BOARD OF TRUSTEES - OPEN SESSION AGENDA
November 17, 2023 @ 9:30 AM
Join Zoom Meeting https://hsc-unm.zoom.us/j/99446166537 Meeting ID: 994 4616 6537 / Passcode: 333268
*+1-253-215-8782, 99446166537# *333268# US (Tacoma) or +1-346-248-7799, 99446166537# *333268# US (Houston)*

I. CALL TO ORDER – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustees

II. ANNOUNCEMENTS - Dr. Tamra Mason, Chair, UNM Hospital Board of Trustees (Informational – 5 Minutes)

III. ADOPTION OF AGENDA – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustees (Approval/Action - 2 Minutes)

IV. PUBLIC INPUT (Informational)

V. APPROVAL OF THE MINUTES – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustees
- September 29, 2023 UNM Hospital Board of Trustees Meeting Minutes **(Approval/Action – 2 Minutes)**
- October 27, 2023 UNM Hospital Board of Trustees Retreat Special Meeting Minutes **(Approval/Action – 2 Minutes)**

VI. MISSION MOMENT – Mrs. Kate Becker to introduce Mr. Flo Gallegos and Mr. Juan Flores (Informational – 10 Minutes)

VII. UNM CARRIE TINGLEY HOSPITAL ADVISORY BOARD – Mrs. Doris Tinagero, Executive Director (Approval/Action – 10 Minutes)
- **Recommend for Approval by UNMH Board of Trustees moving forward to HSC Committee and UNM Board of Regents**
  - Nomination of Healthcare Member, Dr. Beth Moody Jones

VIII. FINANCIAL UPDATE – Mrs. Bonnie White, Chief Financial Officer, UNM Hospital
- Financials thru October 2023 **(Informational – 15 Minutes)**

Moss Adams – Josh Lewis, Audit Engagement Partner and Lauren Kistin, Audit Senior Manager
- FY2023 UNM Hospital Operations Audited Financial Statements **(Approval/Action – 15 Minutes)**
- FY2023 UNM Behavioral Health Operations Audited Financial Statements **(Approval/Action – 15 Minutes)**

IX. ITEMS FOR APPROVAL
Recommend for Approval by UNM Hospital Board of Trustees moving forward to HSC Committee and UNM Board of Regents
Dr. Sara Frasch, Chief Human Resources Officer, UNM Hospital (Approval/Action – 10 minutes)
- Resolution – SRMC 403(b) Retirement Plan

Recommend for Approval by UNM Hospital Board of Trustees
Mrs. Bonnie White, Chief Financial Officer, UNM Hospital (Approval/Action – 30 minutes)
- New Hospital Tower Equipment – Patient beds - $1,200,000
- Carefusion/BD Pyxis Supply Machines and Support - $15,075,434
- BCBS Pharmacy and Medical Benefits for Employees Agreement - $209,330,595
- Financial Assistance Program Policy – approve edits
- Patient Payment Policy – approve edits
- Discount Program Policy – approve policy sunset

X. ADMINISTRATIVE REPORTS (Informational – 20 Minutes)
- Executive Vice President Update – Dr. Doug Ziedonis
- HSC Committee Update – Dr. Mike Richards
- UNMH CEO Report – Mrs. Kate Becker
- UNMH CMO Report – Dr. Steve McLaughlin
- Chief of Staff Update – Dr. Alisha Parada

XI. UNM HOSPITAL BOT COMMITTEE REPORTS (Informational – 10 Minutes)
- Finance Committee – Mr. Del Archuleta
- Audit & Compliance Committee – Mrs. Monica Zamora
- Quality and Safety Committee – Mr. Trey Hammond
- Native American Services Committee – Mr. Ken Lucero

XII. CLOSED SESSION: Roll Call Vote to close the meeting and to proceed in Closed Session – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustees (Approval/Action – Roll Call Vote)

a. Discussion of limited personnel matters pursuant to Section 10-15-1.H (2), NMSA pertaining to the appointment and reappointment of medical providers to the medical staff of UNM Hospital and expansion of medical staff privileges for certain UNM Hospital medical staff providers, including the discussion of matters deemed confidential under the New Mexico Review Organization Immunity Act, Sections 41-9-1E(7) and 41-9-5, NMSA.

b. After discussion and determination where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other items were discussed, nor were actions

XIII. Certification that only those matters described in Agenda Item XII were discussed in Closed Session; consideration of, and final action on the specific limited personnel matters discussed in Closed Session – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustee (Approval/Action)

XIV. Adjourn Meeting – Dr. Tamra Mason, Chair, UNM Hospital Board of Trustee (Approval/Action)

Announcements

Adoption of Agenda

Public Input

UNMH Board of Trustees Meeting Minutes 09 29 2023

Agenda Item	*Subject/Discussion*	*Action/Responsible Person*
UNM Hospital Board of Trustee Voting Members Present	Dr. Tamra Mason, Mrs. Monica Zamora, Mr. Trey Hammond, Mr. Kurt Riley, Mr. Del Archuleta, Dr. Nathan Boyd, Dr. Ken Lucero, Mr. Henry Monroy, and Dr. Anjali Taneja	
Ex-Officio Members Present	Mrs. Kate Becker, Dr. Michael Richards, President Garnett Stokes, Dr. Doug Ziedonis, Dr. Alisha Parada, Dean Patricia Finn, and Mr. Randy Ko	
Staff Members Present	Dr. Mike Chicarelli, Dr. Sara Frasch, Dr. Steve McLaughlin, Dr. Rohini McKee, Mr. Doug Brooks, Mrs. Dawn Harrington, Mrs. Jennifer James, Mr. Rodney McNease, Mrs. Doris Tinagero, Mrs. Bonnie White, Mrs. Patti Kelley, Dr. Anna Duran, Mrs. Jennifer Vosburgh, Mr. Ryan Randall, Dr. Rebecca Fastle, Dr. John Marek, Dr. Alex Rankin, Mrs. Shelly Villareale, and Ms. Fontaine Whitney	
Non-Staff Members/ Not Public Input	Mrs. Siobhan Kilbride, Mrs. Arika Sanchez, Mr. CJ Rogers, and Mr. Luke Schultz	
County Officials Present	N/A	
I. Call to Order	A quorum established, Dr. Tamra Mason, Chair, called the meeting to order at 9:32 AM.	
II. Announcements	Dr. Tamra Mason, Chair, welcomed Dr. Anjali Taneja as a new UNM Hospital Board of Trustees Member. Dr. Taneja said she it is an honor to serve on the UNM Hospital Board of Trustees. She has been doing work with the hospital and for the community for many years as an advocate and is the Executive Director of a non-profit clinic in the community. She has served on numerous national Boards.	
III. Adoption of Agenda	Dr. Tamra Mason, Chair, asked for any revisions to the Agenda. Hearing no revisions, Chair Mason requested a motion to adopt the Agenda.	Mr. Del Archuleta made a motion to adopt the agenda. Mr. Trey Hammond Zamora seconded the motion. Motion passed with no objections.
IV. Public Input	N/A	
V. Approval of Minutes	Dr. Tamra Mason, Chair, asked for any revisions to July 28, 2023 UNM Hospital Board of Trustees Meeting Minutes. Mr. Kurt Riley stated that Dr. Nathan Bush should read Dr. Nathan Boyd under UNM Hospital Board of Trustee Members Present. Hearing no other revisions, Chair Mason requested a motion to approve the July 28, 2023 UNM Hospital Board of Trustees Meeting Minutes with the correction to Dr. Boyd's name.	Mr. Trey Hammond made a motion to approve the July 28, 2023 UNM Hospital Board of Trustees Meeting Minutes with Mr. Riley's correction of Dr. Boyd's name. Dr. Nathan Boyd seconded the motion. The motion passed with no objections.

VI. Mission Moment	Mrs. Kate Becker, CEO, UNM Hospital, said that today's Mission Moment is celebrating the work our staff is doing at the Metropolitan Detention Center (MDC). Mrs. Becker introduced Mrs. Jennifer Vosburgh, Associate Chief Nursing Officer for In-Patient, who has been spending an enormous amount of her time at MDC over the last few months along with Dr. Rebecca Fastle, Associate Chief Medical Officer for Special Projects who has graciously agreed to handle MDC. Mrs. Vosburgh presented this month's Mission Moment, Code 43, Code Blue, HSU 2 – An Example of Collaboration and Teamwork (presentation in Open Session BoardBook). Meeting participants expressed compliments and words of encouragement and appreciation.	

VII. Metropolitan Detention Center (MDC)	Mr. Rodney McNease, Senior Executive Director, Government Affairs, UNM Hospital, gave a status update on the UNM Hospital – Bernalillo County/Metropolitan Detention Center (MDC) Partnership (presentation in Open Session BoardBook). Highlights included:
	
	Status at Time of Transition
	• Healthcare services at MDC transitioned to UNMH at Midnight July 25th
	• Several Significant Challenges were immediately identified:
	  ○ Equipment not up to modern standards with no evidence of maintenance of equipment
	  ○ Expired medications and little in the way of pharmacy oversight or processes
	  ○ Staff working outside of their scope
	  ○ Lack of standardized processes or clinical workflows
	  ○ Staff training was not up to the standards we would expect for this type of environment
	  ○ Cultural differences
	  ○ Performance Expectations were not clear to staff
	
	Initial Actions
	• Pharmacy staff went through all medication inventories to dispose of expired medication
	• Equipment brought from UNMH by Rapid Response Team to assure appropriate equipment for emergency response
	• Validate staff were staying within their scope
	• Nursing Informatics and project management support began mapping workflows
	• Nursing Informatics and IT assisted staff in transition to Cerner EMR
	• Met with staff and leaders to review job descriptions and established clear expectations for performance
	
	Current Status
	• Cerner EMR has been implemented and legacy files from the prior vendor are being uploaded to be available for use by clinical staff if needed
	• Rapid Response has been implemented, and has done an outstanding job in responding to emergency situations at MDC
	• Workflows continue to be developed and implemented
	• Audit tools are being deployed to validate adherence to standard work processes
	• Detox unit monitoring has been increased and time for rounds have improved by using direct documentation into tablets and laptop resources.	

	• Daily team huddles have been implemented to improve communication with all levels of staff • Executive Director Katrina Hotrum-Lopez hired and onsite • Weekly Leadership meetings have been started • Regulatory documents and Corrective Action Plans have been reviewed and opportunities identified • Staffing has improved; however, we still have a significant reliance on travelers for both nursing and counseling staff • Strong Relationships are being developed with the Warden and security staff to view UNMH and the MDC Security staff as one team. The Warden and MDC staff have been extraordinarily supportive • Ongoing meetings with law enforcement agencies and feedback indicates they feel the handoff process from law enforcement to medical staff have improved significantly Regulatory Compliance • UNMH is licensing MDC as a UNMH clinic, and a temporary license has been issued pending receipt of permanent license • Initial McClendon Corrective Action plan updates and reporting have been generated to plaintiff and plaintiff interveners based on established reporting schedules • Request for TJC consultation survey at MDC Challenges • Communication and coordination with the MDC Opioid Treatment Vendor • Consistency with information collected as part of the intake process and assuring all needed medical services are captured • Coordination with MDC and security to try to identify patterns and solutions to reduce the level of drugs available in the facility • Implementation of standardized work based on new workflows has been challenging because of long established practice patterns • Connections to community resources for people being discharged from MDC Next Areas of Focus • Assuring continuity of care for Methadone and Suboxone patients coming into MDC with timely access to medications to prevent withdrawal • Assigning a Detox medical director to oversee protocol development and to implement micro-dosing for suboxone for Detox patients • Intake process reviewed and streamlined to assure needed data collection and facilitate access to care • Development of community discharge resources especially as it relates to continuity of care for discharge patients • Supporting staff training and education	

VIII. SRMC Hospital Integration Update	Mrs. Kate Becker, CEO, UNM Hospital, gave a status update on the SRMC Hospital Integration. Highlights included: • Effective January 1, 2024 Sandoval Regional Medical Center (SRMC) will be coming under the UNM Hospital license; meaning hospitals that previously were two separate licensed facilities will be one hospital license. • This will improve coordination of care between the two facilities; right now if you are a patient at one hospital and need to go to the other hospital, you have to get discharged from the first one and admitted to the second one, as opposed to just being transferred between two campuses of the same hospital • Increased educational opportunities; SRMC does not have the same cap and ability to provide graduate medical education opportunities that UNM Hospital does. This will increase the number of rotations that are available to a resident in a financial stainability way. • Financial sustainability; SRMC does not have access to the academic reimbursement model so by bringing both facilities under one license, it improves the financial stability of both organizations. • Improves access to education for our future health care, healthcare work force, and improves the patient experience. • Formal legal method is an acquisition of the assets of SRMC by UNM Hospital; a workstream group is completing this task. • Change of ownership which is going through CMS; a workstream group is working on this task. • Each entity has HUD financing so there is a transition of HUD loans; we have an intercreditor agreement that has been draft approved by the banks involved • Transition of employment; people currently employed by the corporation that is SRMC will become employees of UNM Hospital. They have to apply for transitioning to employment at UNM Hospital because of various legal rules around labor, relations, and organization. A Communication from Kate Becker was emailed to everyone at SRMC today. Mrs. Becker gave a big shout out to Dr. Sara Frasch and her HR team; the quantity of work that has been involved has been tremendous and tedious.	
IX. UNM Carrie Tingley Hospital Advisory Board	Mrs. Doris Tinagero, Executive Director, UNM Carrie Tingley Hospital, presented the nomination of Dr. Richard Miller to join the UNM Carrie Tingley Hospital Advisory Board as a healthcare member. This nomination will move forward to the HSC Committee and then the UNM Board of Regents for review and approval (write-up in Open Session BoardBook). After discussion, Dr. Tamra Mason, Chair, requested a motion to approve Dr. Miller's nomination as presented by Mrs. Tinagero.	Mr. Del Archuleta made a motion to approve Dr. Richard Miller as a healthcare member of the UNM Carrie Tingley Hospital Advisory Board. Dr. Nathan Boyd seconded the motion. The motion was approved unanimously.
X. Financial Update	Mrs. Bonnie White, CFO, UNM Hospital, presented the Certification of Review of Financial Operations Fiscal Year Ended June 30, 2023 (presentation in Open Session BoardBook). Mrs. White reviewed the unaudited balance sheet and income statement, including prior year comparison, as required by the regulatory agreement. The financial statements reflected a decrease in net position of approximately $16.0 million. This report is being provided to HUD's Office of Hospital Facilities, PGIM Real Estate Finance (formerly Prudential Huntoon Paige Associates, LLC) and Wells Fargo Bank in satisfaction of the provisions of Section 13.a.ii. of	Mr. Del Archuleta made a motion to approve the Certification of Review of Financial Operations Fiscal Year Ended June 30, 2023 as presented by Mrs. White. Mr. Kurt Riley seconded the motion. The motion was approved unanimously.

	the Regulatory Agreement, dated September 9, 2021 between the Regents of the University of New Mexico's public operation known as the University of New Mexico Hospitals and HUD which requires the UNMH Board of Trustees ("Board") to review the financial statements of UNMH within 120 days following the close of the fiscal year. Section 19 of the Regulatory Agreement requires the submission of a written report to HUD and the lenders if there is a net loss. We expect that the loss mitigation actions detailed above, including length of stay reduction plans, contract staffing improvements and revenue enhancement initiatives, will return the Hospital to a positive margin for the fiscal year 2024. Revenue enhancements may not be realized until after the beginning of the fiscal year 2024; therefore, the Hospital may post some months at a loss. After review and discussion, Dr. Tamra Mason, Chair, requested a motion to approve the Certification of Review of Financial Operations Fiscal Year Ended June 30, 2023 as presented by Mrs. White. Mr. Del Archuleta stated that the UNMH BOT Finance Committee discussed this item in detail at their meeting and recommend approval.	
	Mrs. Bonnie White, CFO, UNM Hospital, presented the Financial Update through August 2023 (presentation in Open Session BoardBook). Mr. Del Archuleta stated the UNMH BOT Finance Committee reviewed the financials in detail at their meeting earlier in the week. Highlights included the below: • Adult Capacity • Pediatric Capacity • Average Daily Census • Clinic Visits per Business Day • Surgical Cases • Inpatient and Outpatient Surgical Cases per Business Day • YTD Stats Variance to Budget • YTD Stats Variance to Prior YTD • CMI and ALOS • Executive Summary • Financial Results	
XI. Items for Approval	Mrs. Bonnie White, CFO, UNM Hospital, presented the below request for review and approval (write-up in BoardBook). This item will be moved forward to the HSC Committee and then the UNM Board of Regents for review and approval. Mr. Del Archuleta stated this item was discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • CIP 3196 UH Main/ACC 3rd Floor Caring Cup Remodel ($375,000) After discussion, Dr. Tamra Mason, Chair, requested a motion to approve the CIP 3196 UH Main/ACC 3rd Floor Caring Cup Remodel ($375,000) as presented by Mrs. White to move forward to HSC Committee and then to UNM Board of Regents for review and approval. Mrs. Bonnie White, CFO, UNM Hospital, presented the below request for review and approval (write-up in BoardBook). This item will be moved forward to the HSC Committee and then the UNM Board of Regents for review and approval. Mr. Del Archuleta stated this item was discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • CIP 3203 OSIS CT Replacement ($700,000)	Mr. Del Archuleta made a motion to approve the CIP 3196 UH Main/ACC 3rd Floor Caring Cup Remodel ($375,000) as presented to move forward to HSC Committee and UNM Board of Regents. Mr. Kurt Riley seconded the motion. The motion passed with no objections. Mrs. Monica Zamora made a motion to approve CIP 3203 OSIS CT Replacement ($700,000) as presented to move forward to HSC Committee and UNM Board of Regents. Mr. Henry Monroy seconded the motion. The motion passed with no objections.

	After discussion, Chair Mason, requested a motion to approve CIP 3203 OSIS CT Replacement ($700,000) as presented by Mrs. White to move forward to HSC Committee and then to UNM Board of Regents.	
	Mrs. Bonnie White, CFO, UNM Hospital, presented the below request for review and approval (write-up in Open Session BoardBook). Mr. Del Archuleta stated this item was discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • New Westside Primary Care Clinic (98th and Gibson) ($2,000,000) After discussion, Dr. Tamra Mason, Chair, requested a motion to approve New Westside Primary Care Clinic (98th and Gibson) ($2,000,000) as presented by Mrs. White.	Mr. Del Archuleta made a motion to approve New Westside Primary Care Clinic (98th and Gibson) ($2,000,000) as presented. Mr. Henry Monroy seconded the motion. The motion passed with no objections.
	Mrs. Bonnie White, CFO, UNM Hospital, presented the below request for review and approval (write-up in Open Session BoardBook). Mr. Del Archuleta stated this item was discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • 3M Software Applications, Subscriptions, and Professional Services ($8,697,051) After discussion, Dr. Tamra Mason, Chair, requested a motion to approve 3M Software Applications, Subscriptions, and Professional Services ($8,697,051) as presented by Mrs. White.	Mr. Del Archuleta made a motion to approve 3M Software Applications, Subscriptions, and Professional Services ($8,697,051) as presented. Mr. Henry Monroy seconded the motion. The motion passed with no objections.
	Mrs. Bonnie White, CFO, UNM Hospital, presented the below request for review and approval (write-up in Open Session BoardBook). Mr. Del Archuleta stated this item was discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • Health Systems Funds Flow and UNM School of Medicine Clinical Faculty Compensation ($1,700,000) After discussion, Dr. Tamra Mason, Chair, requested a motion to approve Health Systems Funds Flow and UNM School of Medicine Clinical Faculty Compensation ($1,700,000) as presented by Mrs. White.	Mr. Del Archuleta made a motion to approve Health Systems Funds Flow and UNM School of Medicine Clinical Faculty Compensation ($1,700,000) as presented. Mr. Henry Monroy seconded the motion. The motion passed with no objections.
	Mrs. Bonnie White, CFO, UNM Hospital, presented the below Policies for review and approval (write-ups in Open Session BoardBook). Mr. Del Archuleta stated these Policies were discussed in detail at the UNMH BOT Finance Committee Meeting and they recommend approval. • Financial Assistance Program Policy • Patient Payment Policy • Discount Program Policy Dr. Anjali Taneja recommended these policies are reviewed by the UNMH/Bernalillo County Task Force Committee at their upcoming meeting before they are approved to ensure concerns are met. Dr. Taneja said the policies seem to be unclear in terms of what qualifies as medically necessary care, what is the criteria for people that are not in the UNM care program or that are paying out of pocket. There are many community members who need specialty care and behavioral healthcare. Dr. Taneja thinks the policies do not specify clarity around medical necessary care and there isn't transparency of what prices are collected up front, could a payment plan be set up instead of an upfront payment. Mrs. Monica Zamora cautioned identifying everything that is covered that is medically necessary as it could create problems; possibly keep it more general. Mrs. Becker said it may be helpful to ask the UNMH/Bernalillo County Task Force Committee for their input to get clarity and discuss what is actually procedure or process. The policies should be a high level description of the structure and then the process should break down more specifically what these different pieces mean.	Mr. Trey Hammond made a motion to table the three policies until the November UNM Hospital Board of Trustees Meeting allowing the UNMH/ Bernalillo County Task Force an opportunity to review and modify, if necessary the policies. Mr. Henry Monroy seconded the motion. The motion passed with no objections.

	The transition of including SRMC is effective January 1, 2024 and we need to make sure Sandoval County is included in UNM care and in these policies; this need to occur before that date. Mr. Riley wants to ensure if these policies are tabled they need to be reviewed and approved at the November meeting. Mrs. Becker said the committee has already had input on these policies and have made some other changes; the next meeting is October 20th and we will circulate to the Task Force for input and finalize with them and have ready for the November meeting. Mr. Del Archuleta stated that we need to leave some agility in the process. Mr. Riley asked if these documents will also need to go back to the UNMH BOT Finance Committee first. Mrs. Jennifer James, Legal Counsel, said yes.	
XII. Administrative Reports	Dr. Doug Ziedonis, Executive Vice President, UNM, presented the Executive Vice President update (report in Open Session BoardBook). Dr. Michael Richards, Senior Vice President for Clinical Affairs, UNM, presented the HSC Committee Update (report in Open Session BoardBook). Mrs. Kate Becker presented the UNM Hospital CEO Update (report in Open Session BoardBook). Dr. Steve McLaughlin presented the UNM Hospital CMO update (report in Open Session BoardBook). Dr. Alisha Parada presented the Chief of Staff Update.	
XIII. UNMH BOT Committee Reports	Mr. Del Archuleta gave a brief summary of the UNMH BOT Finance Committee Meeting. Mrs. Monica Zamora gave a brief summary of the UNMH BOT Audit & Compliance Committee Meeting. Mr. Trey Hammond gave a brief summary of the UNMH BOT Quality and Safety Committee Meeting. Mr. Kurt Riley gave a brief summary of the UNMH BOT Native American Services Committee Meeting.	
XIV. Closed Session	At 12:33 AM Dr. Tamra Mason, Chair, requested a motion to close the Open Session of the meeting and move into Closed Session. Mrs. Kate Becker, CEO, UNM Hospital, gave a Residents' Union Update Dr. Sara Frasch, CHRO, UNM Hospital, gave a Union update.	Mrs. Monica Zamora made a motion to close the Open Session and move to the Closed Session. Mr. Kurt Riley seconded the motion. Per Roll Call, the motion passed. Roll Call: Dr. Tamra Mason – yes Mrs. Monica Zamora – yes Mr. Trey Hammond – yes Mr. Kurt Riley – yes Mr. Del Archuleta – yes Dr. Nathan Boyd – yes Mr. Henry Monroy – yes Dr. Ken Lucero – yes Dr. Anjali Taneja – yes

	Dr. Tamra Mason, Chair, stated that the Clinical Privileges and Credentialing were acknowledged as approved from the UNMH BOT Quality and Safety Committee Meetings of August 20th and September 22, 2023 as identified in the Closed Session. Dr. Tamra Mason, Chair, stated that the Meeting Minutes as identified below were acknowledged as received. • Medical Executive Committee (MEC) July 19th and August 16, 2023 Meeting Minutes • UNMH BOT Quality and Safety Committee June 23rd and July 21, 2023 Meeting Minutes • UNMH BOT Audit and Compliance Committee July 25, 2023 Meeting Minutes • UNMH BOT Finance Committee July 26, 2023 Meeting Minutes	
Vote to Re-Open Meeting	At 12:39 PM Dr. Tamra Mason, Chair, requested a roll call motion be made to close the Closed Session and return the meeting to the Open Session.	Mr. Trey Hammond made a motion to close the Closed Session and return to the Open Session. Mr. Del Archuleta seconded the motion. Per Roll Call, the motion passed. Roll Call: Dr. Tamra Mason – yes Mrs. Monica Zamora – yes Mr. Trey Hammond – yes Mr. Kurt Riley – yes Mr. Del Archuleta – yes Dr. Nathan Boyd – yes Mr. Henry Monroy – yes Dr. Ken Lucero – yes Dr. Anjali Taneja – yes
XV. Certification	**After discussion and determination where appropriate, of limited personnel matters per Section 10-15-1.H (2); and discussion and determination, where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other items were discussed, nor were actions taken.**	Mr. Trey Hammond made a motion to approve the Certification. Mr. Henry Monroy seconded the motion. The motion passed with no objections.
XVI. Adjournment	The next scheduled Board of Trustees Meeting will take place Friday, September 29, 2023 at 9:30 AM, via Zoom Conference Call. There being no further business, Dr. Tamra Mason, Chair, requested a motion to adjourn the meeting.	Mrs. Monica Zamora made a motion to adjourn the meeting. Mr. Trey Hammond seconded the motion. The motion passed unanimously. The meeting was adjourned at 12:39 PM.

Mr. Trey Hammond, Secretary
UNM Hospital Board of Trustees

UNMH Board of Trustees Retreat Special Meeting Minutes 10 27 2023

Agenda Item	*Subject/Discussion*	*Action/Responsible Person*
UNM Hospital Board of Trustee Voting Members Present	Dr. Tamra Mason, Mr. Trey Hammond, Mr. Kurt Riley, Mr. Del Archuleta, Dr. Ken Lucero, Dr. Nathan Boyd, Dr. Anjali Taneja, and Mr. Henry Monroy	
Ex-Officio Members Present	Mrs. Kate Becker and Dr. Mike Richards	
Staff Members Present	Dr. Mike Chicarelli , Dr. Sara Frasch, Dr. Steve McLaughlin, Dr. Rohini McKee, Mrs. Dawn Harrington, Mrs. Bonnie White, Mrs. Jennifer James, Mrs. Maribeth Thornton, Mrs. Eileen Sanchez, Mrs. Julie Knight, and Ms. Fontaine Whitney	
Non-Staff Members/ Not Public Input	Mr. Norm Becker	
County Officials Present	N/A	
I. Call to Order	A quorum being established, Dr. Tamra Mason, Chair, called the meeting to order at 9:40 AM.	
II. Adoption of Agenda	Dr. Tamra Mason, Chair, asked for any revisions to the Agenda. Hearing no revisions, Chair Mason requested a motion to adopt the Agenda.	Mr. Del Archuleta made a motion to adopt the agenda. Dr. Nathan Boyd seconded the motion. Motion passed with no objections.
III. Closed Session	At 9:41 AM, Chair Mason, requested a motion to close the Open Session of the meeting and move into Closed Session.	Mr. Trey Hammond made a motion to close the Open Session and move to the Closed Session. Mr. Del Archuleta seconded the motion. Per Roll Call, the motion passed. Roll Call: Dr. Tamra Mason – yes Mr. Trey Hammond – yes Mr. Kurt Riley – yes Mr. Del Archuleta – yes Dr. Nathan Boyd – yes Dr. Ken Lucero – yes Dr. Anjali Taneja – yes Mrs. Monica Zamora – not present Mr. Henry Monroy – not present

Vote to Re-Open Meeting	At 1:59 PM Dr. Tamra Mason, Chair, requested a roll call motion be made to close the Closed Session and return the meeting to the Open Session.	Mr. Del Archuleta made a motion to close the Closed Session and return to the Open Session. Mr. Henry Monroy seconded the motion. Per Roll Call, the motion passed. Roll Call: Dr. Tamra Mason – yes Mr. Trey Hammond – yes Mr. Kurt Riley – yes Mr. Del Archuleta – yes Dr. Nathan Boyd – yes Dr. Ken Lucero – yes Dr. Anjali Taneja – yes Mrs. Monica Zamora – yes Mr. Henry Monroy – not present
IV. Certification	**After discussion and determination where appropriate of matters subject to the attorney-client privilege regarding pending or threatened litigation in which UNMH is or may become a participant, pursuant to Section 10-15-1.H (7); and discussion of matters involving strategic and long-range business plans or trade secrets of UNMH pursuant to Section 10-15-1.H (9), NMSA, the Board certified that no other items were discussed, nor were actions taken.**	Mr. Kurt Riley a motion to approve the Certification. Mr. Trey Hammond seconded the motion. The motion passed with no objections.
V. Adjournment	The next scheduled Board of Trustees Meeting will take place Friday, November 17, 2023 at 9:30 AM, via Zoom Conference Call. There being no further business, Dr. Tamra Mason, Chair, requested a motion to adjourn the meeting.	Dr. Nathan Boyd made a motion to adjourn the meeting. Mr. Trey Hammond seconded the motion. The motion passed unanimously. The meeting was adjourned at 2:03 PM.

Mr. Trey Hammond, Secretary
UNM Hospital Board of Trustees

Mission Moment 11 17 2023 UNMH Support Service Team

Mission Moment: UNMH Board of Trustees

NOVEMBER 17, 2023

Kudos – Paola Bolivar and Sabrina Carbajal (UNM Hospital Support Service Team)

On Thursday morning, September 28, Paola Bolivar was making her regularly scheduled deliveries to Medical Arts when she came across a car in the middle of the road with the doors open. She navigated around the car, but pulled over to check and see if the driver was okay.

When she got out of her truck, she found a young female passenger seizing and in shock. She was out of the car on the street lying down. The young girl was yellow in color and foaming at the mouth, in addition to having convulsions. Paola made a quick decision to call Sabrina Carbajal, UNMH Inventory Coordinator, and a trusted friend.

Sabrina instructed Paola to turn the person over on her side and support her head carefully to avoid hitting it on the pavement. Sabrina also guided Paola to call 911. While Paola was helping the young girl the driver of the car came to offer help. Paola engaged 911, she took information from the driver about the condition of both parties from the vehicle, and provided valuable insight to dispatch which helped them find her quickly and ready to give support.

Paola stayed with the girl and the driver until the ambulance and the police came. With Sabrina in Paola's ear, keeping her calm and supporting her, Paola determined that the young girl was overdosing from multiple substances. The driver was also under the influence and in no condition to drive. At one point the young girl stopped breathing. Paola kept Sabrina on the line while she and the driver administered CPR.

Paola and Sabrina really saved the life of this young girl. The girl was underage and overdosing, while being with an older male. She was in a dire situation. Paola's quick thinking and action along with Sabrina's steadfast support and teamwork changed the life of someone.

We are so proud that they are a part of UNMH and our Support Service Team!

Beth Moody Jones Nomination Memo to UNMH BOT

CARRIE TINGLEY HOSPITAL

Memorandum

To: UNM Hospitals Board of Trustees

From: Carrie Tingley Hospital Advisory Board

Date: Tuesday, September 26, 2023

Re: Nomination for Healthcare Member Vacancy

The Carrie Tingley Hospital Advisory Board has approved the nomination of Beth Moody Jones, PT, DPT, EdD, MS, OCS, to join the Advisory Board as a healthcare member.

We respectfully request the approval of this nomination by the UNM Hospital Board of Trustees.

Sincerely,

Doris Tinagero, DNP, RN, NEA-BC
CTH Advisory Board Ex-Officio
Executive Director, CTH & Pediatric Ambulatory

Doris Tinagero

Attachment: Beth Moody Jones CV

CURRICULUM VITA 2023

BETH MOODY JONES, PT, DPT, EDD, MS, OCS

Work: Physical Therapy Division
Department of Orthopaedics
University of New Mexico Health Sciences Center
HSSB 204, MSC09 5230
Albuquerque, NM 87131-0001

Licensure:
Current: New Mexico #2816, 2002- present
Previous licenses (1982-2002): Vermont, North Carolina, Florida, California, and Hawaii

EDUCATIONAL HISTORY:

EdD; 2018	**University of New Mexico,** Albuquerque, NM Educational Leadership *Dissertation: A case study of the characteristics for successful first time passing of the national physical therapy exam at the University of New Mexico https://digitalrepository.unm.edu/educ_teelp_etds/256/*
DPT; 2004	**AT Still University of Health Sciences**, Arizona School of Health Sciences Mesa, AZ Physical therapy transitional doctoral program (advanced degree)
OCS; 2022, 2012, 2002	**American Board of Physical Therapy Specialists** Alexandria, VA Orthopaedic Certified Specialist Certified 2002, Recertified 2012 and 2022
MS, 1994	**Old Dominion University** Norfolk, VA Orthopaedic physical therapy advanced masters *Thesis: Measurement of Pelvic Tilt and its Relationship to Unilateral Back Pain*
BS; 1982	**University of Vermont** Burlington, VT Physical therapy, Cum Laude

EMPLOYMENT HISTORY:

Part I
Administration:

2018- present	**Division Chief,** Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico
2014 – 2018	**Education Program Director**, Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico
2014-2018	**Director of Admissions,** Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico
1994-1997	**Academic Coordinator of Clinical Education**, Physical Therapy Program, University of St. Augustine, Florida

Teaching:

2020- present	**Professor**, Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico.
2013 – 2020	**Associate Professor**, Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico; secondary appointment: **Associate Professor**, department of Cell Biology & Physiology, University of New Mexico.
2007-2013	**Assistant Professor**, Physical Therapy Division, Department of Orthopaedics and Rehabilitation, School of Medicine, University of New Mexico; secondary appointment: **Assistant Professor**, department of Cell Biology & Physiology, University of New Mexico.
2004-2008	**Assistant professor** (on-line adjunct), Division of Physical Therapy, AT Still University, Mesa, AZ.
2003-2007	**Instructor** (temporary part time), Physical Therapy Program, Department of Orthopaedics and Rehabilitation and Cell Biology & Physiology (2005-2007), School of Medicine, University of New Mexico, Albuquerque, NM.
1999-2002	**Instructor**, Department of Anatomy, Biochemistry & Physiology, John A Burns School of Medicine, University of Hawaii, Honolulu, HI.
1999-2000	**Instructor**, Science Department, Punahou School, Honolulu, HI.
1994-1997	**Assistant Professor,** Department of Physical Therapy, University of St. Augustine, St. Augustine, FL.

Part II
Clinical:

2002-2022	**Langford Sports & Physical Therapy**, Albuquerque, NM. Senior physical therapist and mentor.

2000-2002	**University of Hawaii Health Services**, Honolulu, HI. Rehab director.
1998-1999	**Rehab Medical Clinic of Orange Park**, Orange Park, FL. Rehab director.
1997-1998	**Baptist /St Vincent's Medical Center**, Jacksonville, FL. Clinical coordinator of clinical education and senior therapist.
1989-1991	**Damon Anderson & Associates**, Monterey CA. PRN physical therapist.
1986-1989	**Comprehensive Physical Therapy**, Jacksonville, FL. Owner and director.
1985-1986	**Memorial Rehabilitation Center** (currently Brooks Rehab), Pain Management Clinic, Jacksonville, FL. Rehab director.
1983-1985	**Holbert Physical Therapy**, Pensacola, FL. Clinical coordinator/physical therapist.
1982-1983	**Duke Medical Center**, Durham, NC. Staff physical therapist.

PROFESSIONAL RECOGNITION & HONORS

- 2018 **University of New Mexico Health Sciences Excellence in Research Award for Scholarship of Teaching and Learning.**
- 2015 University of New Mexico School of Medicine **"Hippo" Award for excellence in teaching anatomy** in the Phase 1 HSFD block.
- 2014 **American Physical Therapy Association Dorothy E. Baethke-Eleanor J. Carlin Award for Excellence in Academic Teaching.** This prestigious national award was established in 1981 and is given to an individual who has made significant contributions to physical therapy education through teaching excellence as exemplified in the careers of Baethke and Carlin.
- 2011-2012 University of New Mexico School of Medicine **"Apple for the Teacher" for Overall Excellence in Curricular Leadership**, DPT completion track.
- 2011-2012 University of New Mexico School of Medicine "**Apple for the Teacher" Faculty Excellence in Diagnostic and Therapeutic Sciences,**
- 2011 University of New Mexico School of Medicine "**HIPPO" Award for excellence in teaching anatomy** in the Phase 1 HSFD block.
- 2008 University of New Mexico School of Medicine **"HIPPO" Award for excellence in teaching anatomy** in the Phase 1 HSFD block.
- 2005-2006 University of New Mexico School of Medicine **"Apple for the Teacher" Excellence in teaching award**, Phase 1 HSFD teaching of anatomy.
- 2005, **New Mexico American Physical Therapy Association Community Service Award.**
- 1987 **University of Vermont Young Alumnae Award**.

Short Narrative Description of Research, Teaching and Service Interests

My interests encompass improving healthcare in the state of New Mexico, specifically physical therapy (PT). I realized early on in my career that I could work on excellence within the scope of my practice, effecting the few patients I see, or I could work on the excellence of all physical therapists through teaching the next generation of physical therapists, and indirectly effect multiple layers of patients. I chose to work on the ripple effect of teaching many to affect many. I have never regretted that decision.

I strive for excellence in PT education both regionally and nationally. At the regional level I have instituted new benchmark exams to improve student preparation for the national boards. I have led a change in the culture of our program to have all faculty and staff strive for excellence through team building and shared goals and values determined through a strategic plan. Within the student body I have instilled a sense of ownership and empowerment in the student experience. Nationally, I have served in many volunteer positions that have worked on policies related to practice, research, admissions and advocacy.

My teaching is focused on elevating the bar of excellence and then leading the student in learning to help them reach, or even exceed, that bar. My passion is Human Anatomy but I have taught numerous other classes in my career. I firmly believe with passion and dedication that a teacher is able to travel the journey of learning with any student.

My research is focused on improving the evaluation and practice of physical therapy. I have studied the ability to locate and quantify movement in the sacroiliac joint using motion analysis. In addition, I have worked on improving anatomy content in books and manuscripts. My passion has always been to understand, create and implement teaching and learning strategies to enhance and elevate student learning and improve educational outcomes. Specifically, I have recently focused on student success measures and utilized this knowledge to create improved student exam outcomes and implement new policies within our program.

In all I do my focus remains on improving the physical therapy experience for all.

SCHOLARLY ACHIEVEMENTS

Books/Chapter authored:

Jones, B. Normal Anatomy of the Upper Extremity**.** In A.C. Eliasson & P.A. Burtner. *Theories and principles for intervention of hand function in Children with cerebral palsy*. London: Mac Keith Press. 2008

Books Edited:

Ellenbecker TS, Manske RC, Kelley M. The shoulder: physical therapy patient management utilizing current evidence. In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Miller, M. *The Cervical Spine: Physical Therapy Patient Management Utilizing Current Evidence*. In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Selbelski, CA, *The Elbow: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Burn,S, Egan,W, Flynn,T, Ojha,H. *The Thoracic Spine and Rib Cage: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Jackson, R., Porter, K. *The Pelvis and Sacroiliac Joint: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Ho, S. *The Temporomandibular Joint: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Houck, J, Neville, C, Chimenti, R. *The Foot and Ankle: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Beattie, P. *The Lumbar Spine: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Manal,T, Hoffman, S, Sturgill, L. *The Knee: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Sizer,P and McGalliard, M. *The Hip: Physical Therapy Patient Management Utilizing Current Evidence.* In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Barch, E, Erickson, E and Wadsworth,C. *The Wrist and Hand: Physical Therapy Patient Management Utilizing Current Evidence*. In: Hughes C, ed., **Jones, B**, anatomy ed. ISC 21.2, *Current Concepts of Orthopaedic Physical Therapy*. 3rd ed. Orthopaedic Section APTA Inc: La Crosse, WI; 2011.

Jones, Beth Moody, reviewer, *Advanced Emergency Care and Transportation of the Sick and Injured, Third Edition*, Chapter 30: Head and Spine Injuries, Jones & Bartlett Learning, LLC, and the American Academy of Orthopaedic Surgeons, 2019

Jones, Beth M., reviewer, in DiFabio, Richard P., *Essentials of Rehabilitation Research*, FA Davis, Philadelphia, 2013

Jones, Beth M., Editorial Review Board for: Drake, RL, Vogl AW and Mitchell AWM, *Gray's Basic Anatomy,* Elsevier, Philadelphia 2012

Jones, Beth M., contributor*, Clinical Oriented Anatomy 6th Edition,* K. Moore and A. Dalley. 2009. Edited and reviewed Chapter 4 "Back" and Chapter 8 "Neck".

Published Book Review:

Jones, BM. Platzer, Werner, Color Atlas of Human Anatomy Vol. 1 Locomotor System. Thieme, Stuttgart, 2015. JOSPT June, 2015.

Publications:

Teixeira JP, Griffin BR, Pal CA, Gonzalez-Seguel f, Jenkins N, **Jones BM,** Yoshida Y, George N, Hayley PL, Ghazi L, Nayra JA, Mayer KP. Critical illness myopathy and trajectory of recovery in acute kidney injury requiring continuous renal replacement therapy: a prospective observational trial protocol. BMJ Open 2023;13:e072448. doi:10.1136/ bmjopen-2023-072448

Jones, Beth Moody, Carey, Fred. Hypertrophy of the Subclavius Muscle in Conjunction with Atrophy of the Pectoralis Muscles Postmastectomy: A Cadaveric Case Study. JOSPT Cases 2023;3(2):127–133. Epub: 13 March 2023. doi:10.251

Jones, BM and Yoshida, Y. Examination of the Innominate Movements in Individuals with and without a Positive March Test J of Phys Ther Sci 2021; Aug;33(8):596-600

Jones, Beth Moody. Invited Commentary: Finding Common Ground. Orthopedic Practice Vol 23;3:11

Works in Progress:

National Senior Games normative gait data. Single and Dual-Task Analysis in Athletes Participating in the 2019 National Senior Games. Journal of Geriatric PT. Fall 2023 potential publication.

On line publications:

- **PTNow Test and Measures**
  - Sharp-Purser Test (SPT) Author(s): **Beth Moody-Jones, PT, DPT, MS, OCS**; Deborah Doerfler, PT, DPT, PhD, OCS; Lauren Bland, SPT; Terah Condrey, SPT; Erika Firebaugh, SPT. December 2017
  - Marx activity rating scale for disorders of the knee Author(s): Guillermo Martinez SPT; Kaley Ortiz SPT; Nick Scholz SPT; Deborah Doerfler PT, PhD, OCS; **Beth Moody Jones, PT, DPT, MS, OCS**. December 2017

- Neck Flexor Endurance Test (aka Deep Neck Flexor Endurance Test) Author(s): Talia Gilmour, SPT, Erica Speer, SPT, Deborah Doerfler, PT, PhD, DPT, OCS, **Beth Moody Jones, PT, DPT, MS, OCS**. March 2016
- 30 second chair stand test ; Author(s): **Beth Moody Jones, PT, DPT, MS, OCS**, Deborah Doerfler PT, DPT, PhD, OCS, Clarence A. Groten, SPT, Walston Z. Smith, SPT, Benjamin M. Gonzalez, SPT. May 2015
- Spurling's A test. Author(s): **: Beth Moody Jones, PT, DPT, MS, OCS;** Nathaniel A. Mascarenas, SPT; Matthew J. Murphy, SPT; Larissa M.H. Vasquez, SPT; Deborah Doerfler, PT, PhD, DPT, OCS. July 2015

- **Hooked on Evidence, American Physical Therapy Association,** published article reviews on completed as a requirement in PT 685 Advanced Evidence Based Physical Therapy http://www.hookedonevidence.org/reviewstation.cfm?CFID=67875179&CFTOKEN=43943842:
  - 7/2013 *The effect of early whole-body vibration therapy on neuromuscular control after anterior cruciate ligament reconstruction: a randomized controlled trial* Journal: Am J Sports Med Year: 2013 Vol.: 41 No.: 4 with J Taylor
  - 7/2013 *Is modified constraint-induced movement therapy more effective than bimanual training in improving arm motor function in the subacute phase post stroke? A randomized controlled trial* Journal: Clin Rehabil Year: 2012 Vol.: 26 No.: 12 with S Hines
  - 7/2013 *A randomized trial comparing yoga, stretching, and a self-care book for chronic low back pain* Journal: Arch Intern Med Year: 2011 Vol.: 171 No.: 22 with J Hartog
  - 7/2013 *Wound 'dechronification' with negatively-charged polystyrene microspheres: a double-blind RCT* Journal: J Wound Care Year: 2013 Vol.: 22 No.: 3 with K Eldridge
  - 7/2013 *Are postural restrictions after an Epley maneuver unnecessary? First results of a controlled study and review of the literature* Journal: Auris Nasus Larynx Year: 2009 Vol.: 36 No.: 6 with J de Castro Grant
  - 7/2013 Effect of specific resistance training on musculoskeletal pain symptoms: dose-response relationship Journal: J Strength Cond Res Year: 2013 Vol.: 27 No.: 1 with D Prohaska
  - 7/2013 *Combined effects of sensory cueing and limb activation on unilateral neglect in subacute left hemiplegic stroke patients: a randomized controlled pilot study* Journal: Clin Rehabil Year: 2013 Vol.: 27 No.: 7 with V Gallo
  - 7/2013 *Immediate effects of region-specific and non-region-specific spinal manipulative therapy in patients with chronic low back pain: a randomized controlled trial* Journal: Phys Ther Year: 2013 Vol.: 93 No.: 6 with R Sanchez
  - 7/2013 *Effects of weight-bearing and resistance exercises on lower extremity strength, postural stability, and quality of life in postmenopausal women with low bone mass* Journal: J Women's Health Phys Ther Year: 2011 Vol.: 35 No.: 3 with M Montoya
  - 7/2013 *Comparison of training methods to improve walking in persons with chronic spinal cord injury: a randomized clinical trial* Journal: J Spinal Cord Med Year: 2011 Vol.: 34 No.: 4 with B Johnston
  - 7/2013 *Comparison of the effects of exercise by chronic stroke patients in aquatic and land environments* Journal: J Phys Ther Sci Year: 2011 Vol.: 23 No.: 5 with J Iris Schoenherr
  - 7/2013 *Postoperative effects of neuromuscular exercise prior to hip or knee arthroplasty: a randomised controlled trial* Journal: Ann Rheum Dis Year: 2013 with C Shores
  - 7/2013 *A randomized, controlled trial of osteopathic manipulative treatment for acute low back pain in active duty military personnel* Journal: J Man Manip Ther Year: 2012 Vol.: 20 No.: 1 with A Leazer
  - 7/2013 *Clinical and morphological changes following 2 rehabilitation programs for acute hamstring strain injuries: a randomized clinical trial* Journal: J Orthop Sports Phys Ther Year: 2013 Vol.: 43 No.: 5 with R Martinez
  - 7/2013 *Vagus nerve stimulation in children with intractable epilepsy: a randomized controlled trial* Journal: Dev Med Child Neurol Year: 2012 Vol.: 54 No.: 9 with K Crow
  - 7/2013 *Promotion of physical activity and fitness in sedentary patients with Parkinson's disease: randomised controlled trial* Journal: BMJ Year: 2013 Vol.: 346 with C Hisaw
  - 7/2013 *Ultraviolet-C irradiation in the management of pressure ulcers in people with spinal cord injury: a randomized, placebo-controlled trial* Journal: Arch Phys Med Rehabil Year: 2013 Vol.: 94 No.: 4 with D Walton
  - 7/2013 *Physical activity improves verbal and spatial memory in older adults with probable mild cognitive impairment: a 6-month randomized controlled trial* Journal: J Aging Res Year: 2013 Vol.: 2013 with D Barrabe
  - 7/2013 *Treatment of the sacroiliac joint in patients with leg pain: a randomized-controlled trial* Journal: Eur Spine J Year: 2013 with A Villanueva
  - 7/2013 *The effectiveness of Long's manipulation on patients with chronic mechanical neck pain: a randomized controlled trial* Journal: Man Ther Year: 2013 Vol.: 18 No.: 4 with A Wilson

- 7/2013 *Effectiveness of theory-based invitations to improve attendance at cardiac rehabilitation: a randomized controlled trial* Journal: Eur J Cardiovasc Nurs Year: 2013 with K Lucero
- 7/2013 *Knee joint stabilization therapy in patients with osteoarthritis of the knee: a randomized, controlled trial* Journal: Osteoarthritis Cartilage Year: 2013 Vol.: 21 No.: 8 with C Trout
- 7/2013 *Randomized-controlled trial comparing yoga and home-based exercise for chronic neck pain* Journal: Clin J Pain Year: 2013 Vol.: 29 No.: 3 with D Merhege
- 7/2013 *Effect of the pelvic compression belt on the hip extensor activation patterns of sacroiliac joint patients during one-leg standing: A pilot study* Journal: Man Ther Year: 2013 Vol.: 18 No.: 2 with B Benton
- 7/2013 *Short-term combined effects of thoracic spine thrust manipulation and cervical spine nonthrust manipulation in individuals with mechanical neck pain: a randomized clinical trial* Journal: J Orthop Sports Phys Ther Year: 2013 Vol.: 43 No.: 3 with K Jiron
- 7/2013 *A randomized controlled trial comparing a multimodal intervention and standard obstetrics care for low back and pelvic pain in pregnancy* Journal: Am J Obstet Gynecol Year: 2013 Vol.: 208 No.: 4 with R Johansen
- 7/2013 *The impact of structural therapy on functioning and pain in chronic pain patients: a pilot study* Journal: J Back Musculoskelet Rehabil Year: 2007 Vol.: 20 No.: 1 with S Halbig
- 7/2013 *Efficacy of thrust and nonthrust manipulation and exercise with or without the addition of myofascial therapy for the management of acute inversion ankle sprain: a randomized clinical trial* Journal: J Orthop Sports Phys Ther Year: 2013 Vol.: 43 No.: 5 with J Lovelace
- 7/2013 : Early use of thrust manipulation versus non-thrust manipulation: a randomized clinical trial Journal: Man Ther Year: 2013 Vol.: 18 No.: 3 with K Ashley
- 7/2012 *Supervised strengthening exercises versus home-based movement exercises after arthroscopic acromioplasty: a randomized clinical trial* Journal: Journal of Rehabilitation Medicine Year: 2012 Vol.: 44 No.: 1 with J MORRALES
- 7/2012 *Influences of purposeful activity versus rote exercise on improving pain and hand function in pediatric burn.* Journal: Burns Year: 2012 Vol.: 38 No.: 2 with A VALDEZ
- 7/2012 *Robot-assisted gait training in multiple sclerosis patients: a randomized trial* Journal: Multiple Sclerosis Journal Year: 2012 Vol.: 18 No.: 6 with J CARLINO
- 7/2012 *Effect of Colpexin Sphere on pelvic floor muscle strength and quality of life in women with pelvic organ prolapse stage I/II: a randomized controlled trial* Journal: Int Urogynecol J Year: 2012 Vol.: 23 No.: 3 with T MCCARTHY SANFORD
- 7/2012 *Chronic stroke survivors benefit from high-intensity aerobic treadmill exercise: a randomized control trial* Journal: Neurorehabil Neural Repair Year: 2012 Vol.: 26 No.: 1 with B FRIGERIO
- 7/2012 *Preoperative home-based physical therapy versus usual care to improve functional health of frail older adults scheduled for elective total hip arthroplasty: a pilot randomized controlled trial.* Journal: Am J Phys Med Rehabil Year: 2012 Vol.: 93 No.: 4 with K CORONADO
- 7/2012 *Preventive Effect of Eccentric Training on Acute Hamstring Injuries in Men's Soccer* Journal: Am J Sports Med Year: 2011 Vol.: 39 No.: 11 with D ZAMORA
- 7/2012 *Effects of telerehabilitation on physical function and disability for stroke patients: a randomized, controlled trial* Journal: Stroke Year: 2012 Vol.: epub with V FRANGOS
- 7/2012 *Effect of yoga on cognitive functions in climacteric syndrome: a randomized control study* Journal: BJOG An International Journal of Obstetrics and Gynaecology Year: 2008 with F Daniels
- 7/2012 *Effects of High-Intensity Progressive Resistance Training and Targeted Multidisciplinary Treatment of Frailty on Mortality and Nursing Home Admissions after Hip Fracture: A Randomized Controlled Trial* Journal: JAMDA Year: 2012 Vol.: 13 with M Gaethje
- 7/2012 *Effect of 12-week isokinetic training on muscle strength in adult with healed thermal burn* Journal: Burns Year: 2012 Vol.: 38 with L THOMAS
- 7/2012 Effect of two rehabilitation protocols on range of motion and healing rates after arthroscopic rotator cuff repair: aggressive versus limited early passive exercises Journal: Arthroscopy Year: 2012 Vol.: 28 No.: 1 with R GRAHAM
- 7/2012 *Effects of Thera-Band elastic resistance-assisted gait training in stroke patients: a pilot study* Journal: Eur J Appl Physiol Year: 2011 Vol.: 47 No.: 3 with J PEREA
- 7/2012 *Effectiveness of the end-range mobilization and scapular mobilization approach in a subgroup of subjects with frozen shoulder syndrome: a randomized control trial* Journal: Man Ther Year: 2012 Vol.: 17 No.: 1 with K RIEBLI
- 7/2012 *Role of Treadmill Training versus Suspension Therapy on Balance in Children with Down Syndrome* Journal: Egyptian Journal of Medical Human Genetics Year: 2011 Vol.: 13 with K PARKS
- 7/2012 *The Effects of Quadriceps Strengthening on Pain, Function, and Patellofemoral Joint Contacct Area in Persons with Patellofemoral Pain* Journal: Am J Phys Med Rehabil Year: 2012 Vol.: 91 No.: 2 with R MAESTAS
- 7/2012 *Immediate effects of anterior to posterior talocrural joint mobilizations following acute lateral ankle sprain* Journal: Journal of Manual and Manipulative Therapy Year: 2011 Vol.: 19 No.: 2 with N ACHENBACH
- 7/2012 *A comparison of the effects of 6 weeks of traditional resistance training, plyometric training, and complex training on measures of strength and anthropometrics* Journal: J Strength Cond Res Year: 2012 Vol.: 26 No.: 2 with R TENORIO

- 7/2012 *Treatment of congenital hemiparesis with pediatric constraint-induced movement therapy* Journal: Journal of Child Neurology Year: 2011 Vol.: 26 No.: 9 with B DONNELLAN
- 7/2012 *Effects of an adapted physical activity program in a group of elderly subjects with flexed posture: clinical and instrumental assessment* Journal: J Neuroeng Rehabil Year: 2008 Vol.: 5 No.: 32 with V GARCIA
- 7/2012 *The effect of two manipulative therapy techniques and their outcome in patients with sacroiliac joint syndrome* Journal: J Bodyw Mov Ther Year: 2012 Vol.: 16 No.: 1 with G MCCALL
- 7/2012 *Neuromuscular activity of the peroneal muscle after foot orthoses therapy in runners*. Journal: Med Sci Sports Exerc Year: 2011 Vol.: 43 No.: 8 with L LUNA
- 7/2012 *A randomized controlled trial of antenatal pelvic floor exercises to prevent and treat urinary incontinence* Journal: Int Urogynecol J Year: 2011 Vol.: 22 No.: 1 with H DAVIS
- 7/2012 *The effects of exercise for the prevention of overuse anterior knee pain: a randomized controlled trial* Journal: Am J Sports Med Year: 2011 Vol.: 39 No.: 5 with J Mohan
- 7/2012 *Neural tissue management provides immediate clinically relevant benefits without harmful effects for patients with nerve-related neck and arm pain: a randomized trial* Journal: J Physiother Year: 2012 Vol.: 58 No.: 1 with S MESCH
- 7/2012 *Evaluating Intense Rehabilitative Therapies With and Without Acupuncture for Children With Cerebral Palsy: A Randomized Controlled Trial* Journal: Arch of Phys Med Year: 2012 Vol.: 93 No.: 5 with J SEELEY
- 8/2011 *The effects of dynamic ankle-foot orthoses in chronic stroke patients at three-month follow-up: a randomized controlled trial* Journal: Clin Rehabil Year: 2011 Vol.: 25 No.: 6 with A BERGET
- 8/2011 Custom therapeutic insoles based on both foot shape and plantar pressure measurement provide enhanced pressure relief Journal: Diabetes Care Year: 2008 Vol.: 31 No.: 5 with J ALEXANDER, P MULLEN
- 7/2011 *Early intervention options for acute low back pain patients: a randomized clinical trial with one-year follow-up outcomes* Journal: J Occup Rehabil Year: 2010 Vol.: 20 No.: 2 with K KELLY-WALKER
- 7/2011 *Clinical effectiveness of customized sport shoe orthoses for overuse injuries in runners: a randomized controlled study* Journal: Br J Sports Med Year: 2010 Vol.: epub with A RODDY, M RODDY
- 7/2011 *Effects of home-based constraint-induced therapy versus dose-matched control intervention on functional outcomes and caregiver well-being in children with cerebral palsy* Journal: Res Dev Disabil Year: 2001 Vol.: 32 No.: 5 with MJ COX
- 7/2011 *Tracking recovery of vestibular function in individuals with blast-induced head trauma using vestibular-visual-cognitive interaction tests*. Journal: J Neurol Phys Ther Year: 2010 Vol.: 34 No.: 2 with B RIDENOUR, M ZINSER
- 7/2011 *A high-protein diet with resistance exercise training improves weight loss and body composition in overweight and obese patients with type 2 diabetes*. Journal: Diabetes Care Year: 2010 Vol.: 33 No.: 5 with B CONNELL
- 7/2011 *Focus on function: a cluster, randomized controlled trial comparing child- versus context-focused intervention for young children with cerebral palsy*. Journal: Dev Med Child Neurol Year: 2011 Vol.: 53 No.: 7 with R LOVATO
- 7/2011 *Recovery of coordinated gait: randomized controlled stroke trial of functional electrical stimulation (FES) versus no FES, with weight-supported treadmill and over-ground training* Journal: Neurorehabil Neural Repair Year: 2011 Vol.: epub with J MACDONALD
- 7/2011 *Muscle fiber size increases following resistance training in multiple sclerosis*. Journal: Multiple Sclerosis Year: 2010 Vol.: 16 No.: 11 with L MYERS
- 7/2011 *The effectiveness of thoracic manipulation on patients with chronic mechanical neck pain - a randomized controlled trial* Journal: Man Ther Year: 2011 Vol.: 16 No.: 2 with J SMITH
- 7/2011 *Enhanced respiratory muscular function in normal adults after lessons in proprioceptive musculoskeletal education without exercises*. Journal: Chest Year: 1992 Vol.: 102 No.: 2 with N COLEMAN
- 7/2011 *Neuromuscular and biomechanical characteristic changes in high school athletes: a plyometric versus basic resistance program*. Journal: Br J Sports Med Year: 2005 Vol.: 39 No.: 12 with S MAITO
- 7/2011 *Conservative Treatment for Urinary Incontinence in Men After Prostate Surgery* Journal: Health Technology Assessment Year: 2011 Vol.: 15 No.: 24 with R COUFAL
- 7/2011 *Supervised exercise, spinal manipulation, and home exercise for chronic low back pain: a randomized clinical trial* with K CALLES, K DANA
- 7/2011 *Exercise, body composition, and functional ability: a randomized controlled trial* Journal: Am J Prev Med Year: 2010 Vol.: 38 No.: 3 with T HARTENBERGER
- 7/2011 *A controlled randomized study on the effect of long-term physical exercise on the metabolic control in type 2 diabetic patients* Journal: Acta Med Scand Year: 1986 Vol.: 220 No.: 3 with L VIOLANTE
- 7/2011 *Postpartum sexual function of women and the effects of early pelvic floor muscle exercises* Journal: Acta Obstet Gynecol Scand Year: 2010 Vol.: 89 No.: 6 with S RHOADES
- 7/2011 *LEGO therapy and the social use of language programme: an evaluation of two social skills interventions for children with high functioning autism and Asperger* Syndrome Journal: J Autism Dev Disod Year: 2008 Vol.: 38 No.: 10 with A Chavez
- 7/2010 *Effects of the inclusion thoracic mobilization into cranio-cervical flexor exercise in patients with chronic neck pain* J Phys Ther Sci Year: 2010 Vol.: 22 No.: 1 with C MARTINEZ

- 7/2010 *Effect of a home program of hip abductor exercises on knee joint loading, strength, function, and pain in people with knee osteoarthritis: a clinical trial* Phys Ther Year: 2010 Vol.: 90 No.: 6 with M NEAL, A TIXIER
- 7/2010 *Functional electrical stimulation to dorsiflexors and plantar flexors during gait to improve walking in adults with chronic hemiplegia.* Arch Phys Med Rehabil Year: 2010 Vol.: 91 No.: 5 with T BLAIR, M WHEELER
- 7/2010 *Effectiveness of Modified Constraint-Induced Therapy in Children With Unilateral Spastic Cerebral Palsy: A Randomized Controlled Trial* Neurorehabil Neural Repair Online First Year: 2010 Vol.: 10 No.: 1177 with L CARPENTER
- 7/2010 *The effect of a training program combined with augmented afferent feedback from the feet using shoe insoles on gait performance and muscle power in older adults: a randomized controlled trial* Disability Rehabilitation Year: 2010 Vol.**:** 32 No.: 9 with A DENTON, A GALLEGOS
- 7/2010 *Open versus closed kinetic chain exercises for patellar chondromalacia*. Br J Sports Med Year: 2008 Vol.**:** 42 No.**:** 2 with J MINNER, R FLATTLEY
- 7/2010 *Randomized controlled trial of a structured training program in breast cancer patients with tumor-related chronic fatigue* Onkologie Year: 2007 Vol.: 30 No.: 8-9 with EP WINANS
- 7/2010 *Constraint-Induced Therapy Versus Dose-Matched Control Intervention to Improve Motor Ability, Basic/Extended Daily Functions, and Quality of Life in Stroke* Neurorehabil Neural Repair Year: 2009 Vol.: 23 No**.:** 2 with C LE BAUVE, S MARTINEZ
- 7/2010 *A prospective randomized multicenter trial shows improvement of sternum related complications in cardiac surgery with Posthorax support vest* Interact Cardiovasc Thorac Surg Year: 2010 Vol.: 10 No.: 5 with S LE FEBRE-BIEHL
- 5/2010 *Serial casting in the treatment of idiopathic toe-walkers and review of the li*terature Acta Orthop Belg Year: 2006 Vol.: 72 No.: 6 with C EKLUND, J ZERWEKH
- 5/2010 *The Effect of Running Shoes on Lower Extremity Joint Torques* Phys Med Rehabil Clin N Am Year: 2009 Vol.: 1 No.: 10 with M GARCIA, S SEIM, S WILKIE
- 5/2010 *The effect of functional balance training in frail nursing home residents* Archives of Gerontology and Geriatrics Year: 2010 Vol.: 50 No.: 2 with Z CRAIG, L SHULL
- 5/2010 *Neuromuscular electrical stimulation of the gluteus medius improves the gait of children with cerebral palsy* NeuroRehabilitation Year: 2009 Vol.: 24 No.: 3 with M BISHOP, R YANG
- 5/2010 *The effect of serial casting on gait in children with cerebral palsy: preliminary results from a crossover trial* Gait Posture Year: 2007 Vol.: 25 No.: 3 with M BARCOCY, S ROMAN, A KEYSER
- 5/2010 *Effects of an exercise and manual therapy program on physical impairments, function and quality-of-life in people with osteoporotic vertebral fracture: a randomized, single-blind controlled pilot trial* BMC Musculoskelet Disord Year: 2010 Vol.: 11 No.: 36 with S BRISKE, S HEISE, J TORRES-WARDEN
- 5/2010 *Effect of treadmill training and supramalleolar orthosis use on motor skill development in infants with Down syndrome: a randomized clinical trial* Phys Ther Year: 2010 Vol.: 90 No.: 3 with J GALVIN, R HEARTING, R LUNA
- 5/2010 *The Relationship between Physical Condition and Change in Balance Functions on Exercise Intervention and 12-month follow-up in Japanese Community-dwelling Older People:* Archives of Gerontology and Geriatrics Year: 2009 Vol 48 No. 1 with T OSILIO, C MUNOZ
- 5/2010 *Changes in Gait Economy between Full-contact Custom-made Orthoses and Prefabricated Inserts in Patients with Musculoskeletal Pain* Journal: J American Podiatric Medical Association Year: 2008 Vol 98 No. 6, with S BERNARD, J STURDY, J WAGENBACH
- 1/2010 *Parental and environmental factors associated with physical activity among children participating in an active video game* Journal: Pediatr Phys Ther Year: 2009 Vol.: 21 No.: 3 with A FUELL.
- 5/2009 *Effects of the AirLift PTTD brace on foot kinematics in subjects with stage II posterior tibial tendon dysfunction* Journal: J Orthop Sports Phys Ther Year: 2009 Vol.: 39 No.: 3,with B BACON, R CUNNIGHAM, A HEIMERL, S WARDER-GABALDON
- 5/2009 *Community-based group exercise improves balance and reduces falls in at-risk older people: a randomized controlled trial* Journal: Age Ageing Year: 2003 Vol.: 32 No.: 4 with C COLYER, J.GALVAN
- 5/2009 *A randomized study of new sling exercise treatment vs. traditional physiotherapy for patients with chronic whiplash-associated disorders with unsettled compensation claims* Journal: J Rehabil Med Year: 2007 Vol.: 39 No.: 3 with R CULVER, D RODRIQUEZ
- 5/2009 *A randomized, controlled trial of a removable brace versus casting in children with low-risk ankle fractures* Journal: Pediatrics Year: 2007 Vol.: 119 No.: 6 with L GARCIA, J HERRERA, B JARAMILLO

Published abstracts

Leach, S, Doerfler,D, Schiltz, J, Vallejo, R & **Jones, BM,** Single and Dual-Task Analysis in Athletes Participating in the 2019 National Senior Games. APTA Geriatrics Combined Sections Meeting 2022 Platform Abstracts. Journal of Geriatric Physical Therapy: January/March 2022 - Volume 45 - Issue 1 - p E78-E105

Hill EC, Nolte KB, **Jones BM**. Case Report: An Encapsulated Mass of the Gluteal Region Found During Cadaveric Dissection. Poster (r3554) presented before the American Association for Anatomy Annual Meeting at Experimental Biology, Virtual. April 27-30, 2021

Jones, B, Barnes,A and Bishop K. Use of Manual Therapy Preoperative to Lung Transplantation in Patient with Idiopathic Pulmonary Fibrosis: A Case Report. *J Orthop Sports Phys Ther*; 48(1): A67–A202. January 2018.

Jones, B, Kurita, M, Fan, N, Yoshida,Y. A Three-Dimensional Analysis of Ilium Innominate Movements to Evaluate a Clinical Diagnostic Test for Sacroiliac Joint Pain. Gait and Clinical Movement Analysis Meeting. May 2017.

Carey, F, **Jones, B.** Hypertrophy of the Subclavius Muscle Accompanied by Atrophy of the Pectoralis Muscles Post-mastectomy. *Rehabilitation Oncology* 31(1), 2013, p 46

Carey, F, **Jones, B.** Hypertrophy of the Subclavius Muscle Accompanied by Atrophy of the Pectoralis Muscles Post-mastectomy. *The FASEB Journal.* 2012;26:724.2

Jones, B, Carey, F. Soft Tissue Relationships at the Lumbosacral Junction and the Sacroiliac Joint: A Cadaveric Study. *J Orthop Sports Phys Ther* 2012;42(1):A60-A113

Jones, B, Carey, F. Soft Tissue Relationships of the Multifidus Muscle at the Lumbosacral Junction and the Sacroiliac Joint. *The FASEB Journal.* 2011;25:871.5

Seim, S, Carey, F, Andrews, R, **Jones, B**. Force closure of the sacroiliac joint: cadaver study of the extent of gluteus maximus attachment on the sacrum and relative orientation of muscle fibers. *The FASEB Journal.* 2011;25:867.10

Contributed abstracts and/or oral presentations at professional meetings:

2023 Poster presentation (Sports). Walsh, A, **Jones, B**. Groin Pain in an Elite Ultramarathon Runner. CSM, San Diego February 2023.

2021 Poster presentation. **Hill EC**, Nolte KB, **Jones BM**. Case Report: An Encapsulated Mass of the Gluteal Region Found During Cadaveric Dissection. Experimental Biology April 2021.

2020 Education session**. Jones, B**. How can you run a marathon if you have never run a race? Using curricular benchmarks to improve first time pass rates on the NPTE. Using Evidence and Benchmarks in Curricula Planning. Education Leadership Conference, ACAPT/APTA Virtual, October 2020.

2018 Poster Presentation (Orthopedics). **Jones, B,** Barnes, A, Bishop KL. Use of Manual Therapy Preoperative to Lung Transplantation in Patient with Idiopathic Pulmonary Fibrosis: A Case Report. CSM, New Orleans February 2018

2017 Poster presentation. **Jones, B**, Kurita, M, Fan, N, Yoshida,Y. A Three-Dimensional Analysis of Ilium Innominate Movements to Evaluate a Clinical Diagnostic Test for Sacroiliac Joint Pain. Gait and Clinical Movement Analysis Meeting. May 2017.

2013 Platform presentation. Carey, F, **Jones, B.** Hypertrophy of the Subclavius Muscle Accompanied by Atrophy of the Pectoralis Muscles Post-mastectomy. CSM, San Diego January 2013

2012 Poster presentation. Carey, F, **Jones, B.** Hypertrophy of the Subclavius Muscle Accompanied by Atrophy of the Pectoralis Muscles Post-mastectomy. Experimental Biology, San Diego April 2012

2012 Poster presentation: **Jones, B**, Carey, F. Soft Tissue Relationships at the Lumbosacral Junction and the Sacroiliac Joint: A Cadaveric Study. Combined Sections Meeting, APTA Chicago February 2012

2011 Poster presentation: **Jones, B**, Carey, F. Soft Tissue Relationships of the Multifidus Muscle at the Lumbosacral Junction and the Sacroiliac Joint. Experimental Biology, Washington, DC April 2011

2011 Poster presentation: Seim, S, Carey, F, Andrews, R, **Jones, B**. Force closure of the sacroiliac joint: cadaver study of the extent of gluteus maximus attachment on the sacrum and relative orientation of muscle fibers. Experimental Biology, Washington, DC April 2011

2011 Poster presentation: Castellano, J, Heimberger, J, Espey, E & **Jones, B**. Health Care Needs Assessment of Sex Workers: A Multidisciplinary Community-Based Participatory Approach. APTA Combined Sections Meeting, Health Policy and Administration Section, February 2011

1996 Platform presentation: **Jones, B**, Measurement of Pelvic Tilt and It's Relationship to Unilateral Sacroiliac Dysfunction, Combined Sections of the American Physical Therapy Association, Atlanta, GA

1995 Poster presentation: **Jones, B**, Measurement of Pelvic Tilt and It's Relationship to Unilateral Sacroiliac Dysfunction, Florida American Physical Therapy Association biannual conference, Orlando Fl.

RESEARCH:

Research Funding:

CTSC Pilot Study. PI From April 2021 to current
$24,990 funded by Clinical & Translational Science Center at University of New Mexico (UL1TR001449)
Project Title: Development of an Innominate Measurement Tool to Assist Manual Therapists in the Treatment Classification of Sacroiliac Dysfunction.

Scholarship in Education (internal) SEAC grant $7000. A case study of the characteristics for successful first time passing of the national physical therapy examination at the University of New Mexico. 2017-2019.

Educational grant from Anatomy in Clay Learning System for $28,000 of equipment for use in research based use of the material in graduate anatomy. Fall 2014.

Doctor of Physical Therapy Capstone Project mentoring (non-thesis):

- 2017. A Barnes "Use of Manual Therapy Preoperative to Lung Transplantation in Patient with Idiopathic Pulmonary Fibrosis: A Case Report"
    - Abstract Accepted for poster CSM, APTA 2018
- 2016. M Kurita IRB Proposal: March Test Validation Study
    - Abstract Accepted at conference GCMAS May 2017
- 2015. J Stromberg "Endometriotic pelvic pain and dyspareunia: a comparison of physical therapy vs. surgical intervention "
- 2015. A Larragoite "The Use of NMES After TKA"
- 2014. K Cernius "Physical Therapy Screening for Developmental Dysplasia of the Hip"
- 2014. A Wilson "Osteoarthritis of the knee: Does physical therapy intervention alone improve functional outcome scores of the timed up and go more than total knee arthroplasty?"
- 2014. J Loveless "The Use of Motor Imagery in a Stage 4 Hoehn and Yahr Parkinson's Disease Patient"
- 2014. C Trout "Does Mirror Therapy vs Sham Therapy or No additional therapy combined with a traditional neurorehabilitation program improve functional outcomes in adult patients with a CVA?"
- 2013. N Achenbach "Vestibular Stimulation and Motor Function in Children with Developmental Delays"
- 2013. J Seeley "The Effects of Strengthening Programs on Independence on Individuals with Down Syndrome: A Case Report and Evidence Based Analysis"
- 2013. V Frangos "The Effects of Operant Behavior Management Patterns in Individuals Diagnosed with Conversion Disorder"
- 2012. K Calles, K Dana "The Effects of Manual Therapy on the Gait Mechanics of Individuals with Non-Specific Low Back Pain"

Masters of Physical Therapy Capstone Project mentoring (non-thesis):

- 2011. S. Seim "Force Closure of the Sacroiliac Joint: Cadaver Study of the Extent of Gluteus Maximus Attachment on the Sacrum and Relative Orientation of Muscle Fibers"
    - Abstract accepted for Experimental Biology, American Association of Anatomists, Washington DC, April 2011
        - Awarded the Research Award from the PT program
- 2010. S Warder-Gabaldon "Effects of High Quality Patient-Provider Interaction on Patient Care Outcomes"

- 2010. J Castellano “Needs Assessment of Sex Workers in Albuquerque: A Multidisciplinary Community Based Participatory Approach”
    - Abstract accepted for Combined sections, APTA, Feb 2011
- 2010. C Acuna. “Upper Extremity Injuries to Swimmers: A Diagnostic Challenge and the Effectiveness of Sport Specific Functional Training”

Independent study mentoring:

- 2009. J Herrera. “Cadaveric Dissection of Pudendal Nerve”
- 2008. C Martinez. “Anatomical Correlation of the Lateral Planter Nerve and Cuboid: A possible cause of impingement resulting in Weakness of the Abductor Digiti Quinti and Foot Intrinsic Muscles “
    - Accepted for publication but student never revised, Orthopedic Practice

Project proposals mentoring (1995-1997):

- TA Adams, CD McGhee, JW Vander Meer.. “Referral Patterns of Family Practitioners for their Low Back Pain Patients”
- K Moore, A Kugler, S Gungler. “Proprioceptive training with TKA Patients to Improve Functional Outcomes and recovery Rate”
- E Fisher, C Haynie, M Peters. “Investigation of the Relationship between Passive Range of Motion and the Progression of Heterotopic Ossification”
- A Ahrens, B Bayouth, S Senatore. “Interrater and Intrarater reliability of the Functional Knee Evaluation for Rating Knee Function in Adults with Total Knee Replacements”
- E Mele, S Stempel, B White. “Predictors of Academic Achievement in Master Level Physical Therapy Students”
- M Henson, A Deboe, J Provo. “Predicting Academic Success of PT Graduate Students Based on Prerequisite GPA Factors; full time vs part-time students and university vs community college settings”
- S Bonani, J O’Brien, W Wright. “Intertester and Intratester Reliability in Assessing the Static Glide Position of the Patella on the Femur by Graduates From the Same Physical Therapy School”
- L Belville, K Brown, F Wolff. “The Effects of Pre-Natal Pelvic Floor exercise on Urinary Incontinence During Pregnancy and Puerperium”
- C Carter, D Davis, S Vighetti .“Long Term effects of a Proprioception Program Following Grade II Inversion Ankle Sprains and Its Relationship to Recurrent Sprains”
- A Takeuchi, M Travelstead, H Wutscher. “Return to Activity Post-ACL Reconstruction Criteria: A Comparison of Functional Testing vs Isokinetics”
- I Dietrich, A Weiss, M Havice.”The Effects of McConnell Taping vs Placebo Taping in Patellofemoral Dysfunctional Patients”
- D Best, M Eddy, J Escobedo.“The Effects of Plyometric Training on Functional and Isokinetic Testing Variables”
- B Gillanders, R Light, K Pierce “Interrater Reliability of the Futrex 5000”
- A Abbott, A Heilein, R King, K Miller “An Investigation of the Correlation Between Personality Types and Clinical Performance in Physical Therapy Students”
- S Foley, M McLeod “Effects of Exercise and Education Relative to Bone Mineral Density in Postmenopausal Females”
- L Chase Beasley, L McKenzie, A Blackwood “Effect of Instruction on Intertester and Intratester Reliability in Measurements of Lumbar Flexion Using a Mechanical Inclinometer”
- R Ritsch, J Alexander, M Macko “Interexaminer Reliability in Evaluating Passive Intervertebral Motion of the Lumbar Spine by Certified Manual Physical Therapists”
- T Schwartz, K Bruilly, W Peyton “The Study of the Intratester Reliability in Measurement of the Short Head of the Biceps Brachii Muscle Length”
- K Addona, R Lauder, J White “Obstetrics/Gynecology Utilization of Physical Therapy for their Pregnant/Postpartum Patients”
- S Thomas-Solt, C Carlson, J Connelly “The Relationship of Hip Strength in the Coronal Planes to Tinetti Scores in the Geriatric Population”
- G Edelman, D Peterson, L Stern “The Validity and Reliability of a Dynamic Stance Test for Functional Performance”
- C Cribbs, J Gorman, T Keenoy “The Effects of McConnell Methods for Scapula Taping on the Painful Shoulder During Freestyle Swimming”
- L Bates, P Brosky, S Elam “Investigation of the Relationship Between Static Scapular Position and Supraspinatus Tendonitis”
- M Moore, J Gentile, M Reddell “The Effect of Weight Bearing and Non-weight Bearing Closed Kinetic Chain Exercises on Functional Ability”
- “The Effects of Verbal Motivation on Isokinetic Endurance Testing Results of Knee Extensors and Flexors” G Boyazis, T Stockwell, D Wallis
- R Ames, B Huber, B Roney “An Investigation of the Effects of Cryotherapy on Static Ankle Balance and Stability”
- J Cooper, D Kauffman, C Wong “Comparison of L4-5 Intervertebral Disc Pressure During Upright and Recumbent Stationary Cycling in An Asymptomatic Population”
- L Brown, S Hassibi, P Mollo, M Wochna

- "Electromyographical Analysis of the erector Spinae Muscle Group and the Gluteus Maximus during Two One Legged Stance Lifts"
- S Brocklebank, N Hartley, J Bennett "The Effect of Closed Kinetic Chain Exercises in Restoring Dynamic Patella Alignment in Patients with the Diagnosis of Acute Dislocation of the Patella: A Kinematic MRI Study"
- M Palmer, M Simmons, J Taylor "The Effects of Preoperative Ultrasound on Autogenic Patellar Tendon Grafts"
- R Chatoff, C Cox, C Rettos "Comparison of Male & Female Physical Therapists with and without Lab Coats & the Perceived Quality of Care They Administer"
- L Fortune, K McKenzie, D Rosenbaum "Effect of the Aircast Tennis elbow Band on Wrist Extension and Grip Strength in subjects with Lateral Epicondylitis"

Classroom, laboratory teaching:

University of New Mexico

2009-present (fall & spring semesters) (18 weeks). First year DPT curriculum (30-34 students)

PT 521L & PT 522L HUMAN ANATOMY*, Curriculum design and course instructor*. Graduate level courses involving dissection and study of the human body covering all systems and regions. Integrated with new DPT curriculum allowing dissection followed by evaluation of the same topic region in the orthopaedics class. Highlighting: the nervous system, osteology, the vascular system and the muscular system. Basic histology and embryology included throughout course. Electronic testing for all written components of the class. Audience Response System (ARS) incorporated into this class.

2009-present (fall) (8 weeks) First year DPT curriculum (30-34 students)

PT 505 FOUNDATIONS 1 *team instructor*. Lectures: topics of evidence based practice, differential diagnosis, systems review, embryology, histology and specificity and sensitivity of diagnostic tests.

2015-present (4-5 times per year) (1 hour) Phase 2 School of Medicine, Primary Care block (16 students)

The Reality of Low Back Pain; How to categorize and manage it effectively. Medical school students curriculum.

2012-present PT692 Board Prep (spring) Third year DPT Curriculum (24-34 students)

PT 692 BOARD PREP *Curriculum design and course instructor*. The purposes of this course is to prepare the students for successful completion of the NPTE (National Physical Therapy Exam). Prerequisites include passing Step 1 and Step 2 examinations given after the completion of the first year of didactic and second year didactic classes within the curriculum.

2011-2018 (fall semester) (8 weeks). Third year DPT curriculum (30-34 students)

PT 680 ADVANCED ORTHOPAEDICS, *Curriculum design and course instructor.*
This course looks at advanced spine evaluation and treatment with emphasis on diagnosis, muscle energy and thrust techniques as well as exercise techniques as it relates to the spine. Introduction to Functional Dry Needling with labs. There is a mock clinic using real volunteer patients that allow the students to participate in real life problem solving and diagnosis.

2009-2015 (fall & spring) (16 weeks) First year DPT curriculum (30-34 students)

PT 534 EVIDENCE BASED PRACTICE 1, *Curriculum design and course instructor*. Survey course on evidence based medicine. Emphasis is on understanding the wording of clinical questions, how to perform a detailed search and then careful analysis of the research article. Includes research methods, research design, validity, reliability and basic statistics. Electronic testing component

2011- 2015 (summer semester) (8 weeks). Second year DPT curriculum (30-34 students)

PT 631 EVIDENCE BASED PRACTICE 2, *Curriculum design and course instructor.* Graduate level class on research design, analysis and statistics such as sensitivity, specificity, likelihood ratios, relative and

absolute risk reduction and number needed to treat. This course will teach the student how to write a published Hooked on Evidence review and is closely associated with requirements for PT691 - the capstone project. TBL format used in this class.

2005-2014 (summer/fall) Phase 1 SOM curriculum, (10 weeks) (120-135 students)

CLNS 511 HUMAN STRUCTURE FUNCTION AND DEVELOPMENT, *member of block committee and assistant to the block chair.* Lectures, laboratories, team based faculty facilitator in gross anatomy instruction in the classroom and in the lab. Assisted in course development. Primary lecturer on the "Musculoskeletal system and vertebral column" unit and the "Head and Neck" unit. Assisted in all weekly student curriculum/objective formal reviews and TBL sessions.

2010 (summer) (8 weeks) DPT completion (80 students)

PT 650 ADVANCED DIFFERENTIAL DIAGNOSIS, *Course coordinator and course instructor.* The instructional focus of this course is on developing advanced clinical reasoning skills related to determining a client's appropriateness for physical therapy. The course builds on concepts of evidence-based clinical practice as they are used to identify conditions that might mimic neuromuscular or musculoskeletal dysfunction. On-line, lecture and lab.

2007-2010 (spring) Second year MPT curriculum (24 students)

PT 631 RESEARCH & EVIDENCE BASED PRACTICE II, *Curriculum design and course instructor*. Survey course on research design and the statistics used in studies. This course teaches how to critically appraise research, how to find answers to specific foreground questions, how to interpret statistical data such as t-tests, ANOVA and how to calculate epidemiology statistics such as sensitivity, specificity, likelihood ratios, relative and absolute risk reduction and number needed to treat. Students complete the class with a publishable Hooked on Evidence article. Electronic testing component.

2005-2008 (fall) First year MPT curriculum (24 students)

PT 541 SURVEY OF MEDICAL SCIENCES, *Curriculum design and course instructor*. System of reviewing for systemic disease and addressing the implications of disease to physical therapy practice. Pathophysiology, normal physiology, tests and lab values are a part of this differential diagnosis course. Emphasis is placed on pathologies that mimic neuro-musculoskeletal disorders within the broad systems related to: cardiovascular, pulmonary, gastrointestinal, renal, urologic, biliary, oncologic, immunologic, hematologic and hepatic. Electronic testing component.

2003-2010 (fall) Third year MPT curriculum (24 Students)

PT 695 ADVANCED SPINAL MANUAL THERAPY, *Curriculum design and course instructor*. Graduate level course in lumbosacral, thoracic, and cervical evaluation and treatment. Concentration on manual therapy skills including problem solving for a physical therapy diagnosis, mobilization and manipulation techniques, muscle energy techniques, muscle imbalances and appropriate therapeutic exercise prescription.

2003-2008 (summer). First year MPT curriculum (MOT for 2003-2004) (48 students)

PT/OT 521L HUMAN ANATOMY, *Curriculum design and course instructor*. Graduate level course involving dissection and study of the human body covering all systems and regions over a ten-week period. Independently designed and created PowerPoint lectures highlighting the nervous system, osteology, the vascular system and the muscular system. Basic histology and embryology included throughout course.

2004 (fall) First year MPT curriculum (24 students)

PT 501 MYOFASCIAL SKILLS**,** *Course Instructor*.

Graduate level course in soft tissue manipulation, neural mobilization and movement disorders related to soft tissue length issues. Lecture and lab course to first year physical therapy students.

AT Still University:

2005-2008 (winter) Transitional DPT curriculum (60 students)

PT 826 SPINAL MANUAL THERAPY, *Curriculum web-based course design and course instructor*. Web based graduate course in DPT program that looks at the theory and application of evaluation and treatment techniques to spinal conditions. An osteopathic approach to spinal conditions including evaluation skills, treatment techniques, spinal stabilization and differential diagnosis of the spine.

2004-2007 multiple offerings (8) Transitional DPT curriculum (60 students)

PT 812 EVIDENCE BASED PRACTICE 2, *Course instructor and web designer*. Web based graduate level course in DPT program that looks at outcome measures relating to functional disability, general health status, and patient/client satisfaction used to assess and guide rehabilitation management. Application of outcome data to clinical and management decisions. Review of statistics including number needed to treat.

University of Hawaii

1999-2002

SOM; First and Second year medical school curriculum, assistant in laboratories and pro-section preparations:

Biomed 571 Clinical Anatomy and the Physical Examination
ANAT 512 Human Anatomy of the Thorax, Back and Upper Extremity
ANAT 513 Human Anatomy of the Abdomen and Lower Extremity
ANAT 514 Human Anatomy of the Head and Neck

Masters in Athletic training curriculum, developed curriculum and sole instructor:

ANAT 602 Clinical Anatomy of the Head & Neck
ANAT 603 Clinical Anatomy of the Lower Extremity & Abdomen
ANAT 604 Clinical Anatomy of the Upper Extremity & Thorax

Continuing medical education, developed curriculum and sole instructor:

PO 3906 Anatomy of the Upper Extremity Dissection
PO 2718 Human Gross Anatomy

University of St. Augustine

1994-1997

Masters in physical therapy curriculum, developed curriculum and primary and sole instructor:

PHT 5803 Practicum I – Communications and Documentation
PHT 5804 Clinical Practicum II – Mock Clinic
PHT 5905 Scientific Inquiry/ Proposal Development

Continuing Medical Education Teaching:

- **Manipulation: An Evidence Based Approach. A Clinical Instructor and Faculty Workshop.** Teaching assistant for course teaching spinal manipulation. 14.5 hours January 2008.

- **Thoracic Spine & Ribcage Musculoskeletal Pain** Teaching assistant to Tim Flynn for 8 contact hours of manual therapy to the thoracic spine. Fall 2005.

Invited Speaker:

- **Panelist,** Education Day, University of New Mexico, January 2021. "Teaching Psychomotor Skills in a Pandemic".

- **How Can You Run a Marathon If You Have Never Run a Race? Enhancing student resilience and success in physical therapy education**. Educational Leadership Conference, On-line, October 2020.

- **Pelvic Anatomy from Inlet to Outlet: A Three-Dimensional Kinesthetic Learning Method**. Combined Sections Meeting, Denver Colorado, February 2020.

- **Keynote Speaker, 2019, Anatomical Memorial Service,** University of New Mexico School of Medicine.

- **Anatomy from the Inside Out: A Three-Dimensional Kinesthetic Learning Method.** Combined Sections Meeting, APTA, Washington DC, February 2019.

- **The Stable Base; a presentation related to the anatomical and biomechanics of the upper quarter.** New Mexico America Physical Therapy Association, September 2017

- **The Reality of Low Back Pain; How to categorize and manage it effectively.** Primary Care Conference Opening Presenter, November 2016.

- **Anatomy of the Upper Extremity Nervous System.** Invited speaker to Occupational Therapy Students, every April from 2015-present

- Accepted pre-conference two-day course (did not make enrollment): **Virtual 3-D Cadaver Lab and Clinical Management of the Upper Extremity: Structure, Movement, Function and Dysfunction**. CSM Las Vegas February 2014.

- **Hypertrophy of the Subclavius Muscle Accompanied by Atrophy of the Pectoralis Muscles Post-mastectomy**. Platform presentation with Fred Carey, CSM, San Diego January 2013.

- **Anatomy Kinesiology of the Upper extremity and cervical spine.** Invited speaker and course director to medical professionals (PT, MD, OT) on the anatomy of the lower extremity. Lecture/Lab 7 CEUs. Albuquerque, NM March 8, 2012.

- **Gross Anatomy and Kinesiology of the Lower extremity laboratory course** Invited speaker and course director to medical professionals (PT, MD, OT) on the anatomy of the upper extremity and cervical spine. Lecture/lab 7 CEUs. Albuquerque, NM November 18, 2011.

- **Low Back Pain Rehabilitation Techniques – A 2011 Update** invited speaker for the Primary Care Orthopaedic & Sports Medicine Update 2011, Albuquerque, NM. Lecture/lab class 1.75 CEU's. Offered in two back to back workshops. November, 2011.

- **Gross Anatomy Review - The Core and Foot & Ankle** Invited to speak and conduct an anatomy lab to clinicians at University of New Mexico on two separate topics - the trunk core and foot and ankle. 2 hours of lecture were followed by 2 hours of lab. Albuquerque, NM. January 2006.

- **Lumbosacral Evaluation - An Osteopathic Approach** Invited presenter to the New Mexico American Physical Therapy Association Spring Conference. Twelve contact hours of lecture and lab instruction on the spine. Albuquerque, NM. April 2005.

- **DPT - Is it for You?** Invited speaker at the New Mexico American Physical Therapy Association. Talk on the benefits and strategies for progressing to the DPT. Albuquerque, NM. October 2004.

- **Evaluation & Assessment of the Lumbosacral Region**. Invited lecture to the Advanced Orthopedic Evaluation class at the University of New Mexico. Lecture and lab given to physical therapy graduate students. Albuquerque, NM. October 2002.

- **Evaluation & Assessment of the Lumbosacral Region**. Invited lecture to KLS 616 Advanced Orthopedic Evaluation, University of Hawaii. Lecture and lab given to sports medicine graduate students annually from 2000 – 2002. Honolulu, HI.

- **Anatomy of the Voice**. Lecture and lab given to high school, School of the Arts students at Mid-Pacific Institute, Honolulu, HI (lab given at the gross lab at UH). Spring 2002.

- **Anatomy of the Shoulder**. Lecture given to Hawaii Medical Association Sports Medicine Group. Honolulu, HI. Fall 2001.

- **Neuroanatomy Demonstration** to graduate Zoology students. Lab demonstration of the brain, spinal cord and peripheral nerves. Honolulu, HI. Fall 2001.

- **Musculoskeletal Human Anatomy for Physical Therapists Assistants**. Workshop given in gross lab for PTA students two times per year from 2000-2002.

- **Musculoskeletal Human anatomy for Massage Therapists**. Workshop given in gross lab for massage therapy students given 3 times a year from 1999-2002.

- **Anatomy for Science Teachers.** Workshops for science teachers to introduce them to human gross anatomy. Yearly 1999 – 2001.

- **Clinical Education Workshop Series**, Baptist Medical Center, Jacksonville, FL Six lectures ranging from Clinical Instructors behaviors, non-verbal and verbal communication, adult learning, planning the learning experience, evaluation, documentation, personality clashes and counseling for change. January – June 1998.

- **Functional Capacity Assessment and Work Hardening**. Guest lecture for Therapeutic Exercise course at University of St Augustine. Lecture given three times from 1995-1997.

- **Clinical Instructors Certification Workshop**, Orlando Florida. Team-taught the one-day certification course covering the lectures on documentation, time management, non-verbal communication and legal issues in documentation. Florida Consortium of Clinical Educators. November 1995 and 1996.

Curriculum Development/educational administrative positions:

- **Division Chief,** UNM 2018- present. Responsibilities as Chief include managing all administrative aspects of the program such as budgeting and implementation of program policies and procedures,

and providing vision and leadership to faculty, staff and students. Highlighted accomplishments in 2018-2019 include: APTA-mentorship matching program aligning 2nd year students with professionals from the APTA; established a Student Success Committee meeting bi-monthly to address student needs as they arise; Established the Academic Progress Committee to better track students through the curriculum; updated faculty performance reviews and improved alignment towards promotion.

- **Education Program Director**, UNM 2014-2018. Administrate and oversee the three-year curriculum process for the DPT at the University of New Mexico from matriculation to convocation (approximately 90 students). This involves: verifying Banner and registration, creation of schedules for all cohorts and classes as well as instructors, end of the year review of outcomes, overseeing and advising students for the Practice Exam and Assessment Tool (PEAT), Board prep classes, annual curricular review, administration of Opinion outcome surveys (at exit, 1 year and 3 year post graduation), Opinion outcome surveys of employers of our graduates, assistance with accreditation needs, backing up the Division Chief as needed at meetings and handling issues as they arise when the Chief is out of town. Re-organized and maintained a new Policy and Procedure manual in 2015. Updated drafts each year.

- **Director of Admissions**, UNM, 2015-2018. Re-organized and revamped the UNM PTCAS page. Created a system of scoring that is consistent from year to year. Changed the interview process to a more conversational approach with a new qualitative scoring rubric. Reorganized the interview process to include a faculty panel with clinicians and a student panel interview. Added a more organized experience for the candidate that includes a detailed tour, as well as a "Chat with the Chief" and "Chat with the Admissions Director". Overseeing selection of candidates from advisement to offer including organizing interview offers and formal acceptance offers. Outreach and recruitment throughout the state. Educated staff to assist in this outreach and ability to answer questions we receive. Update all printed and electronic content for consistent and accuracy to provide a uniform face for all outside the program. Updated and simplified our brochure for advisement and outreach. Revised the advisement PowerPoint to include a step by step application process for PTCAS.

- **Chair**, **Step exams for competence in the DPT,** 2013-2019. An innovative comprehensive board type exam given at the end of years 1 and 2 in order to increase board exam passing rates. This exam was my suggestion to the faculty and was implemented after my leadership and presentation in August 2013. Adjustments were made each year based on psychometric data.

- **Curriculum Committee,** UNM SOM 2014 – 2015. Member at large of the curriculum committee for the School of Medicine.

- **Memorial Committee** 2012 – 2016. Created and funded a memorial garden for donors of the willed body program at UNM. Phase 1 of the construction is completed.

- **Committee Chair, DCE search committee,** fall 2013. Designed and implemented the search matrix, selection criteria for the director of clinical education. Led to successful hire of the DCE proposed for January 2014.

- **Chair of the Convocation committee**. 2012-2019. Created the template for our doctoral convocation. Each year I oversee the organization of convocation. Involves a committee of students, and administration personnel. I serve as the masters of ceremony at the convocation to assure a smooth ceremony.

- **Committee Chair DPT Completion Graduation**. Created, organized and ran convocation for DPT completion track and first DPT degree candidates. 2010-2011.

- **Curriculum design with active learning**, ongoing. I have implemented a team-based learning component to my evidence based physical therapy 2 class. This involved re-organizing the curriculum to include one meeting with a brief lecture and then one day a week for small group (team) learning. Each group team day consisted of 5-10 multiple choice-based questions based on the week's objectives and then a group assignment such as completion of a worksheet, analysis of an article or completion and interpretation of epidemiology statistics. This was the first time this type of curriculum had been offered in our Division at UNM. Other areas of active learning curricular development include the use of iclickers and team teaching in anatomy. We offer a review from the previous lecture every morning at the start of class and then offer a longer review with iclickers the period before each unit exam. This concept has led to higher scoring exams and better student success in the class.

- **Committee Chair, DPT Completion Curriculum, 2009-2011**. Organization and implementation of the DPT completion curriculum for the classes of 2009-2011. A total of 48 students completed this curriculum. The Physical Therapy Program had recently transitioned to a Clinical Doctorate Degree (DPT) from a Master's Degree. This was a National trend which created a key issue of how to transition those students who were in process in the Master's degree to the Doctoral Degree. Our Master's degree was 104 credits and the Doctoral was 120 credits. Therefore, we needed to create a unique DPT Completion Track for those classes in process. This track consisted of nine new courses with content adjustable to match the curriculum that each class was progressing through. Required organization, scheduling and tracking of the curriculum needs of the individual classes and then matching those with the new curriculum. In addition to the administrative work, I developed the differential diagnosis class for all three classes and organized the faculty teaching schedules.

- **Committee co-chair, Formative and Summative Evaluation Redesign, 2008-2009**. This committee worked on researching and implementing the most appropriate pedagogical method of summative and formative evaluations. We then worked on creating an on-line template and excel reporting system that is uploaded to each class in the program. The new evaluations are the current programmatic evaluations used. I continue to monitor and help faculty with this process.

- **Committee Chair, Faculty Practice, 2007-2010**. Began meetings to work on establishing a faculty practice here at UNM. This task is now being chaired by our Division Chief. The work I completed including fact finding to other programs, meetings with UNM officials for setting a program, a creation of a business plan.

SERVICE:

Local, State, Regional and national committees

- **American Council of Academic Physical Therapy**, Secretary. Elected to this National position in 2023. 2023-2025. This is a national board with all programs across the country participating as member institutions. WE lead the profession related to physical therapy education.

- **American Council of Academic Physical Therapy**, Board member. Elected to this National position in 2022. 2022-2023. This is a national board with all programs across the country participating as member institutions. WE lead the profession related to physical therapy education.

- **La Tierra Sagrada Board member**. The La Tierra Sagrada Society is dedicated to serving the present and shaping the future of health care by providing need-based scholarships to students in the UNM School of Medicine.2018-present

- **PTCAS Workgroup. American Physical Therapy Association.** Advising workgroup on the national common application for physical therapy. 2018-2021.

- **CSM Steering Committee. American Physical Therapy Association.** Appointed national position advising and directing the largest conference of physical therapist. 2018-2019.

- **Education Committee, Academy of Physical Therapy Education Anatomy Educators Special Interest Group, 2018 – 2023.** Worked on programming for CSM for the Anatomy educator's special interest group.

- **Vice President Academy of Physical Therapy Education Anatomy Educators Special Interest Group, 2017-2018.** Founding vice president. Helped establish this new special interest group.

- **Academic Advisor for the Pre-Physical Therapy Society. University of New Mexico.** Assist in advising and supervising an undergraduate group of students interested in Physical Therapy. March 2016 initial meeting. Group meets once a month during the semester. 2016-2018

- **Education Committee Chair,** board appointed position. **Orthopaedic Section of the American Physical Therapy Association**, 2007-2013. Organizing and implementing the first Orthopedic Section Meeting held in May 2013. Duties include organizing, selecting the program and running the largest specialty section of our national organization's yearly conference, Combined Sections Meeting (CSM). Requires monthly telephonic board meetings and attendance at two - three face to face board meetings throughout the year. In part responsible for increasing the attendance of this meeting by over 200% in the 6 years associated with the running of this meeting.

- **Section Program Committee**, member. **American Physical Therapy Association**, 2007- 2013. Coordination of national conference held annually in a combined effort by the other 17 sections of the APTA. Requires meeting two times through the year and numerous times on line.

- **Education Committee Vice Chair**, Orthopaedic Section of the American Physical Therapy Association, 2004-2006. Assisted in the selection of programming and in moderating programs at three Combined Sections Meetings of the APTA.

- **DPT Convocation Committee, Chair 2010 – 2019** Created and implemented the ceremony. Organized committee members to execute convocation. Work with student and staff members.

- **DPT Completion Committee, Chair 2009-2011** Involved organizing the curriculum, surveying students, creating a schedule, registration, overseeing Imaging class, Advanced Differential and Capstone classes and teaching a portion of the classes. Successfully transitioned 3 classes from MS to DPT over a three year period. Chaired the committee and was MC for first convocation of the DPT at UNM July 2010.

- **Advisory Board, Carrington College Physical Therapist Assistant Program. Albuquerque, NM,** 2010- 2013. Quarterly meetings and as needed to offer advice and guidance to a newly created PTA program.

- **American Board of Specialty Council, item writer** for orthopedics. 2003-2005

- **Education Chair, New Mexico American Physical Therapy Association**, board member. 2003-2005. In charge of bi-annual conference. Secured speakers, marketing, promotion and running of the conference. Voting member of the board. Organized and developed brochure and program for NMAPTA spring conference 2005 and fall conference 2006.

- **Nominating Committee**, Florida American Physical therapy Association, 1998-1999

- **Florida Consortium of Clinical Educators**, founding member and officer. Meet biannually to organize clinical education, teach and certify clinical educators in the state of Florida 1995-1997.

MEETING SESSIONS CHAIRED

- Combined sections meeting, Orthopedics section, San Diego, January 21-24 2013
- Combined sections meeting, Orthopedics section, Chicago, IL February 8-11 2012
- Combined sections meeting, Orthopedics section, New Orleans, LA February 9-12, 2011
- Combined sections meeting, Orthopedics section, San Diego, CA February 18-20, 2010
- Combined sections meeting, Orthopedics section, Las Vegas, NV February 9-12, 2009
- Combined sections meeting, Orthopedics section, Nashville, TN February 6-9, 2008

Ad-hoc reviewer:

ASE-17-0194 Prosection or Dissection: Which is Best for Teaching the Anatomy of the Hand and Foot? Anatomical Science Education review November 2017.

ASE-15-0127 Obad, A et.al. Assessment of First Year Medical Student' Perception of Teaching and Learning Functional Anatomy through Team-Based Learning (TBL) Sessions. Anatomical Science Education review August, 2015.

15-362. Faculty and Student Perceptions of a Physical Therapy Professional Behavior Mentoring Program. Internet Journal of Allied Health Sciences and Practice. April 2015.

ASE-14-0057 Schwarts, Evans and Agur. Comparison of physical therapy anatomy grades and anxiety scores in timed and untimed tests. Anatomical Science Education Review Fall 2014

JOSPT reviewer of manuscript 03-13-4870-RR, Criterion validity of manual assessment of spinal mobility. Spring 2014

JOSPT reviewer of manuscript 07-13-5026-cr, Use of Thoracic Spine Thrust Manipulation for Neck Pain and Headache in a Patient Following Multiple-level Anterior Cervical Discectomy and Fusion: A case Report Fall 2013

Essentials of Rehabilitation Research and Statistics, Richard DiFabio, Phd, PT University of Minnesota, FADavis 2013.

Editorial Review Board for: Drake, RL, Vogl AW and Mitchell AWM, *Gray's Basic Anatomy,* Elsevier, Philadelphia 2012

Youdas, J et.al. "Use of Individual Feedback during Human Gross Anatomy for Enhancing Professional Behaviors in Doctor of Physical Therapy Students ". Anatomical Sciences Education August 2012.

Maza, P & Dotger, S. "Comparison of Gross Anatomy Test Scores Using Traditional Specimens vs. QuickTime Virtual Reality Animated Specimens". Anatomical Sciences Education, March 2011

Sarno, A &; Gabriel, S; "A new approach to an old technique: The use of acrylic paints in cadaveric prosections for anatomical education". Anatomical Sciences Education, June 2010

Youdas, J. "Use of an Audience Response System (ARS) during Peer Teaching Among Physical Therapy Students in Human Gross Anatomy: Perceptions of Peer Teachers and Students". Anatomical Sciences Education June 2009.

Management of Common Musculoskeletal Disorders 4th edition D. Hertling & R. Kessler, Chapter 7 "Myofascial Consideration and Evaluation in Somatic Dysfunction". Created published powerpoint for teaching web site. 2007

University, SOM, HSC administrative duties:

- 2019- 2020, Plagiarism Review, School of Medicine. Interprofessional look at honor code and plagiarism as it relates to the health professionals. Working on streamlining honor code and policy throughout the Health Sciences Center. A community-based taskforce looking at academic honesty within the campus.
- 2019-2020, Simulated Professionals Oversight Committee (SPOC), member. Meets monthly to review policy and advance curriculum involving clinical simulations within the school of medicine.
- 2014 – 2017 Elected to the School of Medicine Curriculum Committee. Monthly meetings to discuss school of medicine curricular issues.
- 2013 – 2016; Member of Donor Memorial Garden Project for the School of Medicine. Group of 8 members from UNM, SOM and HSC involved in the creation and implementation of a $500,000 donor garden to memorialize our donors to our anatomy department yearly. This project started from a plot of land is now in the final stages of production design. It will be constructed in two phases in FY '15 and '16.
- 2010 DPT completion track summer session coordinator. Organized and assisted the faculty with implementation of the new completion degree. 36 students enrolled. Coordinated administrative and teaching aspects.
- 2010 assisted in the administration of weekend class for PT 620 Imaging needed for the DPT completion degree. Processed and administered the post exam.
- 2009-2011 Induction Ceremony, chair. Created, organized and implemented our first Induction ceremony for our physical therapy classes of 2012 - 2014. Worked closely with other faculty to incorporate the code of ethics into our "white-coat" ceremony.
- 2009– 2011. DPT Completion Committee, chair. Created, organized the new DPT completion degree including creating a schedule, assigning instructors and administering the application and matriculation process.

- 2008-2014 – Admission committee, member. Read and scored biographical submissions for the applications to the physical therapy program.
- 2007-2011 Faculty Practice Committee Chair. Drafted a business proposal for a Physical Therapy faculty Practice at University of New Mexico.

Mentoring of other faculty in clinical or other service skills:

- 2019 – present, Eric Kruger, PT, DPT Assistant Professor, Division of Physical Therapy, UNM
- 2018 – present, Adam Walsh, PT, DPT Assistant Professor, Division of Physical Therapy, UNM
- 2017 – present, Rose Vallejo, PT, DPT Assistant Professor. Division of Physical Therapy, UNM.
- 2017 – present. Julia Jordan, PT. Adjunct teaching assistant for PT521 and PT522.
- 2016 – present, Ethan Hill. Anthropology PhD candidate. Helping Ethan work towards his goal of teaching Gross anatomy one day. He was a student and then is now a teaching assistant in my anatomy classes.
- 2015 - present, Lea Craver, PT, DPT Adjunct teaching assistant for the Advanced Orthopedics class.
- 2013 - present, Marybeth Barkocy, PT, DPT Assistant Professor. Division of Physical Therapy, UNM.
- 2013-2014 Eric Johnson, PhD. Anatomy. Eric wanted to shift from research to teaching and was mentored through the anatomy labs in HSF&D and PT anatomy. He recently successfully was appointment to a teaching faculty position in another state.
- 2010 – 2011 Jimmy Minner, clinical instructor. Attended Sports Clinical Residency Fall 2011. Clinical Instructor with first student summer 2011. He is currently a teaching assistant in PT 507 and 508 at UNM.
- 2004 – present, Lea Craver, clinical instructor.. Mastering of manual physical therapy skills and evaluation. Promoted to clinic director. Began mentoring students from UNM PT program under my direction.

Clinical Service:

Present patient care activities:

LANGFORD SPORTS & PHYSICAL THERAPY *Senior Physical Therapist, December 2002–2022*
Senior therapist at Langford Sports and Physical Therapy. Responsible for patient care in an outpatient orthopedic clinic. Treatment rendered to multiple types of patient populations ranging from lumbosacral and spinal problems to extremity injuries. Mentor to four junior clinicians. Currently released for 15% patient care.

Past patient care:

UNIVERSITY OF HAWAII, HEALTH SERVICES *Rehab Director, August 2000 – May 2002*
Responsible for all patient care in a university-based outpatient orthopedic clinic. Specialized in management of biomechanical lumbosacral dysfunctions and sports injuries of university athletes. Treated members of the USA Olympic Softball team 2000. Clinical instructor for medical students on Sports Medicine rotations. Clinical instruction to graduate athletic training students.

REHAB MEDICAL CLINIC OF ORANGE PARK *Rehab Director, 1998 (company was sold and closed)*
Assisted in startup of small independently owned rehabilitation agency. Responsible for selection of equipment, writing policies and procedure manuals, preparing for successful CORF accreditation, and all patient care within a developing market.

BAPTIST/ ST VINCENT'S MEDICAL CENTER *Center Coordinator of Clinical Education/ Physical Therapist, 1997 - 1998*
Coordinated the clinical education program for internships in Physical Therapy, Occupational Therapy, and Speech Therapy in a large multi-site private hospital. Staff therapist in orthopedics including a rotation in hand therapy. Coordinated and instructed a Clinical Instructors workshop.

COMPREHENSIVE PHYSICAL THERAPY *Owner/ Director, 1986 - 1989*
Developed, established and managed a private practice. Annual revenues +250K. Wrote all policies and procedures. Opened a new market of work hardening and functional capacity evaluation in Northeast Florida. Negotiated contracts with Duval County School District, St. Luke's Hospital and Mayo Clinic. Responsible for all administration, payroll, accounts receivable and marketing. Supervised staff of four.

PAIN MANAGEMENT CENTER *Director of Physical Therapy, 1985 - 1986*
Established and maintained all physical therapy services. Selected equipment, set-up billing charges and developed all existing physical therapy programs. Underwent preparations for CORF accreditation process involving the writing of departmental policies, procedures and job descriptions. Lectures on current concepts of physical therapy in the pain management setting.

HOLBERT PHYSICAL THERAPY *Clinical Coordinator, 1983 - 1985*
Supervised and coordinated clinical personnel and all patient care. Responsible for reconciliation of patient charges. Participated in interviewing and recruiting of new employees. Regulated and assisted in correspondence with referring physicians. Managed patient scheduling.

DUKE UNIVERSITY MEDICAL CENTER *Physical Therapist, 1982 - 1983*
Staffed the monthly Pediatric Pulmonary Clinic. Instructed nursing students. Coordinated and instructed a group exercise program.

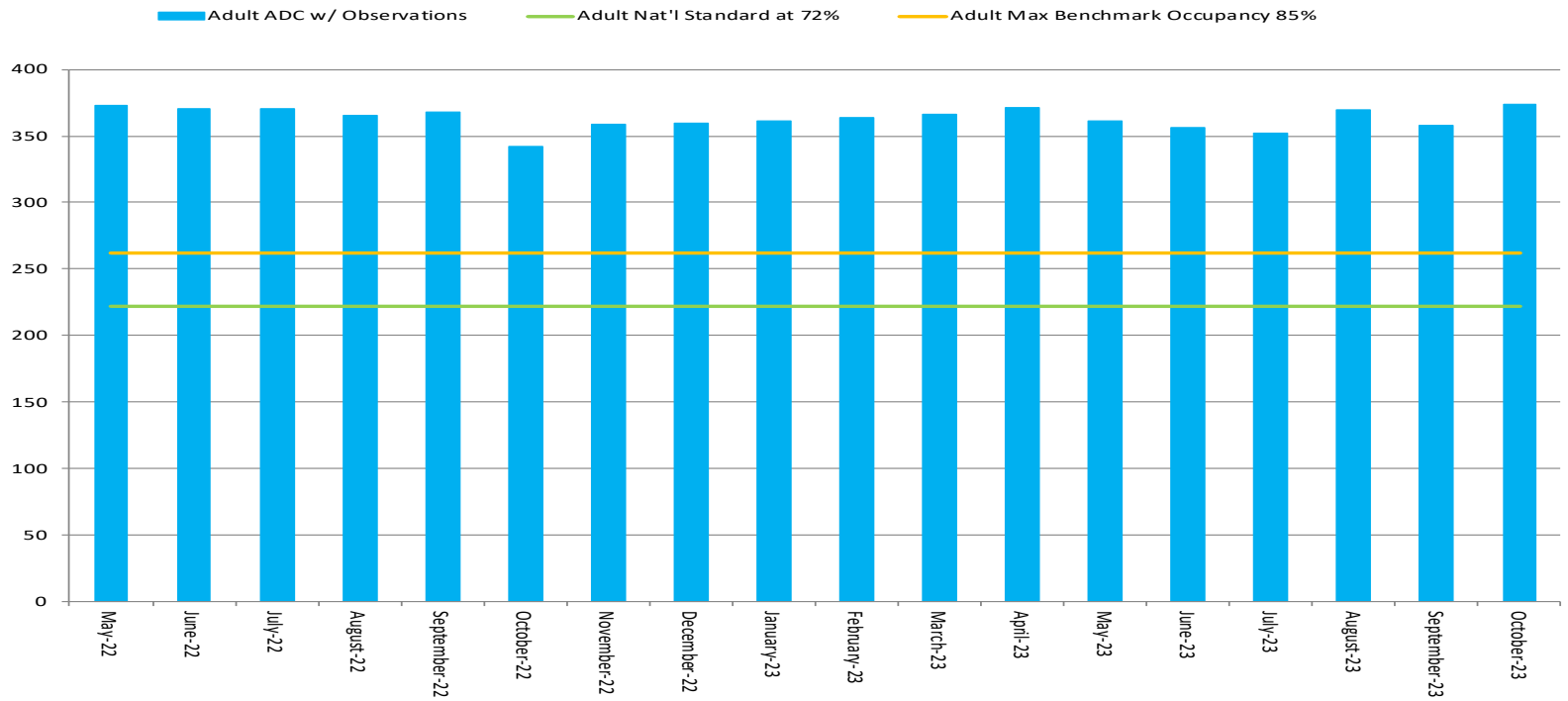
Memberships in Professional Societies:
American Physical Therapy Association, member 1982 - present
American Physical Therapy Association, Orthopaedic Section,
Board appointment 2007-2013; member 1982-present
American Association of Clinical Anatomist 2011- present
American Association of Anatomists, elected member 2008-present
American Academy of Orthopaedic Manual Physical Therapists, member 2008-2010

BoT Finance Presentation October 23

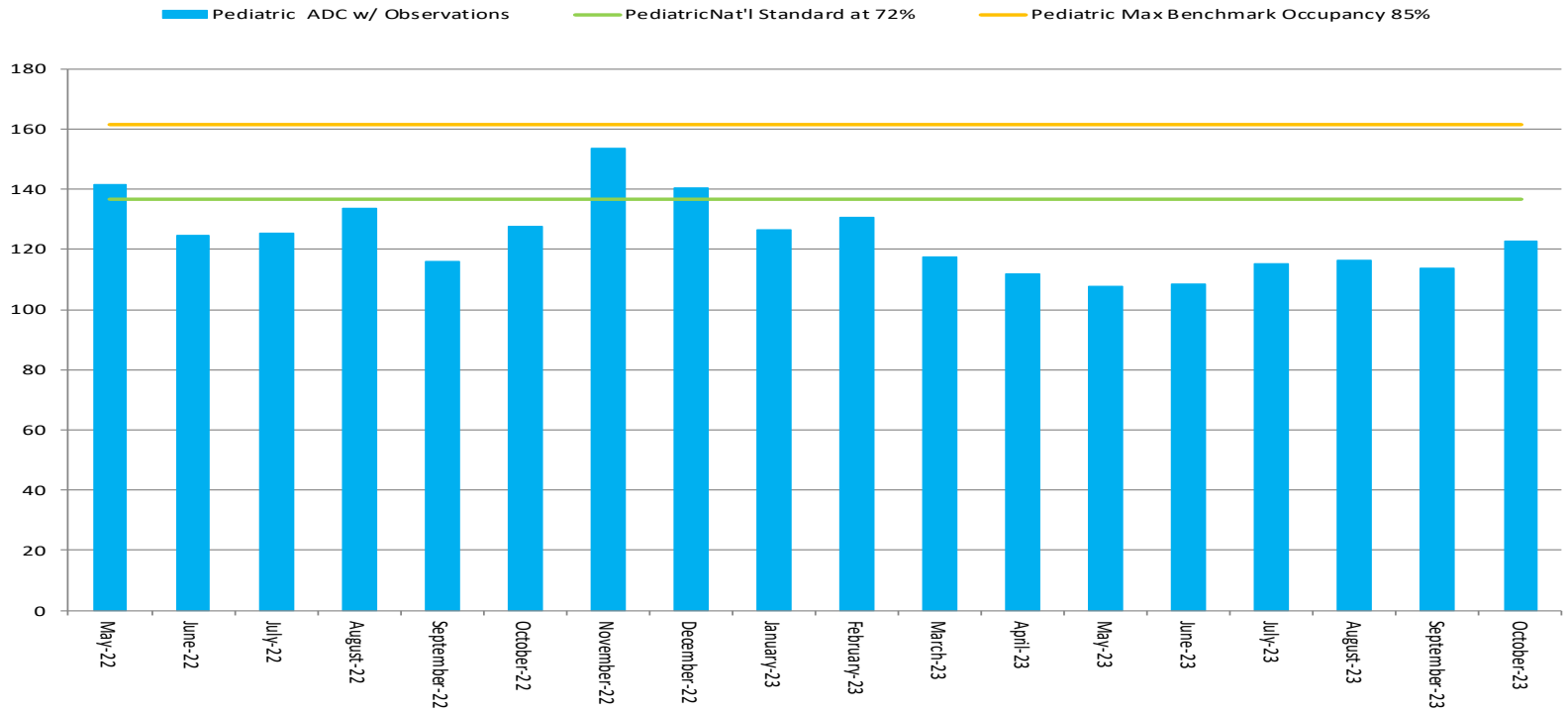
UNM Hospital

Financial Update
Through October 2023

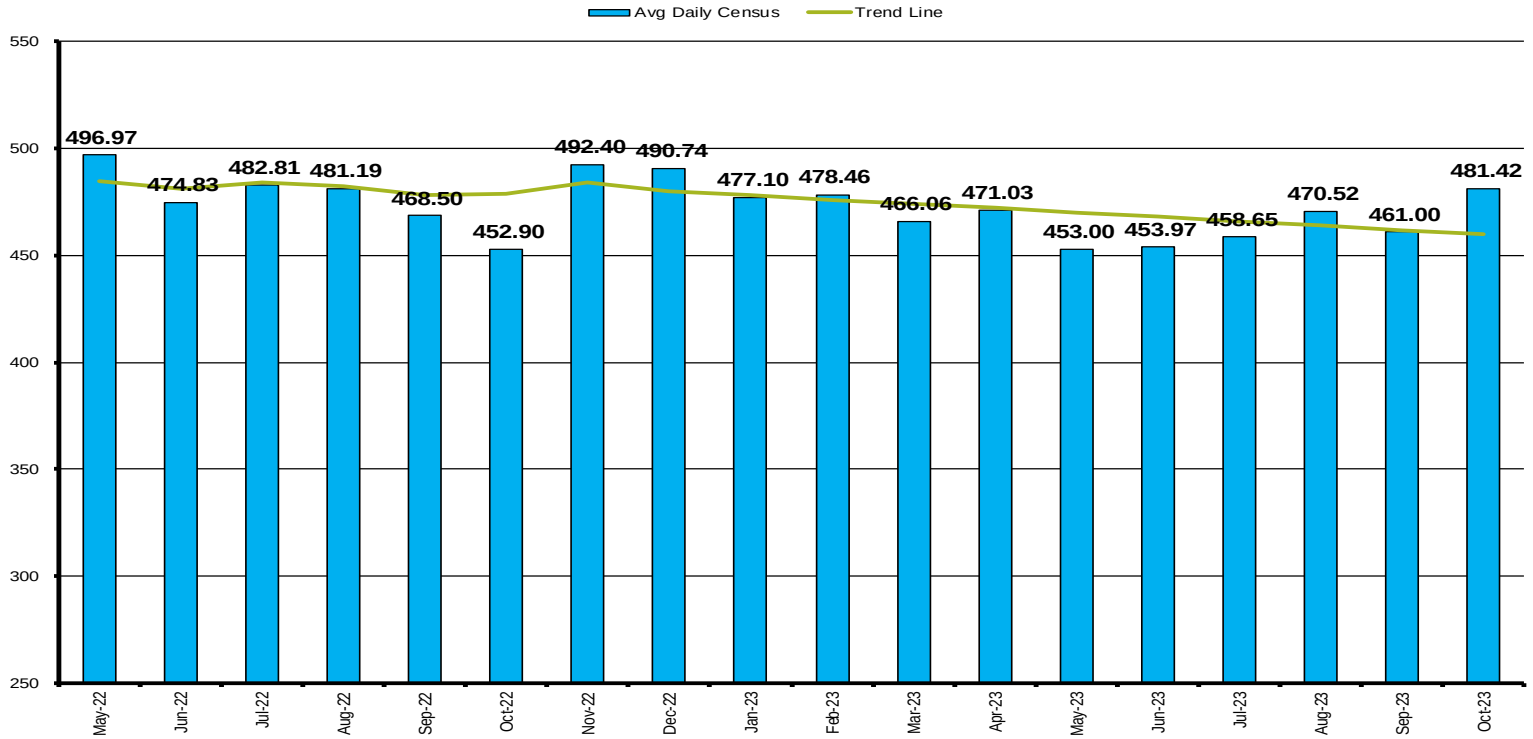
UNM Hospital
Adult Capacity
Through October 2023



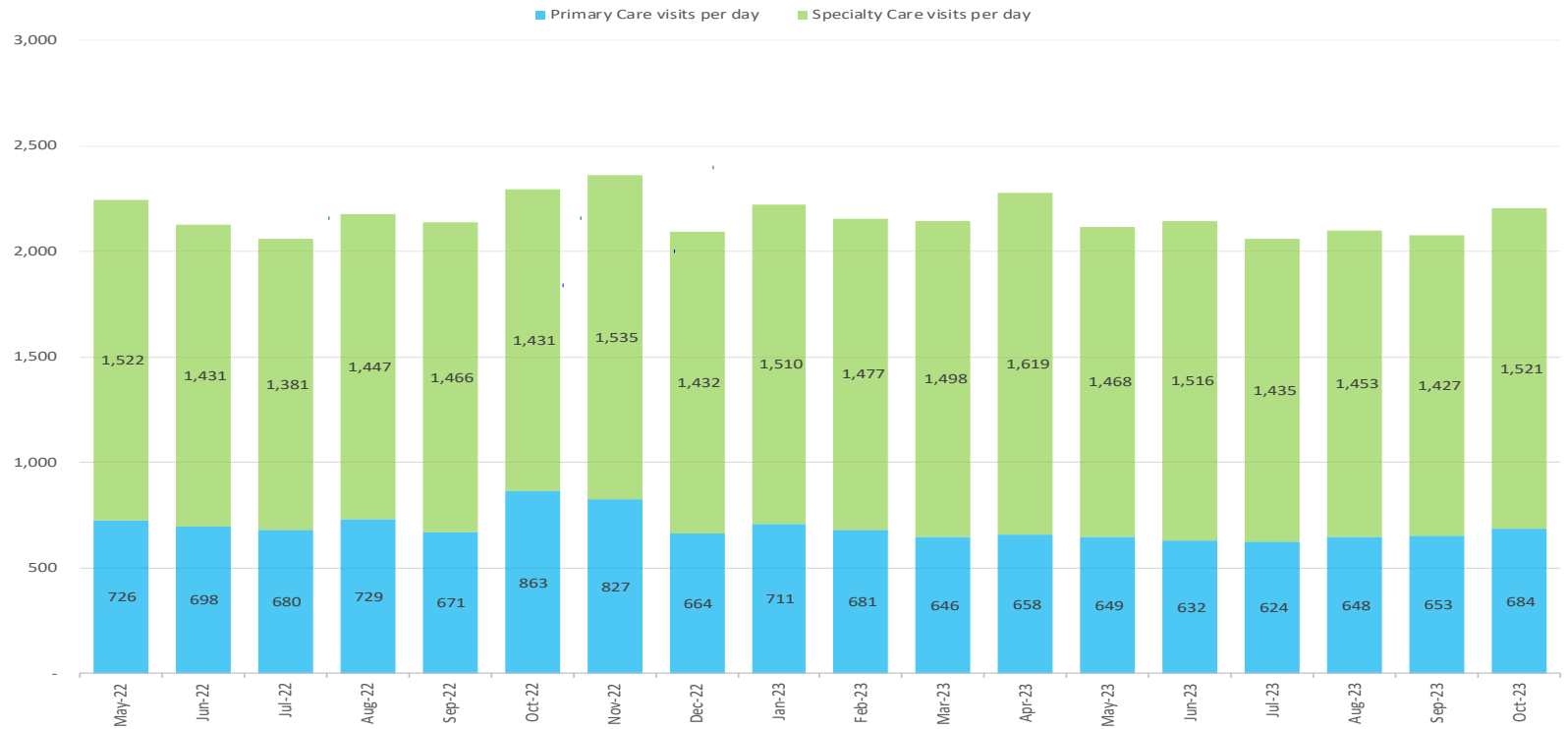
UNM Hospital
Pediatric Capacity
Through October 2023



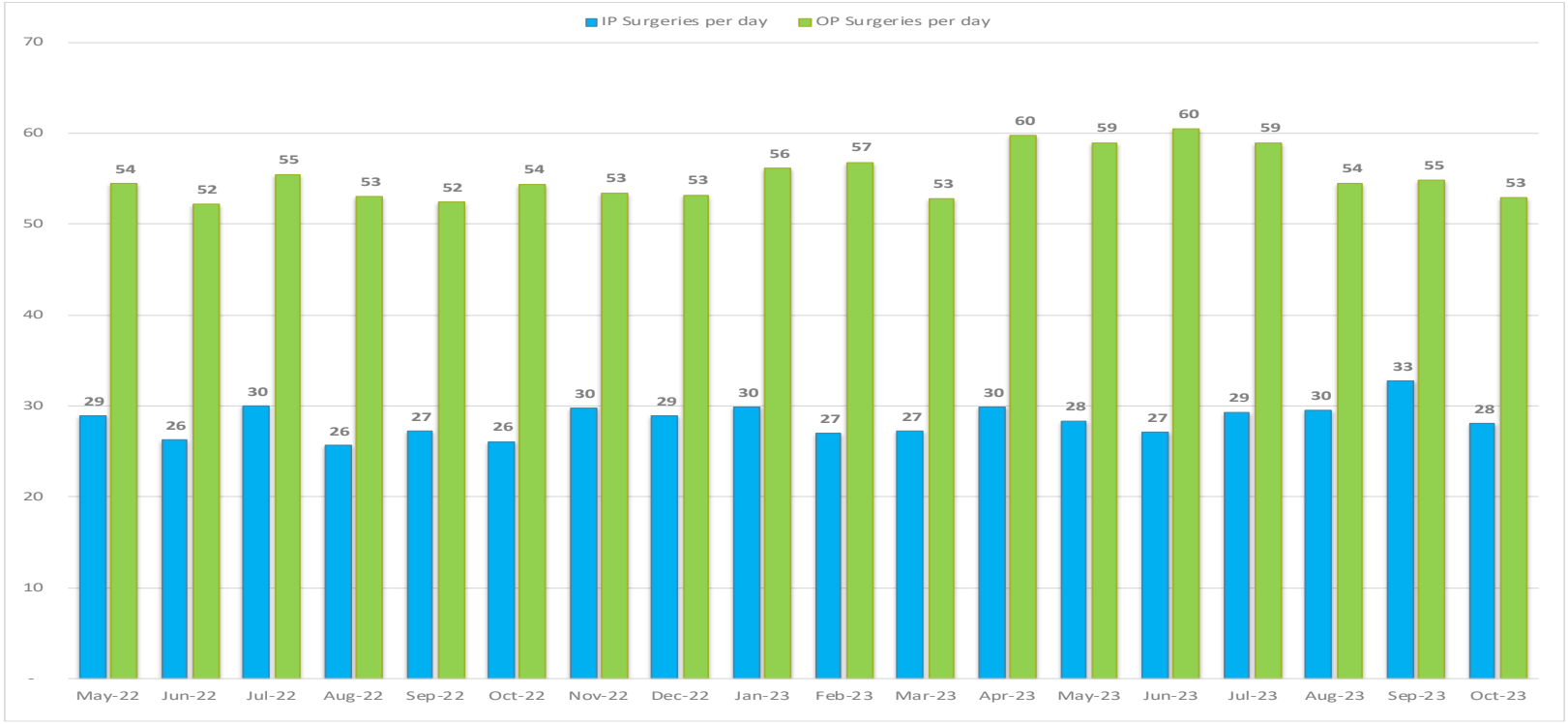
UNM Hospital
Average Daily Census
Through October 2023



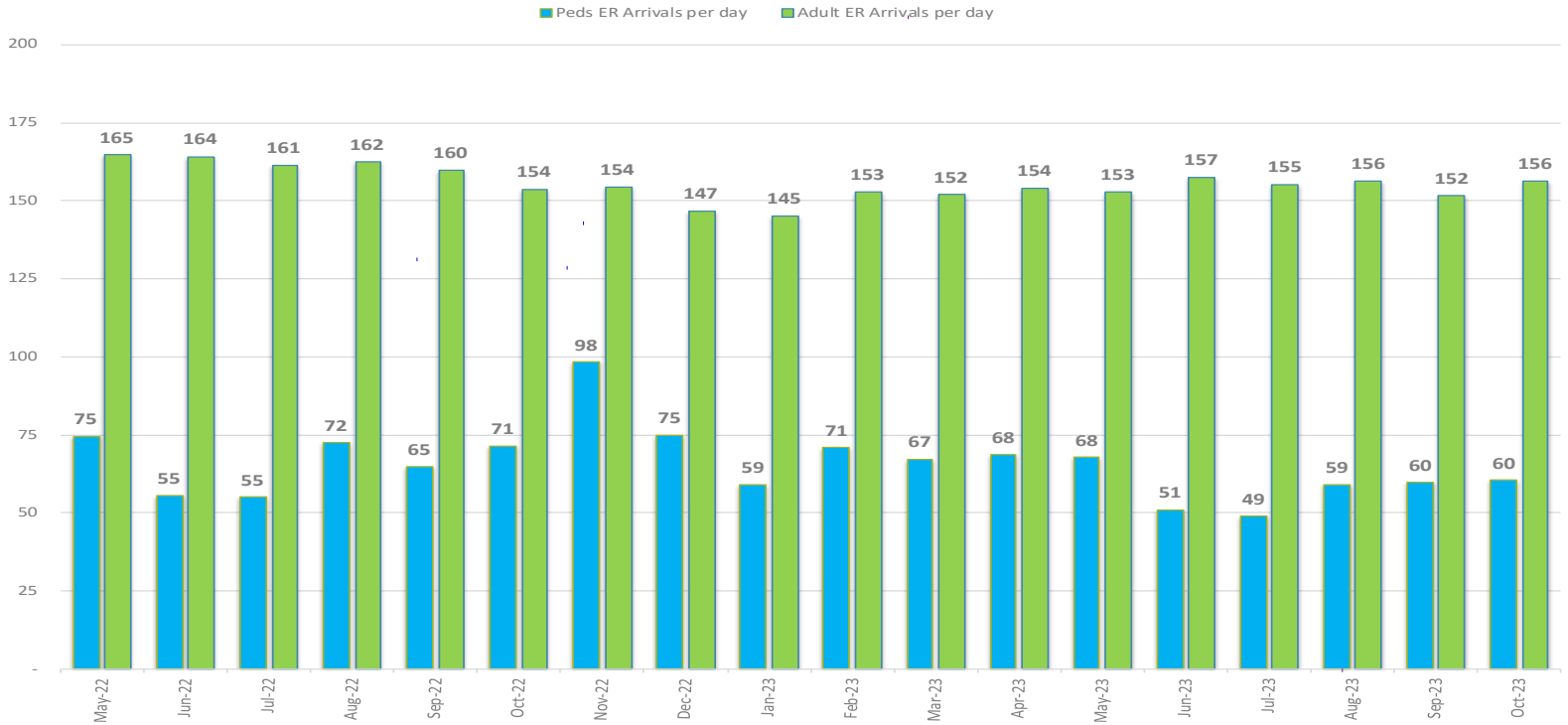
UNM Hospital
Clinic Visits per Business Day
Through October 2023



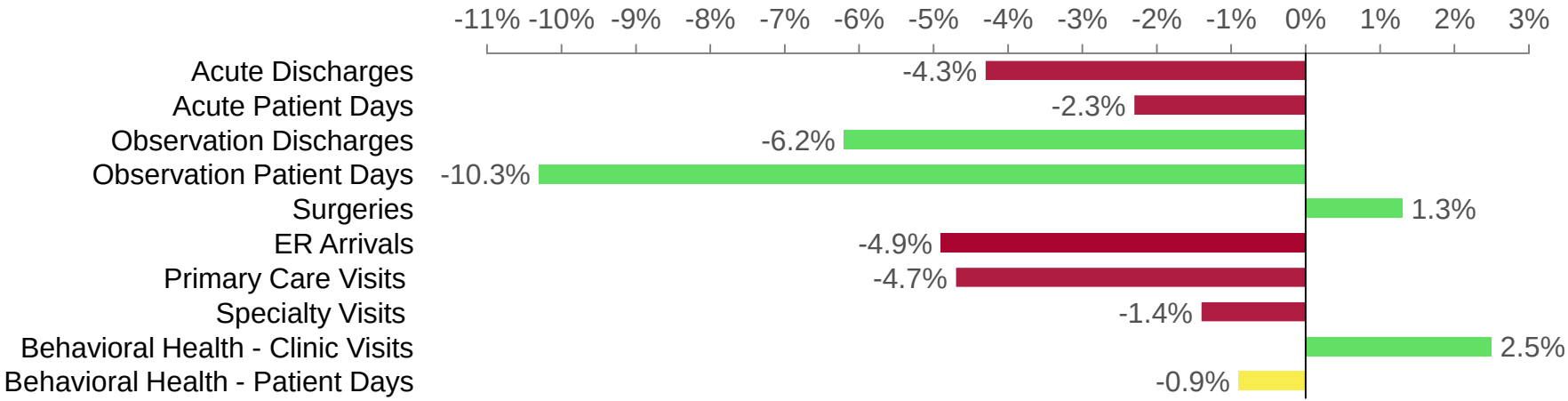
UNM Hospital
Inpatient & Outpatient Surgical Cases per Business Day
Through October 2023



UNM Hospital
ER Arrivals per Calendar Day
Through October 2023

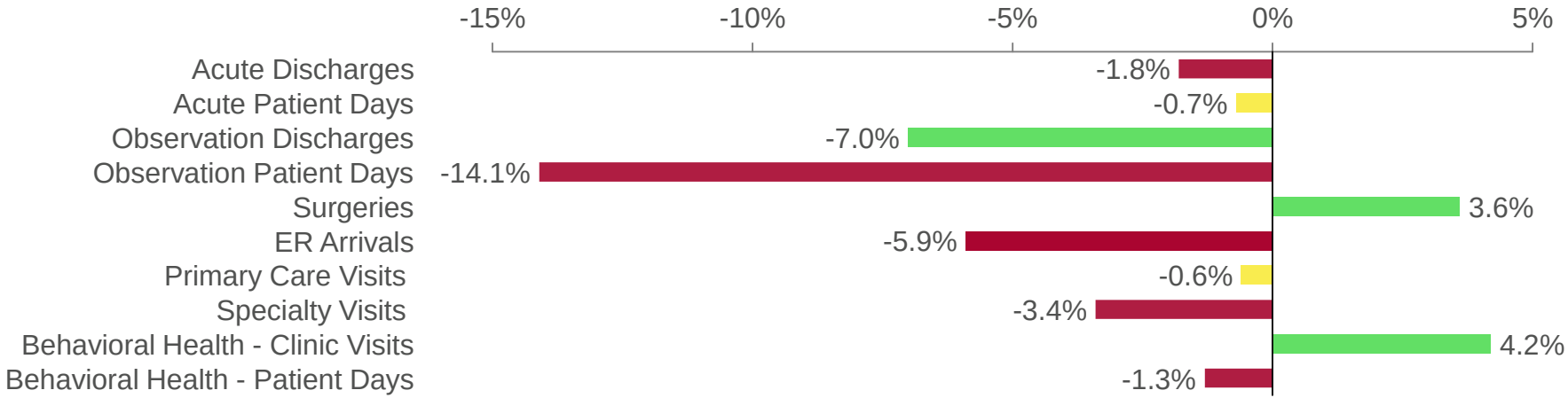


UNM Hospital
YTD Stats Variance to Budget
Through October 2023



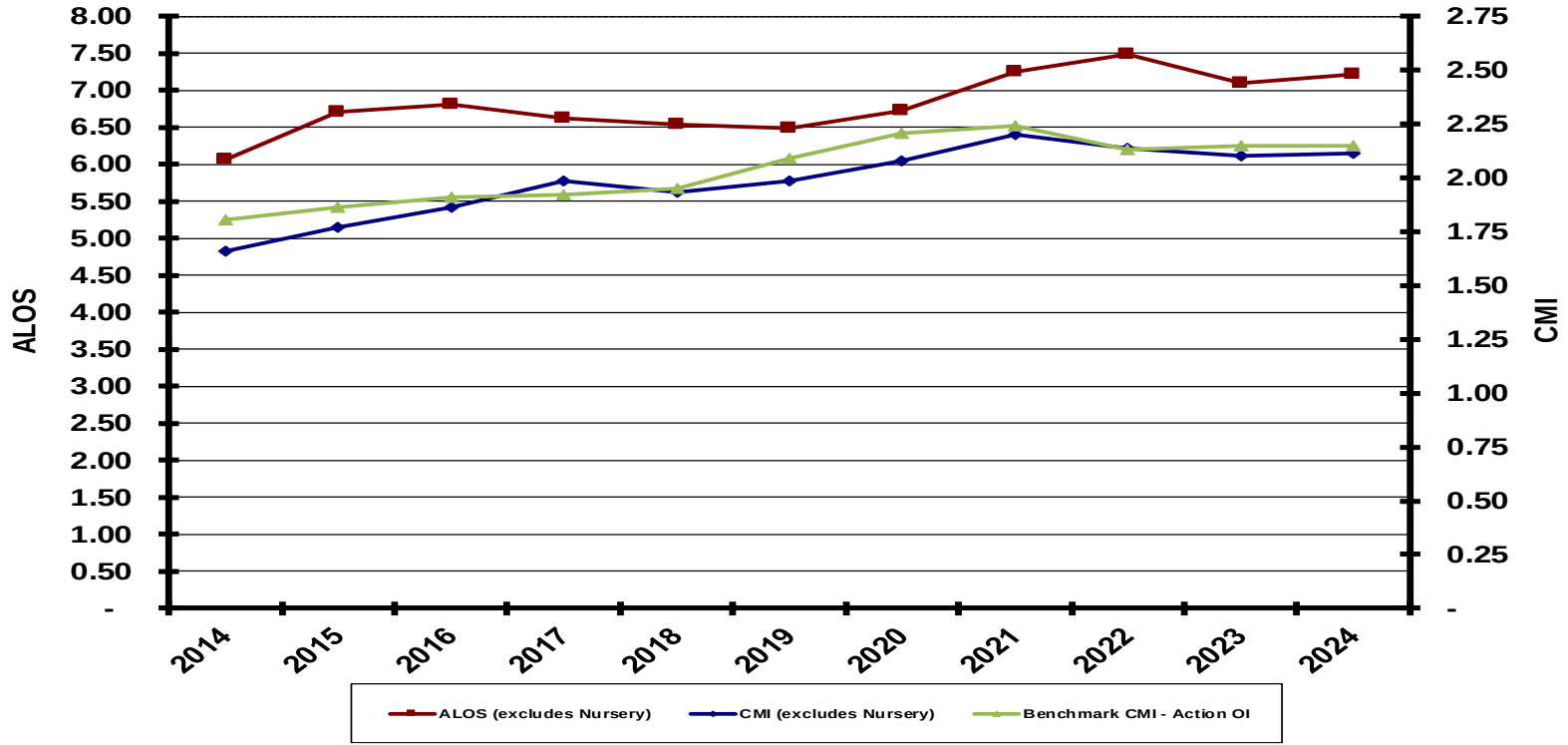
	MTD Actual	MTD Budget	MTD Variance	MTD % Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Acute Discharges	2,026	2,099	(73)	-3.5%	7,970	8,327	(357)	-4.3%
Acute Patient Days	14,924	14,843	81	0.5%	57,558	58,892	(1,334)	-2.3%
Observation Discharges	738	775	(37)	-4.7%	2,906	3,098	(192)	-6.2%
Observation Patient Days	1,072	1,068	4	0.4%	3,801	4,236	(434)	-10.3%
Surgeries	1,783	1,822	(39)	-2.1%	7,129	7,039	90	1.3%
ER Arrivals	6,720	6,904	(184)	-2.7%	26,058	27,393	(1,335)	-4.9%
Primary Care Visits	15,046	15,066	(20)	-0.1%	55,472	58,209	(2,737)	-4.7%
Specialty Visits	33,466	32,594	872	2.7%	124,121	125,932	(1,811)	-1.4%
Behavioral Health - Clinic Visits	21,760	20,329	1,431	7.0%	80,566	78,638	1,928	2.5%
Behavioral Health - Patient Days	1,760	1,740	20	1.2%	6,785	6,843	(58)	-0.9%

UNM Hospital
YTD Stats Variance to Prior YTD
Through October 2023

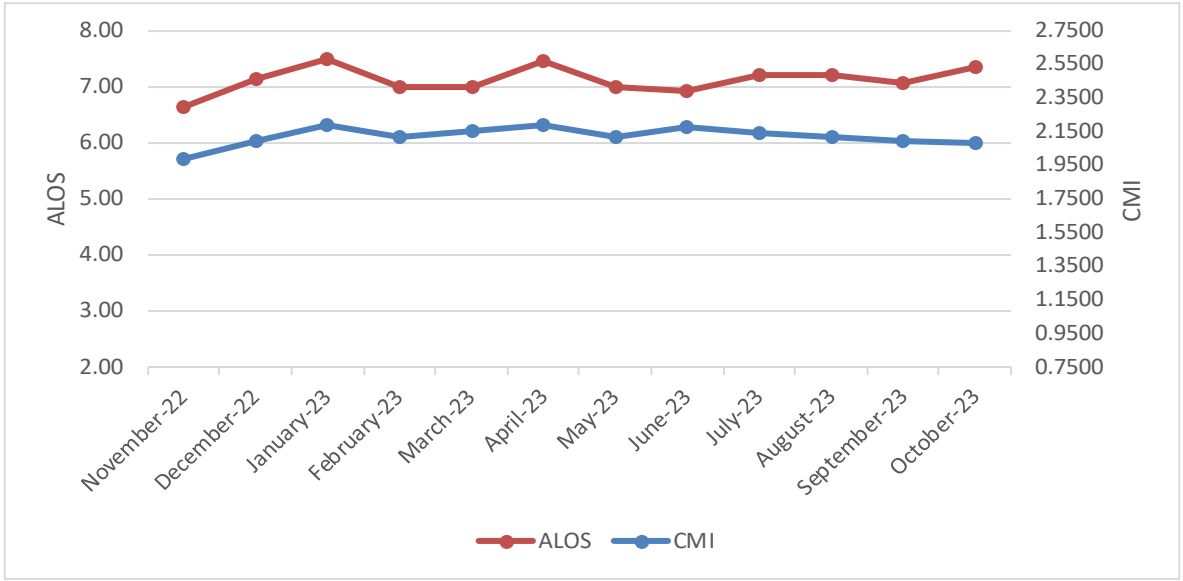


	MTD Actual	Prior MTD	MTD Variance	MTD % Variance	YTD Actual	Prior YTD	YTD Variance	YTD % Variance
Acute Discharges	2,026	1,929	97	5.0%	7,970	8,116	(146)	-1.8%
Acute Patient Days	14,924	14,040	884	6.3%	57,558	57,978	(420)	-0.7%
Observation Discharges	738	830	(92)	-11.1%	2,906	3,125	(219)	-7.0%
Observation Patient Days	1,072	1,109	(37)	-3.3%	3,801	4,423	(622)	-14.1%
Surgeries	1,783	1,690	93	5.5%	7,129	6,880	249	3.6%
ER Arrivals	6,720	6,975	(255)	-3.7%	26,058	27,696	(1,638)	-5.9%
Primary Care Visits	15,046	16,460	(1,414)	-8.6%	55,472	55,801	(329)	-0.6%
Specialty Visits	33,466	31,707	1,759	5.5%	124,121	128,497	(4,376)	-3.4%
Behavioral Health - Clinic Visits	21,760	20,478	1,282	6.3%	80,566	77,285	3,281	4.2%
Behavioral Health - Patient Days	1,760	1,799	(39)	-2.2%	6,785	6,874	(89)	-1.3%

UNM Hospital
CMI and ALOS
Through October 2023



UNM Hospital
CMI and ALOS
Monthly Trend Through October 2023



UNM Hospital
Financial Results
Through October 2023

In Thousands	FY23 Avg	8/31/2023	9/30/2023	10/31/2023	YTD Actual	YTD Bud	Prior YTD	Actual to Budget	Actual to PYTD
Operating Revenues									
Total Core Patient Revenue	86,065	92,404	81,435	91,660	346,827	354,113	341,158	(7,285)	5,670
Total Non Core Patient Revenue	22,834	18,512	17,708	17,289	71,788	79,809	76,526	(8,021)	(4,738)
Total Contract Retail Pharmacy	2,469	2,855	1,963	2,033	9,282	13,605	9,084	(4,323)	198
Total Other Operating Revenue	940	3,036	2,825	2,858	9,916	3,532	3,737	6,384	6,179
Total Operating Revenues	112,308	116,806	103,931	113,840	437,814	451,058	430,504	(13,245)	7,310
Operating Expenses									
Total Employee Comp & Benefits	61,991	60,409	59,653	62,452	242,725	232,062	258,961	10,663	(16,235)
Total Medical Services	21,662	24,159	23,141	22,171	93,212	94,653	80,293	(1,441)	12,919
Total Medical Supplies	20,064	25,271	21,052	20,863	87,705	79,098	78,107	8,607	9,598
Total Depreciation	2,911	2,872	2,852	2,859	11,427	11,989	10,498	(562)	929
Total Equipment	4,573	3,161	4,428	5,598	18,589	18,322	20,728	267	(2,139)
Total Contract Retail Pharmacy Expenses	1,731	1,484	1,702	1,820	6,922	6,678	6,462	243	460
Total Purchased Services	5,717	8,074	7,205	7,099	28,614	25,211	23,311	3,403	5,303
Total Occupancy	1,960	2,473	2,078	1,761	8,618	7,861	6,359	757	2,259
Total Gross Receipts Tax	2,200	2,279	1,985	2,254	8,611	8,741	8,149	(129)	462
Total Other	2,768	2,698	2,930	3,058	11,491	11,310	10,440	180	1,050
Total Operating Expenses	125,576	132,880	127,027	129,935	517,914	495,926	503,308	21,988	14,605
Total OPERATING (LOSS) GAIN	(13,268)	(16,073)	(23,096)	(16,096)	(80,100)	(44,868)	(72,804)	(35,232)	(7,296)
Non Operating Revenue and Expense									
Total Bernalillo County Mill L	10,054	10,054	10,054	10,054	40,217	40,787	39,042	(570)	1,174
Total Appropriations	1,394	1,790	1,906	1,766	7,148	6,744	5,446	404	1,702
CARES Act Funding	-	-	-	-	-	-	-	-	-
Total Nonoperating Rev/Exp (net)	859	(567)	369	327	1,366	702	5,681	665	(4,314)
Total Net Nonoperating Revenue	12,307	11,278	12,329	12,147	48,731	48,232	50,168	499	(1,437)
Total Net Assets for Operations	(961)	(4,796)	(10,767)	(3,949)	(31,369)	3,364	(22,636)	(34,733)	(8,733)

UNM Hospital
Executive Summary
Financials Through October 2023

UNM Hospitals	Action OI Benchmark	Oct-23	YTD	YTD Budget	%Budget YTD	Prior YTD	%Growth
ALOS***		7.37	7.22	7.07	-2.12%	7.14	-1.09%
Case Mix Index		2.08	2.11	2.10	0.36%	2.06	2.73%
CMI Adjusted Patient Days *	69,029	67,843	270,814	267,672	1.17%	256,814	5.45%
Net Core Patient Revenues ($ in thousands)		$ 91,660	$ 346,827	$ 354,113	-2.06%	$ 341,158	1.66%
Total Operating Expenses** ($ in thousands)		$ 128,115	$ 510,992	$ 489,248	-4.44%	$ 496,846	-2.85%
Net Operating Income ($ in thousands)		$ (16,096)	$ (80,100)	$ (44,868)	-78.52%	$ (72,804)	-10.02%
Net Income ($ in thousands)		$ (3,949)	$ (31,369)	$ 3,364		$ (22,636)	
Net Core Revenue/CMI Adj Patient Day		$ 1,351	$ 1,281	$ 1,323	-3.19%	$ 1,328	-3.59%
Cost**/CMI Adj Patient Day	$ 2,048	$ 1,888	$ 1,887	$ 1,828	-3.23%	$ 1,935	2.47%
FTEs		7,182	7,045	7,464	5.62%	6,910	-1.94%

* CMI Adjusted Patient Days (Adjusted Patient Days X CMI) is to account for the outpatient activities in the hospital and the relative acuity of the patients. CMI is a relative value assigned to a diagnosis-related group. Adjusted patient days (Patient Days X (Gross Patient Revenue/Gross Inpatient Revenue)) is to account for outpatient and other non-inpatient activities in the Hospital. Action OI benchmark is a quarterly report and for April - June 2023 the 50th percentile is 207,088. The metric above divided by three months for comparative purposes.
** Operating expenses exclude Contract Retail Pharmacy Expense

VIII.a. UNM Hospital and UNM Behavioral Health Operations 2023 Audit Results

MOSSADAMS

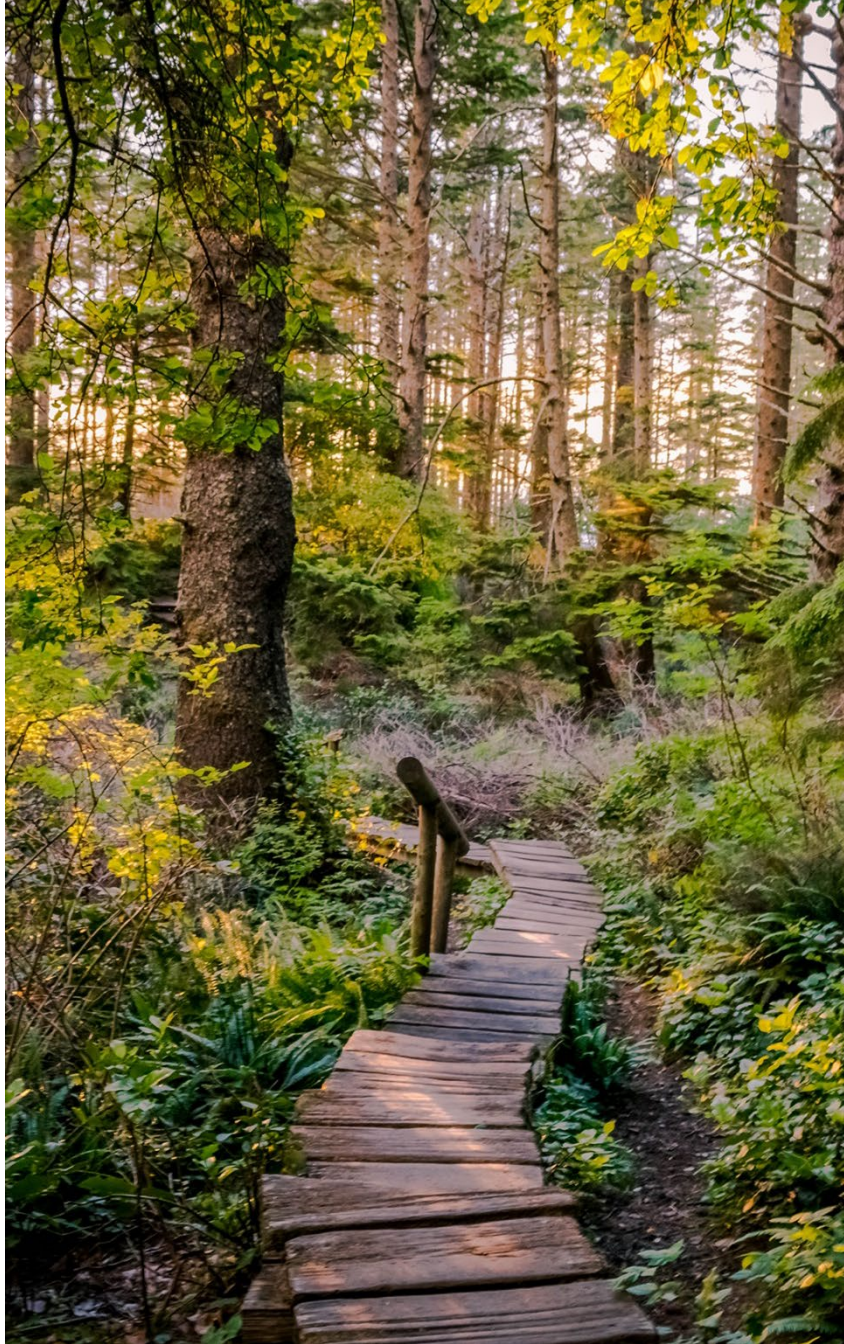
UNM Hospital and UNM Behavioral Health Operations

2023 AUDIT RESULTS

Discussion with the Board of Directors

Agenda

1. Summary of Audit Process
2. Areas of Audit Emphasis
3. Matters Required to be Communicated with Those Charged with Governance
4. Other Communications
5. Financial Highlights
6. Your Service Team



Reports

We issued the following reports for the year ended June 30, 2023

- Audit reports on the financial statements of University of New Mexico Hospital and University of New Mexico Behavioral Health Operations
- *Government Auditing Standards* Reports on Internal Control over Financial Reporting and on Compliance and Other Matters for University of New Mexico Hospital and University of New Mexico Behavioral Health Operations

Unmodified Opinions

Financial statements are presented fairly in accordance with accounting principles generally accepted in the United States of America

Issuance Dates

Reports were submitted to the NM Office of the State Auditor on October 13, 2023. Final release letters were received from the NM Office of the State Auditor on October 31, 2023.

Summary of Audit Process

- Audits performed in accordance with the scope and timing communicated during our Entrance Conference
- If the results of an audit procedure did not provide sufficient evidence or we encountered new knowledge from our plan that required modification to our approach, we made the necessary adjustments to our audit plan to incorporate the procedures necessary to support our opinion on the financial statements
  - Weekly status meetings throughout the audit process facilitated adjustments to audit plan, status of open items from UNMH/BH and Moss Adams, and communication of preliminary findings and issues
- We completed testing of significant account balances and transactions using tests of internal controls, substantive analytical procedures and/or tests of details of balances

Areas of Audit Emphasis

- Valuation of patient receivables
  - We reviewed management's allowance model and performed a lookback of subsequent collections on the two prior years' accounts receivable. We estimated future collections on FY23 accounts receivable based on actual FY24 collections through August and historical collections September-June.
- Adoption of GASB 96 *Subscription-Based Information Technology*
  - We reviewed management's assessment, verified inputs against contracts, and tested the completeness of the assessment against expenses recorded.
  - UNMH – SBITA asset and corresponding liability of $36,422,183 were recorded as of June 30, 2022.
  - BH - We concurred with management's assessment that no contracts in place at June 30, 2022 or 2023 are within the scope of the guidance and accordingly no SBITA asset/liability was recorded.

Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audits under U.S. auditing standards:

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audits of the financial statements does not relieve you or management of your responsibilities.

Matters to Be Communicated to the Audit Committee

Our responsibility with regard to the financial statement audits under U.S. auditing standards:

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) as well as *Government Auditing Standards*, issued by the Comptroller General of the United States. As part of an audit conducted in accordance with these auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audits.

Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audits under U.S. auditing standards:

Our audits of the financial statements included obtaining an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control or to identify deficiencies in the design or operation of internal control. Accordingly, we considered the entity's internal control solely for the purpose of determining our audit procedures and not to provide assurance concerning such internal control.

Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audits under U.S. auditing standards:

We are also responsible for communicating significant matters related to the financial statement audits that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Unusual Transactions

MOSS ADAMS COMMENTS

No significant unusual transactions were identified during our audits of the entity's financial statements.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Difficulties Encountered During the Audits

We are to inform those charged with governance of any significant difficulties encountered in performing the audits. Examples of difficulties may include significant delays by management, an unreasonably brief time to complete the audit, unreasonable management restrictions encountered by the auditor, or an unexpected extensive effort required to obtain sufficient appropriate audit evidence.

MOSS ADAMS COMMENTS

No significant difficulties were encountered during our audits of the entities' financial statements.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Disagreements With Management

Disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements, or the auditor's report.

MOSS ADAMS COMMENTS

There were no disagreements with management.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Circumstances that affect the form and content of the auditor's reports

MOSS ADAMS COMMENTS

An emphasis of matter regarding the adoption of GASB 96 is included in the UNMH audit report. There were no other circumstances that affected the form and content of the auditor’s reports.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Other findings or issues arising from the audits that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process

MOSS ADAMS COMMENTS

There were no other findings or issues arising from the audits to report.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Corrected and Uncorrected Misstatements

MOSS ADAMS COMMENTS

There were no corrected or uncorrected audit adjustments identified.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Representations requested of management

MOSS ADAMS COMMENTS

We will request certain representations from management that are included in the management representation letters to be dated the same date as our audit reports.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Management's consultation with other accountants

When we are aware that management has consulted with other accountants about significant auditing or accounting matters, we discuss with those charged with governance our views about the matters that were the subject of such consultation.

MOSS ADAMS COMMENTS

We are not aware of instances where management consulted with other accountants about significant auditing or accounting matters.

Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant issues arising from the audits that were discussed, or the subject of correspondence with management

MOSS ADAMS COMMENTS

No significant issues arose during the audits that have not been addressed elsewhere in this presentation.

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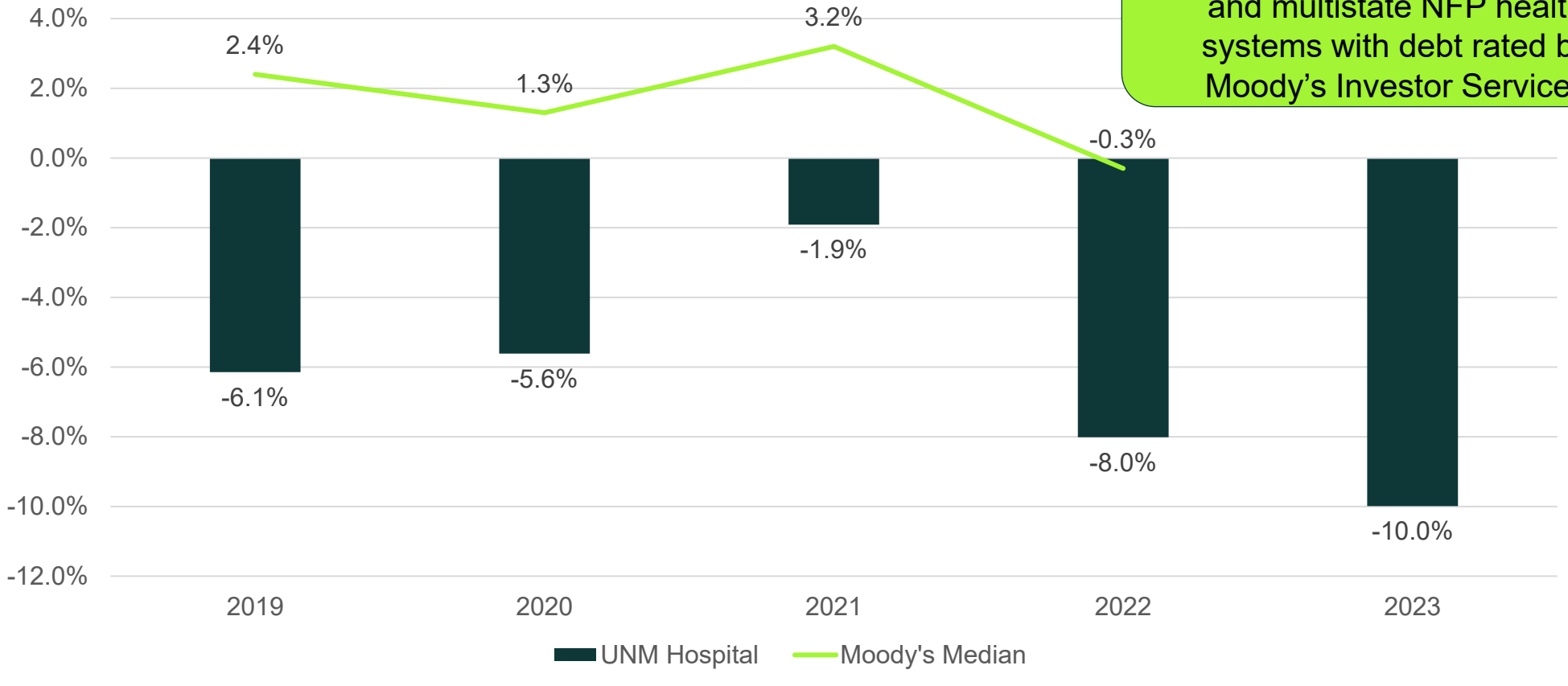
Financial Highlights

Operating Margin

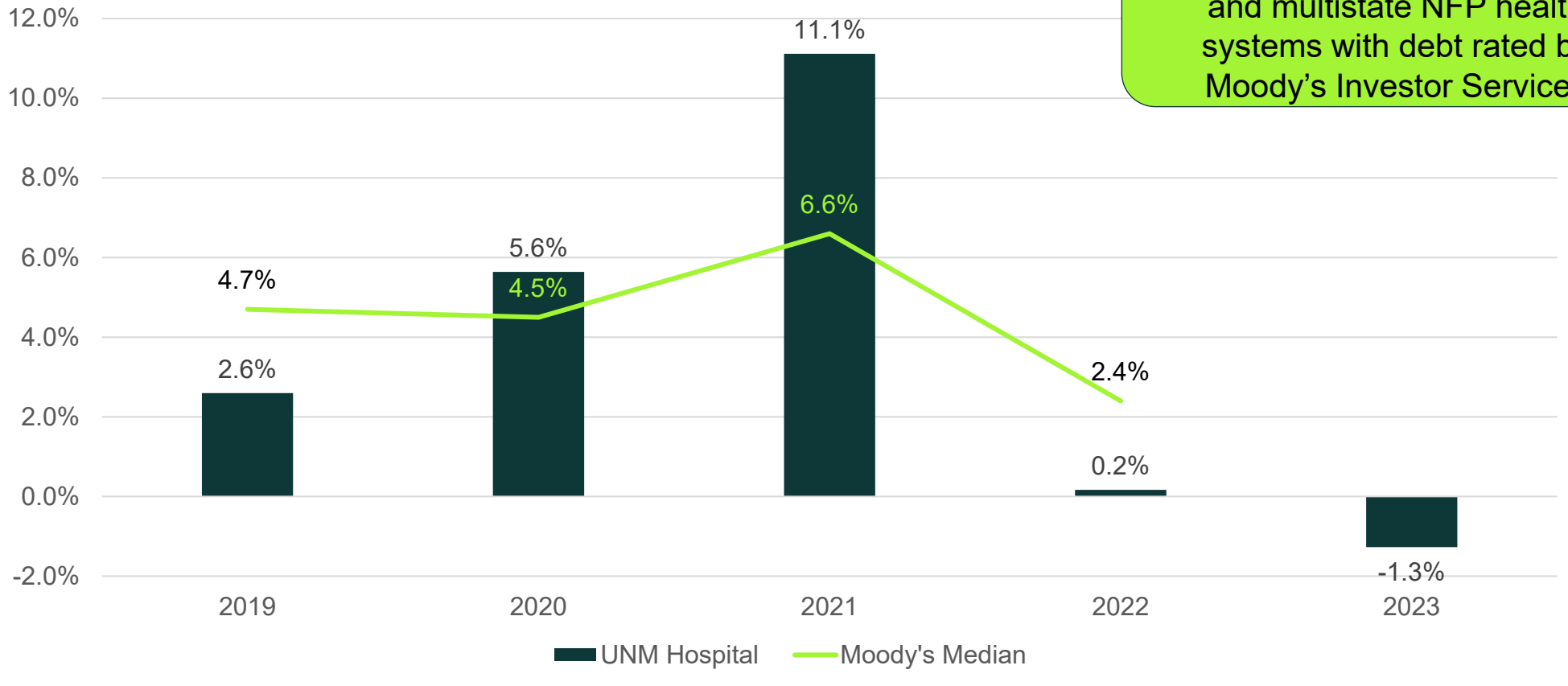
Moody's medians are based on 200+ freestanding, single-state, and multistate NFP health systems with debt rated by Moody's Investor Services



Excess Margin

(excluding capital appropriations and Capital Initiatives Transfer)

Moody's medians are based on 200+ freestanding, single-state, and multistate NFP health systems with debt rated by Moody's Investor Services



Systems face unrelenting financial struggle

Core challenges to hospital-based care finances

Rising staffing and supply complexity

48,500

Healthcare workers participating in **strikes** with 1,000+ workers, leading to wage and staffing level increases

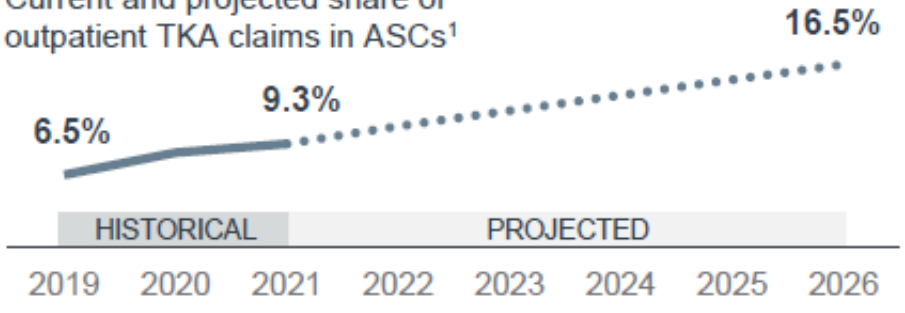
January 2022 to May 2023

Common hospital supply chain inefficiencies:

- Unfixed shipping costs
- Excessive deliveries
- Distributed contracting authority
- Inventory management

Inpatient revenue erosion

Current and projected share of outpatient TKA claims in ASCs[1]



Persistent capacity constraints

11%

Increase in average **length of stay**

December 2019 to December 2022

48% ORTHOPEDIC SURGERY

26% CARDIOLOGY

Increase in average **wait times** for new patient appointments

2017 to 2022

Deteriorating legacy subsidies

- **Site neutral payments:** Congress drafting Medicare payment bill
- **340B drug discounts program:** Appellate Court allows manufacturers to restrict contract pharmacy 340B access
- **Not-for-profit status:** Congress drafting bill to expand FTC authority over non-profits

1. Advisory Board analysis and modeling of Optum's de-identified Clinformatics® Data Mart Database (2007-2022).

See additional sources slide for sources.

Systems' survival strategies leaves access gaps

Health systems make tough choices…

Rationalized services

▼ Decreases in the number of psychiatric beds

163M Americans live in mental healthcare health professional shortage areas

Service line closures

217 Hospitals closed their labor and delivery departments, 2011-2022

7M Women of childbearing age live in maternity care deserts

Hospital closures

150 Rural hospital closures, 2016-2021

80% Rural U.S. areas designated as medically underserved

…other sectors step in with patchwork solutions

Behavioral health solutions focused on low-acuity patients

$12B **Venture funding** in digital behavioral health, 2018-2022

1k Behavioral health **startup companies** created since 2018

Women's health startups aimed at employers

$854M **Venture funding** of fertility technology start-ups in 2022[1]

143% **Increase in PE acquisitions** of OB/GYN practices and fertility services companies[2]

Rural care limited and often focuses on preventative care

3 **Dollar General** locations test mobile health clinics to improve rural care

300+ **VillageMD** locations in medically underserved communities by 2027

1. Compared to $306M in 2017.
2. From 7 acquisitions in 2010-2017 to 17 in 2017-2019.

See additional sources slide for sources.

Advisory Board interviews and analysis.

Your Service Team

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THANK YOU

VIII.b. University of New Mexico Hospital - FY2023 FS Final

Report of Independent Auditors
and Financial Statements
with Supplementary Information

University of New Mexico Hospital

June 30, 2023 and 2022

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Table of Contents

University of New Mexico Hospital
Official Roster
Year Ended June 30, 2023

UNM Hospital Board of Trustees

Kurt Riley	Chair (Term expires 6/30/26, All Pueblo Council of Governors, Regent appointed)
Tamra Mason, PhD	Vice-Chair (Term expires 6/30/25, Regent appointed)
Monica Zamora	Secretary (Term expires 6/30/24, Regent appointed)
Adelmo “Del” Archuleta	Member (Term expires 6/30/25, Regent appointed)
Kenneth “Ken” Lucero	Member (Term expires 6/30/25, All Pueblo Council of Governors, Regent appointed)
Terry Horn	Member (Term expires 6/30/23, Regent appointed)
Michael Brasher	Member (Term expires 6/30/23, County appointed)
Trey Hammond	Member (Term expires 6/30/26, County appointed)
Davin Quinn, MD	Member (Term expires 6/30/24, Regent appointed)

Administrative Officers

Garnett S. Stokes	President, University of New Mexico
Douglas Ziedonis, MD	Executive Vice President, UNM Health Sciences Center Chief Executive Officer, UNM Health System
Kate Becker	Chief Executive Officer, UNM Hospitals
Bonnie White	Chief Financial Officer, UNM Hospitals

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Report of Independent Auditors

The University of New Mexico Health Sciences Center
Board of Trustees and
Mr. Joseph M. Maestas, P.E.
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the University of New Mexico Hospital (the Hospital), a division of the University of New Mexico, which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Hospital's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Hospital as of June 30, 2023, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hospital and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the basic financial statements, in 2023, the Hospital adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Other Matter

The financial statements of the Hospital for the year ended June 30, 2022 were audited by another auditor, who expressed an unmodified opinion on those statements on October 12, 2022.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hospital's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hospital's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 6 through 17 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Hospital's basic financial statements. The accompanying comparison of budgeted and actual revenues and expenses (Schedule 1), pledged collateral by banks (Schedule 2), and schedule of individual deposit and investment accounts (Schedule 3) (collectively Schedules 1-3) for the year ended June 30, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedules 1-3 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2023, on our consideration of the Hospital's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hospital's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Hospital's internal control over financial reporting and compliance.

Moss Adams LLP

Albuquerque, New Mexico
October 3, 2023

Management Discussion and Analysis

This section of the University of New Mexico Hospital's (the Hospital) annual financial report presents management's discussion and analysis of the financial performance of the Hospital during the fiscal years ended June 30, 2023 and 2022. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes and this discussion are the responsibility of the Hospital's management.

Using the annual financial report – This annual report consists of financial statements prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended.

The financial statements prescribed by GASB Statement No. 34 (the statements of net position; statements of revenues, expenses, and changes in net position; and the statements of cash flows) present financial information in a form similar to that used by commercial corporations. They are prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service or goods are received, regardless of when cash is exchanged.

The statements of net position include all assets, deferred outflows, liabilities, and deferred inflows. Over time, increases or decreases in net position (the difference between assets, deferred outflows, liabilities, and deferred inflows) is one indicator of the improvement or erosion of the Hospital's financial health when considered with nonfinancial facts such as patient statistics and the condition of facilities. This statement includes all assets and liabilities using the accrual basis of accounting, which is consistent with the accounting method used by nongovernmental hospitals and healthcare organizations.

The statements of revenues, expenses, and changes in net position present the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A public hospital's dependency on state or county aid can result in an operating deficit since the financial reporting model classifies such aid as nonoperating revenues, which is the case with the state appropriation and the Bernalillo County (the County) mill levy received by the Hospital. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The statements of cash flows present information related to cash inflows and outflows summarized by operating, capital, and noncapital financing and investing activities.

Three-year comparison of financial results

Condensed Summary of Net Position

	June 30,		
	2023	2022	2021
Assets			
Current assets	$ 559,213,526	$ 577,382,198	$ 635,369,634
Capital assets	673,611,906	428,527,134	262,033,293
Right to use and SBITA assets	38,159,089	46,712,156	12,320,580
Other noncurrent assets	139,656,722	310,699,359	387,439,028
Total assets	$ 1,410,641,243	$ 1,363,320,847	$ 1,297,162,535
Deferred outflows			
Total deferred outflows of resources	$ 138,988	$ 911,385	$ 2,068,092
Liabilities			
Current liabilities	$ 329,622,509	$ 357,826,823	$ 365,101,647
Noncurrent liabilities	259,258,706	166,837,082	98,239,079
Total liabilities	$ 588,881,215	$ 524,663,905	$ 463,340,726
Deferred inflows			
Total deferred inflows of resources	$ 464,028	$ 2,087,724	$ 557,072
Net position			
Net investment in capital assets	$ 438,442,255	$ 302,286,867	$ 181,678,293
Restricted net position, expendable	39,429,517	37,665,522	44,962,140
Unrestricted net position	343,563,216	497,528,214	608,692,396
Total net position	$ 821,434,988	$ 837,480,603	$ 835,332,829

Current assets include assets that are deemed to be consumed or convertible to cash within one year and include unrestricted cash, marketable securities, and accounts receivable. The Hospital's most significant current asset is unrestricted cash and cash equivalents. The unrestricted cash balance was $183.1 million, $229.1 million and $322.2 million as of June 30, 2023, 2022 and 2021, respectively. The $46.0 million decrease in unrestricted cash balances from June 30, 2022 to June 30, 2023 is primarily due to a decrease in operating revenue of $35.3 million. The $93.1 million decrease in unrestricted cash balances from June 30, 2021 to June 30, 2022 was primarily due to an increase in operating expenses of $110.6 million.

The unrestricted days cash on hand for the Hospital was 45, 57 and 86 as of June 30, 2023, 2022 and 2021, respectively. As part of cash management practices, the Hospital centrally manages all cash receipts and disbursements for all its affiliates, including the University of New Mexico Psychiatric Center and the University of New Mexico Children's Psychiatric Center, which are collectively referred to as the "Center." The corresponding liability, due to affiliates, reflects the cash balances held by the Hospital on behalf of its affiliates.

The second most significant current asset is patient receivables. The patient receivables balance was $154.9 million, $148.0 million and $144.5 million as of June 30, 2023, 2022 and 2021, respectively. The increase in net patient receivables of $6.9 and $3.4 million as of June 30, 2023 and 2022 is primarily due to an increase in days in accounts receivable. The increase in net patient receivables of $12.5 million as of June 30, 2021 compared to June 30, 2020 was primarily due to increased patient revenues as a result of volume and Case Mix Index (CMI) increases.

At June 30, 2023, 2022 and 2021, the Hospital's current assets of $559.2 million, $577.4 million and $635.4 million, respectively, were sufficient to cover current liabilities of $329.6 million (current ratio of 1.7), $357.8 million (current ratio of 1.6) and $365.1 million (current ratio of 1.7), respectively.

Noncurrent assets include assets designated by management for capital replacement, donated funds, assets designated by the UNM Hospital Board of Trustees and assets held by a trustee for the mortgage reserve fund. The restricted cash balance was $37.4 million, $159.3 million and $188.7 million as of June 30, 2023, 2022 and 2021, respectively. The restricted cash includes cash designated by management for capital replacement and cash restricted by donors. The $121.8 million decrease in unrestricted cash is due to cash payments for the new medical tower and parking structure expended during the fiscal year ended June 30, 2023.

Current liabilities are generally defined as amounts due within one year and include accounts payable, accrued payroll, accrued compensated absences, amounts due to UNM and estimated third-party payor settlements payable.

The most significant current liability is estimated third-party payor settlements payable of $141.4 million, $125.8 million and $109.9 million as of June 30, 2023, 2022 and 2021, respectively. The increase of $15.6 million in estimated third-party payor settlements at June 30, 2023 as compared to June 30, 2022 is primarily due to an increase in intergovernmental transfers (IGT) due to NM Department of Health for an intergovernmental transfer and the timing of IGT payments.

The next most significant current liability is the accounts payable balance of $62.1 million, $76.5 million and $57.3 million as of June 30, 2023, 2022 and 2021, respectively. The balances in accounts payable were primarily related to medical services, contract labor, medical supplies, including pharmaceuticals and biologics as well as capital projects at June 30, 2023 and 2022.

Total net position as of June 30, 2023 decreased by $16.0 million to $821.4 million. The decrease is due to an operating loss of $130.0 million primarily driven by a decrease in operating revenues of $35.3 million. Total net position as of June 30, 2022 increased by $2.1 million to $837.5 million. The increase is due to an operating loss of $107.1 million offset by net non-operating revenue of $109.3 million. Total net position as of June 30, 2021 increased by $341.5 million to $835.3 million. The increase was due to an operating loss of $25.0 million offset by net non-operating revenue of $170.5 million and $196.0 million in a transfer of assets from the University of New Mexico. Management designated $75.0 million of the increase in net position along with the $196.0 million of transferred assets for the partial funding of a new medical tower and a new patient parking structure.

Condensed Summary of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30,		
	2023	2022	2021
Total operating revenues	$ 1,301,443,587	$ 1,336,736,964	$ 1,308,231,066
Total operating expenses	(1,431,431,798)	(1,443,868,078)	(1,333,229,441)
Operating loss	(129,988,211)	(107,131,114)	(24,998,375)
Nonoperating revenues and expenses	113,942,596	109,278,888	170,452,210
Total (decrease) increase in net position before capital transfer	(16,045,615)	2,147,774	145,453,835
Capital initiatives transfer	-	-	196,000,000
Total (decrease) increase in net position after capital transfer	(16,045,615)	2,147,774	341,453,835
Net position, beginning of year	837,480,603	835,332,829	493,878,994
Net position, end of year	$ 821,434,988	$ 837,480,603	$ 835,332,829

Operating revenues – The sources of operating revenues for the Hospital are net patient services, state and local contracts and grants, and other operating revenues, with the most significant source being net patient services revenues. Operating revenues were $1.301 billion, $1.337 billion and $1.308 billion for the years ended 2023, 2022 and 2021, respectively.

Net patient service revenues are comprised of gross patient revenues net of contractual allowances, charity care, provision for doubtful accounts, and any third-party cost report settlements. Also included in net patient service revenue are payments received for Indirect Medical Education (IME), Graduate Medical Education (GME), Directed Upper Payment Limit (UPL) and IGT expense. Net patient service revenues were $1.264 billion, $1.285 billion and $1.258 billion for the years ended 2023, 2022 and 2021, respectively.

Net patient service revenues for the fiscal year ended June 30, 2023 decreased $21.3 million from $1.285 billion, or 2%, in fiscal year ended June 30, 2022. This decrease is primarily due to a decrease in inpatient volumes.

Net patient service revenues for the fiscal year ended June 30, 2022 increased $27.5 million from $1.258 billion in fiscal year ended June 30, 2021, which represents a 2.2% increase. This increase is attributed to increased patient volumes, a $5.0 million increase in Indirect Medical Education received from NM Medicaid and an increase in Directed Upper Payment Limit of $16.8 million, net of associated IGT.

Patient days and visits are important statistics for the Hospital and are presented below:

	Years Ended June 30,		
	2023	2022	2021
Total licensed beds	537	537	537
Percent of occupancy (staffed beds)	97.2 %	103.4 %	93.6 %
Discharges	26,518	26,893	25,127
Patient days	177,449	189,851	171,600
Observation days	13,497	13,362	12,430
Average length of stay	7.0	7.4	6.8
Outpatient visits	549,832	561,356	534,963
Emergency visits	75,036	78,023	101,494
Urgent care visits	22,638	20,333	10,404
Surgeries	21,064	20,357	19,661

Overall patient and observation days for the year ended June 30, 2023 decreased by 12,267 from the year ended June 30, 2022, which represents a 6% decrease. The Hospital was operating at full or above full capacity after taking into account both the inpatient days and observation volumes during fiscal years ended June 30, 2023 and 2022. However, the expiration of the public health emergency and the decline in COVID-19 patient volumes resulted in an occupancy lower than 100% for the year ended June 30, 2023. Patient discharges decreased 375 compared to fiscal year ended June 30, 2022, which represents a 1% decrease. Surgical volumes increased for the year ended June 30, 2023 by 3%.

Overall patient and observation days for the year ended June 30, 2022 increased by 19,183 from the year ended June 30, 2021, which represents a 10% increase. The Hospital was operating at full or above full capacity after taking into account both the inpatient days and observation volumes during fiscal years ended June 30, 2022 and 2021. Patient discharges increased 1,766 compared to fiscal year ended June 30, 2021, which represents a 7% increase. Surgical volumes increased for the year ended June 30, 2022 by 4%, due to the lifting of the public health order issued by the New Mexico State Governor in 2020 in response to the COVID-19 pandemic.

The Hospital offers a financial assistance program called UNM Care to which all eligible patients are encouraged to apply. This program assigns patients to primary care providers and enables them to receive care throughout the Hospital and at all clinic locations. This program is available to Bernalillo County residents who also meet certain income and asset thresholds. Patients applying for coverage under UNM Care must apply for coverage under Medicaid or the Health Insurance Exchange (HIX), if eligible. Patients may continue to receive UNM Care until they receive Medicaid eligibility or notification of coverage under the HIX. Patients certified under Medicaid or the HIX may continue to qualify for UNM Care as a secondary coverage for copays and deductibles if they meet the income guidelines. The Hospital uses the same sliding income scale as the Affordable Care Act to determine if insurance coverage is considered affordable. If coverage is determined not to be affordable, patients may be granted a hardship waiver to qualify for UNM Care and would not be required to pursue coverage under the HIX.

As of June 30, 2023, 2022 and 2021, there were approximately 4,800, 4,300 and 3,900 active enrollees in UNM Care, respectively. The income threshold for UNM Care is 300% of the Federal Poverty Level (FPL), and patients may apply for this program at various locations throughout the Hospital. The Hospital does not pursue collection of amounts determined to qualify as charity care. The cost of charity care provided under this program for fiscal years ended June 30, 2023, 2022 and 2021 was approximately $53.7 million, $46.8 million and $30.7 million, respectively.

The Hospital provides care to patients who are either uninsured or underinsured and who do not meet the criteria for financial assistance. These accounts are fully reserved and recorded as provision for uncollectible accounts. Provision expense recorded for the years ending June 30, 2023, 2022 and 2021 was $35.0 million, $48.4 million and $59.0 million, respectively.

The Hospital recognized intergovernmental transfers (IGTs) to the State of New Mexico in the amounts of $65.0 million, $60.4 million and $61.7 million, respectively, for the years ended June 30, 2023, 2022 and 2021. Due to the economic conditions in the State of New Mexico and nationally, the State has been unable in prior fiscal years to fund a portion of the nonfederal share to obtain federal matching funds (the State's Portion) for certain aspects of Directed Payments, Indirect Medical Education (IME), Graduate Medical Education (GME), and enhanced capitation payments, thereby jeopardizing the viability of the Directed Payments, Enhanced Payments, IME and GME programs. As a result, the Hospital may, in the next fiscal year, enter into Memoranda of Understanding (MOUs) with the State of New Mexico under which the Hospital would agree to make IGTs to fund the nonfederal share of the Medicaid payment pursuant to federal Medicaid regulations at 42 CFR 433.51 (Eligible Operating Funds). The IGTs are recorded as a reduction of net patient service revenues in the accompanying statements of revenues, expenses and changes in net position.

Other operating revenue – In order to expand its outpatient pharmacy capacity, the Hospital has entered into contract pharmacy service arrangements. These contracted pharmacies are located throughout Albuquerque and the State and are able to fill and refill prescriptions written by physicians credentialed at the Hospital for patients of the Hospital. The contracted pharmacy bills the patient's underlying insurance and remits the payments to the Hospital on a monthly basis, net of a dispensing fee. The Hospital has recorded $29.6 million, $44.1 million and $43.6 million for pharmacy services in other operating revenue for the years ended June 30, 2023, 2022 and 2021, respectively. The decrease in contract pharmacy revenue from the years ended June 30, 2022 to June 30, 2023 is due to manufacturers limiting hospital's use of 340b drugs at contract pharmacies.

Operating expenses – Operating expenses for the Hospital include items such as employee compensation and benefits, medical services, medical supplies, purchased services, depreciation and equipment. For the year ended June 30, 2023, operating expenses totaled $1.43 billion, a decrease from the year ended June 30, 2022 of $12.4 million or 1%. The most significant expenditures were for employee compensation and benefits.

Compensation and benefits combined were $689.8 million, $720.1 million and $632.2 million for the years ended June 30, 2023, 2022 and 2021, respectively. For fiscal years ended June 30, 2023, 2022 and 2021, the percentage of compensation and benefits combined to total operating expenses was 48.2%, 49.9% and 47.4%, respectively. Compensation and benefits decreased $30.3 million, or 4%, during the year ended June 30, 2023, primarily due to a decrease in other contract labor offset by an increase of regular wages, overtime wages and training and orientation wages for new employees. The decrease in contract labor expense is primarily related to improved market rates for contracted clinical labor.

After compensation and benefits the most significant change in operating expense is an increase in medical services of $16.2 million (6.5%) during the year ended June 30, 2023 as a result of increased lab expense and physician support.

Medical supplies increased $17.4 million (7.4%) as result of higher cost of goods sold and pharmaceutical costs during the year ended June 30, 2022. Medical services increased $3.6 million (1.6%) during the year ended June 30, 2022 as a result of increased lab expense and physician support. Occupancy increased $3.6 million (20.7%) as result of new reporting requirements of GASB 87. These increases were offset by a decrease in other expenses of $3.1 (17.4%) attributed to the reversal of fees accrued in a prior year that are deemed likely not to occur.

Operating expense mix for the years ended June 30, 2023, 2022 and 2021 is detailed below:

	2023	2022	2021
Employee compensation	41 %	43 %	40 %
Benefits	7	7	8
Medical supplies	18	17	18
Medical services	17	16	17
Purchased services	5	5	6
Equipment	4	4	4
Depreciation	2	2	2
Gross receipts tax	2	2	2
Occupancy	2	2	1
Other supplies	1	1	1
Other	1	1	1

Nonoperating revenues and expenses – The sources of nonoperating revenues for the Hospital are Bernalillo County mill levy, CARES Act funding, FEMA funding, State appropriation, bequests and contributions, State of New Mexico Land and Permanent fund, investment revenues and other nonoperating revenues. The sources of nonoperating expenses for the Hospital are interest on capital asset related debt and other nonoperating expenses. Net nonoperating revenues were $113.9 million, $109.2 million and $170.5 million for the years ended June 30, 2023, 2022 and 2021, respectively.

The Bernalillo County mill levy tax subsidy is the most significant nonoperating revenue, totaling $102.6 million, $97.6 million and $95.3 million in years ended June 30, 2023, 2022 and 2021, respectively. This tax subsidy is provided for the operations and maintenance of the Hospital. The proceeds of the mill levy may not be repurposed for any purpose other than that which the voters approved.

The Hospital received CARES Act funding of $4.4 million and $60.9 million in the years ended June 30, 2022 and 2021, respectively. This funding was provided to offset increased costs associated with responding to the Coronavirus disease 2019 (COVID-19) pandemic.

The Hospital received State appropriation funding of $7.4 million, $6.3 million and $6.0 million in 2023, 2022 and 2021, respectively. Included in this amount was $7.0 million, $5.9 million and $5.5 million for the Carrie Tingley Hospital (CTH) in 2023, 2022 and 2021, respectively, and $451 thousand for the Young Children's Health Center (YCHC) in 2023, 2022 and 2021, respectively. State land revenue and oil and gas royalties for CTH for 2023, 2022 and 2021 were $1.2 million, $1.1 million and $944 thousand, respectively.

Contribution revenue was $5.1 million, $3.7 million and $2.8 million in 2023, 2022 and 2021, respectively. The primary source for contributions is the annual Children's Miracle Network fundraising drive. In addition, there were donations that were used for child life, Carrie Tingley Hospital, and pediatric hospice. All donations are received by the UNM Foundation and are drawn upon by the Hospital.

Included in nonoperating expense was $6.0 million, $3.6 million and $2.8 million of interest expense on capital asset related debt for each of the years ended June 30, 2023, 2022 and 2021, respectively.

Capital initiatives – The Hospital has historically transferred funds set aside for capital projects to a restricted account at UNM. These funds will be used to partially fund the new medical tower project. During the year ended June 30, 2021, the Hospital recorded a capital initiatives transfer of $196.0 million that has been recognized as an increase to net position. There were no additional capital initiatives designated for the Hospital during the years ended June 30, 2022 and 2023.

Capital assets – At June 30, 2023, the Hospital had $673.6 million invested in capital assets, net of accumulated depreciation of $481.2 million. Depreciation charges for the year ended June 30, 2023 totaled $33.8 million compared to $33.5 million and $33.3 million in years ended June 30, 2022 and 2021, respectively.

	2023	2022	2021
Land, building, and improvements	$ 264,563,411	$ 264,142,548	$ 189,981,913
Building service equipment	224,510,559	203,046,994	174,467,212
Major moveable equipment	189,103,502	183,210,861	173,870,049
Computer software	49,732,507	49,412,954	47,625,544
Computer equipment	27,260,444	22,973,849	20,631,691
Fixed equipment	18,016,443	17,494,085	16,857,857
Construction in progress	381,615,258	142,673,424	72,989,212
	1,154,802,124	882,954,715	696,423,478
Less accumulated depreciation	(481,190,218)	(454,427,581)	(434,390,185)
Net property and equipment	$ 673,611,906	$ 428,527,134	$ 262,033,293

During 2023, the largest capital increases were building service equipment, major moveable equipment and computer equipment ($31.6 million) and construction in progress ($261.7 million in additions offset by $22.7 million of completed projects), these increases were offset by retirements of assets in the amount of $7.2 million.

During 2022, the largest capital increases were land, building, and building improvements ($74.2 million) and construction in progress ($69.7 million in additions offset by $106.6 million of completed projects) and. These increases were offset by retirements of assets in the amount of $14.2 million. The new patient parking building was completed during the year ended June 30, 2022 and this was the most significant increase to building in the amount of $72.8 million.

Several new renovation projects were initiated during fiscal year ended June 30, 2020, including a new patient parking structure, a new medical building and renovations at the main hospital and multiple off-site clinics. These projects continued in fiscal years ended June 30, 2021, 2022 and 2023. The new critical care tower building is the most significant project in the construction in progress balance and is a multiyear project expected to be completed by 2025 year end.

Capital commitments – As discussed further in the Debt Activity section, during the year ended June 30, 2022 the Hospital began construction on an extensive addition project with plans to occupy the new building in fiscal year 2025. The Hospital is funding the expansion through a mixture of debt issuance, cash reserved for Capital Initiatives and operating cash.

Debt activity – The Hospital's bonds payable totaled $68.0 million and $74.3 million at June 30, 2023 and 2022, respectively. The bonds are Federal Housing Administration (FHA) insured Hospital Mortgage Revenue Bonds and were issued pursuant to a trust indenture, dated May 1, 2015. The bonds carry interest rates that range from 0.484% to 3.532%.

The current portion of this debt is $6.5 million and $6.3 million at June 30, 2023 and 2022, respectively.

On September 9, 2021, the Hospital closed on a mortgage loan to partially finance the construction of a new patient tower. The debt was issued under the HUD Section 242 loan guarantee program and is backed by GNMA securities. The mortgage will be drawn down as needed to fund the construction project, not to exceed $320 million, and carries an interest rate of 3.275%. The terms of the loan require interest only payments through construction. Principal and interest payments will begin on October 1, 2024 with loan maturity occurring on September 1, 2049. During the years ended June 30, 2023 and 2022, the Hospital drew down $114.8 and 51.7 million and incurred interest of $3.5 and 881 thousand, respectively.

The loan guarantee is considered federal assistance subject to the requirements of Office of Management and Budget (OMB) uniform guidance. Accordingly, the loan guarantee is considered a federal award for purposes of UNM's June 30, 2023 and 2022 Single Audit.

Change in net position – The Hospital's total change in net position was a net decrease for the year ended June 30, 2023. Total net position (assets plus deferred outflows minus liabilities minus deferred inflows) is classified by the Hospital's ability to use these assets to meet operating needs. Unrestricted net position may be used to meet all operating needs of the Hospital. A portion of the Hospital's net position may be restricted as to use by sponsoring agencies, donors, or other nonhospital entities. The restricted net position is further classified as to the purpose for which the funds must be used. Restricted net position represents funds generated by contributions, gifts, and grants, as well as funds restricted for use in accordance with the trust indenture and debt agreements. Net position decreased approximately $16.0 million in fiscal year ended June 30, 2023. The decrease in net position is due to net nonoperating revenue of $113.9 million offset by an operating loss of $130.0 million. Net position increased approximately $2.1 million in fiscal year ended June 30, 2022. The increase in net position is due to net nonoperating revenue of $109.3 offset by an operating loss of $107.1 million.

Factors impacting future periods – The Bernalillo County mill levy that the Hospital receives is based on property values. It is possible that the amount of the mill levy may remain flat or potentially increase as a result of increased property values. The voters approved the renewal of the mill levy in the November 2016 election. The mill levy is subject to approval by the Bernalillo County voters every eight years and it will be up for renewal in the November 2024 election. The Hospital's facilities are leased from the County by UNM under the 1999 lease agreement, as described under note 1 to the financial statements. Term of this agreement provides for either party to the lease to reopen the terms and conditions by giving notices in the first three months of 2014, 2022, 2030 and 2038. Neither party requested to reopen the terms and conditions of the lease in 2022. On March 25, 2014, the County Commission approved Administrative Resolution AR 2014-21 to open negotiations with UNM on the lease agreement and to establish a taskforce to provide healthcare expertise to the County in support of the negotiations. The agreement was finalized in February 2018. Under the MOU, the Hospital is required to allocate 15% of the mill levy proceeds to the UNM Psychiatric Center, fund one or more navigational services and a transition planning and case management service (Re-entry Resource Center) at $2.06 million adjusted annually for inflation, and to comply with certain reporting and collaboration efforts as described in the MOU. In June 2018, the Hospital and County entered into a program MOU for the Bernalillo County Re-entry Resource Center, under which UNM Hospitals would establish within its budget at least $800 thousand for this program.

On January 31, 2020, Health and Human Services Secretary Alex Azar II declared a Public Health Emergency (PHE) for the United States to help the healthcare community respond to COVID-19. The PHE declaration officially ended May 11, 2023.

As part of the Families First Coronavirus Response Act (FFCRA) enacted by Congress at the start of the pandemic, Medicaid programs were directed to keep members continuously enrolled in Medicaid through the end of the COVID-19 PHE. Medicaid received enhanced federal funding in order to do this. The Consolidated Appropriations Act (CAA) of 2023 which was signed into law on December 29, 2022, delinked the continuous enrollment provision from the PHE and ended continuous enrollment on March 31, 2023. The CAA also phases down the enhanced federal Medicaid matching funds through December 2023. Primarily due to the continuous enrollment provision, Medicaid enrollment nationwide as well as in New Mexico has grown substantially compared to pre-pandemic levels and the uninsured rate has dropped. New Mexico Medicaid began sending notices to those who were still active on the Medicaid rolls letting them know that they would need to re-enroll to continue their Medicaid coverage. Anyone who does not re-enroll or who no longer meets the criteria to receive Medicaid benefits will be disenrolled. The disenrollment began May 31, 2023 and New Mexico Human Services Department estimated that as many as 100,000 members could be disenrolled. It is not known at this time how many of those will be eligible for other coverage or will be uninsured.

The Hospital continues to operate at physical capacity for adult patients. The new Critical Care Tower is scheduled to open in fiscal year 2025. The tower will contain 9 floors, of which 2 of the floors will be completed at a later date. It will contain an additional 96 Intensive Care Unit beds as well as 18 new operating rooms. The adult emergency room will also move to the new tower.

On August 1, 2023, the Centers for Medicare and Medicaid Services (CMS) released the Federal Fiscal Year (FFY) 2024 Inpatient Prospective Payment System (IPPS) Final Rule. The final rule included a total update factor of 3.1% comprised of a market basket increase of 3.3% and a productivity decrease of 0.2%. The Hospital will receive a 1.91% increase to the national labor and non-labor components of the DRG rate and a 1.63% decrease in the hospitals wage index as the Metropolitan Statistical Area's average hourly wage for Bernalillo County declined. However, the Hospital still qualifies for a geographical wage reclassification to Santa Fe County through FFY 2025. The Hospital's Uncompensated Care (UC) disproportionate share hospital (DSH) payments are estimated to decrease $973 thousand or 13.48%. This is primarily due to the drop in the National UC funding Pool that was $936 million less compared to FFY2023 due to a drop in the national uninsured rate.

CMS also finalized the policy effective October 1, 2023, to allow dual-status hospitals that are both designated as a rural hospital and approved for a Medicare geographic wage index reclassification to begin receiving Medicare Capital DSH payments. Prior to October, 1, 2023, dual-status hospitals were not permitted under CMS regulations to receive capital DSH payments.

In January 2018, CMS reset Medicare payments for drugs obtained under the 340b program from the average sales price (ASP) plus 6 percent to ASP minus 22.5 percent. CMS has continued this payment policy through 2022. On June 15, 2022, the U.S. Supreme Court issued a unanimous decision in the case of American Hospital Association et al. v. Becerra, Secretary of Health and Human Services et al. finding these Medicare payment cuts to hospitals participating in the 340b drug pricing program illegal. The Court remanded the case for further proceedings and did not address a remedy. The Court's decision is limited to payment policies for 2018 and 2019 which were the basis of the lawsuits. The Court did not directly address subsequent years. CMS Outpatient Prospective Payment rates (OPPS) payments are budget neutral such that the reduction in 2018 of payment for drugs was offset by increases for non-drug services. Health and Human Services (HHS) argued that unwinding these payments would be difficult for prior years.

CMS announced on October 13, 2022, that Medicare Administrative Contractors (MACs) would reprocess claims for 340b acquired drugs paid under OPPS for claims paid on or after September 28, 2022. Claims paid prior to September 28, 2022 for calendar year (CY) 2022 dates of service would need to be re-submitted by providers to the MACs for adjustment.

CMS issued a proposed rule on July 7, 2023 proposing to make a lump sum payment to providers affected by the payment reduction related to 340b acquired drugs the time period of CY2018 through third quarter of CY2022. CMS also proposed a budget neutrality adjustment to offset the 340b lumpsum payments. This adjustment would reduce future non-drug item and service payments by adjusting the OPPS conversion factor by minus 0.5% starting in CY2025 and continuing this adjustment until the full amount is offset, which CMS estimates to be 16 years. The financial impact of this is not known at this time.

In July 2023, CMS released the CY2024 proposed OPPS rule CMS provides for a hospital market basket increase of 3.0% and a productivity decrease of 0.2% to total a 2.8% increase to OPPS rates for CY2024. The CY2024 OPPS proposed rule would also maintain full Medicare Part B drug payment to hospitals in the 340b Drug Pricing Program at Average Sale Price (ASP) plus 6%. UNMH impact is estimated to be an increase of $589 thousand for a 12 month period.

With regard to Price Transparency, CMS has proposed that hospitals be required to display the standard charges data using a CMS template, beginning in 2024. Hospitals would also have to encode all standard charge information, as applicable, that corresponds to a set of required data elements. CMS may require submission of certification by an authorized hospital official as to the accuracy and completeness of the data in the machine-readable file and require the submission of additional documentation it deems necessary to determine hospital compliance.

Contacting the Hospital's financial management – This financial report is designed to provide the Hospital's patients, suppliers, taxpayers, and creditors with a general overview of the Hospital's finances and to show the Hospital's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Hospital's Finance and Accounting Department, Attn: Controller, PO Box 80600, Albuquerque, NM 87198-0600.

Financial Statements

University of New Mexico Hospital
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash and cash equivalents	$ 183,105,669	$ 229,127,260
Marketable securities	36,246,218	35,997,885
Restricted assets by trustee for debt service	335,623	210,410
Receivables		
Patient (net of allowance for doubtful accounts and contractual adjustments of approximately $199,626,000 in 2023 and $198,051,000 in 2022)	154,914,547	147,987,855
Due from University of New Mexico entities	22,543,589	9,345,300
Estimated third-party payor settlements	127,239,593	114,027,989
Bernalillo County Treasurer	1,729,825	1,786,149
Other	5,924,943	13,090,946
Total net receivables	312,352,497	286,238,239
Prepaid expenses	4,990,567	4,594,638
Inventories	22,182,952	21,213,766
Total current assets	559,213,526	577,382,198
NONCURRENT ASSETS		
Restricted and designated assets		
Assets held by trustee		
Restricted for mortgage reserve fund	18,508,578	17,965,789
Assets restricted by donors	20,585,316	19,489,323
Assets designated by UNM Hospital	63,274,712	236,172,800
Assets designated by UNM Hospital Board of Trustees	37,030,599	37,071,447
Total restricted and designated assets	139,399,205	310,699,359
Capital assets, net	673,611,906	428,527,134
Right to use and SBITA assets, net	38,159,089	46,712,156
Due from affiliates	257,517	-
Total noncurrent assets	851,427,717	785,938,649
TOTAL ASSETS	$ 1,410,641,243	$ 1,363,320,847
DEFERRED OUTFLOWS		
Total deferred outflows related to pensions	$ 138,988	$ 911,385

See accompanying notes.

University of New Mexico Hospital
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	$ 62,062,942	$ 76,481,607
Accrued payroll	18,803,335	37,998,706
Due to University of New Mexico entities	56,932,877	52,887,514
Bonds payable – current	6,480,000	6,285,000
Lease and SBITA payable - current	8,125,628	8,226,087
Accrued compensated absences	31,082,102	31,520,720
Estimated third-party payor settlements	141,396,980	125,752,437
Medicare Advance Payment Plan	392	15,596,668
Other accrued liabilities	4,738,253	3,078,084
Total current liabilities	329,622,509	357,826,823
NONCURRENT LIABILITIES		
Bonds payable	61,485,000	67,965,000
Mortgage payable	166,499,968	51,689,289
Lease and SBITA liability	30,738,143	38,787,047
Due to affiliates	-	7,271,029
Net pension liability	535,595	1,124,717
Total noncurrent liabilities	259,258,706	166,837,082
Total liabilities	$ 588,881,215	$ 524,663,905
DEFERRED INFLOWS		
Total deferred inflows related to pensions	$ 464,028	$ 2,087,724
NET POSITION		
Net investment in capital assets	$ 438,442,255	$ 302,286,867
Restricted, expendable		
For grants, bequests, and contributions	20,585,316	19,489,323
In accordance with the trust indenture and debt agreement	18,844,201	18,176,199
Unrestricted	343,563,216	497,528,214
TOTAL NET POSITION	$ 821,434,988	$ 837,480,603

See accompanying notes.

University of New Mexico Hospital
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Net patient service	$ 1,263,891,258	$ 1,285,155,652
State and local contracts and grants	1,809,284	1,877,868
Other operating	35,743,045	49,703,444
Total operating revenues	1,301,443,587	1,336,736,964
OPERATING EXPENSES		
Employee compensation	583,049,786	613,869,362
Benefits	106,748,957	106,250,769
Medical supplies	251,933,258	252,082,973
Medical services	248,016,873	231,861,801
Purchased services	75,498,283	77,503,950
Equipment	54,064,660	57,424,769
Depreciation	33,758,665	33,543,153
Gross Receipts Tax	25,574,623	24,786,707
Occupancy	21,360,877	21,230,314
Other supplies	11,596,228	10,620,898
Other	19,829,588	14,693,382
Total operating expenses	1,431,431,798	1,443,868,078
Operating loss	(129,988,211)	(107,131,114)
NONOPERATING REVENUES (EXPENSE)		
Bernalillo County mill levy	102,552,193	97,605,586
State appropriation	7,408,800	6,330,200
Bequests and contributions	5,110,819	3,681,350
Equity (loss) income of TriCore and TriCore Lab Svc Corp.	(40,847)	2,257,574
State of New Mexico Land and Permanent Fund proceeds	1,172,592	1,056,946
Cares Act Funding	-	4,396,870
Investment income (loss)	2,636,914	(746,973)
Interest on capital asset-related debt	(5,988,872)	(3,553,067)
Debt insurance costs	-	(7,483,401)
Other nonoperating revenue	6,531,363	8,991,382
Other nonoperating expense	(5,440,366)	(3,257,579)
Net nonoperating revenue (expense)	113,942,596	109,278,888
(Decrease) increase in net position	(16,045,615)	2,147,774
NET POSITION		
Beginning of year	837,480,603	835,332,829
End of year	$ 821,434,988	$ 837,480,603

See accompanying notes.

University of New Mexico Hospital
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from Medicaid and Medicare	$ 870,210,514	$ 805,341,146
Cash received from insurance and patients	413,945,400	466,317,295
Cash received from contracts and grants	1,874,324	1,793,358
Cash payments to employees	(475,820,969)	(441,215,831)
Cash payments for contract labor	(106,270,144)	(158,276,227)
Cash payments to suppliers	(585,670,549)	(564,759,426)
Cash payments to University of New Mexico entities	(240,134,728)	(188,519,455)
Cash payments to State of New Mexico for intergovernmental transfer	(40,354,685)	(53,099,710)
Cash payments to the State of NM for Gross Receipts Tax	(25,574,623)	(26,977,307)
Cash payments to affiliates	(7,528,546)	(1,530,025)
Other receipts	33,611,959	52,572,413
Net cash from operating activities	(161,712,047)	(108,353,769)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from Bernalillo County mill levy	102,608,517	97,717,522
Cash received from state general fund and other state fund appropriations	7,206,900	6,128,300
Cash received from State of New Mexico Land and Permanent Fund	1,172,592	1,056,946
Cash paid for/receipts from other than capital or operating purposes	187,381	-
Cash received from contributions for other-than-capital purposes	5,110,819	3,681,350
Cash received from CARES Act	-	4,396,870
Cash received from FEMA	15,749,176	-
Net cash from noncapital financing activities	132,035,385	112,980,988
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Principal payments of bonds	(6,285,000)	(6,105,000)
Interest payments on capital assets-related to debt	(5,988,872)	(3,553,067)
Purchases of capital assets	(279,006,457)	(200,768,799)
Cash payments for lease and SBITA liabilities	(10,798,517)	(8,445,104)
Cash received from draws on construction loan	114,810,679	51,689,289
Cash paid for debt issuance	-	(7,483,401)
Cash received from UNM Capital Initiatives	50,000,000	50,000,000
Cash payments for debt-related activities	(2,589,311)	(2,731,804)
Net cash from capital financing activities	(139,857,478)	(127,397,886)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash withdrawals from 2015 bond reserve fund	-	2,105
Proceeds from sales and maturities of investments	27,205,800	30,244,548
Purchase of investments	(27,445,342)	(30,605,334)
Interest and dividends on investments	1,946,391	638,472
Net cash from investing activities	1,706,849	279,791
Net decrease in cash and cash equivalents	(167,827,291)	(122,490,876)
CASH AND CASH EQUIVALENTS, beginning of year	388,380,073	510,870,949
CASH AND CASH EQUIVALENTS, end of year	$ 220,552,782	$ 388,380,073

See accompanying notes.

University of New Mexico Hospital
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES		
Operating loss	$ (129,988,211)	$ (107,131,114)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation expense	33,758,665	33,543,153
Lease and SBITA amortization	8,553,067	8,746,082
Provision for doubtful accounts	34,966,468	48,411,955
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Patient receivables	(41,893,160)	(51,860,061)
Due from University of New Mexico entities	(13,198,289)	846,112
Estimated third-party payor settlements receivables	(13,211,604)	(24,886,621)
Other receivables and prepaid expenses	(2,461,975)	2,941,301
Inventories	(969,186)	(2,698,271)
Deferred outflows related to pensions	772,397	1,156,707
Medicare Advanced Payment Plan	(15,596,276)	(54,115,932)
Accounts payable	(14,418,665)	19,133,082
Accrued expenses	(17,973,820)	(8,081,476)
Due to University of New Mexico entities	4,045,363	13,259,306
Estimated third-party payor settlements liabilities	15,644,543	15,853,738
Due to/from affiliates	(7,528,546)	(1,530,025)
Net pension liability	(589,122)	(3,472,357)
Deferred inflows of resources related to pensions	(1,623,696)	1,530,652
Net cash from operating activities	$ (161,712,047)	$ (108,353,769)

See accompanying notes.

Note 1 – Description of Business

University of New Mexico Hospital (the Hospital), operated by the University of New Mexico (UNM) Health Sciences Center (HSC), is certified as a short-term acute care provider with a full range of medical services provided primarily to the New Mexico community. UNM is a state institution of higher education created by the New Mexico Constitution. The accompanying financial statements of the Hospital are intended to present the financial position and changes in financial position and cash flows of only that portion of the business-type activities of UNM, which is attributable to the transactions of the Hospital. The Hospital is not a legally separate entity and is, therefore, reported as a division of UNM and included in the basic financial statements of UNM. The Hospital, as a division of UNM, has no component units.

The Hospital's facilities are leased from Bernalillo County (the County) by UNM. The lease provides for a $1 annual rental payment, an allocation of the County mill levy, and medical treatment for American Indians as required by a 1952 agreement with the federal government, and is contingent on approval of the mill levy by the electorate every eight years with the last voter approval in November 2016. Effective as of November 18, 2004, the UNM Board of Regents and the Board of County Commissioners entered into a First Amendment to the Original Lease, as amended (the Lease), under which, among other things, (i) the term of the Original Lease was extended until June 30, 2055, which is after the maturity of the Department of Housing and Urban Development (HUD)-insured loan (refer to Note 9, Bonds Payable); (ii) the Hospital was authorized to obtain the HUD-insured loan; (iii) the Hospital was authorized to encumber the Lease with a leasehold mortgage; and (iv) the actions that are to be taken concerning the operations of the Hospital in the event of a default under the HUD-insured loan were described.

The UNM Board of Regents is the ultimate governing authority of the Hospital, but it has delegated certain oversight responsibilities to the UNM Hospital Board of Trustees. The Hospital is governed by the UNM Hospital Board of Trustees, which consists of nine members, including seven members appointed by the UNM Board of Regents, two of which are nominated by the All Pueblo Council of Governors (APCG). The two remaining members are appointed by the County Commission.

UNM Carrie Tingley Hospital (CTH) is a pediatric unit of the Hospital. CTH was created in 1989 by the legislature of the State of New Mexico to provide care and treatment for the physically challenged children of the State of New Mexico in need of long-term inpatient or outpatient care. A brief summary of CTH's financial results for the years ended June 30 is as follows:

	2023	2022
Total operating revenues	$ 13,030,947	$ 13,561,922
Total operating expenses	(21,138,778)	(21,473,558)
Operating loss	(8,107,831)	(7,911,636)
Nonoperating revenue	8,250,711	6,996,736
Total increase (decrease) in net position	142,880	(914,900)
Net position, beginning of year	3,056,143	3,971,043
Net position, end of year	$ 3,199,023	$ 3,056,143

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The accompanying financial statements have been prepared using the economic resource measurement focus and the accrual basis of accounting, in accordance with U.S. generally accepted accounting principles for healthcare organizations, and are presented in accordance with the reporting model as prescribed in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*; GASB Statement No. 38, *Certain Financial Statement Note Disclosures;* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resource, and Net Positio*n. The Hospital follows the business-type activities' requirements of GASB Statement No. 34 and No. 63. This approach requires the following components of the Hospital's financial statements:

- Management's discussion and analysis
- Basic financial statements, including statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows using the direct method for the Hospital as a whole
- Notes to financial statements

GASB Statement No. 34 and subsequent amendments, including GASB Statement No. 63 as discussed below, established standards for external financial reporting and requires that resources be classified for accounting and reporting purposes into the following three net position categories:

Net investment in capital assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted net position, expendable – Assets whose use by the Hospital is subject to externally imposed constraints that can be fulfilled by actions of the Hospital pursuant to those constraints or that expire by the passage of time.

Unrestricted net position – Assets that are not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of UNM Hospital Board of Trustees or the UNM Board of Regents or may otherwise be limited by contractual agreements with outside parties.

Recent accounting pronouncements – GASB Statement No. 96, *Subscription-based Information Technology Arrangements,* was adopted effective July 1, 2022. The objective of this statement is to provide uniform guidance for accounting and financial reporting for transactions that meet the definition of subscription-based information technology arrangements (SBITAs). This statement defines a SBITA, established that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The adoption of this standard resulted in a restatement of the beginning asset of $36,422,183 and liability of $36,422,183 related to SBITA assets. There was no impact to the net position as a result of this restatement.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections.* An amendment to Statement 62, the standard clarifies practice by providing guidance for changes in the financial reporting entity, accounting principles, and estimates used to prepare financial information. The new standard also prescribes the treatment for the correction of errors in previously issued financial statements. The requirements of this statement apply to the financial statements of all state and local governments. The statement is effective for fiscal years beginning after June 15, 2023, the standard will affect the year-end June 30, 2024. The Hospital is evaluating the impact the standard will have on its financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objectives of this statement are to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement apply to the financial statements of all state and local governments. The requirements of this statement are effective for reporting periods beginning after December 15, 2023. The Hospital is evaluating the impact the standard will have on its financial statements.

Implementation Guide No. 2021-1, *Implementation Guidance Update—2021*. The implementation guide 2021 states that it may be appropriate for a government to establish a capitalization policy that would require capitalization of certain types of assets whose individual acquisition costs are less than the threshold for an individual asset. The amended guidance on capitalization is effective for reporting periods beginning after June 15, 2023. The Hospital is evaluating the impact the standard will have on its financial statements.

Use of estimates – The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statement dates, and the reported amount of revenues and expenses during the reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

Operating revenues and expenses – The Hospital's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues, such as patient service revenues, result from exchange transactions associated with providing healthcare services, the Hospital's principal activity. Exchange transactions are those in which each party to the transaction receives and gives up essentially equal values. Operating expenses are all expenses incurred to provide healthcare services.

Grants and contracts – Revenue from grants and contracts is recognized to the extent of direct costs and allowable indirect expenses incurred under the terms of each agreement. Funds restricted by grantors for operating purposes are recognized as revenue when the terms of the grant have been met.

Nonoperating revenue and expenses – Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions, such as appropriations, gifts, government levies and subsidies, interest, and other expenses related to issuing and servicing debt, and transfers of assets to support the mission of the integrated, academic health center and healthcare delivery system (Health System). Nonoperating revenues also include revenues earned outside the clinical operations of the hospital and their associated costs.

These revenue and expense streams are recognized under GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Appropriations are recognized in the year they are appropriated, regardless of when actually received. Bequests and contributions are recognized when all applicable eligibility requirements have been met. Investment income is recognized in the period in which it is earned. The mill levy is recognized in the period in which it is collected by the County. Interest expense incurred on the outstanding debt obligations and other expenses related to servicing debt are recognized when due. Transfers of assets to the Health System are recognized when incurred. Coronavirus Aid, Relief, and Economic Security (CARES) Act funding is recognized in the period in which the terms and conditions of the funds have been met.

Cash and cash equivalents – The Hospital considers all highly liquid investments (excluding amounts whose use is limited) purchased with an original maturity of three months or less to be cash equivalents. For purposes of the statement of cash flows, cash and cash equivalents includes cash and cash equivalents, restricted cash for unexpended capital appropriation and cash with donor restrictions. Cash balances restricted by donors held for the Center and cash designated by UNM Hospital are included in the assets designated by UNM Hospital in the Statements of Net Position. Total cash within the statements of net position at June 30 are as follows:

	2023	2022
Current assets		
Unrestricted cash and cash equivalents	$ 183,105,669	$ 229,127,260
Noncurrent assets		
Cash restricted by donors, the Hospital	20,585,316	19,489,323
Cash restricted by donors, the Center	342,419	320,512
Cash designated by UNM Hospital	16,519,378	139,442,978
	$ 220,552,782	$ 388,380,073

Investments and investment return – Investments are recorded at fair market value. At June 30, 2023 and 2022, investments consist of obligations of the U.S. government and U.S. government agencies. Investment income includes interest and realized and unrealized gains and losses on investments and interest earned on operating cash. Investment income is reported as nonoperating revenue when earned.

The Hospital follows GASB Statement No. 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*. This statement addresses common deposit and investment risks related to credit risk, concentration of risk, interest rate risk, and foreign currency risk, and also requires certain disclosures of investments at fair values that are highly sensitive to changes in interest rates, as well as deposit and investment policies related to the risks identified in the statement.

Inventories – Inventories are recorded at the lower of cost or market. Cost is determined using the first-in, first-out method, except the replacement cost method is used for pharmacy and operating room inventories. Inventory consists principally of medical and surgical supplies and pharmaceuticals are stated at the lower of cost or market.

Assets designated by UNM Hospital Board of Trustees, designated by management, restricted by donors and restricted by trustee – Assets designated by UNM Hospital Board of Trustees are invested in healthcare related entities. The investment in TriWest Healthcare Alliance Corporation (TriWest) is accounted for using the fair value method. The investments in TriCore Reference Laboratories (TRL or TriCore) and TriCore Laboratory Services Corporation (TLSC) are accounted for using the equity method.

Assets designated by management include receivables and cash designated for the partial construction and purchase of equipment for the planned patient tower and parking garage. At June 30, 2023, $46.4 million of this asset is a receivable from UNM with the remaining balance in cash.

Assets restricted by donors include cash balances donated and held for expenditures as specified by the donors.

Assets held by trustee are restricted by the Federal Housing Administration (FHA) as a mortgage reserve fund for long-term debt.

Capital assets – Capital assets are stated at cost or at estimated fair value on date of acquisition. Donated property and equipment are stated at fair market value when received. The Hospital's capitalization policy for assets includes all items with a unit cost of more than $5,000. Depreciation on capital assets is calculated using the straight-line method over the estimated useful lives of the assets as indicated in the "*Estimated Useful Lives of Depreciable Hospital Assets*," Revised 2018 Edition published by the American Hospital Association. Repair and maintenance costs are charged to expense as incurred. On a quarterly basis, the Hospital assesses long-lived assets in order to determine whether or not it is necessary to retire, replace, or impair based on condition of the assets and their intended use. There were no capital assets deemed impaired at June 30, 2023.

Leases – The Hospital is a lessee for various noncancellable leases of buildings and equipment. For leases with a maximum possible term of 12 months or less at commencement, the Hospital recognizes the expense based on the provisions of the lease contract. For all other leases, the Hospital recognizes a lease liability.

At lease commencement, the Hospital initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into lease expense on a straight-line basis over the shorter of the lease terms or the useful life of the underlying asset. If the Hospital is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

Key estimates and judgments include how the Hospital determines the discount rate it uses to calculate the present value of the expected lease, lease term and lease payments.

The Hospital generally uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. The Hospital's incremental borrowing rate for leases is based on the rate of interest it would pay for any amounts borrowed for capital projects.

The lease term includes the noncancellable period of the lease plus any additional periods covered by either a Hospital or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain not to be exercised.

Payments are evaluated by the Hospital to determine if they should be included in the measurement of the lease liability, including those payments that require a determination of whether they are reasonably certain of being made, such as residual value guarantees, purchase options, payments for termination penalties and other payments.

The Hospital monitors changes in circumstances that may require remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease, the liability is remeasured and a corresponding adjustment is made to the lease.

Lease assets are reported with long-term assets and lease liabilities are reported with short and long-term liabilities in the statements of net position.

Subscription-Based Information Technology Arrangements (SBITAs) – The Hospital is the end user for various SBITAs. Short-term SBITAs, which have a maximum possible term of 12 months or less, are recognized as an outflow of resources when payment is made. For SBITAs with subscription terms extending beyond one year, the Hospital recognizes an intangible right-to-use (RTU) subscription asset and a corresponding subscription liability.

Initial measurement of the subscription asset/liability is calculated at the present value of payments expected to be paid during the subscription term, discounted using the incremental borrowing rate. The right-to use-asset is amortized on a straight-line basis over the subscription term.

There have been no outflows of resources recognized in the reporting periods for variable payments not previously included in the measurement of the SBITA liability, or other payments such as termination penalties.

Due from/to affiliates – As part of cash management practices, the Hospital centrally manages all cash receipts and disbursements for all its affiliates, including the University of New Mexico Psychiatric Center and the University of New Mexico Children's Psychiatric Center, which are collectively referred to as the "Center." The Hospital receives all cash on behalf of the Center and pays all obligations. Amounts due from affiliates consist mainly of cash paid in excess of cash collected and do not bear interest. Amounts due to affiliates consist mainly of cash collected in excess of expenses paid and do not bear interest. The asset or liability is classified as noncurrent because it is not expected to be settled in the next year.

Accelerated and advance payments – The Centers for Medicare & Medicaid Services (CMS) has expanded the Accelerated and Advance Payment Program to provide financial relief to Medicare providers working to provide treatment to patients and combat the 2019 Novel Coronavirus (COVID-19) pandemic. The terms of this program require CMS begin recoupment one year after receipt. Recoupments will be at 25% of Medicare payments due to the Hospital for eleven months and at 50% for six months thereafter. After the six month period, any balance remaining will be due in full to CMS. These funds were received during the year ended June 30, 2020 in the amount of $79 million and are accounted for as a liability within the current liabilities section of the balance sheet. In April of 2021 the Hospital began repaying these funds in accordance with the agreement. The liability at June 30, 2023 was $392.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Education Retirement Board (ERB) plan and additions to/deductions from ERB's fiduciary net position have been determined to be the same basis as they are reported by ERB. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Net patient service revenues – Net patient service revenues are recorded at the estimated net realizable amount due from patients, third-party payors, and others, for services rendered. Retroactive adjustments under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Contractual adjustments resulting from agreements with various organizations to provide services for amounts that differ from billed charges, including services under Medicare, Medicaid, and certain managed care programs, are recorded as deductions from patient revenues.

The Hospital receives Medicaid Indirect Medical Education (IME) payments as outlined in the New Mexico Administrative Code §8.311.3.12F(8). IME funding is provided to hospitals that have residents in an approved Graduate Medical Education (GME) program to subsidize the higher patient care costs of teaching hospitals relative to nonteaching hospitals. GME funding is provided to the Hospital to subsidize the cost of direct and indirect medical education expenses for training residents in community-based primary care residency programs.

Charity care – The Hospital provides care to patients who meet certain criteria under its charity care policy without expectation of payment or at amounts less than established rates. The Hospital does not pursue collection of amounts determined to qualify as charity care with the exception of co-payments. Charity care is treated as a deduction from gross revenue.

Bernalillo County taxes – The amount of the property tax levy is assessed annually on November 1 on the valuation of property as determined by the County Assessor and is due in equal semi-annual installments on November 10 and April 10 of the next year. Taxes become delinquent 30 days after the due date unless the original levy date has been formally extended. Taxes are collected on behalf of the Hospital by the County Treasurer and are remitted to the Hospital in the month following collection. Revenue is recognized in the fiscal year the levy is collected by the County. This tax subsidy is provided for the operation and maintenance of the Hospital. The proceeds of the levy may not be used for any purpose other than that which the voters approved.

Bernalillo County may utilize property tax exemptions and abatements to stimulate economic development and investment in the community. Three agencies entered into abatement agreements under the authority of NMSA 7-37-6 and NMSA 7-38. The proceeds to the levy were reduced by $1.2 million and $1.02 million in aggregate, authorized by Bernalillo County, the City of Albuquerque, and the New Mexico Hospital Equipment Loan Council, during the years ended June 30, 2023 and 2022, respectively, as a result of the exemptions and abatements granted.

State appropriation – The funding for the state appropriation is included in the General Appropriation Act, which is approved by the House and Senate of the State Legislature and signed by the governor before going into effect. Total funds appropriated for the years ended 2023 and 2022 include $7.4 and $6.3 million, respectively, in the General Fund. The General Fund is designated as a nonreverting fund, per House Bill 2, Section 4, Subsection J, Higher Education.

Income taxes – As part of a state institution of higher education, the income of the Hospital is generally excluded from federal and state income taxes under Section 115(1) of the Internal Revenue Code. However, income generated from activities unrelated to the Hospital's exempt purpose is subject to income taxes under Internal Revenue Code, Section 511(a)(2)(B). During the years ended June 30, 2023 and 2022, there was no income generated from unrelated activities.

Gross receipts taxes – The Hospital is subject to a 5% gross receipts tax on all service generated revenues after a 60% deduction on applicable receipts. Gross receipts tax is calculated and recorded in the accompanying financial statements on an accrual basis. Taxes are paid on a cash basis for the period received.

Intergovernmental transfers – Intergovernmental transfers (IGTs) are recognized in the period in which the Hospital incurs an obligation to make payments to other governmental entities as evidenced by executed Memoranda of Understanding (MOUs) between the State of New Mexico and the Hospital. The Hospital recorded $65.0 million and $60.4 million in IGT obligations for fiscal years ended June 30, 2023 and 2022, respectively. Due to the nature of the MOUs to fund a portion of the nonfederal share to obtain federal matching funds for the Medicaid "Centennial Care," and since the Medicaid "Centennial Care" program is for the provision of patient care, IGTs are recorded as a reduction of net patient service revenue.

Net investment in capital assets – Net investment in capital assets represents the Hospital's total investment in capital assets, net of outstanding debt related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets. There were no unspent bond proceeds at June 30, 2023 and 2022.

Risk management – The Hospital sponsors a self-insured health plan in which the Center also participates, as all employees are under the centralized umbrella of the Hospital. Blue Cross and Blue Shield of New Mexico and HMO New Mexico (BCBSNM) provide administrative claim payment services for the Hospital's plan. Liabilities are based on an estimate of claims that have been incurred but not reported (IBNR) and claims received but not yet paid. The estimated amount of the Hospital's IBNR and accrued claims was approximately $5.0 million at June 30, 2023 and 2022, which is included in accrued payroll. As the Hospital receives all cash and pays all obligations of the Center, the estimated amount of the Center's IBNR and accrued invoices recorded in the Hospital's accrued payroll was approximately $477,000 and $479,000 at June 30, 2023 and 2022, respectively. The liability for IBNR was based on actuarial analysis calculated using information provided by BCBSNM.

Changes in the reported Hospital liability during fiscal years 2023 and 2022 resulted from the following:

	Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year End
2022-2023	$ 5,045,664	$ 49,234,018	$ (49,251,432)	$ 5,028,250
2021-2022	$ 5,111,346	$ 52,098,836	$ (52,164,518)	$ 5,045,664

Classification – Certain 2022 amounts have been reclassified to conform to the 2023 presentation.

Note 3 – Cash, Cash Equivalents, and Investments

Cash and cash equivalents

Deposits – The Hospital's deposits are held in demand accounts with a financial institution. State statutes require financial institutions to pledge qualifying collateral to the Hospital to cover at least 50% of the uninsured deposits; however, the Hospital requires more collateral as it considers prudent. All collateral is held in third-party safekeeping.

The bank balances of the Hospital's deposits with financial institutions at June 30, 2023 and 2022 are $232,810,159 and $415,258,059, respectively.

The following collateral was held for bank balances at June 30:

	2023	2022
Amount insured by the Federal Deposit Insurance Corporation (FDIC)	$ 250,000	$ 250,000
Amount collateralized with securities held in the Hospital's name	277,657,595	415,561,935
	$ 277,907,595	$ 415,811,935

Custodial credit risk – deposits – Custodial credit risk is the risk that, in the event of a bank failure, the Hospital's deposits may not be returned to it. The Hospital has a custodial risk policy for deposits that requires collateral in an amount greater than or equal to 50% of the deposit not insured by the FDIC. A greater amount of collateral is required when the Hospital determines it is prudent. As of June 30, 2023 and 2022, the Hospital's bank deposits were not exposed to custodial credit risk.

Marketable securities

Interest rate risk – debt investments – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Currently, the Hospital does not have a specific policy to limit its exposure to interest rate risk.

A summary of the marketable securities and their respective maturities and their exposure to interest rate risk is as follows:

	June 30, 2023		
	Fair Value	Less Than 1 Year	1–5 Years
Items subject to interest rate risk			
Money market funds	$ 478,843	$ 478,843	$ -
U.S. Treasury notes	35,767,375	8,843,758	26,923,617
Total items subject to interest rate risk	36,246,218	9,322,601	26,923,617
Total marketable securities	$ 36,246,218	$ 9,322,601	$ 26,923,617

	June 30, 2022		
	Fair Value	Less Than 1 Year	1–5 Years
Items subject to interest rate risk			
Money market funds	$ 318,474	$ 318,474	$ -
U.S. Treasury notes	35,679,411	12,366,271	23,313,140
Total items subject to interest rate risk	35,997,885	12,684,745	23,313,140
Total marketable securities	$ 35,997,885	$ 12,684,745	$ 23,313,140

Custodial credit risk – debt investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Hospital will not be able to recover the value of its investments or collateral that is in the possession of an outside party. Marketable securities of $36.2 million and $36.0 million at 2023 and 2022, respectively, are insured, registered, and held by the counterparty's agent in the Hospital's name.

The Hospital's custodial risk policy for investments in U.S. Treasury securities and U.S. government agency obligations is in accordance with Chapter 6, Article 10, Section 10 of the NMSA, 1978. An outside consulting firm makes investment decisions, and the investments are held in safekeeping by a financial institution.

Credit risk – debt investments – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Hospital is required to disclose credit ratings of its debt investments in order to assess credit risk. U.S. obligations, investments explicitly guaranteed by the U.S. government, and nondebt investments are excluded from this requirement. Currently, the Hospital has a policy that restricts short-term investments to specific investment ratings issued by nationally recognized statistical rating organizations. The policy states that cash equivalent reserves shall consist of interest-bearing or discount instruments of the U.S. government or agencies thereof.

A summary of the marketable securities at June 30, 2023 and 2022 and their exposure to credit risk is as follows:

	2023		2022	
	Rating	Fair Value	Rating	Fair Value
Items not subject to credit risk				
U.S. Treasury securities				
Treasury notes	N/A	$ 35,767,375	N/A	$ 35,679,411
Items subject to credit risk				
Money market funds	Not rated	478,843	Not rated	318,474
Total marketable securities		$ 36,246,218		$ 35,997,885

Concentration of credit risk – investments – Concentration of credit risk is the risk of loss attributed to investments in a single issuer. Investments in any one issuer that represent 5% or more of all total investments are considered to be exposed to concentrated credit risk and are required to be disclosed. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

For long-term investments, the Hospital has a policy to limit its exposure to concentrated risk. It states the portfolio will be constructed and maintained to provide prudent diversification with regard to concentration of holdings in individual issues, corporations, or industries.

The Hospital has no exposure to concentrated credit risk as of June 30, 2023.

Long-term investments

Interest rate risk – debt investments – Currently, the Hospital does not have a specific policy to limit its exposure to interest rate risk.

A summary of the long-term investments and their respective maturities and their exposure to interest rate risk is as follows:

	June 30, 2023	
	Fair Value	Less Than 1 Year
Items subject to interest rate risk		
Money market fund	$ 18,508,578	$ 18,508,578
Items not subject to interest rate risk		
Investments in nonpublic entities*	37,030,599	-
Total long term investments	$ 55,539,177	$ 18,508,578

* Investments in nonpublic entities include TriWest (recorded at fair value) and TRL and TLSC (recorded using the equity method of accounting).

	June 30, 2022	
	Fair Value	Less Than 1 Year
Items subject to interest rate risk		
Money market fund	$ 17,965,789	$ 17,965,789
Items not subject to interest rate risk		
Investments in nonpublic entities*	37,071,447	-
Total long term investments	$ 55,037,236	$ 17,965,789

* Investments in nonpublic entities include TriWest (recorded at fair value) and TRL and TLSC (recorded using the equity method of accounting).

Custodial credit risk – debt investments – As of June 30, 2023 and 2022, the Hospital held no U.S. government obligations for long-term investment purposes.

The Hospital's custodial risk policy for the bond proceeds conforms to the trust indenture, and the trustee holds the investments in safekeeping.

Credit risk – debt investments – The Hospital is required to disclose credit ratings of its debt investments in order to assess credit risk. U.S. obligations, investments explicitly guaranteed by the U.S. government, and nondebt investments are excluded from this requirement. Currently, the Hospital has a policy that restricts long-term investments to specific investment ratings issued by nationally recognized statistical rating organizations. The policy states that cash equivalent reserves shall consist of interest-bearing or discount instruments of the U.S. government or agencies thereof.

A summary of long-term investments at June 30, 2023 and 2022 and their exposure to credit risk is as follows:

	2023		2022	
	Rating	Fair Value	Rating	Fair Value
Items subject to credit risk				
Money market funds	Not rated	$ 18,508,578	Not rated	$ 17,965,789
Items not subject to credit risk				
Investments in nonpublic entities*	N/A	37,030,599	N/A	37,071,447
Total long term investments		$ 55,539,177		$ 55,037,236

* Investments in nonpublic entities include TriWest (recorded at fair value) and TRL and TLSC (recorded using the equity method of accounting).

Note 4 – Fair Value Measurement

The Hospital accounts for investments in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. GASB Statement No. 72 requires the use of valuation techniques for measuring fair value and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Hospital has the ability to access.

Level 2 Inputs to the valuation methodology include the following: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobserved and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

U.S. Treasury securities – U.S. Treasury securities are recorded at fair value using quoted market prices (Level 1).

Investments in nonpublic entities – The Hospital holds a noncontrolling equity interest in TriWest, which is recorded at fair value based on the results of operations of the investee (Level 3).

	Assets at Fair Value as of June 30, 2023		
	Level 1	Level 2	Level 3
Fixed income	$ 35,767,375	$ -	$ -
Investment in TriWest	-	-	5,000,000
Total	$ 35,767,375	$ -	$ 5,000,000

	Assets at Fair Value as of June 30, 2022		
	Level 1	Level 2	Level 3
Fixed income	$ 35,679,411	$ -	$ -
Investment in TriWest	-	-	5,000,000
Total	$ 35,679,411	$ -	$ 5,000,000

Note 5 – Concentration of Risk

The Hospital receives payment for services rendered to patients under payment arrangements with payors, which include: (i) Medicare and Medicaid; (ii) other third-party payors including commercial carriers and health maintenance organizations; and (iii) others. The other payor category includes U.S. Public Health Service, self-pay, counties and other government agencies. The following table summarizes patient accounts receivable and the percentage of gross accounts receivable from all payors as of June 30:

	2023		2022	
Medicaid	$ 113,270,659	32 %	$ 100,741,639	29 %
Medicare	82,783,467	23	87,408,300	25
Other third-party payors	103,455,770	29	109,116,683	32
Others	55,030,152	16	48,772,547	14
Total patient accounts receivable	354,540,048	100 %	346,039,169	100 %
Less allowance for uncollectible accounts and contractual adjustments	(199,625,501)		(198,051,314)	
Patient accounts receivable, net	$ 154,914,547		$ 147,987,855	

Note 6 – Restricted and Designated Assets

The following table summarizes restricted and designated assets as of June 30:

	2023	2022
Cash designated by management for capital initiatives	$ -	$ 1,442,978
Cash designated by management for capital replacement	16,519,378	138,000,000
Cash with donor restrictions, the Hospital	20,585,316	19,489,323
Cash with donor restrictions, the Center	342,419	320,512
Capital initiatives receivable from UNM	46,412,915	96,409,310
Restricted for mortgage reserve fund	18,508,578	17,965,789
Designated by UNM Hospital Board of Trustees	37,030,599	37,071,447
	$ 139,399,205	$ 310,699,359

Various assets above are either restricted by third parties or designated by management for capital projects. These amounts are reflected as noncurrent assets as the funds will be utilized to construct capital assets that will be classified as noncurrent.

The Hospital has established a mortgage reserve fund in accordance with the requirements and conditions of the FHA Regulatory Agreement. Notwithstanding any other provision in the Regulatory Agreement, the Mortgage Reserve Fund may be used by HUD if the Hospital is unable to make a mortgage note payment on the due date. The Hospital is required to make contributions to the fund based on the Mortgage Reserve Fund schedule.

Assets designated by UNM Hospital Board of Trustees – The Hospital owns 289.7 shares of tracking stock in TriWest, an organization formed to administer healthcare benefits to military retirees and dependents of active duty personnel in the CHAMPUS/TriCare Central Region. The investment in TriWest is accounted for at fair value, which approximates cost. The Hospital recognized no return on investment during the years ended June 30, 2023 and 2022.

The Hospital has an affiliation agreement with Presbyterian Healthcare Services for the operation of a consolidated clinical laboratory (TriCore) to optimize the quality, performance, and delivery of routine and specialized clinical laboratory tests for patients throughout the State of New Mexico in a cost-effective and timely manner. UNM, through the Hospital, has a 50% interest in TriCore totaling approximately $25,312,000 and $25,353,000 at June 30, 2023 and 2022, respectively.

The Hospital has a 50% interest in TriCore Laboratory Services Corporation (TLSC), which was organized to provide laboratory services, on a centralized basis for its members, the Hospital and Presbyterian Healthcare Services. The investment carrying amounts are approximately $6.7 million at June 30, 2023 and 2022. The investment is accounted for using the equity method. The Hospital recorded laboratory expenses of approximately $43.0 million in 2023 and $42.6 million in 2022.

Note 7 – Capital Assets

The major classes of capital assets at June 30 and related activity for the years then ended are as follows:

	Year Ended June 30, 2023				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Hospital capital assets not being depreciated					
Land	$ 2,739,087	$ -	$ -	$ -	$ 2,739,087
Construction in progress	142,673,424	261,680,493	(22,738,659)	-	381,615,258
	$ 145,412,511	$ 261,680,493	$ (22,738,659)	$ -	$ 384,354,345
Hospital depreciable capital assets					
Building and building improvements	$ 248,680,976	$ -	$ (7,057,425)	$ -	$ 241,623,551
Building service equipment	203,046,994	70,813	21,537,822	(145,070)	224,510,559
Major moveable equipment	183,210,861	12,541,569	244,256	(6,893,184)	189,103,502
Computer software	49,412,954	319,553	-	-	49,732,507
Computer equipment	22,973,849	4,341,855	-	(55,260)	27,260,444
Land and land improvements	12,722,485	-	7,478,288	-	20,200,773
Fixed equipment	17,494,085	52,174	535,718	(65,534)	18,016,443
Total depreciable capital assets	737,542,204	17,325,964	22,738,659	(7,159,048)	770,447,779
Less accumulated depreciation for					
Building and building improvements	(103,429,633)	(6,996,985)	-	-	(110,426,618)
Building service equipment	(133,692,174)	(6,812,853)	-	95,894	(140,409,133)
Major moveable equipment	(129,458,252)	(15,801,949)	-	6,779,335	(138,480,866)
Computer software	(47,591,599)	(965,191)	-	-	(48,556,790)
Computer equipment	(17,126,625)	(1,746,759)	-	55,260	(18,818,124)
Land and land improvements	(10,767,359)	(417,146)	-	-	(11,184,505)
Fixed equipment	(12,361,939)	(1,017,782)	-	65,539	(13,314,182)
Total accumulated depreciation	(454,427,581)	(33,758,665)	-	6,996,028	(481,190,218)
Hospital depreciable capital assets, net	$ 283,114,623	$ (16,432,701)	$ 22,738,659	$ (163,020)	$ 289,257,561
Capital asset summary					
Hospital capital assets not being depreciated	$ 145,412,511	$ 261,680,493	$ (22,738,659)	$ -	$ 384,354,345
Hospital depreciable capital assets at cost	737,542,204	17,325,964	22,738,659	(7,159,048)	770,447,779
Hospital total cost of capital assets	882,954,715	279,006,457	-	(7,159,048)	1,154,802,124
Less accumulated depreciation	(454,427,581)	(33,758,665)	-	6,996,028	(481,190,218)
Hospital capital assets, net	$ 428,527,134	$ 245,247,792	$ -	$ (163,020)	$ 673,611,906

	Year Ended June 30, 2022				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Hospital capital assets not being depreciated					
Land	$ 1,747,245	$ 991,842	$ -	$ -	$ 2,739,087
Construction in progress	72,989,212	176,277,300	(106,593,088)	-	142,673,424
	$ 74,736,457	$ 177,269,142	$ (106,593,088)	$ -	$ 145,412,511
Hospital depreciable capital assets					
Land and land improvements	$ 12,581,554	$ -	$ 188,690	$ (47,759)	$ 12,722,485
Building and building improvements	175,653,114	2,779,421	74,884,437	(4,635,996)	248,680,976
Building service equipment	174,467,212	-	29,409,122	(829,340)	203,046,994
Major moveable equipment	173,870,049	17,904,826	-	(8,564,014)	183,210,861
Fixed equipment	16,857,857	69,750	566,478	-	17,494,085
Computer equipment	20,631,691	2,494,823	7,788	(160,453)	22,973,849
Computer software	47,625,544	250,837	1,536,573	-	49,412,954
Total depreciable capital assets	621,687,021	23,499,657	106,593,088	(14,237,562)	737,542,204
Less accumulated depreciation for					
Land improvements	(10,408,931)	(406,128)	-	47,700	(10,767,359)
Building and building improvements	(102,582,945)	(5,166,889)	-	4,320,201	(103,429,633)
Building service equipment	(126,765,500)	(7,751,372)	-	824,698	(133,692,174)
Major moveable equipment	(121,602,921)	(16,008,036)	-	8,152,705	(129,458,252)
Fixed equipment	(11,156,195)	(1,205,744)	-	-	(12,361,939)
Computer equipment	(15,830,894)	(1,456,184)	-	160,453	(17,126,625)
Computer software	(46,042,799)	(1,548,800)	-	-	(47,591,599)
Total accumulated depreciation	(434,390,185)	(33,543,153)	-	13,505,757	(454,427,581)
Hospital depreciable capital assets, net	$ 187,296,836	$ (10,043,496)	$ 106,593,088	$ (731,805)	$ 283,114,623
Capital asset summary					
Hospital capital assets not being depreciated	$ 74,736,457	$ 177,269,142	$ (106,593,088)	$ -	$ 145,412,511
Hospital depreciable capital assets at cost	621,687,021	23,499,657	106,593,088	(14,237,562)	737,542,204
Hospital total cost of capital assets	696,423,478	200,768,799	-	(14,237,562)	882,954,715
Less accumulated depreciation	(434,390,185)	(33,543,153)	-	13,505,757	(454,427,581)
Hospital capital assets, net	$ 262,033,293	$ 167,225,646	$ -	$ (731,805)	$ 428,527,134

Note 8 – Leases and Subscription-Based Information Technology Agreements

Leases – As discussed in Note 2, the Hospital is a lessee for various noncancellable leases of buildings and equipment.

A summary of the lease asset activity during the years ended June 30, 2023 and 2022 is as follows:

	Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023
Lease assets				
Buildings	$ 12,496,041	$ -	$ -	$ 12,496,041
Equipment	1,536,545	-	-	1,536,545
Total lease assets	14,032,586	-	-	14,032,586
Less accumulated amortization				
Buildings	(2,972,703)	(1,457,353)	-	(4,430,056)
Equipment	(769,910)	(380,241)	-	(1,150,151)
Total accumulated amortization	(3,742,613)	(1,837,594)	-	(5,580,207)
Total lease assets, net	$ 10,289,973	$ (1,837,594)	$ -	$ 8,452,379

	Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022
Lease assets				
Buildings	$ 12,496,041	$ -	$ -	$ 12,496,041
Equipment	1,536,545	-	-	1,536,545
Total lease assets	14,032,586	-	-	14,032,586
Less accumulated amortization				
Buildings	(1,358,911)	(1,613,792)	-	(2,972,703)
Equipment	(353,095)	(416,815)	-	(769,910)
Total accumulated amortization	(1,712,006)	(2,030,607)	-	(3,742,613)
Total lease assets, net	$ 12,320,580	$ (2,030,607)	$ -	$ 10,289,973

Changes in long-term lease liabilities for the years ended June 30, 2023 and 2022 are summaries below:

Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023	Amounts Due Within One Year
$ 10,590,951	$ -	$ (1,751,827)	$ 8,839,124	$ 1,756,624

Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022	Amounts Due Within One Year
$ 12,320,580	$ -	$ (1,729,629)	$ 10,590,951	$ 1,751,826

Future annual lease payments are as follows:

Years Ending June 30,	Principal Amount	Interest Amount	Total
2024	$ 1,756,624	$ 263,144	$ 2,019,768
2025	1,308,391	209,320	1,517,711
2026	324,792	184,215	509,007
2027	332,838	173,499	506,337
2028	320,171	162,614	482,785
2029-2033	1,660,989	655,372	2,316,361
2034-2038	1,473,782	395,477	1,869,259
2039-2043	1,603,442	146,558	1,750,000
2044-2048	58,095	238	58,333
Total	$ 8,839,124	$ 2,190,437	$ 11,029,561

Subscription-based information technology arrangements (SBITA) – The Hospital adopted GASB Statement No. 96, Subscription-based information technology arrangements, for the year ended June 30, 2023, with retrospective application to all periods presented.

The impact of the adoption of GASB 96 on opening net position and on previously reported balances as of June 30, 2023 is as follows:

	June 30		
	2022 as reported	2022 adjustments	2022 as adjusted
Assets			
Current assets	$ 577,382,198	$ -	$ 577,382,198
Capital assets, net	428,527,134	-	428,527,134
Right to use and SBITA assets, net	10,289,973	36,422,183	46,712,156
Other noncurrent assets	310,699,359	-	310,699,359
Total assets	$ 1,326,898,664	$ 36,422,183	$ 1,363,320,847
Deferred outflows of resources	$ 911,385	$ -	$ 911,385
Liabilities			
Current liabilities	$ 351,352,562	$ 6,474,261	$ 357,826,823
Noncurrent liabilities	136,889,160	29,947,922	166,837,082
Total liabilities	$ 488,241,722	$ 36,422,183	$ 524,663,905
Deferred inflows of resources	$ 2,087,724	$ -	$ 2,087,724
Net position			
Net investment in capital assets	$ 302,286,867	$ -	$ 302,286,867
Restricted	37,665,522	-	37,665,522
Unrestricted	497,528,214	-	497,528,214
Total net position	$ 837,480,603	$ -	$ 837,480,603

A summary of the SBITA asset activity during the years ended June 30, 2023 and 2022 is as follows:

	Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023
SBITA assets				
Software	$ 43,137,658	$ -	$ -	$ 43,137,658
Total SBITA assets	43,137,658	-	-	43,137,658
Less accumulated amortization				
Software	(6,715,475)	(6,715,473)	-	(13,430,948)
Total accumulated amortization	(6,715,475)	(6,715,473)	-	(13,430,948)
Total SBITA assets, net	$ 36,422,183	$ (6,715,473)	$ -	$ 29,706,710

	Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022
SBITA assets				
Software	$ -	$ 43,137,658	$ -	$ 43,137,658
Total SBITA assets	-	43,137,658	-	43,137,658
Less accumulated amortization				
Software	-	(6,715,475)	-	(6,715,475)
Total accumulated amortization	-	(6,715,475)	-	(6,715,475)
Total SBITA assets, net	$ -	$ 36,422,183	$ -	$ 36,422,183

Changes in SBITA liabilities for the years ended June 30, 2023 and 2022 are summarized below:

Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023	Amounts Due Within One Year
$ 36,422,184	$ -	$ (6,397,537)	$ 30,024,647	$ 6,369,004

Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022	Amounts Due Within One Year
$ -	$ 43,137,658	$ (6,715,474)	$ 36,422,184	$ 6,474,261

A schedule of future minimum SBITA payments for the University as of June 30, 2023 is as follows:

Years Ending June 30,	Principal Amount	Interest Amount	Total
2024	$ 6,369,004	$ 866,164	$ 7,235,168
2025	5,740,942	671,234	6,412,176
2026	5,440,622	485,176	5,925,798
2027	4,947,319	320,912	5,268,231
2028	1,239,501	224,617	1,464,118
2029-2033	6,287,259	481,256	6,768,515
Total	$ 30,024,647	$ 3,049,359	$ 33,074,006

Note 9 – Compensated Absences

Qualified hospital employees are entitled to accrue sick leave and annual leave based on their FTE status.

Sick leave – Full-time employees accrue four hours of sick leave each two-week pay period (13 days per annum) up to a maximum of 1,040 hours to be used for major and minor sick leave. Seven of these days are accumulated into a minor sick leave bank. Part-time employees who are at least 0.5 FTE earn sick leave on a prorated basis each pay period. At June 30 of each year, employees have the opportunity to exchange for annual leave, major sick leave or cash all hours accumulated in excess of 24 hours on an hour-for-hour basis. At termination, only employees who retire from the Hospital and qualify under the Hospital's policy or estates of employees who die as the result of a compensable occupational illness or injury are eligible for payment of unused accumulated hours. Accrued sick leave as of June 30, 2023 and 2022 of approximately $4.6 million and $4.6 million, respectively, is computed by multiplying each employee's current hourly rate by the number of hours accrued.

Major and minor sick leave balances earned by employees previously employed by UNM under the UNM plan were transferred to the Hospital. Under the UNM plan, only employees hired prior to July 1, 1984 were eligible to accrue major sick leave. Eligible employees accrued sick leave each pay period at an hourly rate, which was based on their date of hire and employment status.

The excess minor sick leave hours carried over from UNM were converted to cash in December 2000, at a rate equal to 50% of the employee's hourly wage, multiplied by the number of hours converted. Upon retirement, all minor hours in excess of 600 are paid at a rate equal to 50% of the employee's hourly wage multiplied by the number of hours in excess of 600 unused sick leave hours based on FTE status, not to exceed 440 hours of such sick leave.

Immediately upon retirement or death, a consolidated employee is entitled to receive cash payment for unused major sick leave hours in excess of 1,040 at a rate equal to 28.5% of the employee's hourly wage multiplied by the number of hours in excess of 1,040 major sick leave hours based on FTE status. Partial hours are rounded to the nearest full hour.

Annual leave – Full-time employees accrue annual leave based on their length of employment up to a maximum of 480 hours. Part-time employees who are at least 0.5 FTE earn annual leave on a prorated basis each pay period. At June 30 of each year, employees have the opportunity to exchange for cash up to 80 annual leave hours accumulated in excess of 240 hours. At termination, employees are eligible for payment of unused accumulated hours, not to exceed 480 hours. Accrued annual leave as of June 30, 2023 and 2022 of approximately $25.8 million and $26.2 million, respectively, is computed by multiplying each employee's current hourly rate by the number of hours accrued.

Upon retirement, death, or involuntary termination, a consolidated employee is entitled to receive cash payment for annual leave earned prior to consolidation up to a maximum of 252 hours at a rate equal to 50% of the employee's hourly wage. Upon voluntary termination, a maximum of 168 hours is paid out at a rate equal to 50% of the employee's hourly wage.

Additionally, compensatory time and holiday, totaling approximately $667,000 and $671,000 as of June 30, 2023 and 2022, respectively, is accrued. The portion of accrued compensated absences due after one year is not material and, therefore, is not presented separately.

During the years ended June 30, 2023 and 2022, the following changes occurred in accrued compensated absences:

Balance July 1, 2022	Increase	Decrease	Balance June 30, 2023
$ 31,520,720	$ 37,463,544	$ (37,902,162)	$ 31,082,102

Balance July 1, 2021	Increase	Decrease	Balance June 30, 2022
$ 36,367,457	$ 37,996,859	$ (42,843,596)	$ 31,520,720

Note 10 – Bonds Payable and Mortgage Payable

Bonds payable – On December 12, 2014, the Regents adopted a Parameters Resolution authorizing the issuance of the Government National Mortgage Association (GNMA)-Backed, HUD-Insured Mortgage Bonds to redeem and refinance prior bonds. On May 7, 2015, the Regents adopted Resolutions authorizing the execution of amended FHA Documents and loan modification documents. On May 14, 2015, the Hospital issued $115,000,000 in bonds (2015 Series bonds). The bonds were issued pursuant to a trust indenture, dated as of May 1, 2015, by and between the Hospital and Wells Fargo Bank, National Association, as trustee for the purpose of refinancing a previously issued bond series. The 2015 Series bonds carry interest rates that range from 0.484% to 3.532%.

The Regents granted the GNMA Issuer in respect of the UNM Hospital HUD-Insured Bonds a security interest in all of the Hospital's revenues, cash (with the exception of the proceeds of the UNM Hospital mill levy and state appropriations), accounts receivable, contract rights, and the proceeds of the same. In addition, in that certain Regulatory Agreement signed by the Regents, that is still in effect today, the University agreed and committed to HUD that it would not "assign, transfer, dispose of, or encumber any personal property of the project including revenues from any source." Lastly, in accordance with the terms of the Lease under which the University leases a portion of the Hospital facility from Bernalillo County, all reserves of the Hospital covered by the Lease are restricted to use for operation and maintenance of the Hospital. Failure to abide by the terms of the regulatory agreement with HUD could trigger an event of default. Events of default with financial consequences include failure to pay monthly debt servicing payments as agreed; transfer of or use of the mortgaged property for purposes other than the operation of the Hospital; and failure to adequately maintain the mortgaged property. In the event of default, HUD has the option to declare the entire balance immediately due and payable if the triggering event is not remedied within 30 days.

The 2015 Series bonds were issued as special limited obligations of the Hospital and are secured primarily by fully modified mortgage-backed securities in the aggregate principal amount of $69,130,000 (the GNMA securities), issued by Prudential Huntoon Paige Associates, Ltd. (the Lender), guaranteed as to principal and interest by the GNMA, with respect to the mortgage note.

Under the GNMA Mortgage-Backed Securities Program, the GNMA securities are a "fully modified pass-through" mortgage-backed security issued and serviced by the Lender. The face amount of the GNMA securities is to be the same amount as the outstanding principal balance of the Mortgage Note. The Lender is required to pass through to the trustee, as the holder of the GNMA securities, by the 15th day of each month, the monthly scheduled installments of principal and interest on the mortgage note (less the GNMA guaranty fee and the Lender's servicing fee), whether or not the Lender receives such payment from the Hospital under the mortgage note, plus any unscheduled prepayments of principal of the mortgage note received by the Lender. The GNMA securities are issued solely for the benefit of the trustee on behalf of the bondholders, and any and all payments received with respect to the GNMA securities are solely for the benefit of the bondholders.

Interest expense associated with the bonds was approximately $2.5 million and $2.7 million for the years ended June 30, 2023 and 2022, respectively. Interest income earned from the investment of the bond proceeds was approximately $670,000 and $7,000 for the years ended June 30, 2023 and 2022, respectively.

Bonds payable activity consists of the following:

	Year Ended June 30, 2023				
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
FHA Insured Hospital Mortgage Revenue Bond Series 2015	$ 74,250,000	$ -	$ (6,285,000)	$ 67,965,000	$ 6,480,000
	$ 74,250,000	$ -	$ (6,285,000)	$ 67,965,000	$ 6,480,000

	Year Ended June 30, 2022				
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
FHA Insured Hospital Mortgage Revenue Bond Series 2015	$ 80,355,000	$ -	$ (6,105,000)	$ 74,250,000	$ 6,285,000
	$ 80,355,000	$ -	$ (6,105,000)	$ 74,250,000	$ 6,285,000

Future debt service (including mandatory redemptions) as of June 30, 2023 for the bonds is as follows:

Years Ending June 30,	Principal	Interest	Total
2024	$ 6,480,000	$ 2,334,779	$ 8,814,779
2025	6,690,000	2,141,545	8,831,545
2026	6,975,000	1,874,344	8,849,344
2027	7,240,000	1,625,691	8,865,691
2028	7,520,000	1,367,502	8,887,502
2029-2032	33,060,000	2,684,762	35,744,762
Total	$ 67,965,000	$ 12,028,623	$ 79,993,623

On November 15, 2004, the Hospital established a Mortgage Reserve Fund in accordance with the requirements and conditions of the 2004 FHA Regulatory Agreement. On May 14, 2015, a new Mortgage Reserve Fund was established for the 2015 series bonds. The Mortgage Reserve Fund is fully funded.

The mortgage note bears interest at 3.29%. The mortgage note has a term of 205 months following the commencement of amortization and matures on June 1, 2032. Principal and interest are payable in equal monthly installments upon commencement of amortization. A mortgage servicing fee of 12 basis points and a GNMA guaranty fee of 13 basis points are also included in the monthly payment, for a total of 3.54%.

Mortgage payable – On September 9, 2021, the Hospital closed on a mortgage loan to partially finance the construction of a new patient tower. The debt was issued under the HUD Section 242 loan guarantee program and is backed by GNMA securities. The mortgage will be drawn down as needed to fund the construction project, not to exceed $320 million, and carries an interest rate of 3.275%. The terms of the loan require interest only payments through construction. Principal and interest payments will begin on October 1, 2024 with loan maturity occurring on September 1, 2049. During the years ended June 30, 2023 and 2022, the Hospital drew down $114.8 million and $51.7 million and incurred interest of $3.5 million and $881 thousand, respectively.

Mortgage payable activity consists of the following:

	Year Ended June 30, 2023				
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
Mortgage payable	$ 51,689,289	$ 114,810,679	$ -	$ 166,499,968	$ -
	$ 51,689,289	$ 114,810,679	$ -	$ 166,499,968	$ -

	Year Ended June 30, 2022				
	Beginning Balance	Additions	Deductions	Ending Balance	Amount Due Within One Year
Mortgage payable	$ -	$ 51,689,289	$ -	$ 51,689,289	$ -
	$ -	$ 51,689,289	$ -	$ 51,689,289	$ -

Note 11 – Net Patient Service Revenues

The majority of the Hospital's revenue is generated through agreements with third-party payors that provide for reimbursement to the Hospital at amounts different from its established charges. Approximately 64% of the Hospital's gross patient revenues for fiscal years ended June 30, 2023 and 2022 were derived from the Medicare and Medicaid programs, the continuation of which are dependent upon governmental policies. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded revenue estimates could change as a result of regulatory review. Contractual adjustments under third-party reimbursement programs represent the difference between the Hospital's billings at established charges for services and amounts reimbursed by third-party payors. A summary of the basis of reimbursement from major third-party payors is as follows:

Medicare – Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These Medical Severity Diagnosis Related Group (MS-DRG) rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Most Medicare outpatient services are prospectively paid through Medicare's Outpatient Prospective Payment System (OPPS). Services excluded from the OPPS and paid under separate fee schedules include clinical lab, certain rehabilitation services, durable medical equipment, renal dialysis treatments, ambulance services, and professional fees of physicians and nonphysician practitioners.

Medicaid – Inpatient acute care services rendered to Medicaid FFS program beneficiaries are paid at prospectively determined rates per discharge based upon the MS-DRG system. These rates vary according to clinical factors, patient diagnosis, and negotiated base rates for each Medicaid Managed Care Organization (MCO).

As a state-operated teaching hospital, the Hospital is eligible for enhanced reimbursement rates under the SNCP program effective April 1, 2014. These enhanced reimbursement rates have been recorded in the financial statements in net patient service revenue. For outpatients, payments are made based upon an OPPS.

In addition, the Hospital has reimbursement agreements with certain MCOs that have contracted with Centennial Care programs to administer services to enrolled Medicaid beneficiaries. The State of New Mexico began its Centennial Care program effective January 1, 2014. The basis for reimbursement under these agreements includes prospectively determined rates (MS-DRG) or per diem for inpatient services, and prospectively determined payments for outpatient services.

Other – The Hospital has also entered into reimbursement agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates.

A summary of net patient revenues for the years ended June 30 is as follows:

	2023	2022
Charges at established rates	$ 2,433,257,920	$ 2,469,882,663
Charity care	(92,452,848)	(80,749,647)
Contractual adjustments	(1,041,947,346)	(1,055,565,409)
Provision for doubtful accounts	(34,966,468)	(48,411,955)
Net patient revenues	$ 1,263,891,258	$ 1,285,155,652

The Hospital is reimbursed by the Medicare and Medicaid programs on a prospective payment basis for hospital services, with certain items reimbursed at an interim rate with final settlement determined after submission of annual cost reports by the Hospital. The annual cost reports are subject to audit by the Medicare Administrative Contractor and the Medicaid audit agent. Cost reports through 2020 have been final settled for the Medicaid programs. Cost reports through 2018, except for 2005 have been final settled for the Medicare program. Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Current year estimates, settlements of prior-year cost reports, and changes in prior-year estimates resulted in net increases to net patient service revenues of approximately $22.1 million and $27.4 million for the years ended June 30, 2023 and 2022, respectively. During the fiscal year ended June 30, 2023, a $1.7 million liability for Medicare and a $1.6 million liability for Medicaid were accrued as estimates for the fiscal year 2023 cost report. During the fiscal year ended June 30, 2022, a $2.7 million liability for Medicare and a $1.7 million liability for Medicaid were accrued as estimates for the fiscal year 2022 cost report. UNM Hospital’s cost reports are typically filed by November 30. Management believes these estimates are appropriate. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is a reasonable possibility that recorded estimates will change by a material amount in the near term. Estimates are continually monitored and reviewed, and as settlements are made or more information is available to improve estimates, differences are reflected in current operations.

Note 12 – Charity Care

The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. The following information measures the level of charity care provided during the years ended June 30:

	2023	2022
Charges foregone, based on established rates	$ 92,452,848	$ 80,749,647
Estimated costs and expenses incurred to provide charity care	53,666,372	46,802,256
Equivalent percentage of charity care charges foregone to total gross revenue	4%	3%

Note 13 – Malpractice Insurance

As a part of UNM, the Hospital has immunity from tort liability except as waived by the New Mexico legislature. In this connection, under the New Mexico Tort Claims Act (NMTCA), the New Mexico Legislature waived the State's and the Hospital's immunity from liability for claims arising out of negligence out of the operation of the Hospital, the treatment of the Hospital's patients, and the healthcare services provided by Hospital employees. In addition, the NMTCA limits, as an integral part of this waiver of sovereign immunity, the amount of damages that can be assessed against the Hospital on any tort claim including medical malpractice, professional, or general liability claims.

The NMTCA provides that total liability for all claims that arise out of a single occurrence shall not exceed $750,000 set forth as follows: (a) $200,000 for real property; (b) up to $300,000 for past and future medical and medical-related expenses; and (c) up to $400,000 for past and future noneconomic losses (such as pain and suffering) incurred or to be incurred by the claimant. While the language of the NMTCA does not expressly provide for third-party claims, such as loss of consortium, the New Mexico appellate court decisions have allowed claimants to seek loss of consortium. As a result, if loss of consortium claims are presented, those claims cannot exceed $350,000 in the aggregate. Thus, if a claim presents both direct claims and third-party claims, the maximum exposure of the Public Liability Fund, and therefore, UNM Hospitals, cannot exceed $1,050,000. The NMTCA prohibits the award of punitive or exemplary damages against the Hospital.

The NMTCA requires the State Risk Management Division (RMD) to provide coverage to the Hospital for those torts where the Legislature has waived the State's immunity from liability up to the damages limits of the NMTCA, as described above, plus the cost incurred in defending any claims and/or lawsuits (including attorney's fees and expenses), with no deductible and with no self-insured retention by the Hospital.

Note 14 – Related-Party Transactions

The Hospital provides professional services, referral services, and office space to UNM and other entities associated with the UNM Health System. The UNM Health System is defined as the integrated, academic health center and healthcare delivery system. The Hospital billed the following amounts, included as expense reductions in the accompanying statements of revenues, expenses, and changes in net position, for services rendered during the years ended June 30:

	2023	2022
UNM Health Sciences Center	$ 6,401,164	$ 6,193,002
UNM Medical Group	5,624,934	5,816,029
UNM Sandoval Regional Medical Center	3,482,731	3,439,942
	$ 15,508,829	$ 15,448,973

In addition to the items above, the Hospital recorded $680 thousand and $985 thousand of operating expenses related to contributed services provided to the UNM Health System in the fiscal years ended June 30, 2023 and 2022, respectively. These expenses were not reimbursed by UNM Health System entities.

The Hospital reimburses UNM and other entities associated with UNM, for the cost of utilities, purchased services and the salaries of various medical and administrative personnel incurred on behalf of the Hospital. The Hospital incurred expenses, included in total expenses in the accompanying statements of revenues, expenses, and changes in net position, related to the following entities during the years ended June 30:

	2023	2022
UNM Health Sciences Center	$ 264,426,799	$ 250,022,715
UNM Sandoval Regional Medical Center	908,702	737,554
UNM Medical Group	1,763,764	1,639,685
UNM	2,242,178	2,242,178
	$ 269,341,443	$ 254,642,132

The following amounts are reflected in the Due from/to University of New Mexico entities balance as of June 30:

	2023	2022
Due from UNM	$ 2,213,103	$ 908,805
Due from UNM Medical Group	19,082,418	6,778,889
Due from UNM Sandoval Regional Medical Center	1,248,068	1,657,606
	$ 22,543,589	$ 9,345,300

	2023	2022
Due to UNM	$ 54,304,075	$ 50,540,461
Due to UNM Medical Group	2,628,802	2,347,053
	$ 56,932,877	$ 52,887,514

Note 15 – Defined-Contribution Benefit Plans

The Hospital has a defined-contribution plan covering eligible employees, which provides retirement benefits. The name of the plan is UNM Hospital Tax Sheltered Annuity Plan, formerly known as the University of New Mexico Hospital/Bernalillo Medical Center Tax Sheltered Annuity Plan. The Hospital contributes either 6% or 8% of an employee's salary to the plan, depending on employment level. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department.

The expense for the defined-contribution plan was approximately $18.5 million and $19.1 million in years ended June 30, 2023 and 2022, respectively. Total employee contributions under this plan were approximately $29.2 million and $28.2 million in years ended June 30, 2023 and 2022, respectively. The Hospital also offers a Roth 403(b) defined-contribution plan option. Total employee contributions were approximately $3.3 million and $3.0 million in years ended June 30, 2023 and 2022, respectively.

The Hospital offers a deferred compensation plan, called the UNM Hospital 457(b) Deferred Compensation Plan, which provides employees with additional retirement savings plan. Employees can make voluntary contributions to this plan. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by the Hospital's Human Resources Department. There was no expense for the deferred compensation plan for years ended June 30, 2023 or 2022 as the Hospital does not contribute to this plan. Total employee contributions under this plan were approximately $4.7 million and $4.9 million for years ended June 30, 2023 and 2022, respectively.

The Hospital has a 401(a) defined-contribution plan, called the UNM Hospital 401(a) Plan, which was established for the purpose of providing retirement benefits for eligible participants and their beneficiaries. The 401(a) plan allows for tax-deferred employer contributions based on management's recommendation that is approved by UNM Hospital Board of Trustees on an annual basis. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. All assets of the plan are held in a trust fund, are not considered hospital assets, and are under the direction of a plan administrator. The expense for the 401(a) defined-contribution plan was $785 thousand and $759 thousand in fiscal years 2023 and 2022, respectively. Only the Hospital contributes to this plan.

Certain employees participate in the Education Employee Retirement Plan, a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for eligible employees. The Hospital has accrued a net pension liability at June 30, 2023 and 2022 of approximately $536.0 thousand and $1.1 million, respectively.

Note 16 – Commitments and Contingencies

The Hospital is currently a party to various claims and legal proceedings. The Hospital makes provisions for a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Hospital believes it has adequate provisions for potential liability in litigation matters. The Hospital reviews these provisions on a periodic basis and adjusts these provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertaining to a particular case.

Based on the information that is currently available to the Hospital, the Hospital believes that the ultimate outcome of litigation matters, individually and in aggregate, will not have a material adverse effect on its results of operations or financial position. However, litigation is inherently unpredictable.

The Hospital began construction of a new critical care patient tower during the year ended June 30, 2022. The total budgeted construction related cost is $537.4 million. As of June 30, 2023, the Hospital has incurred construction cost of $320.9 million with an estimated $216.4 million committed budget remaining.

Note 17 – Subsequent Events

On April 18, 2023, the UNM Board of Regents approved the Health Sciences Center proposal to consolidate UNM Sandoval Regional Medical Center (SRMC) into the Hospital operations effective January 1, 2024. The Hospital will acquire all assets and assume all liabilities of SRMC under a zero-dollar purchase agreement. The agreement has been filed with HUD and debt holders were notified as of June 26, 2023. Conditional approval from HUD was received as of July 25, 2023, subject to completion of Intercreditor Agreement, the Amended and Restated Regulatory Agreement, and Loan Modification documents.

The Hospital has evaluated subsequent events from the date of the statement of net position through October 3, 2023, the date at which the financial statements were available to be issued. No matters requiring adjustment to the financial statements have been identified.

Supplementary Information

University of New Mexico Hospital
Comparison of Budgeted and Actual Revenues and Expenses – Schedule 1
Year Ended June 30, 2023

	Budget (Original)	Budget (Final)	Actual	Budget Variance
Operating revenues				
Net patient service	$ 1,242,386,997	$ 1,225,941,945	$ 1,263,891,258	$ 37,949,313
Other operating revenue	55,694,670	36,158,518	37,552,329	1,393,811
Total operating revenues	1,298,081,667	1,262,100,463	1,301,443,587	39,343,124
Operating expenses	1,400,769,560	1,417,831,834	1,431,431,798	13,599,964
Operating loss	(102,687,893)	(155,731,372)	(129,988,211)	25,743,161
Nonoperating revenues and other revenues, net	104,370,811	113,379,703	113,942,596	562,893
Increase (decrease) in net position	$ 1,682,918	$ (42,351,669)	$ (16,045,615)	$ 26,306,054

Note A: The Hospital prepares a budget for each fiscal year, using the accrual basis of accounting, which is subject to approval by the Board of Trustees and the UNM Board of Regents. The amount budgeted for the Hospital's operations is included in the UNM budget and submitted to the New Mexico Commission on Higher Education for approval. All revisions to the approved budget must be approved by the parties included in the original budget process. The budget is controlled at the major administrative functional area, which is reported at the UNM level. There is no carryover of budgeted amounts from one year to the next.

See accompanying report of independent auditors.

University of New Mexico Hospital
Pledged Collateral by Banks – Schedule 2
Year Ended June 30, 2023

	Pledged Collateral			Wells Fargo Bank Albuquerque, New Mexico	Total
	Type of Security	CUSIP	Maturity		
Funds on deposit					
Demand deposits				$ 232,810,159	$ 232,810,159
FDIC insurance				(250,000)	(250,000)
Total uninsured public funds				232,560,159	232,560,159
50% collateral requirement per Section 6-10-17 NMSA				116,280,080	116,280,080
Pledged collateral*					
	FNMA	3140XCFZ6	3/1/2048	81,717,770	81,717,770
	FNMA	3140XCTK4	7/1/2047	119,659,634	119,659,634
	FNMA	3140XF7M7	2/1/2050	24,037,008	24,037,008
	FNMA	3140XFSZ5	7/1/2043	45,742,158	45,742,158
	GNMA	36179XX50	4/20/2053	6,501,025	6,501,025
Total pledged collateral				277,657,595	277,657,595
Excess of pledged collateral over the required amount				$ 161,377,515	$ 161,377,515

* Pledged collateral is held in safekeeping by the Bank of New York Mellon in the Hospital's name.

See accompanying report of independent auditors.

University of New Mexico Hospital
Schedule of Individual Deposit Investment Accounts – Schedule 3
Year Ended June 30, 2023

Name of Bank/Broker	Account Type	Balance Per Bank Statement	Reconciled Balance Per Financial Statement
UNM Hospital cash			
Wells Fargo Bank			
Operating - Checking	Non-interest bearing	$ 232,788,180	$ 220,492,157
Operating - Savings	Interest bearing	21,980	21,980
Petty cash	Cash on hand	-	38,645
Total UNM Hospital cash		$ 232,810,160	$ 220,552,782
UNM Hospital short-term investments			
US Bank	Money market funds	$ 478,843	$ 478,843
US Bank	U.S. Treasury notes	35,767,375	35,767,375
Total UNM Hospital short-term investments		$ 36,246,218	$ 36,246,218
UNM Hospital long-term investments			
Investment in TriWest	Equity securities	$ 5,000,000	$ 5,000,000
Investment in TriCore Reference Lab (TRL)	Equity securities	25,312,139	25,312,139
Investment in TLSC	Equity securities	6,718,460	6,718,460
Total UNM Hospital long-term investments		$ 37,030,599	$ 37,030,599

See accompanying report of independent auditors.

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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The University of New Mexico Health Sciences Center
Board of Trustees and
Mr. Joseph M. Maestas, P.E.
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University of New Mexico Hospital (the Hospital), a division of the University of New Mexico, which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Hospital's basic financial statements, and have issued our report thereon dated October 3, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hospital's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hospital's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hospital's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams LLP

Albuquerque, New Mexico
October 3, 2023

University of New Mexico Hospital
Summary of Audit Results
Year Ended June 30, 2023

Type of auditor report issued: Unmodified

Fiscal year 2023 findings and responses:

Material weakness: No matters to report

Significant deficiencies: No matters to report

Material noncompliance: No matters to report

Other Findings as Required by Section 12-6-5 NMSA 1978

No matters to report

University of New Mexico Hospital
Summary of Prior Audit Findings
Year Ended June 30, 2023

None

University of New Mexico Hospital
Exit Conference
Year Ended June 30, 2023

An exit conference was conducted on October 2, 2023 with members of the Finance and Audit Committee of UNM Hospital Board of Trustees and members of the Hospital's management. During this meeting, the contents of this report were discussed.

University of New Mexico Hospital
Kate Becker, UNM Hospital Chief Executive Officer
Bonnie White, UNM Hospital Chief Financial Officer
Julie Alliman, Executive Director of Finance, UNM Hospitals
Angela Vigil, Executive Director of Compliance, UNM Hospitals
Sara M. Frasch, UNM Hospital Chief Human Resources Officer
Jennifer R. James, Senior Associate University Hospital
Monica Zamora, Vice Chair
Adelmo Archuleta, Board Member
Dr. Anjali Taneja, Board Member

Moss Adams LLP
Josh Lewis, Partner
Lauren Kistin, Senior Manager

VIII.c. University of New Mexico Behavioral Health Operations - FY2023 FS Final

Report of Independent Auditors
and Financial Statements
with Supplementary Information

University of New Mexico Behavioral Health Operations

June 30, 2023 and 2022

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Table of Contents

University of New Mexico Behavioral Health Operations
Official Roster
Year Ended June 30, 2023

Board of Trustees

Kurt Riley	Chair (Term expires 6/30/26, All Pueblo Council of Governors, Regent appointed)
Tamra Mason, PhD	Vice-Chair (Term expires 6/30/25, Regent appointed)
Monica Zamora	Secretary (Term expires 6/30/24, Regent appointed)
Adelmo “Del” Archuleta	Member (Term expires 6/30/25, Regent appointed)
Kenneth “Ken” Lucero	Member (Term expires 6/30/25, All Pueblo Council of Governors, Regent appointed)
Terry Horn	Member (Term expires 6/30/23, Regent appointed)
Michael Brasher	Member (Term expires 6/30/23, County appointed)
Trey Hammond	Member (Term expires 6/30/26, County appointed)
Davin Quinn, MD	Member (Term expires 6/30/24, Regent appointed)

Administrative Officers

Garnett S. Stokes	President, University of New Mexico
Douglas Ziedonis, MD	Executive Vice President, UNM Health Sciences Center Chief Executive Officer, UNM Health System
Kate Becker	Chief Executive Officer, UNM Hospitals
Bonnie White	Chief Financial Officer, UNM Hospitals

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Report of Independent Auditors

The University of New Mexico Health Sciences Center
Board of Trustees and
Mr. Joseph M. Maestas, P.E.
New Mexico State Auditor

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the University of New Mexico Behavioral Health Operations (the Center), a division of the University of New Mexico, which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Center as of June 30, 2023, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Center and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the Center for the year ended June 30, 2022 were audited by another auditor, who expressed an unmodified opinion on those statements on October 12, 2022.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on page 6 through 14 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Center's basic financial statements. The accompanying comparison of budgeted and actual revenues and expenses (Schedule 1), pledged collateral by banks (Schedule 2), and schedule of individual deposit and investment accounts (Schedule 3) (collectively Schedules 1-3) for the year ended June 30, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, Schedules 1-3 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2023, on our consideration of the Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control over financial reporting and compliance.

Moss Adams LLP

Albuquerque, New Mexico
October 3, 2023

Management Discussion and Analysis

The University of New Mexico (UNM) Behavioral Health Operations management's discussion and analysis includes the UNM Psychiatric Center (Adult Center) and the UNM Children's Psychiatric Center (Children's Center), collectively, the Center. This annual financial report presents management's discussion and analysis of the financial performance of the Center during the fiscal years ended June 30, 2023 and 2022. This discussion should be read in conjunction with the accompanying financial statements and notes. Management has prepared the financial statements and the related note disclosures along with this discussion and analysis. As such, the financial statements, notes, and this discussion are the responsibility of the Center's management.

Using the annual financial report – This annual report consists of financial statements prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,* as amended.

The financial statements prescribed by GASB Statement No. 34 (the statements of net position, statements of revenues, expenses, and changes in net position and the statements of cash flows) present financial information in a form similar to that used by commercial corporations. They are prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service or goods are received, regardless of when cash is exchanged.

The statements of net position include all assets and liabilities. Over time, increases or decreases in net position (the difference between assets and liabilities) are one indicator of the improvement or erosion of the Center's financial health when considered with nonfinancial facts such as patient statistics and the condition of facilities. This statement includes all assets and liabilities using the accrual basis of accounting, which is consistent with the accounting method used by nongovernmental hospitals and healthcare organizations.

The statements of revenues, expenses, and changes in net position present the revenues earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A psychiatric center's dependency on state and local aid can result in an operating deficit since the financial reporting model classifies such aid as nonoperating revenues, which is the case with the State appropriation and County mill levy received by the Center. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The statements of cash flows present information related to cash inflows and outflows summarized by operating, capital, and noncapital financing activities.

Overview of entity – The Center offers a comprehensive range of inpatient and outpatient services to the community. The following summarizes the healthcare services offered by the Center.

Inpatient care – Care is provided by practitioners in 28 general adult beds, 15 geriatric beds, and 35 pediatric beds.

Outpatient care – The Center offers a large range of outpatient services including a medical home for high needs mental health patients, addiction service, psychosocial rehabilitation, as well as community-based services. In addition, the Adult Center also provides electroconvulsive therapy, trans-cranial magnetic stimulation, and assertive community treatment. The Children's Center provides outpatient services to children and adolescents including evaluation, medication management, and community-based services, as well as specialized treatment approaches like multisystemic therapy.

Emergency care – The Center also offers the State's only dedicated psychiatric emergency department for both adult and pediatric patients providing evaluation and stabilization services on 24-hour, seven-day a week basis.

Three year comparison of financial results

Condensed Summary of Net Position

	June 30,		
	2023	2022	2021
Assets			
Current assets	$ 18,436,819	$ 20,427,166	$ 17,108,186
Capital assets	26,703,850	10,699,026	10,178,095
Right-to-use assets	404,106	725,456	1,049,150
Other noncurrent assets	-	7,271,029	8,801,054
Total assets	$ 45,544,775	$ 39,122,677	$ 37,136,485
Deferred outflows			
Total deferred outflows of resources	$ 678,594	$ 1,425,499	$ 2,577,244
Liabilities			
Current liabilities	$ 11,909,957	$ 10,735,018	$ 11,929,776
Noncurrent liabilities	3,152,816	2,169,918	6,310,872
Total liabilities	$ 15,062,773	$ 12,904,936	$ 18,240,648
Deferred inflows			
Total deferred inflows of resources	$ 2,265,551	$ 3,265,415	$ 657,460
Net position			
Net investment in capital assets	$ 26,697,211	$ 10,689,315	$ 10,178,095
Restricted	342,417	320,510	312,299
Unrestricted	1,855,417	13,368,000	10,325,227
Total net position	$ 28,895,045	$ 24,377,825	$ 20,815,621

At June 30, 2023, the Center's total assets were $45.5 million, compared to $39.1 million at June 30, 2022 and $37.1 million at June 30, 2021. Total current assets decreased $2.0 million at June 30, 2023 compared to June 30, 2022. The largest asset is investment in capital assets in the amount of $26.7 million at June 30, 2023, $10.7 million at June 30, 2022 and $10.2 million at June 30, 2021. At June 30, 2023 and 2022, current assets exceeded current liabilities by $5.8 million and $9.7 million, respectively. The Center's largest current asset is third-party payor settlements receivable in the amount of $11.8 million at June 30, 2023, compared to $14.0 million and $12.2 million at June 30, 2022 and 2021, respectively. Third-party payor settlements receivable consist of amounts due from Medicare and Medicaid for cost report settlements, Indirect Medical Education, Graduate Medical Education, and Upper Payment Limit directed payments.

The Center's current liabilities increased by $1.2 million from June 30, 2022 to June 30, 2023 and decreased by $1.2 million from June 30, 2021 to June 30, 2022. The most significant current liability, accounts payable, increased by $1.9 million at June 30, 2023 compared to June 30, 2022. This increase was due to a construction invoice associated with the Crisis Triage Center, which was incurred prior to June 30, 2023 and paid subsequent to fiscal year end. The decrease in current liabilities at June 30, 2022 compared to June 30, 2021 was the result of decreased settlements due to payors and the timing of intergovernmental payments to the State of New Mexico.

The Center's noncurrent liabilities, which consist of the net pension liability, lease liability, and due to affiliates increased $983 thousand from June 30, 2022 to June 30, 2023 and decreased $4.1 million from June 30, 2021 to June 30, 2022. The most significant noncurrent liability, pension liability, increased by $856 thousand as of June 30, 2023 and decreased by $3.8 million as of June 30, 2022. Both the increase in 2023 and the decrease in 2022 were related to changes in investment performance, actuarial assumptions, and changes in the Center's overall proportion of the liability.

Total net position increased by $4.5 million to $28.9 million at June 30, 2023 compared to June 30, 2022, which reflects an operating loss of $29.2 million, offset by nonoperating net revenues of $27.2 million and contributed capital funding of $6.6 million. At June 30, 2023, unrestricted net position totaled $1.9 million while total net position was $28.9 million.

Total net position increased by $3.6 million to $24.4 million at June 30, 2022, which reflects an operating loss of $22.0 million, offset by nonoperating net revenues of $24.6 million and contributed capital funding of $939 thousand. As of June 30, 2022, unrestricted net position totaled $13.4 million while total net position was $24.4 million.

Condensed Summary of Revenues, Expenses, and Changes in Net Position

	Years Ended June 30,		
	2023	2022	2021
Total operating revenues	$ 46,252,913	$ 48,737,763	$ 45,343,441
Total operating expenses	(75,478,945)	(70,667,479)	(67,079,870)
Operating loss	(29,226,032)	(21,929,716)	(21,736,429)
Net nonoperating revenue	27,178,453	24,553,419	24,566,010
(Decrease) increase in net position before capital funding	(2,047,579)	2,623,703	2,829,581
Capital funding	6,564,799	938,501	-
Increase after capital funding	4,517,220	3,562,204	2,829,581
Net position, beginning of year	24,377,825	20,815,621	17,986,040
Net position, end of year	$ 28,895,045	$ 24,377,825	$ 20,815,621

Operating revenues – The sources of operating revenues for the Center include net patient service, contracts and grants, and other operating revenues, with the most significant source being net patient service revenues.

Net patient service revenue is comprised of gross patient service revenue net of contractual allowances, charity care, provision for doubtful accounts, and any third-party settlements. Also included in net patient service revenue are payments received for Indirect Medical Education (IME), Graduate Medical Education (GME), Directed Upper Payment Limit (UPL) and intergovernmental transfer (IGT) expense. Net patient service revenues were $42.9 million, $45.2 million and $42.2 million for the years ended June 30, 2023, 2022 and 2021, respectively.

Net patient service revenues decreased $2.3 million during the year ended June 30, 2023 as compared to the year ended June 30, 2022, which represents a 5% decrease. The decrease in net patient service revenues is primarily due to an increase in regulatory and contractual settlement estimates due to third-party payors.

Net patient service revenues increased $3.0 million during the year ended June 30, 2022 as compared to the year ended June 30, 2021, which represents a 7% increase. The increase in net patient service revenues are due to a $1.3 million increase in Medicare cost report settlements and a $1.4 million decrease in regulatory and contractual settlements due to third-party payors.

Patient days are an important statistic for the Center and are presented below:

	Years Ended June 30,		
	2023	2022	2021
Inpatient days - Adult Psychiatric Center	13,081	13,866	13,661
Inpatient days - Children's Psychiatric Center	6,630	7,655	9,037
Total inpatient days	19,711	21,521	22,698
Discharges	1,417	1,566	2,125
Outpatient visits	229,410	216,905	198,029

For the year ended June 30, 2023, patient days decreased 1,810, or 8.4%, while discharges declined by 149, or 9.5%, from the year ended June 30, 2022. Outpatient visits increased 12,505, or 5.8%, from the year ended June 30, 2022 to the year ended June 30, 2023. The decrease in patient days is due to the closure of four Adult beds, the construction related closure of one cottage at the Children's Psychiatric Center and a 50% reduction in a second cottage's capacity to better care for high acuity patients. Outpatient visits increased as a result of being fully staffed.

For the year ended June 30, 2022, patient days decreased 1,177, or 5.2%, from 2021 to 2022, while discharges declined by 559, or 26.3%, from 2021 to 2022. Outpatient visits increased 18,876, or 9.5%, from 2021 to 2022. The decrease in patient days and discharges is due to a County program that was closed down during December of 2021. The patients from the shuttered program were diverted to the Children's Center, often in crisis. As a result of caring for these very high need pediatric patients, the Center could care for only 3 patients per cottage rather than the normal rate of 8 patients to a facility cottage. Additionally, during the year ended June 30, 2022 there were many construction projects, which required the closure of cottages as they underwent renovations.

The Center offers a financial assistance program called UNM Care to which all eligible patients are encouraged to apply. This program assigns patients primary care providers and enables them to receive care throughout the Center and at all clinic locations. This program is available to Bernalillo County residents who also meet certain income and asset thresholds. Patients applying for coverage under UNM Care must apply for coverage under the New Mexico Health Insurance Exchange (the Exchange), if eligible. Patients may continue to receive UNM Care until they receive Medicaid eligibility or notification of coverage under the Exchange. Patients certified under Medicaid or the Exchange may continue to qualify for UNM Care as a secondary coverage for copays and deductibles if they meet the income guidelines. If a patient has access to insurance coverage under the Exchange, or through other coverage options, such as an employer or spouse, the patient would be expected to obtain coverage through that source prior to eligibility for UNM Care. The Center uses the same sliding income scale as the Affordable Care Act (ACA) to determine if insurance coverage is considered affordable. If coverage is determined not affordable, patients may be granted a hardship waiver, and would not be required to pursue coverage under the exchange. These patients would qualify for UNM Care.

As of June 30, 2023, 2022 and 2021, there were approximately 4,800, 4,300 and 3,900 active enrollees, respectively, in UNM Care. The income threshold for UNM Care is 300% of the Federal Poverty Level (FPL), and patients may apply for this program at various locations throughout the Center. The Center does not pursue collection of amounts determined to qualify as charity care. Charges foregone, based on estimated rates, for the years ended June 30, 2023, 2022 and 2021, are $2.2 million, $1.5 million and $1.7, respectively. The related estimated costs and expenses incurred to provide charity care, for the years ended June 30, 2023, 2022 and 2021, are $2.2 million, $1.4 million and $1.5 million, respectively.

The Center provides care to patients who are either uninsured or underinsured and who do not meet the criteria for financial assistance. These accounts are fully reserved and recorded as provision for uncollectible accounts. Provision expense recorded for the years ended June 30, 2023, 2022 and 2021 were $321,626, $1,169,424 and $738,436, respectively.

The Center recognized intergovernmental transfers (IGTs) to the State of New Mexico in the amounts of $1.6 million, $1.3 million and $1.0 million, respectively, for the years ended June 30, 2023, 2022 and 2021. These amounts are recorded within net patient service revenues.

Operating expenses – Operating expenses for the year ended June 30, 2023, including depreciation of $1.2 million, totaled $75.5 million. Overall, expenses increased $4.8 million compared with the prior year. Employee compensation increased $3.0 million, or 7.2%, employee benefits increased $864 thousand, or 10.3%, medical services increased $672 thousand, or 6%, and purchased services increased $433 thousand, or 49.9%. The increase in employee compensation is due to increased staffing costs associated with contract labor, which was utilized to supplement employed full-time equivalent (FTE) labor. The increase in employee benefits is due to an increase in expense associated with the New Mexico Educational Retirement Board (NMERB) retirement plan. The increase in medical services is a result of an increase in physician support paid to the UNM School of Medicine. The increase in purchased services is primarily a result of increased employment recruiting costs and referral costs.

Operating expenses for the year ended June 30, 2022, including depreciation of $1.2 million, totaled $70.7 million. Overall, expenses increased $3.6 million compared with the prior year. Employee compensation increased $2.8 million, or 7%, employee benefits decreased $1.5 million, or 15.4%, and medical services increased $1.1 million, or 10.8%. The increase in employee compensation is due to increased staffing costs associated with contract labor, which was utilized to supplement employed FTE labor. The decrease in employee benefits is due to a decrease in expense associated with the NMERB retirement plan. The increase in medical services is a result of an increase in physician support paid to the UNM School of Medicine.

The operating expense mix for the Center for the years ended June 30, 2023 and 2022 is detailed below:

	2023	2022
Employee compensation	59%	59%
Benefits	12	12
Medical services	16	16
Occupancy	3	3
Medical supplies	2	2
Purchased services	2	1
Depreciation	2	2
Other supplies	1	2
Gross receipts tax	1	1
Equipment	1	1
Other	1	1

Nonoperating revenues and expenses – Revenue from the Bernalillo County mill levy was the most significant source of nonoperating revenue, totaling $18.1 million, $17.2 million and $16.8 million for the years ended June 30, 2023, 2022 and 2021, respectively. The current Memorandum of Understanding (MOU) with Bernalillo County stipulates fifteen percent (15%) of the mill levy revenue will be allocated to the operation and maintenance of the Adult Center and associated behavioral health and substance abuse treatment services that are offered by the Hospital and the Center. During the years ended June 30, 2023, 2022 and 2021, 15% of the mill levy was allocated to the Center.

The state appropriation was the next most significant nonoperating revenue source totaling $9.3 million, $7.6 million and $7.4 million for the years ended June 30, 2023, 2022 and 2021, respectively. The state appropriation is provided to the Children's Center to fulfill its mission to the State of New Mexico. In 1975, the Center was created by state statute under the authority of the State of New Mexico to supply what were deemed as necessary services to improve the mental health and well-being of New Mexico's children and adolescents through inpatient services at the Center, at school sites and at patients' homes. The appropriation also funds the operation of the Mimbres School, a state-supported, on-site school. Included in the current year amount of $9.3 million is $393 thousand, which represents proceeds from State tax severance bonds, to be used towards the design of the Children's Psychiatric replacement building.

Capital assets – At June 30, 2023, the Center had $45.9 million invested in capital assets, less accumulated depreciation of $19.2 million. Depreciation charges for the year ended June 30, 2023 totaled $1.2 million compared to $1.2 million and $1.1 million for the years ended June 30, 2022 and 2021, respectively.

	2023	2022	2021
Land and improvements	$ 2,325,709	$ 2,072,819	$ 2,072,819
Buildings and improvements	13,968,345	13,968,345	13,474,902
Buildings and equipment	8,118,126	8,118,126	7,637,603
Major moveable equipment	1,435,411	1,353,619	1,210,465
Fixed equipment	994,561	994,561	710,273
Computer software	25,900	25,900	25,900
Construction in progress	19,061,360	2,270,609	2,097,790
	45,929,412	28,803,979	27,229,752
Less accumulated depreciation	(19,225,562)	(18,104,953)	(17,051,657)
Net property and equipment	$ 26,703,850	$ 10,699,026	$ 10,178,095

During the year ended June 30, 2023, the Center's most significant increase to capital assets is construction in progress with a net increase of $16.8 million and land improvements of $253 thousand. This increase is due to the continued expansion of the psychiatric emergency services unit at the Adult Center and new buildings at the Children's Center.

During the year ended June 30, 2022, the Center's most significant net increase to capital assets is buildings and improvements of $493 thousand and building service equipment of $481 thousand. This increase is due to the continued expansion of the psychiatric emergency services unit at the Adult Center and chiller replacement at the Children's Center, which began during the year ended June 30, 2019.

Change in net position – Total net position (assets plus deferred outflows minus liabilities minus deferred inflows) is classified by the Center's ability to use these assets to meet operating needs. Total net position can be unrestricted or restricted. Unrestricted net position for the Center may be used to meet all operating needs of the Center. Restricted net position is generated by donations and gifts and is further classified as to the purpose for which it must be used. The Center's total change in net position reflected a net increase of approximately $4.5 million for the year ended June, 30, 2023 and a net increase of $3.6 million for the year ended June, 30, 2022.

Factors impacting future periods – On July 27, 2023, Centers for Medicare & Medicaid Services (CMS) released the Federal Fiscal Year (FFY) 2024 Inpatient Psychiatric Facilities (IPF) Prospective Payment System (PPS) Final Rule. The IPF PPS rates will reflect a market basket increase of 3.5% less the productivity reduction for FFY 2024 of 0.2% for a final rate increase of 3.3% for FFY 2024. Teaching payments for FFY 2024 will increase 9.6% while ECT payments will increase 3.2%. The Center's wage index remained unchanged at .9010 for both FFY 2023 and FFY 2024.

The overall impact of the proposed OPPS rule on the Hospital's reimbursement is estimated to be an increase of 2.8% or $16 thousand.

The Bernalillo County mill levy that the Center receives is based on property values. It is possible that the amount of the mill levy may remain flat or potentially increase or decrease as a result of changes in property values. The voters approved the renewal of the mill levy in the November 2016 election. The mill levy is subject to approval by the Bernalillo County voters every eight years and it will be up for renewal in the November 2024 election.

The Center's facilities are leased from Bernalillo County (the County) by UNM under the 2014 lease agreement, as described under note 1 to the financial statements. Terms of this agreement provides for either party to the lease to reopen the terms and conditions by giving notices in the first three months of 2006, 2014, 2022, 2030 and 2038. Neither party requested to reopen the terms and conditions of the lease in 2022. On March 25, 2014, the County Commission approved Administrative Resolution AR 2014-21 to open negotiations with UNM on the lease agreement and to establish a taskforce to provide healthcare expertise to the County in support of the negotiations. The agreement was finalized in February 2018. Under the MOU, the UNM Hospital is required to allocate 15% of the mill levy proceeds to the Center, fund one or more navigational services and a transition planning and case management service, Bernalillo County Re-entry Resource Center (RRC), at $2.06 million adjusted annually, and to comply with certain reporting and collaboration efforts as described in the MOU. In June 2018, the Hospital and County entered into a program MOU for the RRC, under which the Center would establish within its budget at least $800 thousand for this program. UNMH also increased the annual funding to the Pathways program to $1.26 million. The Pathways funding of $1.26 million and the RRC funding of $800 thousand fulfill the navigation and case management requirement to Bernalillo County.

The Center will also see an increase in state appropriations for the year ended June 30, 2024 of $1.3 million.

Contacting the Center's financial management – This financial report is designed to provide the Center's patients, suppliers, taxpayers, and creditors with a general overview of the Center's finances and to show the Center's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the UNM Hospital's Finance and Accounting Department, Attn.: Controller, P.O. Box 80600, Albuquerque, NM 87198-0600.

Financial Statements

University of New Mexico Behavioral Health Operations
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash	$ 3,675	$ 3,675
Receivables		
Patient (net of allowance for doubtful accounts and contractual adjustments of approximately $11,283,000 in 2023 and $9,960,000 in 2022)	6,009,678	5,976,685
Contracts and grants	22,865	21,342
Due from University of New Mexico entities	66,340	-
Estimated third-party payor settlements	11,849,164	13,995,432
Bernalillo County mill levy	305,263	315,203
Total net receivables	18,253,310	20,308,662
Inventories	131,423	114,829
Prepaid expenses	48,411	-
Total current assets	18,436,819	20,427,166
NONCURRENT ASSETS		
Due from affiliates	-	7,271,029
Capital assets, net	26,703,850	10,699,026
Right-to-use assets, net	404,106	725,456
Total noncurrent assets	27,107,956	18,695,511
TOTAL ASSETS	$ 45,544,775	$ 39,122,677
DEFERRED OUTFLOWS		
Total deferred outflows related to pensions	$ 678,594	$ 1,425,499

See accompanying notes.

University of New Mexico Behavioral Health Operations
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	$ 3,250,072	$ 1,305,648
Due to University of New Mexico entities	1,768,649	1,394,590
Lease liability - current	130,414	324,422
Accrued compensation and benefits	2,596,135	4,044,632
Estimated third-party payor settlements	4,164,687	3,665,726
Total current liabilities	11,909,957	10,735,018
NONCURRENT LIABILITIES		
Net pension liability	2,614,967	1,759,173
Due to affiliates	257,518	-
Lease liability	280,331	410,745
Total noncurrent liabilities	3,152,816	2,169,918
TOTAL LIABILITIES	$ 15,062,773	$ 12,904,936
DEFERRED INFLOWS		
Total deferred inflows related to pensions	$ 2,265,551	$ 3,265,415
NET POSITION		
Net investment in capital assets	$ 26,697,211	$ 10,689,315
Restricted for expendable grants, bequests, and contributions	342,417	320,510
Unrestricted	1,855,417	13,368,000
TOTAL NET POSITION	$ 28,895,045	$ 24,377,825

See accompanying notes.

University of New Mexico Behavioral Health Operations
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Net patient service	$ 42,895,023	$ 45,232,423
State and local contracts and grants	3,300,080	3,438,856
Other operating revenues	57,810	66,484
Total operating revenues	46,252,913	48,737,763
OPERATING EXPENSES		
Employee compensation	44,825,350	41,827,364
Benefits	9,265,779	8,401,648
Medical services	11,924,994	11,252,565
Occupancy	2,158,096	2,330,194
Medical supplies	1,409,922	1,623,624
Purchased services	1,300,435	867,281
Depreciation	1,176,641	1,227,151
Other supplies	1,027,172	927,765
Gross receipts tax	820,311	792,181
Equipment	806,621	604,813
Other	763,624	812,893
Total operating expenses	75,478,945	70,667,479
Operating loss	(29,226,032)	(21,929,716)
NONOPERATING REVENUES (EXPENSES)		
Bernalillo County mill levy	18,097,446	17,224,515
State general fund and other state fund appropriations	9,320,374	7,631,101
Bequests and contributions	25,425	14,167
Other nonoperating expense	(264,792)	(316,364)
Net nonoperating revenue	27,178,453	24,553,419
(Decrease) increase in net position before capital funding	(2,047,579)	2,623,703
Capital funding from Bernalillo County	6,564,799	938,501
Increase in net position after capital funding	4,517,220	3,562,204
NET POSITION		
Beginning of year	24,377,825	20,815,621
End of year	$ 28,895,045	$ 24,377,825

See accompanying notes.

University of New Mexico Behavioral Health Operations
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from Medicaid and Medicare	$ 41,711,682	$ 32,423,730
Cash received from insurance and patients	3,795,577	8,459,817
Cash received from contracts and grants	3,298,557	3,417,514
Cash payments to employees	(36,631,198)	(35,955,427)
Cash payments to contract labor	(8,433,895)	(5,285,433)
Cash payments to suppliers	(13,883,004)	(14,446,218)
Cash payments to University of New Mexico entities	(12,871,070)	(12,867,919)
Cash received from affiliates	7,528,547	1,530,025
Cash payments to State of New Mexico for gross receipts tax	(820,311)	(792,181)
Other cash receipts	57,810	66,484
Net cash from operating activities	(16,247,305)	(23,449,608)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from Bernalillo County mill levy	18,107,386	17,244,268
Cash received from state general fund and other state fund appropriations	9,320,374	7,631,101
Cash received from contributions for other-than-capital purposes	25,425	14,167
Cash payments for nonoperating sources	(245,557)	(298,149)
Net cash from noncapital financing activities	27,207,628	24,591,387
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Cash received from Bernalillo County for capital funding	6,564,799	938,501
Purchases of capital assets	(17,188,842)	(1,804,072)
Cash payments for leases	(324,422)	(313,983)
Interest payments on leases	(19,235)	-
Cash received from disposal of assets	7,377	37,775
Net cash from capital financing activity	(10,960,323)	(1,141,779)
Net increase in cash and cash equivalents	-	-
CASH, beginning of year	3,675	3,675
CASH, end of year	$ 3,675	$ 3,675

See accompanying notes.

University of New Mexico Behavioral Health Operations
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
RECONCILATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES		
Operating loss	$ (29,226,032)	$ (21,929,716)
Adjustments to reconcile operating loss to net cash from operating activities		
Depreciation expense	1,176,641	1,227,151
Lease amortization	321,350	323,694
Provision for doubtful accounts	321,626	1,169,424
Change in assets, deferred outflows, liabilities, and deferred inflows		
Patient receivables, net	(354,619)	(2,743,818)
Due to/from affiliates	7,528,547	1,530,025
Contracts and grants receivables	(1,523)	(21,342)
Estimated third-party payor settlements receivables	2,146,268	(1,791,872)
Prepaid expenses	(48,411)	30,952
Inventories	(16,594)	17,923
Due to University of New Mexico entities	307,719	(93,726)
Accounts payable and accrued expenses	495,927	(128,004)
Estimated third-party payor settlements liabilities	498,961	(982,610)
Deferred outflow of resources related to pensions	746,905	1,151,745
Deferred inflow of resources related to pensions	(999,864)	2,607,955
Net pension liability	855,794	(3,817,389)
Net cash from operating activities	$ (16,247,305)	$ (23,449,608)

See accompanying notes.

Note 1 – Description of Business

The University of New Mexico Behavioral Health Operations (the Center) includes the UNM Psychiatric Center (Adult Center) and the UNM Children's Psychiatric Center (Children's Center).

The Adult Center was organized under a joint powers agreement between the University of New Mexico (UNM), a state institution of higher education created by the New Mexico Constitution, and Bernalillo County (the County) for the purpose of providing mental health services and for the advancement of human knowledge and education in the mental health field. The UNM Board of Regents and the Board of County Commissioners participate in a lease agreement for operation and lease of County healthcare facilities terminating June 30, 2055. The purpose of the original lease is to operate and maintain the Center in accordance with the provisions of the Hospital Funding Act for the term of the agreement. This agreement continues in force until rescinded or terminated by either party.

The Children's Center, a psychiatric center operated by UNM Health Sciences Center, is certified as a short-term, acute care provider. The Center provides intensive treatment for children and adolescents through its acute inpatient, residential, and outpatient therapy programs. The Children's Center is the state's only comprehensive psychiatric facility dedicated solely to the treatment of seriously emotionally disturbed children and adolescents.

The accompanying financial statements of the Center are intended to present the financial position and changes in financial position and cash flows of only that portion of the business-type activities of UNM, which are attributable to the transactions of the Center. The Center is not a legally separate entity and is, therefore, reported as a division of UNM and included in the basic financial statements of UNM. As a division of UNM, the Center has no component units.

The UNM Board of Regents is the ultimate governing authority of the Center, but has delegated certain oversight responsibilities to the UNM Hospital's (Hospital) Board of Trustees, which consists of nine members, including seven members appointed by the UNM Board of Regents, two of which are nominated by the All Pueblo Council of Governors. The two remaining members are appointed by the County Commission.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The accompanying financial statements have been prepared using the economic resource measurement focus and the accrual basis of accounting, in accordance with generally accepted accounting principles for healthcare organizations, and are presented in accordance with the reporting model as prescribed in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements;* GASB Statement No. 38, *Certain Financial Statement Note Disclosures;* and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position.*

The Center follows the business-type activities requirements of GASB Statement No. 34 and No. 63. This approach requires the following components of the Center's financial statements:

- Management's discussion and analysis
- Basic financial statements, including statements of net position, statements of revenues, expenses, and changes in net position, and statements of cash flows using the direct method for the Center as a whole
- Notes to financial statements

GASB Statement No. 34 and subsequent amendments, including GASB Statement No. 63 as discussed below, established standards for external financial reporting and requires that resources be classified for accounting and reporting purposes into the following three net position categories:

Net investment in capital assets – Capital assets and right-to-use assets net of accumulated depreciation, accumulated amortization and related liabilities.

Restricted, expendable – Assets whose use by the Center is subject to externally imposed constraints that can be fulfilled by actions of the Center pursuant to those constraints or that expire by the passage of time.

Unrestricted – Assets that are not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of UNM Hospital Board of Trustees, the UNM Board of Regents, or may otherwise be limited by contractual agreements with outside parties.

Recent accounting pronouncements – GASB Statement No. 96, *Subscription-based Information Technology Arrangements,* was adopted effective July 1, 2022. The objective of this statement is to provide uniform guidance for accounting and financial reporting for transactions that meet the definition of subscription-based information technology arrangements (SBITAs). This statement defines a SBITA, established that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The adoption of this standard resulted in no effect to the beginning asset or liability of the Center related to SBITA assets and there was no impact to the net position of the Center.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections.* An amendment to Statement 62, the standard clarifies practice by providing guidance for changes in the financial reporting entity, accounting principles, and estimates used to prepare financial information. The new standard also prescribes the treatment for the correction of errors in previously issued financial statements. The requirements of this statement apply to the financial statements of all state and local governments. The statement is effective for fiscal years beginning after June 15, 2023, the standard will affect the year-end June 30, 2024. The Center is evaluating the impact the standard will have on its financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objectives of this statement are to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement apply to the financial statements of all state and local governments. The requirements of this statement are effective for reporting periods beginning after December 15, 2023. The Center is evaluating the impact the standard will have on its financial statements.

Implementation Guide No. 2021-1, *Implementation Guidance Update—2021*. The implementation guide 2021 states that it may be appropriate for a government to establish a capitalization policy that would require capitalization of certain types of assets whose individual acquisition costs are less than the threshold for an individual asset. The amended guidance on capitalization is effective for reporting periods beginning after June 15, 2023. The Center is evaluating the impact the standard will have on its financial statements.

Use of estimates – The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statement dates, and the reported amount of revenues and expenses during the reporting periods. Due to uncertainties inherent in the estimation process, actual results could differ from those estimates.

Operating revenues and expenses – The Center's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues, such as patient services revenues, result from exchange transactions associated with providing healthcare services, the Center's principal activity. Exchange transactions are those in which each party to the transaction receives and gives up essentially equal values. Operating expenses are all expenses incurred to provide healthcare services.

Contracts and grants – Revenue from contracts and grants is recognized to the extent of direct costs and allowable indirect expenses incurred under the terms of each agreement. Funds restricted by grantors for operating purposes are recognized as revenues when the eligibility requirements of the grant have been met. All reimbursable costs for which reimbursement has not been received are reflected in the accompanying statements of net position as contracts and grants receivable.

Nonoperating revenue and expenses – Nonoperating revenue and expenses include activities that have the characteristics of nonexchange transactions, such as appropriations, gifts, investment income, government levies, gains and losses on the sale of assets and other administrative expenses.

Nonexchange revenue streams are recognized under GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Appropriations are recognized in the year they are appropriated, regardless of when actually received. Bequests and contributions are recognized when all applicable eligibility requirements have been met. The Mill Levy is recognized in the period it is collected by Bernalillo County. Gains and losses on the sale of assets and other administrative expenses are recognized when incurred.

Cash – The Center holds petty cash amounts only as it does not have its own bank accounts. As noted on page 25, Due to/from affiliates, the Hospital receives all cash on behalf of, and pays all obligations for, the Center.

Inventories – Inventories consisting of medical supplies and pharmaceuticals are stated at the lower of cost or market. Cost is determined using the first-in, first-out valuation method for medical supplies and the replacement cost method for pharmacy inventories.

Capital assets – Capital assets are stated at cost on the date of acquisition or at estimated fair value on the date of donation. The Center's capitalization policy for assets includes all items with a unit cost of more than $5 thousand and a minimum estimated useful life of three years. Depreciation of capital assets is calculated using the straight-line method over the estimated useful lives of the assets as indicated in the "Estimated Useful Lives of Depreciable Hospital Assets," Revised 2018 Edition published by the American Hospital Association. Repairs and maintenance costs are charged to expense as incurred. On an annual basis, the Center assesses long-lived assets in order to determine whether or not it is necessary to retire, replace, or impair on condition of the assets and their intended use.

The buildings occupied by the Center are as follows: The Adult Center's buildings are owned by the County and are furnished to the Adult Center in accordance with the lease agreement between the County and UNM. The Children Center's land and buildings are owned by UNM and are furnished for use to the Center. The land and buildings owned by UNM are recorded on the Center's financial statements. Equipment includes items that have been purchased with funds received in accordance with certain contracts and grants, and title to this equipment is vested with the Center.

Leases – The Center is a lessee for various noncancellable leases of buildings and equipment. For leases with a maximum possible term of 12 months or less at commencement, the Center recognizes the expense based on the provisions of the lease contract. For all other leases, the Center recognizes a lease liability.

At lease commencement, the Center initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into lease expense on a straight-line basis over the shorter of the lease terms or the useful life of the underlying asset. If the center is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

Key estimates and judgments include how the Center determines the discount rate it uses to calculate the present value of the expected lease, lease term and lease payments.

The Center generally uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor charges is known. The Center's incremental borrowing rate for leases is based on the rate of interest it would pay for any amounts borrowed for capital projects.

The lease term includes the noncancellable period of the lease plus any additional periods covered by either the Center or lessor option to extend for which it is reasonably certain to be exercised or terminate for which it is reasonably certain not to be exercised.

Payments are evaluated by the Center to determine if they should be included in the measurement of the lease liability, including those payments that require a determination of whether they are reasonably certain of being made, such as residual value guarantees, purchase options, payments for termination penalties and other payments.

The Center monitors changes in circumstances that may require remeasurement of a lease arrangement. When certain changes occur that are expected to significantly affect the amount of the lease, the liability is remeasured and a corresponding adjustment is made to the lease.

Lease assets are reported with long-term assets and lease liabilities are reported with short and long-term liabilities in the statements of net position.

Due to/from affiliates – The Hospital receives all cash on behalf of the Center and pays all obligations. Accounts payable and accrued expenses are considered paid and no longer an obligation of the Center when vouchered for payment by the Hospital. Amounts due from affiliates consist mainly of cash collected in excess of expenses paid and do not bear interest. Amounts due to affiliates consist mainly of expenses paid in excess of cash collected and do not bear interest.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Plan (ERP) and additions to/deductions from ERP's fiduciary net position have been determined on the same basis as they are reported by ERP. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net patient service revenues – Net patient service revenues are recorded at the estimated net realizable amount from patients, third-party payors and others for services rendered. Retroactive adjustments under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Charity care – The Center provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Center does not pursue collection of amounts determined to qualify as charity care, they are deducted from gross revenue, with the exception of copayments.

Bernalillo County taxes – The amount of the property tax levy is assessed annually on November 1 based on the valuation of property as determined by the Bernalillo County Assessor and is due in equal semiannual installments on November 10 and April 10 of the next year. Taxes become delinquent 30 days after the due date unless the original levy date has been formally extended. Taxes are collected on behalf of the Center by the County Treasurer and are remitted to the Hospital in the month following collection. Revenue is recognized in the fiscal year the levy is collected by Bernalillo County.

Bernalillo County may utilize property tax exemptions and abatements to stimulate economic development and investment in the community. Three agencies entered into abatement agreements under the authority of NMSA 7-37-6 and NMSA 7-38. The proceeds to the levy were reduced by $204 thousand and $181 thousand in aggregate, authorized by Bernalillo County, the City of Albuquerque, and the New Mexico Hospital Equipment Loan Council, during the years ended June 30, 2023 and 2022, respectively, as a result of the exemptions and abatements granted.

State appropriation – The funding for the state appropriation is included in the General Appropriation Act, which is approved by the House and Senate of the State Legislature and signed by the governor before going into effect. Funds appropriated for the years ended June 30, 2023 and 2022 totaled $8.9 million and $7.6 million, respectively. The General Fund is designated as a nonreverting fund, per House Bill 2, Section 4, Sub-Section J, Higher Education. In addition to the $8.9 million, the State appropriated $393 thousand which represents proceeds from State tax severance bonds to be used towards the design of the Children's Psychiatric replacement building.

Income taxes – As part of a state institution of higher education, the income of the Center is generally excluded from federal and state income taxes under Section 115(1) of the IRC. However, income generated from activities unrelated to the Center's exempt purpose is subject to income taxes under IRC Section 511(a)(2)(B). During the years ended June 30, 2023 and 2022, there was no income generated from unrelated activities.

Gross receipts taxes – The Center is subject to a 5% gross receipts tax on all service generated revenues after a 60% deduction on applicable receipts. Gross receipts tax is calculated and recorded in the accompanying financial statements on an accrual basis. Taxes are paid on a cash basis for the period received.

Intergovernmental transfers – Intergovernmental transfers (IGTs) are recognized in the period in which the Center incurs an obligation to make payments to other governmental entities as evidenced by executed Memoranda of Understanding (MOUs) between the State of New Mexico and the Center. The Center recorded $1.6 million and $1.3 million in IGT obligations for years ended June 30, 2023 and 2022, respectively. Due to the nature of the MOUs to fund a portion of the nonfederal share to obtain federal matching funds for the Medicaid "Centennial Care," and since the Medicaid "Centennial Care" program is for the provision of patient care, IGTs are recorded as a reduction of net patient service.

Capital funding - Bernalillo County and the UNM Health Sciences Center entered into an agreement to construct a Crisis Triage Center and Adult Psychiatric Replacement Hospital during the year ended June 30, 2023. The Bernalillo County Board of County Commissioners approved a motion to appropriate a capital investment of up to $20.0 million for the project. As funds are received from Bernalillo County, they are recognized as capital funding within the statements of revenues, expenses and changes in net position.

Risk management – The Hospital sponsors a self-insured health plan in which the Center's employees participate, as all employees of the Center are under the centralized umbrella of the Hospital. Blue Cross and Blue Shield of New Mexico and HMO New Mexico (BCBSNM and HMONM) provide administrative claim payment services for the Hospital's plan. Liabilities are based on an estimate of claims that have been incurred but not reported (IBNR) and claims received but not yet paid. At June 30, 2023 and 2022, the estimated amount of the Center's IBNR and accrued claims was $477 thousand and $479 thousand, respectively. The liability balance for the self-insurance plan is included in accrued payroll of the Hospital, which is reflected in the net due to/from affiliate account of the Center. The IBNR liability was based on an actuarial analysis calculated using information provided by BCBSNM. Changes in the reported liability were as follows:

	Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Year End
2022-2023	$ 478,986	$ 4,673,794	$ (4,675,447)	$ 477,333
2021-2022	$ 485,221	$ 4,945,752	$ (4,951,987)	$ 478,986

Note 3 – Concentration of Risk

The Center receives payment for services rendered to patients under payment arrangements with payors that include: (i) Medicare and Medicaid; (ii) other third-party payors, including commercial carriers; and (iii) others. The other payor category includes United States Public Health Service, self-pay, counties and other government agencies. The following table summarizes patient accounts receivable and the percentage of gross accounts receivable from all payors as of June 30:

	2023		2022	
Medicaid	$ 8,908,472	51%	$ 7,468,678	47%
Patients and their insurance carriers	3,971,820	23%	3,745,361	24%
Medicare	4,411,970	26%	4,723,009	29%
Total patient account receivables	17,292,262	100%	15,937,048	100%
Less allowance of uncollectible account and contractual adjustments	(11,282,584)		(9,960,363)	
Patient accounts receivable, net	$ 6,009,678		$ 5,976,685	

Note 4 – Capital Assets

The major classes of capital assets at June 30 and activity for the year then ended are as follows:

	Year Ended June 30, 2023				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Center capital assets not being depreciated					
Land	$ 111,000	$ -	$ -	$ -	$ 111,000
Construction in progress	2,270,609	17,043,641	(252,890)	-	19,061,360
	$ 2,381,609	$ 17,043,641	$ (252,890)	$ -	$ 19,172,360
Center depreciable capital assets					
Land and land improvements	$ 1,961,819	$ -	$ 252,890	$ -	$ 2,214,709
Building and building improvements	13,968,345	-	-	-	13,968,345
Building service equipment	8,118,126	-	-	-	8,118,126
Major moveable equipment	1,353,619	145,201	-	(63,409)	1,435,411
Fixed equipment	994,561	-	-	-	994,561
Computer software	25,900	-	-	-	25,900
Total depreciable capital assets	26,422,370	145,201	252,890	(63,409)	26,757,052
Less accumulated depreciation for					
Land and land improvements	(1,211,094)	(125,927)	-	-	(1,337,021)
Building and building improvements	(11,270,108)	(409,211)	-	-	(11,679,319)
Building service equipment	(4,124,121)	(477,852)	-	-	(4,601,973)
Major moveable equipment	(986,685)	(95,028)	-	56,032	(1,025,681)
Fixed equipment	(487,045)	(68,623)	-	-	(555,668)
Computer software	(25,900)	-	-	-	(25,900)
Total accumulated depreciation	(18,104,953)	(1,176,641)	-	56,032	(19,225,562)
Center depreciable capital assets, net	$ 8,317,417	$ (1,031,440)	$ 252,890	$ (7,377)	$ 7,531,490
Capital asset summary					
Center capital assets not being depreciate	$ 2,381,609	$ 17,043,641	$ (252,890)	$ -	$ 19,172,360
Center depreciable capital assets, at cost	26,422,370	145,201	252,890	(63,409)	26,757,052
Center total cost of capital assets	28,803,979	17,188,842	-	(63,409)	45,929,412
Less accumulated deprecation	(18,104,953)	(1,176,641)	-	56,032	(19,225,562)
Center capital assets, net	$ 10,699,026	$ 16,012,201	$ -	$ (7,377)	$ 26,703,850

	Year Ended June 30, 2022				
	Beginning Balance	Additions	Transfers	Retirements	Ending Balance
Center capital assets not being depreciated					
Land	$ 111,000	$ -	$ -	$ -	$ 111,000
Construction in progress	2,097,790	1,570,987	(1,398,168)	-	2,270,609
	$ 2,208,790	$ 1,570,987	$ (1,398,168)	$ -	$ 2,381,609
Center depreciable capital assets					
Land and land improvements	$ 1,961,819	$ -	$ -	$ -	$ 1,961,819
Building and building improvements	13,474,902	-	610,735	(117,292)	13,968,345
Building service equipment	7,637,603	-	503,145	(22,622)	8,118,126
Major moveable equipment	1,210,465	233,085	-	(89,931)	1,353,619
Fixed equipment	710,273	-	284,288	-	994,561
Computer software	25,900	-	-	-	25,900
Total depreciable capital assets	25,020,962	233,085	1,398,168	(229,845)	26,422,370
Less accumulated depreciation for					
Land and land improvements	(1,089,293)	(121,801)	-	-	(1,211,094)
Building and building improvements	(10,917,736)	(433,453)	-	81,081	(11,270,108)
Building service equipment	(3,654,187)	(489,099)	-	19,165	(4,124,121)
Major moveable equipment	(947,061)	(113,233)	-	73,609	(986,685)
Fixed equipment	(417,480)	(69,565)	-	-	(487,045)
Computer software	(25,900)	-	-	-	(25,900)
Total accumulated depreciation	(17,051,657)	(1,227,151)	-	173,855	(18,104,953)
Center depreciable capital assets, net	$ 7,969,305	$ (994,066)	$ 1,398,168	$ (55,990)	$ 8,317,417
Capital asset summary					
Center capital assets not being depreciated	$ 2,208,790	$ 1,570,987	$ (1,398,168)	$ -	$ 2,381,609
Center depreciable capital assets, at cost	25,020,962	233,085	1,398,168	(229,845)	26,422,370
Center total cost of capital assets	27,229,752	1,804,072	-	(229,845)	28,803,979
Less accumulated deprecation	(17,051,657)	(1,227,151)	-	173,855	(18,104,953)
Center capital assets, net	$ 10,178,095	$ 576,921	$ -	$ (55,990)	$ 10,699,026

Note 5 – Leases

As discussed in Note 2, the Center is a lessee for various noncancellable leases of buildings and equipment.

A summary of the lease asset activity during the years ended June 30, 2023 and 2022 is as follows:

	Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023
Lease assets				
Buildings	$ 1,356,723	$ -	$ -	$ 1,356,723
Total lease assets	1,356,723	-	-	1,356,723
Less accumulated amortization				
Buildings	(631,267)	(321,350)	-	(952,617)
Total accumulated amortization	(631,267)	(321,350)	-	(952,617)
Total lease assets, net	$ 725,456	$ (321,350)	$ -	$ 404,106

	Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022
Lease assets				
Buildings	$ 1,356,723	$ -	$ -	$ 1,356,723
Total lease assets	1,356,723	-	-	1,356,723
Less accumulated amortization				
Buildings	(307,573)	(323,694)	-	(631,267)
Total accumulated amortization	(307,573)	(323,694)	-	(631,267)
Total lease assets, net	$ 1,049,150	$ (323,694)	$ -	$ 725,456

Changes in long-term lease liabilities for the years ended June 30, 2023 and 2022 are summarized below:

Balance at June 30, 2022	Additions	Deductions	Balance at June 30, 2023	Amounts Due Within One Year
$ 735,167	$ -	$ (324,422)	$ 410,745	$ 130,414

Balance at June 30, 2021	Additions	Deductions	Balance at June 30, 2022	Amounts Due Within One Year
$ 1,049,150	$ -	$ (313,983)	$ 735,167	$ 324,422

Future annual lease payments are as follows:

Years Ending June 30,	Principal Amount	Interest Amount	Total
2024	$ 130,414	$ 10,953	$ 141,367
2025	93,117	7,791	100,908
2026	96,212	4,696	100,908
2027	91,002	1,497	92,499
	$ 410,745	$ 24,937	$ 435,682

Note 6 – Compensated Absences

Qualified Center employees are entitled to accrue sick leave and annual leave based on their full-time equivalent (FTE) status.

Sick leave – Full-time employees accrue four hours of sick leave each two-week pay period (13 days per annum) up to a maximum of 1,040 hours to be used for major and minor sick leave. Seven of these days are accumulated into a minor sick leave bank. Part-time employees who are at least 0.5 FTE earn sick leave on a prorated basis each pay period. At June 30 of each year, employees have the opportunity to exchange minor sick leave for annual leave or major sick leave, or cash all hours accumulated in excess of 24 hours of minor sick leave and 1,040 hours of major sick leave on an hour-for-hour basis. At termination, only employees who retire from the Center and qualify under the Center's policy or estates of employees who die as the result of a compensable occupational illness or injury are eligible for payment of unused accumulated hours earned under the Center's plan. Accrued sick leave as of June 30, 2023 and 2022 is $357 thousand and $353 thousand, respectively, is computed by multiplying each employee's current hourly rate by the number of hours accrued.

Major and minor sick leave balances earned by the consolidated employees (personnel employed by UNM prior to July 2000 and employed by the Center thereafter) under the UNM plan were transferred to the Center. Under the UNM plan, only employees hired prior to July 1, 1984 were eligible to accrue major sick leave. Eligible employees accrued sick leave each pay period at an hourly rate, which was based on their date of hire and employment status.

The excess minor sick leave hours carried over from UNM were converted to cash in December 2000, at a rate equal to 50% of the employee's hourly wage, multiplied by the number of hours converted. Upon retirement, all minor sick leave hours in excess of 600 are paid at a rate equal to 50% of the employee's hourly wage multiplied by the number of hours in excess of 600 unused minor sick leave hours based on FTE status, not to exceed 440 hours of such sick leave.

Immediately upon retirement or death, a consolidated employee is entitled to receive cash payment for unused major sick leave hours in excess of 1,040 at a rate equal to 28.5% of the employee's hourly wage multiplied by the number of hours in excess of 1,040 major sick leave hours based on FTE status. Partial hours are rounded to the nearest full hour.

Annual leave – Full-time employees accrue annual leave based on their length of employment up to a maximum of 480 hours. Part-time employees who are at least 0.5 FTE earn annual leave on a pro rata basis each pay period. At June 30 of each year, employees have the opportunity to exchange, for cash, up to 80 annual leave hours accumulated in excess of 240 hours. At termination, employees are eligible for payment of unused accumulated hours, not to exceed 480 hours. Accrued annual leave as of June 30, 2023 and 2022 approximates $1.5 million and $1.6 million, respectively. This amount is computed by multiplying each employee's current hourly rate by the number of hours accrued.

Upon retirement, death, or involuntary termination, a consolidated employee is entitled to receive cash payment for annual leave earned prior to consolidation up to a maximum of 252 hours at a rate equal to 50% of the employee's hourly wage. Upon voluntary termination, a maximum of 168 hours is paid out at a rate equal to 50% of the employee's hourly wage.

Accrued compensated absences are included in "accrued compensation and benefits" in the accompanying financial statements. This balance also includes compensatory time (accrued time) and holiday, totaling approximately $41 thousand in each of the years ended June 30, 2023 and 2022. The portion of accrued compensated absences due after one year is not material and, therefore, is not presented separately. During the years ended June 30, 2023 and 2022, the following changes occurred in accrued compensated absences:

Balance at July 1, 2022	Increase	Decrease	Balance at June 30, 2023
$ 1,945,713	$ 2,352,146	$ (2,413,153)	$ 1,884,706

Balance at July 1, 2021	Increase	Decrease	Balance at June 30, 2022
$ 2,476,367	$ 2,433,935	$ (2,964,589)	$ 1,945,713

Note 7 – Net Patient Service Revenues

The majority of the Center's revenue is generated through agreements with third-party payors that provide for reimbursement to the Center at amounts different from established charges. Approximately 84% of the Center's gross patient revenues, for the years ended June 30, 2023 and 2022, were derived from the Medicare and Medicaid programs, the continuations of which are dependent upon governmental policies. With the implementation of Medicare Part C, the Center experienced a decline in Medicare Fee for Service (FFS) revenues with an associated increase in Managed Medicare revenues as patients elected coverage under a Medicare HMO. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded revenue estimates could change as a result of regulatory review. Contractual adjustments under third-party reimbursement programs represent the difference between the Center's billings at established rates for services and amounts reimbursed by third-party payors. A summary of the basis of reimbursement from major third-party payors follows:

Medicare – Inpatient psychiatric care services rendered to Medicare program beneficiaries are paid on a prospectively established per diem rate. The CMS reimburses the Center for outpatient services at a prospectively established rate using Ambulatory Payment Classifications (APCs). The basis for payment under APCs are the Common Procedural Terminology coding system (CPT) and Healthcare Common Procedure Coding System (HCPCS).

Medicaid – The Center has reimbursement agreements with certain healthcare contractors that have contracted to provide services to Medicaid beneficiaries enrolled under the State of New Mexico (managed care) program. The basis for reimbursement under these agreements is a per diem rate for acute inpatient. For outpatient services, charges are paid based on a fee schedule determined by CPT codes, or a percentage of billed charges.

Other – The Center has also entered into reimbursement agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement under these agreements includes prospectively determined rates-per-discharge, discounts from established charges, and prospectively determined per diem rates.

A summary of net patient service revenues follows for the years ended June 30:

	2023	2022
Charges at established rates	$ 75,843,193	$ 76,321,560
Charity care	(2,184,332)	(1,538,727)
Contractual adjustments	(30,442,212)	(28,380,986)
Provision for doubtful account	(321,626)	(1,169,424)
Net patient services revenues	$ 42,895,023	$ 45,232,423

Estimated third-party payor settlements – Acute inpatient services provided under the Medicaid Managed Care program are paid at negotiated rates and are not subject to retroactive settlement.

Through June 30, 2023, services rendered to the Medicaid beneficiaries that were covered under the FFS program were paid under a cost-reimbursement methodology subject to a cost-per-discharge limitation. The Center was reimbursed at tentative rates throughout the year with final settlement determined after submission of the annual cost report and audit thereof by the Medicaid audit agent. Medicaid cost reports have been final settled for all fiscal years through 2020 with open settlements to the Centers amounting to $612 thousand. Retroactively calculated contractual adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Center is reimbursed from the Medicare programs for certain reimbursable items at prospectively established rates with final settlement determined after submission of annual cost reports by the Center. The annual cost reports are subject to audit by the Medicare intermediary. Cost reports through 2018, excluding fiscal year 2005, have been final settled for the Medicare program, with open fiscal years 2005 and 2019 through 2023 amounting to a receivable of $9.2 million.

Current year Medicare cost report settlement estimates, settlements of prior-year cost reports, and changes in prior-year estimates resulted in net increases to net patient service revenue of approximately $2.1 million and $2.7 million for the years ended June 30, 2023 and 2022, respectively.

Management believes that these estimates are adequate. Laws and regulations governing the Medicare program are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Estimates are continually monitored and reviewed, and as settlements are made or more information is available to improve estimates, differences are reflected in current operations.

Note 8 – Charity Care

The Center maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy. The following information measures the level of charity care provided during the years ended June 30:

	2023	2022
Charges foregone, based on established rates	$ 2,184,332	$ 1,538,727
Estimated costs and expenses incurred to provide charity care	2,166,118	1,408,982
Equivalent percentage of charity care charges foregone to total gross revenue	3%	2%

Note 9 – Malpractice Insurance

As a part of UNM, the Center has immunity from tort liability except as waived by the New Mexico legislature. In this connection, under the New Mexico Tort Claims Act (NMTCA), the New Mexico Legislature waived the State's and the Center's immunity from liability for claims arising out of negligence out of the operation of the Center, the treatment of the Center's patients, and the healthcare services provided by Center employees. In addition, the NMTCA limits, as an integral part of this waiver of sovereign immunity, the amount of damages that can be assessed against the Center on any tort claim including medical malpractice, professional or general liability claims.

The NMTCA provides that total liability for all claims that arise out of a single occurrence shall not exceed $750 thousand set forth as follows: (a) $200 thousand for real property; (b) up to $300 thousand for past and future medical and medically related expenses; and (c) up to $400 thousand for past and future noneconomic losses (such as pain and suffering) incurred or to be incurred by the claimant. While the language of the NMTCA does not expressly provide for third-party claims such as loss of consortium, the New Mexico appellate court decisions have allowed claimants to seek loss of consortium. As a result, if loss of consortium claims are presented, those claims cannot exceed $350 thousand in the aggregate. Thus, if a claim presents both direct claims and third-party claims, the maximum exposure of the Public Liability Fund, and therefore, the Center, cannot exceed $1.05 million. The NMTCA prohibits the award of punitive or exemplary damages against the Center.

The NMTCA requires the State Risk Management Division (RMD) to provide coverage to the Center for those torts where the Legislature has waived the State's immunity from liability up to the damages limits of the NMTCA, as described above, plus the cost incurred in defending any claims and/or lawsuits (including attorney's fees and expenses), with no deductible and with no self-insured retention by the Center. As a result of the foregoing, the Center is fully covered for claims and/or lawsuits relating to medical malpractice or professional liability occurring at the Center.

Note 10 – Related-Party Transactions

UNM provides certain administrative and medical support services for the Center, and the Center provides the use of the Center's facilities and administrative services to UNM's teaching personnel. The Center reported liabilities to UNM entities in the amount of $1.8 million and $1.4 million as of June 30, 2023 and 2022, respectively. The Center's expenses for services rendered for the years ended June 30, 2023 and 2022 amounted to approximately $14.3 million and $12.7 million, respectively.

The Hospital also provides administrative services, which primarily include accounting functions such as payroll and accounts payable processing as well as cash management activities. In addition, the Hospital provides medical support services and goods for the Center including laboratory, radiology, and pharmaceuticals, which is reflected in the revenues/expenses of the Center. This activity is reflected net in due to/from affiliates.

Note 11 – Defined-Contribution Plans

The Center has a defined-contribution plan covering eligible employees, which provides retirement benefits. The name of the plan is UNM Hospital Tax Sheltered Annuity Plan, formerly known as the University of New Mexico Hospital/Bernalillo Medical Center Tax Sheltered Annuity Plan. The Center contributes either 6% or 8% of an employee's salary to the plan, depending on employment level. The plan was established by UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by UNM Hospitals Human Resources Department.

The expense for the defined-contribution plan was $1.4 million for both years ended June 30, 2023 and 2022. Total employee contributions under this plan were $1.8 million for both years ended June 30, 2023 and 2022.

The Center also has a deferred compensation plan, called the UNM Hospitals 457(b) Deferred Compensation Plan, which provides employees with additional retirement savings plan. The Center does not contribute to this plan. Employees can make voluntary contributions to this plan. The plan was established by UNM Hospital Board of Trustees and can be amended at its discretion. The plan is administered by UNM Hospitals Human Resources Department.

There was no expense for the deferred compensation plan in years ended June 30, 2023 and 2022, as the Center does not contribute to this plan. Total employee contributions under this plan were $419 thousand and $427 thousand in the years ended June 30, 2023 and 2022, respectively.

In addition, the Center has a 401(a) defined-contribution plan, called the UNM Hospital 401(a) Plan, which was established for the purpose of providing retirement benefits for the eligible participants and their beneficiaries. The 401(a) plan allows for tax-deferred employer contributions based on management's recommendation that is approved by the board on an annual basis. The plan was established by the UNM Hospital Board of Trustees and can be amended at its discretion. All assets of the plan are held in a trust fund, are not considered hospital assets, and are under the direction of a Plan Administrator. The expense for the 401(a) defined-contribution plan was $7 thousand and $15 thousand for the years ended June 30, 2023 and 2022, respectively.

Note 12 – Defined-Benefit Plan – Educational Retirement Board

Ten of the Center's full-time employees participate in an educational employee retirement system authorized under the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978).

Plan description – The New Mexico Educational Retirement Act (ERA) was enacted in 1957. The act created the Educational Employees Retirement Plan (Plan) and, to administer it, the New Mexico Educational Retirement Board (NMERB). The Plan is included in NMERB's comprehensive annual financial report. The report can be found on NMERB's website at https://www.erb.nm.gov/annual-reports.

The Plan is a cost-sharing, multiple-employer pension plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and state agencies providing educational programs. Additional tenets of the ERA can be found in Sections 22-11-1 through 22-11-52, NMSA 1978, as amended.

The Plan is a pension trust fund of the State of New Mexico. The ERA assigns the authority to establish and amend benefit provisions to a seven-member board of trustees; the state legislature has the authority to set or amend contribution rates and other terms of the Plan. NMERB is self-funded through investment income and educational employer contributions. The Plan does not receive General Fund Appropriations from the State of New Mexico.

All accumulated assets are held by the Plan in trust to pay benefits, including refunds of contributions as defined in the terms of the Plan. Eligibility for membership in the Plan is a condition of employment, as defined in Section 22-11-2, NMSA 1978. Employees of public schools, universities, colleges, junior colleges, technical-vocational institutions, state special schools, charter schools, and state agencies providing an educational program, who are employed more than 25% of a full-time equivalency, are required to be members of the Plan, unless specifically excluded.

Benefits provided – The Plan provides retirement and disability benefits. Retirement benefits are determined by taking 2.35% of the employee's final average annual salary multiplied by the employee's years of service. Employees employed before July, 1, 2010 are eligible to retire when one of the following events occur: the employee's age and earned service credit sum to 75 or more; the employee is at least 65 years of age and has 5 or more years of earned service credit; or the employee has service credit totaling 25 years or more. Employees hired on or after July 1, 2010 and before July 1, 2013 are eligible to retire when one of the following events occur: the employee's age and earned service credit sum to 80 or more; the employee is at least 67 years of age and has 5 or more years of earned service credit; or the employee has service credit totaling 30 years or more. Employees hired on or after July 1, 2013 are eligible to retire when one of the following events occur: the employee is at least 55, and has earned 30 or more years of service credit; the employee's minimum age and earned service sum to 80 or more; or the employee is at least 67 years of age and has 5 or more years of earned service credit. Employees are eligible for service-related disability benefits provided he or she has credit for at least 10 years of service and the disability is approved by the Plan.

Contributions – For the years ended June 30, 2023 and 2022, employers contributed 17.15% and 15.15%, respectively, of employees' gross annual salary to the Plan. During years ended June 30, 2023 and 2022, participating employees earning more than $24 thousand contributed 10.7% and employees earning $24 thousand or less contributed 7.9%. The Center's cash contributions to the ERB for the years ended June 30, 2023 and 2022 were $132 thousand and $118 thousand, respectively.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2023 and 2022, the Center reported a liability of $2.6 million and $1.8 million, respectively, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022. For the year ended June 30, 2023, the total pension liability was rolled forward from the valuation date to the plan year ended June 30, 2022 using generally accepted actuarial principles.

The roll-forward incorporates the impact of the new assumptions adopted by the board on April 17, 2020. The Center's proportion of the net pension liability was based on a projection of the Center's long-term share of contributions to the pension plan relative to the projected contributions of all participating educational institutions, actuarially determined. The Center's proportion was 0.03105% and 0.02482% at June 30, 2023 and June 30, 2022, respectively.

For the years ended June 30, 2023 and 2022, the Center recognized pension expense of $731 thousand and benefit of $395 thousand, respectively. The Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 93,846	$ 42,713
Net difference between projected and actual earning on pension plan investments	-	59,724
Changes in assumptions	440,490	1,453,189
Change in proportion and differences between Center contributions and proportionate share of contributions	16,533	709,925
Center contributions subsequent to the measurement date	127,725	-
	$ 678,594	$ 2,265,551

The $128 thousand reported as deferred outflows of resources relates to pensions resulting from Center contributions subsequent to the measurement date at year end June 30, 2023, will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 138,225	$ 4,332
Net difference between projected and actual earning on pension plan investments	-	437,471
Changes in assumptions	1,170,996	2,003,418
Change in proportion and differences between Center contributions and proportionate share of contributions	(2,086)	820,194
Center contributions subsequent to the measurement date	118,364	-
	$ 1,425,499	$ 3,265,415

The $118 thousand reported as deferred outflows of resources relates to pensions resulting from Center contributions subsequent to the measurement date at year end June 30, 2022, was recognized as a reduction of the net pension liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30,	
2024	$ (875,121)
2025	(619,468)
2026	(129,123)
2027	(90,970)
Total	$ (1,714,682)

Actuarial assumptions – The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Inflation	2.3%
Salary increases	Composed of 2.3% inflation, plus 0.70% productivity increase rate, plus step rate promotional increases for members with less than 15 years of service.
Investment rate of return	7.0%
Retirement age	Experience based table of rates based on age and service. Adopted by NMERB on April 17, 2020 in conjunction with the six year experience study for the period ended June 30, 2019.
Mortality	*Healthy Males* – RP-2000 GRS Southwest Region Teacher Mortality Table, set back one year and scaled at 95%. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.
	Healthy Females – GRS Southwest Region Teacher Mortality Table, set back one year. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

Actuarial assumptions and methods are set by the Plan's board of trustees, based upon recommendations made by the Plan's actuary. The board adopted new assumptions on April 17, 2020 in conjunction with the six year actuarial experience study period ended June 30, 2019. At that time, the board adopted several economic assumption changes, including a decrease in the inflation assumption from 2.50% to 2.30%. The 0.20% decrease in the inflation assumption also led to decreases in the nominal investment return assumption from 7.25% to 7.00%, the assumed annual wage inflation rate from 3.25% to 3.00%. These new assumptions are reflected as changes in assumptions along with the change in the single discount rate between June 30, 2019 and 2020.

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.); application of key economic projections (inflation, real growth, dividends, etc.); and structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

Asset Class	Allocation	Rate of Return
Equities - domestic	17%	
Equities - international	14%	
Fixed income	24%	
Alternatives	44%	
Cash	1%	
Total	100%	7%

Discount rate – A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2022. This single discount rate was based on the expected long-term rate of return on pension plan investments of 7.00%.

Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were sufficient to finance all projected future benefit payments of current plan members. As a result, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Center's proportionate share of the net pension liability to change in the discount rate – The following table provides the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the Plan's net pension liability, if it were calculated using a single discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the single discount rate:

	June 30, 2023		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net pension liability	$ 3,545,676	$ 2,614,967	$ 1,845,748

	June 30, 2022		
	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Center's proportionate share of the net pension liability	$ 2,490,793	$ 1,759,173	$ 1,154,562

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued Plan financial report available at www.erb.nm.gov.

Note 13 – Commitments and Contingencies

The Center is currently a party to various claims and legal proceedings. The Center makes provisions for a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Center believes it has adequate provisions for potential liability in litigation matters. The Hospital reviews these provisions on a periodic basis and adjusts these provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case.

Based on the information that is currently available to the Center, the Center believes that the ultimate outcome of litigation matters, individually and in aggregate, will not have a material adverse effect on its results of operations or financial position. However, litigation is inherently unpredictable.

The Center began construction on a Crisis Triage Center and Adult Psychiatric Replacement Hospital during the year ended June 30, 2022. The total budgeted cost of the project is $40.0 million to be funded by a $20.0 million capital investment from Bernalillo County and a $20.0 million capital expenditure by the Center. As of June 30, 2023, the total construction cost incurred on the project is $16.4 million with an estimated $23.6 million committed budget remaining. The Center has incurred costs of $9.1 million with an estimated $10.9 million committed budget remaining as of June 30, 2023.

Note 14 – Subsequent Events

The Center has evaluated subsequent events from the date of the statement of net position through October 3, 2023, the date at which the financial statements were available to be issued. No matters requiring adjustment to the financial statement have been identified.

Supplementary Information

University of New Mexico Behavioral Health Operations
Comparison of Budgeted and Actual Revenues and Expenses – Schedule 1
Year Ended June 30, 2023

	Budgeted (Original)	Budgeted (Final)	Actual	Budget Variance
Operating revenues				
Net patient service	$ 42,718,661	$ 42,146,979	$ 42,895,023	$ 748,044
Other operating revenues	3,885,053	3,251,689	3,357,890	106,201
Total operating revenues	46,603,714	45,398,668	46,252,913	854,245
Operating expenses	72,662,709	75,594,998	75,478,945	(116,053)
Operating loss	(26,058,995)	(30,196,330)	(29,226,032)	970,298
Net nonoperating revenues	27,459,619	35,468,479	27,178,453	(8,290,026)
Increase (decrease) in net assets before capital funding	1,400,624	5,272,149	(2,047,579)	(7,319,728)
Capital funding Bernalillo County	-	-	6,564,799	6,564,799
Increase in net position after capital funding	$ 1,400,624	$ 5,272,149	$ 4,517,220	$ (754,929)

Note A: The Center prepares a budget for each year, using the accrual basis of accounting, which is subject to approval by the Board of Trustees and the UNM Board of Regents. The amount budgeted for the operations is included in the UNM budget and submitted to the New Mexico Commission on Higher Education for approval. All revisions to the approved budget must be approved by the parties included in the original budget process, and such revisions are made at the total revenue and expense level. The budget is controlled at the major administrative functional area. There is no carryover of budgeted amounts from one year to the next.

See accompanying report of independent auditors.

University of New Mexico Behavioral Health Operations
Schedule of the Center's Proportionate Share of the Net Pension Liability – Schedule 2
Last 10 Fiscal Years
Year Ended June 30, 2023

The schedule of proportionate share of net pension liability and the schedule of employer contributions present multiyear trend information for the last 10 fiscal years. Fiscal year 2015 was the year of implementation, therefore, only eight years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

	Years Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Center's proportion of the net pension liability	0.03105%	0.02482 %	0.02772 %	0.03429 %	0.03540 %	0.04201 %	0.04575 %	0.04516 %	0.05368 %
Center's proportionate share of the net pension liability	$ 2,614,967	$ 1,759,173	$ 5,576,562	$ 2,719,983	$ 4,659,990	$ 4,769,082	$ 3,292,670	$ 2,924,809	$ 3,062,832
Center's covered-employee payroll	$ 721,427	$ 845,250	$ 734,718	$ 852,958	$ 992,243	$ 1,059,835	$ 1,247,388	$ 1,138,359	$ 1,232,846
Center's proportionate share of the net pension liability as a percentage of its covered-employee payroll	362%	208%	759%	319%	470%	450%	264%	257%	248%
Plan fiduciary net position as a percentage of the total pension liability	64.87%	69.77%	39.11%	64.13%	52.17%	52.95%	61.58%	63.97%	66.54%

See accompanying report of independent auditors.

University of New Mexico Behavioral Health Operations
Schedule of Center Contributions – Schedule 3
Last 10 Fiscal Years
Year Ended June 30, 2023

The schedule of proportionate share of net pension liability and the schedule of employer contributions present multiyear trend information for the last 10 fiscal years. Fiscal year 2015 was the year of implementation, therefore, only eight years are shown. Until a full 10-year trend is compiled, information for those years for which information is available will be presented.

	Years Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 127,725	$ 118,364	$ 106,514	$ 128,737	$ 140,636	$ 150,089	$ 173,387	$ 169,077	$ 203,627
Contributions in relation to the contractually required contribution	127,725	118,364	106,514	128,737	140,636	150,089	173,387	169,077	178,415
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,212
Center's covered-employee payroll	721,427	845,250	734,718	852,958	992,243	1,059,835	1,247,388	1,138,359	1,232,846
Contributions as a percentage of covered-employee payroll	17.70%	14.00%	14.50%	15.09%	14.17%	14.16%	13.90%	14.85%	14.47%

See accompanying report of independent auditors.

MOSSADAMS

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The University of New Mexico Health Sciences Center
Board of Trustees and
Mr. Joseph M. Maestas, P.E.
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University of New Mexico Behavioral Health Operations (the Center), a division of the University of New Mexico, which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements, and have issued our report thereon dated October 3, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss Adams LLP

Albuquerque, New Mexico
October 3, 2023

University of New Mexico Behavioral Health Operations
Summary of Audit Results
Year Ended June 30, 2023

Type of auditor report issued: Unmodified

Fiscal year 2023 findings and responses:

Material weakness: No matters to report

Significant deficiencies: No matters to report

Material noncompliance: No matters to report

Other Findings as Required by Section 12-6-5 NMSA 1978

No matters to report

University of New Mexico Behavioral Health Operations
Summary of Prior Audit Findings
Year Ended June 30, 2023

None

University of New Mexico Behavioral Health Operations
Exit Conference
Year Ended June 30, 2023

An exit conference was conducted on October 2, 2023 with a member of the Finance and Audit Committee of UNM Hospital Board of Trustees and a member of the Center's management. During this meeting, the contents of this report were discussed.

University of New Mexico Behavioral Health Operations
Kate Becker, UNM Hospital Chief Executive Officer
Bonnie White, UNM Hospital Chief Financial Officer
Julie Alliman, Executive Director of Finance, UNM Hospitals
Angela Vigil, Executive Director of Compliance, UNM Hospitals
Sara M. Frasch, UNM Hospital Chief Human Resources Officer
Jennifer R. James, Senior Associate University Hospital
Monica Zamora, Vice Chair
Adelmo Archuleta, Board Member
Dr. Anjali Taneja, Board Member

Moss Adams LLP
Josh Lewis, Partner
Lauren Kistin, Senior Manager

Items for Approval

RESOLUTION OF THE UNM HOSPITALS BOARD OF TRUSTEES_DRAFT 11 13 2023 (1)

RESOLUTION OF THE UNM HOSPITALS BOARD OF TRUSTEES

PERTAINING TO THE UNM HOSPITAL TAX SHELTERED ANNUITY PLAN

WHEREAS, the Regents of the University of New Mexico ("UNM") sponsor The UNM Hospital Tax Sheltered Annuity Plan (the "UNMH Plan" or the "Plan") for the benefit of eligible employees and their beneficiaries; and

WHEREAS, the Board of Trustees (the "Board") has delegated certain powers to officers of the Employer; and

WHEREAS, the Board of Directors of UNM Sandoval Regional Medical Center, Inc. ("SRMC") maintains the UNM Sandoval Regional Medical Center 403(b) Plan (the SRMC Plan"); and

WHEREAS, SRMC adopted an amendment to freeze the SRMC Plan effective December 31, 2023 (the "Plan Freeze Date"), after which date no contributions of any kind and no rollovers will be made to the SRMC Plan, and no "Employee," "Former Employee," or "Inactive Participant" (as each respective term is defined in the SRMC Plan) will become an Active Participant (as defined in the SRMC Plan) in the SRMC Plan; and

WHEREAS, effective 12:01 AM on January 1, 2024, UNM Hospital ("UNMH") is acquiring the assets of SRMC, SRMC will become a campus of UNM Hospital under the UNMH license, SRMC will cease to be an employer of any employees, UNMH will become the employer for employees at all UNMH Hospital campuses, and UNMH will become the "Primary Employer" (as such term is defined in the SRMC Plan) under the SRMC Plan; and

WHEREAS, the Board wishes to amend the UNMH Plan to authorize and accommodate its merger with and into the SRMC Plan (the "Plan Merger"), effective as of a date to be specified by one or more duly authorized officers of UNMH designated by UNMH (the "Plan Merger Date"); and

WHEREAS, the UNMH Plan shall be the surviving plan following Plan Merger; and

WHEREAS, the Board wishes to amend the Plan to incorporate certain design changes; and

WHEREAS, the Board wishes to amend the UNMH Plan to authorize UNMH officers and UNMH Plan officials to effect the Plan Merger as of the Plan Merger Date, and to permit and facilitate the receipt of the transfer of SRMC Plan accounts and assets as of the Plan Merger Date or as soon as administratively practicable thereafter, as determined by the Plan Administrator (the "Transfer Date"); and

WHEREAS, pursuant to Section 9.02 of the Fidelity Workplace Services LLC Non-ERISA 403(b) Volume Submitter Plan Basic Plan Document #22, August 2017, the Employer has the power to amend the Plan.

NOW, THEREFORE, BE IT RESOLVED THAT: The Board hereby amends the Plan as follows effective as of January 1, 2024 unless another effective date is specified below:

1. Assumption of the SRMC Plan. Effective January 1, 2024, UNMH shall become the Primary Employer under the SRMC Plan.

2. Plan Merger. Effective as of the Plan Merger Date, the SRMC Plan shall be merged with and into the UNMH Plan. After the Plan Merger Date, the SRMC Plan shall no longer exist as a separate plan. The UNMH Plan shall be the sole surviving plan thereafter, and its terms shall govern the benefits of employees who were participants under the SRMC Plan as of the Plan Merger Date.

3. Transfer of SRMC Plan Accounts. The accounts of all participants in the SRMC Plan as of the Plan Merger Date shall be transferred to this Plan as of the Transfer Date.

4. Maintenance of Accounts. Each participant in the SRMC Plan shall have a benefit in the UNMH Plan immediately after the Plan Merger Date that is equal to or greater than the benefit the participant would have been entitled to receive under the SRMC Plan immediately before such date.

5. Loans and Distributions from Accounts Transferred from the SRMC Plan.

(a) Loans. A participant loan that was outstanding under the SRMC Plan as of the Plan Merger Date shall continue to be repaid according to the Asset Purchase Agreement between UNM Sandoval Regional Medical Center, Inc. and the Regents of the University of New Mexico, for its public operation known as the UNM Hospital effective January 1, 2024 at 12:01am MST. Loans applied for after the Plan Merger Date shall be governed by the terms of this Plan.

(b) Age 59½ Withdrawals. A participant under the SRMC Plan as of the Plan Freeze Date who has attained age 59½ may make a withdrawal at any time from amounts held in the SRMC Plan as of the Plan Merger Date, which amounts will be transferred to this Plan as of the Transfer Date. Any such distribution shall be made at the request of such a participant, subject to administrative procedures established by the Committee.

6. Eligibility Service. Service for purposes of determining eligibility under Plan Sections 11 and 14 shall include service with SRMC per the terms of the SRMC Plan as in effect on the Plan Freeze Date. Service shall be recognized hereunder only once for the same purpose.

7. Vesting and Vesting Service. Active participants in the SRMC Plan as of the Plan Freeze Date who become employees of UNMH on January 1, 2024 shall be fully vested in their SRMC Plan benefits as of January 1, 2024 and, except as provided herein, shall be governed by the applicable terms of this Plan on and after January 1, 2024. Vesting in employer contributions allocated under this Plan after the Plan Freeze Date shall be determined under the terms of this Plan; provided, however, that service for purposes of determining vesting of such participants shall include service with SRMC as determined per the terms of the SRMC Plan as in effect before January 1, 2024. Service shall be recognized hereunder only once for the same purpose.

8. Investment of Transferred SRMC Plan Accounts. Effective as of the Transfer Date, or as soon as administratively possible thereafter, as determined by the Plan Administrator, each participant in the SRMC Plan as of the Plan Merger Date shall have the right, pursuant to the applicable provisions of this Plan, to select the investments in which his or her account(s), which were merged into this Plan, as provided for in paragraph 2 above, are to be invested under the Plan, in accordance with procedures prescribed by the Plan Administrator.

9. Beneficiary Designations. Any beneficiary designations made in accordance with the terms of the SRMC Plan will continue in full force and effective on and after the Plan Merger Date.

10. Delegation of Authority. The appropriate UNMH officers and UNMH Plan officials, as designated by UNMH (the "Appropriate Officers"), are hereby authorized to take all actions that, in their best judgment, including upon the advice of UNMH's legal counsel, are consistent with the intent and purposes of these resolutions, and that may be necessary or advisable to effect the foregoing resolutions, including but not limited to (i) making any further amendments to the UNMH Plan and, on and after January 1, 2024, making further amendments to the SRMC Plan; (ii) executing any and all necessary plan documents, other agreements and amendments to same, forms and related documents necessary to effect the foregoing resolutions and the ensure compliance by the SRMC Plan and UNMH Plan with applicable regulatory requirements; and (iii) retain any consultants, legal counsel, and advisors as they deem necessary.

11. Past Acts. The Employer hereby approves, ratifies, and confirms in all respects all actions of the Appropriate Officers taken in the name of any on behalf of the Employer and the Board prior to the date hereof in furtherance of the foregoing resolutions.

12. All other Plan provisions shall remain in force and have full effect.

[The signature block appears on the following page.]

IN WITNESS WHEREOF, the Employer has adopted this Resolution to the Plan on this _____day of _____, 2023, in Albuquerque, New Mexico.

By:_____

Secretary of the Board

CERTIFICATE

UNM Hospitals Board of Trustees

I, _____ , Secretary of the UNM Hospitals Board of Trustees, do hereby certify that attached hereto is a true and correct copy of a resolution adopting the attached Regents of the University of New Mexico, for its Operation Known as The UNM Hospital Tax Sheltered Annuity Plan. The resolution was adopted by the UNM Hospitals Board of Trustees at a meeting held in accordance with its bylaws. I further certify that a quorum of the members of the UNM Hospitals Board of Trustees was present at said meeting and that said resolution has not been altered, modified, or rescinded, and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto affixed my name this _____day of _____, 2023.

_____
Secretary

SUBSCRIBED AND SWORN TO BEFORE ME THIS _____ day of _____, 2023.

_____
Notary Public

My Commission Expires:

_____
(Notary Seal)

IX. b. NHT Equipment Request for BOT Approval Packet. November 2023

UNM Hospital Board of Trustees
April 2023

Critical Care Tower Purchase Approval Request: New Tower Purchases of Furniture/Fixture/Equipment – April 2023

Recommended Action: Pursuant to Regent Policy 7.4 and UNM Hospital Purchase Approval policy, UNMH requests approval to execute contracts for the Critical Care Tower for equipment/furniture/fixtures referenced below. Approval is requested as follows:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNM Hospital Board of Trustees.
- UNM Hospital Board of Trustees approval

Projects/Products:
Patient Beds: $1,200,000
See attached spreadsheet summary for additional details for each project listed above.

Funding: These purchases are consistent with the initial Critical Care Tower approved project.

Critical Care Tower (CCT) Purchase Approval request(s) for November 2023 UNMH BOT Finance Committee & UNMH BOT Meeting							
See below list of items/purchases necessary for Critical Care Tower as referenced in Memo. Hospital Board Approval >$1 Million, Hospital Board and UNM President Approval >$5 Million							
Project Name/Product Group	**Vendor**	**Required Approvals**	**Source of Funds**	**Description and Rationale** (*Detailed information*)	**Contract #** *(Vizient/RFP)*	**Purchase Amount**	**Procurement Details** *(GPO- Vizient, best value, "sole source", "RFP-best value", other procurement method)*
Patient Beds	Hillrom	UNMH BOT and UNM President	CIP 10-3206 HT Equipment	24 Hill Rom ICU Patient Beds that will be needed for the 5th & 6th Floor Patient Rooms.	**GSA/FSS agreement 36F79721D0160**	$ 1,200,000	Procurement Method: Existing governnment agreements; GSA/FSS agreement 36F79721D0160
UNMH is a member of Vizient, which is the largest healthcare group purchasing organization in the United States. Vizient implements bid processes to put in place contracts, available to its members, for healthcare goods and services. UNMH purchases through Vizient are exempt from the NM Procurement Code. NMSA 13-1-98.1A.							

Hillrom™

PROPOSAL #:	SP 36041103
Proposal Date:	11/02/2023
Expiration Date:	12/31/2023

Attn: ACCOUNTS PAYABLE
UNIV OF NEW MEXICO HOSPITAL
2211 LOMAS BLVD NE
ALBUQUERQUE NM 87106-2745

Ship To:
UNIV OF NEW MEXICO HOSPITAL
2211 LOMAS BLVD NE
ALBUQUERQUE NM 87106-2745

For Questions / Correspondence Please Contact:
Hillrom Customer Service @ 800-445-3730
Fax: 812-934-8189
Email: hrc_us_customerservice@baxter.com

Your Account Rep.: GMW041,ROZ OPEN AM

Email: JULIE_MCCORMICK@BAXTER.COM

Bill To Customer #: 610000

Ship To Customer #: 610000

Product Information	Qty	Unit Price	Extended Price

PROGRESSA+ ICU BED

Standard Features:
Flex-A-Foot Retractable Foot Control
SlideGuard™ Frame Technology
30/45 Degree Head of Bed Alarm
Night Light
Hands Free Emergency CPR
Trendelenburg
Point of Care Siderail Controls
Obstacle Detect System
Drainage Bag Holders
Four IV Sockets
Patient Controls Backlighting
Bed Controls
Line Manager
PPM 3 Level Advanced Bed Exit
Foot Controls Module
Oxygen Tank Holder
Point of Care Touch Screen on Both Sides
6" Casters
****

Included Options:
36" Frame Width
English Language Labels
Voltage: 120
Power Plug: NEMA5-15P (US)
Accessory Outlet
Caregiver Pendant
X-Ray Sleeve
In-Bed Scale
O2 Tank Holder Module 107.95mm and 112.7mm
Straight Power Cord
Wireless Connectivity
Open Market
Frame Part Number: P7501A000073
****

Itemized Options:

PRL-BASE	Progressa+ Base Frame	**24**	**$12,651.26**	**$303,630.24**
PRL-TPLUS	Microclimate Mgmt Surface	**24**	**$6,079.50**	**$145,908.00**
PRL-RT	Rotation	**24**	**$12,029.85**	**$288,716.40**
PRL-PV	Percussion & Vibration	**24**	**$3,207.96**	**$76,991.04**
PRL-CE	Chair Egress Position	**24**	**$4,009.95**	**$96,238.80**
PRL-NUL	Nurse Call, Univ TV & Lighting	**24**	**$609.51**	**$14,628.24**
PRL-ID	Intellidrive with 6" Casters	**24**	**$3,579.28**	**$85,902.72**
PRL-PIV	Permanent IV Pole	**24**	**$144.22**	**$3,461.28**
PRL-ALP	Alternating Low Pressure Mode	**24**	**$1,352.00**	**$32,448.00**

Hillrom™

PROPOSAL #:	SP 36041103
Proposal Date:	11/02/2023
Expiration Date:	12/31/2023

Attn: ACCOUNTS PAYABLE
UNIV OF NEW MEXICO HOSPITAL
2211 LOMAS BLVD NE
ALBUQUERQUE NM 87106-2745

Bill To Customer #: 610000

Ship To:
UNIV OF NEW MEXICO HOSPITAL
2211 LOMAS BLVD NE
ALBUQUERQUE NM 87106-2745

Ship To Customer #: 610000

For Questions / Correspondence Please Contact:
Hillrom Customer Service @ 800-445-3730
Fax: 812-934-8189
Email: hrc_us_customerservice@baxter.com

Your Account Rep.: GMW041,ROZ OPEN AM

Email: JULIE_MCCORMICK@BAXTER.COM

Product Information		Qty	Unit Price	Extended Price
**********	**Line Total:**	**24**	**$43,663.53**	**$1,047,924.72**
			Order Total (USD)	**$1,047,924.72**

GSA/FSS agreement 36F79721D0160
*
FINANCING OPTIONS NOW AVAILABLE, please contact your Hillrom sales representative for more information.

TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

Group Purchasing Organization (GPO) Participation: To the extent Customer is a member of a GPO and any products on Hillrom's proposal are covered under an agreement with Customer's designated GPO, then Customer's purchase of such products shall be governed by the terms and conditions of the applicable GPO agreement and any terms and conditions stated herein under these "General Terms and Conditions" shall be of no force or effect. Any products on Hillrom's proposal not covered under a GPO agreement with Customer's designated GPO shall be subject to the "General Terms and Conditions" set forth herein.
Acceptance: Hillrom makes all proposals and accepts purchase orders only on the terms and conditions stated herein (this "Agreement"), except as expressly set forth under Group Purchasing Organization Participation section above. No conditions stated by Customer shall be binding upon Hillrom if in conflict with, inconsistent with, or in addition to the terms and conditions stated herein, unless expressly accepted in writing and signed by an authorized Hillrom representative. Customer's issuance of a purchase order, upon acceptance by Hillrom, shall constitute a contract between the parties and is Customer's affirmative acknowledgement and acceptance of Hillrom's product proposal and the associated terms and conditions of sale accompanying such product proposal. This Agreement is subject to Hillrom's approval of Customer's credit.
Prices: Prices on Hillrom's proposal are subject to change, unless the proposal states that pricing is firm through the expiration date, as noted on the proposal. For purchase orders placed after the expiration date, the price in effect at the time of the requested delivery will apply. Customer shall be billed for all applicable sales and other taxes until such time as Customer provides a tax-exempt certificate (resale certificate) to Hillrom with respect to such taxes. Applicable taxes will be calculated and billed at time of invoicing.
Payment Terms: Invoices are payable net thirty (30) days from date of invoice. Unless waived by Hillrom in writing, overdue invoices shall be subject to a late payment charge equal to the lesser of (i) one and one half percent (1 1/2%) per month or (ii) the maximum rate allowed by law. Customer agrees to pay Hillrom for any and all costs and expenses (including without limitation reasonable attorneys' fees) incurred by Hillrom to collect any amounts owed to it, enforce any of its rights or seek any of its remedies hereunder. In the event Customer has directed that the charges hereunder be billed to another person or organization, and payment is not made by such person or organization within ten (10) days after the invoice date, Customer shall still remain liable hereunder. Customer is advised that it may be obligated to properly reflect and/or report any discount, rebate or reduction in price in its costs claimed or charges made to federal (e.g. Medicare) or state (e.g. Medicaid) health care programs requiring such disclosure. The invoices provided by Hillrom to Customer may not reflect the net cost to Customer. Customer shall make written request to Hillrom in the event Customer requires additional information in order to meet applicable reporting or disclosure obligations.
Installation: Unless otherwise agreed in writing, Customer shall perform any installation of products sold hereunder at Customer's expense. Hillrom agrees to furnish appropriate instructions and information to assist with the installation and/or first operation of the products.
Limited Warranty: For specific warranty information on Hillrom products and parts, please see owner's manual or review manuals on line at our website, www.hill-rom.com. THE FOREGOING WARRANTY CONSTITUTES THE SOLE WARRANTY MADE BY HILLROM AND IS IN LIEU OF ALL OTHER REPRESENTATIONS OR WARRANTIES EXPRESS OR IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER REMEDIES. IN NO CASE SHALL HILLROM BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES OR DELAYS. NO EMPLOYEE OR REPRESENTATIVE OF HILLROM IS AUTHORIZED TO CHANGE THIS WARRANTY IN ANY WAY OR GRANT ANY OTHER WARRANTY.
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Limitation of Liability: Hillrom shall not be liable for loss or damages due to delay in manufacture or shipment resulting from any cause beyond Hillrom's control. Delays resulting from any such cause shall extend shipment date correspondingly. IN NO EVENT SHALL HILLROM BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, EVEN IF IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS CONTRACT IS BETWEEN CUSTOMER AND HILLROM. Customer must make claims for shortages or errors within a reasonable time after receipt of the products. Hillrom reserves the right to use remanufactured or used components that meet new component specifications and are warranted as new.

Security Interest, Default and Insurance: Hillrom shall retain a security interest in the products until Hillrom has received full payment including taxes. Customer agrees to sign and deliver to Hillrom any additional documents required by Hillrom to protect its security interest. If Customer defaults or Hillrom deems itself insecure of the products in danger of confiscation, the full amount unpaid shall immediately become due and payable at the option of the Hillrom and on proper notice to the Customer, the Hillrom may retake possession of the products wherever located without court order and can resell or retain according to the laws of the state where products are located. The products shall not be considered a fixture if attached to any realty. Customer shall assume all loss relating from damage to the products occurring after the products leave Hillrom's control and shall provide adequate insurance therefore at all times until the purchase price shall have been fully paid. Hillrom reserves the right to request proof of such insurance at any time prior to full payment along with a statement from such insurer limiting cancellation or changes to said policy within ten (10) days after written notice of same to Hillrom.

Specifications: Specifications and drawings and any other information shall remain the property of Hillrom and are subject to recall at any time. Such information shall not be disclosed or used for manufacture of any products. In accordance with Hillrom's established policy of constant improvement, Hillrom reserves the right to amend its specifications at any time without notice.

Choice of Law: This contract shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to its conflict of laws principles.

Delivery and Shipment: Date of delivery shall be determined by mutual written agreement of the parties. No delivery date set forth in a Purchase Order shall be binding on Hillrom unless Hillrom explicitly agrees to such delivery date in a writing signed by an authorized representative of Hillrom. Shipment of all products shall be Net Freight on Board (FOB) Customer, with all costs of transportation and related insurance being the responsibility of Hillrom with the exception of costs of transportation and insurance for (i) service parts, (ii) shipments to points outside the contiguous U.S., or (iii) special delivery and/or air shipments requested by Customer. Unless otherwise explicitly agreed to by Hillrom in a writing signed by an authorized representative of Hillrom, Hillrom will prepay and add to the invoice for reimbursement by Customer any and all costs of transportation and insurance for delivery of service parts, shipments to points outside the contiguous U.S., and any special delivery and/or air shipments requested by Customer. Terms for shipping to Alaska and Hawaii shall be F.O.B. port of embarkment, prepaid and add from port of embarkment to destination.

Return Goods Policy: Should Hillrom ship products in error, Hillrom shall arrange and pay for return shipment of the products without applying a restocking fee provided that (i) Customer notifies Hillrom of the error within thirty (30) days of shipment, and (ii) the products are returned in "as shipped" condition. If Customer orders products in error and notifies Hillrom of the error within thirty (30) days of shipment, Customer may return the products in "as shipped" condition at Customer's cost and expense; however Customer agrees to pay Hillrom a restocking fee of 15% of the net price for the returned products. Notwithstanding the previous sentence, returns will not be accepted on architectural products, workflow solutions and other communications products, and any customized products or special orders, except if mutually agreed on terms acceptable by both parties on a case-by-case basis.

Order Cancellation Policy: Customer may only cancel a purchase order if Customer provides written notice to Hillrom at least fourteen (14) days prior to the scheduled shipment date, and if Customer cancels an order, Customer agrees to pay Hillrom a cancellation fee of 15% of the net price for the cancelled products. No purchase orders may be cancelled after fourteen (14) days prior to the scheduled shipment date. Notwithstanding the above, cancellations will be not be accepted on clinical workflow solutions and other communications products, and any customized products or special orders, except if mutually agreed on terms acceptable by both parties on a case by case basis.

Delivery Change/Refusal Policy: Customer may request to reschedule a scheduled delivery date to a later date by providing Hillrom with written notice at least fourteen (14) days prior to the scheduled delivery date. If Customer requests at any time to reschedule the delivery date to a new date that is more than thirty (30) days later than the original scheduled deliver date, Customer agrees to pay Hillrom a rescheduling fee of 15% of the net price for the affected products. If Customer refuses to accept a delivery without having provided Hillrom with a written request to reschedule at least fourteen (14) days in advance, Customer agrees to pay Hillrom a rescheduling fee of 15% of the net price for the affected products.

Ordering: All Purchase Orders may be placed by mail, telephone or facsimile at the following:

Hill-Rom Company, Inc.
Attn: Customer Service
1069 State Route 46 East
Batesville, Indiana 47006
Phone: 800/445-3730
Fax: 812/934-8189

IX. c. BD Carefusion Pyxis Supply BoT approal Nov 2023

UNM Hospital Board of Trustees
November 2023

AGREEMENT FOR RENTAL OF CAREFUSION/BD PYXIS PRODUCTS AND SUPPORT

Recommended Action: Pursuant to Regent Policy 7.4 and UNM Hospital Purchase Approval policy, UNMH requests approval to execute contract for BD Pyxis Supply. Approval is requested as follows:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNM Hospital Board of Trustees.
- UNM Hospital Board of Trustees approval.

Ownership:
Carefusion Solutions, LLC.
3750 Torrey View Court
San Diego, CA 92130

Source of Funds: UNM Hospital Operating Fund

Description and Rationale: The Carefusion Pyxis system is an industry-leading materials management platform known for its advanced technology and streamlined processes. The system utilizes barcode scanning and automated inventory management, reducing the likelihood of errors and ensuring accurate and timely delivery of supplies to patients. UNMH has been utilizing the Pyxis system to provide products, supplies and pharmaceuticals in a controlled and secure manner for more than 10 years. The vendor will provide and lease all components and provide support for all Pyxis machines for Materials Management at UNMH for a term of 96 months (8 years).

Current hardware is over 10 years old and needs to be upgraded with the new pyxis units coming into the hospital system. This new agreement will create a co-terminus agreement for all UNMH units. As well, with current CPI locking in pricing for the next 96 months creates a cost avoidance measure for the hospital and allows us to right size our fleet moving forward with backfill and expansion. UNMH will be adding an additional Central Distribution unit in the new logistics center in the Critical Care Tower (CCT) and this agreement will support that expansion.

This Agreement to purchase/lease will upgrade the existing systems/units within UNMH and provide for new leased units for the CCT.

Procurement Method; GPO, Vizient Contract CE7136

Current Spend: Monthly Rental $68,289; Monthly Support $24,014

Contract Amount: A one-time fee of $142,250 and $155,554 per month thereafter for 96 months for an estimated term amount of $15,075,434.

Contract Term: This Agreement shall be effective on the Signing Date, and shall have an initial term of 96 months (8 years), unless earlier terminated in accordance with contract language. Thereafter, this Agreement may be renewed or extended for additional terms consistent with the NM Procurement Code.

Financial Summaries continued next page

Monthly Cost Summary:

	Current Cost	Proposed Cost	Proposed Monthly Increase
Monthly Rental	$68,289.00	$112,295.00	$44,006.00
Monthly Support	$24,014.00	$43,259.00	$19,245.00
Total	$92,303.00	$155,554.00	$63,251.00

Proposed Spend breakdown:

Pyxis Supply Monthly Rent New Tower	$32,918
Pyxis Supply Monthly Support New Tower	$8,062
Pyxis Supply Monthly Rent Main Hospital	$79,377
Pyxis Supply Monthly Support Main Hospital	$35,197
Total Monthly Cost	$155,554
Total Cost Multiplied by Total Term (96 mo)	$14,933,184
Plus one-time fee	$142,250
Total Cost	$15,075,434
Potential Credit, pending final negotiations	$750,000
Net Total	$14,325,434

IX. d. BCBS BOT Regents Approval BCBS Employee Medical and pharmacy benefits 11-15-23

UNM Hospital Board of Trustees
November 2023

Recommended Action: Pursuant to Regent Policy 7.4 and UNM Hospital Purchase Approval policy, UNMH requests approval to execute a contract for the Employee Medical and Pharmacy Benefit Manager Program. Approval is requested as follows:

- Board of Trustee Finance Committee approval of and recommendation of approval to the UNM Hospital Board of Trustees.
- UNM Hospital Board of Trustees approval.

Ownership:
Blue Cross and Blue Shield of New Mexico, a Division of Health Care Service Corporation. A Mutual Legal Reserve Company ("BCBS")

Officers Information:
Name: Amanda Romero
Title: Account Executive
Email: Amanda_Romero@bcbsnm.com

Source of Funds: UNM Hospital Operating Fund

Description and Rationale: We are requesting approval to enter into a new contract with BCBS for administration of a the Hospital's self-insured medical plan and pharmacy benefit manager services. The contract will include stop loss insurance. These services will support over 5,900 covered employees, spouses and dependents.

RFP: UNMH issued RFP P481-23 EMPLOYEE MEDICAL BENEFITS AND RFP P482-23 PHARMACY BENEFIT MANAGER ("RFP") to establish a contract for the procurement of employee medical and pharmacy benefits. The medical RFP was separated from the pharmacy services RFP to ensure we received the best rate for each service. RFP criteria included corporate profile, quality of offeror, integrated pharmacy, IT security, approach and methodology, and total cost.

UNMH received two responses to the Medical services RFP, and seven responses to the Pharmacy Benefit RFP. A multi-disciplinary committee including HR, Finance, and Pharmacy team members scored all responses and invited two vendors for further discussion and proposals. Finalists were BCBS (incumbent) and Optum. BCBS received the highest final score for both services and was determined to bring best value to UNMH. UNMH has utilized BCBS to administer its' employees medical and pharmacy benefits for more than 18 years and we look forward to a continued partnership.

Contract Term: Three years, with renewals as allowed by the NM Procurement Code. NMSA 13-1-150 (Multi-Term Contract). Continuation of the contract is contingent upon satisfactory contract compliance by the Contractor, as determined by UNMH.

Contract Amount: BCBS compensation is based on utilization of healthcare by plan members. The total amount anticipated to be paid to BCBS NM over the three year period is **$209,330,595**.

--$213,748,175 (pass-through medical/pharmacy payments to UNMH/UNMMG/Others)
-- $6,327,912 (stop loss insurance)
-- $8,681,517 (BCBS earned administrative fee)
Less pharmacy rebates/credits of $19,427,009
Total: 209,330,595

Termination Provision: Contract is being negotiated. The previous claims agreement allowed for a 30 day notice of termination.

Previous Contract: Blue Cross and Blue Shield of NM
Previous Term: One year, with annual renewals
Previous Contract Amount- The previous contract amount was similar and based on utilization of healthcare by plan members (taking into consideration cost increases over the last 10 years).

Financial Assitance Program Police with redlines

HOSPITAL

Applies To: **UNM Hospital**
Responsible Department: Board of Trustees
Effective Date: 01/01/2024

Deleted: 10/14/2021

Title: **Financial Assistance Program**				**Policy**	
Patient Age Group:	(X) N/A	( ) All Ages	( ) Newborns	( ) Pediatric	( ) Adult

POLICY STATEMENT

UNM Hospital offers financial assistance for the patient's medical bill(s) for qualified patients, which is known as "UNM Care," who meet each of the following:

1. Certain identity requirements;
2. State and county residency requirements;
3. Is not covered or is only partially covered by government or private insurance; and
4. Established financial requirements for establishing indigent status, defined as 300% of the Federal Poverty Guidelines or below;
5. Medical necessity criteria and
6. The services are covered by the UNM Care financial assistance program.

UNM Hospital will abide by the federal Emergency Medical Treatment and Labor Act (EMTALA) in providing care to patients at UNM Hospital. The UNM Hospital will abide by applicable federal, state, and local laws in determining eligibility for financial assistance. Individuals will be screened for indigent status and financial assistance if the patient has no other healthcare coverage. Screening will occur at each Self Pay encounter and at least annually. Patient will be determined eligible when documentation is submitted and approved by UNM Hospital Financial Services Department. As UNM Care is not a fund for payment of medical services but rather a financial assistance program, medical services rendered to patients outside the UNM Hospital are not payable by UNM Hospital.

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UNM Hospital will comply with Section 27-5-5.2 NMSA 1978 Indigent Hospital and County Health Care Act which indicates that immigration status may not be used to determine eligibility for financial assistance if all other qualifying criteria is met. APPLICABILITY
This policy pertains to all UNM Hospitals, Pharmacy Services and Clinics including the UNM Hospitals-based clinics at the UNM Comprehensive Cancer Center and Sandoval Regional Medical Center.

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There are some physicians and other practitioners that practice at UNM Hospital who are not subject to this policy. Patients who receive care at UNM Hospital from a non-participating provider will be encouraged to contact the provider directly to determine whether the provider has their own financial assistance program.

POLICY AUTHORITY

Chief Executive Officer

REFERENCES

Personal Responsibility and Work Opportunity Reconciliation Act, 8 U.S.C. § 1621. In this

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IMPLEMENTATION PROCEDURE

Identity Requirements

A patient seeking financial assistance under the UNM Care program must provide documentation to demonstrate their identity. Documents that may demonstrate identity include but are not limited to: Social Security card, passport (U.S. or foreign), photo identification card, (e.g. state-issued identification card, driver's license, work or school ID, etc.), birth certificates (US or foreign), citizenship/naturalization records, a visa (US or foreign), identification card issued by a foreign consulate, Indian census records, Certificate of Indian Blood (CIB), court records, voter registration card, licensed day care center records. If the above documents are not available, written statement from a caseworker, community health worker, healthcare provider or community agency may be submitted.

Residency Requirements

To be eligible for financial assistance under the UNM Care program, the patient must be living in New Mexico and demonstrate an intention to remain in the state. Residency in New Mexico, Bernalillo County or Sandoval County is established by living in the state and county and carrying out the types of activities associated with normal living: such as occupying a home, enrolling children in school, attaining a New Mexico driver's license or New Mexico State issued identification card, renting a post office box, obtaining employment within Bernalillo County, Sandoval County or the State of New Mexico.

The patient can demonstrate this residency by providing documentation including but not limited to bank statements, home ownership, rental leases, and letters addressed to the patient at a home address, utility bills, phone or internet bill, car insurance, proof of enrollment of self or child in an educational institution, pay stubs, or income tax returns. If the above documents are not available, a letter from a licensed health care professional (physician, advanced practice provider, nurse, case manager or community health worker) may be submitted or other similar documents.

Patients who meet residency requirements for the state, but are not residents of Bernalillo or Sandoval County, will only be eligible for indigent status and financial assistance if the service they are to receive or have received at the UNM Hospital is not available in their county of residence, as determined by the medical staff of UNM Hospital. These patients should apply for indigent funds in their home county before applying for coverage under the UNM Care Financial Assistance Program.

Financial Requirements

The patient must verify income by providing documentation including but not limited to: employment pay stubs; income tax returns; letter from employers; direct bank deposits; letters or copies of checks from Social Security, Worker's Compensation, Veteran's Affairs, Bureau of Indian affairs, or other similar documents. Homeless patients,patients in bankruptcy, and patients who are eligible for New Mexico SNAP, TANF or WIC programs will meet the definition of this requirement.

The patient must verify assets. by providing documentation including but not limited to bank statements, investment statements or other similar documents. Retirement funds, primary residence, and vehicles are not considered in the asset determination.

Medical Necessity Criteria

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The following are services that are typically not considered covered services within the meaning of this Policy:

- cosmetic surgery,
- reversal of vasectomy,
- elective pregnancy terminations,
- tuboplasty
- infertility studies and treatment,
- other services not routinely provided by UNMH medical staff or facilities as determined by the medical staff of UNM Hospitals (for example, liver or cardiac transplantation)

Deleted: A patient is treated for an emergency medical condition, as determined and documented by the treating provider,¶
A patient is treated for the signs or symptoms of a communicable disease, as determined and documented by their treating provider, whether or not those symptoms are caused by a communicable disease; or¶
A patient is treated for immunizations, as documented in the medical record.¶

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Exceptions to non-covered services will be considered by the Medical Director of the service in question and Chief Medical Officer.

Other Coverage
With limited exceptions as described below, the UNM Care financial assistance program is the financial program of last resort. This means that third party government or private insurance will be a primary financial payment source before the UNM Care financial assistance program will be applied. Medicaid-eligible individuals must apply for Medicaid and receive a denial of eligibility prior to being considered for indigent status and financial assistance. Notwithstanding, Indian Health Service Contract health coverage is secondary to the UNM Care financial assistance program for those Native Americans who reside in Bernalillo or Sandoval County and who meet the financial assistance and medical necessity criteria.

A patient can be eligible for indigent status and financial assistance with respect to any unpaid amounts after the third party government or private insurance has fully paid UNM Hospital as required under the terms of that third party government or private insurance plan. UNM Hospital will subrogate with a liability payer for third party tortfeasor cases.

Denial and Appeal Process
A patient will receive a letter from UNM Hospital if the patient is denied eligibility for participation in the UNM Care financial assistance program for any reason. If a patient is not granted indigent status or financial assistance because of lack of documentation for identity, residency, income, asset or medical necessity reasons, they can appeal that decision to the Medical Director of the Utilization Review Department and the UNM Hospital Chief Medical Officer.

Financial Assistance Program Policy Edits 10-26-2023 clean

Applies To: **UNM Hospital**
Responsible Department: Board of Trustees
Effective Date: 01/01/2024

Title: **Financial Assistance Program**					**Policy**
Patient Age Group:	(X) N/A	( ) All Ages	( ) Newborns	( ) Pediatric	( ) Adult

POLICY STATEMENT

UNM Hospital offers financial assistance for the patient's medical bill(s) for qualified patients, which is known as "UNM Care," who meet each of the following:

1. Certain identity requirements;
2. State and county residency requirements;
3. Is not covered or is only partially covered by government or private insurance; and
4. Established financial requirements for establishing indigent status, defined as 300% of the Federal Poverty Guidelines or below;
5. Medical necessity criteria and
6. The services are covered by the UNM Care financial assistance program.

UNM Hospital will abide by the federal Emergency Medical Treatment and Labor Act (EMTALA) in providing care to patients at UNM Hospital. The UNM Hospital will abide by applicable federal, state, and local laws in determining eligibility for financial assistance. Individuals will be screened for indigent status and financial assistance if the patient has no other healthcare coverage. Screening will occur at each Self Pay encounter and at least annually. Patient will be determined eligible when documentation is submitted and approved by UNM Hospital Financial Services Department. As UNM Care is not a fund for payment of medical services but rather a financial assistance program, medical services rendered to patients outside the UNM Hospital are not payable by UNM Hospital.

UNM Hospital will comply with Section 27-5-5.2 NMSA 1978 Indigent Hospital and County Health Care Act which indicates that immigration status may not be used to determine eligibility for financial assistance if all other qualifying criteria is met. **APPLICABILITY**
This policy pertains to all UNM Hospitals, Pharmacy Services and Clinics including the UNM Hospitals-based clinics at the UNM Comprehensive Cancer Center and Sandoval Regional Medical Center.

There are some physicians and other practitioners that practice at UNM Hospital who are not subject to this policy. Patients who receive care at UNM Hospital from a non-participating provider will be encouraged to contact the provider directly to determine whether the provider has their own financial assistance program.

POLICY AUTHORITY

Chief Executive Officer

REFERENCES

Personal Responsibility and Work Opportunity Reconciliation Act, 8 U.S.C. § 1621. In this

Policy, the Personal Responsibility and Work Opportunity Reconciliation Act is referred to as "PRWORA."
CMS Provider Reimbursement Manual, Chapter III, Section 310.
CMS Provider Reimbursement Manual, Chapter III, Section 312.
New Mexico Administrative Code Title 8 Chapter 325 Part 10
Emergency Medical Services for Non-Citizens (EMSNC) Section 13
NM Statute Chapter 27 Public Assistance, Article 5 Indigent Hospital and County Health Care, Section 27-5-5.2 Nondiscrimination; indigent patients

UNM Hospital Patient Payment Policy.
UNM Hospital Bad Debt Policy

IMPLEMENTATION PROCEDURE

Identity Requirements

A patient seeking financial assistance under the UNM Care program must provide documentation to demonstrate their identity. Documents that may demonstrate identity include but are not limited to: Social Security card, passport (U.S. or foreign), photo identification card, (e.g. state-issued identification card, driver's license, work or school ID, etc.), birth certificates (US or foreign), citizenship/naturalization records, a visa (US or foreign), identification card issued by a foreign consulate, Indian census records, Certificate of Indian Blood (CIB), court records, voter registration card, licensed day care center records. If the above documents are not available, written statement from a caseworker, community health worker, healthcare provider or community agency may be submitted.

Residency Requirements

To be eligible for financial assistance under the UNM Care program, the patient must be living in New Mexico and demonstrate an intention to remain in the state. Residency in New Mexico, Bernalillo County or Sandoval County is established by living in the state and county and carrying out the types of activities associated with normal living: such as occupying a home, enrolling children in school, attaining a New Mexico driver's license or New Mexico State issued identification card, renting a post office box, obtaining employment within Bernalillo County, Sandoval County or the State of New Mexico.

The patient can demonstrate this residency by providing documentation including but not limited to bank statements, home ownership, rental leases, and letters addressed to the patient at a home address, utility bills, phone or internet bill, car insurance, proof of enrollment of self or child in an educational institution, pay stubs, or income tax returns. If the above documents are not available a letter from a licensed health care professional (physician, advanced practice provider, nurse, case manager or community health worker) may be submitted or other similar documents.

Patients who meet residency requirements for the state, but are not residents of Bernalillo or Sandoval County, will only be eligible for indigent status and financial assistance if the service they are to receive or have received at the UNM Hospital is not available in their county of residence, as determined by the medical staff of UNM Hospital. These patients should apply for indigent funds in their home county before applying for coverage under the UNM Care Financial Assistance Program.

Financial Requirements

The patient must verify income by providing documentation including but not limited to: employment pay stubs; income tax returns; letter from employers; direct bank deposits; letters or copies of checks from Social Security, Worker's Compensation, Veteran's Affairs, Bureau of Indian affairs, or other similar documents. Homeless patients,patients in bankruptcy, and patients who are eligible for New Mexico SNAP, TANF or WIC programs will meet the definition of this requirement.

The patient must verify assets. by providing documentation including but not limited to bank statements, investment statements or other similar documents. Retirement funds, primary residence, and vehicles are not considered in the asset determination.

Medical Necessity Criteria

Only medically necessary services, as determined by the treating UNM Hospital medical staff provider, will be eligible for coverage under the UNM Care financial assistance program. All services are subject to review by the Medical Director of the Utilization Review Department.

Certain undocumented patients meeting the definition of "Emergency" should continue to be screened for Emergency Medical Services for Non-Citizens (EMSNC) as part of their coverage. "Emergency" as defined for EMSNC includes labor and delivery as well as any other medical condition, manifesting itself with acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in death or serious bodily harm.

The following are services that are typically not considered covered services within the meaning of this Policy:

- cosmetic surgery,
- reversal of vasectomy,
- elective pregnancy terminations,
- tuboplasty
- infertility studies and treatment,
- other services not routinely provided by UNMH medical staff or facilities as determined by the medical staff of UNM Hospitals (for example, liver or cardiac transplantation)

Exceptions to non-covered services will be considered by the Medical Director of the service in question and Chief Medical Officer.

Other Coverage

With limited exceptions as described below, the UNM Care financial assistance program is the financial program of last resort. This means that third party government or private insurance will be a primary financial payment source before the UNM Care financial assistance program will be applied. Medicaid-eligible individuals must apply for Medicaid and receive a denial of eligibility prior to being considered for indigent status and financial assistance. Notwithstanding, Indian Health Service Contract health coverage is secondary to the UNM Care financial assistance program for those Native Americans who reside in Bernalillo or Sandoval County and who meet the financial assistance and medical necessity criteria.

A patient can be eligible for indigent status and financial assistance with respect to any unpaid amounts after the third party government or private insurance has fully paid UNM Hospital as required under the terms of that third party government or private insurance plan. UNM Hospital will subrogate with a liability payer for third party tortfeasor cases.

Denial and Appeal Process

A patient will receive a letter from UNM Hospital if the patient is denied eligibility for participation in the UNM Care financial assistance program for any reason. If a patient is not granted indigent status or financial assistance because of lack of documentation for identity, residency, income, asset or medical necessity reasons, they can appeal that decision to the Medical Director of the Utilization Review Department and the UNM Hospital Chief Medical Officer.

Any patient with an outstanding account balance can, and are strongly encouraged to, make payment arrangements for monthly payments for their unpaid balance(s). UNM Hospital will not accrue interest on any balance owed for an account with UNMH for a self-pay contract account.

Other
If a patient otherwise qualifies for indigent status but is not eligible for full financial assistance and they reside outside of Bernalillo or Sandoval County, they may be eligible to participate in other forms of assistance.

SUMMARY OF CHANGES

This policy replaces: UNMH Financial Assistance Policy Effective dated 10/14/2021

Updated Applicability to include Sandoval County
Updates for clarity on the Identity, Residency and Financial requirements

RESOURCES/TRAINING

Resource/Dept.	Contact Information
Patient Financial Services	http://hospitals.unm.edu/pfs/

DOCUMENT APPROVAL & TRACKING

Item	Contact	Date	Approval
Owner	Board of Trustees, UNM Hospital		
Committee(s)	Board of Trustees Finance Committee, UNM Hospital		Y
Legal (Required)	Deputy University Counsel		Y
Official Approver	Trey Hammond, Secretary		Y
Official Signature	See BoT Meeting Minutes		09/29/2023
2nd Approver	Chief Operating Officer, UNM Hospital		Y
Signature	**On PolicyManager**		
Effective Date			01/01/2024

ATTACHMENTS

None

Patient Payment Policy with redlines

HOSPITAL

Applies To: **UNM Hospital**
Responsible Department: Board of Trustees
Effective Date: 01/01/2024

Title: **Patient Payment**				**Policy**	
Patient Age Group:	(X) N/A	( ) All Ages	( ) Newborns	( ) Pediatric	( ) Adult

POLICY STATEMENT

All patients who receive medical services at the UNM Health Sciences Center will be required to pay for those medical services. This payment liability can be met through the patient's private insurance or government reimbursement programs. However, any remaining unpaid balance owing to the UNM Hospital will be the patient's obligation to satisfy.

A patient whose financial liability is not satisfied by the patient's private insurance or enrollment in government reimbursement programs, may be eligible for UNM HSC's financial assistance program.

An uninsured patient will automatically receive a 45% discount off of billed charges. The remaining balance after the discount is applied shall remain due and owing to UNM Hospital.

UNM HSC will abide by the federal Emergency Medical Treatment and Labor Act (EMTALA) in providing care to patients at UNM Hospitals.

UNM Hospital will abide by the provisions of New Mexico Administrative Code Title 13, Chapter 10, Part 39 Patients' Debt Collection Protection.

UNM Hospital will abide by Medicare Provider Reimbursement Manual Chapter III, Section 310, entitled "Reasonable Collection Effort" as well as Chapter III, Section 312, entitled "Indigent or Medically Indigent Patients."

APPLICABILITY

This policy pertains to all UNM HSC Hospitals and Clinics including the UNM Comprehensive Cancer Center and Sandoval Regional Medical Center.

POLICY AUTHORITY

Chief Executive Officer

REFERENCES

UNM Hospital Financial Assistance Program Policy
CMS Provider Reimbursement Manual, Chapter III, Section 310.
CMS Provider Reimbursement Manual, Chapter III, Section 312. New Mexico Administrative Code Title 13, Chapter 10, Part 39 Patients' Debt Collection Protection

UNM Hospital Bad Debt Policy

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IMPLEMENTATION PROCEDURES

A patient scheduled to receive non-emergent, medically necessary medical care may be required to make a down or co-payment in advance for the medical care or procedure. This down or co-payment requirement is subject to the *UNM Hospital Financial Assistance Program Policy*. Patients with coverage under commercial insurance, coverage by an HMO, and/or coverage by a Managed Care Organization (MCO) are required to pay co-payments and/or co-insurance payments as required under their plan of coverage. Patients who are unable to make a down or co-payment at the time for service will be triaged by the medical provider to determine if the visit or procedure is medically necessary care. Patients can, and are strongly encouraged to, negotiate, establish, and make payment plan arrangements for monthly payments for their Patient Payment Responsibility, which shall be interest-free. Patients qualifying under UNM Hospitals Financial Assistance program will not be required to make co-payments. Patients must apply for, provide the information required under the Financial Assistance Program Policy (as applicable) and be determined to be eligible to participate, or otherwise be deemed to be eligible for indigent status before these down or co-payment amounts can be waived. Patients not on UNM Hospital Financial Assistance Program are responsible for the balance of accounts after financial assistance eligibility has been determined and/or all discounts have been taken. Patients with multiple accounts may request that all accounts be combined into a single account.

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EXTENDED BUSINESS OFFICE

The UNM HSC will use an Extended Business Office (EBO) program to follow up on self-pay accounts and self-pay balances. The EBO has the authority to combine accounts and set up payment arrangements. If a patient is approved under the Financial Assistance Program after an account has been referred to EBO, the account will be adjusted to financial assistance. Notwithstanding the foregoing, the EBO will not engage in any Extraordinary Collection Action for pursuit of any outstanding and unpaid amounts in respect of any accounts approved for the financial assistance program under the Financial Assistance Program Policy and/or any accounts approved for indigent status under other financial assistance programs.

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COLLECTION AGENCIES

The UNM HSC will engage and use one or more collection agencies to follow up on unpaid patient accounts after a six-month period in which a patient has an unpaid balance or has not met agreed upon payment arrangements for three consecutive months. The collection agency shall not be allowed to commence litigation or otherwise pursue judgments on accounts, place liens on patient's property, charge patients for attorneys' fees or charge interest on any outstanding balance. Accounts approved for financial assistance programs will not be assigned to a collection agency for pursuit of any outstanding and unpaid co-pay amounts. Similarly, accounts approved for indigent status will not be assigned to a collection agency for pursuit of any outstanding and unpaid amounts. Patients who do not apply for or provide the necessary information to enable UNM Hospital to determine their eligibility either for the financial assistance program under the Financial Assistance Program Policy or indigent status under other financial assistance programs will not be eligible to be exempted from referral to the collection agencies.

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The collection agency will strictly follow all applicable state and federal laws including, without limitation, the federal Fair Debt Collections Practices Act and the regulations promulgated thereunder.

DEFINITIONS

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Extraordinary Collection Action: An "Extraordinary Collection Action" is any of the following:

(i) Any action to obtain payment from a Patient that requires a legal or judicial process, including without limitation the filing of a lawsuit;

(ii) selling a Patient's debt to the Hospital to another party, including without limitation to a Collection Agency;

(iii) reporting adverse information about a Patient to a consumer credit reporting agency or credit bureau;

(iv) seizing a bank account;

(v) causing an arrest in connection with collection of a debt;

(vi) wage garnishment;

(vii) lien on a residence or other personal or real property;

(viii) foreclosure on real or personal property;

(ix) delay or denial of medically necessary care based on the existence of an outstanding balance for prior service(s); or

(x) obtaining an order for examination.

Extraordinary Collection Actions do not include the assertion of, or collection under, a lien asserted under the New Mexico Hospital Lien Act. Further, filing a claim in a bankruptcy proceeding is not an Extraordinary Collection Action.

Uninsured Patient: An "Uninsured Patient" is a patient who has no third-party source of payment for any portion of their medical expenses, including without limitation, commercial or other insurance, government sponsored healthcare benefit programs, or third party liability, and includes a patient whose benefits under all potential sources of payment have been exhausted prior to an admission.

Billed Charges: "Billed Charges" are the undiscounted amounts that a Hospital customarily bills for items and services.

Patient Payment Responsibility: "Patient Payment Responsibility" is the amount that a Patient is responsible to pay out-of-pocket after the patient's third-party coverage has determined the amount of the patient's benefits

Federal Poverty Guidelines or FPG: Guidelines developed by the U.S. Department of Health & Human Services on an annual basis. Levels are determined by the number of members in an individual's household and their annual income.

Medically Necessary Care: "Medically necessary care" shall have the meaning ascribed to those terms under the regulations adopted by the New Mexico Human Services Department in respect of the Medical Assistance program, specifically, NMAC § 8.302.1.7.

SUMMARY OF CHANGES

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Addition of Sandoval Regional Medical Center. Addition of 45% discount for any uninsured patient. Delete references to UNM Hospital Discount Program Policy. Added reference to Patient's Debt Collection Protections.

Deleted: This policy replaces the October 2017 Patient Payment Policy. The primary change is eliminate copayment requirements for patients on UNM Hospital Financial Assistance programs.

RESOURCES/TRAINING

Resource/Dept	Contact Information
Patient Financial Services	http://hospitals.unm.edu/pfs/

DOCUMENT APPROVAL & TRACKING

Item	Contact	Date	Approval
Owner	Chief Finance Officer, UNM Hospital		
Consultant(s)	N/A		
Committee(s)	Board of Trustees, UNM Hospital		Y
Nursing Officer	Chief Nursing Officer		N/A
Medical Director/Officer	Chief Medical Officer, UNM Hospital		N/A
Human Resources	Chief Human Resources Officer, UNM Hospital		N/A
Finance Officer	Chief Finance Officer, UNM Hospital		Y
Legal (Required)			N/A
Official Approver	Chief Finance Officer, UNM Hospital		Y
Official Signature	**On PolicyManager**	Date:	
Effective Date		01/01/2024	

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ATTACHMENTS

None

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Patient Payment Policy clean copy

Applies To: **UNM Hospital**
Responsible Department: Board of Trustees
Effective Date: 01/01/2024

Title: **Patient Payment**					**Policy**
Patient Age Group:	(X) N/A	( ) All Ages	( ) Newborns	( ) Pediatric	( ) Adult

POLICY STATEMENT

All patients who receive medical services at the UNM Health Sciences Center will be required to pay for those medical services. This payment liability can be met through the patient's private insurance or government reimbursement programs. However, any remaining unpaid balance owing to the UNM Hospital will be the patient's obligation to satisfy.

A patient whose financial liability is not satisfied by the patient's private insurance or enrollment in government reimbursement programs, may be eligible for UNM HSC's financial assistance program.

An uninsured patient will automatically receive a 45% discount off of billed charges. The remaining balance after the discount is applied shall remain due and owing to UNM Hospital.

UNM HSC will abide by the federal Emergency Medical Treatment and Labor Act (EMTALA) in providing care to patients at UNM Hospitals.

UNM Hospital will abide by the provisions of New Mexico Administrative Code Title 13, Chapter 10, Part 39 Patients' Debt Collection Protection.

UNM Hospital will abide by Medicare Provider Reimbursement Manual Chapter III, Section 310, entitled "Reasonable Collection Effort" as well as Chapter III, Section 312, entitled "Indigent or Medically Indigent Patients."

APPLICABILITY

This policy pertains to all UNM HSC Hospitals and Clinics including the UNM Comprehensive Cancer Center and Sandoval Regional Medical Center.

POLICY AUTHORITY

Chief Executive Officer

REFERENCES

UNM Hospital Financial Assistance Program Policy
CMS Provider Reimbursement Manual, Chapter III, Section 310.
CMS Provider Reimbursement Manual, Chapter III, Section 312. New Mexico Administrative Code Title 13, Chapter 10, Part 39 Patients' Debt Collection Protection

UNM Hospital Bad Debt Policy

IMPLEMENTATION PROCEDURES

A patient scheduled to receive non-emergent, medically necessary medical care may be required to make a down or co-payment in advance for the medical care or procedure. This down or co-payment requirement is subject to the *UNM Hospital Financial Assistance Program Policy* . Patients with coverage under commercial insurance, coverage by an HMO, and/or coverage by a Managed Care Organization (MCO) are required to pay co-payments and/or co-insurance payments as required under their plan of coverage. Patients who are unable to make a down or co-payment at the time for service will be triaged by the medical provider to determine if the visit or procedure is medically necessary care. Patients can, and are strongly encouraged to, negotiate, establish, and make payment plan arrangements for monthly payments for their Patient Payment Responsibility, which shall be interest-free. Patients qualifying under UNM Hospitals Financial Assistance program will not be required to make co-payments. Patients must apply for, provide the information required under the Financial Assistance Program Policy (as applicable) and be determined to be eligible to participate, or otherwise be deemed to be eligible for indigent status before these down or co-payment amounts can be waived. Patients not on UNM Hospital Financial Assistance Program are responsible for the balance of accounts after financial assistance eligibility has been determined and/or all discounts have been taken. Patients with multiple accounts may request that all accounts be combined into a single account.

EXTENDED BUSINESS OFFICE

The UNM HSC will use an Extended Business Office (EBO) program to follow up on self-pay accounts and self-pay balances. The EBO has the authority to combine accounts and set up payment arrangements. If a patient is approved under the Financial Assistance Program after an account has been referred to EBO, the account will be adjusted to financial assistance. Notwithstanding the foregoing, the EBO will not engage in any Extraordinary Collection Action for pursuit of any outstanding and unpaid amounts in respect of any accounts approved for the financial assistance program under the Financial Assistance Program Policy and/or any accounts approved for indigent status under other financial assistance programs. **COLLECTION AGENCIES**

The UNM HSC will engage and use one or more collection agencies to follow up on unpaid patient accounts after a six-month period in which a patient has an unpaid balance or has not met agreed upon payment arrangements for three consecutive months. The collection agency shall not be allowed to commence litigation or otherwise pursue judgments on accounts, place liens on patient's property, charge patients for attorneys' fees or charge interest on any outstanding balance. Accounts approved for financial assistance programs will not be assigned to a collection agency for pursuit of any outstanding and unpaid co-pay amounts. Similarly, accounts approved for indigent status will not be assigned to a collection agency for pursuit of any outstanding and unpaid amounts. Patients who do not apply for or provide the necessary information to enable UNM Hospital to determine their eligibility either for the financial assistance program under the Financial Assistance Program Policy or indigent status under other financial assistance programs will not be eligible to be exempted from referral to the collection agencies.

The collection agency will strictly follow all applicable state and federal laws including, without limitation, the federal Fair Debt Collections Practices Act and the regulations promulgated thereunder.

DEFINITIONS

Extraordinary Collection Action: An "Extraordinary Collection Action" is any of the following:

(i) Any action to obtain payment from a Patient that requires a legal or judicial process, including without limitation the filing of a lawsuit;

(ii) selling a Patient's debt to the Hospital to another party, including without limitation to a Collection Agency;

(iii) reporting adverse information about a Patient to a consumer credit reporting agency or credit bureau;

(iv) seizing a bank account;

(v) causing an arrest in connection with collection of a debt;

(vi) wage garnishment;

(vii) lien on a residence or other personal or real property;

(viii) foreclosure on real or personal property;

(ix) delay or denial of medically necessary care based on the existence of an outstanding balance for prior service(s); or

(x) obtaining an order for examination.

Extraordinary Collection Actions do not include the assertion of, or collection under, a lien asserted under the New Mexico Hospital Lien Act. Further, filing a claim in a bankruptcy proceeding is not an Extraordinary Collection Action.

Uninsured Patient: An "Uninsured Patient" is a patient who has no third-party source of payment for any portion of their medical expenses, including without limitation, commercial or other insurance, government sponsored healthcare benefit programs, or third party liability, and includes a patient whose benefits under all potential sources of payment have been exhausted prior to an admission.

Billed Charges: "Billed Charges" are the undiscounted amounts that a Hospital customarily bills for items and services.

Patient Payment Responsibility: "Patient Payment Responsibility" is the amount that a Patient is responsible to pay out-of-pocket after the patient's third-party coverage has determined the amount of the patient's benefits

Federal Poverty Guidelines or FPG: Guidelines developed by the U.S. Department of Health & Human Services on an annual basis. Levels are determined by the number of members in an individual's household and their annual income.

Medically Necessary Care: "Medically necessary care" shall have the meaning ascribed to those terms under the regulations adopted by the New Mexico Human Services Department in respect of the Medical Assistance program, specifically, NMAC § 8.302.1.7.

SUMMARY OF CHANGES

Addition of Sandoval Regional Medical Center. Addition of 45% discount for any uninsured patient. Delete references to UNM Hospital Discount Program Policy. Added reference to Patient's Debt Collection Protections.

RESOURCES/TRAINING

Resource/Dept	Contact Information
Patient Financial Services	http://hospitals.unm.edu/pfs/

DOCUMENT APPROVAL & TRACKING

Item	Contact	Date	Approval
Owner	Chief Finance Officer, UNM Hospital		
Consultant(s)	N/A		
Committee(s)	Board of Trustees, UNM Hospital		Y
Nursing Officer	Chief Nursing Officer		N/A
Medical Director/Officer	Chief Medical Officer, UNM Hospital		N/A
Human Resources	Chief Human Resources Officer, UNM Hospital		N/A
Finance Officer	Chief Finance Officer, UNM Hospital		Y
Legal (Required)			N/A
Official Approver	Chief Finance Officer, UNM Hospital		Y
Official Signature	**On PolicyManager**	Date:	
Effective Date		01/01/2024	

ATTACHMENTS

None

Discount Program Policy with redlines

Applies To: **UNM Hospital**
Responsible Department: Board of Trustees
Effective Date: Sunset

Deleted: 01/18/2022

Title: **Discount Program**				**Policy**	
Patient Age Group:	(x) N/A	( ) All Ages	( ) Newborns	( ) Pediatric	( ) Adult

POLICY STATEMENT

If a patient otherwise qualifies for indigent status but is not eligible for the financial assistance program under the UNM Hospital Financial Assistance Program Policy, they may be eligible to participate in the UNM Hospital Discount Program established under this Policy. The discount program described in this Policy is not, and shall not be construed to be, financial assistance in respect of patients who qualify for indigent status but who are not eligible for the financial assistance program under the UNM Hospital Financial Assistance program.

UNM Hospital offers the Discount Program for the patient's medical bill(s) for qualified patients who meet each of the following:

1. Is not covered by government or private insurance; and

2. Established financial requirements for establishing indigent status, defined as 300% of the Federal Poverty Guidelines or below ("Indigent Status").

UNM Hospital will abide by the federal Emergency Medical Treatment and Labor Act ("EMTALA") in providing care to patients at UNM Hospital. Individuals will be assessed for Indigent Status eligibility when documentation is submitted to UNM Hospital Financial Services Department. As the Discount Program is not a fund for payment of medical services, medical services rendered to patients outside the UNM Hospital are not payable by UNM Hospital. The remaining balance, after the Discount described in this Policy is applied, shall remain due and owing to UNM Hospital.

APPLICABILITY

This policy pertains to all UNM Hospitals and Clinics including the UNM Hospitals-based clinics at the UNM Comprehensive Cancer Center.

POLICY AUTHORITY

Chief Executive Officer

REFERENCES

CMS Provider Reimbursement Manual, Chapter III, Section 310.
CMS Provider Reimbursement Manual, Chapter III, Section 312.
UNM Hospital Financial Assistance Program Policy
UNM Hospital Patient Payment Policy
UNM Hospital Bad Debt Policy

IMPLEMENTATION PROCEDURES

Discount and Repayment Plan

If a patient otherwise qualifies for Indigent Status but is not eligible for the financial assistance program under the UNM Hospital Financial Assistance Program Policy, that patient will be eligible to receive a 45% discount from UNM Hospital's billed charges.

In addition, a patient who otherwise qualifies for Indigent Status (but not eligible fort the financial assistance program) may set up a repayment plan (the "Repayment Plan") for all amounts remaining outstanding after application of the Discount. In this connection, UNM Hospital will work with each patient to come to an agreement as to a Repayment Plan. In this connection, once a Repayment Plan is established, UNM Hospital will not charge interest on outstanding amounts owing and will allow for monthly payments.

If the patient accumulates multiple accounts, he or she may request that the accounts be combined into one account and included in a single Repayment Plan.

Unless and until a patient presents at the UNM Hospital Financial Services Department and provides the sufficient information to enable UNM Hospital to grant Indigent Status to the patient as described in the "Financial Requirements" section, below, the patient is not eligible for the Discount and/or the Repayment Plan.

The amounts outstanding after application of the Discount shall remain due and owing to UNM Hospital until the Repayment Plan results in payment in full of the amounts outstanding.

Residency Requirements

To be eligible for the Discount Program, the patient must be living in New Mexico. Residency in New Mexico is established by living in the state and county and carrying out the types of activities associated with normal living: such as occupying a home, enrolling children in school, attaining a New Mexico driver's license or New Mexico State issued identification card, renting a post office box, obtaining employment within the State of New Mexico.

The patient can demonstrate this residency by bank statements, home ownership, rental leases, and letters addressed to the patient at a home address, utility bills, and proof of enrollment of self or child in an educational institution, pay stubs, income tax returns, or other similar documents.

Financial Requirements

To be eligible for Indigent Status and, therefore, the Discount, the patient must verify income by providing: employment pay stubs; income tax returns; letter from employers; direct bank deposits if gross amount of payment can be determined; letters or copies of checks from Social Security, Worker's Compensation, Veteran's Affairs, Bureau of Indian affairs, or other similar documents.

In addition, to be eligible for Indigent Status and, therefore, the Discount, the patient must verify his or her assets. Assets may be verified by providing bank statements, investment statements or other similar documents. Retirement funds, primary residence, and vehicles are not considered in the asset level.

Other Coverage
With limited exceptions as described below, third party government or private insurance will be a primary financial payment source before the Discount will be applied. Patients that appear to be Medicaid-eligible, or have access to other coverage that is deemed affordable must apply for Medicaid or other affordable coverage and receive a denial of eligibility prior to being considered for Indigent Status, the Discount, and/or the Repayment Plan.

Denial and Appeal Process
A patient will receive a letter from UNM Hospital if the patient is denied eligibility for participation in the Discount Program described in this Policy for any reason. If a patient is not granted Indigent Status because of lack of documentation, for income or asset reasons, they can appeal that decision to the Medical Director of the Utilization Review Department and the UNM Hospital Chief Medical Officer or designee.

Down-payment Requirements
Any patient who is not covered in whole or in part by third party government or private insurance and who is otherwise qualified for Indigent Status as provided in this Policy will not be required to make a copayment or down-payment.

DEFINITIONS
None

SUMMARY OF CHANGES
This policy replaces the policy approved 10/27/2017. The primary change is related to the elimination of copayment requirements.

RESOURCES/TRAINING

Resource/Dept.	Contact Information
Patient Financial Services	http://hospitals.unm.edu/pfs/

DOCUMENT APPROVAL & TRACKING

Item	Contact	Date	Approval
Owner	Chief Finance Officer, UNM Hospital		
Consultant(s)	N/A		
Committee(s)	UNMH Board of Trustees Finance Committee		Y
Nursing Officer	Chief Nursing Officer, UNM Hospital		N/A
Medical Director/Officer	Chief Medical Officer, UNM Hospital		N/A
Human Resources	Chief Human Resources Officer, UNM Hospital		N/A
Finance Officer	Chief Finance Officer, UNM Hospital		Y
Legal (Required)	Scot Sauder, HSC		Y
Official Approver	Chief Finance Officer, UNM Hospital		Y
Official Signature	**On PolicyManager**	Date: 01/18/2022	
Effective Date		01/18/2022	

ATTACHMENTS
None

Discount Program Policy Sunset clean copy

Applies To: **UNM Hospital** Responsible Department: Board of Trustees Effective Date: Sunset

Title: **Discount Program**					**Policy**
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SUMMARY OF CHANGES
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Patient Financial Services	http://hospitals.unm.edu/pfs/

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Medical Director/Officer	Chief Medical Officer, UNM Hospital		N/A
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Finance Officer	Chief Finance Officer, UNM Hospital		Y
Legal (Required)	Scot Sauder, HSC		Y
Official Approver	Chief Finance Officer, UNM Hospital		Y
Official Signature	**On PolicyManager**	Date: 01/18/2022	
Effective Date		01/18/2022	

ATTACHMENTS
None

Administrative Reports

DZ Report to UNMH BOT 11172023 FINAL

Douglas Ziedonis, MD, MPH
Executive Vice President, Health Sciences
CEO, UNM Health System
UNM Hospital Board of Trustees Report
November 17, 2023

Good morning, UNM Hospital Board of Trustees members and CEO Becker. Thank you for your ongoing leadership, support and feedback.

CEO Becker and **Drs. McLaughlin, Chicarelli** and **Boyd** will provide important details about what's happening at UNM Hospital in their reports, and I will highlight a few updates for UNM Health and Health Sciences as part of my presentation this morning. You will find more detailed information in my full written report provided in the meetings' e-book. I also welcome the opportunity to provide additional clarity or more information on any item if you have questions. I hope all of you are receiving our "HSC Connects" and have found the updates helpful. If you are not receiving them and are interested, please let me know.

Gratitude: I'm grateful for our leadership and front-line workers who continue the major lifts of our partnership with the Metropolitan Detention Center, our Sandoval Regional Medical Center integration work, and the ongoing Tower construction. I am truly impressed with everyone's level of engagement and the progress we've made toward our goals as a result.

In addition to these major initiatives, I have much gratitude for all the daily work and routine clinical practice and service that occurs in all our mission areas. Many thanks to all our faculty, staff, students, learners, and volunteers who are the backbone and inspiration for these efforts.

Upcoming Events:

2nd Annual Health Equity Summit 2023 Save the Date: December 12th

Please **follow the registration link to register** for the upcoming Health Equity Summit on Tuesday, December 12th at the National Hispanic Cultural Center from 8:00am-4:30pm.

The registration link gives you an opportunity to select your topic choice in each of the three break-out sessions. In addition, attendees can sign up for continuing education credits – **please see the accreditation statements**.

The Summit's theme is: Community Wisdom Advancing Health Equity in New Mexico: Honoring Stories, Cultural Values and Healthy Lifeways. Through the collaborative efforts of community members, staff, faculty and clinicians, the Health Equity Summit planning committee has created a terrific agenda. Break-out session topics range from social determinants of health, communities and resources, food and housing insecurity, restorative justice, pathway programs, homelessness, perinatal health and birthing, programs for seniors, to health equity and diabetes. Additionally, the event will create a gathering of health and wellness resources and serve as a site for Medicaid enrollment for community members.

Similar to last year, the event is highly influenced and guided by our state-wide health equity dialogues and with our partnerships with the New Mexico Department of Health, City of

Albuquerque, Bernalillo County, Veterans Affairs, and others joining us for this year's gathering. The conference includes inspiring presentations, new information, and planning conversations that expand our work on actionable items. We look forward to your participation as we all advance health equity with and for our community members.

Government Relations Matters

Visit with New Mexico Dept. of Health Cabinet Secretary Patrick Allen

Earlier this month many of us had the pleasure of meeting and spending time with NM Department of Health (DOH) Cabinet Secretary Patrick M. Allen. He attended a tour with our UNM Hospital administration, and a series of meetings with our leadership, faculty, and staff – with a focus on all our mission areas, including behavioral health, public health, health equity, and new ideas on partnering together

We learned more about the NMDoH priorities and new initiatives, and we had the opportunity to share about our strategic plan, legislative priorities, including Research and Public Service Projects, and other important discussion points in all our mission areas. We were also able to explore numerous opportunities to align strategically as it relates to our shared interests, goals, and needs. Among the many topics we discussed were

- Increased staffing and funding needs of the Office of the Medical Investigator (OMI) which serves the entire State of New Mexico
- Expanding access to care in rural communities
- Behavioral health telehealth and tele-consult challenges
- Issues associated with Medicaid and Medicare reimbursement
- Opportunities to expand clinical pharmacist activities and training of others
- Partnering on expanding preceptors and clinical training sites
- Workforce wellbeing, work-life balance, recruitment, retention and compensation
- The need to further explore student loan repayment and Lottery and Opportunity expansion for graduate medical and health professionals (similar to State of Colorado)

We expressed our appreciation to Secretary Allen for his willingness to co-chair our upcoming Health Equity Summit. This led to an outstanding discussion about health equity needs and next steps. We're grateful to Secretary Allen for taking the time to visit our campus, and for the productive exchanges about ways we can work together to create better health outcomes for all New Mexicans, including a plan for new regular monthly partnership meetings.

Sen. Ben Ray Luján's visit with New Mexico's Health and Health Sciences leaders

Last month I had the honor of participating in a panel discussion about health care workforce development with U.S. Sen. Ben Ray Luján, which took place at Albuquerque Healthcare for the Homeless. The panel also featured Dr. Sanjeev Arora, director and founder of Project ECHO, Dr. Gloria Doherty representing the New Mexico Nurses Association, Dr. Andres Gensini, Vice President of Clinical Affairs for Presbyterian Medical Services, and Mr. Troy Clark

President/CEO of the New Mexico Hospital Association. We were pleased to have five of our health science students who made the time to engage with Sen. Luján as well.

Along with the senator, U.S. Health and Human Services Deputy Chief of Staff Angela Ramirez joined our conversation on workforce development.

In response to these federal leaders' questions, I was able to increase awareness of the amazing work that takes place day-in and day-out on our campus and statewide, including educating and training New Mexico's next health care workforce, providing clinical services for patients and families, working in diverse communities, discovering through research, and working to make health care accessible and equitable.

There was great resonance and interest in further discussions on several key programs, including Project ECHO, HEROs programs, Pathways programs, our IHS/UNM combined residency program, tele-consult services, and ways we can engage more clinicians to become clinical faculty to address the clinical faculty workforce crisis.

We identified a number of federal offices and federal resource mechanisms that might help further our efforts here in New Mexico. Sen. Luján's national leadership in enhancing needed broadband infrastructure will help expand telehealth, tele-consult, and tele-mentoring. The students who attended were great representatives and examples of the benefit of the HRSA loan forgiveness programs. The need for more clinical placements was another critical topic, including considering how new funding to IHS might help create GME and other health care worker training placements. In addition to health care, the workforce needs of all of our health sciences programs, including our research workforce, was discussed.

We were so pleased that Sen. Luján and his team, as well as staff from the offices of Rep. Gabe Vasquez, Rep. Teresa Leger Fernandez, and the U.S. Health and Human Services Department made the time for these important conversations.

Student and Education Related Matters

ECHO Launches Violence Prevention Project

Project ECHO continues to identify pressing social determinants of health and public health issues that require innovative solutions, including the latest ECHO program focused on violence prevention. Recent statistics released by the New Mexico Department of Health demonstrate that firearm injuries and deaths are trending in the wrong direction in New Mexico, including an 87% increase in age-adjusted firearm death rates from 2010 to 2021 and a significant jump in emergency room visits associated with gun violence among youth. Given these concerning data points, Project ECHO's prevention program holds great promise to improve outcomes.

The Project ECHO Violence Prevention Program was developed to increase knowledge and self-efficacy associated with the multi-factorial causes of violence including domestic violence, interpersonal violence, suicide, social determinants of health, environmental justice and gun safety. The virtual mentorship program is free and open to the public, while specifically designed to provide resources to all health professionals, first responders, public health professionals, legal

personnel and educators. These are professions that are already engaged with families as a matter of their unique work, and given the appropriate tools and resources, can have a positive impact as it relates to violence prevention, firearms safety, and a host of other timely community challenges.

The 8-week program launched last month and is about halfway through the current session, meeting every Tuesday from 12:00 PM to 1:00 PM. Interested participants can learn more by logging on to the ECHO webpage.

School of Medicine's International Mountain Medicine Center Featured

The HSC Newsroom Team recently published a compelling article about the rigorous training our first responders go through to save lives in some of our state's toughest terrain. The story shed light on how the School of Medicine's Department of Emergency Medicine has been teaching wilderness medicine courses for almost 30 years. These unique rescue operations provide a critical lifeline for people experiencing a medical emergency when standard police and fire responses aren't possible due to location, conditions and terrain.

We are very proud of the program has been recognized as one of the top mountain emergency medicine and rescue training programs in the country.
Please read more about the program here.

College of Population Health Names New Associate and Assistant Deans

The UNM College of Population Health (COPH) underwent significant growth in 2023, more than doubling its faculty and staff. This growth created the need for a new leadership team to represent and guide the burgeoning institution. Tracie C. Collins, MD, MPH, MHCDS continues to serve as the dean of the College and is now joined by a new associate dean and three assistant deans.

Lauri Andress, PhD JD, MPH, now serves as the associate dean for COPH. With 38 years of experience and an MPH, JD, and PhD, Andress has an impressive and diverse background. She has worked in public health governance and politics, played a key role in launching the Centers for Health Equity in Wisconsin and Louisville, and held positions such as Public Information Officer and Chief of Public Affairs in Houston's Department of Health and Human Services.

Julie Reagan, PhD, JD, MPH joins COPH as the assistant dean for education. She earned her MPH and PhD in Public Health from the University of Texas Health Science Center at Houston, School of Public Health, and her law degree from the University of Houston. Reagan has more than twenty years of practice experience as a state government attorney, primarily in public health agencies.

Elizabeth Yakes Jimenez, PhD, RDN, takes on the role of assistant dean for research. She is a pediatric registered dietitian with an MS in public health nutrition from Case Western Reserve University and a PhD in epidemiology from the University of California, Davis. She has been faculty at UNM since 2011, first as an assistant professor on central campus, and then as a

research associate professor and research professor in the Departments of Pediatrics and Internal Medicine at the UNM School of Medicine.

Lastly, Kenneth D. Ward, PhD, joins COPH as the assistant dean for faculty affairs. He previously served as a professor and director of the Division of Social and Behavioral Sciences at the University of Memphis School of Public Health and as an adjunct professor of Preventive Medicine at the University of Tennessee College of Medicine.
We are thrilled to have such talented individuals who make up the leadership team within the College of Population Health, and know they will continue the school's legacy of excellence.

Health System Matters

UNM Health partners with NMDOH to Promote "Don't Wait Vaccinate" Campaign
Our UNM Health System has recently partnered with the New Mexico Department of Health to reinforce the message "Don't Wait, Vaccinate." The partnership emphasizes the importance of vaccinating against respiratory viruses and also provides resources so people know where to get the get their shots. Along with reminding New Mexicans about the importance of receiving vaccines, the campaign includes important reminders about practical steps we can take to prevent viruses such as wearing a mask if you're sick, washing your hands frequently and staying home if you don't feel well, in order to mitigate the risk of spreading germs to other people.
More about the joint effort for unified community health messaging can be found here.

UNM Hospital Community Engagement Team Helps Local Groups Prepare for Winter

The UNM Hospital Community Engagement team recently joined Health Care for the Homeless and 20 other community partners in distributing life-saving resources in preparation for the colder Fall and Winter months. The department purchased 7,000 emergency blankets this year, then hosted an event to get those blankets into helpful hands across the metro. The community engagement team also provided 500 portable, heat-reflecting wraps to Albuquerque Health Care for the Homeless to hand out to vulnerable community members.

The collaborations reflect an important step to addressing the challenge of a growing homeless population in our community and nationwide, and our team members approach their work with compassion. We're grateful for these efforts which have a meaningful impact for improving health outcomes in Albuquerque and beyond.

Event Thanking UNM SRMC Health Care Workers
November is National Gratitude Month and it has been so rewarding to see how our leaders have found creative ways to show gratitude to our frontline workers. UNM SRMC CEO Jamie Silva Steele and her gratitude committee came up with an idea, that turned out to be wildly popular, that included creating friendship and gratitude bracelets for one another. All providers and staff on all shifts were invited to the café to bead together bracelets. Our frontline teams expressed how this simple act made them feel valued and cared for. And it was so wonderful to hear how our employee were excited to build bracelets for their fellow teammates. Our frontline staff have

endured through so much these past four years—I am happy to support any event that shows them how much we appreciate them. This event caught the attention of the local news. You can watch the report here.

Research Matters

Breast and Body Feeding: UNM College of Nursing Professor Awarded for Lactation Research

A federally funded study led by Katie Kivlighan, PhD, MRS, RN, CNM, assistant professor for the UNM College of Nursing, along with co-principle investigators from UMASS Amherst and Baystate Medical Center, is developing an improved understanding of lactation challenges and providing culturally congruent lactation support to some of New Mexico's most diverse communities.

The study, titled "Mammary epithelium permeability, lactation outcomes and infant health," tests for markers like sodium in human milk that might indicate the overall health of the mammary gland. This research seeks to learn more about the mammary gland, lactation and milk production so that those experiencing milk production issues will have an easier time seeking health care.

The research takes place in Kivlighan's laboratory on the UNM College of Nursing Albuquerque campus, the UNM Clinical and Translational Sciences Center, off-site in UNM affiliated clinics and research participants' homes. It represents a holistic perspective and an interdisciplinary approach to understanding the unique health care needs of the state, and beyond. Read more on this study here.

UNM Researchers Lead National Study on Organic Farmers

In recent years there has been an increase in demand for local organic products, with an increase in sales in 2020 and 2021. Data also shows that organic food products are available in practically every conventional grocery store. Researchers at UNM's College of Population Health (COPH) are taking the lead on a national study into this essential workforce.

Researchers with UNM COPH are conducting a unique study with organic farmers and contributing new and important data on this population. The Organic Farmer Study is funded by the National Institute for Occupational Safety and Health (NIOSH) and the Southwest Center for Agricultural Health, Injury Prevention, and Education at the University of Texas at Tyler Health Sciences Center. According to research leaders, there is not a lot of existing information so UNM's work is important to potentially inform research, practice, policy, and allocation of resources at multiple levels. Read more on the study here.

U.S. Drinking Water Often Contains Toxic Containments, UNM Scientist Warns

A new study published by UNM Health Science researcher Johnnye Lewis, PhD, with colleagues from across the U.S. is gaining national attention for its warning that water from many wells and community water systems contain unsafe levels of toxic contaminants, exposing millions to health risks, including cancer.

The review in the *Journal of Exposure Science and Environmental Epidemiology* also finds that people living on tribal lands or in minority communities are disproportionately affected and predicts that climate change will make it harder to locate safe sources of drinking water. The paper emerged from a meeting of senior scientists at the annual meeting of the International Society for Exposure Epidemiology. The paper assesses seven known contaminants that often find their way into drinking water: arsenic, fracking fluids, lead, nitrates, chlorinated disinfection byproducts, manmade chemicals known as PFAS (per- and polyfluoroalkyl substances) and uranium, and highlights the need to upgrade drinking water infrastructure and take additional steps to improve standards and implement stronger safety measures.

To underscore the interest research has garnered, our media monitoring reports this particular article had nearly 300 mentions with more than 850 million people receiving the information in Yahoo, MSN, US News and World Report, The Guardian, The Hill, New York Post, and Healthline, to name a few. This media exposure is valued at more than $14 million and the value it represents in spreading the word about the groundbreaking research into water contaminants is immeasurable. Read more about the study here.

Dr. Tassy Parker Raises Awareness on Shortened Life Expectancy of Indigenous People
This month Dr. Tassy Parker, PhD, RN, Director of UNM HSC's Center for Native American Health, and tenured professor in the Department of Family and Community Medicine, co-authored an article published in the Journal of the American Medical Association entitled "American Indian and Alaska Native Life Expectancy, Writing a New Narrative." The important editorial explores concerning statistics reflecting life expectancy for American Indian and Alaska Native populations, which is 11 years less than the life expectancy of the U.S. general population. The article highlights significant disparities as compared to all other racial and ethnic groups in the United States. Dr. Parker observes that "early death robs families, tribes and generations of their culture, kinship systems, and lineage."

The article goes on to examine the various factors that contribute to abbreviated life expectancy for American Indian and Alaska Native people including violence, trauma, and historical losses as well as the impact of underfunded and poorly structured tribal healthcare. Dr. Parker's article recommends efforts at multiple levels of governance to establish a new strengths-based and self-determining narrative. The article is a "call to action" to end life discrepancies among American Indian and Alaska Native people.

New Resource to Help with Grant Proposal Development and Preparation
Faculty, staff, and students from many parts of Health Sciences have been asking for additional support on grant proposal development and preparation. This is now part of our strategic plan tactics and a new service is being launched by the HSC Office of Research.

Kara McKinney, MA, has joined that office as a Strategic Support Manager to oversee support services and resources. Please reach out to Kara to learn more about how to get additional help

and support. Kara will lead a centralized core to support grant preparation and facilitate multi-disciplinary and cross campus collaborations in alignment with HSC's research strategy plans and UNM 2040 goals. Kara has worked in research development and administration at UNM HSC for the last 12 years, providing support for faculty and grant programs within the UNM Clinical and Translational Science Center and departments of Family and Community Medicine and Pediatrics.

Recent Events:

Health Science's 15th Annual Excellence in Research Awards 2023
The Health Science Office of Research held its annual Excellence in Research Awards at the Domenici Auditorium yesterday, November 16th. This was a great opportunity to learn about the amazing research happening at UNM Health and Health Sciences and to acknowledge your colleagues for their work in the following areas:

- Basic Science Research
- Clinical Science Research
- Population Science Research
- Junior Faculty Research
- Team Science Research
- The Scholarship of Teaching and Learning

Many thanks to Interim Vice President of HSC Research Hengameh Raissy, PharmD, who led the awards ceremony. Congratulations to all the recipients of these distinguished awards and we are grateful for the contributions of the entire teams.

Recent Town Hall
We had great participation at our recent Town Hall meeting that we hosted on September 28, both in-person and via zoom. Along with my co-presenters, we provided important information regarding our progress and key developments for implementation of our strategic plan.

Some of the highlights of the Town Hall included inviting the Health and Health Sciences community to attend the upcoming Health Equity Summit, sharing our efforts relating to Dissemination and Implementation Science Core Research, and providing information about Rebecca Napier, the newest member of our leadership team.

Drilling down on our Strategic Priorities, Erica Richards explained her role as the lead for our accelerators group and how that differs from Yvette Sena's role leading the implementation teams. Shelly McLaughlin, Todd Hynson, and Heidi Honegger Rogers provided an update on the "Student Experience" implementation team and Ryan Cangiolosi provided an update on the "Economic Development" implementation team. I also spoke about the important exchanges that took place when we hosted the state Legislative Health and Human Services Committee when they met on our campus in late August.

Hospitality at the Albuquerque International Balloon Fiesta

We had tremendous participation by our wonderful faculty, staff, and students who volunteered this year at our UNM Health and Health Sciences tent at the Albuquerque International Balloon Fiesta. Many first responders have shared their thanks for our Health and Health Sciences tent where they were able to get coffee and breakfast every day of the event, as an expression of our gratitude for their service. Providing these treats was a small but meaningful gesture of our appreciation for their daily work. Balloon Fiesta is our community's way of showcasing New Mexico's beauty and our tent is one way we can showcase our appreciation and hospitality.

Project ECHO: MetaECHO Conference & a Best Place to Work in New Mexico
In September UNM Project ECHO hosted the 2023 MetaECHO Global Conference here in Albuquerque! The conference attracted over 1,000 people from around the world who participated in person and another 1,000 who joined us on zoom. This event marked the 20th Anniversary of Project ECHO.

The conference began with a welcome from UNM President Garnett Stokes, Assistant Secretary for Health in the U.S. Dept. of Health and Human Services – Dr. Rachel Levine, and Dr. Sanjeev Arora, founder and director of Project ECHO. Dr Arora delivered a dynamic speech on ECHO's humble beginnings, where the program stands today, and its ambitious vision for the future. I was humbled to stand with this inspiring team in kicking off the conference events.

I was very impressed with the many presenters who shared their specific ECHO projects including research findings and program implementation on so many health topics, including social determinants of health such as Education, Adverse Childhood Events, etc. Some of these ECHOs have led to policy changes that shape and influence the delivery of care.

On a related note, Project ECHO has recently received some well-deserved accolades. Albuquerque Business First recently recognized Project ECHO as a top-3 "Best Place to Work" in the category of businesses with 200 or more employees. Project ECHO's founder and executive director, Dr. Sanjeev Arora, was honored as a New Mexico Humanitarian Award Recipient by the Jewish Community Center of Greater Albuquerque.

Association of American Medical Colleges (AAMC) Meeting
Thanks to Dean Finn and the other staff and faculty who presented and engaged at the AAMC meeting this past week in Seattle. This year there was a great focus on health equity, artificial intelligence, student success, burnout/morale injury, and the pressures on the clinical systems. The AAMC annual meeting is always an invaluable opportunity to gather with other health system leaders, educators, students, residents, researchers and clinicians for knowledge sharing and networking with a focus on improving health care for the communities we serve. This was also a great opportunity to connect with School of Medicine alumni who practice all over our country. Thanks to the SOM Advancement and Alumni Relations Office for hosting a fabulous evening of connecting with alumni and potential donors. I return inspired and eager to apply many of the insights I garnered this week.

Conclusion

Thanks everyone for your support. Thanks to all the faculty, staff and students who are continuously working to improve the lives of New Mexicans and our most vulnerable populations through extraordinary patient care, education, discovery and community engagement.

Best wishes
Doug

Doug Ziedonis MD MPH
Executive Vice President, Health Sciences
CEO, UNM Health System

HS Report for BoT Nov 2023.1 Dr. Richards

MEMORANDUM

To: UNMH Board of Trustees

From: Mike Richards, MD
Senior Vice Chancellor Clinical Affairs, UNM Health System

Date: November 17, 2023

Subject: Monthly Health System Activity Update

This report represents unaudited year to date September 2023 activity and is compared to unaudited year to date September 2022 activity.

Activity: In comparison to prior year, key clinical measures include:

- Total inpatient days are down 2%
  - UNMH adult inpatient days are down 1%
  - SRMC adult inpatient days are up 12%
- Total discharges are down 4%
  - UNMH adult discharges are flat
  - SRMC adult discharges are up 5%
- Adult length of stay (without obstetrics) is down 1%
- Case Mix Index (CMI) is up 2%
- Total outpatient activity is down 2%
  - Primary care clinic visits are up 8%
  - Specialty and other clinic visits are down 2%
  - Emergency visits are down 9% over prior year
- Surgical volume is up 4%
- Births are down 5%
- UNM Medical Group RVUs are down 5%

Finances: Health System had total year-to-date operating revenue of $422.4 million, which is flat over prior year. Total non-operating revenue was $40.2 million, representing a 12% increase over prior year, primarily driven by increase in Bernalillo County Funding and Investment Income. Total operating expenses were $487.9 million, representing a 2% increase over prior year. Health System margin is $(25.2) million as compared to $(19.7) million prior year primarily driven by increase in operating expense.

The balance sheet is stable with a current ratio of 1.62 as compared to 1.78 prior year. The cash and cash equivalents for UNM Health System is $361.7 million as compared to $300.5 million prior year. Net patient receivables are up 7% and total assets are up 4%. Total liabilities are up 11% over prior year. Total net position is down 3% over prior year.

CEO Board Report November 2023

MEMORANDUM

To: Board of Trustees

From: Kate Becker
Chief Executive Officer

Date: November 17, 2023

Subject: UNMH Monthly Activity Update

The Hospital has been involved in a variety of activities and this report will focus on operations through October 2023.

Finance: Inpatient adult patient days were slightly above budget by 1% and discharges were down from budget by 1%, for the fiscal year to date. Adult length of stay is above budget at 7.1 days. Inpatient pediatric patient days and discharges were below budget by 11% and 16%, respectively, for the fiscal year to date. Pediatric length of stay is above budget 7.8 days. Observation discharges are below budget by 10% year to date. Case mix index is higher than prior year by 2.7% at 2.11 year to date. Outpatient clinic visits are 2% below budget and 3% lower than prior year to date. Emergency department arrivals are below year to date budget and prior year by 5% and 6%, respectively. Behavioral health patient days are under budget by 1% and behavioral health clinic visits are above budget by 2.5% year to date. Net margin through October 2023 is negative at -$31.4 million with zero set aside for capital investment. Total Operating revenues are negative compared to year to date budget and slightly above prior year. Operating expenses are over budget by $22 million, primarily in employee compensation and benefits and medical supplies. Non-operating revenues are in line with the budget.

Native American Liaison: The Native American Health Services (NAHS) Team has worked diligently to coordinated events within UNMH for Indigenous Peoples' Day (10/9/23) and Native American Heritage Month (November) to honor Native American history, culture, beliefs, and traditions. UNMH hosted a successful 2nd Annual Native American Market on the BBRP Plaza on 11/3/23, we welcomed local Native American Artists to come and share their talents with UNMH Staff, Patients, and community members. The NAHS Liaison team has coordination the following upcoming external events within the Tribal communities; 11/16/23 Pueblo of Pojoaque Community Meeting, 11/21/23 Northern Navajo Medical Center (IHS) Meeting, 11/29/23 Crownpoint IHS Meeting, and 12/14/23 Chinle IHS Meeting.

Bernalillo County: Since assuming clinical operations at the Metropolitan Detention Center UNMH has made some significant operational changes including increasing clinical supervision of the detox program, and updating the medical administration process. Based on the initial work at MDC it was jointly agreed by UNMH and Bernalillo County, that it would make sense for UNMH to assume the role of being the Suboxone provider at MDC from Recovery Services of New Mexico (RSONM) effective December 15, 2023. This is when the current contract with RSONM ends. The change will allow for better continuity of care for patients on Suboxone.

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Date: November 17, 2023
To: UNM Hospital Board of Trustees
From: Steve McLaughlin, MD
UNMH Chief Medical Officer

Bylaws and Rules and Regulations Updates: UNMH and SRMC Integration

With the merger of UNMH and SRMC, a single set of Medical Staff Bylaws and a single set of Medical Staff Rules and Regulations must be in place prior to January 2024, or the institution as a whole, defaults to the current UNMH Bylaws. The Bylaws Taskforce convened in July 2023 with assistance of our consultant, Chartis Clinical Quality Solutions, has merged the Bylaws and made changes to meet regulatory and legal standards as well as better reflect national medical staff standards. The Medical staff and the UNMH BOT Quality and Safety Committee have voted and approved the new Bylaws.

Bylaws will be presented at today's UNM Hospital Board of Trustees Meeting for acknowledgement as approved at the October 20, 2023 UNMH BOT Quality and Safety Committee Meeting.

In addition, the same task force has prepared revisions to the Rules and Regulations which will be voted on by the MEC this month.

Bylaws Taskforce

- UNMH: Steve McLaughlin, Jennifer Gibbs
  Alisha Parada, Alex Rankin, Erik Kraai
- UNMMG/SRMC: McKenzie Lake
- SRMC: Matthew Wilks, Christopher Guest, Sara Assaf
- SOM: Betty Chang, Joanna Fair
- Service Chiefs: Christopher Arndt
- Faculty: Jay Raval, Maria Montoya, Kathleen Reyes, Eva Angeli
- UNM Legal: Jennifer James
- MSS Staff: Alison Webster, Elizabeth Peters

Timeline

- 8/21-9/14 – Listening and Feedback Sessions
- 9/15 – Final draft bylaws to MEC
- 9/20 – MEC Vote
- 10/4 – Ballot posted for medical staff
- 10/17 – Completion of medical staff vote
- 11/17 – BOT Vote

Group	Date	Time
Clinical Service Chiefs	8/22	0700
Pediatrics	8/22	1200
SRMC Town Hall	8/23	1200
SRMC Town Hall	8/25	0700
Clinical Service Chiefs	8/29	0700
Dean's Advisory Committee	8/30	1200
OBGYN	8/30	0700
Neurosurgery	8/31	0730
Internal Med GR	8/31	1230
APP leadership	8/31	1230
Anesthesia	9/1	0630
UNMMG	9/5	0900
Radiology	9/5	1200
Orthopedics	9/6	0730
Surgery/Dental	9/6	1700
Dermatology	9/6	1700
Pathology	9/7	0900
Ophthalmology	9/8	0700
Neurology	9/8	1000
APP UNMH	9/11	1200
APP UNMH	9/12	1200
Psychiatry	9/12	1200
UNMMG	9/12	1300
Emergency Medicine	9/13	1000
FCM	9/13	1600

UNMH Provider Orientation

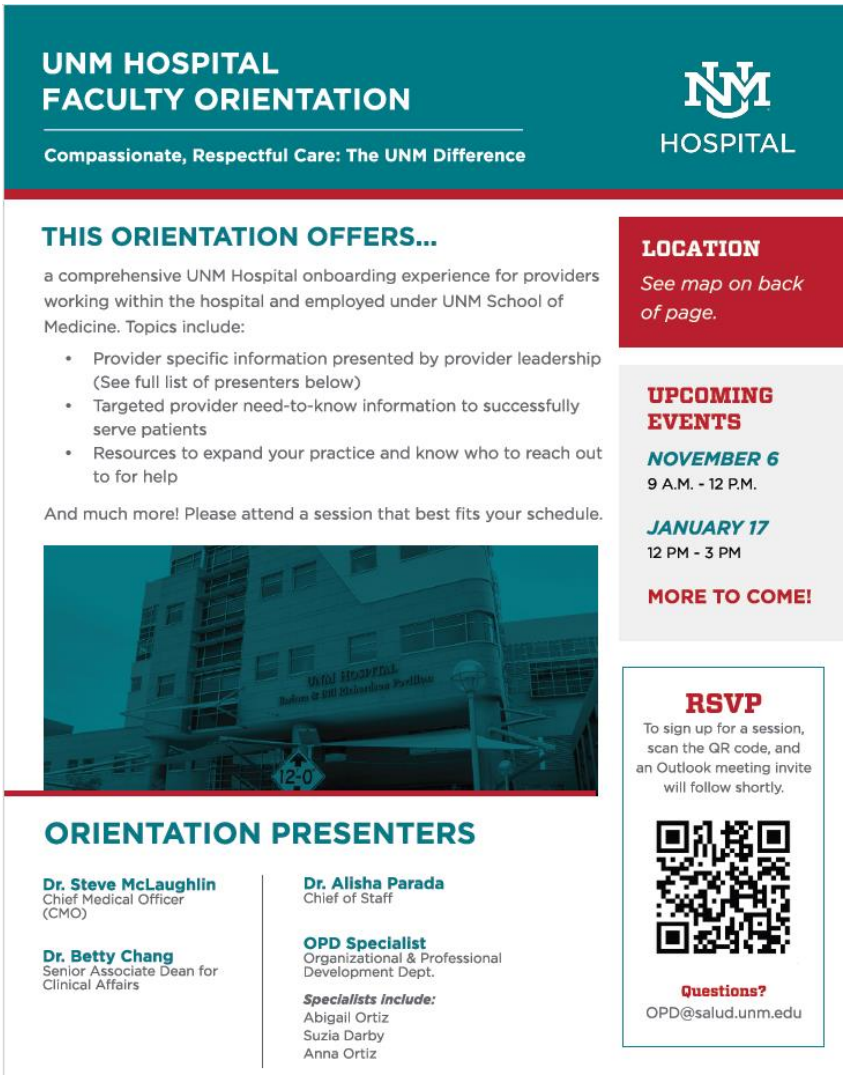
Averaging 12 new providers per session!

Departments Represented:

- FCM
- OB GYN
- EM
- Neurology
- Dental
- Anesthesiology
- Pathology
- Internal Medicine
- Pediatrics
- Neurosurgery
- Surgery

Topics Include:

- History of UNMH and 1952 Contract
- Mission
- Culture of UNMH
- Peer Review
- Quality
- Medical Staff
- Legal
- Clinical
- Support



Clinical Team Priorities

1) Communication Leadership

NM HOSPITAL

2) Patient Experience

- Environment of Care
- Provider/Staff Wellness
- Access
- AIDET
- Commit to Sit
- Health Literacy

NM HOSPITAL

3) Length of Stay

NM HOSPITAL

LOS Impact - AHRQ

- Quality + Safety
- Financial
- Patient Experience
- Access

Reducing LOS may lead to reduced hospital-acquired patient complications (e.g., healthcare-associated infections, falls, medication errors)

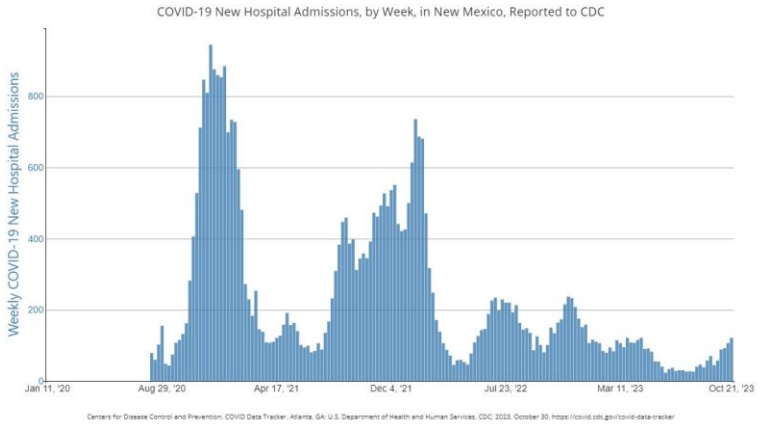
Reduced costs for patients and healthcare systems resulting in improved operational margins for hospitals.

Shortened LOS may positively affect both patient and staff experience.

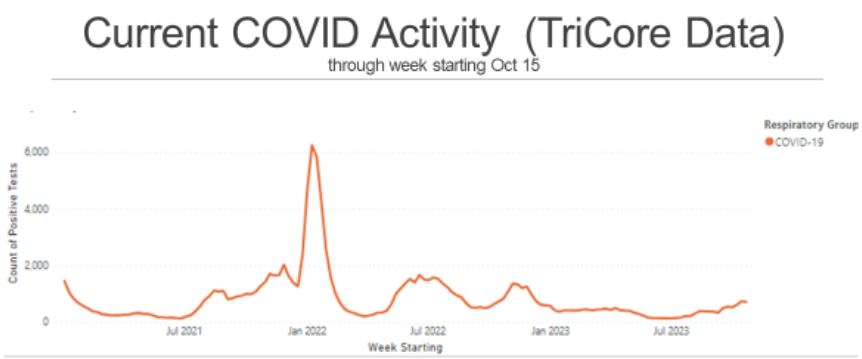
Creates additional capacity within the inpatient setting which increases access to services.

NM HOSPITAL

Viral Respiratory Season Updates

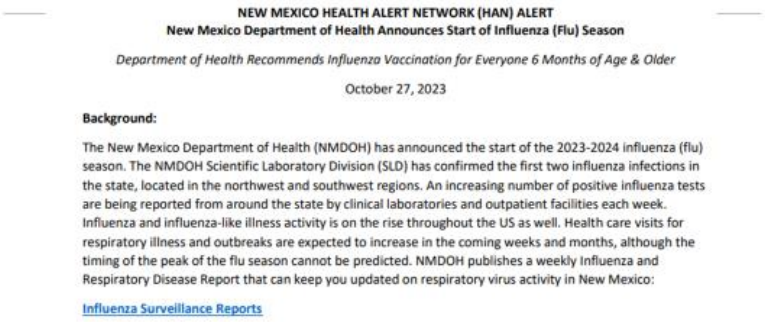


Centers for Disease Control and Prevention. COVID Data Tracker. Atlanta, GA: U.S. Department of Health and Human Services, CDC; 2023. October 30. https://covid.cdc.gov/covid-data-tracker



Sustained increase, ongoing increase, no plateau yet
(Aug – Oct)

NM HOSPITAL



NEW MEXICO HEALTH ALERT NETWORK (HAN) ALERT
New Mexico Department of Health Announces Start of Influenza (Flu) Season

Department of Health Recommends Influenza Vaccination for Everyone 6 Months of Age & Older

October 27, 2023

Background:

The New Mexico Department of Health (NMDOH) has announced the start of the 2023-2024 influenza (flu) season. The NMDOH Scientific Laboratory Division (SLD) has confirmed the first two influenza infections in the state, located in the northwest and southwest regions. An increasing number of positive influenza tests are being reported from around the state by clinical laboratories and outpatient facilities each week. Influenza and influenza-like illness activity is on the rise throughout the US as well. Health care visits for respiratory illness and outbreaks are expected to increase in the coming weeks and months, although the timing of the peak of the flu season cannot be predicted. NMDOH publishes a weekly Influenza and Respiratory Disease Report that can keep you updated on respiratory virus activity in New Mexico:

Influenza Surveillance Reports

NM HOSPITAL

Chief of Staff

UNMH BOT Committee Reports

Closed Session