

**From:** [Kathy Holian](#)  
**To:**  
**CC:**  
**Subject:** BCC Meeting - February 8, 2011  
**Date:** Monday, February 14, 2011 1:23:55 PM  
**Attachments:**

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Dear Santa Fe County residents,

Our last BCC meeting was a land use meeting. The land use cases themselves went fairly smoothly and quickly due to the fact that the hugely controversial case of the application by the UDV Church for a Master Plan Zoning approval of a facility in the Arroyo Hondo area was tabled. The reason that this case was tabled was that both sides in the case submitted large binders of information just before the meeting. Our land use staff must review this information so that they can present it to the Board in an understandable way when the case is heard. It is nearly impossible for the Commission to digest new information when they are hearing the case without having the chance to review it beforehand.

One land use case that was finally settled at the last meeting had to do with the PNM Substation in the Caja del Rio area that will be required to serve the Buckman Direct Diversion Project. I am pleased to say that the resolution to this case was acceptable both to PNM and to the nearby residents. PNM is going to build the smallest possible configuration needed to serve Buckman, and the location was moved slightly so that it will be built in a depression and, therefore, not readily visible to neighboring homes. It was worth it in the long run to continue tabling this case until a good compromise could be reached.

I will devote the rest of this communication to the information we received at the meeting about the County budget and, in particular, how that relates to the County's contribution to the Sole Community Provider (SCP) hospital in Santa Fe County: Christus-St. Vincent Hospital.

I would be very interested in hearing feedback from you on this issue. The amount that we will contribute has not yet been decided.

I have added several new people to this list. So, for those of you who are new, please feel free to pass along my messages to whomever you think might be interested. And if you do not want to remain on the list, please let me know.

Sincerely,  
-Kathy

## **County Budget Related to Health Care**

The County funds a number of different programs related to health care in one way or another.

The programs and the current level of funding for each are indicated below:

Health Administration.....	
\$ 283,822	
Indigent.....	
\$ 1,835,548	
Maternal and Child Health.....	
\$ 58,206	
Mobile Health Van.....	
\$ 209,828	
Senior Programs .....	
\$ 898,219	
County Fair.....	
\$ 207,610	
Jail Medical Care.....	
\$ 2,000,000	
Teen Court.....	
\$ 61,700	
<b>Subtotal.....</b>	
<b>\$ 5,554,933</b>	
Regional Emergency Communications Center.....	
\$ 3,406,525	
Sole Community Provider Contribution.....	
\$ 6,861,795	
<b>Grand Total.....</b>	
<b>\$ 15,823,253</b>	

The above requires some explanation:

"Health Administration" refers to the funds required to maintain the County's Health Department.

The item labeled "Indigent" is the County's contribution for indigent care to various local non-profit organizations in our area, like Women's Health Services and La Familia. There are about 20 non-profits to which we give contributions for care that they have provided without compensation to people who cannot afford to pay for it. These institutions all submit verified claims to the County and are then reimbursed up to some total limit (different for each institution).

The \$2 million for "jail medical care" is not the entire cost. Christus-St. Vincent has taken over some of the parts of the program, spending roughly an additional \$600,000 this last year.

The Sole Community Provider expense is for three hospitals: Christus-St. Vincent, Española, and Los Alamos. The contribution to Española Hospital for this fiscal year is \$145,000, and the contribution to the hospital in Los Alamos County is \$16,242.

**A very important point: The income to cover the above expenses is about \$9.72 million!** Of this, \$8.55 million is from two Special Revenue Gross Receipts Taxes (GRT): the Indigent GRT and the Emergency Medical Services GRT. There is also about \$1.17 million in income that the County's General Fund contributes.

This means that we are using roughly \$6.1 from our rapidly dwindling cash reserves to plug the gap for this fiscal year.

So for next year, we are looking at a number of options, and all of them significantly cut the contribution to Christus-St. Vincent (to between \$1 million and \$3.5 million). The different scenarios consider a number of different factors, including increased expenses to the County for picking up programs that Christus-St. Vincent currently funds. The amount recommended by the staff for our SCP contribution to the hospital for fiscal year 2012 is \$2.5 million. That number is considerably less than the \$6.5 million that the hospital received this fiscal year.

One important consideration for the Board of County Commissioners is that any Sole Community Provider hospital receives a 3-to-1 match from the Federal Government. This means that for every \$1 million that the hospital receives from the community, they will receive another \$3 million from the Feds. This puts a great deal of pressure on the Commissioners to give the maximum that they can,

But there are other considerations: If we use up our reserves, eventually we will have to cut all the smaller programs that receive funding from the County. My belief is that we get very good bang-for-the-buck in those programs. For example, the Mobile Health Van only costs around \$200,000 per year and serves many people in the rural areas who have a hard time getting even basic medical care.

Another consideration is that if we continue down the path of deficit spending, we will be forced into layoffs and furloughs (sooner rather than later probably). This will cut other County services that people depend upon in the community. The County has already cut back its budget by 15%. We have managed to do this and yet retain our existing service level. There is not much "easy" stuff left to cut.

As far as I know, Christus-St. Vincent has not had to cut its budget in the Recession. In fact, they are considering making a large purchase (Physicians' Plaza) to consolidate even more of the medical services in this community under their umbrella. (I am not sure that this is a good thing in any event. For one thing, certain women's reproductive services could be cut off if the Christus Corporation decides that it is against their "moral tenets.")

In my opinion, we should treat Christus-St. Vincent as we do all the other health providers to whom we give funds for indigent care. We should require them to submit claims and reimburse them at the same level that we apply to the others. If we did that at the level that claims are coming in this year from Christus-St. Vincent, our SCP contribution to the hospital would be \$2.5 million.

There are a couple of other options as well. For one thing, if our GRT income recovers in the future, and the hospital has higher claims than anticipated, we can do a mid-year supplemental increase.

The City of Santa Fe could enact a 1/8th % GRT and fund a portion of the SCP contribution. That way, the City could share the burden for what is, after all, a community service.

We could also enact an Indigent Mill Levy county-wide that would be dedicated income for indigent care in the County. This would have to be put before the voters and, thus, would let County residents make a statement as to whether indigent care is an important use of the taxes that are collected from County residents. This would also have the beneficial effect of freeing the income from the two gross receipts taxes that we currently have for other uses. (For example, the Indigent GRT can also be used for Jail-related medical care.)

I am very interested in your feedback on this issue. We will have to make a hard decision soon!

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