

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday December 02, 2020 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 02:11 PM on Tuesday December 01, 2020.

TRUSTEES PRESENT:

Mary Shannon, Chairwoman ~ Weldon Smith ~ Marti Fields ~ Susan Kanard ~ Brent Grilliot ~ Johnny Zellmer, MD (arrived at 4:05PM) ~ Evans McBride (arrived at 4:30PM) ~ James Bland

TRUSTEES ABSENT: None

HOSPITAL STAFF:

David Keith, Sonya Stone, Recording Secretary, Darryl Linnington, Sherry Winczewski, Shawn Howard, Lucy Muller, Whitney Hull, Kim Stout, Julie Powell, Sam Norton, Interim CIO, Cheryl Perry, Interim CFO, Dr. Kamron Torbati, incoming Chief of Staff, Ashley Kennon

OTHER ATTENDEES:

Karen Rieger, Legal Counsel, Russell Ramzel, Legal Counsel, Timila Rother, Legal Counsel, Hilary Velandia, Legal Counsel, Rob Haight, BKD

CALL TO ORDER:

Chairwoman Shannon called the meeting to order at 4:00 PM.

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for November 04, 2020.
2. MRHC Contract Log for November 2020
3. Capital Substitutions for the following:
 - a. VapoTherm Precision Flow and Stands
 - b. Pharmacy Repacking Equipment and Label Printer
 - c. OB Clinic Relocation
 - d. AUV Blue Light-Dermatology

A **Motion** was made (Grilliot) and seconded (Fields) to approve the consent agenda items 1,2 & 3 of the consent agenda as presented. The vote was taken as follows: Aye: Brent Grilliot, Marti Fields, Susan Kanard, James Bland, Weldon Smith and Mary Shannon. Nay: None. Absent: Dr. Johnny Zellmer, M., Evans McBride. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Consideration and approval of emergency purchase to replace bed rails that allow connectivity to existing nurse call system:

Ms. Perry reported a bid for 21 med surge and rehab beds was presented to the Board for approval in September 2020. The company Umano was the chosen bid at \$116,776.38 for 21 beds. There was a misunderstanding on the bidding specifications that did not clearly specify the beds needed to integrate into the Nurse Call System. The beds do not meet the need of the organization and could result in a patient safety issue without the integration. Umano was contacted who offered to send the correct bed rails with the necessary options for Nurse Call and 37-pin for a corrected price of \$140,176.47. The original bids were reviewed due to the error and found that Stryker still did not meet the requirements due to weight capacity on the mattresses, Artic did not have scale in their frame construction. This left Hill-Rom as the only alternate that submitted a bid of \$143,492.58. Umano's corrected offer was still lower than Hill-Rom's by \$3,316.11. Ms. Perry requested approval on the corrected amount of \$140,176.47 for the integrated bed rails. A **Motion** was made (Fields) and seconded (Zellmer) to approve the corrected amount of \$140, 176.47 for the emergency purchase of integrated bed rails for 21 beds to allow connectivity to existing

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nurse call system as presented. The vote was taken as follows: Aye: Marti Fields, Dr. Johnny Zellmer, James Bland, Brent Grilliot, Susan Kanard, Weldon Smith and Mary Shannon. Nay: None. Absent: Evans McBride. Abstain: None. Chairwoman Shannon declared the **motion** carried.

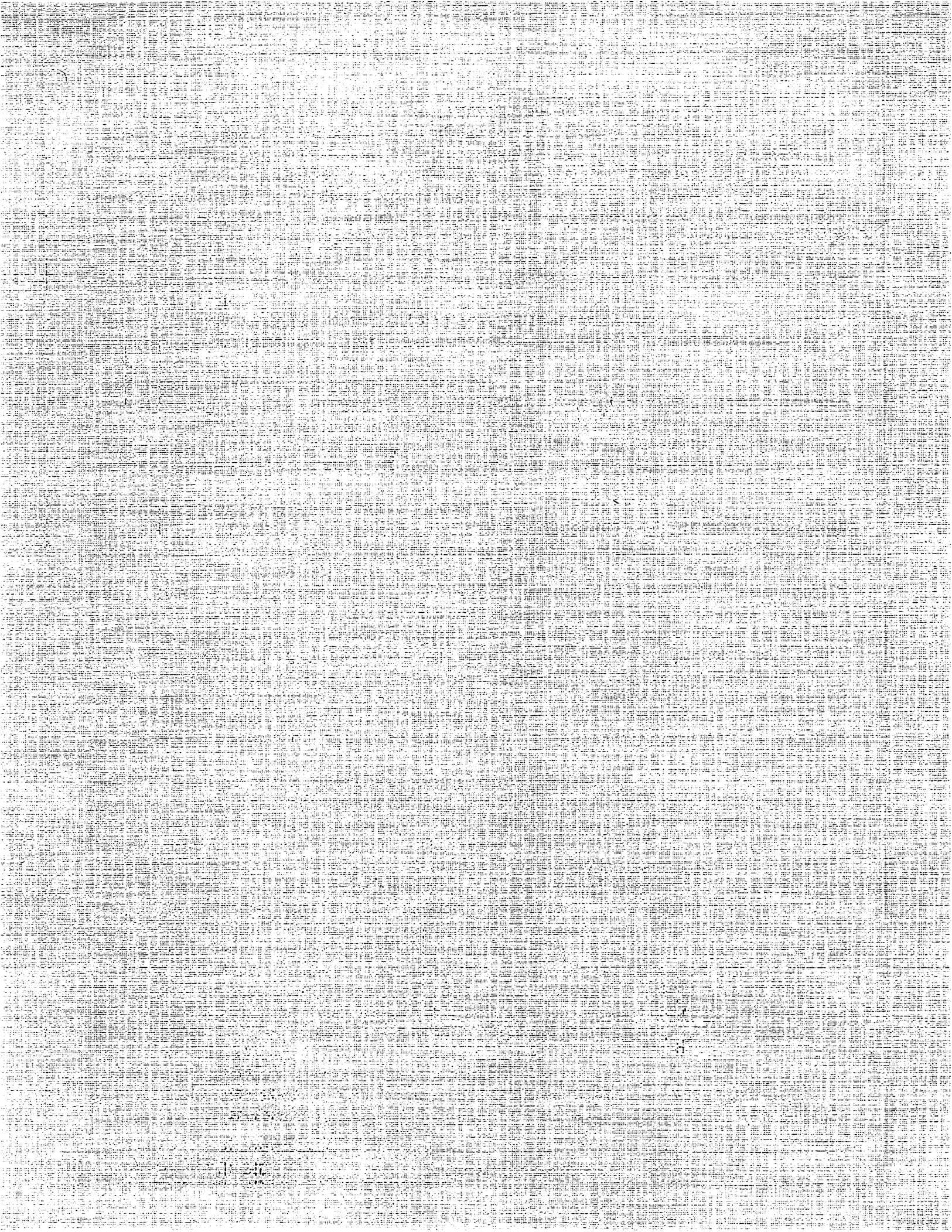
Consideration and approval of CER for the emergency purchase of Ventilators: Ms. Kim Stout reported the hospital currently has nine (9) ventilators. Efforts to expand our volume to accommodate Covid patients include a plan to turn the main ICU into a 14 bed Covid Unit and open up six (6) medical ICU beds in the Ambulatory Surgery Unit currently located in the old ED area. Ms. Stout requested approval of five (5) ventilators to increase the number of ventilators to fourteen (14) to avoid transferring patients out due to the lack of available ventilators. Bids were reviewed and awarded to Covidien who could provide ventilators that were consistent with the existing ventilators for patient safety purposes. The cost of five (5) ventilators is \$172,000. Ms. Cheryl Perry reported the hospital will use Provider Relief Funds to pay for the ventilators. Ms. Stout added she expects more equipment needs to occur soon as the hospital works to meet demands of the pandemic. A **motion** was made (Bland) and seconded (Zellmer) to approve five (5) PB980 Ped/Adult Mechanical Ventilators from Covidien Sales LLC at a cost of \$172,000. Aye: James Bland, Johnny Zellmer, MD, Weldon Smith, Marti Fields, Susan Kanard, Brent Grilliot and Mary Shannon. Nay: None. Absent: Evans McBride. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Board QI Report: Ms. Susan Kanard reported the Board QI met on November 24, 2020. She opened the floor to Ms. Whitney Hull who reported the Quality Management Oversight Report was reviewed. The biggest discussion there was the improvement of the restraints process after the quality team put a lot of effort updating the medical records in the Meditech Expanse software. Quality Score Cards were also reviewed during the meeting noting a dip in the Sepsis bundle which is occurring nationwide. Ms. Hull reported the readmission rate and mortality rates were reviewed. She mentioned the pneumonia mortality rate was a concern on the Hospital Compare Report and a project improvement plan is currently underway. A formal report will be shared with Board QI in January. An update on the Stroke Survey was also discussed in Board QI. Corrective actions are moving forward with education taking place with nursing staff and subjective evidence has been submitted to DNV. Additional data will be shared with DNV per their request after the first of the year. Ms. Hull reported the HCAHPS scores were not available for this Board QI meeting however, they were received and will be shared in December's meeting.

Audit & Corporate Compliance Report: Ms. Marti Field reported the Audit & Corporate Compliance Committee met immediately before the Board meeting. BKD provided an overview of the Audit Report that was shared with Board at this meeting. Ms. Julie Powell provided a brief overview of old business related to public record request and Ms. Lou Wiedemann shared a HIPPA/Compliance Report with the Committee. A plan for ongoing coding education is planned for providers.

Chief of Staff Report: Dr. Kamron Torbati reported he is happy to be included at the Board Meetings. Dr. Torbati will be taking over as Chief of Staff January 1, 2021. No report was given.

CEO Report: Mr. David Keith provided an overview of his CEO report to the Board. He reported the Pittsburg County Health Department, and hospital are preparing to receive limited amounts of Covid Vaccine. The two entities met to discuss logistics of issuing the vaccine that is proving to be challenging. The vaccine is expected to be available December 15, 2020. The State's RFP for Managed Medicaid will be awarded in February 2021. Funding for Medicaid will be up to the Legislature. MRHC Strategic Planning is underway to revise the current 3 Year plan to incorporate many Legislative changes. MRHC is taking evasive actions to combat the Covid surge by adding additional equipment such as beds and ventilators. MRHC made the decision to cancel negotiations with Malls of McAlester to place an Urgent Care at that location; additional locations are being researched. Mr. Sam Norton, Consultant is currently providing and assessment of the IT Department to



determine if the Meditech Expanse System is working correctly. The assessment will result in organizational changes. He is also in discussion with LifeCare on a potential collaboration of IT resources and systems. A LEAN project to improve Patient Access is underway. New processes were initiated and showing dramatic improvement. The Lab Department now has rapid Covid testing available to inpatient, outpatient and clinics that shows results in 15 minutes. The Lab CAP survey was very favorable and Lab employees received a wage increase. Mr. Keith reported two Pulmonologist joined MRHC. Dr. Mahammad Ishaq and Dr. David Allen will begin their Pulmonology Clinic and telemedicine at MRHC this month. Joey Contreras PA for Dermatology began in November and the hospital is still recruiting for a Nephrologist. In closing, Mr. Keith stated new hires for Nurses and Certified Nurse Assistants are currently onboarding and "Healthcare Heroes" appreciation bonus checks were hand delivered to employees for Thanksgiving.

Finance Committee Report:

1. **Consideration and approval of October 2020 Financial Reports:** Ms. Perry presented the October 2020 Financial Report to the Board for consideration and approval. She reported the total income was \$53K vs budgeted loss of \$158k showing a good month. Total patient revenue of \$23m vs budgeted of \$20m reflected high deductions. She added there was a large amount of bad debt and a large rollover of AR accounts over 150 days comprised mostly of self-pay AR. She added when AR hits 151 days it is fully reserved to Bad Debt. A focus is on researching self-pay accounts to determine if they are correctly qualified into Medicaid or other insurances if eligible. Net patient revenue for the month was \$7.6m vs a budget of \$6.3m compared to last year of \$7.4m. Net operating revenue was \$8.3m vs a budget of \$6.9m compared to last year at \$8.1m. Contract labor cost were \$37k higher than budget due to coverage for Dr. Cardich while on vacation and Interim Administrative Leadership. Good volumes in Ortho and other surgeries pushed supply expenses higher. Total operating expenses \$8.2m vs a budget of \$8.2m compared to last year of \$8.3m. Operating income of \$67k vs a budgeted operated loss of \$1.2m. The Investment Income had a loss of \$57k and for the year to date the hospital had a \$200k loss compared to \$1.3m loss last year. Ms. Perry reported McAlester Medical Services (MMS) was profitable this month. A motion was made (Bland) and seconded (Smith) to approve the Financial Reports for October 2020 as presented. The vote was taken as follows: Aye: James Bland, Weldon Smith, Susan Kanard, Brent Grilliot, Johnny Zellmer, MD, Marti Fields, Evans McBride and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.
2. **Consideration and approval of BKD Audited Financial Report for FY ending June 2020:** Mr. Rob Haight provided an overview of the results of the 2020 financial statement audit, internal control matters and other required communications for year ending June 2020. He reported there were no difficulties encountered by BKD when conducting the audit. No disagreements with management. No contentious accounting issues. No consultations with other accountants. The authority was in violation of debt covenants as of June 30, 2020 regarding Long-Term Debt & Financial Covenant compliance but received a waiver for those violations. A motion was made (Bland) and seconded (Kanard) to approve the Audited Financial Report for FY ending June 2020 as presented. Aye: James Bland, Susan Kanard, Johnny Zellmer, MD, Marti Fields, Weldon Smith, Brent Grilliot and Mary Shannon. Nay: None. Absent: Evans McBride. Abstain: None. Chairwoman Shannon declared the motion carried.
3. **Consideration and approval of Bid for Blood Gas Analyzers:** Ms. Sherry Winczewski reported on October 13th and 20th, MRHC published an RFP for four (4) Blood Gas Analyzers. Bids were received from Radiometer and Instrumentation Laboratory. The bids were reviewed on November 11, 2020. Following the review of bids, the proposal from Instrumentation Laboratory for four (4) ABL90 FLEX PLUS Analyzers at a total cost of \$39,980 was chosen as the best fit for the organization.

A motion was made (Smith) and seconded (Bland) to approve the bid from Instrumentation Laboratory for four (4) ABL90 FLEX PLUS Analyzers at a total cost of \$39,980 as presented. Aye: Weldon Smith, James Bland, Brent Grilliot, Susan Kanard, Evans McBride, Marti Fields, Johnny Zellmer, MD, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

4. **Consideration and approval of Bid for Histology Tissue Processor:** Ms. Sherry Winczewski reported on October 13th and 20th, MRHC published an RFP for a Histology Tissue Processor. Bids were received from Cardinal Health and Thermo Fisher Scientific. The bids were reviewed on November 11, 2020. Following the review of bids, the proposal from Cardinal Health for a Tissue Tek VIP 6 AI Histology Tissue Processor at a cost of \$56,795 best fit the needs of the organization. Ms. Winczewski stated the Cardinal Health equipment will use the same reagent which will be more cost effective over the Thermo Fisher Scientific equipment which uses a different reagent. Ms. Winczewski reported MRHC received a third bid from Technology International after the deadline that was mailed on time but delayed by the postal service. The bid was taken into consideration; however, the proposal was significantly higher than the other two bids and did not meet the organization's needs. A motion was made (Grilliot) and seconded (Fields) to approve the bid from Cardinal Health for a Tissue Tek VIP 6 AI Histology Tissue Processor at a cost of \$56,795 as presented. Aye: Brent Grilliot, Marti Fields, Weldon Smith, Johnny Zellmer, MD, Evan McBride, Susan Kanard, James Bland, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.
5. **Consideration and approval of Bid for Imaging Equipment Services Agreement:** October 6th and 13th, MRHC published an RFP for an Imaging Equipment Service Agreement. On November 4, 2020, bids were opened. There were two bids received from GE Healthcare and Medical Modality Solutions LLC. Following the review of bids, the proposal from Medical Modality Solutions LLC for an Imaging Equipment Service Agreement at a cost of \$582,282 annually best fit the needs of the organization. A Motion was made (Bland) and seconded (Smith) to approve the Imaging Equipment Service agreement from Medical Modality Solutions LLC at a cost of \$582,282 annually as presented. The vote was taken as follows: Aye: James Bland, Weldon Smith, Susan Kanard, Brent Grilliot, Johnny Zellmer, MD, Marti Fields, Evans McBride, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

New Business: None.

Executive Session (25 O.S. § 307(B)) – Discussion and Action – Mary Shannon, Chairwoman

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 the 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. Follow-up discussion regarding complaints, allegations, and threatened claims received from Klean R Us and Randy Green, including allegations and threatened claims related to Oklahoma competitive bidding laws applicable to public trusts, Open Records Act, Oklahoma Open Meeting Act and other allegations and threatened claims.
2. Claims Review ~ Julie Powell

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A **motion** was made at 5:53 PM by (Smith) and seconded by (Fields) to enter Executive Session. The vote was taken as follows: Aye: Weldon Smith, Marti Fields, Johnny Zellmer, MD, Evans McBride, Susan Kanard, James Bland, Brent Grilliot and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

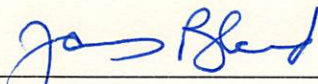
A **motion** was made at 7:420 PM by (Smith) and seconded by (Bland) to come out of Executive Session. The vote was taken as follows: Aye: Weldon Smith, James Bland, Brent Grilliot, Susan Kanard, Evans McBride, Marti Fields, Johnny Zellmer, MD and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried.

No action was taken during Executive Session.

No Action was taken following the Executive Session:

Adjournment: A **Motion** was made (McBride) and seconded (Smith) to adjourn at 7:22 PM. The vote was taken as follows: Aye: Evans McBride, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Susan Kanard, Brent Grilliot, James Bland and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried.


Mary Shannon ~ Chairwoman


James Bland ~ Vice-Chairwoman

/sds