



**Regular Meeting of the Board of Directors
Minutes
April 11, 2018
8:00 – 10:00 a.m.**

D DIRECTORS PRESENT: Martha McGrew, M.D. (Vice-Chair)
Michael Richards, M.D. (Chair)
Gary Mlady, M.D.
Melissa Ivers, D.M.D.
Loretta Cordova De Ortega, M.D. (Conference Call)
Kendall Rogers, M.D.
Chris Pacheco

DIRECTORS ABSENT: Steve McLaughlin, M.D.
Robert Schenck, M.D.

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

OFFICERS ABSENT:

OTHERS PRESENT: Erica Sanchez Hamilton
Catie Russell
Rebecca Ruddell
Debbie Begay
Diana Eells
Sharon Nir
Kristin Gates
Summer Bloise
Angela Hawthorne

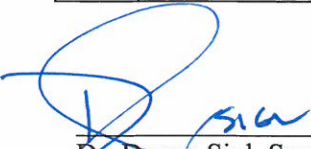
1.0	Called To Order and Confirmation of Quorum	Action
	A quorum being established, Chairman Dr. Michael Richards called the meeting to order at 8:07 a.m.	
2.0	Opening Comments	Action
	None	
3.0	Vote to Approve the Minutes of February 14, 2018	Action
	Chairman Richards called for a motion to approve the minutes from the February 18th, 2018 Board Meeting to the Board for approval.	The motion to approve the minutes of the 2/14/18 Board of Directors meeting passed by unanimous vote (1 st Dr. Cordova de Ortega; 2 nd Dr. Mlady).
4.0	Public Comment	Action
	None	
5.0	Report from Audit & Compliance Committee	Action
	None	
6.0	Report from the Finance Committee	Action
6.1	Chairman Richards called for a motion to approve the March 7, 2018 and April 4, 2018 Finance Committee meeting minutes.	<ul style="list-style-type: none"> ▪ The motion to accept the 3/7/18 and 4/4/18 Finance Committee meeting minutes passed by unanimous vote (1st Dr. Mlady; 2nd Dr. Ivers). ▪ The motion to approve the 340B - \$980,000, non 340 Drugs - \$980,000, and medical supplies -\$60,000 for the Truman Health Services Outpatient Pharmacy from Cardinal Health passed by unanimous vote (1st Dr. Mlady, 2nd Dr. Rogers) ▪ The motion to approve the FY19 Budget passed by
6.2	Chairman Richards turned the meeting over to Marjorie Goldstein, who reviewed the Truman Health Services – Cardinal Health – Approval for costs in excess of budget memo with the Board. The memo was submitted for approval for additional \$985,000 to fund purchases of 340B Drugs in the outpatient pharmacy, \$985,000 to purchase non 340B Drugs in the outpatient pharmacy, and \$60,000 to purchase medical supplies – Pharmacy for the Truman clinic through the remainder of FY2018 from Cardinal Health. The Finance Committee has approved the requested purchases of 340B, non 340B Drugs, and medical supplies.	
6.3	<p>Jill Klar provided a brief overview of FY2019 Budget. The Budget consisted of 5 areas of focus which were: SOM Core, SRMC Provider Activity, UNMMG Clinics, UNMMG Management Company Costs, and Health System Budget.</p> <p>Marjorie Goldstein reviewed the FY19 Budget with the Board. Key metrics included:</p> <ul style="list-style-type: none"> ▪ wRVUs – 4.7% increase from FY18 = 153,587 ▪ Net patient service revenues – 5.0% increase from FY18 = \$9.9M ▪ Core FOM collections per wRVU flat year over year at \$47.49 (0.8% increase from FY18) ▪ Operating Expenses – 4.5% increase from FY18 = \$1.1M ▪ Purchased Services – 5.1% increase from FY18 = \$6.6M 	

	<p>Key assumptions/issues:</p> <ul style="list-style-type: none"> ▪ \$2.0M additional dean’s tax which was implemented in FY 2018 and was budgeted to continue in FY19 ▪ Reimbursement: <ul style="list-style-type: none"> ○ Medicare adjustments = -\$0.5 million ▪ Upper Payment Limit budgeted with similar run rates to FY 2018 ▪ Budgeted volumes for SOM Core and SRMC align with departmental and hospital budgets ▪ 1% salary increase budgeted for FY19 ▪ Medical Group Clinics <ul style="list-style-type: none"> ○ Core Clinic visit increase of 7.6% = 2,264 visits ○ Transition of Cardiology Clinic to SRMC = -2,475 visits ○ Spine Clinic visit increase of 403% = 12,159 visits and the clinic will be moving to a larger space. ○ Includes physician, midlevel and therapy activity. ▪ Management company expenses increase primarily due to: <ul style="list-style-type: none"> ○ IT costs: <ul style="list-style-type: none"> ▪ Costs allocated to UNMMG, but previously paid by UNMH and migration to new GE operating platform. ○ Investment in data and analytics to better support increasing demands on Medical Group staff ○ Strengthen infrastructure to support physician recruitment for UNMMG hires ○ Consulting costs for the expansion of UPL to Medicaid managed Care <p>Marjorie also reviewed the Income Statement with the Board which shows a breakeven bottom line.</p>	<p>unanimous vote (1st Dr. Mlady, 2nd Dr. Cordova de Ortega)</p>
6.4	<p>Marjorie Goldstein presented financial results through February 2018. Highlights included:</p> <ul style="list-style-type: none"> ▪ wRVUs are 3.4% above prior year, 2.9% below budget. ▪ Collections are 1.9% below prior year, 9.9% below budget. ▪ Gap between budgeted collection variance and wRVU variance is 7% (compared to 4.8% at the end of January), or approximately \$8.7 million. <ul style="list-style-type: none"> ○ Recoverable items identified = \$4.3 million, Accounts Receivable and underpayments from Molina HIX. ○ Non-recoverable items identified = \$3.7 million, BCBS Commercial rates budgeted too high, high level budget revenue adjustments asked of UNMMG, estimated impact if payer mix shifts, and increase in bad debt write-offs. ○ Coding practices, billing levels, and recoverable items were discussed by the Board. The Operations Committee will address such issues. ▪ Clinic losses of \$1.3M - \$200K more than budget. 	<ul style="list-style-type: none"> ▪ The motion to accept the financial highlights passed by unanimous vote (1st Dr. Mlady; 2nd Dr. Rogers).
7.0	<p>Report from Operations Committee</p>	<p>Action</p>
7.1	<p>Chairman Richards called for a motion to approve the February 28, 2018 and March 21, 2018 Operations Committee meeting minutes.</p> <p>Dr. Gary Mlady, Vice Chair of the Operations Committee, gave the Operations Committee report. The report entailed:</p> <ul style="list-style-type: none"> • Medical Student Documentation: Operations Committee is tracking this topic. • Revenue Cycle Update: Improved non-billable (Group 4) processes, underpayment and authorization issues, top denial issues, and UH will be attending the meetings going forward. 	<ul style="list-style-type: none"> ▪ The motion to accept the 2/28/18 and 3/21/18 Operations Committee meeting minutes passed by unanimous vote (1st Dr. Cordova de Ortega; 2nd Dr. Ivers).

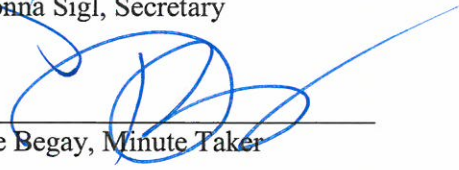
<p>7.2</p>	<ul style="list-style-type: none"> • Data and Analytics Integration Steering Committee: Goals and purpose of the committee were discussed. • Huron Engagement: Updated provided by Dr. Richards. The engagement will also assist the organization in revenue enhancement, expense reductions, and advancement of all organization’s missions. • Future topics to address include: Underpayments, timely filing, Medical Group dashboards, SRMC clinical activities, operational issues regarding decision making that need to be reviewed (i.e. centralized scheduling), Huron assessment updates, and SRMC budget. <p>The clinic dashboards will be presented on a monthly basis and the overall Medical Group BIG 8 dashboard in relation to the Health System UOP will be reviewed on a quarterly basis.</p> <p>Rebecca Ruddell provided the Clinic Operations Update. Updates included:</p> <ul style="list-style-type: none"> • Billed visits are flat 3.32% MoM and YTD, and the no show rate is 10%. Next available is 14 days, over budget at 44%. • No show rate over budget by 10% at 11%. There is no standardized process for patient reminders. Best practice would be a cellular text system. • Highlights: Next available at 14 days down from 17 days, no show at 11% down from 14%, bump and cancellations under budget by 33%, and all clinics saw increase in visits, above budget except for CFL. 	<ul style="list-style-type: none"> • The motion to accept the Operations Committee report passed by unanimous vote (1st Dr. Ivers, Dr. Cordova de Ortega).
8.0 Chief Executive Officer and Interim Chief Medical Officer Report		
<p>8.1</p> <p>8.2</p>	<p>Jill Klar presented the CEO report:</p> <ul style="list-style-type: none"> • Acknowledged and thanked Dr. McLean for stepping into the Interim CMO role. • FY19 Budgets • Clinic Operations Deep Dive at the SBHC, Truman, CFL, CRH, and Transition Cardiology to SRMC. • New clinic initiatives and/or expansion of existing clinics: Lobo Athletics, UNM West Behavioral Health, Sandoval County Primary Care (SRMC collaborative), CFL, Center for Spine Health, Dermatology, and Allergy. • IT Operating Platform and GE IDX pending changes • Physician Staff Recruitment: Process is being developed in collaboration with SOM and will be reviewed and approved by Health System leadership. • Huron Engagement • Data and Analytics and Integration Initiative: Tableau selected as BI tool. • CPE: Developing Quick Reference Guide and transition MG dashboard into Tableau. • Operations Committee is up and running • Sellers Dorsey, exploring opportunity for UPL expansion and increased reimbursement for physicians. Contract to be effective May 1st. • Key leadership and role changes/expansion: CMO, Revenue Cycle – J.P. Montoya, Clinic Operations – Rebecca Ruddell, Finance, and VP Strategy and Business Development – Erica Sanchez Hamilton. <p>Dr. Robb McLean provided the CMO report:</p> <ul style="list-style-type: none"> ▪ CMO Recruitment: Currently have 4 applicants and they will be interviewed. ▪ Physician Hires: SRMC Critical Care, Truman Endocrinology, Cancer Center – Silver City, OB/Gyn – Christus St. Vincent, Genesis. ▪ Clinical Documentation Policy: working with Purvi Mody and her team. ▪ Medical Director Dyad JD 	<ul style="list-style-type: none"> ▪ The motion to accept the Chief Executive Report and Interim CMO Report passed by unanimous vote (1st Dr. Rogers; 2nd Dr. Cordova de Ortega).

9.0	Resolution to Withdraw Proposed Fourth Amended Bylaws	
9.1	Chairman Richards provided a brief update on why the proposed Fourth Amended Bylaws will need be withdrawn. Dr. Roth advised that all proposed amendments to the Bylaws be re-reviewed and presented in one package. The Board will operate under the Third Amended and Restated Bylaws and withdraw the Fourth Amended Bylaws of the UNM Medical Group.	<ul style="list-style-type: none"> ▪ The motion to withdraw the proposed Fourth Amended and Restated Bylaws of the UNMMG and will continue to operate under the Third Amended and Restated Bylaws of the UNMMG passed by unanimous vote (1st Dr. Cordova de Ortega; 2nd Dr. Ivers).
10.0	Board Chair Report	
10.1	Chairman Richards reminded Board members that the Board meeting packet includes the Board Member Attendance record for 2017 and 2018 YTD.	
11.0	Physician Advisory Group Report	
	<p>Dr. Melissa Ivers, PAG Chair, presented the PAG Report:</p> <ul style="list-style-type: none"> ▪ PAG White Papers have been finalized. The CEOs, Drs. Richards and McGrew have created owners. Dr. Ivers thanked Jill Klar, Sharon Nir, and Debbie Begay with their efforts in keeping the momentum going regarding the White Papers. ▪ Dr. Crowell will provide an update regarding Quality at the next PAG session. ▪ Drs. Phillips and Lawrence will be addressing Physician Burnout at next month's PAG session. ▪ Dr. Rogers appointed Dr. Lu to the ITEC committee. To better connect frontline providers with the IT world. ▪ PAG will be connected to Committee of Chairs per Dr. McGrew's recommendation. ▪ Medical Student Documentation will try to be implemented as soon as possible. 	<ul style="list-style-type: none"> ▪ The motion to accept the PAG report passed by unanimous vote (1st Dr. Mlady; 2nd Dr. McGrew)
12.0	Vote to go into Executive Session	
	Chairman Richards called for a motion to close the Open Session and convene in Executive Session.	<ul style="list-style-type: none"> ▪ The motion to move into Executive Session passed by unanimous vote (1st C. Pacheco; 2nd Dr. Cordova de Ortega).
13.0	Vote to Reconvene in Open Session	
	<p>Chairman Richards called for a motion to reconvene the Open Session of the Board meeting.</p> <p>It was noted for the minutes that the Board reviewed, accepted and approved only those matters described in section 12.0 were discussed in Executive Session. If necessary, final action will be brought to those matters will be taken in Open Session.</p>	<ul style="list-style-type: none"> ▪ The motion to reconvene to Open Session passed by unanimous vote (1st Dr. Mlady; 2nd Dr. Cordova de Ortega).

14.0	Vote to Adjourn	
	<p>Chairman Richards called for a motion to adjourn the UNMMG Board of Directors meeting.</p> <p>Next Board meeting will be held on June 13, 2018, at 8:00 a.m. in Domenici Center West, Room 3010.</p>	<ul style="list-style-type: none"> ▪ The motion to adjourn the Board of Directors meeting passed by a unanimous vote (1st Mlady; 2nd Ivers). The meeting was adjourned at 9:54 a.m.



 Dr. Donna Sigl, Secretary



 Debbie Begay, Minute Taker