

A meeting of the McAlester Regional Health Center Authority was held at 04:00 PM, on Wednesday March 08, 2023, 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 10:30 AM on March 07, 2023.

**TRUSTEES PRESENT:** Mary Shannon, Chairwoman ~ Sayer Brenner ~ Marti Fields ~ Damon Mascoto (arrived at 4:08 PM) ~ Johnny Zellmer, MD ~ Christopher Beene, MD ~ Susan Kanard ~ James Bland

**TRUSTEES ABSENT:** Brent Grilliot

**HOSPITAL STAFF:** Sonya Stone, Recording Secretary, Cheryl Perry, Julie Powell, T. Shawn Howard, Lucy Muller, Ken Matthews; Dr. Jonathan Rohloff

**OTHER ATTENDEES:** Mr. John Titsworth

**CALL TO ORDER:** Chairwoman Shannon called the meeting to order at 0400 PM.

**Public Comment:** None

**Consent Agenda:**

1. MRHCA Board of Trustees Special Minutes for February 13, 2023
2. February 2023 Agreement Log
3. Credentialing & Privileging List

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

**Finance Committee Report:**

1. **Discussion and consideration of December 2022 & January 2023 Financial Reports:** Ms. Cheryl Perry reported the December volumes were typically lower as expected. Holidays drive lower volumes as patients and clinicians take a break. A short bout of inclement weather did not improve the results. There was a bright spot in December as some additional funds were received from the State. January was a better month for MRHC. The right volumes in the right places with higher acuity and a stronger mix of payers helped the bottom line. Include good control over normal expenses and influx of funds from FEMA and the final number was the best MRHC has seen in some time. A **motion** was made (Bland) and seconded (Brenner) to approve items to approve the December and January Finance reports as presented. The vote was taken as follows: Aye: James Bland, Sayer Brenner, Susan Kanard, Damon Mascoto, Marti Fields, Johnny Zellmer, MD, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: Brent Grilliot. Abstain: None. Chairwoman Shannon declared the **motion** carried.
2. **Discussion and consideration of new General Use Account:** Ms. Cheryl Perry shared a rolling Funded Depreciation Account Report authorized by the CEO for acknowledgement and approval. Ms. Perry reported a suggestion was made in the Finance Committee to rename the Funded Depreciation Account to Board Designated Capital Account and forming a new General Use Account for operational needs. The suggestion included leaving \$6M in the proposed Board Designated Capital Account and the remainder of the funds in the former Funded Depreciation Account would be moved to the new proposed General Use Account to be used for operations. In addition, it will no longer be required to bring the activity of the proposed General Use Account to the Board for approval. A General Use Account report will be included in the monthly financial reports to keep the Board informed of all activity. Ms. Perry reported the Committees also suggested all future SHOPPE funds to be placed in the proposed General Use Account.

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A motion was made (Brenner) and seconded (Bland) to approve renaming the Funded Depreciation Account to Board Designated Capital Account and forming a new General Use Account for operational needs. This includes leaving \$6M in the Board Designated Capital Account and moving the remainder of funds to the General Use Account to be used for operations. All future SHOPPE funds will be deposited in the General Use Account as presented. The vote was taken as follows: Aye: Sayer Brenner, James Bland, Christopher Beene, MD, Johnny Zellmer, MD, Marti Fields, Damon Mascoto, Susan Kanard, and Mary Shannon. Nay: None. Absent: Brent Grilloit. Abstain: None. Chairwoman Shannon declared the motion carried.

3. **Discussion and consideration of December 2022 and January 2023 Capital Substitutions:** Ms. Cheryl Perry presented capital budget substitutions for December 2022 and January 2023. The substitutions will be used to fund non-budgeted items including Eufaula Urgent Care, OB/GYN Clinic, Facility Needs, Laboratory Purchases, and Audiology Clinic. A motion was made (Mascoto) and seconded (Beene) to approve Capital Substitutions as presented. The vote was taken as follows: Aye: Damon Mascoto, Christopher Beene, MD, Susan Kanard, James Bland, Johnny Zellmer, MD, Marti Fields, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Brent Grilloit. Abstain: None. Chairwoman Shannon declared the motion carried.
- 4 **Discussion and consideration of Liquid Days Cash Key Performance Indicators (KPI) and new Asset Account:** Ms. Perry reported there are a couple of KPIs on the books that are becoming hard to maintain since the Covid Pandemic. There has been a lot of discussion around maintaining an 85 day cash on hand under the current debt service covenant and drawing funds out of the former funded depreciation account, now referred to Board Designated Capital Account. A suggestion that started with the Investment Committee, then vetted by the Finance Committee, was to suspend the liquid days cash and available cash on hand requirements through December 31, 2023. As referred to in the previous discussion, \$6M will remain in the former Funded Depreciation Account, now referred to as the Board Designated Capital Account to be isolated for infrastructure capital needs. To access these funds for capital, Board approval is required. The remaining dollars left in the former Funded Depreciation Account, now referred to as the Board Designated Capital Account will be moved to the new General Use Account to be used for operational needs without the required Board approval. Future quarterly SHOPPE funds will be deposited into the General Use Account until further notice. Only in cases of emergency, and with Board approval, can the Board Designated Capital Account be used to fund operations. Mr. Sayer Brenner stated the Board will see the General Use Account go up and down, but the goal is that it will start to grow and meet the Days Cash on Hand requirement. Ms. Perry stated there will be a General Use Account report included in the monthly financial statements. Discussion occurred regarding State legislation that may affect the future finances of the hospital. A motion was made (Brenner) and seconded (Bland) to approve leaving \$6M in the Board Designated Capital Account requiring Board approval to utilize, the remainder of the funds will be moved to the General Use Account to be used for operations without Board approval, and all future SHOPPE funds will be deposited in the General Use Account as presented. The vote was taken as follows: Aye: Sayer Brenner, James Bland, Susan Kanard, Marti Fields, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: Brent Grilloit, Johnny Zellmer, MD, (stepped out on a phone call) Abstain: None. Chairwoman Shannon declared the motion carried.

**Board QI Committee Report:** Ms. Marti Fields reported the Organ/Eye/Tissue data for 2022 was reviewed and the outcomes were very good. She reported the Q4 2022 Clinic Quality Scorecard and the Quality Management Services Scorecard. The review was for informational services only and no action was taken. Ms. Fields reported the Committee also reviewed the Hospice quarterly reports for Q3 July-Sept 2022 and Q4 Oct-Dec 2022 and the Southeast Hospice Scorecard. She stated Hospice is doing great and meeting all standards and the census is up as well. The Home Health quality measures were also presented and reviewed. Ms. Fields also recognized the McAlester Regional Home Health who received the HHCAPHS Patient Satisfaction 2022 Award of Distinction. This award is presented to Home Health organizations that have demonstrated superior performance in patient satisfaction in January -December of 2021.

**Audit & Corporate Committee Report:** Ms. Julie Powell reported the Audit & Corporate Committee met on January 24, 2023. Ms. Kayla Rovnak was introduced as the new Compliance Officer going forward. Ms. Powell reported she is slowly transitioning Kayla into her new role. She stated Kayla was nurse by trade who later received her Juris Doctorate before coming to MRHC. She was the director of Materials Management and is now assisting us with contracts. Ms.

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Powell stated the Compliance Activity Logs were reviewed and discussed with only two items carried over from 2022. There were two requests for open records with minimal dollars received. She reported Ms. Rhonda Falconer provided a Privacy/Security Compliance Report focusing on a Haystack Software report that identifies possible privacy breaches.

**Personnel Committee Report:**

1. **2022 Employee Turnover:** Ms. Lucy Muller provided an update on Employee Turnover in 2022 for McAlester Regional Health Center (MRHC), McAlester Medical Services (MMS), and McAlester Ambulatory Surgery Center (MASC). The turnover rate for MRHC was 26.56%, MMS was 34.00%, and MAC was 10%. Ms. Muller stated the results for all three companies was very favorable over the past years. She contributed this success to the Cultural Ambassador Program comprised of frontline staff who feel empowered and have a voice to executives. Other factors include a change in leadership that brought about a positive culture change and quarterly customer service training for employees. Ms. Muller reported in 2022, a focus was placed on employee needs such as the wage review, safe staffing ratios, employee meals, frontline communication, and frontline recognition. She reported in 2023, Human Resources has many educational initiatives planned that not only focus on customer service but offer employee Life Skill presentations each month. Also in 2023, Internship Programs will be offered for employees interested in expanding their careers. Ms. Muller stated new policies will be in place as of May 1, 2023, that will address the Call-in numbers by incentivizing employees. Recent 'Coffee with the CEO' meetings were held to inform employees of the new policy changes.

**Chief of Staff Report:** Dr. Jonathan Rohloff reported all things are going well and the staff morale is high in spite of the loss of MRI due to the recent flooding at the Coppertop building. He stated the medical staff is working closely with OU Tele-neurology to evaluate stroke patients in a timely manner. A new management group is in place in the ER. The new group is transitioning and training on the hospital's Meditech system. Several physicians who wanted to stay in this community were retained by the new group. The Residency Program is doing well and fully matched. He added there were several good candidates and choices that made it difficult to choose, but a good problem to have. Dr. Rohloff reported that Prime Hospitalist Group lost a Nocturnist Hospitalist who moved to California. The existing staff is adjusting to cover the night shift until a replacement can be found.

**CEO Report:** Mr. Shawn Howard reported MRHC has partnered with OU Health to provide Telehealth services. McAlester Regional Home Health has been named a National Best Practice Agency as a result of a comparative analysis of agencies involved in Home Health Consumer Assessment of Healthcare Providers and Systems (CAHPS). The threshold for rolling out a new room service program will be ready after a few final touches. The pilot program will begin by servicing the Labor and Delivery unit and then expand to other areas in the future. Ribbon cutting for the new Audiology Clinic will be held on March 23, 2023. Orthopedic Clinic is expanding in preparation of a new Orthopedic Surgeon coming in August. The new Coffee Shop located in the main lobby of the hospital is open and doing well. The Lab department received a 2-year College of American Pathologists accreditation. The Pharmacy staff successfully implemented Pyxis Logistics, an inventory management software, generating cost savings of \$88,717 for the hospital. Human Resources celebrated two employees; Keiko Munholland, Certified Occupational Therapy Assistant who was recognized by Murray State College as the 2022 Field Work Educator of the Year and Cheryl Perry, Chief Financial Officer, was recognized by Becker's Healthcare as 10 Rural Hospital CFOs to Know.

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

Proposed vote to convene an Executive Session pursuant to 25 Okla. Stat. § 307(B)(1) to discuss the employment, hiring, appointment, promotion, demotion, disciplining, or resignation of any individual salaried public officer or employee. Discussion regarding performance evaluation for the Chief Executive Officer. A **motion** was made in public session at 05:21 PM by (Kanard) and seconded by (Fields) to enter Executive Session. The vote was taken as follows: Aye: Susan Kanard, Marti Fields, James Bland, Damon Mascoto, Sayer Brenner, Johnny Zellmer, MD, Christopher Beene, MD, and Mary Shannon. Nay: None. Absent: Brent Grilliot. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

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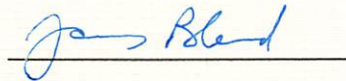
A **motion** was made in public session at 05:30 PM by (Mascoto) and seconded by (Zellmer) to come out of Executive Session. The vote was taken as follows: Aye: Damon Mascoto, Johnny Zellmer, MD, Christopher Beene, MD, Marti Fields, Sayer Brenner, Susan Kanard, James Bland, and Mary Shannon. Nay: None. Absent: Brent Grilloit. Abstain: None. Chairwoman Shannon declared the **motion** carried unanimously.

Proposed vote to approve or disapprove any action taken regarding the performance evaluation for the Chief Executive Officer: **No Action Taken.**

**Adjournment:** A **motion** was made (Fields) and seconded (Zellmer) to adjourn the meeting at 05:31 PM. The vote was taken as follows: Aye: Marti Fields, Johnny Zellmer, MD, Susan Kanard, James Bland, Damon Mascoto, Christopher Beene, MD, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Brent Grilloit. Abstain: None. Chairwoman Shannon declared the **motion** carried.



Mary Shannon ~ Chairwoman  
/sds



James Bland ~ Vice-Chairman