

TAOS HEALTH SYSTEMS, INC.
BOARD OF DIRECTORS' MEETING
MINUTES
May 27, 2026
2:00 p.m.

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

Members Absent:

Hospital Staff: James Kiser, Connie Prewitt, Sue Romansky, Brittany Hamilton, Misty Carruth and Rhoda Vigil

Guests: Eric Jones & Jessie Nietzer, Ovation Healthcare; Michelle Raust, Taos News

- I. **Call to Order** – Holy Cross Hospital, a division of the Taos Health Systems, Inc., Board of Directors meeting was called to order at 2:00 p.m., Wednesday, May 27, 2026, by Paul Sands, 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 presented. All were in favor and the motion carried.
- III. **Public Comments** – Mr. James Kiser introduced Rhoda Vigil to the Board as the new Senior Executive Assistant to the CEO, COO, and Board of Directors. Ms. Vigil provided an overview of her professional background, highlighting her experience at Holy Cross Medical Center, as well as her previous work in human resources and hospitality management. The Board welcomed Ms. Vigil to her new role and expressed appreciation for her dedication and anticipated contributions to the organization.
- IV. **Declaration of Conflicts of Interest** – There were no conflict of interests presented.
- V. **Approval of the April 29, 2026, Taos Health Systems (THS) Board Minutes** - Following review and discussion, a motion was made and seconded to approve the April 29, 2026, THS Board Minutes as presented. All were in favor and the motion carried.
- VI. **Lifewings Quality & Safety Council Report** – Ms. Misty Carruth, Director of Quality, Risk & Compliance
 - Lifewings Quality & Safety Council Report – May 2026

Ms. Misty Carruth presented the Quality Update, reporting an inpatient overall hospital rating of 90.9%, exceeding the organizational goal of 72%. The inpatient readmission rate was 2.7%, significantly better than the target of less than 8.19%. Patient satisfaction scores for communication with doctors and nurses were 88.9% and 85.6%, respectively, both exceeding established goals. The overall patient experience survey response rate was 11.6%, while the

undeliverable survey rate improved to 5.0%, reflecting continued progress in patient feedback engagement.

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.

VII. **COO Report** – Ms. Sue Romansky, COO highlighted on a few items from her written report. She reported on the following:

- Pediatrics: Dr. Krist has assumed the role of Interim Medical Director and has also taken a leadership role in the Meditech implementation.
- Cardiology: Two nurse practitioner candidates have been interviewed for the mid-level provider position, with one additional interview scheduled before a selection is made.
- Primary Care: Dr. Ruben Torrez started on May 18 and is serving as Medical Director. He anticipates opening appointments for new patients in July. The relocation to Plaza de Colores has been completed.
- Orthopedics: Dr. Aarron Black has joined the team to perform complex shoulder procedures, allowing patients to receive advanced orthopedic care locally.
- Medical Staff Leadership: Due to continued growth across service lines, including Primary Care, Orthopedics, and Surgical Services, leadership is developing a new Taos Professional Services Medical Director position to provide additional physician leadership and support for medical staff operations.
- Workforce Development: Several new staff members have been hired, additional offers are pending, and two medical assistants recently achieved Certified Medical Assistant status, with a third expected to complete certification soon.

VIII. **CNO Report** – Ms. Brittany Hamilton, CNO reported on the following:

- Successful implementation of IV pumps and installation of new call light systems. One remaining room will be completed following pharmacy renovations.
- Meditech Go-live is scheduled on June 1, with extensive support resources in place, including 24/7 leadership coverage, Meditech and Haffty support teams, increased staffing, and a centralized command center to support a safe transition.
- End-user training has been completed, and employees participated in system sign-off sessions to ensure readiness for Meditech implementation.
- Inpatient census has fluctuated throughout the spring but recently increased to near-capacity levels. Respiratory illnesses continue to be seen later in the season than usual.
- Surgical volumes remain below normal. Leadership is developing new scheduling and authorization workflows to support Meditech processes and improve efficiency.
- The Emergency Department treated 1,416 patients in April and maintained a transfer rate of 5.5%

- IX. **Acceptance of the April 29, 2026, Finance Committee Executive Summary and Capital Requests** - Ms. Connie Prewitt presented an executive summary for the April 2026 Financials for approval.

Financial Overview

Gross patient revenue was under budget by \$9.6 million for the month, resulting in net patient revenue being under budget by \$82,000. However, other income exceeded budget by \$1.9 million due primarily to HDA funding, bringing total operating revenue to \$1.8 million above budget. Income from operations was \$500,000, exceeding budget by \$226,000, while non-operating gains totaled \$2.8 million, largely related to GRIP bond funding and New Mexico Finance Authority reimbursements. Overall net income for the month was \$3.3 million compared to a budget of \$471,000.

Operating Expenses

Operating expenses were \$1.6 million above budget for the month. Despite higher expenses, the organization maintained positive operating performance due to increased other income and non-operating revenue sources.

Operating Income

Income from operations totaled \$500,000, exceeding budget by \$226,000. Year-to-date operating income was \$630,000, which is \$1.067 million above budget. Overall net income year-to-date is \$4.7 million compared to a budget of \$1.6 million, resulting in a positive variance of \$3.1 million.

Capital Requests - Ms. Prewitt reviewed the May capital requests:

- **Arthrex Imaging Insufflators (OR)** - \$ 456,308
- **Arthrex Trimano Positioner (OR)** - \$ 39, 575
- **Handheld Phlebotomy Devices (Lab)** - \$18,413

Medical Office Building – Phase II

Ms. Prewitt requested approval to increase the Phase II Medical Office Building design budget from \$600,000 to \$685,000. The increase was approved to support ongoing project planning and development.

Investment Policy – Ms. Prewitt reported that she presented the updated Investment Policy to the Finance Committee. Following review and discussion, a motion was made and seconded to approve the policy 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 Finance Committee Executive Summary and capital requests, as recommended by the Finance Committee. All were in favor and the motion carried.

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

- **Meditech Implementation:** Mr. Kiser recognized the efforts of the ambulatory clinics, acute care teams, revenue cycle staff, project managers, and physician leadership for their work preparing for the Meditech go-live. He noted that post-implementation optimization efforts are expected to continue through the summer and into early fall.

- **Auxiliary Update:** The Auxiliary held its annual membership meeting, awarded three scholarships to students pursuing healthcare careers, and continued efforts to recruit new members.
- **Hospital Week:** Hospital Week and Nurses Week were celebrated with a variety of staff appreciation events, including meals, refreshments, prizes, and employee recognition activities. Mr. Kiser acknowledged the contributions of staff and community partners.
- **Ground Transportation Services:** Leadership continues discussions with a national transportation provider regarding the development of a ground transport service to supplement existing air transport options, particularly during periods when weather limits flight availability.
- **New Mexico Hospital Association Advocacy:** Mr. Kiser provided an update on healthcare advocacy efforts at the state level, including concerns regarding medical malpractice legislation and the importance of supporting New Mexico's healthcare delivery system. He emphasized the role rural hospitals can play in advocating for healthcare policy improvements.
- **Rural Workforce Development:** Mr. Kiser reported on statewide discussions regarding the Rural Health Care Transformation Program (RHTP). Rural hospitals are collaborating with the University of New Mexico Hospital to explore workforce development initiatives, including healthcare training programs, residency opportunities, and leadership development.
- **MOB:** The Medical Office Building expansion project continues to progress. Final approval of the fire suppression system by the County Fire Marshal is pending. Once approved, the project will move forward to groundbreaking.
- **Behavioral Health/Detox Services:** Leadership continues discussions with community stakeholders regarding potential support for local detoxification services. No commitments have been made pending further evaluation of operational and staffing requirements.
- **Executive Support Structure:** Following recent staffing changes, Sarah Fernandez will provide executive support to Nursing, Quality, and Finance, while Rhoda Vigil will support the CEO, COO, and Board of Directors. Leadership will evaluate the effectiveness of this structure moving forward.

XI. **Medical Staff Recommendations – Amy Martin, MD, Chief of Staff**

Initial Appointments:

- **Black, Aaron, MD (Orthopedic Surgery)** – Requesting initial appointment in the Surgery and Anesthesia Department.
- **Reintgen, Michael, MD (Teleradiology)** – Requesting initial appointment in the Pediatric and Adult Medicine Department.

Reappointments:

- **Hendricks, Kristin, DDS (Pediatric Dentistry)** – Requesting re-appointment in the Surgery and Anesthesia Department.

Locums:

- **Berry, Colin, MD (OBGYN)** – Requesting initial appointment in the Surgery and Anesthesia Department.
- **Mohr, Victoria, MD (OBGYN)** – Requesting initial appointment in the Surgery and Anesthesia Department.
- **Grover Robert, MD (Hospitalist)** - Requesting initial appointment in the Pediatric and Adult Medicine Department.
- **Jamal, Faisal, MD (Hospitalist)** - Requesting initial appointment in the Pediatric and Adult Medicine Department.

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

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

- Group Purchasing Organization (GPO): Mr. Jones reported that Holy Cross Hospital's Materials Manager and Pharmacy Director have been invited to attend HealthTrust's annual supply chain leadership event in Denver. The conference is designed to help leaders maximize the benefits of participation in the group purchasing organization and strengthen operational performance.
- Quality Data Analytics: Ovation Healthcare will be working with hospital leadership in the coming weeks to review quality data analytics and identify opportunities for performance improvement.
- Medicare Cost Report Review: Ovation's reimbursement team will conduct its annual Medicare Cost Report review in conjunction with the fiscal year-end process, providing an additional level of financial oversight and analysis.
- Meditech Go-Live Support: Mr. Jones reported that Ovation remains available to assist with financial reporting and other operational needs during the Meditech implementation and stabilization period.
- Leadership Development: Ovation Healthcare is collaborating with hospital leadership to develop a leadership development curriculum for directors and managers. Discussions are also underway regarding expanding the program to other rural hospitals throughout New Mexico.
- Revenue Cycle Performance: Mr. Jones highlighted continued improvement in point-of-service collections, which reached a record high of approximately \$121,000 in April. He commended Connie Prewitt, Elena Tenorio, Anna Fresquez, and the Revenue Cycle team for their efforts to strengthen cash collections and improve financial performance.
- Financial Benchmarking: Mr. Jones reviewed recent critical access hospital financial benchmarks for New Mexico and nationally. He noted that operating margins have declined across many New Mexico critical access hospitals, while Holy Cross has continued to demonstrate positive financial performance compared to statewide trends.
- Accounts Receivable Trends: Mr. Jones reported that days in accounts receivable continue to increase statewide and nationally as payers require additional processing and authorization

requirements. He emphasized the importance of continuing focus on revenue cycle management and cash flow performance.

- Meditech Transition: Mr. Jones and Ms. Nietzer expressed confidence in the organization's preparedness for the Meditech go-live and encouraged leadership and staff to remain flexible and supportive during the implementation and optimization process.

XIII. **New Business**

- Mr. Paul Sands, Board Chair, discussed the recent motorcycle accident involving a Taos County Sheriff's Deputy who was married to a Holy Cross employee. Leadership reported that support measures have been implemented, including outreach to the employee and family, availability of Employee Assistance Program (EAP) resources, chaplain services, staff debriefing session and coordination with the Sheriff's Office.
- Board members inquired about opportunities for employees to donate accrued leave to support affected staff members. Leadership confirmed that an established policy and procedure is in place should such assistance become necessary.
- Mr. Paul Sands, Board Chair, recognized Mr. Donald Mooney for his dedicated service on the Board of Directors. The Board presented Mr. Mooney with a gift and expressed their appreciation for his leadership, contributions and commitment to Holy Cross Hospital over the past five years. Mr. Mooney thanked the Board and leadership team for the opportunity to serve and shared his appreciation for the organization's progress and commitment to the community.

XIV. **Old Business**

- Upcoming Meeting with the Taos Pueblo Governor – Mr. Paul Sands provided an update regarding the upcoming meeting with the Taos Pueblo Governor, which has been scheduled for June 16 at 9:00 a.m. He thanked Ms. Eileen Lujan for her efforts in coordinating the meeting Board members discussed forming a small delegation to attend with Mr. James Kiser and represent the Board.
- Ms. Eileen Lujan reported that her current Board appointment term concluded in December and that one purpose of the meeting will be to discuss updating the Pueblo resolution to reappoint her to an additional two-year term. The delegation will also seek guidance from Pueblo leadership regarding any additional approval processes that may be required.

XV. **Monthly Board Committee Meeting Calendar (June 2026)** – Informational.

XVI. **Review Meeting Effectiveness** – The board expressed appreciation for the quality of discussion, engagement and updates provided throughout the meeting.

XVII. **Executive Session**

- a) A motion was made and seconded at 3:30 p.m. to enter into Executive Session to discuss legally protected matters. All were in favor and the motion carried.

- b) A motion was made and seconded to reconvene into open session at 4:00 p.m. All were in favor and the motion carried.
- c) A motion was made and seconded to re-appoint Carl Gilmore and Trinidad de Jesus Arguello for another four-year term. All were in favor and motion carried.
- d) A motion was made and seconded to appoint Lenora Cisneros for a four-year term pending a discussion with Mr. Paul Sands and Ms. Cristina Martinez regarding the appointment. All were in favor and motion carried.
- e) A motion was made and seconded to develop and distribute a patient survey separate from Press Ganey to gather additional feedback regarding patients' care experiences and overall perceptions of the hospital. The Board expressed a desire to collect actionable information that could be used to identify opportunities for improvement and support meaningful changes in patient care and service delivery. Mr. Paul Sands to speak with Ms. Misty Carruth regarding this matter. All were in favor and motion carried.

XVIII. **Adjournment** - There being no further business, a motion was made and seconded to adjourn the meeting at 5:05 p.m. All were in favor and motion carried.

Respectfully submitted by: _____


Rhoda Vigil, Recorder

Approved by: _____


Cristina Martinez, Secretary