

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday June 05, 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 11:30 AM on Tuesday June 03, 2019.

TRUSTEES PRESENT:

Susan Kanard ~ Brent Grilliot ~ Weldon Smith, Chairman ~ Kevin Priddle ~ Marti Fields ~ Mark Sehgal, MD ~ Mary Shannon ~ Evans McBride (Arrived at 4:23 PM) ~ James Bland

TRUSTEES ABSENT:

HOSPITAL STAFF:

David Keith, Sonya Stone, Recording Secretary, Jim Fraser, Tim Cathey, M.D., Michael Mann, MD, Lucy Muller, Darryl Linnington, Tracy Locke, Chris Plunkett, Julie Powell, Jeff Warmuth.

OTHER ATTENDEES:

Karen Rieger, Legal Counsel, Pete Stasiak, City Manager, Sean Brown, Leidos

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 May 1, 2019
2. Credentialing & Privileging List
3. May 2019 MRHC Agreement Log

A **Motion** was made (Fields) and seconded (Kanard) to approve consent agenda items one (1), two (2) and three (3) as presented. The vote was taken as follows: Aye: Marti Fields, Susan Kanard, Mark Sehgal, MD, Mary Shannon, Kevin Priddle, Brent Grilliot and Weldon Smith.

Nay: None. Absent: Evans McBride, Abstain: James Bland. Chairperson Smith declared the **motion** carried.

MRHC Board of Trustees Education & Discussion - Module 5 – Community Health and Relations: Ms. Lucy Muller presented "Module 5 – Community Health and Relations" an educational presentation for the Board. Ms. Muller reported after reviewing the presentation she determined the Mission Statement is the core of community health and relations. The Mission drivers are patient care every day, hospital vision, living values, people: employees, stakeholders and trustees, advocacy. She added although providing health care for the sick and injured remains the core mission of hospitals, their role is moving beyond their campuses into the community as they emphasize prevention, primary care and disease management. Ms. Muller stated the role of trustees is to protect the hospital, ensure Board diversity, and make sure the hospital's mission and sense of purpose is fulfilled. The Board is also responsible for ensuring the hospital meets compliance requirements and oversee community benefit activities. Ms. Muller stated the Board should strive to serve the community's health needs and collaborate at the community level to arrive at ways to improve community health.

Meditech 6.1 update: Mr. Sean Brown with Leidos Company provided and Meditech 6.1 expansion project update. He reported the project timeline is on target and favorable to budget with 77% of the project remaining. Mr. Darryl Linnington provided an overview of the current budget for the Meditech 6.1 project. He

reported the budget does not include the manpower hours from MRHC. Mr. Brown reported MIS foundational dictionaries have been developed including core team users and toolbox parameters setup. He stated the Surgical Services, Nursing and Emergency Services and Order Management have had initial clinical dictionary and application training. Meditech 6.1 is delivered with standard content which allow organizations to best practices for various processes and regulatory reporting requirements. Physician Leaders are currently reviewing those standard content order sets prior to building them into the project. He added significant work has also been done in the financial and ambulatory areas.

Cancer Center Project Update: Mr. Jeff Warmuth provided an update on the Cancer Center Project. He reported McAlester Regional Health Center (MRHC) and Oklahoma Cancer Specialist and Research Institute (OCSRI) both agreed a new modern and expanded Cancer Center for Southeast Oklahoma is needed. The City of McAlester passed a sales tax generating \$7.5M over 15 years in support of a new Center. He reported recently a Steering Committee was formed between MRHC and OCSRI to begin forming the concepts of a strategic plan for the project. The Steering Committee focused on three initial task: Interview and select an architectural group; Interview and select a healthcare philanthropy consulting firm to conduct a feasibility study; and assist MRHC Administration in establishing a project timeline based on the feasibility study results. The feasibility study is expected to be finalized in late August 2019. Additional discussion occurred regarding philanthropic opportunities.

Strategic Discussion:

1. Marketing Strategy: Mr. Chris Plunkett provided an update on marketing strategy for the next fiscal year. He reported the goals are to increase brand awareness, launch an aggressive grassroots marketing campaign through the development of a marketing committee, shift the bulk advertising to digital marketing, focus efforts on point of entry service lines and continue traditional advertising to maintain needed community relationships. Mr. Plunkett shared planned marketing events and the results of a six month analysis showing volume increases with digital marketing. Mr. Plunkett closed with an overview of potential internal and external avenues for marketing.

2. Update on Lab Improvements for Quality of Care: Dr. Timothy Cathey provided a presentation on quality of care Lab improvements. He discussed new lab equipment including: Genmark ePlex Respiratory Panel that provides DNA Amplification Polymerase Chain Reaction which is 99% accurate, it has the capability to rapidly detect 17 respiratory pathogens and the automation decreased human workload time by 16 hours; The Coulter DXH 900-2 CBC Analyzer detects sepsis earlier preventing major organ and tissue damage; The Genmark ePlex Sepsis Panel that provides DNA Amplification Polymerase Chain Reaction which is 99% accurate, it has the capability to rapidly detect 41 pathogens, it shortens diagnosis and treatment time by up to 48 hours and the automation decreased human workload by 20 hours. Dr. Cathey shared successes to include reduced cost per test, increased workload and increased profits. He reported the Lab passed a recent CAP survey with a 99.03% score. He stated the CAP surveyor referred to the lab as "wonderful, fantastic, awesome and impressive". In conclusion, Dr. Cathey reported the Initial modernization progress yielded valuable results; however progress in the areas of space and equipment are crucial to continued success. He added recruitment of highly qualified lab personnel is critical to long term success. The Lab team constantly strives to deliver state-of-the-art and cost-effective science to the MRHC healthcare mission.

3. CEO Report: Mr. David Keith provided an overview of the CEO report. He reported the Oklahoma Council of Public Affairs is attempting to challenge Medicaid Expansion with a petition requiring 170,000 signatures to take the decision for Medicaid Expansion to the vote of the people. The Group filed an Amicus Brief with the Supreme Court and on June 18, 2019 the Court agreed to hear the

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case. The Courts decision will determine if the group can move forward with the petition. The State Budget increased \$158M over last year to a record \$8.3B. He reported a 4-5% increase is expected to go to hospitals and doctors. Mr. Keith reported the presentations provided today have all been part of the hospital's strategic plan; however he stated MRHC leaders are reviewing and updating the current Strategic Plan in preparation of the new Fiscal Year. He added the regional strategy is changing from brick and mortar to tele-health and care networks. Mr. Keith reported the McAlester Ambulatory Surgery Center welcomes Roberta Jeffrey RN, MS as the new Director. Roberta comes with strong administrative and clinical credentials. The McAlester Medical Services has a new Interim Administrator, Chris Plunkett. The current Administrator Dee Misrasi returns to the Business Office where she is needed to bolster revenue cycle operations. Mr. Keith reported MRHC recently received sales tax funding in support of Cancer Center development of over \$283,050. Vision Philanthropy Group was selected to tee up assessment and planning for MRHC Foundation's capital campaign for the Cancer Center. MRHC was awarded the "Best Place to Work" award by Becker's Hospital Review. Mr. Keith stated he has set his sights on receiving the Modern Health Care "Best Place to Work" next year. Mr. Keith reported MRHC invests \$1.4M annually to increase acute care nursing wages to help with recruitment and retention. A new nurse staffing matrix has been put into place. He reported Williard Revels joins MRHC as the new Director of Sleep Lab and a new location is planned for the Sleep Lab inside the hospital. Plans are underway to consolidate Womens's and Downtown Imaging Services. The goal is to improve the experience and enhance services. In closing, Mr. Keith reported the 4th Annual Foundation Golf Classic will be held June 20th, 2019 at the McAlester Country Club.

Chief of Staff Report: Dr. Michael Mann provided a presentation on the Medical Staff Quality Initiative. He reported he has attempted to encourage physicians to participate in finding solutions for improvement. Although Dr. Mann stated he is working on several initiatives, he is focusing on communication in an effort to improve the quality scores in that area. He shared a presentation that maps out the process he is currently following to improve the processes for communication. Dr. Mann reported changes in communication need to be made hospital wide. Mr. Keith reported Dr. Mann's presentation was a good visual guide that reinforces the MRHC strategic plan and the planned Customer Service training.

Board QI Committee Report: Ms. Susan Kanard provided an overview of the Board QI minutes for May 28, 2019. She reported the quality scorecard was presented. She stated the scorecard showed continual improvement. She reported discussion was held regarding notification to primary care physicians when a patient is discharged from the hospital. The Stoke and Infection Control Scorecard was also reviewed and discussed.

Finance Committee Report:

1. Consideration and approval of April 2019 Financial Reports:

Mr. Jim Fraser reported for the month ending April 2019, McAlester Regional health Center reported a net operating income of \$193k, as compared to a budgeted net operating income of \$43k and a prior year net operating income of \$662k. From an EBIDA (earnings before interest, depreciation and amortization) standpoint, MRHC reported a positive of \$636k, compared with a budgeted income EBIDA of \$473k and a prior year income EBIDA of \$612k. Year to date, MRHC reports a net operating income of \$662k, as compared to a budgeted net operating income of \$965k and a prior year net operating loss of \$355k. From an EBIDA (earnings before interest, depreciation and amortization) standpoint, MRHC reported a positive \$4729k, compared with a budgeted \$5314k and a prior year positive EBIDA of \$3,218k. Volumes were mixed, with inpatient discharges are up 387 from 333 prior year, outpatient registrations are up 7,120 from 6,071 prior year, emergency department visits are up

2,284 from 2,096 prior year, total surgeries are up 290 and 247 prior year. Unrestricted cash balances have decreased to 116.9 days from 147.9 days from prior year. Labor management resulted in paid FTEs running 694; this is up 60 FTEs from prior year. A Motion was made (Priddle) and seconded (Shannon) to approve the April 2019 Financial report as presented The vote was taken as follows: Aye: Kevin Priddle, Mary Shannon, James Bland, Brent Grilliot, Susan Kanard, Evans McBride, Marti Fields, Mark Sehgal, MD and Weldon Smith. Nay: None. Absent: None. Abstain: None. Chairperson Smith declared the motion carried.

2. Consideration and approval of CER for Decontamination/Central Sterile Replacement of Washers & Autoclaves: Mr. Fraser stated there has been an emergent request for capital.

Decontamination/Central Sterile Replacement of Washers & Autoclaves, for a total net project cost of \$229,099.93. The washers and sterilizer in the decontamination area are greater than 10 years old. They have required numerous repairs in the past year resulting in repair costs of \$22,619 between September 2018 and March 2019. Some parts to repair the devices are no longer available and the reliability of the washers and autoclave is questionable at best. The door on the autoclave is warped and steam escapes due to its inability to maintain a sealed closure. The equipment provides sterilization for the entire organization, including Urgent Care, Clinics and ASC for their larger instruments. A Motion was made (McBride) and seconded (Priddle) to approve the CER, Decontamination/Central Sterile Replacement of Washers & Autoclaves for \$229,099.93 as presented. The vote was taken as follows: Aye: Evans McBride, Kevin Priddle, Mary Shannon, Mark Sehgal, MD, Marti Fields, Susan Kanard, Brent Grilliot, James Bland and Weldon Smith. Nay: None. Absent: None. Abstain: None. Chairperson Smith declared the motion carried.

New Business: None

(Executive Session cancelled. Presenter was unable to travel due to weather conditions)

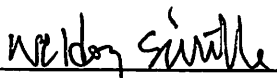
Executive Session (25 O.S. § 307(B)) – Discussion and Action – Weldon Smith, Chairman

25 O.S. § 307(B)(3): “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. Annual Claims Review ~ Sharon Addicks, Western Litigation

Adjournment:

A Motion was made (Grilliot) and seconded (Shannon) to adjourn at 6:51 PM. The vote was taken as follows: Aye: Brent Grilliot, Mary Shannon, Susan Kanard, Mark Sehgal, MD, Kevin Priddle, Marti Fields, Evans McBride and Weldon Smith. Nay: None. Absent: Steve Taylor. Abstain: None. Chairperson Smith declared the motion carried.


Weldon Smith ~ Chairperson
/sds


Mary Shannon ~ Secretary