

The regular meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday September 03, 2014 at McAlester Regional Health Center in the Administration Conference Room. 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 03:00 PM, on Tuesday September 02, 2014.

TRUSTEES PRESENT:

Don Lewis, Secretary ~ Cara Bland, Chairperson ~ Susan Kanard ~ Evans McBride, Vice-Chairman ~ Weldon Smith ~ Mary Shannon ~ L.M. Milton, MD

TRUSTEES ABSENT: Brent Grilliot ~ Mark Sehgal, MD

HOSPITAL STAFF:

Sonya Stone, Executive Assistant ~ Frank Hilbert, CIO ~ Chris Whybrew, COO ~ Darryl Linnington, CFO ~ Stephanie Giacomo, MRHC Foundation Director ~ Kim Stout, CNO ~ Helen Wheeler, Physician Services, David Keith, CEO, Mary Dunn, Denise James, Julie Powell, Brandy Jones.

OTHER ATTENDEES:

Karen Rieger, Legal Counsel (via conference phone), Steve Harrison, Mayor, Kandra Wells, Consultant.

CALL TO ORDER:

Chairperson Bland called the meeting to order at 4:00 PM. Ms. Bland presented a plaque to Ms. Helen Wheeler for her services as Physician Services Administrator. Ms. Wheeler will soon be leaving her position at McAlester Regional Health Center.

Public Comment: None

Presentation: Physician Satisfaction Results ~ Cyndi Tierney, HealthStream.

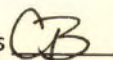
Ms. Tierney began by reporting fifty five (55) Physicians were requested to complete the survey, with twenty five (25) physicians participating; for a response rate above fifty percent (50%). The three common key satisfaction indicators measured as part of the survey included a) overall physician satisfaction, b) overall satisfaction with nursing and c) response to the question "how likely are you to recommend this hospital to friends and family?" According to the survey, overall physician satisfaction Mean score was 2.72, slightly below the HealthStreams Data Base Mean score of 3.21. Overall satisfaction with nursing care resulted in a Mean score of 2.91 which is also below the HealthStream data base Mean score of 3.25. The response to the question "recommend this hospital to friends and family" resulted in a Mean score of 3.00 which also fell below the HealthStream data base Mean score of 3.45. Ms. Tierney also highlighted key areas in the survey that can be acted on to favorably impact these scores in the near future. In addition she provided a review of the overall satisfaction by specialty and key drivers that were used to prioritize action plans for improvement. Ms. Tierney turned the floor over to Mr. Keith who reported the key tactics AET will deploy to improve physician satisfaction. The action plan includes presenting the survey results to the Medical Executive Committee and Medical Staff, working to reduce facility-wide turnover, and more specifically nursing staff; improving communications with all Medical Staff, and involving physicians in hospital operations decision making, especially as relates to strategic planning and equipment purchasing. He stated the AET acknowledges the need to improve and will do so by being more consistent with physicians.

Consent Agenda for approval:

1. MRHCA Board of Trustees minutes for August 6, 2014.
2. Credentialing List as follows:

Consideration and approval of appointment (provisional) for one year term:

- a. Michael Mann, MD – General Surgery - Active Staff
- b. Jennifer Minadeo, MD - Internal Medicine/Hospitalist - Affiliate Staff

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- c. Bhupinder Sangha, MD Internal Medicine/Hospitalist - Affiliated Staff
- d. Charles Taylor, MD – Hematology/Oncology - Affiliate Staff

Consideration and Approval of Advancement as follows:

- a. Revathi Belur, MD – Internal Medicine/Nephrology - Active Staff - two (2) year term
- b. Richard Beatty, DPM - Podiatry - Affiliate Staff - two (2) year term
- c. Kathleen Carrigan, MD - Teleradiology - Affiliate Staff - two (2) year term
- d. Richard Carregal, MD - Teleradiology - Affiliate Staff – two (2) year term.
- e. Morgan Haile, MD - Teleradiology – Affiliate Staff - two (2) year term.
- f. Stanley Higgins, MD - Teleradiology - Affiliate Staff - two (2) year term.
- g. Amanda Reece, APRN-CNP – Nurse Practitioner - Affiliate Staff – Through October 17, 2014
- h. Smitha Sonni, MD – Teleradiology - Affiliate Staff - two (2) year term.
- i. Thomas Seay, MD - Teleradiology - Affiliate Staff - two (2) year term.

Motion was made (Kanard) and seconded (Lewis) to approve the Consent Agenda items 1 & 2 as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Mary Shannon, Evan McBride and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: L.M. Milton, MD. Chairperson Bland declared the **motion** carried.

Finance Reports.

1. **Consideration and approval of July 31, 2014 financial report:** The July 31, 2014 MRHC Financial Reports were presented for approval by Mr. Darryl Linnington. He began his presentation by reporting the hospital finished the first month of the budget year favorably with an income above the projected budget. Gross revenues were also higher. The overall operating expenses were higher than planned with salaries falling right in line with budget. He reported the cash balance improved due to good patient account collections and receipt of SHOPP funds for the quarter. **Motion** was made (Smith) and seconded (Lewis) to approve the July 31, 2014 financial report as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Mary Shannon, Evan McBride, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.
2. **Consideration and approval to purchase property; Lots 5,6,7,8 Block 206 City of McAlester plus closing costs from First National Bank:** Mr. Keith presented an appraisal from Allied Appraisal Group, Inc. for lots 5,6,7,8 Block 206 City of McAlester owned by First National Bank. He reported Heritage Hills Nursing Home is interested in building a new Nursing Home facility on lots 1 & 2 Block 206 (currently owned by McAlester Regional Health Center) and lots 5&6 Block 206(owned by First National Bank). The hospital approached First National Bank regarding purchasing all of their lots e.g., 5,6,7 and 8 Block 206; and First National has agreed to sell the property to MRHC at a discounted amount of \$150,000. Following the purchase, the Hospital plans to work with Heritage Hills to help relocate to the campus and expand services. Mr. Keith indicated the strategic advantage to having a Nursing Home on the campus. Mr. McBride reported the Finance Committee reviewed the request to purchase the property from First National Bank and approved the request to be forwarded to the Board of Trustees for final approval. **Motion** was made (Smith) and seconded (Lewis) to approve the purchase of lots 5,6,7,8 Block 206 City of McAlester for \$150,000 plus closing costs as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Mary Shannon, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: Evan McBride. Chairperson Bland declared the **motion** carried.
3. **Consideration and approval of Capital Budget substitution for Wellness Center:** Mr. Linnington reported the Wellness Center is under the management of Mr. Shawn Howard. Mr. Howard recently identified priority floor items that are needed but not listed in the budget. Mr. Linnington proposed eight(8) items totaling \$59,954 be removed from the capital budget and replaced with four (4) items totaling \$48,235. The additional \$1,719 will be placed in a contingency fund. **Motion** was made (Smith) and seconded (Shannon) to approve the Capital Budget Substitution for the Wellness Center as presented.

The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Evans McBride, Mary Shannon, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.

4. Consideration and approval of revision to the 2014-2015 Workers Compensation Reserve Escrow

Agreement and Resolution: Mr. Linnington reported in April 2014 the 2014-2015 Workers Compensation Escrow Agreement and Resolution was presented to the Board of Trustees for approval. Recently an error was discovered on the approved Agreement and Resolution that listed an incorrect escrow amount. Mr. Linnington requested approval of a revised 2014-2015 Workers Compensation Escrow Agreement and Resolution replacing the current escrow amount of \$410,599 to \$400,000 plus accrued interest. **Motion** was made (McBride) and seconded (Smith) to approve the revised 2014-2015 Workers Compensation Escrow Agreement and Resolution as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Evans McBride, Mary Shannon, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.

Personnel Committee:

1. Consideration and approval of the Administrative Executive Team Performance Bonus Plan for FY 2015.

Mr. Smith reported the Personnel Committee met to discuss the FY 2015 Administrative Executive Team Performance Bonus Plan. Mr. Smith turned the floor over to Mr. David Keith who provided an overview of the plan. He reported on the 2014 targets and identified those that were met and others that fell short of target. Targets achieved included the trigger e.g., meeting the income margins, and the target for "outcome" measures. All other measures fell short. Mr. Keith reported on the FY 2015 bonus plan. The targets, other than the trigger have changed. The changes reflect our efforts to improve our Value Based Purchasing scores e.g., customer satisfaction and quality, and the changes align with the Imperative Teams established with help from the VHA team. The five imperative teams and respective targets were presented by individual AET members. Mr. Smith recommended the monetary value impact of each target be included in the plan; and Mr. McBride asked that Stewardship include 60-day cash on hand at minimum; and after bonuses are paid. **Motion** was made (McBride) and seconded (Smith) to approve the Executive Team Performance Bonus Plan as presented with changes to each category on the target plus language and adding a stewardship trigger of 60 days cash on hand on both Target and Target Plus. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Evans McBride, Mary Shannon, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.

Board QI Report: In the absence of Dr. Mark Sehgal, Chairman of the Board QI Committee, Ms. Bland who attended the meeting reported the Board QI Committee voted to present Core Measures on a quarterly basis so reporting will not be presented at this meeting. There was one unexpected death and one sentinel event that are being investigated. The outcome of that investigation will be reported at the next scheduled meeting.

Chief of Staff Report: In the absence of Dr. Dennis Staggs, Chief of Staff, no report was given.

CEO Report: Mr. Keith reported that the offer to Hospice of McAlester to join MRHC was turned down. As a result, the Administration Executive Team (AET) will look at other strategies for Hospice Services. Contract negotiations are nearing completion with Team Health, an Emergency physician and Hospitalist management group. Mr. Keith reported the draft contract should be in place by the end of the week; and indicated that there is an expectation that the relationship will result in significant cost savings to the hospital. He reported a new five-year agreement is in place with Radiology Associates. Mr. Keith reported Dr. Michael Mann a General Surgeon will be arriving to MRHC in September of this year. Dr. Richenda Herren a General Surgeon will arrive in February 2015. Dr. Tyree Richardson a full-time Urologist will arrive in December 2014. Mr. Keith added the AET is currently searching for a second Urologist to join with Dr. Richardson within a year. Dr. Kamron Torbati an OB/GYN will join our facility in July 2015. In addition to the information provided in the CEO report Mr. Keith reported he is working with Mr. Frank Hilbert, CIO to review

the feasibility of adding Electronic Intensive Care Unit (EICU) services. An EICU provides access to intensivist and ICU nurses through the use of telemedicine e.g., poly-com technology. WICU provides ongoing monitoring of ICU

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patients; includes direct and real-time dialogue with MRHC physicians and nurses to make sure the quality of care in the ICU is excellent. He added that EICU may be required considering the addition of new specialists and sub-specialties to the Hospital e.g., pulmonology and cardiology. Discussions have taken place regarding the future of the Mercy Clinic. At present, tentative plans include incorporating the Mercy Clinic into the Residency Program. The goal is to have a written plan in place within the next sixty (60) days to present to the Board. Mr. Keith thanked the Board, Mayor and City Council for their support in the recent election and the passing of Proposition 2 and 3 that revises the City Charter to increase the debt limit for the Hospital. He added the increased debt limit is a great opportunity for the Hospital and stated that replacement of elevators is one of the highest priorities. Mr. asked that the Hospital's Capital Spending Plan I be modified due to the increased debt limit and recommended the modified plan be presented to the Finance Committee for review prior to any capital purchase request. In closing Mr. Keith stated he would welcome employee nominations from the Board for the upcoming Spirit Award.

New Business: None

Executive Session: 25 O.S. § 307(B) – Discussion and Possible Action – Cara Bland, Chairperson.

25 O.S. § 307(B) (4): "Confidential communications between a public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that disclosure will seriously impair the ability of the public body to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest."

- A. Pharmacy Benefit Manager Claims Audit
- B. Pain Clinic Audit Review

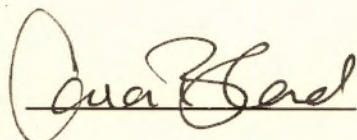
Motion was made at 6:22 PM by (Smith) and seconded (Kanard) to enter into Executive Session.

The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Mary Shannon, Evan McBride, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.

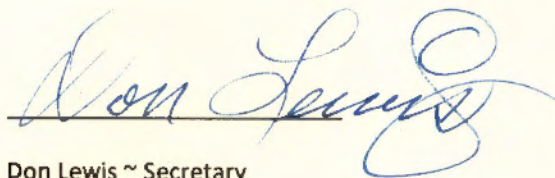
No action was taken during the Executive Session. A **motion** was made at 7:05 PM by (Lewis) and seconded (Shannon) to conclude the Executive Session. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Don Lewis, Mary Shannon, Evan McBride, L.M. Milton, MD and Cara Bland. Nay: None. Absent: Brent Grilliot, Mark Sehgal, MD. Abstain: None. Chairperson Bland declared the **motion** carried.

Adjournment:

With no further questions or business to come before the Board the meeting was adjourned at 7:10PM.



Cara Bland ~ Chairperson
/sds



Don Lewis ~ Secretary