

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday February 06, 2019 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 10:32 AM on Tuesday February 05, 2019.

TRUSTEES PRESENT:

Susan Kanard ~ Brent Grilliot ~ Weldon Smith, Chairman ~ Kevin Priddle (arrived 4:11PM) ~ Cara Bland ~ Marti Fields ~ Mark Sehgal, MD ~ Mary Shannon

TRUSTEES ABSENT: Evans McBride

HOSPITAL STAFF:

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

OTHER ATTENDEES:

Eric S. Fisher, Legal Counsel (via conference phone) ~ Pete Stasiak, City Manager ~ Lee Martin

CALL TO ORDER:

Chairman Smith called the meeting to order at 4:00 PM. Chairman Smith recognized Ms. Cara Bland for 14 years of service on the MRHC Board of Trustees. Ms. Bland's term ends the end of February 2019. She was presented with a card and clock for her many years of service. Ms. Bland will continue to serve on hospital committees as a community representative.

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for January 09, 2019
2. Credentialing and privileging list as follows:

Approval of appointment for **Provisional** Credentialing and Privileges for one year per the recommendation of the Medical Executive Committee:

- a. Charles Knife Chief, MD ~ Active Staff ~ OB/GYN
- b. Luke Leming, DO ~ Active Staff ~ Hospitalist
- c. Stephen Mikus, DO ~ Active Staff ~ Hospitalist
- d. Reagan Robles, DO ~ Active Staff ~ Emergency Medicine
- e. James Rush, IV, MD ~ Active Staff ~ Tele-Psychiatry
- f. Michael Spieker, FNP-BC ~ Allied Staff ~ Tele-Psychiatry

Approval of appointments for **Reappointment** Credentialing and Privileges for two years per the recommendation of the Medical Executive Committee:

- a. Ruby Pate, APRN ~ Affiliate Staff ~ Medicine/Urgent Care

Approval of **Resignations** of Credentialing and Privileges per the recommendation of the Medical Executive Committee:

- a. Richard T. Bowden, MD ~ Psychiatry ~ 01/31/2019

Initials _____

- b. Kelly Davis, MD ~ Hospitalist ~ 12/27/2018
 - c. Johnny Zellmer, MD ~ Family Medicine ~ 01/31/2019
 - d. Abdol Khorasanchian, MD ~ Cardiology ~ 12/31/2018
3. Appointment of Pete Stasiak and Steve Harrison to the MRHC Investment Committee.
 4. Request by Dr. Abdolkarim Khorasanchian to rescind his voluntary resignation of credentialing & privileging appointment.
 5. MRHC Contract Log for January 2019
 6. CEO Report

A **Motion** was made (Bland) and seconded (Grilliot) to approve consent agenda items one (1), two (2), three (3), five (5) and six (6) as presented. Item four (4) was pulled from the consent agenda for discussion. The vote was taken as follows: Aye: Mark Sehgal, MD, Susan Kanard, Mary Shannon, Brent Grilliot and Weldon Smith. Nay: None. Absent: Evans McBride, Kevin Priddle. Abstain: Marti Fields. Chairperson Smith declared the **motion** carried.

Discussion regarding item four (4) of the consent agenda "Request by Dr. Abdolkarim Khorasanchian to rescind his voluntary resignation of credentialing & privileging appointment: Ms. Cara Bland requested item four (4) to be pulled from the consent agenda for discussion. Mr. Keith reported Dr. Khorasanchian notified MRHC of his intent to retire and the process of termination was initiated. Dr. Khorasanchian would like to rescind his voluntary resignation because he later decided to work one day a week to fill a current need at the hospital. A **Motion** was made (Bland) and seconded (Shannon) to approve item four (4) pulled from the consent agenda "Request by Dr. Abdolkarim Khorasanchian to rescind his voluntary resignation of credentialing & privileging appointment" as presented. The vote was taken as follows: Aye: Cara Bland, Mary Shannon, Mark Sehgal, MD, Marti Fields, Susan Kanard, Brent Grilliot and Weldon Smith. Nay: None. Absent: Evans McBride, Kevin Priddle. Abstain: None. Chairperson Smith declared the **motion** carried.

Consideration and approval of Resolution to sell MRHC 50% ownership in the McAlester Regional Dialysis Center, L.L.C. to DaVita: Ms. Cara Bland stated the Resolution was not presented in advance at the previous board meeting. She recommended **tabling** the request until the next scheduled board meeting. Mr. Linnington reported the Resolution was not available at the previous meeting; however a one month delay would not hold up the estimated closing date. A **Motion** was made (Bland) and seconded (Sehgal) to table the approval of Resolution until the next scheduled Board meeting as recommended. The vote was taken as follows: Aye: Cara Bland, Mark Sehgal, MD, Susan Kanard, Brent Grilliot, Kevin Priddle, Marti Fields, Mary Shannon and Weldon Smith. Nay: None. Absent: Evans McBride, Kevin Priddle. Abstain: None. Chairperson Smith declared the **motion** carried.

MRHC Board of Trustees Education & Discussion - Module 1: Ms. Heather French provided an overview of a Board Educational Webinar that was distributed to the Board Members in the previous month. Module 1- Governance is the first of a series of webinars geared to educate the Trustees on their role as a Board Member. Some of the information covered in the webinar included: Characteristics of a Governing Board; Functions of a Governing Board; Board Organization; Legal Protection for Trustees; Board Meetings; Conflict of Interest; Evaluations and Self Assessments; Orientation, Education and Communication. The Board participated with questions and discussion.

Strategic Discussion – EMS Presentation & Discussion: Dr. Tim Cathey provided a presentation regarding improving the Emergency Medical Services (EMS) System of Care for McAlester and Pittsburg County. He described the mission of EMS and the role of paramedics vs.

Credentialing & Privileging Service Line Update: Ms. Julie Powell reported a CMS Validation Survey that occurred August 27-31, 2018; corrective actions were submitted to the Oklahoma State Department of Health on December 17, 2018 and on January 24, 2019 our corrective actions were approved. She added the hospital had a condition level finding related to credentialing and privileging which was corrected and downgraded to NC1 during a follow up survey. On February 1, 2019 MRHC entered into a contracted agreement with Jackson Co. Memorial Hospital in Altus, OK to provide Credentialing Services. In addition, MRHC is beginning the transition to a software management platform "Aperature" to transition from a paper to an electronic platform. Ms. Powell reported MRHC is in the active phases of interviewing for a Quality Coordinator position which will be a support person on site to assist practitioners, manage accreditation and the Credentialing Committee. The coordinator will be a liaison between MRHC and Jackson County Memorial Hospital. Ms. Powell closed by describing all the steps involved in the credentialing and privileging process and expected timeframes.

Chief of Staff Report: Dr. Michael Mann reported the By Laws Committee met to work on new Medical Staff Bylaws. He reported good progress was made. The Committee committed to having a finalized product in place and ready to present to the Medical Staff Committee on July 7, 2019. Ms. Julie Powell reported modifications were made to the current Medical Staff Bylaws to satisfy a CMS survey finding. She stated this should suffice and meet CMS requirements until the new bylaws are in place.

Board QI Committee Report: Ms. Susan Kanard provided an overview of the Board QI minutes for January 29, 2019. Topics discussed included Regulations/Standards on "how to use ALWAYS", Comparison of Elderly reports, Quality Management Oversight System, MMS quarterly report, Quarterly Quality and Stroke Scorecard and a Home Care quarterly update.

Investment Committee Report: Ms. Mary Shannon provided an overview of the January 15, 2019 Investment Committee Minutes. She reported the Investment Advisors discussed financial goals for the future.

Finance Committee Report:

- 1. Consideration and approval of November 2018 and December 2018 Financial Reports:** Mr. Jim Fraser provided an overview of the November and December Financial Reports. For the month of November operating income was up from prior year and there was a huge inpatient month in November. There was a positive EBIDA that was greater than the prior year. For the year-to-date, MRHC reported a positive net operating income compared to a prior year net operating loss. Unrestricted cash balances have decreased to 125.8 days from 138.6 days in the prior year. For the month of December the net operating income and EBIDA contributed to a strong financial month. Contract labor and Salaries wages and Benefits went from 50% to 56% due to the holidays and overtime. Total operating expenses and the Average Daily Census were down compared to November. Volumes were mixed with inpatient discharges down 393 from 398 and outpatient registrations were up from prior year. Emergency department visits were up 2,099 from 1,941 prior year and total surgeries were down 266 from 292 in the prior year. Unrestricted cash balances decreased to 122.4 days from 135.1 days from prior year. Labor management resulted in paid FTEs running 692, up 16 FTEs from prior year. Discussion held regarding the net revenue and cash collections.

A Motion was made (Sehgal) and seconded (Priddle) to approve the November 2018 Financial report as presented. The vote was taken as follows: Aye: Mark Sehgal, MD, Kevin Priddle, Mary Shannon, Marti Fields, Susan Kanard, Brent Grilliot, Cara Bland and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.

A Motion was made (Shannon) and seconded (Bland) to approve the December 2018 Financial report as presented. The vote was taken as follows: Aye: Mary Shannon, Cara Bland, Susan Kanard, Brent Grilliot, Mark Sehgal, MD, Kevin Priddle, Marti Fields and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.

2. **Consideration and approval to ask Morgan Stanley to provide a fee proposal for a third-party services review for Retirement Plan:** A Motion was made (Bland) and seconded (Grilliot) to **table** the consideration of Morgan Stanley to provide a fee proposal for a third-party services review for Retirement Plan as recommended. The vote was taken as follows: Aye: Cara Bland, Brent Grilliot, Mark Sehgal, MD, Susan Kanard, Marti Fields, Mary Shannon, Kevin Priddle and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.
3. **Consideration and approval to ask Morgan Stanley to modify the Investment Policy to allow 1% of holdings to obtain alternative investments based on recommendation defined by Morgan Stanley to be compliant with MRHC's Investment Policy:** Ms. Shannon recommended removing "to ask Morgan Stanley" from the formal request stating MRHC will modify the Investment Policy not Morgan Stanley. The Board was in agreement. A Motion was made (Shannon) and seconded (Sehgal) to approve modifying the Investment Policy to allow 1% of holdings to obtain alternative investments based on recommendation defined by Morgan Stanley to be compliant with MRHC's Investment Policy and striking "to ask Morgan Stanley from the formal request as presented. The vote was taken as follows: Aye: Mary Shannon, Cara Bland, Susan Kanard, Brent Grilliot, Mark Sehgal, MD, Kevin Priddle, Marti Fields and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.
4. **Consideration and approval to transfer \$2M of funded depreciated funds to Morgan Stanley account for investment in CDs:** Mr. Fraser reported the \$2M is equivalent to 10 days cash on hand leaving 110 days cash on hand on the books which he believes is an sufficient amount. A Motion was made (Priddle) and seconded (Shannon) to approve the transfer \$2M of funded depreciated funds to Morgan Stanley account for investment in CDs as presented. The vote was taken as follows: Aye: Kevin Priddle, Mary Shannon, Mark Sehgal, MD, Marti Fields, Susan Kanard, Brent Grilliot, Cara Bland and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.

A Motion was made (Shannon) and seconded (Priddle) to go into executive session at 6:12 PM. The vote was taken as follows: Aye: Mary Shannon, Kevin Priddle, Susan Kanard, Brent Grilliot, Mark Sehgal, MD, Marti Fields and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the motion carried.

Executive Session (25 O.S. § 307(B)) – Discussion and Action – Weldon Smith, Chairman

25 O.S. § 307(B) (4): "Confidential communications between a public body and its attorney concerning a pending investigation, claim, or action if the public body, with the advice of its attorney, determines that disclosure will seriously impair the ability of the public body to process the claim or conduct a pending investigation, litigation, or proceeding in the public interest."

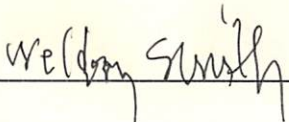
1. Discussion regarding Atoka County Medical Center

A **Motion** was made (Bland) and seconded (Grilliot) to come out of executive session at 7:05PM. The vote was taken as follows: Aye: Cara Bland, Brent Grilliot, Mark Sehgal, MD, Susan Kanard, Marti Fields, Mary Shannon, Kevin Priddle and Weldon Smith. Nay: None. Absent: Evans McBride. Abstain: None. Chairperson Smith declared the **motion** carried.

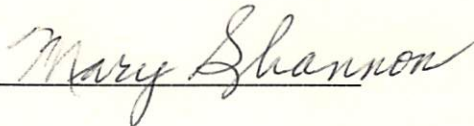
No action was taken in executive session.

New Business: None

Adjournment: With no further questions or business to come before the Board the meeting was adjourned at 7:10PM.



Weldon Smith ~ Chairperson



Mary Shannon ~ Secretary

/sds