

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday September 02, 2015 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 01:50 PM, on Tuesday September 01, 2015.

**TRUSTEES PRESENT:**

Don Lewis, Secretary ~ Cara Bland, Chairperson ~ Susan Kanard ~ Weldon Smith ~ Mary Shannon ~ Mark Sehgal, MD, L.M. MILTON, MD ~ Brent Grilliot ~ Evans McBride, Vice Chairman

**TRUSTEES ABSENT:**

**HOSPITAL STAFF: :**

David Keith, CEO, Sonya Stone, Recording Secretary ~ Kandra Wells, Public Relations ~ Christopher Beene, MD, Chief of Staff ~ Darryl Linnington, CFO ~ Chris Whybrew, COO ~ Kim Stout, CNO ~ Frank Hilbert, CIO.

**OTHER ATTENDEES:**

Elise Brennen, Legal Counsel ~ Steve Harrison, Mayor ~ Eli Smith, St. Francis ~ Todd Schuster, St. Francis ~ Tom Neff, St. Francis ~ David Dishman, McAlester News Capital.

**CALL TO ORDER:**

Chairperson Bland called the meeting to order at 4:03 PM.

**Public Comment:** Mr. Steve Belcher attempted to address the Board of Trustees; however the subject of his discussion was not related to an agenda item. Mr. Keith agreed to contact Mr. Belcher to address his concerns.

**Vision 2020 Strategic Five Year Plan FY2016 ~ Saint Francis Health System:**

Mr. Tom Neff with Saint Francis Health System, assisted by Mr. Eli Smith and Mr. Todd Schuster presented a power point presentation outlining their five year strategic plan for FY 2016. Mr. Neff stated the Mission focuses on growth, preservation and performance. He shared the key guidelines for the strategic plan as follows: Preserve of the catholic heritage, regionalization, growth for the Warren clinic, integration toward population management, measurable continuum of care, financial viability and workforce development and education. Mr. Neff described the vision as being the leading integrated Catholic healthcare system providing high quality, comprehensive and innovative care across our regional continuum of services.

**Consent Agenda for approval:**

1. MRHCA Board of Trustees minutes for August 5, 2015.
2. Medical Staff credentialing appointments as follows:
  - A. Approval of appointment ( Provisional) for one year
    - a. Yunus Moosa, MD ~ Active Staff ~ Cardiology
    - b. Shannon Martin, PA-C ~ Affiliate Staff ~ Physician Assistant under the supervision of Dennis Staggs, DO
  - B. Approval of Advancement through September 30, 2015
    - a. Alex Dwuma, MD ~ Affiliate Staff ~ Internal Medicine/Hospitalist
  - C. Approval of Advancement for two years:
    - a. Kelly Andrzejczyk-Beatty, DO ~ Active Staff ~ Psychiatry
    - b. Michael Mann, MD ~ Active Staff ~ General Surgery
    - c. Martin McBee, DO ~ Active Staff ~ Emergency Medicine
    - d. Richard Hoos, MD ~ Affiliate Staff ~ Telemedicine Neurology
    - e. Bhupinder Sangha, MD ~ Affiliate Staff ~ Internal Medicine Hospitalist
    - f. Charles Taylor, MD ~ Affiliate Staff ~ Oncology



- D. Approval of Additional Privileges for the remainder of one year term:
- a. Gary Lee, MD ~ Active Staff ~ Emergency Medicine
3. Renewal of CEO Contract
- A **Motion** was made (Lewis) and seconded (Sehgal) to approve the Consent Agenda items 1, 2 and 3 as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Brent Grilliot, Mark Sehgal, MD and Cara Bland. Nay: None. Absent: None Abstain: L.M. Milton, MD. Chairperson Bland declared the **motion** carried unanimously.

**Financial Committee Report:**

**1. Financial Statements:**

Mr. Linnington provided an overview of the July 31, 2015 financial reports. He stated the facility closed the first month of the new fiscal year strong. Cash declined slightly during the month with three payrolls funded in July. Hospital admits were higher than the plan and the overall inpatient gross charges were higher as well as the overall operating expenses. On the balance sheet, he reported cash collections were good and there was little change in accounts payable. A **motion** was made (Grilliot) and seconded (Shannon) to approve the July 31, 2015 financial reports as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Mark Sehgal, MD, L.M. Milton, MD, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

**2. CER for elevator replacement:**

Mr. Linnington reported the current elevators are in need of repair. Three bids were received from ThyssenKrupp, D & D and Otis. The bids were reviewed by the Finance Committee and consideration was given to ThyssenKrupp who currently provides services to MRHC and is familiar with the control panels. Mr. Linnington reported it is the recommendation of the Finance Committee to utilize ThyssenKrupp install and modernize five visitor and staff elevators. ThyssenKrupp proposes to reuse the existing cab, but replace all the controls and cabling systems throughout each elevator. The cost of the proposal is \$562,162.38 which is \$22,162.38 over the budgeted amount of \$540,000. Mr. Linnington requested a capital substitution from the cafeteria budget also be approved for \$22,162.38 to complete the funding for the elevator project. A **motion** was made (Sehgal) and seconded (Kanard) to approve the CER for elevator installation and modernization to be provided by ThyssenKrupp at a cost of \$562,162.38. In addition a capital substitution for \$22,162.38 was approved to be taken from the cafeteria budget to supplement the proposed amount as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Mark Sehgal, MD, L.M. Milton, MD, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

**3. CER for IBM XIV SAN storage:**

Mr. Linnington reported the two MRHC data centers are six years old and have reached their storage capacity without a replacement or upgrade. A bid went out for an IBM XIV SAN storage upgrade in which only one bid was received and negotiated from Sirius Computer Services for \$293,024.80. The bid came in at \$12,524.80 over the budgeted amount. Approval for a budget substitution for that amount was also requested to be taken from the Nextgen Clinic Interfaces budget. A **motion** was made (Lewis) and seconded (Smith) to approve the CER for IBM XIV SAN Storage to be provided by Sirius Computer Services at a cost of \$293,024.80. In addition a budget substitution of \$12,524.80 was approved to be taken from the Nextgen Clinic Interfaces budget to supplement the proposal as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Mark Sehgal, MD, L.M. Milton, MD, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

**4. Capital budget substitution for Medisolv:**

Mr. Linnington reported a CER for Medisolv was approved at the previous meeting. He reported this item was requested after the FY 2016 capital budget was finalized and was not included in the budget. Mr. Linnington requested a capital budget substitution from the anesthesia machine replacement budget in the amount of \$160,075. He stated the Anesthesia Group found replacement anesthesia equipment that came in

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significantly below the budgeted amount allowing additional funding to be available for the substitution. Mr. McBride requested a letter from the Board to the Anesthesia Group thanking them for their diligence in finding a cost savings for the hospital. A **motion** was made (Sehgal) and seconded (Shannon) to approve a capital budget substitution for Medisolv from the anesthesia machine replacement budget in the amount of \$160,075 as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Mark Sehgal, MD, L.M. Milton, MD, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

**Audit and Corporate Compliance Committee:**

Ms. Bland reported a meeting of the Audit and Corporate Compliance Committee will be held in the near future to discuss the year end audit results.

**Board QI Report:**

Dr. Sehgal reported the Board QI met to review the quarterly quality reports and safety measures. He stated the reports are divided into five areas; Clinical Process of Care, Efficiency Standards, Patient Experience, Outcome Standards and Complication and Patient Safety. He reported the hospital is doing very well in the Clinical Process of Care and Efficiency Standard areas. He added Patient Experience is the hardest area to achieve excellence because the hospital is competing with larger systems; however the hospital continually strives to improve in this area. He reported Outcome Standards are difficult to measure, but are doing well. He closed by saying the Complication and Patient Safety Scores are excellent and have improved significantly over last year.

**Chief of Staff Report:**

Dr. Christopher Beene reported physicians are getting ready for the ICD-10 implementation October 1<sup>st</sup>. He added physicians are training for more diagnosis codes and documentation. Dr. Beene reported ICD-10 may improve the Stroke Protocols because more documentation is required.

**CEO Report:**

Mr. David Keith recognized Chelsea Bishop, Kim Stout, Darryl Linnington, and Chris Whybrew for putting together a presentation to the state for a Medicaid/Medicare managed care model as outlined in HB1066. He stated our hospital was the only hospital in the State to participate, sending a very strong message to the State. Mr. Keith presented two policies; Executive Succession Plan and Board of Trustee Job Description. He stated the policies are for review and will be presented for approval at the next Board of Trustee meeting. Mr. Keith discussed a PSO rate increase for commercial customers that will be challenged by the Oklahoma Hospital Association. He stated he will be participating in a task force that will be focus on addressing this issue. Mr. Keith presented a power point presentation regarding the AROK Purchasing Coalition supply market overhead and how the LifeCare Alliance merger will benefit the hospital. He also provided information regarding Insurance Company mergers that will affect smaller hospitals.

**New Business:** None

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

**25 O.S. § 307(B) (3):** "Discussing the purchase or appraisal of real property."

**A.** Discussion regarding the purchase of real property.

**Motion** was made at 5:45 PM by (Shannon) and seconded (Grilliot) to enter into Executive Session.

The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Mark Sehgal, MD, L.M. Milton, MD, Brent Grilliot, Evans McBride and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously. Other members present in the executive session: Elise Brennen, Legal Counsel, Chris Whybrew, Darryl Linnington, David Keith, Frank Hilbert.

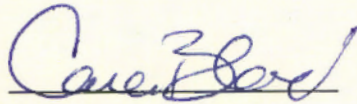
A **motion** was made at 6:25 PM by (Sehgal) and seconded (Grilliot) to conclude the Executive Session. The vote was taken as follows: Aye: Mark Sehgal, MD, Susan Kanard, Weldon Smith, L.M. Milton MD, Brent Grilliot, Mary Shannon, Don Lewis, Evans McBride and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried.



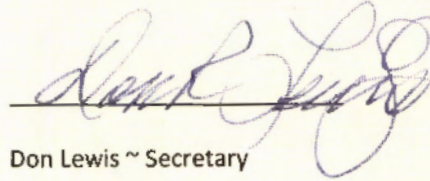
**Action taken after Executive Session.** A motion was made (McBride) that in order to ensure that the citizens of McAlester have financially secure and quality health care services within the municipal limits by increasing demand, a motion was made (McBride) and seconded (Sehgal) to approve the purchase of property located in Eufaula, OK from the Eufaula Public Schools at a cost of \$200,000. The vote was taken as follows: Aye: Mark Sehgal, MD, Susan Kanard, Weldon Smith, L.M. Milton MD, Brent Grilliot, Mary Shannon, Don Lewis, Evans McBride and Cara Bland. Nay: None. Absent: None. 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 6:30 PM.



Cara Bland ~ Chairperson



Don Lewis ~ Secretary

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