

The regular meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday December 7, 2011 at McAlester Regional Health Center in the Administrative Boardroom. Public notice, setting forth thereon the day, time and place for this regular meeting had been delivered to the office of the City Clerk at 03:25 PM, on Tuesday, December 06, 2011.

TRUSTEES PRESENT:

Weldon Smith ~ Ray Dixon, MD ~ Don Lewis ~ L.M. Milton, MD, Chairman ~ Cara Bland, Vice-Chairman ~ Evans McBride ~ Mark Sehgal, MD, Chief of Staff/ Secretary ~ Anthony Washington ~ Charlotte Donathan

TRUSTEES ABSENT:

HOSPITAL STAFF:

David Keith, President/CEO ~ Sonya Stone, Executive Assistant ~ Helen Wheeler, Director of Foundation ~ Susan Williams, Director of Marketing ~ Kay Patterson, Director of IT ~ Melissa Walker, CFO ~ Ronnie Niolet, VP of Patient Care Services ~ Michelle Jeffcoat, Director of Perioperative Services ~ Charla Hutson, Medical Staff Support ~ Polly Shoemake, ~ Kim Stout, Risk Management ~ Danny Hardman, VP of Patient Care Services

OTHER ATTENDEES:

Brent Thompson, Legal Counsel ~ John Cotton, MD ~ Stacy Hardy, MD, Vice Chief of Staff ~ James Beaty ~ Jeremiah Jansen, MD ~ Pete Stasiak, McAlester City Manager ~ Carley Williams, BKD ~ Hugh Greeley ~ Kevin Priddle, Mayor of McAlester

CALL TO ORDER:

Chairman Milton called the meeting to order at 4:00 PM. Dr. Milton introduced Danny Hardman the Vice-President of Patient Care Services and welcomed him to MRHC.

Presentation: Healthcare reform and governess issue Guest speaker Mr. Hugh Greeley gave a presentation over Healthcare reform. Mr. Greeley reported in 1950 hospital finances were handled by superintendents, in 1970 hospitals became more complex and it became necessary to set policies, in 1980 hospitals were hard hit; government became involved by determining payment based on diagnosis (DRG), in 1980 up to now finances for hospitals are changing so rapidly its hard to keep up. Unfortunately Board members are finding it hard to understand the changing healthcare demands. Mr. Greeley recommended a website called Fierce Healthcare that is available to smart phones that offers a news letter that provides good information to Board members.

Mr. Greeley stated health systems are running out of money and in a lot of hospitals care is not coordinated. The Boards most important job is selecting a good CEO. The most complex task is aligning with physicians to work directly; most physicians want to be employed. Mr. Greeley reported the past will not guide you now, everything has changed; 90% of physicians will be aligned with a hospital in the future. Physician leadership is as critical as management leadership. Transition is going to be difficult; some physicians will resist; some Board members will resist. The Board must help with extreme cooperation to restore the confidence in the community for the physicians.

Mr. Greeley said the Board must ask questions to stay informed on change. This is the wrong time to cut cost; we will probably need to spend more money to maximize change. There are about 4000 hospitals, because of healthcare reform there may only be about 1000 left; many will close, others will merge with bigger systems, and those that have prepared will survive.

Presentation: BKD MRHCA Audit Report for June 30, 2011 Mr. Carley Williams gave a power point presentation of the Draft MRHCA June 30 2011 Audit Report. Mr. Williams shared a detailed draft Audit report was presented to the Finance Committee last week. Overall revenue is up and there were no significant problems this year. Formal action will be made at the next Board of Trustee meeting.

Chief of Staff Report: Dr. Sehgal reported the physicians unanimously realize things are going to change; communication between physicians is improving and they are interested in change.

Dr. Sehgal stated people are seeing we have the right people in place; the right people managing properly. We are going to start seeing a lot of change.

Consent Agenda: Review and discussion was held regarding Minutes from October 5, 2011. **Motion** was made (McBride) and seconded (Sehgal) to accept the Resolution as presented. By a show of hands (Weldon Smith, Ray Dixon, MD, Don Lewis, L.M. Milton, MD, Cara Bland, Evans McBride, Mark Sehgal, MD, Anthony Washington, Charlotte Donathan) **Motion** was approved unanimously.

Finance Report: Consideration and Approval of Financial reports for October 31, 2011: Ms. Walker reviewed the financial reports as presented in the preliminary Board packets, discussion was held. **Motion** was made (Bland) and seconded (Donathan) to accept the financial reports as presented. By a show of hands (Weldon Smith, Ray Dixon, MD, Don Lewis, L.M. Milton, MD, Cara Bland, Evans McBride, Mark Sehgal, MD, Anthony Washington, Charlotte Donathan) **Motion** was approved unanimously.

- **Consideration and approval of Resolution for FNB signature authorization:** A Resolution was presented for approval to remove Emily Mouser for the list of authorized signatures. **Motion** was made (Bland) and seconded (Washington) to accept the Resolution as presented. By a show of hands (Weldon Smith, Ray Dixon, MD, Don Lewis, L.M. Milton, MD, Cara Bland, Evans McBride, Mark Sehgal, MD, Anthony Washington, Charlotte Donathan) **Motion** was approved unanimously.
- **Consideration and approval of Resolution for 401K signature authorization:** A Resolution was presented for approval to remove Emily Mouser from the list of authorized signatures on the 401(K) plan. **Motion** was made (Bland) and seconded (Lewis) to accept the Resolution as presented. By a show of hands (Weldon Smith, Ray Dixon, MD, Don Lewis, L.M. Milton, MD, Cara Bland, Evans McBride, Mark Sehgal, MD, Anthony Washington, Charlotte Donathan) **Motion** was approved unanimously.

President/CEO Report: Mr. Keith shared with the Board the Susie Northern received the Spirit Award for MRHC at the recent OHA Convention. Danny Hardman also received the same award for Norman Regional for his service prior to coming to McAlester. Mr. Keith offered congratulations to both recipients.

Mr. Keith also shared an update of operations as presented in the CEO report included in the Board packets.

Following Mr. Keith's report, Dr. Cotton took the floor by saying the comments from Hugh Greeley need to be taken to heart, we should ask questions, and all need to come to the same understanding for change. With this hospital Board and hospital administration we can survive and thrive.

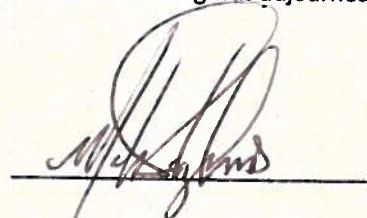
Public Comment regarding only items on this Agenda: None

NEW BUSINESS:

ADJOURNMENT: With no further questions or business to come before the Board the meeting was adjourned at 5:40 PM.



L.M. Milton, MD ~ Chairman



Mark Sehgal, MD ~ Secretary

/sds