

A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday June 01, 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 10:25 AM on May 31, 2022.

TRUSTEES PRESENT:

Mary Shannon, Chairwoman ~ Christopher Beene, MD ~ Susan Kanard ~ Brent Grilliot (arrived at 04:02 PM) ~ Sayer Brenner ~ Marti Fields ~ Damon Mascoto ~

TRUSTEES ABSENT: James Bland, Johnny Zellmer, MD

HOSPITAL STAFF:

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

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 May 04, 2022
2. May 2022 Agreement Log
3. Credentialing & Privileging List and 2021 Scorecards for Quarter 3 & 4 as follows:

Consideration and approval of 2021 Scorecards for Quarter 3 & 4.

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

1. Conner Gill, DO ~ Provisional ~ Family Medicine ~ One year
2. Robert Hamilton, MD ~ Provisional ~ Neurology ~ One year
3. J. Franklin Oaks, DO ~ Provisional ~ Vascular Surgery ~ One year

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

1. Sara Oberste, DO ~ Active ~ Gastroenterology ~ Two years

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

1. Robert Delaney, CRNA ~ Allied Health ~ CRNA ~ One year

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

1. Jimmy Thomas, MD ~ Active ~ Nephrology ~ One year

Consideration and approval of Distant Site Credentialing by Proxy for one year as follows:

1. Zachary Roeder, MD ~ Provisional ~ Radiology (StatRad) ~ One Year
2. Ahmad Al-Awwad, MD ~ Provisional ~ Neurology ~ One year
3. Danny Samkutty, MD ~ Provisional ~ Neurology ~ One year
4. Evgeny V. Sidorov, MD ~ Provisional ~ Neurology ~ One year

5. Jorge Ortiz Garcia, MD ~ Provisional ~ Neurology ~ One year
6. Uttam Verma, MD ~ Provisional ~ Neurology ~ One year

Temporary Privileges Granted

1. J. Franklin Oaks, DO ~ Vascular Surgery ~ 05/04/22 – 06/03/22
2. Robert Hamilton, MD ~ Neurology ~ 05/05/22 – 06/05/22

Resignations: (Acknowledge/Accept)

1. Kendra Muncrief, DO ~ Emergency Medicine ~ 04/19/22
2. Lisa Hargis, APRN ~ Family Med/Urgent Care ~ 04/13/22
3. Elizabeth Richardson, DO ~ Emergency Medicine ~ 04/05/22
4. Brittany McShane, DO ~ Emergency Medicine ~ 05/05/22

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

Finance Committee Report:

1. **Discussion and Consideration of April 2022 Financial Reports:** Ms. Cheryl Perry presented the April 2022 Financial Reports. She stated April suffered from a huge loss of acute Inpatient (IP) volumes and acuity accompanied by expenses that did not drop as much. Outpatient (OP) and clinic volumes remained strong. Underneath it all, the strategic plans are moving forward and growing. IP Gross Revenue was low this month. Total patient days were down to run rate, or the prior three-month average, 17%. That average contained the month of February and April's IP days were lower than February's. Discharges were down 10%. This dropped acute length of stay (LOS) by 31% to 2.98 days, the lowest in two years. However, the Case Mix Index (CMI) was down to a 1.12 which was a 23% reduction from run rate and the lowest number for several years. The CMI being this low is most visible in the IP Ancillary line as the need for Pharmacy, Respiratory Therapy, Imaging, and Lab goes down for these patients because they were not as sick. As the CMI went down, so did the DRG and reimbursement. The net revenue effect of all of this is estimated to be at least \$600k. The bright spot on the IP side was Rehab and Geropsych as both continue to improve their average daily census with 28% and 30% growth over run rate, respectively. OP Gross Revenue is up \$966k or 9% from run rate driven by volumes in OP Imaging and OP Surgeries. OP Imaging volumes were up 8% and all modalities improved over run rate excluding Diagnostic Radiology which was down slightly. OP Surgeries were up in April by 19%. ED volumes were up just 1% to run rate but there was a back log on getting their charges into the system. Approximately \$94k of April's revenue was keyed into May. The net effect of that was \$25k missing from April's bottom line. Clinic Gross Revenue showed an improvement of \$313k compared to run rate driven by a 5% increase in volumes. Some of the clinics with the most improvement are integral to MRHC's strategic plan including Surgical Clinic with 150%, ENT Clinic with 102% and Cardiology Clinic with 24% improvement. Other clinics showing growth include OBGYN up 20%, Family Care Eufaula up 24% and Surgical Arts up 25%. There was a problem discovered that several clinics had charges for April coded into the month of May totaling \$793k. This equated to approximately \$239k of net revenue not making April's income. As of this report, a team was set up to figure out what happen so this is resolved for the future. Salaries and contract labor were still running higher than desired. Contract labor continued to be high at \$530k, which increased from run rate. About \$63k of that was from prior periods but the remainder was for April. There were some incentives paid/accrued in April at the rate of \$47k for individuals. And the first full month of the Phase 3 wage-scale increase was felt with an approximate impact on the financials was \$99k. This continues to be the most difficult section of the income statement to

impact positively as staffing shortages linger but changes are pending for improved contract rates and international employees. Outside of payroll, there were a couple of other areas to note. Professional Fees increased as compared to run rate as BKD was paid \$22k for multiple projects including provider-based billing, Van Buren House/Belfair, and CARES act consulting. Supplies cost in surgery and cath lab were higher as volumes in those areas drove up the need for additional implants. And several repair and maintenance costs were incurred in April including replacing the steam regulator on the boiler, replacing a switch gear as a preventative measure, annual compressor maintenance, a service call on the fire alarm system, and repairing flood damage at the Cancer Center for a total of \$29k. As mentioned, the strategic and/or recovery plans MRHC has are moving forward. They can be seen in the growth in the Surgical, Cardio and ENT clinics as well as the growth in overall surgery and cath lab volumes. The population of Rehab is steadily growing. OP Imaging and Therapy are on upward trends. Most of the agency contract improvements were reached in May for upcoming contracts. The overall MRHC projections are headed in the right direction, but it will take some time. A **motion** was made (Brenner) and seconded (Grilliot) to approve the finance report for April 2022 as presented. The vote was taken as follows: Aye: Sayer Brenner, Brent Grilliot, Susan Kanard, Damon Mascoto, Marti Fields, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: James Bland, Johnny Zellmer, MD. Abstain: Chairwoman Shannon declared the **motion** carried.

2. **Discussion and consideration to reject bid for Computing and Storage:** Ms. Chery Perry reported On April 22nd and 29th, McAlester Regional Health Center published an RFP for Computing and Storage Upgrades. This initiative is to update the storage, speed, and compatibility of the previously awarded Isilon upgrade. We received sealed bids from Pinnacle Business Systems and CloudWave. Due to unforeseen circumstances, an issue occurred that required all bids to be rejected. The bid will need to be republished. Recommendation is to reject and republish this initiative. A **motion** was made (Brenner) and seconded (Beene) to reject the bid for Computing and Storage as presented. The vote was taken as follows: Aye: Sayer Brenner, Christopher Beene, MD, Marti Fields, Damon Mascoto, Susan Kanard, Brent Grilliot, and Mary Shannon. Nay: None. Absent: James Bland, Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the **motion** carried.
3. **Discussion and consideration of Bid for Nerve Monitoring:** Ms. Perry reported On April 19th and 26th, McAlester Regional Health Center published an RFP for Nerve Monitoring equipment. This initiative is to provide nerve monitoring to surgical procedures, currently for head/neck procedures, but also for neurosurgical procedures in the future. We received sealed bids from Medtronic and Neurosign, which were opened at 2:30 pm on May 16, 2022. The bid from Medtronic was for \$50,601.60. The bid from Neurosign provided two options, a 4-channel monitor for \$28,000.00 and an 8-channel monitor for \$35,000.00 along with a stimulator pod for \$1,500.00 required for either option. The bid review committee considered the bid from Neurosign, based on the lower costs associated with their monitors. The requesting physician was consulted, and he confirmed that the Neurosign monitors will provide the same degree of service as the Medtronic monitor. Our recommendation is to approve this initiative through Neurosign for the 4-channel monitor, along with the stimulator pod, which would total, \$29,500.00. A **motion** was made (Beene) and seconded (Mascoto) to approve bid for Nerve Monitoring as presented. The vote was taken as follows: Aye: Christopher Beene, MD, Damon Mascoto, Susan Kanard, Brent Grilliot, Marti Fields, Sayer Brenner, and Mary Shannon. Nay: None. Absent: James Bland, Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Personnel Committee Report:

1. **Health Plan Reviews:** Ms. Lucy Muller provided a summary of the 2021 Health Plan Review. She reported medical per member per month costs for 2021 were 9.08% lower than 2020 and other costs between 2020 and 2021 also continued to drop. She shared high cost claimants, utilization, inpatient hospital paid, potentially preventable admissions, and ER & Urgent Care utilization. She showed the top ten potentially preventable ER visits and the Top diagnoses by most common and most expensive. Ms. Muller shared a graph of Network Utilization for Tier I and Pharmacy cost per member per month. She provided a list of

Initials _____

the most common and most expensive drugs, and a risk analysis for MRHC employees. Ms. Muller reported 2021 had lower costs, lower utilization and better outcomes, 2022 is predicted to have higher utilization and higher costs.

Board QI Committee Report: Ms. Whitney Hull provided an overview of the Board QI Committee meeting held on May 24, 2022. She reported the updated and approved NIAHO Chapter Leader List, Geri Psych draft Medication Administration Policy, and past due policies for review were presented. The Q4 2021 & Q1 2022 Infection Control Scorecard was discussed showing improvement in Catheter Associated Urinary Tract Infections, Central Line Associated Blood Stream Infections, 100% employee influenza vaccination compliance, and 100% employee Covid vaccination compliance. Two areas that will continue to be an area of focus include C-Diff rate and surgical site infections. She shared the Q1 2022 Stroke Scorecard showing improvement in Discharge Modified Rankin documentation, discharge medication compliance and there were no Stroke readmissions. Areas of focus include door to needle times, stroke education, VTE Prophylaxis documentation, and NIHSS documentation at required intervals. Ms. Hull shared the Q1 Quality Score card showing readmission rates exceeded goal and there were no early elective deliveries. COPD readmissions and Sepsis Management Bundles are an area of focus for Quality. The Q1 2022 Star Rating Scorecard showed noteworthy efforts in readmission rates, mortality rates and hospital acquired infections. Areas of improvement include CT with and without contrast utilization, Geri Psych documentation, and extended days in Acute Care. The Q1 2022 Clinic Quality Scorecard showed improvement in Promoting Interoperability metrics exceeding goal and Care Management above 10%. Diabetes control and HCC coding rate are an area of focus. Ms. Hull reported noteworthy efforts on the Quality Management Services Scorecard include effective terminal cleaning, nursing documentation/care plan for restraints, and utilization management metrics exceeding goal. Areas of focus include medication reconciliation, physician order for restraints, ED throughput, and pain reassessment after intervention performed. In conclusion, Ms. Hull reported the hospital is expecting a DNV survey at any time followed by a Stroke survey on June 29 & twenty-nine.

Chief of Staff Report: No Report

Chief Executive Officer (CEO) Report: Mr. Shawn Howard reported the MRHC Resident Program has engaged with the Belfair of McAlester to provide comprehensive and continuous primary care family medicine to the residents that are without a primary care physician. The OU Health relationship continue to evolve for the Neurology Clinic. Dr. Hamilton has set a start date for of June 21st. Other Neurosurgery physicians are going through the credentialing process with a start date to be determined. MRHC is excited to announce the addition of an audiologist to the community. MRHC is partnering with the Pittsburg County Health Department to share services that will better serve the community's needs. This is also a vital service for a successful ENT program. Mr. Howard reported the MRHC Environmental Services continue to make improvements to the flooring throughout the hospital. They are on track to systematically strip all floors and repair baseboards. A contract with MEDtegrity to provide linen services to the hospital has been finalized. This relationship began immediately to relieve the emergent need for linen services. Leadership continues to participate in night shift rounding. The purpose is to show appreciation to the night shift staff and give them the opportunity to meet and talk with executives after hours. A new group of Cultural Ambassadors started in May. These are frontline staff members who exhibit high customer service skills, leadership abilities and creativity who will lead departmental meetings, teach a customer services focus, and attend a meeting with AET each month. Mr. Howard reported Agency numbers for April decreased by 0.47% to 2.77% for all staff and by 0.46% to 8.25% for nursing. AET continues to monitor agency staff very closely. In addition, hourly rates for several agency staff was renegotiated which should make a significant impact to lessen agency spend. Mr. Howard reported architectural drawings for the Urgent Care have been received and have reached out for pricing on the major components that will need to be completed by a third party. Once pricing is approved construction will begin approximately 45 days after. The new medical vacuum system has been installed, tested, and is currently performing well. He reported small renovations such as flooring, painting, and patching of walls have been completed or still in progress while 3 North is currently combined with 2 West. We will continue to move forward with repairs as needed in conjunction with the redoing of floors by EVS for a better look. The MRI project is moving forward with preparation for the new MRI machine to be delivered. MRI machine will be arriving August 16th and installation is expected to be complete by August 30th. The PET/CT is awaiting electrical diagram from engineers on supplying power. It should be up and running by September 1. Mr. Howard discussed potential opportunities for

Initials _____

Ambulance services. Mr. Howard addressed questions from the Board regarding the condition of the parking lot, status of a potential opportunity for inhouse ambulance service, status of the customer service initiative in the ER, and strategy of billboard marketing.

Strategic Update: Mr. David Keith provided a verbal report on legislative activity. He reported Governor Stitt vetoed the following House and State Bills: SB 176 (giving state employees the ability to carry over vacation that went unused during the pandemic), SB 537 (reimbursing volunteer board members serving on the Oklahoma Commission for their time, travel, and childcare expenses), HB 3692 (Providing public trust hospital trustees who are not elected officials to receive "reasonable compensation and reimbursement for actual expenses related to the performance of their duties", HB 4082 (Provides law enforcement opportunity to turn over a person in mental health crisis to the appropriate health care staff if a suitable faculty was within 30 miles, SB 1075 (eliminating the 1.25% sales tax on motor vehicle purchases, and HB 4475 & 4473 (creating the Inflation Relief Stimulus Fund and appropriation of monies in the form of one time payments of \$75 for each individual tax filer and \$150 for joint filers. Mr. Keith reported the Governor also vetoed the following but his veto was overridden by the Legislature: HB 3501 (Requires the OK Department of Public Safety to recognize traffic convictions that occur in a Tribal Court of any federally recognized tribe), SB 1695 (Requires the Governor to appoint cabinet members and agency directors to fill out financial disclosure forms), HB 4412 (Creates a healthy soil program to be administered by the Oklahoma Conservation Commission), HB 4457 (Establishes an Oklahoma Route 66 Commission), and HB 2046 (Allows certain two-year colleges to establish higher education funding districts).

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

25 O.S. § 307(C)(10): "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 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 regarding potential expansion of medical education services in MRHCA service area.

A **motion** was made in public session at 5:37 PM by (Grilliot) and seconded by (Kanard) to enter Executive Session. The vote was taken as follows: Aye: Brent Grilliot, Susan Kanard, Sayer Brenner, Marti Fields, Christopher Beene, MD, Damon Mascoto, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD, James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

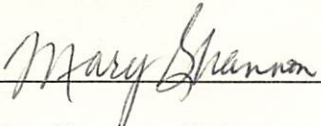
A **motion** was made at 6:20 PM by (Mascoto) and seconded by (Grilliot) to come out of Executive Session. The vote was taken as follows: Aye: Damon Mascoto, Brent Grilliot, Susan Kanard, Marti Fields, Christopher Beene, MD, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD, James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Action:

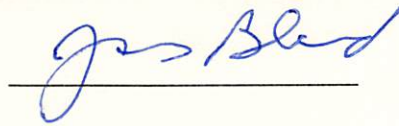
A **motion** was made (Mascoto) and seconded (Grilliot) to authorize Shawn Howard to negotiate a Letter of Intent and Non-Disclosure Agreement with Arkansas College of Healthcare (ACHE). The vote was taken as follows: Aye: Damon Mascoto, Brent Grilliot, Susan Kanard, Marti Fields, Christopher Beene, MD, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Johnny Zellmer, MD, James Bland. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Adjournment: A **motion** was made (Fields) and seconded (Beene) to adjourn the meeting at 06:27 PM. The vote was taken as follows: Aye: Marti Fields, Christopher Beene, MD, Sayer Brenner, Damon Mascoto, Susan Kanard, Brent Grilliot, and Mary Shannon. Nay: None. Absent: James Bland, Johnny Zellmer, MD. Abstain: None. Chairwoman Shannon declared the **motion** carried.

Initials _____



Mary Shannon ~ Chairwoman
/sds



James Bland ~ Vice-Chairman