

SAVE RMCHCS: NEW FAST FACTS

produced by the Community Health Action Group (CHAG)

last Updated: October 11, 2022

➤ RMCH'S PROBLEMS ARE ROOTED IN LACK OF TRANSPARENCY AND ACCOUNTABILITY WHICH LEAVE IT VULNERABLE TO OUTSIDE CORPORATE MISMANAGEMENT.

- A 2020 NM State Audit highlighted issues of mismanagement and weak accountability that have not been corrected.
- Persistent weak oversight, accountability and transparency found by a June 2020 special state audit has allowed patterns of mismanagement to persist and acutely worsen under the Community Hospital Corporation, a company from Texas that took over management of RMCH in summer 2020. (see RMCHisOurHospital.org for an article in The Nation).

➤ THE FINANCIAL AND OPERATIONAL HEALTH OF RMCH IS AT IMMEDIATE RISK.

- The hospital is losing \$800,000 - \$1 million a month; we know that its finances are being propped up by a \$6 million loan from earlier this year, for which taxpayer dollars were used as collateral.
- Quality and safety is dangerously weak: RMCH has had five Chief Quality Improvement Officers in the last 12 months, and no Quality Assurance meetings were held for the near entirety of CHC's tenure, with many patient safety issues going unaddressed, resulting in harm. The lack of a functioning call light system resulted in a patient death in January 2022 (see CMS report).

➤ THE CLOSURE OF LABOR AND DELIVERY IS HAVING A REGIONAL IMPACT, AND OTHER SERVICES ARE ALSO DETERIORATING.

- Since the closure of RMCH's labor and delivery on 8/3, Gallup Indian Medical Center's labor and delivery has experienced a 30% increase in volume from patients who have transferred their care to GIMC. This does not account for increased volume from surrounding facilities who previously had considered RMCH a viable option for transfer.
- Patients who present in the RMCH Emergency Room who are not eligible for care at GIMC can face a transfer of care that will cost upwards of \$70,000 and is often not covered by health insurance plans.
- The RMCH inpatient service is, over 50% of the time, being staffed by a "tele-hospitalist", which is a remote physician who makes clinical decisions offsite. This means that an ill person might not have a physical exam or bedside evaluation by a physician during their stay at RMCH.
- Outpatient services are increasingly depleted. There is only one full-time pediatrician currently on staff; this individual will be on call for 19 days in a row. Even as recently as six months ago, there were at least two locums pediatricians and one other pediatrician who worked at RMCH, but the two locums left due to non-payment, while Dr. Poel retired.

➤ TURNAROUND IS NOT POSSIBLE WITH CURRENT MANAGEMENT.

We have several examples that suggest opportunities for transparency and evaluation are being actively denied. A contract CFO for CHC hired a company called Rural Health Solutions to perform an independent, comprehensive evaluation of revenue cycle, provider issues, and operational barriers. They were to develop a turnaround timeline with clear priorities, which community members had long been requesting. However, CHC ended the project early, did not present the preliminary results to the Board of Trustees, and terminated the CFO. **This cost the hospital \$150,000 for early termination, and the loss of \$1 million in revenue from scheduled grants.**

The community has made several good faith efforts to work with the hospital management and Board of Trustees to create positive change, but to no avail. CHAG has hosted five town hall meetings, gathered 2,000 signatures on a community petition, conducted surveys of current and former employees, and proposed mechanisms for public input. The Board of Trustees has been largely unresponsive; what little response there has been misrepresents the concerns of our community. We have also appealed to the McKinley County Commission who have indicated concern, but have stated that their control is limited.

OUR COMMUNITY DESERVES A LOCALLY-RESPONSIVE, QUALITY HOSPITAL.

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➤ ASK #1: CHAG IS REQUESTING THE STATE TO PLACE THE HOSPITAL IN RECEIVERSHIP.

1. What is receivership? Receivership is a process that allows a court to appoint an individual or entity to TEMPORARILY take over a failing company.

2. What would receivership accomplish in the context of a hospital? A receivership would be used to correct the conditions that led to the request for receivership in the first place.

3. Under what conditions can receivership be sought? Receivership can be sought if the health facility in question "presents an imminent danger of death or significant mental or physical harm to the care recipients of the health facility." The law spells out what this means:

- * A single factor, or combination of factors, adversely affecting the health or safety of the facility's care recipients;
- or
- * A physical condition of a service location for the health facility's care recipients; or
- * A practice or method of operation of the health facility.

4. Who would the receiver be? The law spells out specifically that the receiver should be someone who does not have a financial interest that conflicts with the duties that they would be carrying out in service of the receivership. They must also have relevant experience and education in health care management appropriate to the health care facility.

5. What does the receiver do? The receiver would render "all necessary actions" to correct or remedy each condition on which the receiver's appointment was based. Ensure adequate care and services, in accordance with applicable authority, law, regulations, and accrediting requirements, for each care recipient of the health facility. Manage and operate the health facility.

6. When does receivership end? Receivership ends once all necessary actions to correct the condition on which the appointment was based have been performed.

NM Statute 24-1E-3: <https://bit.ly/3UOiAvw>
NM Administrative Code 7.1.11.8: <https://bit.ly/3dRgScq>

THERE IS NM PRECEDENT FOR RECEIVERSHIP:

In 2004, Michelle Lujan Grisham was the Secretary of Aging and Long-Term Services when the State recommended that the Buena Vista Retirement Center in Clovis be taken over by the state's Department of Health after an investigation showed deficiencies in patient care at the facility.

➤ ASK #2: WE NEED LEGISLATION TO PROTECT HOSPITALS AND COMMUNITIES FROM CORPORATE MISMANAGEMENT.

We need assurance that hospital management will be anchored in principles of transparency, accountability, and local input.

We need hospital Boards to be compelled to adhere to public records and Open Meetings laws.

We need clear mechanisms for public participation, and minimum requirements for the composition of hospital governing boards, via Community Advisory Boards, or similar means.

➤ WHAT CAN I DO?

- Tell us how the RMCH situation impacts you, and what changes you want to see. Email us at RMCHisOurHospital@gmail.com.
- Share our posts at [Facebook.com/RMCHisOurHospital](https://www.facebook.com/RMCHisOurHospital)
- Gather support - can your organization write a letter of support?
- Join our email list. Email RMCHisOurHospital@gmail.com or to talk to a member of CHAG.
- Join us in birddogging and meeting with politicians (text 216-650-2745)

Watch this space at RMCHisOurHospital.org and join our email list for up-to-date suggestions