

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday January 06, 2016 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 02:14 PM, on Tuesday January 5, 2016.

TRUSTEES PRESENT:

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

TRUSTEES ABSENT:**HOSPITAL STAFF:**

David Keith, CEO, Sonya Stone, Recording Secretary ~ Darryl Linnington, CFO ~ Kandra Wells, Marketing Coordinator ~ Kim Stout, CNO ~ Christopher Whybrew, COO ~ Keith Mateychick, Facilities Director ~ Ryan Gathard, Foundation Director ~ Frank Hilbert, CIO

OTHER ATTENDEES:

Elise Brennan, Legal Counsel ~ Christopher Beene, MD, Chief of Staff ~ Kent Schmidt, CRNA ~ David Dishman, McAlester News Capital.

CALL TO ORDER:

Chairperson Bland called the meeting to order at 4:00 PM. She reported the semi-annual Conflict of Interest forms have been distributed and require the signatures of the Board of Trustee members.

Public Comment:

None

Consent Agenda:

1. MRHCA Board of Trustees minutes for December 2, 2015.
2. Medical Staff credentialing appointments as follows:
 - A. Approval of appointments (Provisional) for one (1) year.
 - a. Ryan Myers, MD ~ Active Staff ~ Family Medicine/Hospitalist
 - b. Lalit Vadlamani, MD ~ Active Staff ~ Interventional Cardiology
 - c. Barbara Smith, APRN-CNP ~ Affiliate Staff ~ Nurse Practitioner under the supervision of Dennis Staggs, DO
 - d. Vanessa Deshazer, Dental Assistant ~ Affiliate Staff ~ Dental Assistant under the supervision of Clark Grilliot, DDS
 - e. Amber Edwards, Dental Assistant ~ Affiliate Staff ~ Dental Assistant under the supervision of Clark Grilliot, DDS
 - B. Approval of appointments for Advancement for One year remaining in Provisional:
 - a. Anupami Boparai, MD ~ Active Staff ~ Family Medicine/Hospitalist
 - b. Jerome Long, MD ~ Active Staff ~ Internal Medicine/Hospitalist
 - C. Approval of Reappointment:
 - a. Troy Norred, MD ~ Active Staff ~ Interventional Cardiology
 - b. Rakesh Shrivastava, MD ~ Active Staff ~ Interventional Cardiology

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

Chief of Staff Report:

Dr. Christopher Beene reported that the process for suspending provider privileges for failure to complete medical record documentation was initiated again on January 1, 2016. The process was placed on hold to allow providers the opportunity to adjust to the Electronic Medical Record (EMR). Dr. Beene also reported he will not be at the next Board of Trustee meeting; however Dr. Dennis Staggs will attend the meeting in his absence.

CEO Report:

Mr. David Keith reported an offer was extended to Dr. Francis Lee, Pulmonologist who also has expertise and certification in sleep medicine. Dr. Lee is very interested and a decision to accept MMS employment is pending. Mr. Keith updated the Board on his Oklahoma Hospital Association duties. His greatest concern is the State budget deficit, cuts to Medicaid funding and the resistance to accept Federal dollars to expand Medicaid. The acceptance of Federal dollars to expand Medicaid would reduce the upcoming \$1B deficit by almost \$450M. In lieu of accepting Federal dollars, the Oklahoma Health Care Authority approved a three percent across-the-board provider rate reduction. This is above the previous rate cut of seven and a half percent and implementation of a state RAC program. He stated OHA will continue to educate the public and speak with legislators to consider Medicaid expansion. The OHA is willing to utilize SHOPP money as a funding mechanism to draw down the available new federal funding. Mr. Keith updated the Board regarding MRHC's response to the Request for Proposal (RFP) to partner with Eastern Oklahoma Medical Center (EOMC) in Poteau. He stated a management agreement is being developed by our legal consultants and will propose one similar to that of Latimer County General Hospital. Mr. Keith did indicate that EOMC is seeking a revolving line of credit upwards to \$2M. Mr. Keith will work with legal to ensure that MRHC mitigates any risk as a result of any loan to EOMC. Mr. Keith reported he and Suanne Gerfsdorf, CEO of Tulsa Cancer Institute (TCI) has entered into a Letter of intent with MRHC to develop a business plan that reflects the growing demand for additional cancer services for Southeastern Oklahoma. He reported TCI's merger with Saint Johns in Tulsa, who has a strong affiliation to MD Anderson, will bring value to the project. The goal is to establish a new Cancer Center on campus that addresses the need to expanded and full time cancer services. Mr. Keith reported the Oklahoma Health Care Authority (OHCA) has chosen a fully capitated, statewide model of care for the Medicaid program. The OHCA believes this model will meet the intent of legislation by providing the highest quality of care for the Aged, Blind and Disabled population while helping to control costs and improve health outcomes. Mr. Keith reported he is working with the Oklahoma Hospital Association to address the concerns that outsourcing the management of the state wide network would not be in hospitals' best interest Mr. Keith reminded the Board that the Emergency Center project will be on the ballot February 9, 2016. He encouraged the Board members to remind the community to vote and reiterate there will be no tax required to achieve the project. Mr. Whybrew updated the Board regarding the marketing campaign for the ED project and the efforts to get the information out to the community.

Personnel Committee Report:1. **Executive Succession Policy:**

Mr. Weldon Smith, Chairman of the Personnel Committee reported the committee met previously to review the Executive Succession Policy for renewal. He reported the purpose of the policy is to have a structured plan to replace the CEO. The Personnel Committee recommended the policy be forwarded to the Board for approval; however the policy was tabled at a previous Board meeting pending additional revisions. He reported the revisions have been made and he would like to recommend the policy be considered for approval. A **Motion** was made (Smith) and seconded (Lewis) to approve the Executive Succession Policy 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.

Financial Committee Report:1. **Financial Reports:**

Mr. Darryl Linnington presented the November 2015 financial reports. He reported the hospital generated positive operating income for the month of November. Revenues were just short of growth plan, largely due to lighter outpatient ancillaries. Compared to prior year however, revenues were significantly higher including higher inpatient admissions, ED visits, and surgery volumes. The bad debt was lower due to quicker collections than a year ago. He reported expenses were right at budget. Mr. Linnington reported he will present a Clinics trend report at the next Finance Committee as requested by Mr. Evans McBride. He reported the loss on the clinics was largely related to volume. A new central scheduling for clinics has started to boost daily clinic volume and physician productivity. In November clinic revenues were up from October. He reported Benefits were higher than a year ago. He stated the hospital has engaged Lockton Company to do a claims audit; the results will be shared once available. Mr. Linnington closed by reporting the collections were good, cash balances increased to 167 days cash on hand, and capital spending was light. A **motion** was made (McBride) and seconded (Sehgal) to approve the November 30, 2015 financial report as presented. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, L.M. Milton, MD, Mark Sehgal, MD, Brent Grilliot and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried unanimously.

2. **CER for the purchase of Anesthesia Machines:**

Mr. Linnington presented a CER for the purchase of Anesthesia Equipment. He reported bids were received from Mindray, Spacelabs Healthcare, GE Healthcare and Draeger Medical. Mr. Kent Schmidt, CRNA reported the MRHC Anesthesia staff had the opportunity to try out machines from multiple vendors. The Anesthesia Staff selected the Mindray machines as the best functioning equipment in the OR. Mr. Linnington made a recommendation to approve the Mindray bid of \$469,000.78. A **motion** was made (Milton) and seconded (Sehgal) to approve the CER for the purchase of Anesthesia Machines from Mindray at a cost of \$469,000.78. The vote was taken as follows: Aye: Susan Kanard, Weldon Smith, Mary Shannon, Don Lewis, Evans McBride, Brent Grilliot, Mark Sehgal, MD, L.M. Milton, MD and Cara Bland. Nay: None. Absent: None. Abstain: None. Chairperson Bland declared the **motion** carried.

Board QI Report:

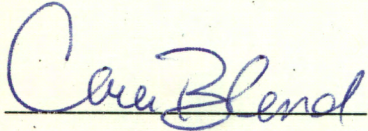
Dr. Mark Sehgal reported the Board QI Committee did not meet in December.

New Business:

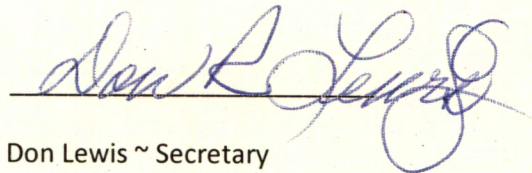
Mr. Keith Mateychick reported the long awaited State inspection to finalize the 2W renovation project was completed and the project was approved. Plans for a grand opening ceremony are planned for January 13, 2016. The Unit will be opened to patients following the ceremony.

Adjournment:

With no further questions or business to come before the Board the meeting was adjourned at 4:58 PM.



Cara Bland ~ Chairperson



Don Lewis ~ Secretary

/sds