

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday September 05, 2018 at McAlester Regional Health Center in the Administration Board Room. Public notice, setting forth there on the day, time and place for this regular meeting had been delivered to the office of the City Clerk at 02:00 PM on Tuesday September 04, 2018.

TRUSTEES PRESENT:

Evans McBride MD (arrived at 4:16 PM) ~ Susan Kanard ~ Mary Shannon, Vice Chairman ~ Brent Grilliot ~ Kevin Priddle (arrived at 4:02 PM ~ Weldon Smith, Chairman ~ Mark Sehgal, MD ~ Cara Bland

TRUSTEES ABSENT: Ray Dixon, M.D

HOSPITAL STAFF:

David Keith, Sonya Stone, Recording Secretary, Shawn Howard, Jim Fraser, Julie Powell, Dee Misrasi, Heather Eddy, Tim Cathey, M.D., Darryl Linnington, Whitney Hull, Kim Stout

OTHER ATTENDEES:

Rachel Jordon, Legal Counsel, (via conference phone), Russell Ramzel, Legal Counsel, Larry Snyder, VMG Health, Pete Stasiak, City Manager

CALL TO ORDER:

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

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for August 08, 2018
2. Credentialing List as follows:

Approval of appointments for provisional credentials and privileges for one year per the recommendation of the Medical Executive Committee:

- a. Kimberly Elrod, APRN ~ Allied Health ~ Family Medicine
- b. Donald Blake, MD ~ Affiliate Staff ~ Teleradiology
- c. William Mansfield, MD ~ Affiliate Staff ~ Teleradiology
- d. Michael Hovsepian, MD ~ Affiliate Staff ~ Teleradiology
- e. Esther Lee, DO ~ Affiliate Staff ~ Teleradiology
- f. Nicolas Appleton, MD ~ Affiliate Staff ~ Teleradiology
- g. Conor Kain, MD ~ Affiliate Staff ~ Teleradiology
- h. Zulifqar Ali, MD ~ Affiliate Staff ~ Teleradiology

Approval of appointments for Reappointment credentials and privileges for two years per the recommendation of the Medical Executive Committee:

- a. Gary Lee, MD ~ Active Staff ~ Hospitalist/Emergency Medicine

A **Motion** was made (Bland) and seconded (Grilliot) to approve consent agenda items one (1) and two (2) as presented. The vote was taken as follows: **Aye:** Cara Bland, Brent Grilliot, Mark Sehgal, MD, Susan Kanard, Mary Shannon, and Weldon Smith. **Nay:** None. **Absent:** Evans McBride, Ray Dixon, MD, Kevin Priddle.

Abstain: None. Chairperson Smith declared the **motion** carried.

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Consideration and approval of Performance Incentive Plan: Mr. Jim Fraser provided an overview of the Performance Incentive Plan included in the preliminary meeting packet for middle management and the Administrative Executive Team. The plan was developed around five pillars which include: Quality/Customer Service; Regional Development Expansion; Physician Recruitment and Retention; Population Health; and Financial Sustainability. Each pillar has an EBIDA trigger based on the year-end financial performance, a target and a target plus goal. Mr. Fraser addressed questions from the Board that satisfied any concerns with the plan. Chairman Weldon Smith requested future updates to the Board showing how MRHC is measuring compared to other like hospitals. Ms. Whitney Hull and Ms. Kim Stout both agreed to provide the requested updates. A motion was made (Priddle) and seconded (Bland) to approve the Performance Incentive Plan as presented. The vote was taken as follows: **Aye:** Kevin Priddle, Cara Bland, Brent Grillo, Susan Kanard, Evans McBride, Mark Sehgal, MD, Mary Shannon and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD,

Det Norske Veritas (DNV) Survey and Credentialing & Privileging Update Ms. Whitney Hull provided an update regarding the findings of a recent DNV reaccreditation survey that included a survey of the credentialing & privileging process. She reported corrective actions for the DNV findings were submitted to DNV and accepted on August 27, 2018. MRHC had a follow up visit from DNV today to clear two condition level findings. The results of this survey are pending. Ms. Hull also provided an update on a recent DNV Primary Stroke Center follow up survey that occurred on August 21, 2018. She reported MRHC did show some improvement since the initial survey; however DNV did not clear the Condition Level findings and will return on November 8, 2018 for a follow up survey. Ms. Julie Powell shared the past history of the Credentialing & Privileging Service that led to failed processes. She reported consultants from Greeley and Company are currently in place to assess, educate and firm up the processes to meet DNV and CMS requirements. She added a new Modio Software Support System is in place to transition the credentialing from paper to electronic. Modio uploaded all the credentialing files to the new system and they are now under review for accuracy. Modio is also providing training for the new system to key staff members. Ms. Powell stated the hospital has been very transparent with DNV and CMS on the issues and are working very hard to correct any deficiencies.

CEO Report: Mr. David Keith provided an overview of the September 2018 CEO report included in the preliminary meeting packet. He reported priority strategic initiatives pursued by MRHC Leadership have been identified and dashboards are being developed to measure the progress of each pillar. Mr. Darryl Linnington shared an example of a dashboard for Quality and Customer Service. He reported the dashboards will identify problem areas so Leadership can track and find a solution to correct them. Mr. Keith stated the completed dashboards will be rolled out in December or January and will be available to the Board. He reported during the recent DNV survey, the Safety, Security and Disaster Preparedness Plan was reviewed. DNV found the Plan to be in compliance with the new CMS standards. Dr. Tim Cathey shared more information on federal and state regulations for Disaster Preparedness that effect the hospital. Ms. Kim Stout provided an update on the Hospice and Home Health Service Line and plans for growing the service. Mr. Keith provided an update on the Orthopedic and Sports Medicine service line. He reported Dr. Patrick Gannon returned to MRHC and his practice is expected to ramp up quickly. Ms. Kim Stout updated the Board on the findings of a recent CMS survey. She reported their biggest focus was in OR and Sterile Processing. There were findings that will need to be addressed quickly. Mr. Keith stated there will be expenditures primarily in Central Sterile that will be presented to the Finance Committee when a cost is determined. Mr. Keith shared the VA project is ongoing and working through a few minor issues including sufficient parking. He added a parking lot expansion project update will be presented at an upcoming Board meeting.

Chief of Staff Report: No Report.

Board QI Report: Ms. Cara Bland reported the Board QI Committee met on August 28, 2018. The activities of the Quality Management Oversight Committee; the success of Leadership rounding; and the Quality Score Card results were discussed. She opened the floor to Ms. Whitney Hull who provided a presentation included in the preliminary meeting packet.

1. HCAHP Scorecard Update: Ms. Whitney Hull reported the number one strategic priority for this year is Quality and Customer Service. She shared the initiatives that were implemented to drive improvement as follows: Leadership Rounding; Increased awareness; Departmental Quality Board Projects; and Discharge follow up calls performed by a Care Transitions RN. She reported CMS requires MRHC to utilize a separate vendor to administer HCAHPS surveys on behalf of the hospital via two-wave mail as required by CMS regulations. Ms. Hull shared a recent HCAHPS scorecard which reflected a significant improvement in the second quarter of 2018. In closing, Ms. Hull provided opportunities to keep the momentum of improvement going forward.

Business and Service Line Development Committee: For discussion in Executive Session.

Personnel Committee Report: Ms. Susan Kanard provided an update regarding a Personnel Committee meeting held on September 4, 2018. She reported the renewal agreement for the Chief Executive Officer was reviewed. The Committee requested a follow up meeting to review the agreement without the redline mark ups. Ms. Kanard reported health benefits were also discussed. She stated claims decreased compared to the previous year.

Finance Committee Report:

1. Consideration and approval of Finance Report for July 2018: Mr. Jim Fraser presented the July 2018 Financial Reports. He stated the volumes were below expectation. For the month ending July 31, 2018 MRHC reported a net operating income of \$55k, as compared to a budgeted net operating loss of \$201k and a prior year net operating income of \$7k. From an EBIDA standpoint, MRHC reported a positive \$424k, compared with a budgeted EBIDA of \$233k and a prior year income EBIDA of \$362k. Volumes were mixed, with inpatient discharges up to 365 from 357 in the prior year, outpatient registrations were up to 6,236 from 6,128, emergency department visits were 2,091 up from 1884 in the prior year, total surgeries were down to 247 from 283 in the prior year. Unrestricted cash balances have decreased to 133 days from 140.8 days from the prior year. Continued improvement in labor management resulted in paid FTEs running 669, a reduction of 38 from the prior year. He reported due to the recent CMS survey findings, the Capital Budget will be adjusted to provide funding for the OR and Sterile Processing corrective action requirements as mandated by CMS. A Motion was made (Bland) and seconded (Shannon) to approve the July 2018 Financial Reports as presented. The vote was taken as follows: **Aye:** Cara Bland, Mary Shannon, Mark Sehgal, MD, Evans McBride, Kevin Priddle, Susan Kanard, Brent Grilliot and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the motion carried.

2. Consideration and approval of CER for Genmark Eplex Molecular Analyzer: Mr. Jim Fraser presented a CER for Genmark Eplex Molecular Analyzer. The cost of the analyzer is \$68,000. The MRHC Laboratory does not have molecular testing capabilities to test for Respiratory Pathogen Panels. Mr. Fraser reported the analyzer will pay for itself in less than a year. The equipment has a 5-7 year equipment life. Dr. Tim Cathey reported this new technology is changing the way Laboratories are operating; reducing tech times from 24 hours to 10 minutes. A Motion was made (Priddle) and seconded (Sehgal) to approve the CER for Genmark Eplex Molecular Analyzer as presented at a cost of \$68,000. The vote was taken as follows: **Aye:** Kevin Priddle, Mark Sehgal, MD, Susan Kanard, Brent Grilliot, Cara Bland, Mary Shannon, Evans McBride and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the motion carried.

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3. **Consideration and approval of CER for Cepheid Molecular Analyzer:** Mr. Jim Fraser presented a CER for Cepheid Molecular Analyzer. The cost of the analyzer is \$69,198. The MRHC Laboratory does not have molecular testing capabilities to test for 600 Chlamydia and Gonorrhea screening samples performed annually. Mr. Fraser reported the analyzer will bring in net revenue and is expected to almost pay for itself in a two year period. The equipment has a 5-7 year equipment life. Dr. Tim Cathey reported the analyzer will perform an array of laboratory tests. A **Motion** was made (Priddle) and seconded (Kanard) to approve the CER for Cepheid Molecular Analyzer as presented at a cost of \$69,198. The vote was taken as follows: **Aye:** Kevin Priddle, Susan Kanard, Mark Sehgal, MD, Evans McBride, Cara Bland, Mary Shannon, Brent Grilliot and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the **motion** carried.

New Business: None

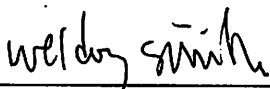
Executive Session:

A **Motion** was made (Bland) and seconded (Grilliot) to enter into Executive Session. The vote was taken as follows: **Aye:** Cara Bland, Brent Grilliot, Susan Kanard, Kevin Priddle, Evans McBride, Mark Sehgal, MD, Mary Shannon and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the **motion** carried.

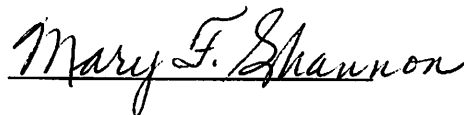
A **Motion** was made (Priddle) and seconded (Kanard) to come out of Executive Session. The vote was taken as follows: **Aye:** Kevin Priddle, Susan Kanard, Mary Shannon, Mark Sehgal, MD, Evans McBride, Brent Grilliot, Cara Bland and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the **motion** carried.

No action was taken during Executive Session

Adjournment: With no further questions or business to come before the Board, A **Motion** was made (Priddle) and seconded (Shannon) to adjourn the meeting at 6:35 PM. The vote was taken as follows: **Aye:** Kevin Priddle, Mary Shannon, Susan Kanard, Mark Sehgal, MD, Brent Grilliot, Evans McBride and Weldon Smith. **Nay:** None. **Absent:** Ray Dixon, MD. **Abstain:** None. Chairperson Smith declared the **motion** carried.



Weldon Smith ~ Chairperson



Mary Shannon ~ Secretary

/sds

Initials _____