

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday April 01, 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 01:53 PM, on Tuesday March 31, 2015.

TRUSTEES PRESENT:

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

TRUSTEES ABSENT:

HOSPITAL STAFF:

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 ~ Larry Auld, Director of Pharmacy ~ Julie Powell, Director of Education ~ George Rachal, Safety and Risk Manager ~ Frank Hilbert, CIO

OTHER ATTENDEES:

Elise Brennen, Legal Counsel (via conference phone) ~ Steve Harrison, Mayor ~ David Dishman, McAlester News Capital ~ Larry Bugg, Robbie Copeland & Ryan Setzkorn, EagleMed ~ Patrick Barkly

CALL TO ORDER:

Chairperson Bland called the meeting to order at 4:00 PM.

Public Comment: None

Consent Agenda for approval:

1. MRHCA Board of Trustees minutes for March 9, 2015.

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

EagleMed report to the Board:

Mr. Larry Bugg, Mr. Robbie Copeland and Mr. Ryan Setzkorn addressed the Board following a fatal helicopter crash that took the life of an EagleMed pilot. At the request of Mr. Keith, Mr. Bugg provided a synopsis of EagleMed's aviation background and safety culture in an effort to regain the confidence of the Board and Community. Mr. Bugg reported EagleMed is an industry leader that requires safety practices over and beyond the industry standards. He reported at EagleMed's last survey, no deficiencies were found and the company has never been fined for a deficiency. He added if there was a problem with regulatory agencies about the company organizationally or operationally, the public would be the first to know. He reported EagleMed intends to bring another helicopter to the McAlester base as well as a ground ambulance. Mr. Bugg introduced Mr. Ryan Setzkorn, who was onboard two EagleMed helicopters that crashed; the first on June 11, 2013 and the most recent crash on March 12, 2015. Setzkorn shared he has complete confidence that EagleMed goes over and beyond what other companies do in regards to safety procedures. He stated he feels very confident to get back on a helicopter and he is proud to wear the EagleMed uniform. Mr. Setzkorn stated his ultimate goal is to see the McAlester base continue. Board members Ms. Shannon and Mr. Lewis shared personal experiences with EagleMed and expressed their appreciation for the services EagleMed provides to the hospital and community. After expressing his apologies on behalf of the company, Mr. Bugg emphasized the solid partnership between his company and McAlester Regional Health Center. In closing, he stated at times things

happen that are beyond our control, but at the end of the day EagleMed has done everything possible as a company to prevent these unfortunate events.

Presentation: Truven 360 Healthcare Analytics for Pharmacy and Infection Control:

Ms. Julie Powell, Director of Education and Quality provided a power point presentation regarding a 360 Care Insight program by Truven Health Analytics. She reported the 360 Care Insight program provides support for Infection Control and Pharmacy. For Infection Control, the program compliments the current Electronic Health Record, automates data collection, reporting, analysis and real time clinical surveillance. It will also identify hospital acquired infections, decrease never events and improve antimicrobial stewardship. Ms. Powell also reported the program will simplify electronic reporting to the National Healthcare Safety Network, analyze data, recognize and track patterns of infections, notify immediately when cultures are positive and improve infection prevention efforts overall.

Dr. Auld reported on the Pharmacy side, the program provides clinical surveillance solution, real time patient specific monitoring, evidence based resources and efficient platform on relevant patient care pharmacy issues. Dr. Auld also reported the program is a pharmacy intervention that will reduce adverse events and decrease cost. The program went live on April 1, 2015 and staff is working to customize, train and validate data. Dr. Auld stated the program has potential for expansion into other areas such as Dietary and Core Measures without additional cost. Mr. Keith closed by stating the program aligns with the strategic plan compass point "innovation"; it will improve patient safety and provide better care. It will also allow employees more time at the bedside and less time being pulled away for manual administrative duties.

Oklahoma HealthCare Providers responsibilities and rights under certain medical treatment - Requirement of HB 2603:

Tabled pending clarification from Legal Counsel. House Bill (HB) 2603 requires providers to sign a document attesting to the responsibilities and rights under certain medical treatment. At the recommendation of the Board, Ms. Elise Brennen, Legal Counsel will determine if the Board of Trustees are required to sign the document and what legal duties are involved. A **motion** was made (**McBride**) and seconded (**Sehgal**) to table the document required by HB 2603 pending clarification by legal counsel. The vote was taken as follows: Aye: Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD, Mark Sehgal, MD and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

Consideration and approval of Managers to McAlester Medical Services, LLC:

Mr. Whybrew presented a request for the approval of new managers to the McAlester Medical Services, LLC as follows: David Keith, President/CEO, Misti Branam, DO and Chris Whybrew, COO. He reported the LLC was previously established and is currently being reconstituted to manage physician practices. A **motion** was made (**Shannon**) and seconded (**Sehgal**) to approve the new managers to the McAlester Medical Services, LLC as follows: David Keith, President/CEO, Misti Branam, DO and Chris Whybrew, COO. The vote was taken as follows: Aye: Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD, Mark Sehgal, MD and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

Consideration and approval of February 28, 2015 financial report:

Mr. Linnington reported February finished very strong. Net operating revenues were good and the expense load was lighter than last year. For year-to-date the hospital's net income is significantly higher than the previous year. Gross revenues and operating expenses are on target and ahead of prior year. The cash receipts for the month were very good with an overall cash balance exceeding last year. He reported the improvement in cash is consistent with a strong EBIDA and capital spending was less than the depreciation expense implying further aging of overall plant and equipment. A **motion** was made (**Sehgal**) and seconded (**Lewis**) to approve the February 28, 2015 financial reports as presented. The vote was taken as follows: Aye: Evans McBride, Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Brent Grilliot, L.M. Milton, MD, Mark Sehgal, MD and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried.

Audit Corporate and Compliance Committee:

Ms. Bland reported the Audit Corporate and Compliance Committee met last week and was provided a good update on the compliance work plan for this year. She turned the floor over to Mr. John Gallagher the Compliance Officer who reported the Committee was presented a five point OIG work plan that will focus on new versus established patient billing. The Home Health entity will also be a focus area utilizing an outside auditor to evaluate the program. Ventilator billing will be evaluated due to the addition of a Pulmonology Clinic. In addition the Committee will be watching a Health Resources and Services Administration (HRSA) audit on the Pharmacy 340 B drug program that will take place later this month. Ms. Bland clarified the audits that will be done are compliance audits not to be confused with financial audits.

Board QI Report:

Dr. Sehgal reported the Board QI met last month. Discussion was held regarding the Emergency Physicians and Hospitalist management group TeamHealth. He stated TeamHealth is currently recruiting for two additional Hospitalists to join the four already in place. Once a full staff is in place, medical services should operate more efficiently. Dr. Sehgal reported quality and core measure scores are continually showing improvement. He contributed the improvements to the Electronic Health Record (EMR). He added physicians were doing the appropriate core measures but there was not a good monitoring system in place. At present, the EMR generates reports that are measurable and accurate. Mr. Keith added the hospital's core measure scores were at 100% for the past two months. Dr. Sehgal closed by reporting the hospital overall is moving in the right direction.

Chief of Staff Report:

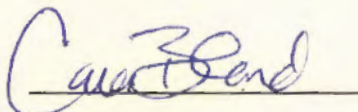
Dr. Dennis Staggs reported the medical staff regularly discusses continuity of care. He added when the Hospitalist group are fully staffed most of the staffing issues will be resolved. He reported the physician's utilization of the EMR system continues to improve. In closing he reported Dr. Richardson's urology clinic is doing very well; there was a great need in the community for urology services. General Surgeons, Dr. Mann and Dr. Herren's clinics are also doing very well. Dr. Staggs stated all three physicians are respected by the staff and we are fortunate to have them here at MRHC.

CEO Report:

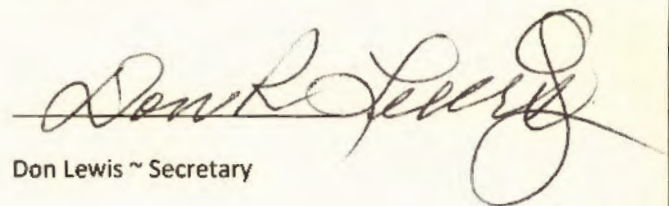
Mr. Keith reported he will be working with Board members Mr. Weldon Smith, Ms. Mary Shannon, Mr. Brent Grilliot and Ms. Cara Bland, Chairman on a Strategic Plan Task Force to develop a new strategic plan, timetables and actions. The Plan will be presented to the full Board later this year during a Strategic Planning Retreat. Mr. Keith updated the Board on legislation actions that are expected to cut Medicare reimbursement by 60M dollars between the years 2015 and 2024. He added in preparation the hospital has taken good strong mitigating actions such as implementing growth strategies and labor and supply chain productivity. These actions have minimized the impact of these legislative cuts which is evident in the hospital's profitable today. In addition, there will be legislation cuts to Medicaid reimbursement as well that is expected to be 16M over a ten year period; this is in addition to the Medicare cuts. Mr. Keith reported the hospital will have to be very diligent in our strategy, stating the hospital cannot cut our way to success; we have to grow our way to success. He stated there are seven hospitals in Oklahoma who are failing or filing bankruptcy; that amount is expected to double next year. Our primary service area will grow wider because there will be less providers so we will need to look beyond the borders of Pittsburg County in the future. Mr. Keith reported he attended Advocacy Day at the Capitol and had the opportunity to discuss hospital issues with State Legislators to make them aware of how legislative actions are affecting rural hospitals. At the conclusion of the CEO report Mayor Harrison reported the Governor approved and signed the changes to the McAlester City Charter; they are now in effect.

New Business:**Adjournment:**

With no further questions or business to come before the Board the meeting was adjourned at 6:00 PM.



Cara Bland ~ Chairperson
/sds



Don Lewis ~ Secretary

Initials CB