

TAOS HEALTH SYSTEMS, INC.
BOARD OF DIRECTORS ANNUAL MEETING
MINUTES
August 27, 2025
2:00 p.m.

Present: Trinidad de Jesus Arguello, Abe Balsamo, Andrew Chavez, Robyn Chavez, Lucille Gallegos, Carl Gilmore, Cristina Martinez, Jonathan Moran, DO, Don Mooney, Paul Sands, Steven Slikkers, MD, and Chris Stagg

Members Absent: Eileen Lujan

Hospital Staff: James Kiser, Connie Prewitt, Vivian Santistevan, Brittany Hamilton, Margaret Lynch, Lenora Cisneros

Guests: Eric Jones & Jessie Neitzer, Ovation Healthcare, Stephanie Gates, Taos News

Call to Order - Holy Cross Hospital, a division of the Taos

- I. **Call to Order** – Holy Cross Hospital, a division of the Taos Health Systems, Inc., Board of Directors meeting was called to order at 2:03 p.m., Wednesday, August 27, 2025, by Paul Sands, Board Chair. Attendance was recorded and a quorum was present.
- II. **Approval of Agenda** - The agenda was presented for review and approval. Following review and discussion, a motion was made and seconded to approve the agenda as amended to move Item 8.up to item 6. All were in favor and the motion carried.
- III. **Approval of the June 25th & July 30, 2025 Taos Health Systems (THS) Board Minutes** - Following review and discussion, a motion was made and seconded to approve the June 25, 2025 and the July 30, 2025 THS Board Minutes as presented. All were in favor and the motion carried.
- IV. **Public Comments** – There were no public comments presented.
- V. **Declaration of Conflicts of Interest** – There were no conflict of interests presented.
- VI. **Acceptance of the Finance Committee Executive Summary & Approval of the August 2025 Capital Requests** - Ms. Connie Prewitt presented an executive summary for the June & July Financials and the capital requests for approval.

Financial Highlights (YTD – June & July)

- Gross Patient Revenues: Under budget by \$2.2M
- Contractuals (Payer Mix): 53.7% vs. 54% budget (slightly favorable)
- Net Patient Revenue: \$12.6M vs. \$13.6M budget (loss of \$954K)
- Total Operating Revenue: \$14.1M vs. \$14.9M budget (loss of \$846K)

- Operating Expenses: Under budget by \$967K
- Income from Operations: (\$1.6M) loss vs. (\$1.7M) budgeted loss
- Non-Operating Gains: \$34K vs. \$369K budget
- Overall Bottom Line: (\$1.6M) loss vs. (\$1.4M) budgeted loss
- HDAA Funding: Scheduled for August–September. Inclusion of these funds would shift results to a positive \$639K.

Ms. Prewitt reported that she will be meeting with the County to review capital requests. She noted that deposits have been made on equipment purchases, which has decreased cash on hand.

Following review and discussion, a motion was made and seconded to accept the Finance Committee Executive Summary as recommended by the Finance Committee. All were in favor and the motion carried.

Following review and discussion, a motion was made and seconded to approve the capital requests (GE Ultrasound & Echo Machine) as recommended by the Finance Committee. All were in favor and the motion carried.

VII. **Lifewings Quality & Safety Council Report** – Misty Carruth, Director of Quality, Risk & Compliance

- Lifewings Quality & Safety Council Report – August 2025

Ms. Carruth presented the July 2025 performance metrics, including overall hospital ratings, readmission rates, and communication scores. She highlighted both areas of improvement and those requiring further attention, sharing specific patient comments and the actions taken to address concerns.

The committee held a discussion regarding the challenges associated with behavioral health patients and emphasized the need for enhanced training and resources for security staff. Dr. Moran underscored the importance of ensuring staff feel safe in order to deliver quality patient care. Ms. Margaret Lynch reported that, in response to DNV recommendations, whistles have been purchased for staff and will be distributed in the coming weeks. She also noted that security staff levels have been increased, and security personnel will receive Level II training. In addition, the Plant Director is scheduled to attend de-escalation training offered by the New Mexico Hospital Association.

Following review and discussion, a motion was made and seconded to accept the Lifewings Quality & Safety Council Report as presented. All were in favor and the motion carried.

VIII. **Approval of the Consent Agenda**

- Compliance Committee Board Update – August 2025

- Risk LWQ2 2025
- CHRO Report
- CAPS Report
- COS Report
- CNO Report

Following review and discussion, a motion was made and seconded to approve the Consent Agenda as presented. All were in favor and the motion carried.

IX. **CEO Report** - Mr. James Kiser reported on the following:

- Held the “All Staff Meetings” on August 26th & 27th. Below are the focus areas discussed:
 - *Mission* – It is our mission to respond to our patient’s healthcare needs. Holy Cross is committed to serving all patients, especially the poor and vulnerable, regardless of ability to pay (since 1936).
 - *Manpower* – We are focusing on retention of our staff. Recruitment and retention remain critical in the current financial climate. Staff numbers increased from 480 to 560. Dependency on traveling staff has been reduced from 88 to 32, producing significant savings.
 - *Medicare/Medicaid* – We are concerned regarding pending Medicare and Medicaid cuts and the hoops that the community will have to go through having to re-enroll every six months. The hospital is promoting **benefits navigator services** (grant-funded in partnership with Community Services) to help patients maintain coverage leveraging current Medicaid/Medicare crisis as momentum.
 - *Medical Malpractice* – Mr. Kiser stressed the urgency to pursue tort reform. Malpractice has been a real challenge in this state. This is out of control. NM is among the highest states for having the highest settlements and claims in the nation. We are losing medical malpractice carriers and worse than that, we are losing doctors, NP’s and PA’s, because they are all leaving the state. Holy Cross has paid nearly \$5.5M in premiums over three years, diverting resources from patient care.
- Advocacy efforts include:
 - James & Ms. Arguello presented to the Land Grant Committee in Tierra Amarilla regarding behavioral health and rural hospital sustainability.
 - County Commission has passed a resolution supporting a mill levy ballot initiative.
 - Senator Gonzales expressed strong commitment to protecting the hospital.
 - James will be working with our Marketing Team on promoting the mill levy.
- Mil Levy and Financial Strategy:
 - Missed opportunity to secure mill levy funding last year.

- County Commissioners independently placed a 1-mill levy on November ballot.
- Ideally, in the future, funds will support operations (not restricted building/equipment funding).
- Strategy:
 - Educate the community about ongoing financial needs.
 - Explore alternative grant funding and stabilization payments.
 - Maintain transparency about restricted vs. operational funds.
- **Federal Support & Stabilization**
 - Rural Hospital Stabilization Fund increased from \$25B to \$50B over 5 years.
 - Funding expected to be \$10B annually, distributed among ~ 2,000 critical access hospitals.
 - Concern remains whether this level of support will be sufficient long-term.
- **MOB Update**
 - \$15M state funding allocated.
 - Architectural design (\$1.5M) completed to secure funds before July 1 disbursement.
 - The County is finalizing contractor negotiations: ground-breaking expected before winter.
 - Plans underway for a community celebration at groundbreaking.
- **MRI Replacement Project**
 - Current MRI (1.5 Tesla magnet) outdated.
 - Goal: Secure \$2.5M funding for new permanent modular unit.
 - Donor discussions are underway.
- **EHR Update** – Ms. Margaret Lynch reported on the following:
 - The EHR is moving along. Had the kickoff early this month. Had over 60 employees join the virtual kickoff.
 - The Haffty consulting leads began scheduling meetings with the staff. To date there are 28 subject matter teams in place. There will also be a Physician Advisory team in place. Onsite will happen in October. The build will take about 2.5 months.
 - Looking at an Ambiance Dictating System.
- **Development Update** – Ms. Lucille Gallegos shared Ms. Victoria Santistevan's, Development Report. She reported on the following:
 - Highlighted Ms. Santistevan's efforts in grant writing and community collaboration.
 - A Rural Healthcare Delivery Fund grant application for \$1.2M to expand primary care for Medicaid recipients has been submitted.
 - Donor Engagement: Several donors have expressed interest in MRI fundraising.

- Hospital Art - Researching donor software platforms and digitizing the hospitals art collection.

X. **Medical Staff Recommendations** – Jonathan Moran, DO, Chief of Staff

Initial Appointments:

- **Burnham, Matthew, MD (Ortho Fellow)** - Appointment in Surgery and Anesthesia Department.

Coaxion Teleradiology: Appointment in the Pediatric and Adult Medicine Department.

- Allakverdieva, Elvira, MD
- Cian, Michael, MD
- Cole, Stephen, MD
- Gehl, James, MD
- Ibanez, Jaime, MD
- Rogers, Lee, MD
- Simonds, Justin, MD
- Virani, Haider, MD

Reappointments:

- **Ismail, Mohammed, MD (Tele Neuro)** - Re-appointment in Pediatric and Adult Medicine Department.
- **Syed, Almas, MD (Tele Rad)** - Re-appointment in Pediatric and Adult Medicine Department.

Locums:

- **Miller, Ashley (General Surgery)**

XI. **Ovation Healthcare Report** – Eric Jones, Ovation Healthcare presented on the following:

- **2025 Board Self-Assessment Survey Results** – Mr. Eric Jones presented the results of the 2025 Board Self-Assessment Survey, noting improvements in executive and financial oversight. There are strong communication and collaboration between the Board and CEO. Also, members praised Ms. Prewitt's' leadership and the clarity of financial information provided.

Medical provider oversight is identified as an area for improvement. With a call for better communications with the medical staff. Mr. Eric Jones recommended that the medical staff representative incorporate regular updates —possibly quarterly—on staff engagement and satisfaction. The board was in agreement that better communication with the medical staff would be beneficial.

Mr. Jones thanked board members for their participation. He stated that he was very happy with the results and more importantly, that as an overall governing body this board continues to advance and be a stronger board for Holy Cross. He asked the board to review the survey comments and recommendations (pages 33–43 of the report) to support the development of a Board Development Plan. Mr. Jones will be working with Mr. Sands and Mr. Kiser to put together a draft board development plan by next month. Mr. Jones mentioned he will e-mail the board self-assessment summary to Lenora and she will send it to the board. It will also be posted on the board portal. Mr. Sands thanked Mr. Jones for the great work by Ovation and for the quick turnaround.

XII. **New Business**

Mr. Sands reported that he will be out of town for the September 24th board meeting. He mentioned that Ms. Lucille Gallegos, Vice-Chair will run the meeting in his absence. He also mentioned that he will not be in attendance at the Board Executive Committee meeting on September 10th.

XIII. **Monthly Board Committee Meeting Calendar (July 2025)** – Informational.

XIV. **Old Business** - There was no old business presented.

XV. **Review Meeting Effectiveness**


- The meeting was very effective.
- Helped to have the Finance Committee Meeting prior to the board meeting. Mr. Sands encouraged fellow board members to attend the Finance Committee.

XVI. **Executive Session**

- A motion was made and seconded at 3:23 p.m. to enter into Executive Session to discuss legally protected matters. All were in favor and the motion carried.
- A motion was made and seconded to reconvene into open session at 3:59 p.m. All were in favor and the motion carried.

XVII. **Adjournment** - There being no further business, a motion was made and seconded to adjourn the meeting at 4:00 p.m. All were in favor and motion carried.

Respectfully submitted by:


Lenora Cisneros, Recorder

Approved by:


Cristina Martinez, Secretary