

The regular meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday February 04, 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 11:00 AM, on Tuesday February 03, 2014.

TRUSTEES PRESENT:

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

TRUSTEES ABSENT:**HOSPITAL STAFF: :**

Frank Hilbert, CIO ~ Chris Whybrew, COO ~ Darryl Linnington, CFO ~ Kim Stout, CNO ~ David Keith, CEO, Sonya Stone, Recording Secretary ~ Kandra Wells, Public Relations ~ Dennis Staggs, DO, Chief of Staff ~ Gary Bryant, Materials Management ~ John Gallagher, Compliance Officer ~ Stephanie Giacomo, Director of Foundation ~ Paula Rickard, Director of Lab.

OTHER ATTENDEES:

Elise Brennen, Legal Counsel ~ Mayor Steve Harrison ~ Sharmila Dias MD, Interim Hospitalist Director.

CALL TO ORDER:

Chairperson Bland called the meeting to order at 4:00 PM. She shared appreciation to MRHC and City of McAlester staff involved in planning a successful and touching Mercy Clinic celebration. She also introduced Mr. John Gallagher Compliance Officer and Dr. Sharmila Dias, Director of the Hospitalist Program.

Public Comment: None**Consent Agenda for approval:**

1. MRHCA Board of Trustees minutes for January 7, 2014.
2. Credentialing List as follows:

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

- a. Chirag Chavda, MD – Internal Medicine/Hospitalist – Active Staff.
- b. Sharmila Dias, MD – Internal Medicine/Hospitalist – Active Staff
- c. Richenda Herren, MD – General Surgery – Active Staff
- d. Teney John, MD – Family Medicine/ Hospitalist - Active Staff
- e. Yolette Louis, MD – Internal Medicine/Hospitalist – Active Staff
- f. Denisse Menendez, MD - Internal Medicine/Hospitalist – Active Staff
- g. Olurotimi Oladunni, MD - Internal Medicine/Hospitalist – Active Staff
- h. Richard Santos, MD - Internal Medicine/Hospitalist – Active Staff
- i. Berenice James, Dental Assistant – Dental Assistant under the supervision of Twana Duncan, DDS _ Affiliate Staff

Consideration and approval of reappointment for two year term:

- a. Richard Bowden, MD – Psychiatry –Active Staff
- b. Jon McCauley, MD – Nephrology-Active Staff
- c. Robert Wiebe, DO – Emergency Medicine- Active Staff
- d. Johnny Zellmer, MD – Emergency Medicine – Active Staff
- e. Ali Moussa, MD – Oncology – Affiliate Staff
- f. Jana Dotson-Shafer, Dental Assistant – Dental Assistance under the supervision of Michael Auld, DDS – Affiliate Staff
- g. Charlett Nail, LPN – Scrub Nurse under supervision of James Golla, MD – Affiliate Staff

3. Approval of new Foundation Board members: Michael A. Echelle and Virginia Carol Sanders.

4. Approval of Dr. Michael Mann's appointment to the McAlester Ambulatory Surgery Center Board of Managers representing McAlester Regional Health Center Authority.

Motion was made (Lewis) and seconded (Sehgal) to approve the Consent Agenda items 1, 2, 3 and 4 as presented. The vote was taken as follows: Aye: Mark Sehgal, MD, Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: L.M. Milton, MD. Chairperson Bland declared the **motion** carried.

Finance Reports.

1. **Consideration and approval of December 31, 2014 financial report:**

Mr. Linnington provided a six month overview of the financial reports. He reported an increase in volume for the month of December, the hospital is meeting financial targets required by the Board and bank balances continues to grow. New physicians are adding to volume and critical care and case mix are increasing. Labor productivity is improving and non-hospital operations are breaking even. Mr. Linnington discussed key volume indicators, the Income Statement and Balance Sheet. He reported a steady growth in net worth for the hospital. In closing he stated the financial picture for the future is very strong.

A **Motion** was made (Grilliot) and seconded (Shannon) to approve the December 31, 2014 Financial Reports as presented. The vote was taken as follows: Aye: Mark Sehgal, MD, Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD. and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried.

2. **Consideration and approval of CER for Coagulation Analyzer:**

Mr. Gary Bryant reported a CER for a Coagulation Analyzer was advertised for bids on December 16 and 23, 2014. Two bids were received and opened on January 6th, 2015 from Instrumentation Laboratory (Werfen) and Diagnostica Stago. A recommendation was presented to the Finance Committee and forwarded to the Board for approval on January 27, 2015 to select Instrumentation Laboratory (Werfen) who presented the lowest bid of \$84,000. A **Motion** was made (Sehgal) and seconded (Lewis) to approve the CER for Coagulation Analyzer as presented at a cost of \$84,000. The vote was taken as follows: Aye: Mark Sehgal, MD, Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD. and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried.

3. **Consideration and approval of Air Handling Unit financing up to a fixed rate of 4% for 10 year term:**

Mr. Linnington reported at the last meeting of the Board of Trustees, a capital expenditure to replace Air Handling Units #103 and #205 was approved. A decision was made at that meeting to seek financing for the project. A notice was posted seeking bids for financing in the amount of \$499,000. Two bids were received both for a term of ten (10) years. Arvest Bank offered a 3.85% fixed interest rate and First National Bank offered a 3.75% fixed interest rate. Mr. Linnington made a recommendation to select First National Bank with the lowest fixed interest rate of 3.75%. A **Motion** was made (Sehgal) and seconded (Lewis) to approve financing for Air Handling Units # 103 and #205 in the amount of \$499,000 with First National Bank at a fixed interest rate of 3.75% for a ten (10) year term as presented. The vote was taken as follows: Aye: Mark Sehgal, MD, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD. and Cara Bland. Nay: None. Absent: None. Abstain: Evans McBride. Chairperson Bland declared the **motion** carried.

Discussion regarding proposal to merge the Public Health Authority (PHA) and McAlester Regional Health Center Authority (MRHCA):

Chairman Bland reported in the preceding PHA meeting a Resolution was adopted to merge PHA with MRHCA. In addition, a Tripartite Agreement and Plan of Merger was approved and will come to the MRHCA Board next month for approval. Ms. Bland stated the preceding PHA meeting will most likely be the last meeting of the PHA Board. As follow-up regarding the tax consequences as a result of the merger, Mr. Linnington reported seeking the opinion of a CPA and Legal Counsel. It was determined since both the PHA and MRHCA are public entities merging together the non-tax status will stay the same. He stated there will be no tax consequences for the hospital as a result of absorbing rental property. The rental property must be consistent with the hospital's purpose and rates must equate to fair market value. Mr. McBride recommended having this opinion put in writing for record keeping purposes.

Mr. Linnington reported a letter of opinion is currently being prepared but was not ready in time for this meeting; however it will be presented prior to the Boards approval of the Tripartite Agreement and Plan of Merger next month.

Strategic Plan Update ~ People:

Mr. Keith presented a strategic plan update specifically related to people. He provided an objective, action and accountability for the following goals: Accountability for Trustees and Administration, achieve competent Leadership, meet community needs for high quality providers, achieve a committed workforce and recruit an effective and engaged volunteer base. Mr. Keith reported this update is one of five strategically planned compass points that are actively in progress. He added as the strategic plan rolls out, the level of competency will continue to rise, we will have better physician satisfaction and the turnover rate will favorably decrease. Ms. Bland reported Mr. Keith will bring the compass points to the meetings to provide an update for the Board.

Audit Corporate and Compliance Committee:

No report

Board QI Report:

Dr. Mark Sehgal, Chairman of the Board QI Committee reported the Committee met on January 27, 2015 to discuss a quarterly Core Measure update. He added a new group is looking at the data and doing a fabulous job of reporting. Dr. Sehgal added he has set the benchmarks high but obtainable. In some areas the hospital is doing very well; however there are areas that are slightly falling below the goal primarily due to documentation. He reported efforts are being made to review chart documentation for accuracy in an effort to improve the scores. Dr. Sehgal also reported the majority of the meeting was spent focusing on areas of improvement and the importance of communication. In closing he reported the data has greatly improved over the last two years and the staff is doing a great job.

Chief of Staff Report:

Dr. Dennis Staggs reported physicians have requirements in regards to the Electronic Medical Record (EMR) to meet CMS guidelines. A deadline was set by the Medical Executive Committee that required all physicians to document on the EMR. Most physicians have embraced the new requirements and are meeting their obligations; however there are some that are reluctant to comply. This has become an issue among physicians and other areas of service. The Medical Executive Committee discussed the issue of non-compliance and empowered Mr. Keith to meet with the physicians individually, remind them of their obligations and set goals for compliance. Dr. Staggs reported if the physician does not meet the goals, then the Medical Executive Committee will enforce corrective action.

CEO Report:

Mr. Keith reported due to time restraints he will forgo reviewing the CEO report. He also reported in addition to the CEO report included in the preliminary meeting packet, is additional interesting and informative information.

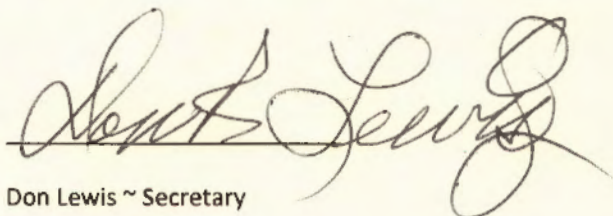
New Business: None

Adjournment:

With no further questions or business to come before the Board the meeting was adjourned at 5:16 PM.



Cara Bland ~ Chairperson
/sds



Don Lewis ~ Secretary