

MINUTES OF THE
SANTA FE COUNTY
INDIGENT HOSPITAL & HEALTH CARE BOARD

July 30, 2013

This meeting of the Santa Fe County Indigent Hospital & Health Care Board was called to order on the above-cited date in the Santa Fe County Legal Conference Room, at the County Courthouse at approximately 9:05 a.m. by County Commission Chair Kathy Holian.

Roll call indicated the presence of a quorum with the following Board members present:

Members Present:

Kathy Holian, Chair
Danny Mayfield [9:10 arrival]
Robert Anaya [9:20 arrival]
Miguel Chavez
Liz Stefanics

Member(s) Excused:

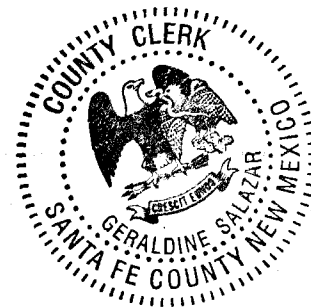
None

Staff Present:

Katherine Miller, County Manager
Rachel Brown, Deputy County Attorney
Rachel O'Connor, HHS Director
Pablo Sedillo III, Public Safety Director
Greg Smith, Health Assistance Program Director
Lisa Garcia, Health Care Assistance Program
Lorice Griego, Health Care Assistance Program
Teresa Martinez, Finance Director
Lisa Roybal, Manager's Office

Others Present:

Judy Williams, HPPC Chair
Wendy Johnson, La Familia
Frances Ong, Housing Authority Board member



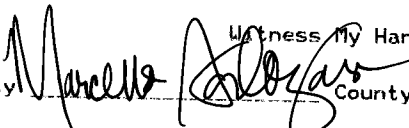
III. Introductions

Those present introduced themselves.

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss

INDIGENT MINUTES
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I Hereby Certify That This Instrument Was Filed for Record On The 4TH Day Of September, 2013 at 10:06:33 AM And Was Duly Recorded as Instrument # 1717092 Of The Records Of Santa Fe County

Witness My Hand And Seal Of Office
Deputy  Geraldine Salazar
County Clerk, Santa Fe, NM

IV. Approval of Agenda

Mr. Smith requested that item VIII, Matters from Staff be heard directly after Matters of Public Concern. Commissioner Stefanics moved to approve the agenda as modified and Commissioner Chavez seconded. The motion passed by unanimous [3-0] voice vote. [Commissioners Mayfield and Anaya were not present for this action.]

V. Approval of Minutes: May 28, 2013

On page 3 Chair Holian said it should read Commissioner Stefanics requested that the Board reconsider....With that change, Commissioner Stefanics moved approval and Commissioner Chavez seconded. The motion passed by unanimous [3-0] voice. [Commissioners Mayfield and Anaya were not present for this action.]

VI. Matters of Public Concern – Non-action

None were presented.

VIII. Matters from Staff

Department Director O'Connor distributed a fact sheet on the proposed changes in Centennial Care [Exhibit 1]. She reminded the Board of Larry Hyack's presentation explaining a significant error in the upper payment limit calculation. The state has rolled out a new agreement and the most important change is from the sole community provider program to the Uncompensated Care Pool. Instead of the anticipated \$400 million the funding is set at \$69 million. Distribution is determined by the size of the hospital. The four largest hospitals in the state are cut from the program.

To compensate for the loss of SCP money the state is proposing to take the County's second 1/8 GRT dedicated to health-related programs and the County will no longer be able to direct how that is used. St. Vincent finds this unacceptable.

Ms. O'Connor said she has spoken with Health Services as well as other counties to make them aware of the problems in this proposal for the SCP hospitals, the indigent fund and providers such as La Familia.

Commissioner Stefanics indicated there has been discussion in the Association of Counties about these issues. No position was taken at the Association of Counties since some counties gain and others lose. However, there is resistance to depriving counties of authority – a policy issue. She noted that there is tremendous variation in how counties handle indigent care. She added Steve Kopelman, Association of County Attorney, is researching whether the state can take away a voter-approved GRT.

Ms. Miller said this had been under discussion for approximately 15 years. Santa Fe County has the second 1/8 and third 1/8 imposed by voters for indigent care. Because the balances in those funds were getting high the state threatened to appropriate them. The voters changed the third 1/8 to emergency medical services, the fire department, and could be used for indigent care if necessary. There is also a 1/16 GRT for state-supported Medicaid. Over \$2

million per year currently goes to the state and no accounting is made to the County. Other statutory requirements also come out of the second 1/8. She recommended looking at repealing the second 1/8 since the state is putting the burden on local governments without any control. "We should be very strong in our opposition to it" since it will hurt local providers and the community.

In response to a question from the chair, Ms. O'Connor said Centennial Care has been approved.

Stating she would be going to the Association of Counties meetings at the end of the week, Commissioner Stefanics asked the Commissioners what position she should take. Commissioner Chavez said a discussion was needed on the voter-approved GRT. Commissioner Stefanics mentioned wording a measure without reference to indigent care. There is also the issue of erosion of county rights to be considered.

Commissioner Mayfield asked if any interim legislative committees were meeting. Ms. O'Connor said there has been limited discussion of the matter, but not in detail. She noted the latest proposals only came down in the past two weeks. The uncompensated care pool was known but not cutting the bigger hospitals.

Ms. Miller said it was important to find out the positions of the other counties. It's a difficult strategic issue.

Commissioner Stefanics said she would bring back information from the Association of Counties meeting.

Turning to the issue of behavioral health, Ms. O'Connor said among the 15 agencies whose Medicaid funding was cut off due to fraudulent practices were PMS and Teambuilders. An Arizona firm will be brought in to take over. Some of the agencies may have to close down. She said the organizations have not been apprised of the charges and thus have had no opportunity to rebut them. The question remains how this will impact Santa Fe County.

Commissioner Stefanics spoke of concerns arising from the hospitals since local collaborative participants may end up in psych units for stabilization. Mr. Sedillo pointed out the other fallback is jail, creating more problems.

VII. Information Items

- A. Comparison of FY-2012 to FY-2013 Claims**
- B. Sole Community Provider Hospital Claims FY-2013**
- C. Contracted Expenditures for Fiscal Years 2012 & 2013**

Mr. Smith said the year-end numbers will be coming next month. The claim averages are down slightly and claim numbers are tracking with last years. There was nothing out of the ordinary.

Chair Holian asked if more of last year's claims would continue to be processed and Mr. Smith said they would not. Responding to questions about Hoy's large remaining balance, he

attributed the \$146,000 remaining balance to transition issues.

Commissioner Stefanics asked about the surplus of \$781,000 on form B. Mr. Smith said that is the approved versus claims amount and is a mix of federal and County dollars. It represents the difference between the \$6.3 million in approved funds and the \$5.5 million reimbursed. Commissioner Stefanics said it might be possible to reduce St. Vincent's amount.

Ms. Miller explained the estimate was based on sobering center costs plus an escalation factor. The two previous years before that the estimate was strictly claims-based.

VII. D. La Familia – Pregnant Women who are Addicted to Opiates

Ms. O'Connor indicated they are putting together a plan to deal with the rapid increase in opiate use in Santa Fe County, with the attendant overdoses and addicted pregnant women. A letter of inquiry was issued offering \$25,000 and La Familia was the best bid.

Dr. Wendy Johnson, La Familia Medical Director, stated she has worked in community health centers throughout the world and finds them to be great resources. "I think we're all pretty nervous about what's going to happen under Centennial Care." La Familia serves 70 percent uninsured and it is hoped 50 percent of those can transition to Medicaid. However, the undocumented population will not be covered. She was concerned that there would be a perception community health centers will not be needed under the new plan.

Dr. Johnson said she was grateful for the County funds since La Familia is a major provider of obstetric care to the poor. The startup funds are needed but it will take a while to implement the program. La Familia, with Southwest Care, will be holding a training session, possibly September 28th for doctors in prescribing Suboxone. Additionally, they will be hiring a case manager to work with La Familia and Southwest Care patients in the Suboxone program. Pending licensing, their specialist will be able to manage 30 clients the first year. The plan is to provide comprehensive addiction treatment, behavioral health services, support groups, counseling, etc. Once those programs are up and running La Familia would like to hire a peer support person for the team.

A behavioral health team is already in place with counselors and a part-time psychiatrist at La Familia, and they partner with other community organizations. Dr. Johnson spoke of Project Echo, a UNM teleconferencing program to support specialist services, including behavioral health. They provide mentoring teams and behavioral health and addiction services in clinics throughout the state.

Dr. Johnson said she hopes to have a solid program up in three to four months, depending on the alacrity of the DEA's response in licensing. She explained how Suboxone works and its role in harm reduction for pregnant women.

VII. E. HPPC Update

HPPC Chair Judy Williams said they continue to work on the action plan. The provider forum was very successful. The last HPPC meeting featured Bruce Tassin, the new CEO at Christus St. Vincent.

VII. F. Christus St. Vincent Regional Medical Center

No representatives were present.

IX. Matters from the Board

Ms. Miller corrected a statement she made earlier. She said the County will be getting the fourth quarter payment back, so St. Vincent will not receive the \$7.5 million for the year. Mr. Smith said he will go back and correct the report. The supplemental payment was made but over \$600,000 will be coming back. He will bring back the new numbers as they become finalized.

Commissioner Stefanics said if the Department doesn't make the reimbursement with the federal match, there is nothing to keep the County from making a direct payment. She indicated if the bill starts moving they can quickly repeal the taxes, withhold money from the state and funnel the money directly to the hospital.

A discussion ensued regarding using indigent funds for inmates.

Commissioner Anaya said the update [*Exhibit 1*] was a good start but he had a number of questions that need to be answered, and some suggestions.

- Gross receipts taxes should stay with local governments
- We need to fight to keep our resources local to help providers
- We need to listen, learn and act more on proposals with impact to the County and region
- Hard, factual data is needed on the hospital's position on the proposals
- Find out which counties support the proposal and which do not
- Find out which counties have the 1/8 GRT
- What is the position of the hospitals, the Hospital Association, the regional delegation and the Fed

Commissioner Anaya recommended building on the memo for the Association of Counties based on today's discussion. He asked for formal, written responses to be sought from all the parties involved. Also, it is important to learn what is good about Centennial Care, and what will the impact be on the jail population. "Who are the winners and the losers?" He advocated gathering more information and then formalizing a position before taking action since the impacts could be huge.

Chair Holian asked for an update on the nurse practitioner. Ms. O'Connor said an RFP is going out at the end of the week. Patricia Boies has a group working on the van issue. She added there will be a pertussis clinic at the fair. Chair Holian expressed her gratitude for the van's visit to the Glorieta Church.

X. Approval of Indigent Hospital and County Health Claims

Commissioner Stefanics moved to approve 462 claims in the amount of \$449,319.87 as presented by staff. Her motion was seconded by Commissioner Anaya and passed by unanimous [5-0] voice vote.

2013/07/30 10:00 AM
SANTA FE COUNTY
HEALTH CARE BOARD
RECORDED
SERIALIZED

XI. Executive Session

There was no need for executive session. Mr. Smith introduced Lорice Griego who will be processing claims.

XII. Adjournment

Having completed the agenda and with no further business to come before the Board, this meeting adjourned at approximately 10:20 a.m.

Approved by:

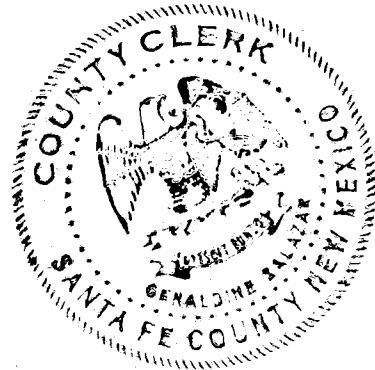
Kathy Holien
Kathy Holien, Commission Chair
Indigent Hospital & Healthcare Board

ATTEST TO:

Geraldine Salazar
GERALDINE SALAZAR
COUNTY CLERK
8/28/13

Respectfully submitted,

Debbie Doyle
Debbie Doyle, Wordswork





Daniel "Danny" Mayfield
Commissioner, District 1

Miguel M. Chavez
Commissioner, District 2

Robert A. Anaya
Commissioner, District 3



Kathy Hollan
Commissioner, District 4

Liz Stefanics
Commissioner, District 5

Katherine Miller
County Manager

Fact Sheet on Sole Community Provider As Proposed In Centennial Care

Current SCP Program

1. Currently in Santa Fe County the Sole Community Provider (SCP) Program is funded through the second 1/8 of the GRT. Total funding of the second 1/8 for 2012 was approximately \$ 4.5 million dollars; with about one half going to SCP. These funds are matched by federal dollars through the Human Services Department.
2. The second 1/8 of the GRT also funds community based providers for various services including primary care, drug and alcohol and mental health treatment. This funding is not matched by the State.
3. The second 1/8 of the GRT also funds the County staff who manage the Indigent program and operating expenses.

Recommended Changes to SCP in Centennial Care

1. The Affordable Care Act calls for reform of the existing SCP program. In New Mexico reform was included in the Human Service's Department's application to CMS for Centennial Care.
2. The Centennial Care waiver develops the Uncompensated Care Program (UC Pool) in lieu of the SCP Program. Funding is set at approximately \$69 million dollars (down from approximately \$4 million dollars.)
3. UC Pool dollars are allocated to hospital based on bed size, with the majority of the funds to the smaller hospitals. Hospitals with greater than 200 beds receive zero funding through the UC Pool.
4. The State has also proposed an increase in the Medicaid fee schedule for SCP hospitals but did not include funds for the match in the proposal. It is the expectation of the State that the increase in funding brought in by the new fee schedule will offset the cuts from the larger hospitals.
5. The State is proposing legislation to take the second 1/8 of the GRT from the Counties for use as match in the new proposal.

Impact on the Santa Fe County

1. Beginning January 1, 2014 CHRISTUS will no longer receive any funding for indigent care because their bed capacity exceeds 200. Espanola and Los Alamos will continue to receive SCP funding.
2. If the State is successful in intercepting the second 1/8 of the GRT we will no longer have any funds for community based providers receiving Indigent funds.
3. If the State is NOT successful in intercepting the second 1/8 of the GRT, there will be no match money available for the enhanced Medicaid reimbursement for CHRISTUS.
4. As of now the County still holds the responsibility for Indigent Care.

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