

New Mexico Hospitals: Pandemic Impact

New Mexico Hospital Association

Legislative Health and Human Services Committee

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Troy Clark

President and CEO
tclark@nmhsc.com

New Mexico Hospital Association (NMHA)

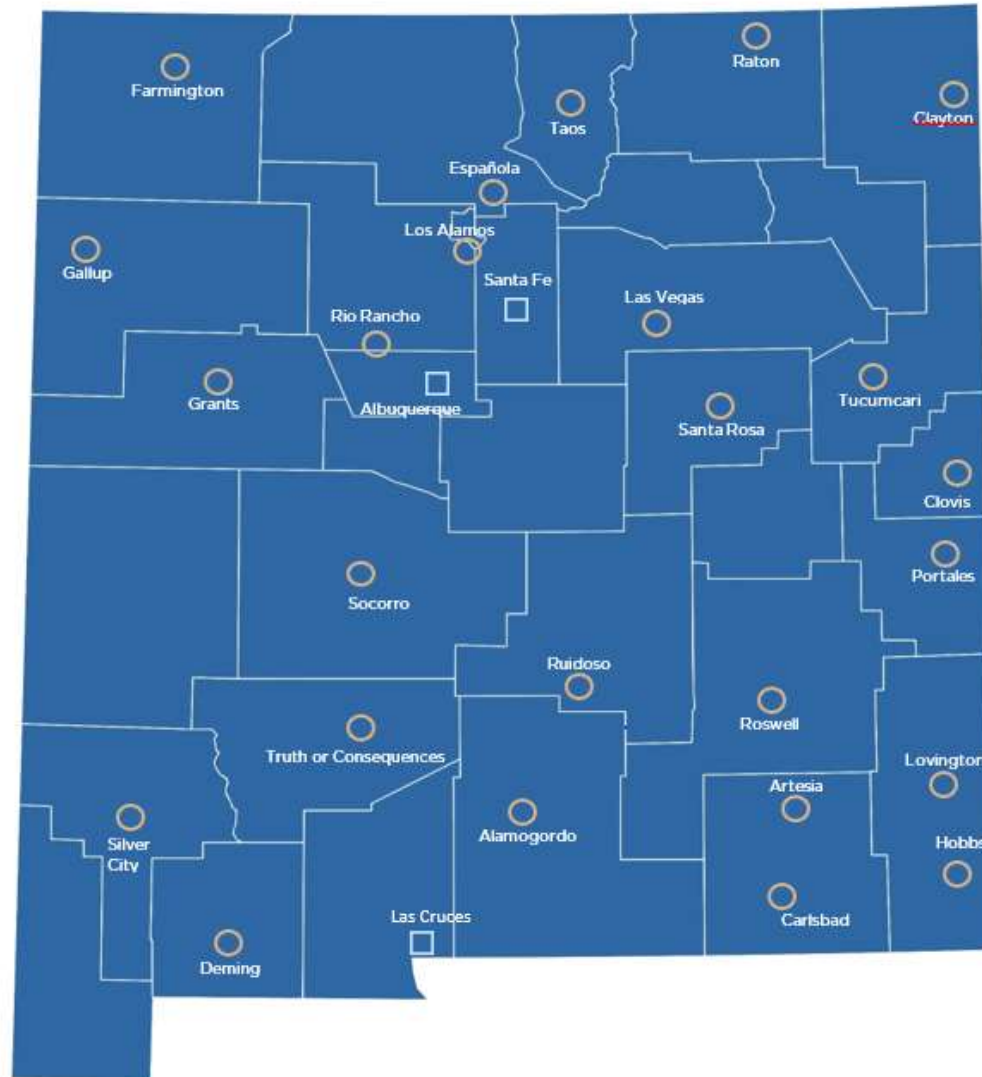


What is the New Mexico Hospital Association?

New Mexico Hospital Association (NMHA)

- **Trusted voice and resource** for reliable, accurate information on hospital practice, finance, workforce and data—all the complexities of healthcare
- **Thought leader and partner** that creates space for collaboration and innovative solutions by hospital members, government officials, organizations and stakeholders
- **Advocate and supporter** of 47 hospitals and the patients and communities they serve—and of hospital healthcare champions in public office. We advance public policy to create a healthier New Mexico by ensuring access to quality care.

NMHA Member Map



Christina Campos, MBA, FACHE

Administrator
ccampos@gchnm.org

Guadalupe County Hospital, Santa Rosa

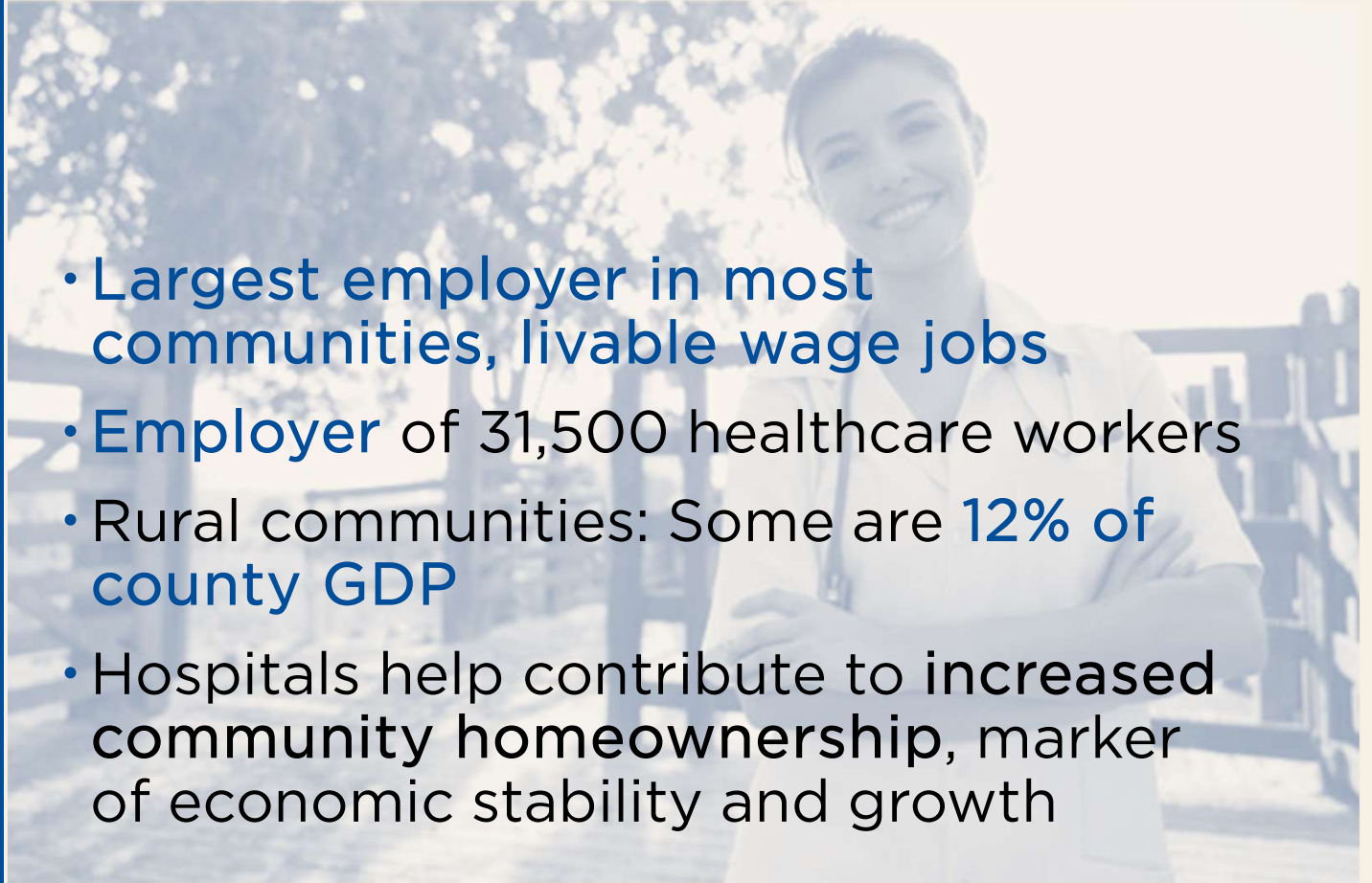


About New Mexico's Hospitals

- **Rural, urban, academic, specialty** (i.e., behavioral health, long-term care)
- **Private, nonprofit, independent** – ALL serve patients Medicaid, Medicare, private and uncompensated
- **Range of services, service lines** – emergency, inpatient and outpatient procedures, surgery, primary care clinics, school-based health clinics, behavioral health and substance use treatment, long-term care

NM Hospitals: State & Community Leaders

- Largest employer in most communities, livable wage jobs
- Employer of 31,500 healthcare workers
- Rural communities: Some are 12% of county GDP
- Hospitals help contribute to increased community homeownership, marker of economic stability and growth



Today's Focus: Our NM Hospital Community

- Hospital finance basics
- Covid financial impact and hospital response – Hospitals are on the frontline of Covid and its far-reaching impacts
- Our current health crisis has exposed our healthcare environment weaknesses and brought them to crisis levels. Strained workforce.
- What hospitals need is short-term relief and long-term solutions to address our workforce shortage

Hospital Budgets



Hospital Budgets

Hospital leaders need:

- Stability
- Predictability
- Staff

As they budget and set a vision and strategy for providing healthcare to their communities.

NM Hospitals, their clinicians and staff have had two-years of speed bumps, windy mountain roads and road closures.

Hospital Budgets

Fixed Costs

Labor

Staffing

Marketing

Pharmaceuticals

Malpractice Insurance

Equipment

Uniforms

Physicians

Grants

Education

Building

Variable Costs

Purchased Services

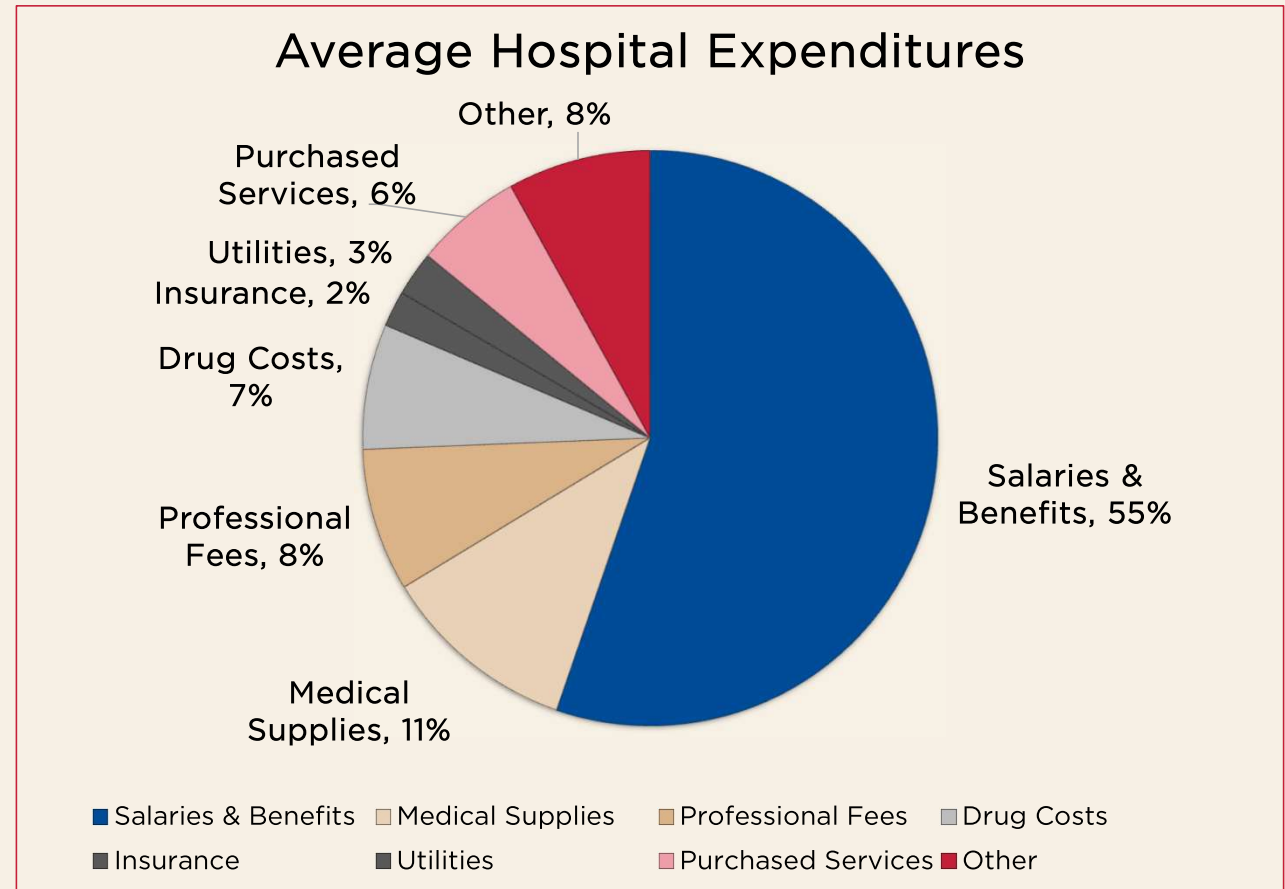
Community Benefit

Supplies

Supplemental Payments

Inventory

Hospital Costs: Healthcare is a People Business



Hospital Staff: It takes a team



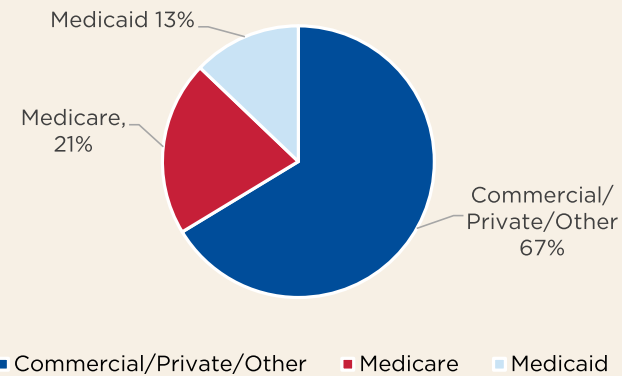
Hospital Revenue Sources

- Medicare
- Medicaid
- Commercial

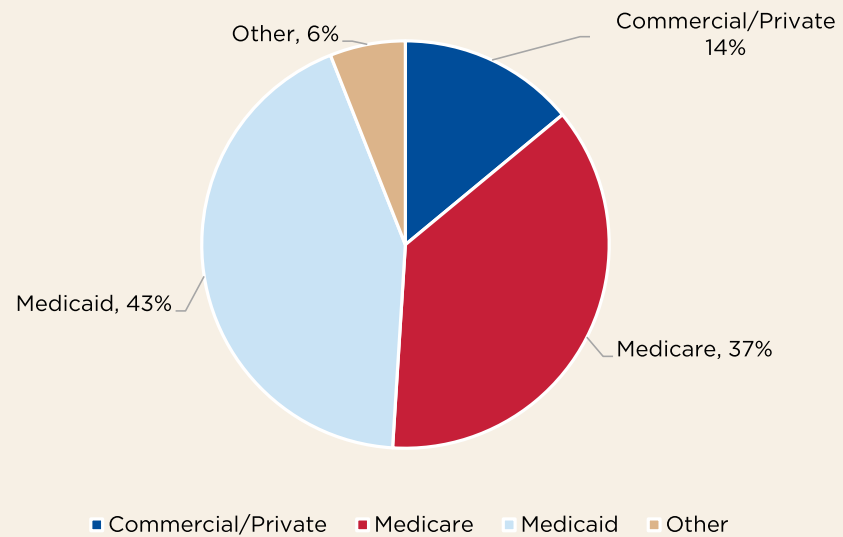


Hospital Patient Payer Mix

2020-USA



2020-NM



Hospital Revenue Sources

Medicare

Reimburses
90-100%
of COST

Medicaid

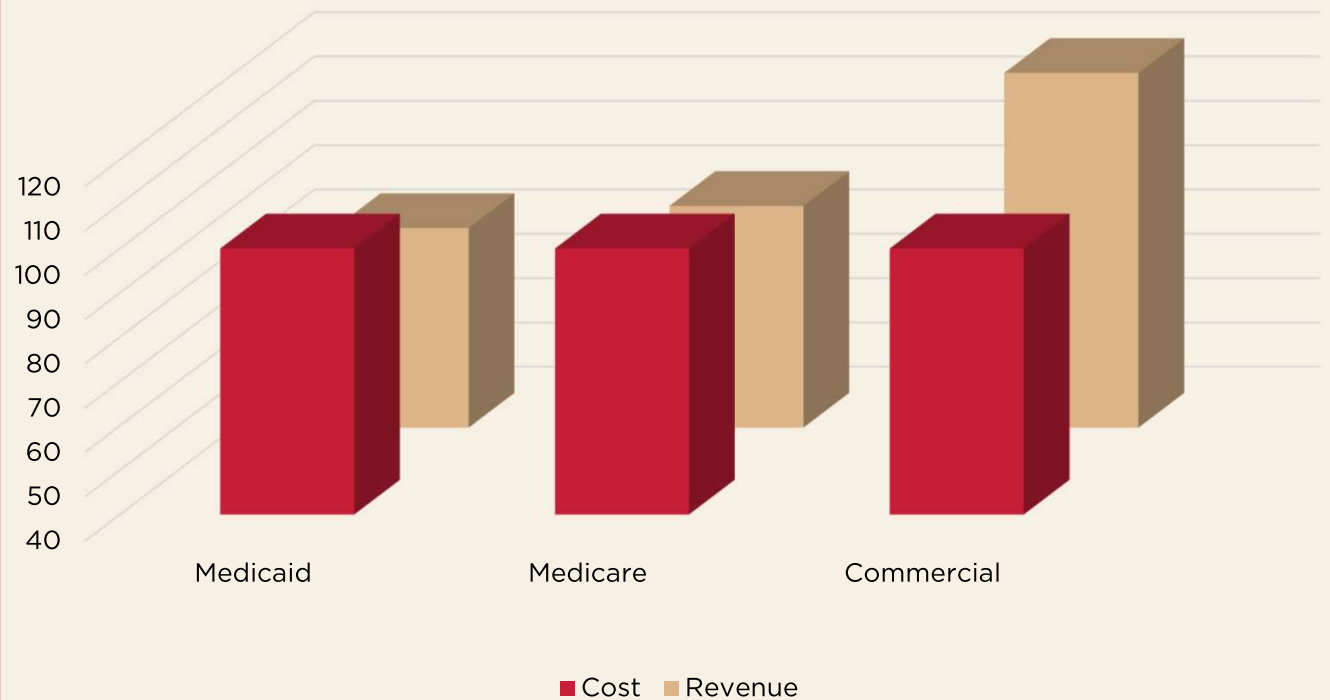
Reimburses
80-90%
of COST
without
supplemental
payments.

Commercial

Reimbursement
usually exceeds
cost but varies
greatly from
hospital to
hospital and
from payer to
payer.

Hospital Payers: Reimbursement

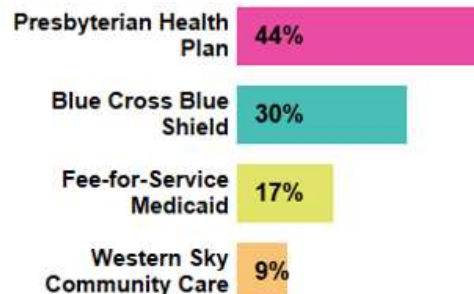
Cost for the Same Services does not Vary by Patient, but Revenue does Due to Payer



Medicaid Data

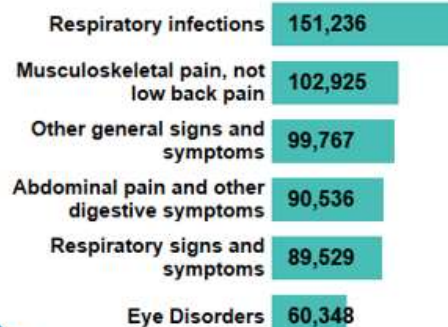
45%
of New Mexico
residents
are enrolled in
Medicaid
(947,000 enrollees)

Medicaid MCO Mix:

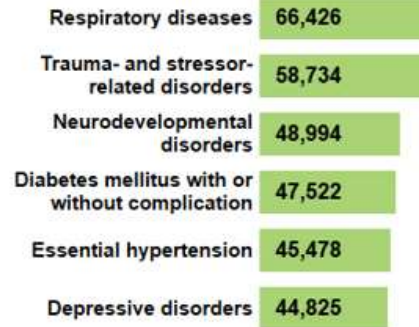


Health risks in New Mexico's Medicaid population

Acute



Chronic



Each year, NMHA member hospitals treat over 390,000 unique Medicaid patients.



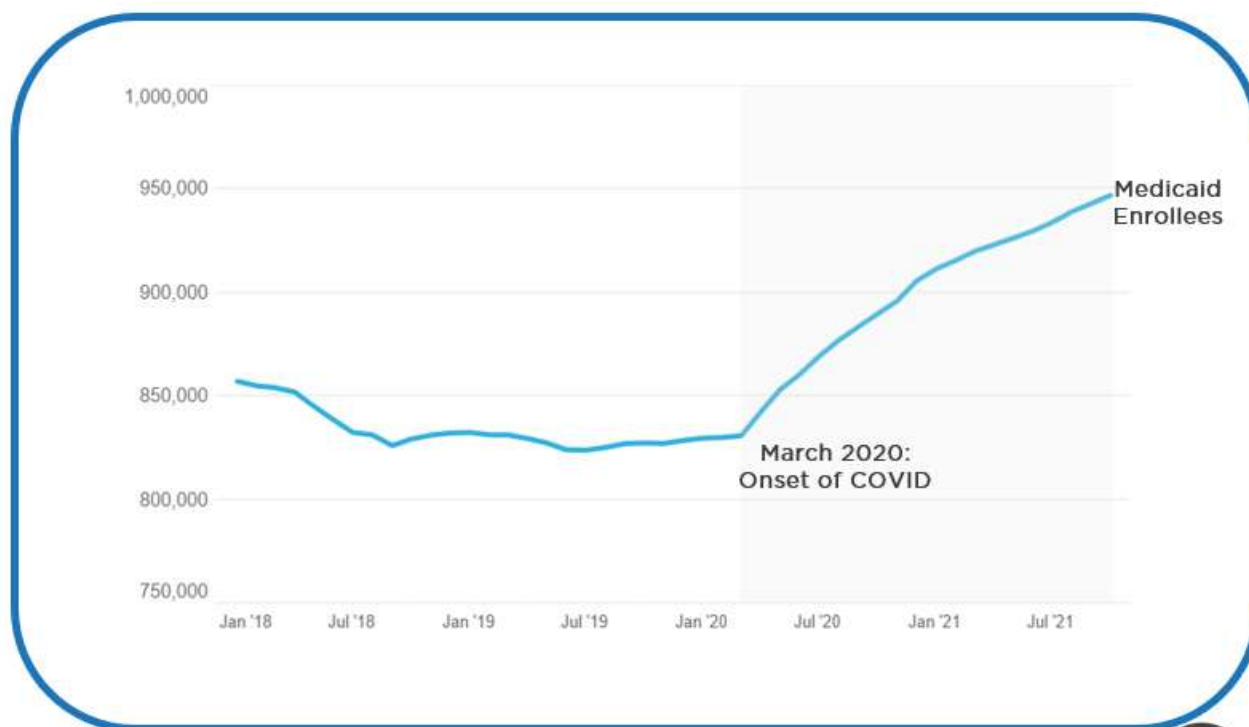
Effects of COVID-19 on Medicaid Enrollment

NM Medicaid enrollment is up 13.97% since March 2020, now with over 947,000 enrollees.

Some counties have seen even larger increases in Medicaid enrollment:

Lea: +24.29%
Curry: +21.72%
Eddy: +21.64%
Santa Fe: +19.13%
Torrance: +18.96%
Sierra: +18.85%

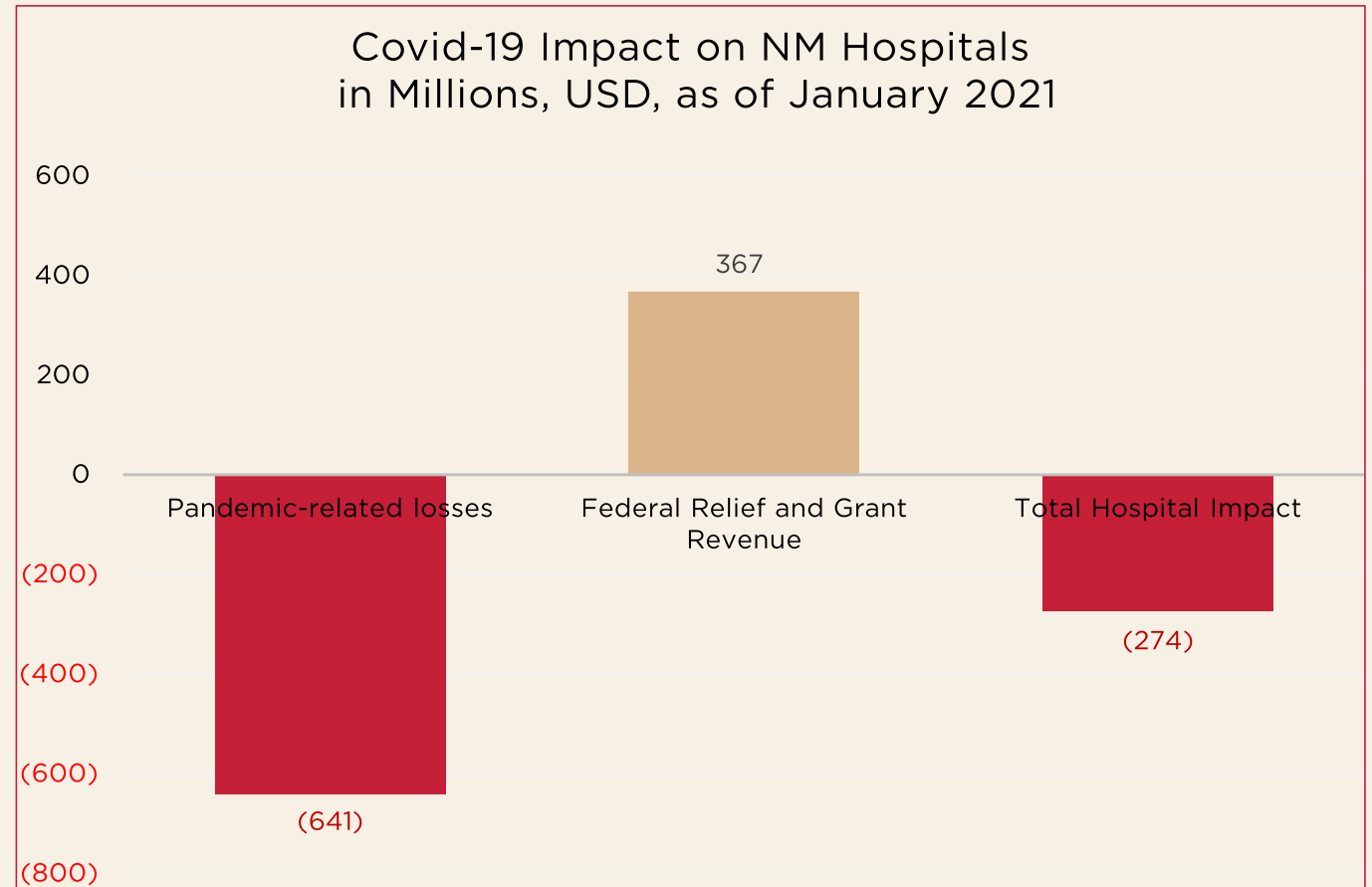
Source: [NM Human Services Department](#)



RS21 HEALTH LAB



Hospital Financial Losses



Tim Johnsen, RN, MBA, FACHE

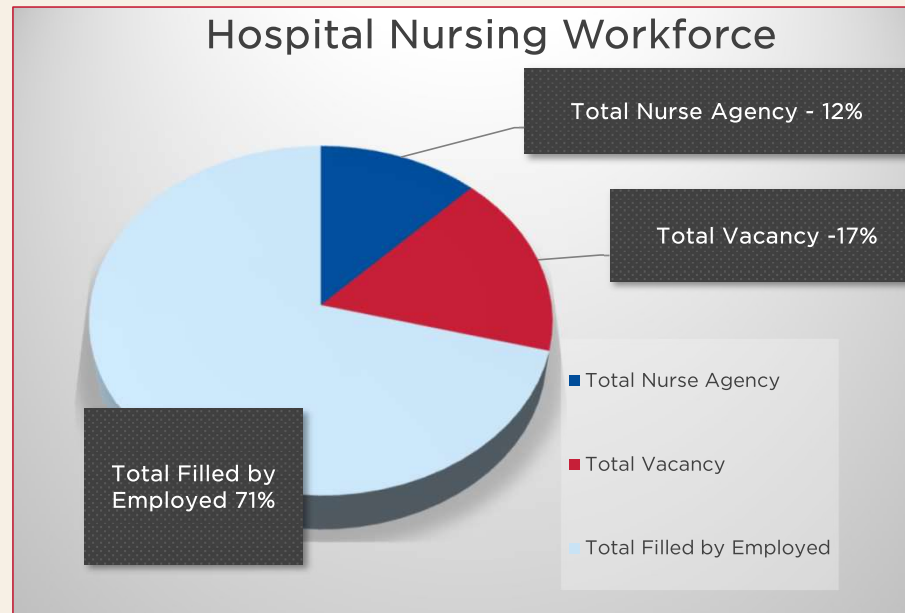
Senior Vice President and Chief Operating Officer
tjohnsen@phs.org

Presbyterian Healthcare Services



Hospital Nursing Workforce

Nurses are nearly impossible to find and keep.
Hospitals cannot sustain this.



- Nursing traveler contracts:
 - \$150-\$220/hour nurse
 - Pre-pandemic: \$70-\$80/hour nurse

- 30 facilities have had one or more nurses leave their jobs to become traveler/nurses, providing care in other states

Source: NMHA Member Survey: Hospital staffing status (Sept. 2021)

Hospital Workforce, cont.

Hospitals have beds but not enough staff for the patients who need them.

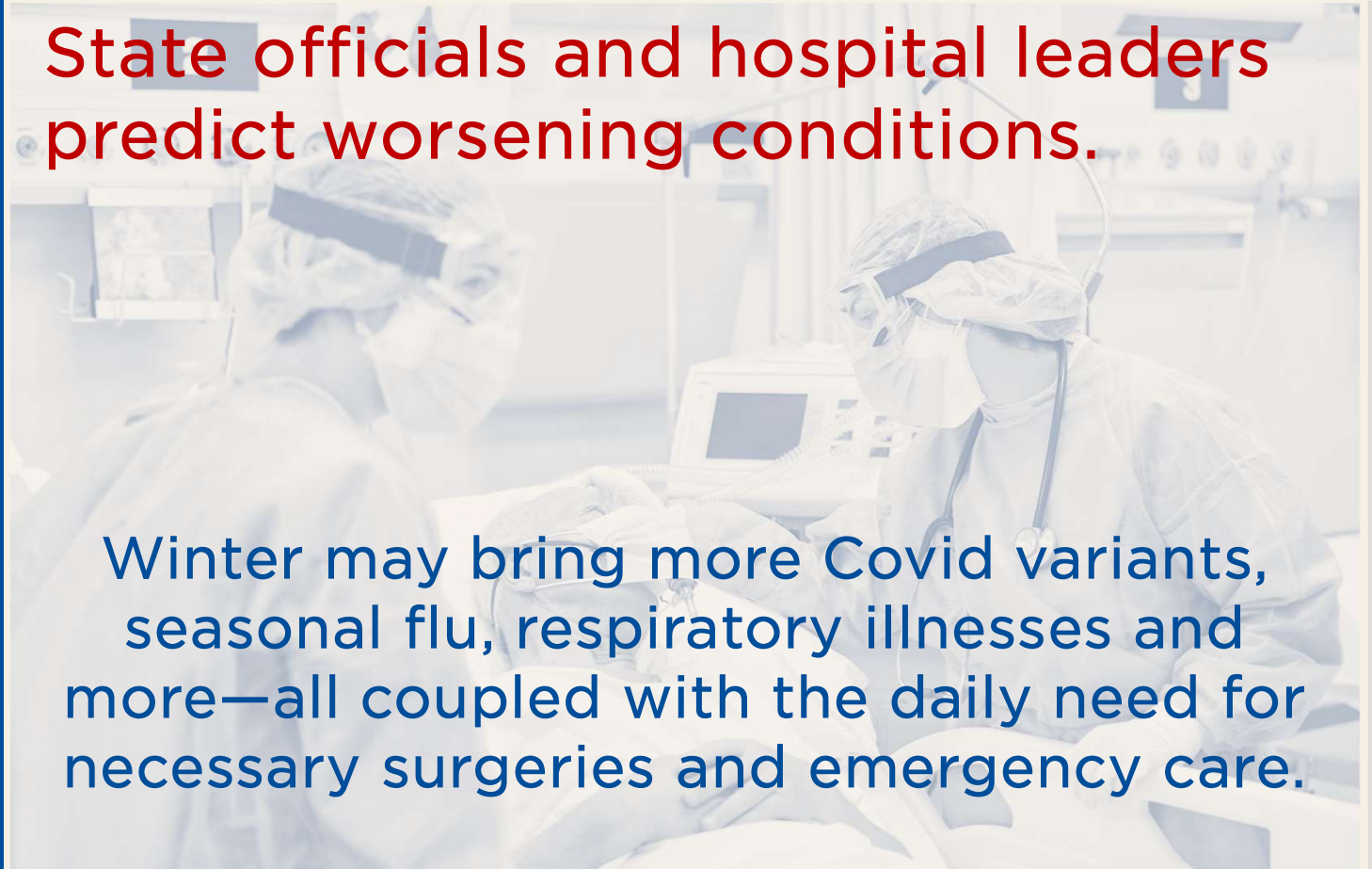
Over 450
hospital beds are not
available for patient care
due to lack of staffing.



Hospital Workforce, cont.

State officials and hospital leaders predict worsening conditions.

Winter may bring more Covid variants, seasonal flu, respiratory illnesses and more—all coupled with the daily need for necessary surgeries and emergency care.



Hospital Staff Support Response



Hospitals have done all they can to retain, recruit and support clinical staff.

- Bonuses, raises, childcare, housing, flex scheduling, recognition, staff only rest and recuperate areas, meals, etc.
- Lost staff, risk losing more – early retiring, staff with young families, loss to traveling agency work
- New training, cross train, shift staff to other roles
- Provide support, awareness training and care for moral injury and deep fatigue among healthcare workers

The work and strain has not let up. Now we head into winter.

Hospitals and their staff need your help.

Photo: Alta Vista Regional Hospital, Las Vegas, NM

Jamie Silva-Steele, RN, BSN MBA, FACHE

President and CEO and Chair, NMHA Board of Directors
jsilva@srmc.unm.edu

UNM Sandoval Regional Medical Center

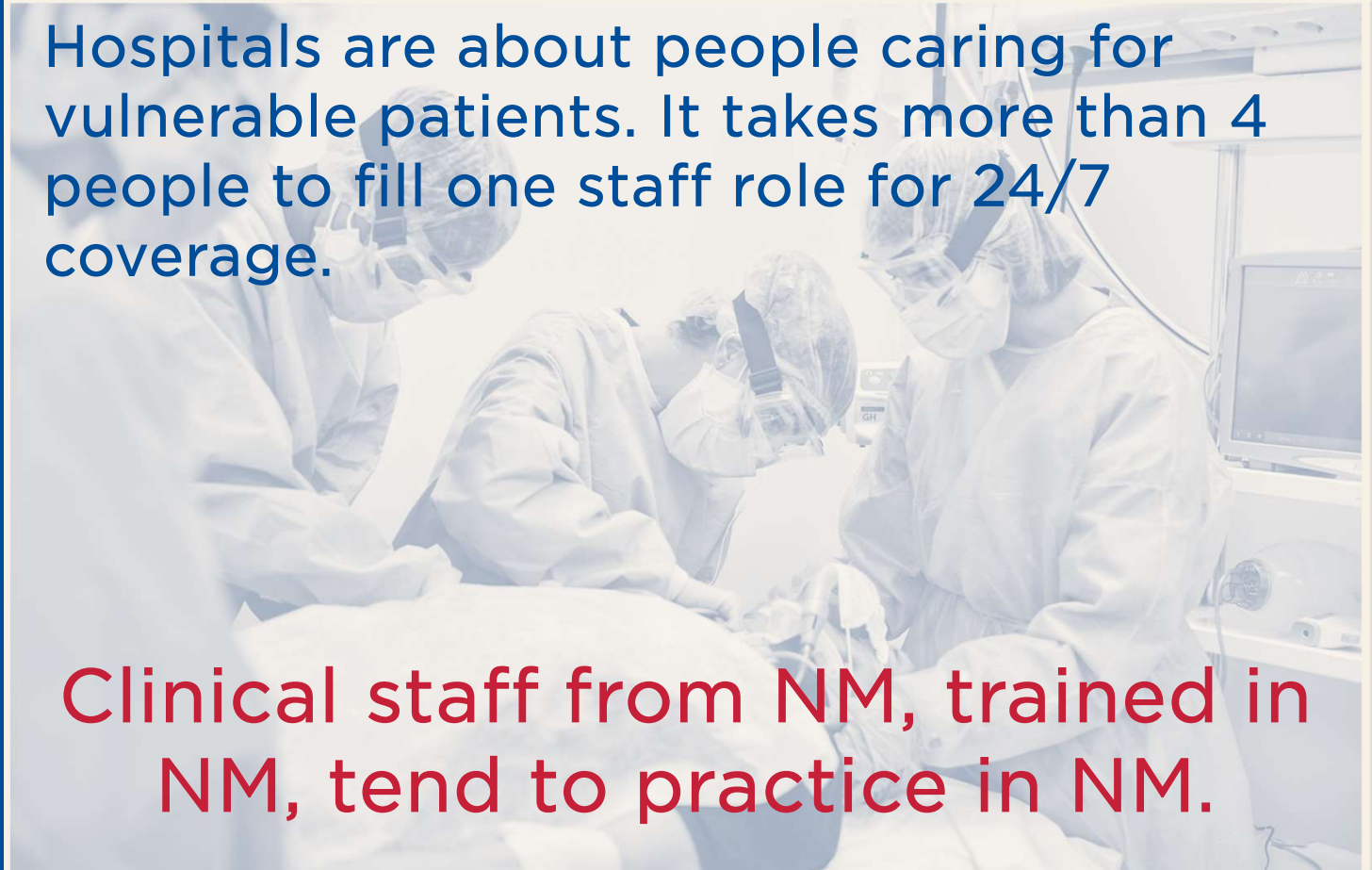


SANDOVAL REGIONAL
MEDICAL CENTER

New Mexico Healthcare Workforce Education

Hospitals are about people caring for vulnerable patients. It takes more than 4 people to fill one staff role for 24/7 coverage.

Clinical staff from NM, trained in NM, tend to practice in NM.



Nursing Education Support

NMHA supports the New Mexico Nurse Association's draft proposal to expand nursing education in our state.



Nursing Education Support

- \$15 million in reoccurring funds managed by the NM Department of Higher Education (HED).
- Distributed via competitive grant process for NM institutions of higher education
- Funds must be used to increase the number of nursing graduates at each school. HED would design a menu of items for which funds could be used.
 - (e.g., faculty and preceptor stipends, student and faculty stipends for travel and housing to encourage clinical training in rural communities, wrap around student services, I-BEST instruction.)
- Advisory group with local healthcare employers.
- Measure outcomes, show that funds did increase workforce practicing in NM.

Separate capital outlay request for simulation lab equipment, infrastructure

Hospital Needs:

2022 Legislative Session

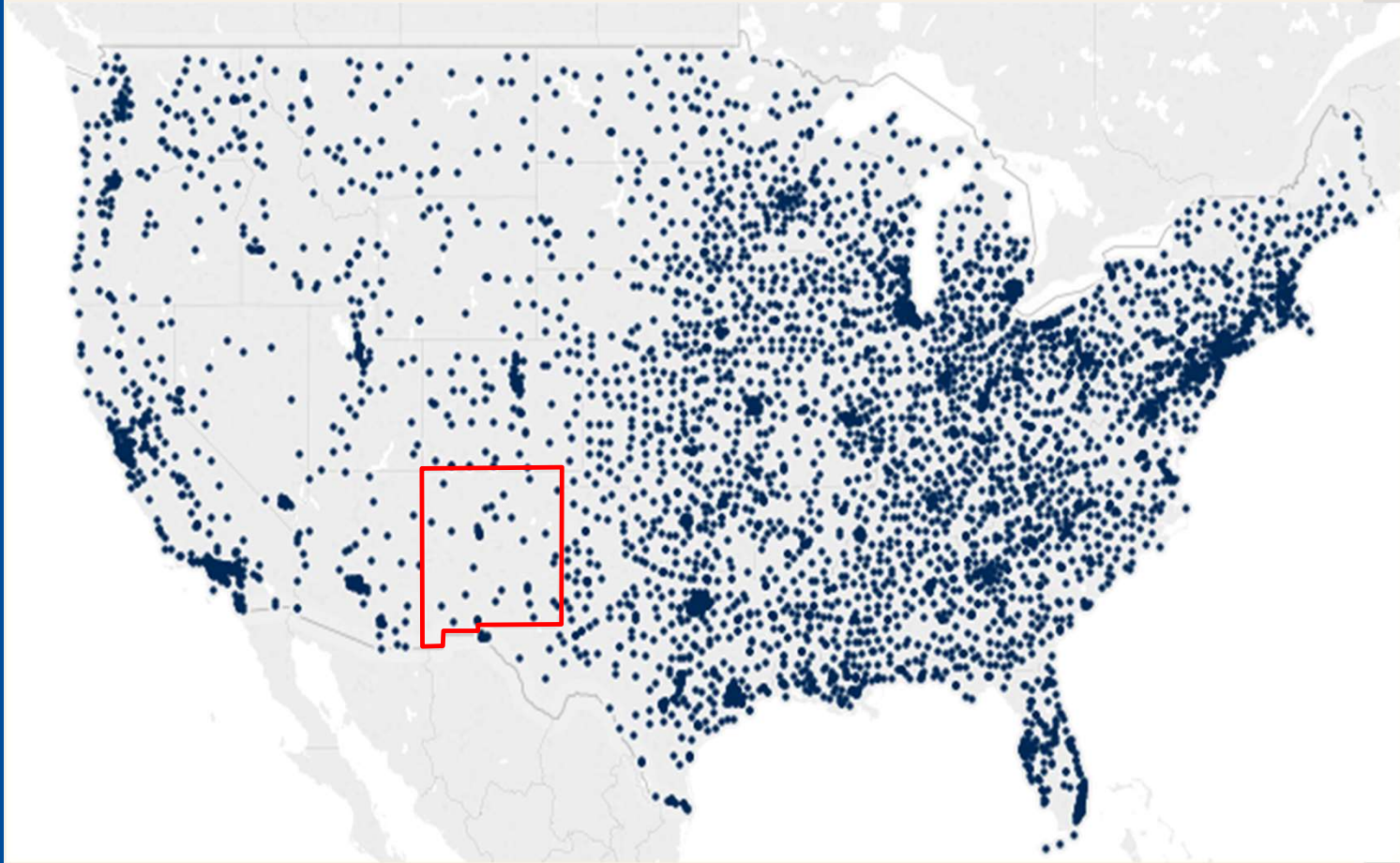
- **Workforce shortage relief**
 - Short-term – Funding to retain current workforce, recruit more through winter
 - Long-term - Support funding that expands nursing and allied health education programs.
 - **Recruitment. Retention. Growth.**
- **Behavioral health funding support**
 - Funding that sustainably increases access to BH services that are integrated and coordinated throughout the state
 - Tele-consult, group therapies, mobile crisis triage, etc.
 - BH transport service
- **HSD Budget / Medicaid rates**

Recap:

Our NM Hospital Community

- Hospital finance basics
- Covid financial impact and hospital response – Hospitals, their doctors, nurses and all staff are on the front line of Covid and its far-reaching impact
- Pandemic exposed our healthcare environment weaknesses and brought them to crisis levels. Workforce shortage.
- What hospitals need
 - Stability
 - Funding support for staff through winter and long-term through education

In NM,
financial
sustainability
IS access to
care.



Q&A



Thank you.

Contact:
Troy Clark, President & CEO
tclark@nmhsc.com

Pamela Blackwell, Director
Policy & Communications
pblackwell@nmhsc.com

New Mexico Hospital Association
7471 Pan American W Frwy NE
Albuquerque NM 87109

505.343.0010



Appendix



Hospitals by Congressional District CD 1

<u>Central Desert Haven Behavioral Health Center</u>	505-980-4582
<u>Haven Behavioral Hospital of Albuquerque</u>	505-254-4503
<u>Encompass Health Rehabilitation Hospital of Albuquerque</u>	505-563-4078
<u>Kindred Hospital of Albuquerque</u>	505-242-4444
<u>Lovelace Medical Center</u>	505-727-2801
<u>Lovelace UNM Rehabilitation Hospital</u>	505-727-4729
<u>Lovelace Westside Hospital</u>	505-727-2001
<u>Lovelace Women's Hospital</u>	505-727-6805
<u>Presbyterian Hospital</u>	505-724-7041
<u>Presbyterian Kaseman Hospital</u>	505-291-2114
<u>Presbyterian Rust Medical Center</u>	505-253-1143
<u>UNM Sandoval Regional Medical Center</u>	505-994-7000
<u>University of New Mexico Hospital</u>	505-272-2263

Hospitals by Congressional District CD 2

<u>Advanced Care Hospital of Southern NM</u>	575-521-6634
<u>Artesia General Hospital</u>	575-748-3333
<u>Carlsbad Medical Center</u>	575-887-4105
<u>Cibola General Hospital</u>	505-287-5301
<u>Eastern New Mexico Medical Center</u>	575-624-8722
<u>Gerald Champion Regional Medical Center</u>	575-443-7845
<u>Gila Regional Medical Center</u>	575-538-4100
<u>Guadalupe County Hospital</u>	575-472-3417
<u>Lea Regional Medical Center</u>	575-492-5103
<u>Lincoln County Medical Center</u>	575-257-8250
<u>Lovelace Regional Hospital - Roswell</u>	575-627-7000
<u>Memorial Medical Center</u>	575-521-2291
<u>Mesilla Valley Hospital</u>	575-382-6699
<u>Mimbres Memorial Hospital & Nursing Home</u>	575-546-1318
<u>MountainView Regional Medical Center</u>	575-556-7611
<u>Nor-Lea General Hospital</u>	575-396-6611
<u>Peak Behavioral Health Services</u>	575-589-3000
<u>Rehabilitation Hospital of Southern NM</u>	575-521-6416
<u>Sierra Vista Hospital</u>	575-743-1202
<u>Socorro General Hospital</u>	575-835-8700
<u>Three Crosses Regional Hospital</u>	800-421-8274

Hospitals by Congressional District CD 3

<u>Alta Vista Regional Hospital</u>	505-426-3930
<u>CHRISTUS St. Vincent Regional Medical Center</u>	505-913-5271
<u>Holy Cross Hospital</u>	575-751-5714
<u>Los Alamos Medical Center</u>	505-661-9158
<u>Miners' Colfax Medical Center</u>	575-445-3661
<u>Plains Regional Medical Center</u>	575-769-2141
<u>Dr. Dan C. Trigg Memorial Hospital</u>	575-461-7007
<u>Presbyterian Española</u>	505-753-1502
<u>Presbyterian Santa Fe Medical Center</u>	505-923-6333
<u>Rehoboth McKinley Christian Health Care Services</u>	505-863-7001
<u>Roosevelt General Hospital</u>	575-356-3412
<u>San Juan Regional Medical Center</u>	505-609-6110
<u>Union County General Hospital</u>	575-308-7682