

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday March 03, 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 02:50 PM on Tuesday March 02, 2021.

TRUSTEES PRESENT:

Mary Shannon, Chairwoman ~ Weldon Smith ~ Marti Fields ~ Susan Kanard ~ Brent Grilliot ~ Johnny Zellmer, MD ~ Evans McBride ~ James Bland ~ Sayer Brenner

TRUSTEES ABSENT: Damon Mascoto

HOSPITAL STAFF:

David Keith, Sonya Stone, Recording Secretary, Sherry Winczewski, Shawn Howard, Lucy Muller, Kim Stout, Sam Norton, Interim CIO, Cheryl Perry, CFO, Lee Martin, Dr. Kamron Torbati, Chief of Staff, Whitney Hull, Savannah Nicks

OTHER ATTENDEES:

Maggie Martin, Legal Counsel (via conference phone), Pete Stasiak, City Manager.

CALL TO ORDER:

Chairwoman Shannon called the meeting to order at 4:00 PM. She welcomed Mr. Sayer Brenner. Mr. Brenner was appointed by the McAlester City Council as a new MRHCA Board of Trustee replacing Mr. Evans McBride whose term expired.

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for February 03, 2021
2. MRHC Contract Log for February 2021.
3. Capital Substitutions for the following:
 - a. New Nurse Call for Pre-Op (Old ED Space)
 - b. New Nurse Call for ICU
 - c. Kidz Choice Vitals Machine
 - d. Diagnostic Sets for Pulmonology
 - e. Pediatric Measuring Table & Scales

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

Incident Command Presentation: Mr. Shawn Howard provided an update to the Board regarding a recent inclement weather event. He reported the Hospital's Incident Command and Leadership met to discuss activation of the MRHC Emergency Preparedness Plan where responsibilities were assigned, modifications were made to services and employee resources was adjusted. Mr. Howard reported the event helped to identify areas in the Hospital's Emergency Preparedness Plan that required modifications necessary to adapt to the unprecedented weather conditions. The modifications will be incorporated into future Emergency Preparedness planning. Mr. Howard stated the event was successful through the coordination with local authorities such as the City Officials, Police, Fire Department and Emergency Management.

Chief of Staff Report: Dr. Kamron Torbati reported the recruitment efforts have been successful. The recently recruited physicians are high caliber and are meeting the needs of MRHC patients. He added there are two outstanding physicians in Surgery and Nephrology that have interviewed and are considering our hospital. He stated MRHC's group of physicians have come together nicely and formed a good core community for a bright future.

CEO Report: Mr. David Keith provided his CEO report for the Board. He reported he is working with Legal Counsel and the City of McAlester to pursue a change in the Board of Trustees membership composition to include two "at-large members who live outside city limits but in Pittsburg County. The initiative will require changes to the MRHC Declaration of Trust. Mr. Keith reported working with Lifecare on Senate Bill 580 that updates the Public Trust Act. The Bill was deemed low priority by the Senate Judiciary Committee and will not be heard this year. Mr. Keith state a second Bill is being crafted with different language. He stated some communication with House Representatives and Senators may be necessary to educate and gather interest in modernizing the Public Trust Act. The Biden Administration has negated work requirements from waivers, which includes the waiver from Oklahoma. The medical community is pushing back on privatizing the Medicaid system and challenging Governor Stitt's initiative. Injunctions are being filed by medical and dental groups in Oklahoma. House Bill 1091 was heard by the House and passed. The Bill protects Medicaid recipients because of privatized managed Medicaid and seeks to avoid any reduction to pricing, availability, or utilization of services. He stated it will be interesting to see if the Bill passes the Senate and if it does, how many Managed Medicaid vendors will continue to pursue contracts. Mr. Keith reported the recent inclement weather even will have a huge negative affect on MRHC financials for February. Elective surgeries and clinics were closed for two weeks. Discussions are also underway to pursue a possible water tower on the Hospital property in the future. MRHC reached out to LifeCare to consider a consolidation program to strengthen the Information Technology System and cyber security for member hospitals. MRHC entered into a MOU to assume the management of Belfair. The Cost structure for Belfair and VBH is already improving. MRHC Volunteer Service leaders met to begin recruitment for new volunteers and Gift Shop hours.

Board QI Committee Report: Ms. Susan Kanard, Chairwoman opened the floor to Ms. Whitney Hull to provide an update on the Board QI Committee held on February 23, 2021. She reported customer service education and training was presented and key principles and objectives were discussed. The training will be shared with Leadership soon. The quarter three (3) HCAHPS scores were also discussed. She reported the HCAHPS scores will be displayed in all nursing units for comparison with other departments. The Quality Department will host competitions between units to drive improvement in scores. Ms. Hull reported Ms. Sonya Stopp provided a 3rd and 4th quarter update for Hospice/Home Health. The average daily census for Hospice was a steady 50 for both quarters. The Chaplain visits and volunteer participation declined due to Covid. Most Social Work and Chaplain visits are done virtual or standing outside visiting through windows. Discussion was held regarding deaths from COVID and requirements for Nursing Home Visits.

Finance Committee Report:

1. Consideration and approval of January 2021 Financial Reports: Ms. Perry presented the January 2021 Financials for approval. The Authority posted a (\$1.3m) Net Loss for the month of January. The Hospital posted an Operating Loss of (\$224k), Home Health had a (\$29k) Operating Loss, Hospice had a \$46k Operating Income, Van Buren House had a \$8k Operating Income, Wellness had a \$9k Operating Income. Hospital Net Income year to date of \$3.5m compared to \$1.5m budget exceeds budget \$1.9m. The MMS Clinics had an Operating Loss of (\$928k). MMS Clinics Operating Loss year to date of (\$3.3m). The MASC Operating Loss of (\$28k), which is (\$90k) loss to the budgeted operating income of \$63k. MASC posted an Operating Loss year to date of (\$308k). The Authority posted Net Operating Revenue of \$8m, which is \$54k less than budgeted. Operating Expenses are \$9.2m, which is over budget \$1.2m. The Operating Loss is (\$1.3m) is a \$1.2m greater loss compared to a (\$17k) loss budgeted. Outpatient registration were 6,792 which is a decrease of 634 from December. Clinic visits were 3,599 which is a decrease of 85 from December. ER visits were 1,895 which is an increase of 4 compared to December. Hospital surgeries were 228 a decrease of 20 compared to December. Patient days were 1,811 which is an increase of 20 compared to 2020. The average daily census was 58.4. Salary expenses were over budget \$605k driven by \$249k of Pandemic Pay, PTO Payouts of \$49k, and a provider retention bonus \$23k. Benefits are higher due to Workers' Comp reserve increase

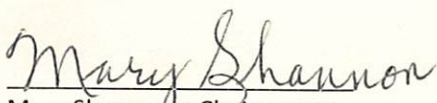
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\$26k and \$100k higher employer payroll taxes that come with the beginning of the new calendar year. Contract Labor is over budget \$187k due to IT Consultants and Interim CIO \$123k, Nursing temp labor \$16k, Radiology \$5k, EVS temp labor \$28k and last invoice for Interim CFO \$8k. Supplies were over budget \$401k due to Remdesivir \$182k and Lab reagents \$90k (higher due to increase in lab testing which avoids outsourcing the tests), Oxygen cost is \$15k higher, Blood bank expense is \$20k higher, and the annual calendar expense \$11k. The General Patient supplies chargeable and non-chargeable are up \$30k due to higher length of stay of patients. The Hospital had a decrease of \$36k in the investments of which the majority is Morgan Stanley. The Unrestricted cash is \$31.2m and the days cash on hand increased to 122.6. The Restricted Cash is \$16.4m which includes HHS funds and Medicare Advanced Payments. Net Days in AR for the Hospital are 57.3. Discussion occurred regarding the Debt Ratio. Mr. Bland reminded the Board that approval of the financial reports is still pending the MMS budgeted forecast for FY2021. A **motion** was made (Bland) and seconded (Fields) to approve the Financial Reports for January 2021 pending corrections to the MMS Budget for FY2021 as presented. The vote was taken as follows: Aye: James Bland, Marti Fields, Brent Grilloit, Susan Kanard, Sayer Brenner, Johnny Zellmer, MD, Weldon Smith, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

2. **Consideration and approval of Home Health/Hospice Crossover Bid:** Ms. Winczewski presented a Bid for Home Health/Hospice Crossovers for approval. Bids were received by Patriot Chrysler Dodge Jeep Ram for \$175,488 for eight (8) vehicles and Sam Wampler's Freedom Ford for \$140,728 for eight (8) vehicles. The proposals were reviewed and confirmed to meet the basic requirements for service. Both suppliers were able to meet the bid specifications and provide appropriate discounts off their Manufacturer Suggested Retail Price. The recommendation is to award this initiative to Freedom Ford who presented the lowest bid. The reviewers determined that accepting the bid from Freedom Ford served the organization best. A **motion** was made (Grilloit) and seconded (Zellmer) to approve the Bid from Freedom Ford in the amount of \$140,728 for (8) eight vehicles as presented. Aye: Johnny Zellmer, MD, Brent Grilloit, Weldon Smith, Marti Fields, Sayer Brenner, Susan Kanard, James Bland, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.
3. **Consideration and approval of Resolution for Urgent Care Clinic Lease:** Mr. Howard reported the Finance Committee recommended that the MRHC Attorney vet a Family Video lease opportunity for the purpose of placing an Urgent Care Clinic at that location. The lease is currently under review by the Attorney; however, the Attorney's recommendation is to put forth a Resolution incorporating terms from a Letter of Intent to lease the property. Mr. David Keith requested the Resolution be expedited for fear of losing the opportunity to competitors. Once approved, MRHC and Attorneys can begin negotiations with the owners of Family Video. He stated the cost of this lease is much cheaper than other options available. A **motion** was made (Zellmer) and seconded (Smith) to approve the Resolution for a Family Video lease opportunity for the purpose of placing an Urgent Care Clinic at that location as presented. Aye: Johnny Zellmer, MD, Weldon Smith, Susan Kanard, Brent Grilloit, James Bland, Marti Fields, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

New Business: None.

Adjournment: A **Motion** was made (Fields) and seconded (Smith) to adjourn at 5:28 PM. The vote was taken as follows: Aye: Marti Fields, Weldon Smith, Johnny Zellmer, MD, Sayer Brenner, Susan Kanard, James Bland, Brent Grilloit, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.


Mary Shannon ~ Chairwoman


James Bland ~ Vice-Chairperson

/sds

Initials _____