

CITY COUNCIL PRESENTATION

COMMUNITY HEALTH ACTION GROUP

OCTOBER 25, 2022

Dr. Connie Liu

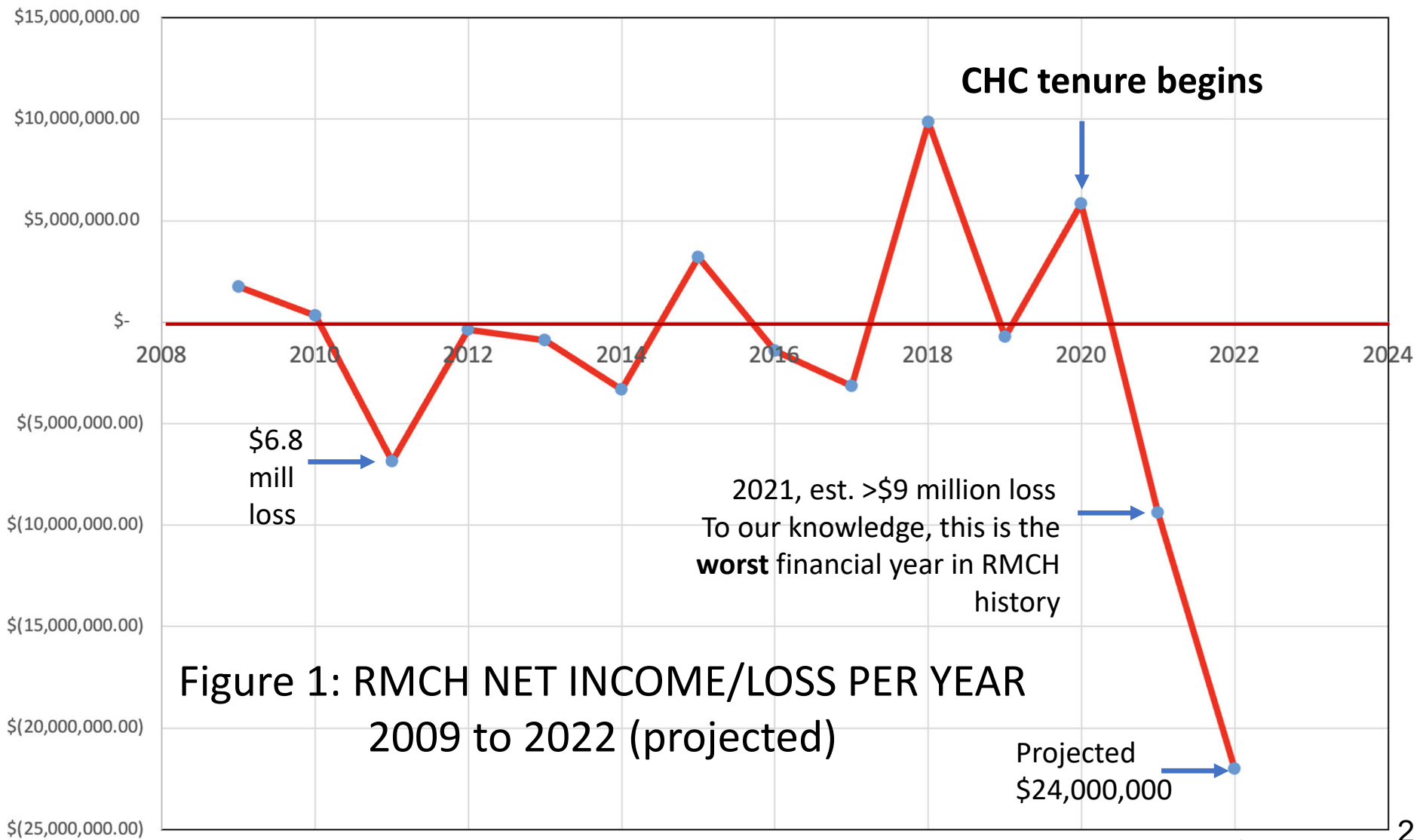
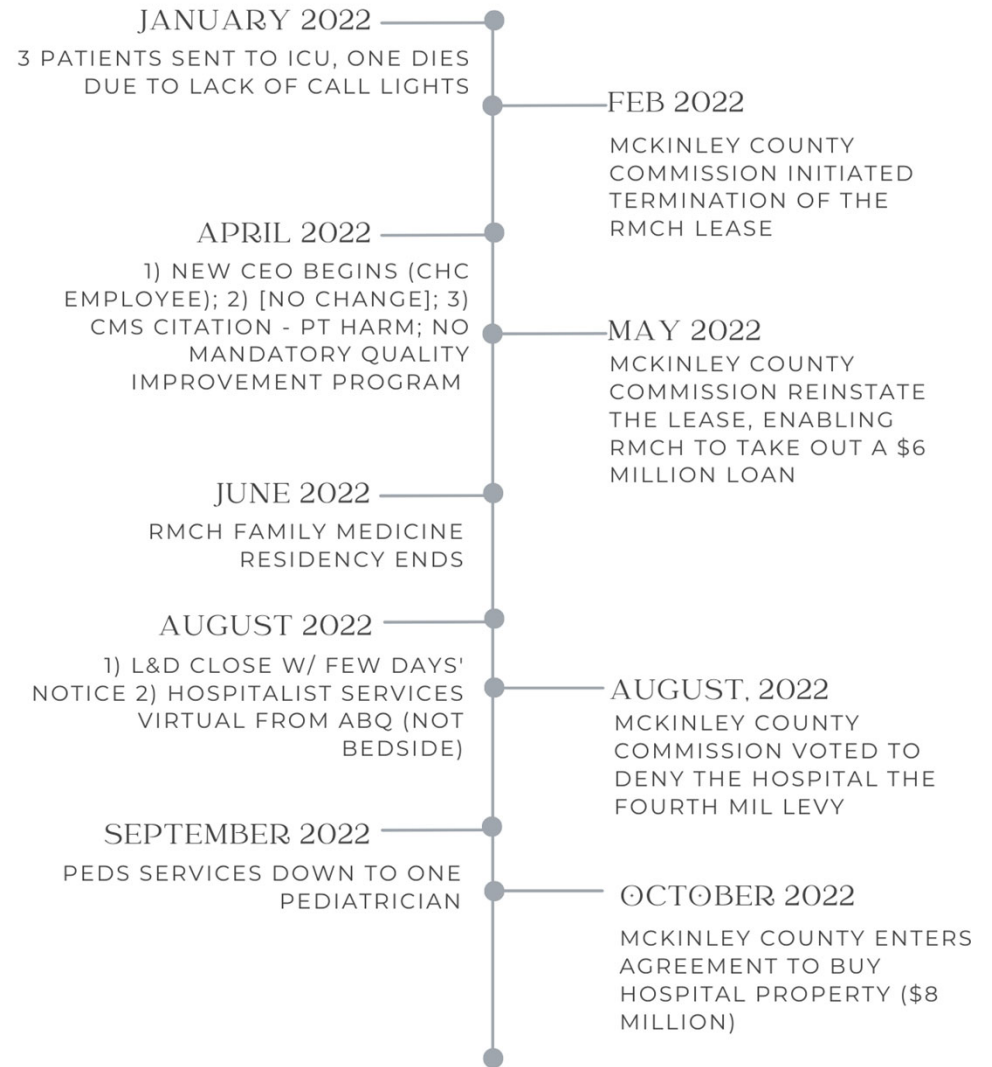


Figure 1: RMCH NET INCOME/LOSS PER YEAR
2009 to 2022 (projected)

Source: 990 Tax Forms and RMCH CFO reports to the public at Board of Trustee meetings

Timeline 2022



When can Receivership be Sought?

- Receivership is a temporary measure to monitor and remedy, not necessarily a replacement of RMCHCS
- New Mexico Statutes Section 24-1E-1 to -7, Health Facility Receivership Act

The Department of Health (DOH) is authorized to seek receivership of a health facility if certain conditions are met.

- if the facility “**presents a situation, physical condition, practice or method of operation that the secretary finds presents an imminent danger of death or significant mental or physical harm to its residents or other persons.**” Section 24-1E-3(A)(4); *see also* NMAC 7.1.11.8 (DOH regulations on conditions for filing receivership petition).
- If the receivership petition is approved in district court, DOH can take actions to remedy **operational issues.** Section 24-1E-5; NMAC 7.1.11.10.

Slide 4

- 2 Somewhere in here (maybe under one of the "problem" slides above) you should say what the County has or hasn't done. I can imagine the first question being, "Why should we get involved? Isn't this a county issue?"

Also I reworked this entire slide to better frame the "when can this happen" and "if it does happen, what can they do" issues

Nicolas Cordova, 9/14/2022

- 2 Capital F to lower case

Sara Pikaart, 9/14/2022

Why receivership?

- 1) Our community's healthcare and its economic health is in danger because of this hospital's management method of operation. The current organization structure cannot sustain a turnaround;
- 2) There is no entity capable of providing continuous oversight and more importantly, effecting the kind of turnaround needed;
- 3) The County's ability to exercise oversight is limited. Recent infusions of taxpayer money from the County will only slow the downward decline of the hospital. The State is the only entity that can intervene at the level needed to save our hospital.
- 4) The 2019 audit of RMCH highlighted serious deficiencies that have not been adequately addressed.

CHAG recommends intervention by the state to monitor and remedy

- A request for receivership could provide a basis for an outside, independent assessment by the Department of Health to identify and validate concerns of community stakeholders. This process should include all community stakeholder input, including patients, community members, current and former staff, businesses, unaffiliated health professionals, and local health care agencies.
- Receivership presents an opportunity for the State to involve community stakeholders to remove and address the structural and organizational causes of the hospital's decline.
- Receivership can provide the continuous, real-time mentorship and oversight that has been lacking.

Our recommendation to the City

- Request that the State initiate a process to consider receivership as a mechanism to ensure the continued viability of our community's hospital.