

**Regular Meeting of the Board of Directors  
Minutes  
February 17, 2021  
8:00am – 9:30am**

MEMBERS PRESENT: Martha Cole McGrew, M.D. (Chair)  
Michael Richards, M.D. (Vice-Chair)  
Mark Unruh, M.D.  
Robert Schenck, M.D.  
Eve Espey, M.D.  
David Rakel, M.D.  
Karen Hawley, M.D.  
Michelle Hernandez  
Lisa Hofler, M.D.

MEMBERS ABSENT: Robert DeFelice  
Gary Mlady, M.D.

OFFICERS PRESENT: A. Robb McLean, M.D., Interim President & CEO  
Jill Klar, COO  
Marjorie Goldstein, CFO  
Donna Sigl, M.D. (Secretary)  
Jennifer Phillips, M.D.

OFFICERS ABSENT: Melissa Ivers, D.M.D.

OTHERS PRESENT: Andy Baatz  
Cory McDowell  
Diana Heider  
Dina Ortiz  
Quinn Mander  
Erika Condrey  
John-Paul Montoya  
Kathleen Cahill  
Jared Udall  
Renee Ayala  
Mary Swanson  
Kristin Gates  
Arthur Culpepper  
Erica Richards

GUESTS:

<b>I.</b>	<b>Called To Order and Confirmation of Quorum</b>	<b>Action</b>
	Chairperson Dr. Martha Cole McGrew called the meeting to order and a quorum was established at 8:03am	
<b>II.</b>	<b>Opening Comments</b>	
	<p>Dr. McGrew welcomed everyone and introduced our three new Board members:</p> <ul style="list-style-type: none"> <li>• Dr. Mark Unruh – Chair, Internal Medicine</li> <li>• Ms. Michelle Hernandez, Esq. – Modrall Sperling Law Firm</li> <li>• Dr. Lisa Hofler – Division Chief Family Planning &amp; PAG Chair-Elect</li> </ul> <p>Dr. Robb McLean shared the Board member terms, which are for three year and one year terms as listed.</p>	
<b>III.</b>	<b>Approval of Consent Agenda (<i>Martha Cole McGrew, M.D.</i>)</b>	<b>Action</b>
	<p>Dr. Martha Cole McGrew proceeded with the new consent agenda. Dr. McGrew presented the following items for approval:</p> <ul style="list-style-type: none"> <li>• Finance Committee meeting minutes for February 3, 2021</li> <li>• Operations Committee meeting minutes for December 16, 2020</li> <li>• CEO Report</li> <li>• COO/CMO Report</li> </ul>	Dr. Martha Cole McGrew requested a motion to approve the consent agenda. Dr. David Rakel made the motion & Dr. Michael Richards 2 <sup>nd</sup> the motion. Motion carried.
<b>IV.</b>	<b>Approval of Board Meeting Minutes (<i>Martha Cole McGrew, M.D.</i>)</b>	<b>Action</b>
	Dr. Martha Cole McGrew presented the UNMMG Board minutes for the January 13, 2021 meeting for approval.	Dr. Martha Cole McGrew requested a motion to approve the January 13, 2021 meeting minutes. Dr. David Rakel made a motion to approve and Dr. Michael Richards 2 <sup>nd</sup> the motion. Motion carried.
<b>V.</b>	<b>Recognitions (<i>A. Robb McLean, M.D.</i>)</b>	
	Dr. Robb McLean recognized the Clinical Operations Group, the providers, clinical staff and leadership who made the AAAHC accreditation survey a success.	

<b>VI.</b>	<b>Public Comment</b>	
	There is no public comment for this meeting.	
<b>VII.</b>	<b>Resolutions</b>	
	<p>Dr. Martha Cole McGrew presented and read the following resolutions:</p> <p>UNMMG Executive Committee Membership</p> <ol style="list-style-type: none"> <li>1. Dr. Martha Cole McGrew</li> <li>2. Dr. Michael Richards</li> <li>3. Dr. Robert Schenck</li> </ol> <p>UNMMG Finance Committee:</p> <ol style="list-style-type: none"> <li>1. Dr. Eve Espey, Chair</li> <li>2. Dr. Lisa Hofler, Member</li> </ol> <p>UNMMG Audit &amp; Compliance Committee, Chair</p> <ol style="list-style-type: none"> <li>1. Ms. Michelle Hernandez, Esq.</li> </ol>	<p>Dr. Martha Cole McGrew requested a motion to approve all three resolutions presented. Dr. Robert Schenck made a motion and Dr. Eve Espey 2<sup>nd</sup> the motion. Motion carried.</p>
<b>VIII.</b>	<b>Administrative Reports</b>	
	<p><i>Financial &amp; Revenue Cycle Report</i></p> <p>Marjorie Goldstein welcomed the new Board members to meet with her review to acclimate them to their new roles as Board members.</p> <p>Ms Goldstein presented the following Financial Report through the end of December 2020.</p> <p>In December our collections are at \$14.6M. January numbers are significantly lower at approximately \$12.5M. Work RVUs are down 5.5% below budget and 7.6% prior year, a budget gap of 2.1% in December for collections vs RVUs.</p> <p>Additional highlights through December 2020:</p> <ul style="list-style-type: none"> <li>• Distributions to School of Medicine: 80.3% of revenues (vs budget of 80.2%)</li> <li>• Clinic losses of \$1.0 million significantly better than budgeted loss of \$1.7 million; largely attributable to financial performance of Truman</li> <li>• UNMMG management company costs: \$13.2 million (compared to budget of \$14.5 million)</li> <li>• Lovelace UNM Rehab Hospital: <ul style="list-style-type: none"> <li>○ UNMMG share of earnings = \$2.5M compared to \$2.8M in prior year</li> <li>○ January distribution declared: \$686K</li> </ul> </li> </ul> <p>Revenue Cycle highlights include non-billable encounters, which we are seeing improvement. Denial counts are down 4.4% compared to last year. JP Montoya pointed out that the hiring of the new Claims Analyst position will help to improve in reducing the denial numbers.</p> <p><i>Blue Cross/Blue Shield Payment</i></p> <p>Marjorie Goldstein requested approval for use of quality reserves. The UNM Health System is obligated to pay a \$7.5 million downside risk payment to BCBS related to calendar year 2019 Medicaid</p> <ul style="list-style-type: none"> <li>• UNMH has agreed to pay \$7,092,799</li> <li>• This leaves \$407,201 to be paid as follows:</li> </ul>	<p>Dr. Martha Cole McGrew requested a motion to approve the Financial &amp; Revenue Cycle Report. Dr. Karen Hawley made the motion and Dr. Robert Schenck 2<sup>nd</sup> the motion. Motion carried.</p> <p>Dr. Martha Cole McGrew requested a motion to approve payment of \$164,519 from quality reserves to BCBS. Dr. Robert Schenck made the motion and Dr. David Rakel 2<sup>nd</sup> the motion. Motion carried.</p>

- SRMC: \$242,682
- UNMMG: \$164,519

Requested Action:

*Use \$164,519 of Quality Reserves to fund this payment.*

*U.S. Bank as the new Custodian of our Investments*

- Marjorie Goldstein requested approval of quality reserves. Morgan Stanley – custodian for Investment Accounts – will no longer maintain provide custodian services for government entities; services will terminate in May
- Same communication was sent to UNM at an earlier date
- UNM is entering into an agreement with U.S. Bank Trust and Custody (U.S. Bank) for these services
- UNMMG will benefit from the rates negotiated by UNM: 1.0 Basis Points (0.01%) on Assets, subject to a \$7,500 Minimum Annual Fee
- We will maintain our relationship with Loomis Sayles as the portfolio manager

Requested Action:

*Authorize transition to U.S. Bank for Custodian Services.*

*Clifton Larson Allen Internal Audit Work*

- Clifton Larson Allen has been selected to provide internal audit services to the UNM Health System
- UNMH, UNMMG and SRMC will be parties to the agreement
- Total annual cost for Health System: \$458,375 (year one)
  - Costs will be allocated based on actual hours for entity-related audits
  - Estimated cost for UNMMG should be no greater than \$125,000 in Year one.
- These costs replace costs that were incurred for internal audit staff
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Requested Action:

*Authorize management to contract with Clifton Larson Allen for internal audit services, as noted above, anticipating year one costs of up to \$125,000 (plus GRT).*

*Chief Executive Officer Highlights*

Dr. Robb McLean highlighted the following:

- We have begun cohort 5 of the Medical Leadership Academy, which is done in partnership of the Advisory Board. We have 38 participants, which is the largest group of participants since inception.
- Leading to Excellence Retreat – we had over 1000 participants from all Health System entities. Dr. Ziedonis gave an overview of his vision for UNM.
- CFL Clinic opening on March 1<sup>st</sup>. Dr. Laura Medina, Medical Director
- Held Primary Care Strategic Plan Retreat. In April we will be communicating some of the details of the Primary Care Strategic Plan. Will be formalizing with White Cap.
- Hitech Grant that we were awarded through the State last year. Funds are from a CMS grant through the State. We were notified that we will be receiving \$1.8M as result of this award. This is a federal match grant, 90/10 match. 90 from the Feds and 10 from the State. It became apparent that Medical Group was expected to pay the match amount of 10%, approximately \$180K. Dr.

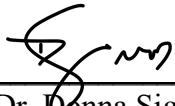
Dr. Martha Cole McGrew requested a motion to authorize transition to U.S. Bank for Custodian Services. Dr. Robert Schenck made the motion and Dr. Karen Hawley 2<sup>nd</sup> the motion. Motion carried.

Martha Cole McGrew requested a motion to authorize management to contract Clifton Larson Allen for internal audit services. Dr. Karen Hawley made the motion to approve and Dr. Robert Schenck 2<sup>nd</sup> the motion. Motion carried.

Dr. Martha Cole McGrew requested a motion to approve the policies, procedures and privilege sets. Dr. Robert Schenck made a motion and Dr. Eve Espey 2<sup>nd</sup> the motion. Motion carried.

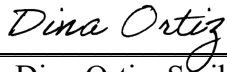
	<p>McLean wanted to make the Board aware of these funds and the potential benefits.</p> <p>Dr. Karen Hawley provided the following PAG update:</p> <ul style="list-style-type: none"> <li>• Updated the Charter to expand membership to help include APPs &amp; Geographic Medical Directors. Will be presented to the CEOs and voted on by the PAG</li> <li>• Interactive discussions where the PAG has been and its accomplishments</li> <li>• Working to align the PAG with what’s happening in the institution and engagement.</li> </ul> <p><i>Updated Policies, Procedures &amp; Privilege Sets</i>  Dr. Jennifer Phillips presented the updated policies, procedures &amp; privilege sets for approval as follows:</p> <p>Individual Policies &amp; Procedures</p> <ul style="list-style-type: none"> <li>• 11517 – Behavioral Health Services</li> </ul> <p><i>AAAHC Accreditation Results – Renee Ayala</i>  Ms. Ayala shared the evaluation of the standards &amp; how AAAHC looks at them. Ms. Ayala shared our overall performance, 19 chapters and sub-chapters that we fall under for all of our clinics. We received a fully compliant for all with the exception of five. As a point of reference, for the 2017 site visit, there were 20 separate standards and sub-standards that were not fully compliant. For this site visit, we received full compliance with the exception of one.</p> <p><i>Housekeeping – Boardvantage (Dr. Robb McLean)</i>  We will be migrating back to utilizing Boardvantage for distributing the Board packet beginning with our April 14<sup>th</sup> Board meeting. This is beneficial for communicating confidential matters.</p>	
<b>IX.</b>	Vote to go into Executive Session ( <i>Martha Cole McGrew, M.D.</i> )	
	<p>Vote to go into Executive Session for the following purposes (<i>Martha Cole McGrew, M.D.</i>)</p> <p>A. Discussion and, where appropriate, determination of matters involving information, proceedings, or actions covered by the confidentiality protections of the New Mexico Review Organization Immunity Act, § 41-91-1 et seq., NMSA 1978, as provided in Section 5(10) of the UNMMG’s Open Meetings Policy.</p> <p>B. Portions of meetings of the Board of Directors where strategic and long-range business plans, trade secrets, or institutional compliance program matters are discussed.</p> <p>C. Discussion of limited personnel matters (specifically, discussion of investigation and consideration of complaints against individual employees) and matters subject to attorney-client privilege pertaining to threatened or pending litigation, governmental investigation, administrative proceeding, arbitration proceeding, mediation, in which the Corporation is or may be before a participant.</p>	<p>Dr. Martha Cole McGrew requested a motion at 9:25am to convene into Executive Session. Dr. Mark Unruh made the motion &amp; Dr. Eve Espey 2<sup>nd</sup> the motion.</p>
<b>X.</b>	Vote to Reconvene into Open Session ( <i>Martha Cole McGrew, M.D.</i> )	<b>Action</b>
	Vote to Reconvene in Open Session ( <i>Martha Cole McGrew, M.D.</i> ):	The motion to reconvene the

	A. Certification that only those matters described in Agenda Item 10 above were discussed in Executive Session and, if necessary, final action with regard to those matters will be taken in Open Session.	Board of Directors meeting to Open Session passed by a unanimous vote. 1 <sup>st</sup> motion made by Dr. Robert Schenck & 2 <sup>nd</sup> Dr. Mark Unruh.
<b>XI.</b>	<b>Meeting Adjourned</b>	<b>Action</b>
	There being no further business, Chairperson Dr. Martha Cole McGrew requested a motion to adjourn the Regular Session of the Board of Directors at 9:54am.	Dr. Robert Schenck made the motion to adjourn and Dr. Eve Espey 2 <sup>nd</sup> motion. Motion carried.




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Dr. Donna Sigl, Secretary




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Dina Ortiz, Scribe