

## NAVAJO HEALTH FOUNDATION



### SAGE MEMORIAL HOSPITAL

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## FEDERAL COURT ORDERS I.H.S. TO FUND SAGE

*“Sage Hospital has conclusively demonstrated that it provides valuable high-quality healthcare services to members of the Navajo Nation.”*

Memorandum Opinion and Order (April 9, 2015), page 112

GANADO, AZ - In a 116-page opinion, the United States District Court for the District of New Mexico ordered the Indian Health Service to provide funding to Sage Memorial Hospital at prior levels, calculated by the Court to exceed \$18 million per year. The ruling vindicates Sage’s position that IHS violated federal law in refusing to continue contracting with Sage under the Indian Self-Determination and Education Assistance Act.



“Sage is extremely gratified that the federal court has devoted such energy and thought to this dispute,” stated Stenson Wauneka, the Chairperson of Sage’s Board of Directors. “Sage looks forward to reestablishing a sound, productive relationship with IHS for the benefit of our Chapter patient communities.”

The Court found that IHS had violated federal law in several respects in declining to extend Sage’s contract, including refusing technical assistance to overcome problems that IHS perceived in Sage’s management and basing its decision on legally irrelevant factors, many stemming from allegations from disgruntled ex-employees.

On page 106 of its decision, the Court recited the many awards and certifications received by Sage since 2009, including a “Best in Class” award to the Sage Board and the “Chief Executive Officer Managerial Excellence Award” to Sage’s former CEO, Ahmad Razaghi, and stated that the “weight of the evidence in the record suggests that Sage has offered exemplary care to its patients since at least 2009.”

“I commend the Sage Board of Directors, management, and staff for staying focused on providing the best quality health care to our patients and client communities during the past several months,” Wauneka concluded. “Sage hopes to build on the federal court’s decision to continue to improve and grow. We extend our special thanks to those Navajo leaders who supported Sage in the litigation, most notably Council delegates Lee Jack, Sr., Alton Joe Shepherd, Kee Allen Begay, Jr., and Raymond Smith, Jr.”

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MISSION STATEMENT

*Navajo Health Foundation – Sage Memorial Hospital, Inc. provides quality healthcare services in a fiscally responsible manner, focusing on the patient’s physical, social, and spiritual well-being.*

