

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday July 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 03:20 PM, on Tuesday July 05, 2016.

TRUSTEES PRESENT:

Weldon Smith, Chairperson ~ Mary Shannon, Vice Chairman ~ Brent Grilliot, Secretary ~ Susan Kanard ~ Cara Bland ~ Evans McBride (left the meeting at 5:15 PM) ~ L.M. Milton, MD ~ Don Lewis ~ Mark Sehgal, MD

TRUSTEES ABSENT:

HOSPITAL STAFF:

David Keith ~ Sonya Stone, Recording Secretary ~ Darryl Linnington ~ Kim Stout ~ Keith Mateychick ~ Ryan Gathard ~ John Gallagher ~ Shawn Howard ~ Jason Bray ~ Scott Lowe ~ Kandra Wells ~ David Mak ~ Chris Whybrew

OTHER ATTENDEES:

Elise Brennan, Legal Counsel ~ Dr Christopher Beene, Chief of Staff ~ Pete Stasiak, City Manager

CALL TO ORDER:

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

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for June 1, 2016.
2. Medical Staff credentialing appointments as follows:
 - A. Approval of appointments (Provisional) for one (1) year:
 - a. Craig Burns, MD – Active Staff – Emergency
 - b. Annette Bonham, Dental Assistant – Affiliate Staff – Dental Assistant under the supervision of Janna McIntosh, DDS
 - c. Craig Lastine, MD – Affiliate Staff _ Teleradiology
 - d. William Richardson – Affiliate Staff – Wound Care
 - e. Michelle Mann, CRNA – Affiliate Staff – Nurse Anesthetist
 - f. Prateek Sanghera, MD – Affiliate Staff – Nephrology/Dialysis
 - B. Approval of Reappointment for Two (2) years:
 - a. Stacy Hardy, MD – Active Staff – Internal Medicine
 - b. Martin Hayes, MD – Active Staff – General/Vascular/Thoracic Surgery
 - c. Chris Manschreck, DO – Active Staff – Family Medicine
 - d. Justin Plaxico, DO – Active Staff – General Surgery
 - e. James Rascoe, DO – Active Staff – Psychiatrist
 - f. Douglas Auld, DDS – Affiliate Staff – General Dentistry
 - g. Michael Auld, DDS – Affiliate Staff – General/Pediatric Dentistry
 - h. Paula Deupree, DO – Affiliate Staff - Radiology
3. Appointment of David Mak to the McAlester Ambulatory Surgery Center Board of Managers, replacing Darryl Linnington.

4. MRHCA Board of Trustees Committee Assignments for FY 2016 – 2017
5. Governance Policies as follows:
 - a. Ad Hoc Committee policy
 - b. Quality Improvement Committee policy
 - c. Finance Committee policy

A Motion was made (Lewis) and seconded (Sehgal) to approve the Consent Agenda items one (1), two (2), three (3), four (4), and five (5) as presented. The vote was taken as follows: Aye: Don Lewis, Mark Sehgal, MD, Evans McBride, Brent Grilliot, Susan Kanard, Cara Bland, Mary Shannon and Weldon Smith. Nay: None. Absent: None. Abstain: L.M Milton, MD. Chairperson Smith declared the motion carried.

Conflict of Interest attestation handout for period ending June 30, 2016:

Mr. Smith presented the bi-annual Conflict of Interest attestation forms for individual signature by each McAlester Board of Trustee member. The forms were collected and will be filed with the City and County Clerk according to Section 2 of House Bill No. 1278 enacted June 15, 1997, with an effective date of December 1, 1977, (60 O.S. Supp. 1997, Section 178.8).

CEO Strategic Report:

1. CEO Report:

Mr. Keith reported Team Health, the Emergency Department and Hospitalist Physicians Management Company, submitted their 120 day notice of termination effective in October 2016. Mr. Keith reiterated his commitment to the physicians to review their contracts and begin the process of transitioning the Emergency Department physicians and Hospitalist over to a hospital employment model by the end of July 2016. Mr. Keith called upon Mr. Darryl Linnington and Mr. Chris Whybrew to provide an update on the support efforts for Eastern Oklahoma Medical Center and the Oklahoma Cancer Specialist and Research Institute, LLC expansion project. Ms. Kim Stout provided an update on the development of the Employee Incentive Program for this fiscal year and Mr. Keith Mateychick provided an update on the wayfinding and facility improvements. Mr. Keith reported that he is working with hospital attorneys on a project plan for the development of a hospital based nursing home. He reported the Board can expect a presentation on the proposed nursing home within the next month. Mr. Keith reported the McAlester Ambulatory Surgery Center renovation project is set to begin in the very near future followed by the kick off of the Surgery Department renovation project in September 2016. Mr. Keith reported the McAlester Regional Foundation recently sponsored a successful golf tournament fundraiser. He acknowledged Mr. Ryan Gathard, Director of the Foundation for his coordinating efforts.

2. Regional Marketing Plan:

Mr. Keith provided a power point presentation regarding a Regional Market Plan. He described how the plan ties into the overall strategic plan of the hospital to the secondary service area. The plan defined the primary and secondary service areas, and identified the strategies for each. He welcomed input from the Board and reported a more robust plan may be shared at the upcoming Board of Trustee Retreat in October.

Chief of Staff Report:

Dr. Christopher Beene reported following the termination submission from Team Health, the ED and Hospitalist Management Company physicians were very nervous and had many questions; however after a scheduled meeting with Administration the physicians are feeling positive about the transition over to the

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hospital employment. He reported three Family Medicine Residents recently graduated but will be pursuing opportunities elsewhere; however the upcoming graduating class is showing interest in staying here after graduation. At the request of Chairman Smith, Ms. Kim Stout provided an update on nurse recruitment. She stated the Nursing Extern Program has proven to be very beneficial with the efforts of recruiting quality nurses.

Board QI Report:

Dr. Mark Segal reported the Board QI Committee met for a short meeting. He reported three topics were discussed; Quality scores, Community based surveys, and the Primary Stroke Center of Excellence. He stated the Board QI Committee continually addresses quality scores that require improvement; however physician communication continues to score low. Dr. Sehgal reported he drafted a letter to the medical staff in an effort to communicate the importance of communication and how it affects quality scores. He stated he hopes to see an improvement on the quality report soon. Dr. Sehgal reported community access surveys are very confusing to the consumers. Discussion was held regarding the future participation in the surveys. Dr. Sehgal reported a few measures required improvement in the area of the Primary Stroke Center of Excellence. A consultant from Saint John's Hospital will be working with the Neurologist and ED physicians to identify areas of improvement and strengthen the program in an effort to improve the quality score.

Personnel Committee Report:

Chairman Smith reported the Personnel Committee met. He opened the floor to Mr. Scott Lowe to provide a report of the meeting. Mr. Lowe reported an analysis of the 2015 MRHC Health Plan was performed. As a result there were opportunities identified to improve the health plan for the employees. Mr. Lowe provided an overview of the findings and action plan for aligning employees to drive better healthcare and reduce the number of claims.

Financial Committee Report:

1. Financial Reports for May 2016:

Mr. Darryl Linnington and Mr. David Mak provided the financial report for May 2016. Mr. Linnington reported the cash flow continues to do well generating approximately 10M from for the third year in a row operations. Mr. Linnington covered key indicators, the statement of operations, the FTE status and a review of the financial position. A motion was made (Sehgal) and seconded (Grilliot) to approve the May 2016 Financial Reports as presented. The vote was taken as follows: Yea: Mark Sehgal, MD, Brent Grilliot, Susan Kanard, L.M. Milton, MD, Cara Bland, Don Lewis, Weldon Smith. Nays: None. Abstain: None. Absent: Evans McBride (Left the meeting at 5:15 PM). Motion carried unanimously.

2. Consideration and action of the FY 2017 Operations and Capital Budget:

Mr. David Mak presented the FY 2017 Operating and Capital Budget. He reported the budget is very sensitive to challenges the hospital could face regarding reimbursements. He stated the budget also includes provisions for construction related mortgages. Mr. Mak reported the budget is also based on a significant decrease in contract labor fees, a loss of eligibility in the 340B drug rebate program, and an expected decrease in legal fees. He stated that a new Group Purchasing Agency has resulted in lower supply cost that will also be reflected in the new budget. Mr. Linnington reported the goal for the next fiscal year is to have 200 days cash on hand. Mr. Keith reported we are taking a very conservative approach to revenues, a realistic approach to expenses, and funding large strategic

initiatives with capital. He closed by saying the FY 2017 Operating and Capital Budget is very reasonable and accurate. A **Motion** was made (Shannon) and seconded (Lewis) to approve the FY 2017 Operating and Capital Budget as presented. The vote was taken as follows: Yea: Mary Shannon, Don Lewis, Susan Kanard, Mark Sehgal, MD, L.M. Milton, MD, Cara Bland, Brent Grilliot, and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the **motion** carried.

3. Consideration and action of the 2016 -2017 Workers Compensation Reserve Escrow Agreement and Resolution:

Mr. Scott Lowe reported the Workers Compensation Reserve Escrow Agreement and Resolution are required annually to secure a certificate of deposit to self-insure its workers' compensation obligations. The amount secured on the Reserve Escrow Agreement was \$473, 746.16 for this fiscal year. A **motion** was made (Sehgal) and seconded (Kanard) to approve the Workers Compensation Escrow Agreement and Resolution as presented. The vote was taken as follows: Mark Sehgal, MD, Susan Kanard, L.M. Milton, MD, Don Lewis, Cara Bland, Mary Shannon, Brent Grilliot, and Weldon Smith. Nay: None. Abstain: None. Absent: Evans McBride. **Motion** Carried unanimously.

4. Consideration and action of a revised Capital Equipment Request for 2West patient beds:

Mr. Keith Mateychick requested a revision to a previously approved CER for 2West patient beds. He made a request for an additional \$13,660.24 for accessory items needed after the beds were put into place. Mr. Mateychick reported that even with the additional items the total amount is still lower than the other bids received. A **motion** was made (Sehgal) and seconded (Bland) to approve the adjustment to a previously approved CER for 2West patient beds in the amount of \$13,660.24 as presented. The vote was taken as follows: Mark Sehgal, MD, Cara Bland, Mary Shannon, Brent Grilliot, Don Lewis, Susan Kanard, L.M. Milton, MD, and Weldon Smith. Nay: None. Abstain: None. Absent: Evans McBride. **Motion** Carried unanimously.

New Business: None

Adjournment:

With no further questions or business to come before the Board, a **motion** was made to adjourn the meeting at 6:14 PM. The vote was taken as follows: Susan Kanard, Mark Sehgal, MD, L.M. Milton, MD, Don Lewis, Mary Shannon, Don Lewis, Mary Shannon, Cara Bland, Brent Grilliot, and Weldon Smith. **Motion** Carried unanimously.



Weldon Smith ~ Chairperson



Mary Shannon ~ Secretary

/sds

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