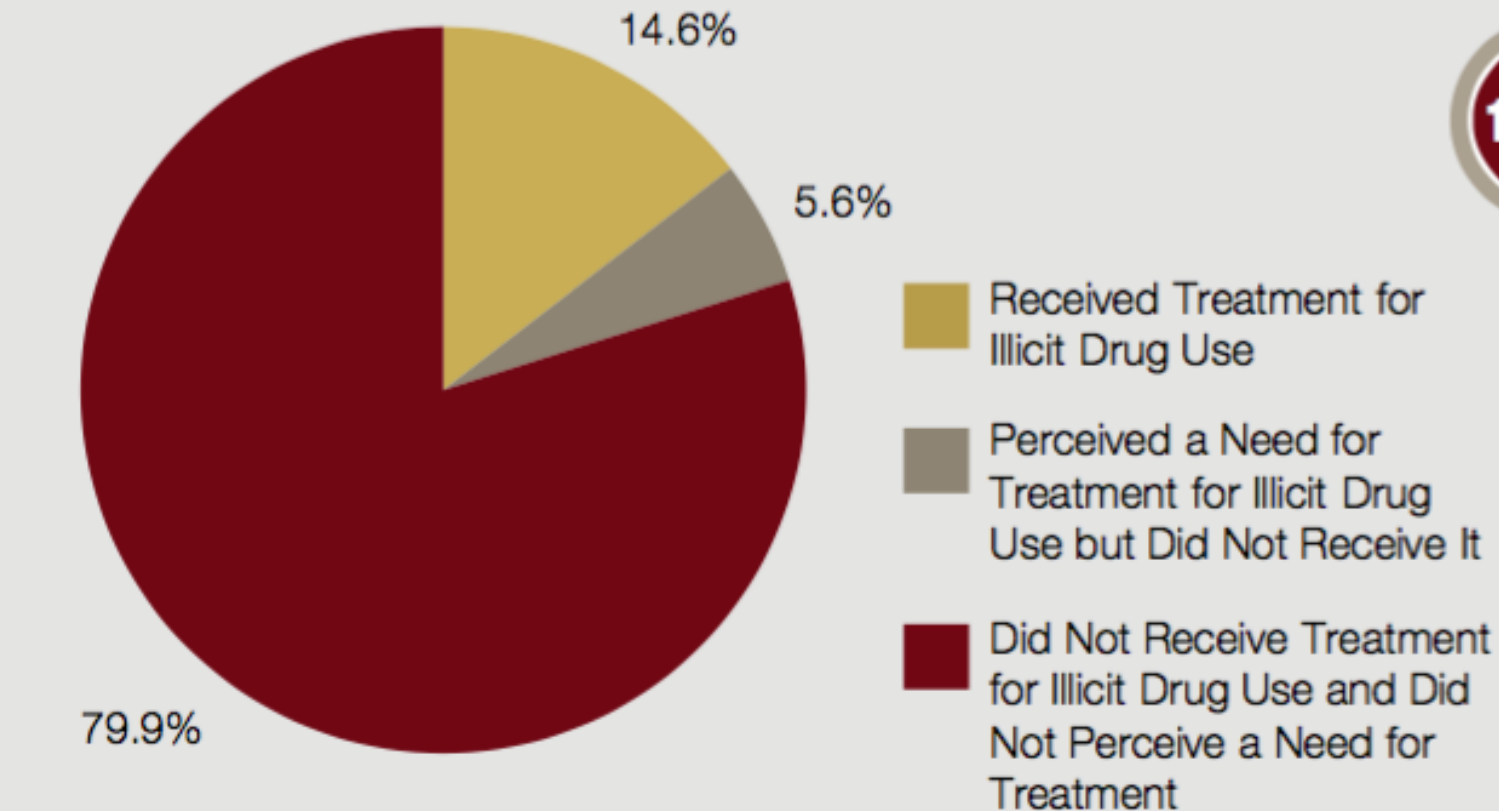
17.0 million individuals aged 12 or older with past year alcohol dependence or abuse

7.6%

In 2014, 7.6% of individuals aged 12 or older in the United States with alcohol dependence or abuse (an estimated 1.3 million individuals) received treatment for their alcohol use in the year prior to being surveyed. About 9 in 10 individuals (89.8%) with alcohol dependence or abuse did not perceive a need for treatment for their alcohol use.

In 2014, there were no significant differences in the receipt of alcohol treatment by health insurance status or metropolitan versus nonmetropolitan areas.

Past Year Treatment for Illicit Drug Use and Perception of Treatment Need Among Individuals Aged 12 or Older with Illicit Drug Dependence or Abuse in the United States (2014)



7.1 million individuals aged 12 or older with past year illicit drug dependence or abuse

14.6%

In 2014, 14.6% of individuals aged 12 or older in the United States with illicit drug dependence or abuse (an estimated 1.0 million individuals) received treatment for their illicit drug use in the year prior to being surveyed. About 8 in 10 individuals (79.9%) with illicit drug dependence or abuse did not perceive a need for treatment for their illicit drug use.

In 2014, there were no significant differences in the receipt of treatment for illicit drug use by health insurance status, poverty status, or metropolitan versus nonmetropolitan areas.

Services offered at UNM

Clinical-Addiction and Substance Abuse Programs [ASAP]

- Comprehensive multidisciplinary care under one roof
- Psychotherapy- group and individual- for substances and for co-occurring disorders
- Psychiatric care for co-occurring illnesses
- Integrated primary care
- Case management
- Onsite hepatitis C treatment for patients
- State of the art care for pregnant women with addictions
- **Special adolescent addictions program for transitional use**
- Walk in clinic for existing patients five days a week
- Not just for opioid addiction- treatments available for a variety of substances

Clinical: ASAP statistics

- ASAP clinical care: 1287 stats annually
- ASAP methadone: 137,000 annual doses
- Clinical therapy encounters: 13,000 annually
- Medical Service encounters: 2300 annually

Education

- ASAP serves as a rotation site for:
 - Medical students
 - Physician Assistant students
 - Pharmacy students
 - Nurse Practitioner students
 - Psychiatry residents
 - Family practice residents
 - Fellows in Addiction Psychiatry
- UNM has trained 10 fellows in addiction psychiatry since 2007; 8 practice in New Mexico; 2 serve the VA; 2 serve the IHS; 4 at UNM
- Trainings through IHS, ECHO, physicians in UNM and beyond

Research

- UNM addictions faculty currently involved in research in following areas:
 - Finding novel treatments for alcohol use disorders
 - Neuroimaging of substance use disorders
 - Role of injectable naltrexone in people coming out of jail in terms of reducing recidivism and improving outcomes
 - Role of naloxone in people being prescribed opioids to reduce overdoses
 - Psychosocial treatments of alcoholism among the elderly
 - Comparing the effectiveness of buprenorphine vs long acting naltrexone for opioid use disorders
 - Hepatitis C treatment in people currently injecting drugs
 - Training and mentoring rural providers to treat addictive illnesses

Community engagement

- Working with Bernalillo County and City of Albuquerque around areas of access to care and treatment of addictions in MDC
- Working with other Bernalillo county physicians to create a more integrated system for buprenorphine treatment
- Working with HOPE initiative to educate community members and raise awareness of opioid addiction
- Working with the state to improve treatment delivery systems
- Advocacy/ giving voice to our patients



Performance Oversight and Community Engagement Committee (POCEC)

Behavioral Health Services

March 2017

I. Executive Summary

UNMH has continued to work with Bernalillo County and the City of Albuquerque around the development of a system of care for behavioral health for Bernalillo County. UNMH has participated in the County Behavioral Health Initiatives targeting services for Gross Receipts Tax Revenue and is also working with the City related to creation of a framework for implementation of Assisted Outpatient Treatment.

Several initiatives have emerged from the Bernalillo County workgroups including; supported housing programs, prevention initiatives through Adverse Childhood Experiences, Mobile Crisis Teams, and Community Engagement Teams. UNMH has continued to work with the County to try to expand access and assure alignment with system priorities.

UNMH has also worked to establish Inpatient Detoxification Services for adolescents at Children's Psychiatric Center in a partnership with the ASAP program. This program was developed in response to Turquoise Lodge closing their adolescent services.

Telehealth has also been a topic of much discussion over the last few months with UNMH receiving requests to discuss tele-psychiatry with the New Mexico Rural Hospital Network, St. Vincent's Hospital, Indian Health Services as well as other providers.

UNM Behavioral Health submitted an application with the State of New Mexico to become a Comprehensive Community Based Behavioral Health Center (CCBHC) over the summer. New Mexico, however was not awarded as one of the States to continue forward with CCBHC at this time. The State is looking at a modified approach for this around creating Behavioral Health Homes for high needs patients that would incorporate enhanced care coordination and other wrap around services for this population. UNMH is working to be considered as one of the sites for the potential Health Home model.

II. Data from Reporting Committee

No update from last report.

III. Accomplishments

- Participation with Bernalillo County and community partners in system design and planning for crisis services in Bernalillo County.
- Creation of Adolescent Opioid Detox services at Children's Psychiatric Center

UNM HOSPITAL BOARD OF TRUSTEES

Finance, Audit and Compliance Committee Meetings

Wednesday, March 29, 2017 at 11:00 AM

UNM Hospitals Administration, Large Conference Room

Objectives

- Provide compliance oversight of UNM Hospitals.
- Provide audit oversight of UNM Hospitals.
- Provide financial and human resources oversight of UNM Hospitals.






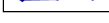

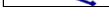


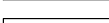


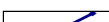







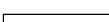
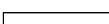


Finance Committee Meeting:

- I. Approval of meeting minutes from February 22, 2017
- II. Consent Items – Presented by Ella Watt
 - a. Cerner CareAware Connect, \$3.9 Million
 - b. Siemens Medical Solutions USA, \$2.0 Million
 - c. Siemens Medical Solutions, \$1.7 Million
- III. FY 17 UNM Hospital's financial information for the eight months ended February 28, 2017 –
Presented by Ella Watt
- IV. FY 17 Revised Operating and FY18 Operating Budgets
FY 17 Revised Capital and FY18 Capital Budgets
– Presented by Ella Watt
- V. CEO Update – Presented by Steve McKernan
 - Discussion of recent vendor frauds with Mau Patel (Medtronic, Welch Allyn, Philips, HP)
 - Update on HB 202 and HB 412 and potential impact to FY 18 Budget
- VI. Human Resources Update – Presented by Sara Frasch
 - Union Negotiations are underway
 - Turnover and Vacancy rate update
 - Recruitment efforts

Compliance Committee did not meet.

Audit Committee did not meet.

Finance and Audit Committee Dashboard Report
Year To Date as of February 2017

	3 Mo. Trend	Desired	Actual	YTD	YTD Budget	Prior YTD	Comment
Adult Days for UNMH		↑	↓	75,313	75,989	75,338	IP Days Down from PYTD and budget in ICU and Med Surg
Adult Discharges for UNMH		↑	↑	12,364	12,665	11,886	SAC/MedSurg discharges Increased from PYTD
Adult Average Length of Stay for UNMH				6.09	6.00	6.34	
UHC Risk Based Adj ADULT LOS for UNMH				6.03	6.06	5.98	Current YTD is thru Nov, 2016, PYTD is thru Jan, 2016
Adult Observation Equivalent Patient Days		↑	↑	6,865	6,517	7,638	SAC/MEDSurg Decreased from PYTD and Increased from Budget
Pediatric Days for UNMH		↑	↑	27,601	27,325	26,429	Days up from PY and up from budget
Pediatric Discharges for UNMH		↑	↑	2,984	2,939	2,881	Pediatric discharges increased from PYTD and increased from budget
Pediatric Observation Discharges		↑	↑	1,131	899	1,075	Pediatric OBS Discharges up from previous year and up from budget
Outpatient Clinic Visits for UNMH		↑	↑	336,840	342,088	332,299	Outpatient Visits up from PYTD
Emergency Department Visits for UNMH		↑	↑	54,027	50,237	49,928	Emergency Department Visits Up from YTD Budget and PYTD
Urgent Care		↑	↑	10,845	15,600	8,585	Urgent care visits up from PYTD
Operations		↑	↑	13,614	13,897	13,054	Operations up from PYTD
Newborn Days for UNMH		↑	↓	3,351	3,402	3,553	
Births		↑	↓	1,951	1,999	2,030	Births decreased from PYTD and down from budget
Days for all Behavioral Operations		↑	↓	15,106	16,068	15,389	Decreased from PYTD and budget in UPC and CPC Acute Svcs
Visits for all Behavioral Operations		↑	↑	101,004	100,010	91,992	Increased from prior year and up from budget
UNM Care Enrollment				6,363		6,643	18,484 Medicaid applications processed
Net Income (Loss) for all Operations (in thousands)		> \$0		\$193	\$0	\$7,984	Prior year includes \$6.8 M non recurring OPEB reversal
Case Mix Index (CMI) - w/o newborn		↑	↑	1.964	1.864	1.853	
Re-Admission Rates		↓	↑	10.16%	9.50%	8.42%	Patients re-admitted within 30 days of discharge, thru Oct, 2016, PY through Jan, 2016 as reported by UHC
Days Cash on Hand for UNMH		↑	↑	72.95	33.17	78.73	
Human Resources:							
FTEs (Worked) per adj patient day for all Operations				5.56	5.58	5.74	
Hours of Care - UNMH Nursing				17.70	17.16	17.77	
Paid FTE's for UNMH and BHOs				6,093	5,918	5,847	
Paid FTE's for CC				165	196	151	

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