

A special meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday February 09, 2022 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 09:30 AM on Monday February 07, 2022.

**TRUSTEES PRESENT:**

Mary Shannon, Chairwoman ~ Weldon Smith ~ Susan Kanard ~ James Bland ~ Johnny Zellmer, MD ~ Brent Grilliot ~ Sayer Brenner (left the meeting at 5:40 PM) ~ Marti Fields

**TRUSTEES ABSENT:** Damon Mascoto

**HOSPITAL STAFF:**

David Keith, (via conference phone), Sonya Stone, Recording Secretary, Shawn Howard, Cheryl Perry, Whitney Hull (via conference phone), Lucy Muller, Dr. David Auld, Steve Wanty, Brent Stinnett, Tezarah Reagan, Pam Cunningham, Julie Powell

**OTHER ATTENDEES**

Maggie Martin, Legal Counsel, (via conference phone), Russell Ramzel, Legal Counsel (via conference phone), Karen Hendren, LifeCare, (via conference phone), Christina Kindstedt, LifeCare (via conference phone).

**CALL TO ORDER:** Chairwoman Shannon called the meeting to order at 4:00 PM. She recognized Mr. Weldon Smith with a clock for his service to the MRHCA Board of Trustees from 2005 to present. Mr. Smith will complete his term as a Board member on February 28, 2022. Ms. Shannon shared a humorous "Top 10 List" that depicted Mr. Smith's years as a Board member.

**Public Comment:** None

**Consent Agenda:**

1. MRHCA Board of Trustees minutes for January 05, 2022
2. January 2022 Agreement Log
3. Credentialing & Privileging List as follows:

***A. Consideration and approval of appointment for credentialing & privileging for provisional for one year as follows:***

1. Lori Peters, DO ~ Provisional ~ Family Medicine ~ One year
2. Jarryd Horn, DO ~ Provisional ~ Emergency Medicine ~ One year
3. Luis Alva, DO ~ Provisional ~ Emergency Medicine ~ One year
4. Joshua Nelson, DO ~ Provisional ~ Emergency Medicine ~ One year
5. Andrew McDowell, PA ~ Provisional ~ Physician Assistant (Supervisor: Caleb Harris) ~ One year
6. Keith Minihane, MD ~ Provisional ~ Orthopedic Surgery (Locum: Comphealth) ~ One year

***B. Consideration and approval of appointment for credentialing & privileging for advancement (Remain Provisional) Moonlighting for one year as follows:***

1. Mark Sauerwald, DO ~ Provisional ~ Emergency Medicine ~ One year

***C. Consideration and approval of appointment for credentialing & privileging for appointment: Distant Site: Credentialing by Proxy StatRad for one year as follows:***

1. Matthew Herman, MD ~ Provisional ~ Teleradiology ~ One year

***D. Temporary Privileges Granted***

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1. Yohanis O'Neill-Castro, MD ~ General Surgery (Locums) ~ 11/20/21 – 02/03/22
2. Andrew McDowell, PA-C ~ Physician Assistant ~ 12/01/21 – 02/03/22
3. Lori Peters, DO ~ Family Medicine ~ 12/01/21 – 02/03/22
4. Jarryd Horn, DO ~ Emergency Medicine ~ 12/27/21 – 02/27/22
5. Keith Minihane, MD ~ Orthopedic Surgery ~ 12/20/21 – 03/20/22
6. Gladys Onchiwati, APRN ~ Nurse Practitioner (ForeFront) ~ 12/31/21 – 02/28/22

**E. Resignations:**

1. Erik Martin, MD ~ Emergency Medicine ~ 11/23/21
2. Matthew Brooker, DO ~ Emergency Medicine ~ 11/23/21
3. John Keitz, DO ~ Emergency Medicine ~ 11/23/21
4. Zachary Book MD ~ Emergency Medicine ~ 11/23/21
5. Abbas Chamsuddin, MD ~ Teleradiology (StatRad) ~ 12/07/21
6. Glenn T. Reynolds, MD ~ Cardiology (OHH) ~ 12/31/21

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

**LifeCare Association Insurance Exchange (LAIE) Presentation:** Mr. David Keith opened the floor to Ms. Karen Hendren and Ms. Christina Kindstedt who shared Board education regarding the LifeCare Association Insurance Exchange (LAIE). He reported the Board previously approved the MRHC to enter into a property insurance captive with LifeCare. Mr. Keith added he invited Karen and Christina to educate the Board on the LAIE process. Ms. Kindstedt shared a presentation that outlined the hard insurance markets showing data from 1990 forward when captive insurance companies were likely formed and a graph showing all combined data for property & casualty companies. She also described LAIE's formation and operations as well as the early years with Heartland. Ms. Kindstedt shared an LAIE snapshot of the financial impact from the past, present, and future in regard to the policy limits and annualized premiums. In closing, she shared the pros and cons of the Insurance Exchange.

**Finance Committee Report:**

1. **Discussion and Consideration of December 2021 Financial Reports:** Ms. Perry presented the December 2021 Financial Reports. She stated December's operations were the loss that was expected with the struggles that have been discussed in Revenue and Salaries. However strong collections and enhancements in other expenses allowed the month to be an improvement from November's results. Also, funds recognized from the American Rescue Plan (ARP) Rural in Non-Operating Revenue turned Net income to the positive. Volumes in the Hospital were down slightly. Patient days were down 4% to run rate, or the prior three-month average, while discharges were down 1%. The acute length of stay is up to 4.27. Case Mix Index (CMI) fell again in December to 1.30 driven by the lack of surgical cases in the Hospital. IP and OP surgeries were both down 9% from run rate. In contrast, ED visits rebounded and were up by 8% from run rate. The Sleep Lab remained closed. The CT was down for 4 days in December during installation of the new machine but despite this OP Imaging numbers were in line with run rate driven by strong volumes in Ultrasound and MRI. Also, Therapy had a good month in December with another 17% improvement over run rate. About \$900k of the decline in Gross Hospital Revenue compared to run rate was attributable to the CT install, lack of General Surgery coverage and Ortho Surgery reduction in December. The CT downtime equated to approximately \$350k of Gross Revenue of \$116k of Net Revenue postponed. Issues in General Surgery coverage put MRHC approximately 47 cases behind the normal caseload of General Surgery cases performed in a month. This was the equivalent of \$300k Gross Revenue or \$140k of Net Revenue lost. Orthopedic Surgery was lower than normal in December due to a provider vacation by 15 cases. This was the equivalent of \$258k of Gross Revenue or \$100k of Net Revenue postponed. On the bright side the payer mix shift in December was toward Blue Cross and away from Medicaid and Self Pay resulting in positive Net Revenue of approximately \$122k. Additionally, Patient Finance had a very good collections month for the

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hospital of just over \$6m. Of that, \$250k was AR that was reserved at 100% because it was greater than 150 days old. Volumes in MMS dropped from the three-month average in December, but that was expected due to the holidays. Collections were strong in MMS as well, at a total of \$774k. Approximately \$400k of GI Clinic and Ortho Clinic December Gross Revenue was keyed into January's general ledger. Expenses in December for all MRHC were better than November. Salaries and Contract Labor are still running high as anticipated. Christmas bonuses were paid at \$100 per employee. Internal Agency pay was down to \$16k. There was \$89k paid in incentives to fill open shifts. Contract labor continues to be high at \$170k over run rate. Payroll had a few other expenses of note. Physician fees were up slightly. A new mid-level has been added via Oklahoma Heart to assist with stress tests. We have new Radiology coverage for after hours and weekends. The final expense of note was property taxes for Kidz Choice and the Million Building paid in December for a total of \$12k. Finally in December, \$2.1m of the APR funds were recognized into non-Operating income. The recognition of these funds assisted us in maintaining compliance with our first quarter Debt Service Covenant Waiver letter measurement. A motion was made (Brenner) and seconded (Grilliot) to approve the finance report for December 2021 as presented. The vote was taken as follows: Aye: Sayer Brenner, Brent Grilliot, James Bland, Susan Kanard, Marti Fields, Johnny Zellmer, MD, Weldon Smith, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the motion carried.

2. **Discussion and Consideration of Bid for Portable X-Ray:** On December 12<sup>th</sup> and 28<sup>th</sup>, McAlester Regional Health Center published an RFP for a portable X-ray system. Sealed bids from Arch Medical, Browns Medical Imaging, and Phillips were received. Public bid opening was held on January 18<sup>th</sup>, 2022, at 10:00 am. The bid from Arch Medical was for refurbished equipment with two different model and pricing options. Option 1 is for an AMX 4 model at \$60k ; option 2 is for an XR220 at \$68,500. Both options come with a choice of paying full amount upon receipt or paying the amount over 12 months with zero interest using Service Contract funds from the Current X-Ray Portables Swissray 1, Swissray 2, and Swissray 3. The bid from Browns Medical Imaging was for an FDR GO PLUS at \$124k that included a 5 year service agreement totaling \$65k. The bid from Phillips was for a Mobile Diagnostic w/DR model, at \$135k. The recommendation is to accept and approve the recommendation from the Bid Review Committee to award this initiative to Arch Medical for the XR220 model at a cost of \$68,500 and select the 12-month lease option with zero interest. A motion was made (Bland) and seconded (Kanard) to approve bid Portable X-Ray as presented. The vote was taken as follows: Aye: James Bland, Susan Kanard, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Sayer Brenner, Brent Grilliot, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the motion carried.
3. **Discussion and consideration of Bid for Copier Paper:** On December 12<sup>th</sup> and 28<sup>th</sup>, McAlester Regional Health Center published an RFP for Copy Paper. A sealed bid from 4D Packaging LLC was received and opened on January 18, 2022, at 1:00pm. An RFP was electronically sent to three additional suppliers who did not participate. The bid from 4D Packaging LLC was for \$40.00 per case of copy paper. With no other responses the Oklahoma State contract list for copy paper was referenced. The State agreement had pricing at \$39.01 per case of copy paper. MRHC has an existing business relationship with 4D Packaging LLC who has proven their service and quality are exceptional based on our needs. The recommendation is to award this initiative to 4D Packaging LLC, which will hold our pricing for the next three (3) years. A motion was made (Grilliot) and seconded (Zellmer) to approve the bid for Copier Paper as presented. The vote was taken as follows: Aye: Brent Grilliot, Johnny Zellmer, MD, Susan Kanard, James Bland, Marti Fields, Weldon Smith, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the motion carried.

**Board QI Committee Report:** Ms. Susan Kanard opened the floor to Ms. Whitney Hull who presented an overview of the Board QI meeting held on January 25, 2022. She reported the Quality Improvement Committee of the Board of Trustees policy was reviewed and approved to push forward to the Board. Ms. Hull reported Sonya Stopp, Director of Home Health and Hospice brought forth quality data to the Board QI Committee for discussion and review. Ms. Hull shared the quality data for Home Health and Hospice with the Board. Home Health was above the State average on all metrics with the exception of 'timely initiation of Care' which is designated as an area of continued improvement. Home Health showed improvement from 3.5 stars compared to an expected 4 star rating and they exceeded their goal of below 12%

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for 2021 process improvement project to reduce 30 day hospital readmission rates. CY 2021 rate was 7.73% for Home Health patients, compared to a state average of 14.37%. Hospice exceeded their goal to increase visits by all disciples in the last 3-7 days of life. National benchmark is 82.6%, and Southeast Hospice measured 96.3%. Hospice areas for improvement include increasing the census and compliance with plan of care updates. Ms. Hull also discussed the MRHC Q3 2021 Infection Control Scorecard, Quality Management Services Scorecard, Q4 2021 Clinic Quality Scorecard and a Value Based Purchasing Analysis.

**Audit & Corporate Compliance Committee Report:** Ms. Julie Powell shared an overview of the Audit & Corporate Compliance Committee that was held on January 25, 2022. She reported the Compliance Activity Log, Open Record Request, and Privacy/Security Compliance Report was reviewed and discussed. She reported the record requests generated \$62 in revenue with the majority of the requests coming from vendors. She added MRHCA Audit and Corporate Compliance Policy was reviewed and approved to move forward to the Board for approval.

**Chief of Staff Report:** Dr. David Auld reported the most recent Covid 19 surge reached a peak on January 23<sup>rd</sup> and appears to be coming down. At its peak, it reached a 7 day average of 14 thousand daily cases diagnosed. This is approximately 3 times higher than the last 2 surges we have faced largely contributed to the infectious omicron variant that has spread rapidly worldwide. He reported MRHC is continuing to care for patients at the limit our staffing capacity allows. Efforts to recruit and retain nursing personnel are ongoing. MRHC's ability to transfer is severely limited by tertiary care facilities under the same constraints. Dr. Auld reported Dr. Cardich, Neurologist and Physiatrist is leaving MRHC, Dr. Auld, Dr. DeLaughter, and Dr. Smith has taken over the physical medicine and rehabilitation responsibilities to keep our inpatient unit running smoothly without any downtime. All three physicians have had extra training and have significant experience in rehab work. He added Rehab has an excellent group of therapist and he anticipates growth in this area. Dr. Auld reported MRHC has a new General Surgeon, Dr. Marcus McTague. Dr. McTague has started seeing patients and performing operations. He is an answer to a significant need in the General Surgery Department for the past several months. Dr. McTague is very eager to build a busy practice and he comes to us from Ada, OK where he had a conventional practice as a General Surgeon.

**Chief Executive Officer (CEO) Report:** Mr. Shawn Howard reported he has changed the format of the CEO report to help the Board recognize how the operations activity correlate with the Strategic Plan and an unoccupied office in Administration has been converted to a small private meeting room. Mr. Howard reported Oklahoma Heart is very close to opening the new clinic on the MRHC campus and the partnership with OU in regard to support for the neurology clinic is getting closer to being finalized. He reminded the Board that part of the MRHC strategy for employee wage increases is to decrease agency staff. He added that he heard on the news that OU Medical is adopting that same strategy as well as Saint Johns. He stated it shows we are on the right path to achieving our goals. He added we need stability and balance in the environment that is beneficial to the community. The focus groups that MRHC has put together will help move the hospital along faster. Mr. Howard reported Jimmy Davenport, Director of Laboratory has assumed the leadership of Respiratory Services and Dr. Kaleem Ishaq, Pulmonologist has agreed to be the Medical Director of that group. Sleep Studies will resumed this week under the management of Zoellner Medical Group (ZMG). ZMG will handle all aspects of the sleep service line besides billing which will be done by MRHC. Dr. Greg McKinnis has agreed to serve as Medical Director for this service. Mr. Howard provided an update on non-clinical operations including the Urgent Care, PET CT, and MRI projects. Mr. Howard provided an update on a few strategic plan initiatives regarding streamlining service lines, continuum of care strategies, and transition appropriate outpatient procedures to the Ambulatory Surgery Center. He reported in the January meeting, he mentioned a task force that was created to establish an education plan on through-put expectations and to increase communication with patients and family. He opened the floor to Ms. Pam Cunningham to present the plan.

- 1. Presentation: Emergency Room - Patient Perception & Communication:** Ms. Pam Cunningham provided a presentation focusing on an identified area for improvement. She reported the lack of communication is primarily identified as a contributing factor for many grievances. Other contributing factors include staffing shortage, an abnormally high patient load & acuity level, inconsistent physician coverage, and disconnect between ED and other departments. Ms. Cunningham reported a Multidisciplinary Team was created and called the Compassionate Care & Communication Team. The team meets regularly to review grievances, identify

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trends, and create corrective action plans. In addition, a Patient Advocate will assist with customer satisfaction, care communication, and any social issues the patient may have by rounding on all ED patients, including those in the waiting room. The Advocate will assess and assist with any social needs, discharge planning, or follow-up appointments. Ms. Cunningham reported the ED will be adding LPN and Paramedic positions that will ease the workload of the RNs. She added Crisis Prevention Institute (CPI) training courses will be offered to the ED Staff that provides strategies and techniques that focus on the welfare, safety, and security of our staff and the patients in their care. Informational TVs will be placed in the waiting area that will continually update the current wait time from registration to rooming of patients along with other information that will help keep patients and family updated. Ms. Cunningham reported the ED is looking at Point of Care testing abilities that will expedite results to improve throughput time and working with Radiology and Laboratory leaders to create a diagnostic testing turnaround time list and evaluate overutilization of testing.

**Strategic Update:** Mr. David Keith provided a Strategic Report to the Board. He reported a Supreme Court ruling on Jan 13, 2022 blocked enforcement of the Biden administration's COVID-19 vaccinate-or-test rule for workers at larger businesses. However, justices kept in place CMS's vaccination mandate for eligible staff at healthcare facilities participating in the Medicare and Medicaid programs. The U.S. Supreme Court did rule that it is allowing the administration to proceed with the vaccine mandate from CMS for most of the care industry. Mandatory vaccinations will proceed for employees unless they can obtain a medical or religious exemption. The issue of whether CMS has the administrative power to enforce the mandate. On a State level, the bill language in the Public Trust and Open Records Acts is almost finalized with both repetitive. Bob Culver, District 4 authoring legislation for the public trusts competitive bidding act and Representative Grego, District 17 authoring legislation on open meetings/open records act. He reported he met with the CEO of Arkansas College of Health Education located Fort Smith Arkansas to explore the possibility of establishing a medical school in Pittsburg County. Mr. Keith shared that formal letters of financial commitment for the Water Tower Project are being reviewed by the McAlester City Council and Pittsburg County commissioners. Once approved, the letters of commitment will be forwarded to the Choctaw Nation with a request for their participation. The entire project will cost just over \$1.5M; the USDA indicated potential support for financing any unmet balance. The MRHC Foundation's Grateful Patient Giving initiative is set to begin this month. Physicians and nurses will be asked/trained to help drive the Grateful Patient initiative.

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

A motion was made in public session at 6:51 PM by (Bland) and seconded by (Grilliot) to enter Executive Session. The vote was taken as follows: Aye: James Bland, Brent Grilliot, Johnny Zellmer, MD, Susan Kanard, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: Damon Mascoto, Sayer Brenner. Abstain: None. Chairwoman Shannon declared the motion carried unanimously.

**25 O.S. § 307(C)(11):** "All nonprofit foundations, boards, bureaus, commissions, agencies, trusteeships, authorities, councils, committees, public trusts, task forces or study groups supported in whole or part by public funds or entrusted with the expenditure of public funds for purposes of conferring on matters pertaining to economic development, including the transfer of property, financing, or the creation of a proposal to entice a business to remain or to locate

within their jurisdiction if public disclosure of the matter discussed would interfere with the development of products or services or if public disclosure would violate the confidentiality of the business."

1. Discussion of potential proposal to retain Belfair of McAlester, LLC within the City of McAlester, including the potential transfer of property and financing, the public disclosure of which would interfere with the development of Belfair's services or violate the confidentiality of Belfair

A motion was made in public session at 7:21 PM by (Fields) and seconded by (Bland) to come out of Executive Session. The vote was taken as follows: Aye: Marti Fields, James Bland, Brent Grilliot, Susan Kanard, Johnny Zellmer, MD, Weldon Smith, and Mary Shannon. Nay: None. Absent: Sayer Brenner, Damon Mascoto. Abstain: None. Chairwoman Shannon declared the motion carried unanimously.

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No action was taken during Executive Session.

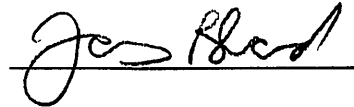
**ACTION NEEDED:**

1. **Consideration and approval of resolution authorizing execution of documents extending the term of Belfair of McAlester's loan with BancFirst for an additional year.** A motion was made (Zellmer) and seconded (Fields) to approve the resolution authorizing execution of documents extending the term of Belfair of McAlester's loan with BancFirst for an additional year. The vote was taken as follows: Aye: Johnny Zellmer, MD, Marti Fields, Susan Kanard, Brent Grilloit, James Bland, Weldon Smith, and Mary Shannon. Nay: None. Absent: Sayer Brenner, Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously. **Motion** carried.
2. **Consideration and approval of resolution authorizing negotiation of the purchase of 45% ownership/ 5% ownership interest in Belfair of McAlester from Carland Group, L.L.C. and Carty Enterprises, L.L.C.** A motion was made (Zellmer) and seconded (Fields) to approve the resolution authorizing negotiation of the purchase of 50% ownership interest in Belfair of McAlester from Carland Group, L.L.C. and Carty Enterprises, L.L.C. The vote was taken as follows: Aye: Johnny Zellmer, MD, Marti Fields, Susan Kanard, Brent Grilloit, James Bland, Weldon Smith, and Mary Shannon. Nay: None. Absent: Sayer Brenner, Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously. **Motion** carried.

**Adjournment:** A motion was made (Smith) and seconded (Zellmer) to adjourn the meeting at 7:28 PM. The vote was taken as follows: Weldon Smith, Johnny Zellmer, MD, Susan Kanard, James Bland, Marti Fields, Brent Grilloit, and Mary Shannon. Nay: None. Absent: Sayer Brenner, Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.



Mary Shannon ~ Chairwoman  
/sds



James Bland ~ Vice-Chairman