

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday March 02, 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 11:55 AM on March 01, 2022.

**TRUSTEES PRESENT:**

Mary Shannon, Chairwoman ~ Weldon Smith ~ Susan Kanard ~ James Bland (arrived at 4:07 PM) ~ Johnny Zellmer, MD ~ Brent Grilliot ~ Sayer Brenner ~ Marti Fields ~ Damon Mascoto

**TRUSTEES ABSENT:** None**HOSPITAL STAFF:**

David Keith, Sonya Stone, Recording Secretary, Shawn Howard, Cheryl Perry, Whitney Hull, Lucy Muller, Misty Branam, DO,

**OTHER ATTENDEES**

Karen Rieger, Legal Counsel, (via conference phone) ~ Pete Stasiak, City Manager

**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 February 9, 2022
2. February 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. Tyler Woolum, DO ~ Provisional ~ Emergency Medicine ~ One year
2. M. Marcus McTague, DO ~ Provisional ~ General Surgery ~ One year
3. Gladys Onchwati, APRN ~ Provisional ~ Nurse Practitioner Telepsychiatry (ForeFront) Supervising: Erin Walling, MD ~ One year
4. Jennifer Brewer, APRN ~ Provisional ~ Nurse Practitioner Family Medicine (OHH) Supervising: Charles Moore, MD ~ One year

***B. Consideration and approval of appointment for credentialing & privileging for additional privileges as follows:***

1. David Auld, MD ~ Physical Medicine & Rehabilitation
2. Harold Z. DeLaughter, DO ~ Physical Medicine & Rehabilitation

***C. Temporary Privileges Granted:***

1. David Auld, MD ~ Physical Medicine & Rehabilitation ~ 01/28/22 – 04/28/22
2. M. Marcus McTague, MD ~ General Surgery ~ 02/02/22 – 04/02/22

***D. Emergency Temporary Privileges (ECMO):***

1. Kevin Esau, CCP, LP ~ Perfusionist

***E. Resignations:***

1. Envision Teleradiology Group ~ Teleradiologist ~ 11/21/21
2. Chet Wilson, DO ~ Emergency Medicine ~ 01/19/22
3. John Tompkins, MD ~ Orthopedic Surgery ~ 01/22/22

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4. Luke Schumacher, PA ~ Physician Assistant ~ 01/24/22
5. Genevieve Dulan, MD ~ Emergency Medicine ~ 02/01/22

4. MRHCA Board of Trustee Policies as follows:
  - A. Ad Hoc Committee
  - B. Audit & Corporate Compliance Committee
  - C. Executive Succession Plan
  - D. Finance Committee
  - E. Board of Trustees Job Description Policy
  - F. Open Records Request & Fee Schedule Policy
  - G. Quality Improvement Committee

A **motion** was made (Fields) and seconded (Grilliot) to approve items 1,2,3 and 4: A,B,D,F of the Consent Agenda as presented. The vote was taken as follows: Aye: Marti Fields, Brent Grilliot, Johnny Zellmer, MD, Sayer Brenner, Susan Kanard, Weldon Smith, Damon Mascoto, and Mary Shannon. Nay: None. Absent: James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried.

**Items 4: C,E, and G were pulled from the Consent Agenda for discussion as follows:**

**Action:** Item 4:C of the Consent Agenda, a recommendation was made to modify paragraph 2:C to read: If a national search is judged appropriate, the Board Chairman, with the Board's approval, shall designate the committee that will be responsible for the CEO search. A **motion** was made (Kanard) and seconded (Mascoto) to approve the recommended changes to item 4:C of the Consent Agenda as presented. The vote was taken as follows: Aye: Susan Kanard, Damon Mascoto, Johnny Zellmer, MD, Sayer Brenner, Marti Fields, Weldon Smith, Brent Grilliot, and Mary Shannon. Nay: None. Absent: James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried.

**Action:** Item 4: E of the Consent Agenda, a recommendation was made to review the Job Description that is an addendum to the policy that was not included in the meeting packet. No recommended changes were made. A **motion** was made (Zellmer) and seconded (Brenner) to approve item 4:E of the Consent Agenda following the review of the Job Description addendum as presented. The vote was taken as follows: Aye: Johnny Zellmer, MD, Sayer Brenner, Brent Grilliot, Susan Kanard, Damon Mascoto, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried.

**Action:** Item 4:G of the Consent Agenda, a recommendation was made to modify the "Purpose" paragraph to read: To ensure stable, consistent oversight as relates to all quality of care and monitoring activities of MRHC. It is intended that this policy support the mission, vision, values, and strategic goals of MRHC. A **motion** was made (Grilliot) and seconded (Mascoto) to approve the recommended changes to item 4G of the Consent Agenda as presented. The vote was taken as follows: Aye: Brent Grilliot, Damon Mascoto, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Sayer Brenner, Susan Kanard, James Kanard, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried.

#### Finance Committee Report:

1. **Discussion and Consideration of January 2022 Financial Reports:** Ms. Perry presented the January 2022 Financial Reports. She reported the CT was in service for the full month of January. January was budgeted to be a struggle with a 0.5% increase in SHOPP payments and the second phase of the wage-scale implementation. However, another unanticipated surge of COVID affected several hospital departments, added to the agency/overtime/incentive issues, and set back the scheduling, coding and collection efforts for a few weeks. Patient days were up 9% to run rate, or the prior three-month average, while discharges were up only 3%. Case Mix Index (CMI) is up this month to 1.71 for the hospital driven by patients with COVID or

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other issues requiring ventilators. Ms. Perry stated most MRHC IP accounts are paid based on the Medicare Severity Diagnosis Related Group (DRG) which assumes a geometric LOS and an average/normal cost for each DRG. When the geometric LOS is exceeded the burden for the excess cost of care falls back on the hospital. When a hospital exceeds a "normal cost of care" that burden falls back on the hospital as well. In January alone there were several examples of patients who would have fit the category of "the burden falling back to the hospital." As for other volumes in the Hospital, IP Surgeries were at run rate while OP surgeries were down 10% from run rate. ED visits held steady at the prior three-month average. The Sleep Lab remained closed. OP Imaging numbers were down in January by 6% with the CT being the only modality to improve over run rate. With the new machine in place the OP CT volumes were up 7% from run rate. Wellness was up 5% from run rate and Van Buren House had thirty residents. Therapy, once again, had a good month in January with 16% improvement over run rate. Issues in General Surgery coverage continued in put MRHC approximately forty-nine cases behind the normal caseload of General Surgery cases performed in a month. This was the equivalent of \$310k Gross Revenue or \$148k of Net Revenue lost. Orthopedic Surgery was lower than normal due to a provider's vacation by seven cases. This was the equivalent of \$120k of Gross Revenue or \$47k of Net Revenue postponed. OP Imaging, excluding CT, was 7% behind run rate. This was the equivalent of \$260k of Gross Revenue or \$86k of Net Revenue lost or postponed. Surgery, Wound Care, Surgery Clinic, and OBGYN Clinic all had some late charges for January keyed into February causing a postponement of the recognition of those services. The total Gross for all areas was \$231k with a resulting Net Revenue of \$72k.

Volumes for the physicians dropped from the three-month average in January by 1%. The Orthopedic Clinic volumes were below run rate 18%. Surgical Arts was down 26% from run rate. The Podiatry Clinic was down 22% from run rate. All were due to approved provider time off. Offsetting these declines were increases in most clinics from providers coming back from two months of holidays with strong volumes. The final items that touch revenue in January are worth noting. A shift in the overall payer mix away from Commercial to Medicare impacted Net Revenue an estimated \$180k. In the MMS account receivables, approximately \$174k of accounts moved into 151+ days causing an additional reserve of \$45k as they are estimated to be 100% uncollectible at day 151 per policy. In Other Operating Revenue, MRHC paid out 0.5% additional SHOPP funds per Senate Bill 1045 which equated to \$72k in January. On the SHOPP receipt side, the first payment of every calendar year the SHOPP program withholds 1.4% of the payment it should send to hospitals in January. These funds will be used to "true-up" the program in December. This dropped MRHC's SHOPP funds received by \$157k in January from the run rate. Expenses in January for MRHC were slightly higher than run rate. Salaries and Contract Labor are still running high as anticipated. Internal Agency pay was down to \$11k. There was \$118k paid in incentives to fill open shifts. Contract labor continues to be high at \$420k, unfortunately that is in line with the current run rate. Several providers earned their performance bonuses and there was a sign on bonus with a new surgeon all of which totaled \$95k. Health insurance was higher than run rate approximately \$100k for some large claims. And being the first of a calendar year, FICA and SUTA expense were larger for an increase to run rate of \$70k. Outside of payroll, there were 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. Having the mid-level focus on stress tests will free up the cardiologists to do more work in the Cath Lab and Clinics. Oklahoma Heart was reimbursed, per contract, for cardiologist recruitment fees. Surgical call for Locums totaled \$63k for November-January bills. Travel expense associated with the Locums totaled \$5,500 in additional expense. In Purchased Services, there was some catchup from Abbott Labs for \$26k. Also in Lab, supply expense went up as Lab reagents were about \$40k higher in January due to increased testing during the latest surge. A motion was made (Bland) and seconded (Zellmer) to approve the finance report for January 2022 as presented. The vote was taken as follows: Aye: James Bland, Johnny Zellmer, MD, Brent Grilliot, Susan Kanard, Damon Mascoto, Sayer Brenner, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

- 2. Discussion and Consideration of Fourth Quarter Budget:** Ms. Perry presented the Fiscal Year 2022 Budget – Fourth Quarter Proposal. She stated we have added in the wage scale adjustments, all the pieces to our strategic plan, with OU contracts, changes with Medical Directors, push in our Rehab area, and Dr. Cardich leaving. She reported that she is expecting to fall slightly short of meeting our debt service obligation.

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Ms. Perry informed the Finance Committee, that department budget meetings are in process to work on next year's budget in an effort to present a full year's budget next year. A **motion** was made (Bland) and seconded (Grilliot) to approve the Fourth Quarter Budget as presented. The vote was taken as follows: Aye: James Bland, Brent Grilliot, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Sayer Brenner, Damon Mascoto, Susan Kanard, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried.

- 3. Discussion and consideration of bid for Hospital Vacuum System:** On January 11<sup>th</sup> and 18<sup>th</sup>, McAlester Regional Health Center published an RFP for the Upgrade of the Hospital Vacuum System. This system regulates the suction throughout the facility and is considered a function that has a high patient safety component in the event the unit fails. McAlester Regional Health Center is currently renting a temporary suction unit. MRHC received a sealed bid from Apex Medical Gas System, which was opened on February 9, 2022, at 10:00AM. Apex Medical Gas System bid was for \$87,913.55. There were no other bids received. Since Apex Medical Gas System was the only respondent and was the only vendor to attend the mandatory pre-bid meeting, the Bid Review Committee recommends accepting the proposal from Apex Medical Gas System. Mr. Sayer Brenner reported it was discussed in the Finance Committee to take the costs out of the Funded Appreciation Account. A **motion** was made (Brenner) and seconded (Zellmer) to approve the bid for Hospital Vacuum System from Apex Medical Gas System at a cost of \$87,913.55 as presented. The vote was taken as follows: Aye: Sayer Brenner, Johnny Zellmer, MD, Susan Kanard, Brent Grilliot, James Bland, Damon Mascoto, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: None. 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 February 22, 2022. Ms. Hull reported the Quality Management System focused on three groups as follows: Operating Room Cleaning that showed 100% compliance, Restraints that showed improvement on documentation, and Medication Reconciliation. The Utilization Review (UR) Data/Goals to be discussed at the UR Committee. She reported the Quality Management Oversight is preparing for Provider Based Clinic Surveys. Teams and schedules are being developed with a completion date by May 2022. The Clinic survey teams include the following: Safety, Physical Environment, Infection control, staffing management/medical staff, medication management, laboratory, and quality management. Ms. Hull reported internal audits for clinic processes are planned to occur after Clinic Survey Preparedness is complete. Leaders from other areas will perform the surveys. Ms. Hull reported the Quality Scorecard for Quarter four 2021 was presented and discussed. The 2021 readmission rates fell below the goal, the 2021 Mortality Rates fell below goal, and the Sepsis Bundle will have corrective actions put in place.

**Personnel Committee Report:** Ms. Marti Fields turned the floor over to Ms. Lucy Muller to share two areas that was discussed in the Personnel Committee held on February 10, 2022.

- 1. 2021 Employee Turnover:** Ms. Lucy Muller provided a brief update on the 2021 Employee Turnover. She stated that one item of focus on the MRHCA Strategic Plan is employee retention. She shared the total turnovers for all three companies including MRHC, MMS, and MASC was 33.17% in 2021, the industry standard is 22%. Broken down by company, MRHC, being the largest company, has the highest number of turnovers. The MRHC nursing turnover significantly increased to 41.67% and when comparing the RN vs. LPN turnover, there are more RN's that leave than LPN. Ms. Muller reported when looking at the turnover rate as it relates to years of service, the first year turnover rate is 53.98% which is alarming. Trending shows if an employee stays for four years, they are more inclined to stay long term. For MMS turnover was 36.14% and when comparing RN vs LPN turnover, once again there were more RNs leaving. In MMS, the first year turnover was extremely high with an 80% turnover rate. For MASC, the overall turnover rate was 20%, however there are fewer employees, and none were nursing. There were only two employees who retired and there were none that left in the first year. Ms. Muller reported some of things MRHC is doing to combat the increasing turnovers is to monitor the turnovers and dashboards monthly, put a focus on education, wage increases, bring back a culture of "Fun," and putting a

specific focus on nursing. She reported changes were made to the education department to help build career ladders so that employees can begin to grow, development courses for employees and leaders, and working with the MRHC Foundation to provide scholarships. Ms. Muller also discussed a plan for nurse retention before opening up the floor to questions.

- AHEC Grant Update:** Ms. Lucy Muller shared an update on the Area Health Education Center (AHEC) grant. She reported the Health Resources Services Administration (HRSA) designates most Oklahoma's counties as primary care health professional shortage areas. The Oklahoma Area Health Education Program (OK-AHEC) was established in 2017 to address these shortages. OK-AHEC strengthens the state's health care workforce by recruiting, training, and retaining health professionals committed to increasing access to primary care in underserved urban and rural communities. OK-AHEC prepares underrepresented minority and disadvantaged youth for healthcare careers and promotes clinical training opportunities for students and provides continuing education programs for health professionals working in underserved communities. Ms. Muller reported the HRSA grant application dropped January 21<sup>st</sup>. Mr. Shawn Howard, Mr. David Keith, Ms. Nikki Cook, and Ms. Muller are scheduled to meet with OSU representatives to establish MRHC goals and align to the vision and mission of OK-AHEC in order to complete the application by the due date April 6, 2022. The grant amounts range from \$148K to \$250K per year for five years. Ms. Muller shared a timeline for submission of the grant application with a goal of receiving the grant funds by September 2022.

**Chief of Staff Report:** No report in the absence of Dr. David Auld.

**Chief Executive Officer (CEO) Report:** Mr. Shawn Howard reported the MRHC relationship continues to move forward as we are working through the credentialing process for the OU providers. Just prior to this meeting the Telestroke agreement was completed, and the service should start immediately. The credentialing process is still underway for the Neurologist to come set up a clinic. The negotiations were very favorable for MRHC in regard to the Neurology Clinic. This relationship with OU should prove to be very fruitful for the hospital. For the Imaging Department, the Ultrasound is on track to hit five hundred procedures which is up from three hundred last month. This is made possible by the completion of additional ultrasound rooms on the main campus. Hours were extended to 8PM which is expected to continue the increase in procedures. Home Health received the CAHPS Award of Distinction for demonstrating superior patient experience in 2020 and has been named a national best practice agency by Fazzi Associates. MRHC Home Health is in the top 25% of Fazzi's National Home Health CAHPS database. A third room has been equipped as a sleep testing room. This will generate a 50% increase in productivity in sleep operations. The Lab Department installed a point-of-care blood gas analyzers for quick results during code situations in ICU and ER. These analyzers will provide faster treatment during these critical situations and contribute to superior clinical outcomes. Mr. Howard provided updates on strategic initiatives in Information Technology, Human Resources, Finance. In closing, Mr. Howard reported that MRHC was selected as a 2021 Certified Excellent Healthy Business.

**Strategic Update:** Mr. David Keith provided a Strategic Report to the Board. He reported there has been growing bipartisan focus in Congress around advancing legislation to ensure that flexibilities related to telehealth usage will not abruptly stop with the end of the declared Public Health Emergency (PHE). Flexibilities have been temporarily allowed through prior COVID-19 relief legislation. CMS has extended some of the services covered through CY 2023 however there are concerns about the outlook once the PHE is ended. The Public Trust Bill (HB 3474) on open records by Representative Grego has been assigned to General Government which is chaired by Representative Kevin West. Representative Grego has asked for it to be heard in the next two weeks however we are unsure if it will run February 23, 2022 or March 2, 2022. He reported to date, he has not heard of any objections to the bill. Senator Mark Allen in Poteau has agreed to be the Senate author on the bill. Vaccine Mandate SB 1128 would have prevented an employee from mandating vaccines of any kind to current employees failed and replaced by SB 1729 regarding unemployment benefits for employees who do not comply with an employer vaccine mandate. In addition, an almost identical SB 1157 was heard and passed out of the committee. The Senate Health and Human Services Committee heard OHA's request bill

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on SHOPP, SB 1396. The bill was filed as a placeholder bill and gives the association a platform to continue discussions with Legislature on the future use and need of the provider fee to fund Medicaid Expansion.

Another OHA supported bill, SB 1665 would reapportion a percentage of the sales tax on medical marijuana to help pay for Medicaid Expansion. Mr. Keith reported on a regional level, members of the Executive Team and Physician Leaders are scheduled for a site visit to the American Colleges of Healthcare Education medical school located in Fort Smith Arkansas. Karen Hendren, CEO of Lifecare will also be attending and assessing if the development of a medical school in Southeast Oklahoma could be a LifeCare supported initiative. He reported MRHC is participating in a Southeast Oklahoma Consortium for Rural and Tribal Substance Disorder Services grant with HRSA. Consortium entities participating in the grant include MRHC, The Rural Health Network of Oklahoma, Atoka Medical Center, Coal County General Hospital, Oklahoma State University Center for Health Systems Innovation Health Hearts Counseling Center, Quest Mental Health Services, and Choctaw Nation Rural Clinic. If successful, MRHC will receive education and training in the acute management and referral of mental health patients from the Emergency Department, and technology support for virtual group and tele-behavioral health counselling. The grant is not expected until April or May 2022. On a local level, Mr. Keith reported as of 2/21/22, Van Buren House (VBH) has a census of thirty residents with five new admissions scheduled within the next two weeks. VBH is in the process of applying for Medicaid Advantage Waiver program which will enable low-income seniors to receive the benefits of Assisted Living facilities. The Belfair census dropped to forty-five residents with two active pending move-ins in March. The goal is to achieve a census of fifty by May. Rent rates will increase 5% the first of May to counter the increase in supply, food, utilities and labor costs. In closing, Mr. Keith provided an update on the Water Storage Tank Project and shared educational information he learned from a Vizient Conference in Scottsdale Arizona.

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

A **motion** was made in public session at 6:11 PM by (Mascoto) and seconded by (Fields) to enter Executive Session. The vote was taken as follows: Aye: Damon Mascoto, Marti Fields, Johnny Zellmer, MD, Sayer Brenner, Susan Kanard, James Bland, Weldon Smith, Brent Grilloit, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

**25 O.S. § 307(B)(1):** "Discussing the employment, hiring, appointment, promotion, demotion, disciplining or resignation of any individual salaried public officer or employee."

1. Discussion regarding employment matters related to the Chief Executive Officer position.

A **motion** was made in public session at 7:06 PM by (Zellmer) and seconded by (Brenner) to come out of Executive Session. The vote was taken as follows: Aye: Johnny Zellmer, MD, Sayer Brenner, James Bland, Brent Grilloit, Susan Kanard, Damon Mascoto, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

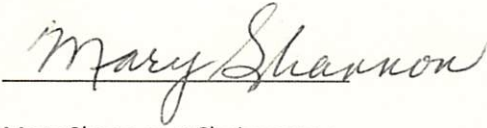
**No action was taken during Executive Session.**

**ACTION NEEDED:**

1. Approve or disapprove any action regarding the Chief Executive Officer position.

A **motion** was made (Bland) and seconded (Brenner) to offer the President/CEO position to Mr. Shawn Howard pursuant to the first amendment of his employment agreement to begin immediately, and to re-negotiate the agreement prior to the expiration date in September 2022. The vote was taken as follows: Aye: James Bland, Sayer Brenner, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Damon Mascoto, Susan Kanard, Brent Grilloit, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously. **Motion** carried.

**Adjournment:** A motion was made (Fields) and seconded (Kanard) to adjourn the meeting at 7:16 PM. The vote was taken as follows: Marti Fields, Susan Kanard, Brent Grilliot, James Bland, Johnny Zellmer, Damon Mascoto, Weldon Smith, Sayer Brenner, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.



Mary Shannon ~ Chairwoman  
/sds



James Bland ~ Vice-Chairman