

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday May 04, 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 08:11 AM on May 03, 2022.

TRUSTEES PRESENT:

Mary Shannon, Chairwoman ~ Christopher Beene, MD ~ Susan Kanard ~ Johnny Zellmer, MD (arrived at 4:47PM) ~ Brent Grilliot ~ Sayer Brenner ~ Marti Fields ~ Damon Mascoto ~ James Bland

TRUSTEES ABSENT:**HOSPITAL STAFF:**

David Keith, Sonya Stone, Recording Secretary, Shawn Howard, Cheryl Perry, Whitney Hull, Julie Powell, Kim Stout, Lucy Muller, Marlo Burke

OTHER ATTENDEES

Karen Rieger, Legal Counsel, (via conference phone), Pete Stasiak, City Manager, Claudia Hitchcock, Community member

CALL TO ORDER: Chairwoman Shannon called the meeting to order at 4:00 PM. She recognized Mr. Brent Grilliot's Birthday.

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees minutes for April 06, 2022
2. April 2022 Agreement Log
3. Appointment of Shawn Howard to serve on the Belfair of McAlester, LLC. ASLG & AHG Boards replacing David Keith.
4. Credentialing & Privileging List as follows:

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

1. Kevin Madden, CRNA ~ Provisional ~ CRNA ~ One year
2. Kara Hatlevoll, DO ~ Provisional ~ Emergency Medicine ~ One year

Consideration and approval of Reappointment (Active) for two years as follows:

1. Sara Riopelle, MD ~ Active ~ Emergency Medicine ~ Two years
2. Joshua Vicena, DO ~ Active ~ Urology ~ Two years
3. Thomas Wicks, DPM ~ Active ~ Podiatry ~ Two years
4. Laura Black-Wicks, DO ~ Active ~ Family Medicine ~ Two years
5. John Tedesco, DO ~ Active ~ General Surgery/Plastic Surgery ~ Two years.
6. Juston Evenson, MD ~ Active ~ Anesthesiology ~ Two years.

Consideration and approval of Reappointment(Affiliate) as follows:

1. Joshua Burton, DO ~ Affiliate ~ Emergency Medicine ~ Two years

Consideration and approval of Reappointment: (Allied Health) for two years as follows:

1. Cynthia Sanford, APRN ~ Allied Health ~ CRNA ~ Two years
2. John Lazenby, PA-C ~ Allied Health ~ Physician Assistant ~ Two years

Initials _____

Consideration and approval of Advancement: (Allied Health) for one year as follows:

1. Blake Wilson, CRNA ~ Allied Health ~ CRNA ~ One year

Consideration and approval of Advancement: (Consulting) for one year as follows:

1. William Hanner, DO ~ Consulting Staff ~ General Surgery (Locum) ~ One year

Consideration and approval of Advancement: (Active) for one year as follows:

1. Rubin Chandran, MD ~ Active ~ Nephrology ~ One year

Request for Additional Privileges:

1. Kristina "Kristy" Smith, DO ~ Physical Medicine & Rehabilitation

Temporary Privileges Granted

1. Kevin Madden, CRNA ~ CRNA ~ 03/11/22 – 05/11/22
2. Lauren Wallace, PA-C ~ Physician Assistant ~ 03/16/22 – 04/16/22

Resignations: (Acknowledge/Accept)

1. Fatima Kazem, MD ~ Teleradiologist (StatRad) ~ 03/01/22
2. Pedro Cardich, MD ~ Neurology ~ 03/01/22
3. Kimberly Montell, DO ~ Emergency Medicine ~ 03/24/22
4. Ryan Griswold, DO ~ Emergency Medicine ~ 04/05/22
5. Elizabeth Richardson, DO ~ Emergency Medicine ~ 04/05/22
6. Anastasia Fisher, DO ~ Emergency Medicine ~ 04/05/22

A recommendation was made to pull item # 2 (April 2022 Agreement Log) for discussion. A motion was made (Fields) and seconded (Brenner) to pull item #2 from the Consent Agenda as recommended. The vote was taken as follows: Aye: Marti Fields, Sayer Brenner, Susan Kanard, Jim Bland, Christopher Beene, MD, Damon Mascoto, Brent Grilloit, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the motion carried.

Discussion occurred regarding the MRHC Agreement Log for April 2022. Ms. Fields asked for clarification on working well agreements. Mr. Howard reported all working well agreements were reviewed and updated.

A motion was made (Fields) and seconded (Kanard) to approve item #2 of the Consent Agenda as presented. The vote was taken as follows: Aye: Marti Fields, Susan Kanard, Christopher Beene, MD, Sayer Brenner, Damon Mascoto, Brent Grilloit, Jim Bland, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the motion carried.

A motion was made (Brenner) and seconded (Grilloit) to approve items 1, 3, and 4 of the Consent Agenda as presented. The vote was taken as follows: Aye: Sayer Brenner, Brent Grilloit, Susan Kanard, Jim Bland, Damon Mascoto, Marti Fields, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the motion carried.

Personnel Committee Report:

1. **Results from the 2021 Employee Culture of Safety Survey:** Ms. Julie Powell presented the 2021 Employee Culture of Safety Survey. The survey went out to all the MRHC employees asking them well-rehearsed questions from the Agency of HealthCare Equality. The survey is dispersed industry wide. Demographics were removed from the survey to encourage truthful answers from the employees. She reported a survey is rolled out every two years to the employees to identify areas of improvement. From the data collected this year, there was not a lot to be corrected that was not already known. There were 118 responses to fifty-one total questions, with the highest percentage coming from nursing. Ms. Powell shared the questions on the survey and the responses. The results of the survey was reviewed by the Administrative Executive Team, Patient Safety Committee and the

Initials _____

Personnel Committee and all agreed it was a very favorable survey. Chairwoman Shannon stated considering the survey comes after the Covid Pandemic, it is positive results, and we hope to see even more improvement next time.

2. **Results from the 2021 Physician Satisfaction Survey:** Ms. Lucy Muller reported a Physician Satisfaction Survey was performed for 2021. Every credentialed physician received a copy of the survey. On a scale of one to five, MRHC scored a four which is a favorable result. Ms. Muller reviewed the questions and responses of the survey pointing out the strengths and areas of opportunity. She reported overall, physicians are satisfied, aligned with mission and vision statement, and resilient to the challenges in the workforce today. Ms. Muller reported a strategic planning retreat with physicians to deliver results, obtain feedback and expectations of provider goals is planned. Another Physician Satisfaction Survey is planned for September 2022 to monitor results.

Board QI Committee Report: Dr. Johnny Zellmer opened the floor to Ms. Whitney Hull to provide an update for the Board QI Committee that met on April 26th, 2022. Ms. Hull reported in regard to Quality Management Oversight, a discussion was held regarding an initial audit within the Provider Based Clinics; The completion of nursing education related to medication reconciliation and restraints; DNV Stroke Survey scheduled for June 28th & 29th; and the expected DNV Hospital Survey coming soon. She provided an overview of the Quarter four 2021 HCAHP Scores that reflected improvement in six out of eight dimensions with a 14.2% increase in overall rating. Ms. Hull reviewed Quality Management Services data pointing out noteworthy efforts of improvement in floors, OR terminal cleaning, and required restraint documentation. She also shared opportunities for improvement in extended stay days and medication reconciliation. She provided an update for Hospice reporting the average daily census for Quarter four 2021 was fifty-eight and for the 2022 Year to date the average daily census is seventy. The Quality Assurance Performance Improvement (QAPI) projects include maintaining cost savings of greater than 5% of total paid staff patient care hours through use of volunteers and increasing frequency of all disciplines when death is imminent, with a goal of two visits for each discipline in last three days of life. For Quarter four 2021 nursing averaged 2.32 visits, Social Work 1.91 visits, and chaplain services 1.45 visits. Hospice will continue the projects until goals are met or exceeded. Ms. Hull provided a Home Health update. She stated Home Health is meeting or exceeding goals in all Quality-of-Care metrics except for timely initiation of care. An ongoing process improvement project is in process to get this metric to goal. Home Health currently has a 4 Star Rating in Quality of Patient Care. HCAHPS metrics for Home Health are all exceeding State and National benchmarks however, there is an area of focus on increasing communications about medications.

Audit & Corporate Compliance Report:

1. **Discussion and Consideration of proposed changes to the 'Annual Financial Audit' Policy:** Ms. Cheryl Perry proposed a change to the 'Annual Financial Audit' Policy. The current policy states MRHC will competitively bid the audit every three years. She added bidding for a public trust has specific terminology that does not require the audit to go out for bid because it is a professional service. When looking at an audit group you are looking for objectivity and independence. In the State of Oklahoma, there are really only two groups who has the resources to audit a facility our size: BKD and Eide Bailly. We would have to go out of State to find another group who could do the audit. In previous years, MRHC has utilized different audit groups that has proven to be more costly due to the extra hours spent to familiarize them with our facility. MRHC is currently with BKD who rotates their executive reviewer and the auditor assigned to our facility every two to four years to help maintain objectivity and independence of the audit. Ms. Perry stated this is more important than the cost of the audit. She added in her experience with other facilities, this is their practice. The verbiage in the policy will allow MRHC to stay with a group as long as they change the reviewers out every few years. MRHC has the option to also go out for bid if needed. Ms. Perry recommended approval of the proposed verbiage changes as discussed. A motion was made (Fields) and seconded (Bland) to approve the proposed verbiage changes to the "Annual Financial Audit" Policy" as presented. The vote was taken as follows: Aye: Marti Fields, Jim Bland, Brent Grilliot, Susan Kanard, Damon Mascoto, Sayer Brenner, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the motion carried.

Finance Committee Report:

- 1. Discussion and Consideration of March 2022 Financial Reports:** Ms. Cheryl Perry presented the March 2022 Financial Reports. She reported March 2022 was better than last year. It was better than the last few months. Improvements were seen in nearly every reported volume, excluding inpatient. Inpatient (IP) Gross Revenue was down 14% from the prior three-month average or run rate. This correlates with the decline in patient days over the same timeframe of 14%. Discharges for the month of March were in line with the run rate allowing the Acute Length of Stay (LOS) to drop 3.58, an improvement of 21% from run rate. While the LOS drop was in MRHC's favor, the CMI drop to 1.32 was not. This CMI was on the low end for MRHC and represented an 8.5% decline in acuity in the inpatient population. The good news for March is the IP side continued growth for IP Rehab and rebounds in the Geri Psych population. Outpatient (OP) Gross Revenue was up \$2.3 million from run rate in March. OP registrations increased 17% from the run rate driven by OP imaging and OP surgeries. OP imaging procedures increased 21% from run rate thereby increasing the Gross Revenue approximately \$896k. OP surgical revenue grew approximately \$766k driven by a 29% increase in surgeries. And while the Cath Lab only added seven more cases, that equated to additional Gross Revenue of \$210k. Clinic Gross Revenue increased \$85k compared to run rate. However, the clinic visits showed an 18% improvement to run rate. The Orthopedic Clinic was up 38%, Pediatric Therapy was up 60%, Family Medicine was up 41%, Surgical Arts was up 92%, Eufaula Family Medicine was up 59%, the Cardiology Clinic was up 91% and the Surgery Clinic was up 473%. Several other clinics showed increases as well but could be tied mostly to February being so low. Net Patient Revenue was above run rate approximately \$884k. Most of this was tied to improvements in volume as acuity did drop. However, a shift in payer mix from Commercial and Self Pay to Medicare and others surprisingly benefited MRHC's bottom line by approximately \$73k. This helped offset some growth in the oldest MMS Accounts Receivable aging that negatively impacted the bottom line about \$32k. Salaries and Contract Labor are still running higher than desired. Incentive pay to fill open shifts was \$82k. Contract labor continues to be high at \$500k, which increased from run rate. There were some incentives paid/accrued in March at the rate of \$91k for individuals. And the Phase 3 wage-scale increase was implemented mid-month for an approximate impact on the financials of \$95k. The first month of Professional Fees were accrued for Sleep Lab as it picked up thirty-three procedures. The final lease payment for air scrubbers needed for COVID was made in March for \$20k. In March, one final item of note was the recognition of the Phase 4 HHS funds into Non-Operating Income in the amount of \$490k. A motion was made (Brenner) and seconded (Beene) to approve the finance report for March 2022 as presented. The vote was taken as follows: Aye: Sayer Brenner, Christopher Beene, MD, Marti Fields, Damon Mascoto, Susan Kanard, Brent Grilliot, Jim Bland, and Mary Shannon. Nay: None. Absent: None. Abstain: Johnny Zellmer, MD. Chairwoman Shannon declared the motion carried.
- 2. Discussion and consideration of bid for Lightning Protection on the Boiler Room Roof:** Ms. Cheryl Perry reported on March 17th and March 24th, McAlester Regional Health Center (MRHC) published a Request for Purchase (RFP) for Lightning Protection on the Boiler Room Roof. The previously installed lightning protection on the roof of MRHC has been disabled. We have a mandate from a fire code and insurance perspective to have a commercial grade lightning protection. MRHC conducted a mandatory pre-bid meeting on March 29, 2022 at 9:00AM in which representatives from Counterstrike Lightning Protection and TGE, Inc. were in attendance. MRHC received a sealed bid from Counterstrike Lightning Protection which was opened on April 14, 2022 at 10:00AM. The bid from Counterstrike Lightning Protection was for \$43,545.00. This initiative was the second attempt to publicly bid the project, and though we did have attendance from two companies at the pre-bid meeting only one bid was received from Counterstrike Lightning Protection. The Bid Review Committee agreed to award the initiative to Counterstrike Lightning Protection at a cost of \$43,545.00. A motion was made (Bland) and seconded (Zellmer) to approve the bid for Lightning Protection from Counterstrike Lightning Protection at a cost of \$43,545.00 as presented. The vote was taken as follows: Aye: Jim Bland, Johnny Zellmer, MD, Susan Kanard, Brent Grilliot, Damon Mascoto, Marti Fields, Christopher Beene, MD, Sayer Brenner, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.

Initials _____

3. **Discussion and consideration for MRHC to assume ownership of the Copper Top Building:** Ms. Perry reported the Copper Top Building is owned by the First National Development Corporation (FNDC). MRHC leases all office spaces with the exception of one office space. A proposal was presented in the Finance Committee for MRHC to assume ownership of the Coppertop Building for the amount of debt that FNDC still has left on their current loan which is \$2.9m at a 4.0% interest rate that matures August 15, 2025. She stated if MRHC assumed ownership, the lease payments with FNDC would stop, the debt payment would be assumed, utilities and insurance would be factored in, and MRHC would be able to lease out the one office space that currently leases directly with FNDC. She added overall MRHC would book a positive income on the financial report. She reported depreciation expense and interest expense is not figured in the debt service calculation; however, the lease expense is calculated in the debt service. Assuming the ownership will be a positive impact for MRHC. A **motion** was made (Grilliot) and seconded (Mascoto) to approve moving forward with efforts to assume ownership of the Copper Top Building from First National Development Corporation as presented. The vote was taken as follows: Aye: Brent Grilliot, Damon Mascoto, Johnny Zellmer, MD, Susan Kanard, Jim Bland, Marti Fields, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: None. Abstain: Sayer Brenner. Chairwoman Shannon declared the **motion** carried.

4. **Discussion and consideration to use SHOPP Funds for operations:** Ms. Perry reported there is a need for additional funding for operational demands. The SHOPP funded depreciation account is a Board designated investment fund that currently has funds dedicated and approved toward a Vacuum System, Roofing Project, and Lightening Protection. She expects an additional proposal to come forward in May. Ms. Perry proposed that \$4m be released from the SHOPP funded depreciation account to be used for operational needs. She stated MRHC has a policy that allows for this transfer in funds. Mr. Bland stated as SHOPP funds continue to come in, the SHOPP funded depreciation account will continue to replenish. A **motion** was made (Bland) and seconded (Brenner) to approve the release of \$4m from the SHOPP funded depreciation account to be used for operational needs as presented. The vote was taken as follows: Aye: Jim Bland, Sayer Brenner, Brent Grilliot, Susan Kanard, Damon Mascoto, Marti Fields, Johnny Zellmer, MD, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Chief of Staff Report: Dr. David Auld reported the Nephrology Group has been excellent in regard to patient coverage. The Inpatient dialysis numbers are perfect due to having 100% nephrology coverage. He added this Group is useful and easy to work with in that they allow communication with them at any time, provides helpful feedback, and their rate is lower than the previous service provider. MRHC is currently experiencing a staffing shortage that has put the service line on hold until positions can be filled. Dr. Auld stated anything the hospital can do to help grow their volumes is extremely important. Dr. Marcus McTague, General Surgeon, is doing well and blending well with the staff. He is a good asset for the hospital. Dr. Abhijit Gundale, Otolaryngologist, is building his operating volumes and he is working to get his pediatric credentials which will make his service line more profitable.

Chief Executive Officer (CEO) Report: Mr. Shawn Howard reported the MRHC staff is striving to turn this hospital into a five star facility. He created a five star recognition program team who are helping to identify five star employees that have impacted the lives of a patient or family member. Recognized employees receive a special five star pin. Mr. Howard stated this is the first of many actions we are taking to help influence our employee's role in becoming a five-star hospital. The Education Department has been working hard with the addition of a nurse educator. MRHC was named an American Heart Association Training Site and providing on the spot training to our staff to enhance skills needed for patient care. Hospital Week is coming up on May 9 through May 13. Several festivities are planned for a fun week. MRHC is partnering with the Pittsburg Health Department to provide Audiology in our service area. Ashley Kennon, Director of Marketing and Public Relations was selected as top forty under forty and will be honored on May 12 in Oklahoma City. Ben Capers was recently hired in the Marketing Coordinator position. He specializes in graphic design, advertisement, and videography. Mr. Howard reported the Coffee Shop will be opening again soon. The Coffee Shop was a huge crowd pleaser for the staff and visitors, and we look forward to the re-opening. Mr. Howard provided an update on the Urgent Care Project. He reported the project will primarily utilize inhouse staff for the construction. The timeline for completion is pending.

Strategic Update: Mr. David Keith shared information regarding a legal case regarding a medication error in Nashville in which the health care worker was found criminally negligent. He stated this will have an impact on hospitals nationwide. He reported over 200,000 Oklahomans will maintain their health coverage because of the extension of the Public Health Emergency declaration. U.S. Health and Human Services Secretary Xavier Becerra renewed the Covid-19 public health emergency on April 16, allowing for continuous funding over the next 90 days. Mr. Keith reported HB3692 (Competitive Bidding Bill) passed Senate Rules on April 14. The language is still alive and moving forward however, it is now in two separate bills including SB173. He added if the Bills are passed and signed by the government, Public Trust hospitals will only have to go out for bid for construction over \$250,000. Mr. Keith recommended the Board read the Board Education included in his report regarding High Reliability Organizations (HRO). The definition of HROs is organizations that continuously strive for failure-free operations amid extraordinarily levels of complexity and constant threat of catastrophic error.

Adjournment: A motion was made (Kanard) and seconded (Brenner) to adjourn the meeting at 5:25 PM. The vote was taken as follows: Aye: Susan Kanard, Sayer Brenner, Brent Grilliot, Jim Bland, Johnny Zellmer, MD, Damon Mascoto, Marti Fields, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: None. Abstain: None. Chairwoman Shannon declared the motion carried.



Mary Shannon ~ Chairwoman
/sds



James Bland ~ Vice-Chairman