

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday January 06, 2021 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 08:40 AM on Tuesday January 05, 2021.

TRUSTEES PRESENT:

Mary Shannon, Chairwoman ~ Weldon Smith ~ Marti Fields ~ Susan Kanard ~ Brent Grilliot ~ Johnny Zellmer, MD (arrived at 4:01PM) ~ Evans McBride (arrived at 4:02PM) ~ 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, Sam Norton, Interim CIO, Cheryl Perry, Interim CFO, Kody Brown

OTHER ATTENDEES:

Karen Rieger, Legal Counsel (via conference phone)

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 December 02, 2020 & December 17, 2020
2. Credentialing & Privileging Appointments as follows:

Consideration and Approval of Appointment for Credentialing & Privileging for Provisional for one year as follows:

- a. Joseph Contreras, PA ~ Provisional ~ Physician Assistant (supervising John Tedesco, DO) ~ One Year (Provisional)
- b. Muhammad Kaleem Ishaq, MD ~ Provisional ~ Pulmonology/Critical Care ~ One Year (Provisional)
- c. David Randel Allen, MD ~ Provisional ~ Pulmonology/Critical Care ~ One Year (Provisional)
- d. Shalako Bradley, DO ~ Provisional ~ Emergency Medicine ~ One Year (Provisional)
- e. Richard Helton, DO ~ Provisional ~ Pulmonology ~ One Year (Provisional)
- f. Matthew Sims, DO ~ Provisional ~ Emergency Medicine ~ One Year (Provisional)
- g. Catherine Porter, MD ~ Provisional ~ Neurology/Tele-Medicine ~ One Year (Provisional)

Consideration and Approval of Appointment for Credentialing & Privileging for Advancement (Active) for one year as follows:

- a. Stephen Judd Orgill, DO ~ Active ~ Psychiatry ~ One Year (Active)
- b. Brandon Guthery, MD ~ Active ~ Pathology ~ One Year (Active)
- c. Gregory McKinnis, MD ~ Active ~ Sleep Medicine ~ One Year (Active)
- d. Vanessa Meuniot, DO ~ Active ~ Family Medicine ~ One Year (Active)
- e. Bilal Piracha, MD ~ Active ~ Emergency Medicine ~ One Year (Active)
- f. Gen Reynolds, MD ~ Active ~ Interventional Cardiology ~ One Year (Active)

Consideration and Approval of Appointment for Credentialing & Privileging for Advancement (Allied Health) for one year as follows:

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- a. Lisa Hargis, APRN ~ Allied Health ~ Nurse Practitioner Family Urgent Care ~ One Year (Allied Health)
- b. Amber Henson, APRN ~ Allied Health ~ Nurse Practitioner Family Urgent Care ~ One Year (Allied Health)
- c. Rachel Piston, APRN ~ Allied Health ~ Nurse Practitioner Critical Care ~ One Year (Allied Health)

Consideration and Approval of Appointment for Credentialing & Privileging for Re-Appointment (ASC Re-Appointment) for Two Years as follows:

- a. Twana Duncan, DDS ~ Affiliated Staff ~ General Dentistry ~ Two Years (Affiliate Staff)

Resignations:

- a. Richard Beatty, DPM ~ Podiatry ~ 11/09/2020
- b. William Eckstein, MD ~ Pediatrics ~ 11/07/2020
- c. Wanda Choate, APRN ~ Nurse Practitioner/Urgent Care ~ 07/15/2020
- d. Johnny McCabe, PA ~ Physician Assistant/Urgent Care ~ 07/15/2020
- e. Michelle Bated, DO ~ Emergency Medicine (Premier Staffing) ~ 11/30/2020

3. MRHC Contract Log for December 2020.
4. Appointment of David Keith to the Belfair Board of Managers replacing Darryl Linnington effective February 1, 2021.
5. 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
6. Chairman letter of appreciation to MRHC staff for their efforts during COVID 19 Pandemic.

A **Motion** was made (Fields) and seconded (Kanard) to approve the consent agenda items 1,2,3, 4, 5 & 6 of the consent agenda as presented. The vote was taken as follows: Aye: Marti Fields, Susan Kanard, James Bland, Weldon Smith, Brent Grilliot, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD., Evans McBride. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Consideration and approval of Resolution approving execution of guaranty by MRHCA necessary for Belfair of McAlester, LLC Refinancing: Mr. Darryl Linnington reported there was roughly \$9.5m of debt originally on the Belfair project with a fair market value of approximately \$12.5m. Cash flows were behind due a delayed opening and the COVID pandemic. Belfair of McAlester is required to re-finance its current \$7.2m of debt with the collapse of the NMTC structure. This offer from BancFirst provides a 1-year loan at 4% interest on the total indebtedness of the facility. This allows time for Orix to assist us to ready the facility for further capital restructuring or for an outright sale. Note that as of this time, MRHC has contributed capital of \$1.23m to this senior living community. Documents listed are in substantially completed form with some minor negotiation still required. Transaction fees estimated to be \$25,000 by BancFirst, to be added to the principal amount of the loan. Upon a question from Mr. Evans McBride, Mr. Linnington stated the Carland Group has not come forward with a cash call. Mr. McBride stated Mr. Keith has agreed to position himself on the Belfair Board for a year. He made a recommendation this resolution be approved with the condition that at the end of the one-year period, MRHC will not extend additional financing unless all partners are current on capital call. A **Motion** was made (McBride) and seconded (Zellmer) to approve the Resolution approving execution of guaranty by MRHCA necessary for Belfair of McAlester, LLC refinancing with the condition that at the end of one year, MRHC will not extend additional financing unless all partners are current on capital call as presented. The vote was taken as follows: Aye: Johnny Zellmer, MD, James Bland, Brent Grilliot, Susan Kanard, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: None. Abstain: Evans McBride. Chairwoman Shannon declared the **motion** carried.

Consideration and approval of "Allocation of Life Saving or Critical Resources in COVID 19 Pandemic" Policy: Ms. Kim Stout reported the intention of the policy is to provide an ethical framework for decision-making during the allocation of patient care resources during a pandemic outbreak when demand for services dramatically exceeds the supply. As situations develop, it may become necessary to invoke the policy guidelines for critical care resource allocation to guide utilization of limited resources such as critical care beds, staffing, ventilators, dialysis machines, certain medications, blood, medical supplies, or other resources so they are being used where they will have the most effective outcomes. Once the policy is approved the policy guidelines should be activated by Incident Command in the event of a pandemic (COVID-19) or other public health emergency declared by a federal, state, or local authority and only as the last option when all other options are exhausted. A motion was made (Bland) and seconded (Grilliot) to approve the "Allocation of Life Saving or Critical Resources in COVID 19 Pandemic" Policy as presented. Aye: James Bland, Brent Grilliot, Weldon Smith, Marti Fields, Evans McBride, Susan Kanard, and Mary Shannon. Nay: None. Absent: None. Abstain: Johnny Zellmer, MD. Chairwoman Shannon declared the motion carried.

Presentation of IT Findings & IT Optimization: Mr. Sam Norton, Interim CIO shared an update for the Information Technology (IT) assessment that is underway. Along with the IT assessment, he shared his recommendations to include the following strategies: enhancing IT service/support; identifying "quick wins" regarding use of Meditech; updating to latest software release and other improvements; Establishing IT Governance to prioritize initiatives and optimize value of IT investment. He stated he will be executing new initiatives with Project Management methodology to help ensure success.

- 1. Consideration and approval of amendment to Professional Services Agreement with Nearerterm for Sam Norton not to exceed 180k:** Mr. Keith reported at the end of two months, MRHC owes Nearerterm approximately \$68k. The proposal from the Executive Team is to extend the agreement for an additional three months. The amount of the total agreement should not exceed \$180k. A motion was made (Kanard) and seconded (Fields) to approve the amendment to the Professional Service Agreement with Nearerterm for Sam Norton, Interim CIO for an additional three months, the amount of the total agreement should not exceed \$180k as presented. Aye: Susan Kanard, Marti Fields, Brent Grilliot, James Bland, Johnny Zellmer, MD, Weldon Smith, Evans McBride, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

CEO Report: Mr. David Keith provided an overview of his CEO report to the Board. He reported after multiple delays, congress struck an agreement to fund the government for additional COVID relief. The agreement includes a \$1.4 trillion omnibus funding bill to fund federal agencies and approves a \$900 billion COVID-19 relief package. MRHC's group purchasing organization, Vizient submitted to CMS urging the agency to delay the start date of the "Most Favored Nation" (MFN) model. MFN seeks to lower prescription prices for Medicare Part B concerns that the intent will only reduce what Medicare pays. The Senate recently passed the Competitive Health Reform Act to repeal antitrust exemptions available to commercial health insurers. CMS announced how the agency intends to enforce new price transparency requirements for hospitals. MRHC complied with this regulation January 1, 2021. The first dose of the COVID Vaccine was administered December 17, 2020. 141 front line employees received their shot as part of Phase I. Phase II will be on January 7, 2021. Healthcare providers will begin considering mandating a COVID vaccine for their employees. Mr. Keith reported the MRHC's Revenue Cycle will undergo a review and more help will be added to collect payments from payers. The Meditech Expense optimization plan that was delayed due to the COVID pandemic, will begin again under new leadership. Human Resources payroll and management system ADP is up and running. Human Resources will be rolling out new employee Performance Evaluations with a focus on customer and retail-like service. Spirit and Puterbaugh Foundation made contributions to the MRHC Foundation to support the Wig Closet and Mercy Clinic. In closing Mr. Keith reported MRHC issued "Healthcare Hero" checks to employees delivered in advance of Christmas Holiday.

Finance Committee Report:**1. Consideration and approval of November 2020 Financial Reports:**

Ms. Perry presented the November 2020 Financial Report for Consideration and approval. The Authority posted a \$1.1m net loss for the month of November versus a budgeted \$389k. Net patient revenue was \$6.5m versus budget of \$6.7m and last year's budget of \$7.4m. The finances are behind in budget. We had a \$3m move into our oldest ARs, which had a \$1m negative impact on Net revenue. Expenses were up \$8.7m versus \$8m and last year at \$8.1m. Salaries were higher due to a student loan and an RVU bonus paid unaccrued at \$44k. Also, most MRHC staff received Health Care Hero Checks and together these payouts totaled \$216k. Benefits were \$121k over budget mostly due to a settlement from an old Workers Compensation claim. Contract labor is over budget and \$34k is related to Environmental Services hiring challenges. High supply costs are mostly tied to Pharmacy and medication for COVID patients. In the investments, there was an increase of \$307k mostly tied to Morgan Stanley. The Unrestricted cash is \$31m and the days cash on hand is 122.2. The restricted cash is \$19m which includes HHS funds and Medicare Advanced Payments. Net Days in AR for the Hospital are 52.1 which is lower than last year but is up from prior month. Regarding the Loan Covenants, days cash on hand is fine. A motion was made (Bland) and seconded (Zellmer) to approve the Financial Reports for November 2020 as presented. The vote was taken as follows: Aye: James Bland, Johnny Zellmer, MD, Evans McBride, Susan Kanard, Marti Fields, Weldon Smith, Brent Grilliot, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

2. Consideration and approval of Environmental Services Bid– HealthPlex:

On November 21st and 28th, McAlester Regional Health Center published an RFP for Environmental Services at the HealthPlex facility. Bids were received from True Solutions and Jean Janitorial & Lawn Service. The proposals were reviewed on December 21, 2020. Both providers were able to meet the bid specifications. The reviewers determined that the proposal from Jean Janitorial & Lawn Service best fit the organization's needs at a cost of \$48,252k annually. A motion was made (Field) and seconded (Bland) to approve the bid from Jean Janitorial & Lawn Service at a cost of

\$48,252k annually as presented. Aye: Marti Fields, James Bland, Brent Grilliot, Susan Kanard, Evans McBride, Johnny Zellmer, MD, Weldon Smith, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

3. Consideration and approval of Environmental Services – Wellness Center:

On November 21st and 28th, McAlester Regional Health Center published and RFP for Environmental Services at the Wellness Center. Bids were received from True Solutions and Jean Janitorial & Lawn Service. The proposals were reviewed on December 21, 2020. Both providers were able to meet the bid specifications. The reviewers determined that the proposal from Jean Janitorial & Lawn Service fit the organization's needs at a cost of \$5,886 per month \$70,608k annually. A motion was made (Bland) and seconded (Grilliot) to approve the bid from Jean Janitorial & Lawn Service at a cost of \$5,886 per month, \$70,608k annually as presented. Aye: James Bland, Brent Grilliot, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Evans McBride, Susan Kanard, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

4. Consideration and approval of Environmental Services – Kidz Choice

On November 21st and 28th, McAlester Regional Health Center published and RFP for Environmental Services at the Kidz Choice. Bids were received from True Solutions and Jean Janitorial & Lawn Service. The proposals were reviewed on December 21, 2020. Both providers were able to meet the bid specifications. The reviewers determined that the proposal from True Solutions fit the organization's needs at a cost of \$1,661.10 per month, \$19, 934K annually. A motion was made (Zellmer) and seconded (Fields) to approve the bid from True Solutions at a cost of \$1,661.10 per month, \$19, 934K annually as presented. Aye Johnny Zellmer, MD, Susan Kanard, Brent Grilliot, James Bland, Weldon Smith, Evans

McBride, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

5. **Cancer Center Front Renovation:**

November 17th and 24th, McAlester Regional Health Center published an RFP for the Cancer Center Front Renovation. Due to the lack of bids, the committee is reevaluating plans for the Cancer Center Front Renovation. For informational purposes only.

6. **Laparoscopy Towers**

On November 17th and 24th, McAlester Regional Health Center published and RFP for three Laparoscopy Towers. On December 16, 2020, proposals from Arthrex, Karl Storz, Stryker, Olympus, and Zimmer were received. All vendors met bid specification, except for Zimmer. Following further consideration by the reviewers, it was determined a single tower would be sufficient for the facility at this time. As a result, the recommendation is to re-ject the bids received from Arthrex, Karl Storz, Stryker, Olympus, and Zimmer and re-bid for a single Laparoscopy Tower. A Motion was made (Bland) and seconded (Zellmer) to approve the recommendation to re-ject bids received from Arthrex, Karl Storz, Stryker, Olympus, and Zimmer and re-bid for a single Laparoscopy Tower as presented. The vote was taken as follows: Aye: James Bland, Johnny Zellmer, MD, Susan Kanard, Brent Grilliot, Marti Fields, Weldon Smith, Evans McBride, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

7. **Consideration and approval of Patient Experience Technology:**

On October 29th and November 5th, McAlester Regional Health Center published an RFP for Patient Engagement Technology. November 30, 2020, a bid from Sonifi Health was received. The single bid was reviewed for \$224,985 for a set-up fee and an annual reoccurring fee of \$27,300. The reviewers determined that the Sonifi Health bid met the needs of the organization. After further review, the Chief Financial Officer made the recommendation to decline the bid at this time. She stated the technology is not recognized as a priority at this time and will be considered on the next FY Capital Budget. A Motion was made (Bland) and seconded (Zellmer) to approve the recommendation to re-ject the bid from Sonifi at a cost of \$224,985 as presented. The vote was taken as follows: Aye: James Bland, Johnny Zellmer, MD, Weldon Smith, Marti Fields, Evans McBride, Susan Kanard, Brent Grilliot, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

New Business: None.

Adjournment: A Motion was made (Fields) and seconded (Smith) to adjourn at 5:53 PM. The vote was taken as follows: Aye: Marti Fields, Weldon Smith, Johnny Zellmer, MD, Evans McBride, 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

Initials _____