

A meeting of the McAlester Regional Health Center Authority was held at 04:00 PM on Wednesday, May 07, 2025, at McAlester Regional Health Center in the Administration Board Room. Public notice, set forth there on the day, time, and place for this regular meeting, was delivered to the office of the City Clerk at 9:32 AM on May 05, 2025.

TRUSTEES PRESENT: Marti Fields ~ Johnny Zellmer, MD ~ Brent Grilliot ~ Christopher Beene, MD ~ James Bland ~ Sayer Brenner

TRUSTEES ABSENT: Damon Mascoto

HOSPITAL STAFF: Julie Powell ~ Sonya Stone ~ Whitney Hull ~ Scott Yoder ~ Lucy Muller ~ Destanie Wilson ~ Lucy Muller ~ Kayla Rovnak ~ Ken Matthews ~ Dr. Matthew Sims

OTHER ATTENDEES: ~ Karen Hendren ~ Karen Rieger, Legal Counsel ~ Belinda Kelly ~ Kristina Crow

CALL TO ORDER: Chairman Beene called the meeting to order at 04:00 PM. He welcomed new Board Member Janet Wansick and recognized Mr. Brent Grilliot's Birthday.

Consent Agenda:

1. MRHCA Board of Trustees Minutes for April 02, 2025
2. April 2025 Agreement Log
3. Revised Sixth McAlester Ambulatory Surgery Center Amended and Restated Operating Agreement
4. Q3 & Q4 Provider Scorecard
5. Credentialing & Privileging Appointment List

Consideration & Approval of Advancement: (Active)

1. Heath Spencer, DO ~ Emergency Medicine ~ One year
2. Nathan Nelson, DO ~ Emergency Medicine ~ One year

Consideration & Approval of Reappointment (Active):

1. Rubin Chandran, MD ~ Nephrology ~ Two years
2. Charles Pritchard, MD ~ Urology ~ Two years
3. Sean Doyle, MD ~ Urology ~ Two years
4. Joseph Padalino, MD ~ Urology ~ Two years
5. Kevin Gancarczyk, MD ~ Urology ~ Two years
6. Oren Miller, MD ~ Urology ~ Two years

Consideration & Approval of Reappointment (Active):

1. William Hanner, MD ~ General Surgery/1099 Locum ~ Two years (Note: Dr. Hanner has not practiced at this Facility since 2021)

Consideration & Approval of Temporary Privileges:

1. Tele Radiology (Synergy/RadPartners/VRad ~ 04/07/25 – 06/07/25 (See Attached List)

Resignations (Acknowledge & Accept)

1. Terrance Boring, DO ~ 04/08/25
2. Alunda E. Hunt, MD ~ 04/01/25

A **motion** was made (Fields) and seconded (Zellmer) to approve items 1, 2, 3, 4, & 5 of the Consent Agenda as presented. The vote was taken as follows: Aye: Marti Fields, Johnny Zellmer, MD, Sayer Brenner, James Bland, Brent Grilliot, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: Janet Wansick. Chairman Beene declared the **motion** carried.

Finance Committee Report ~ James Bland, Chairman

1. **Consideration and discussion of March 2025 Financial Reports:** Ms. Karen Hendren provided an overview of the March 2025 Financial Reports. She discussed the March revenue, inpatient discharges and admissions, ER visits, surgery volumes, clinic activity, bad debt, and the impact on net patient revenue, operations labor, and operations

supplies. She also discussed operations expense control, total income, collections vs. net patient revenue, gross accounts receivable, cash, and accounts payable. Ms. Hendren shared that efforts are in place to strengthen accounts receivable, which are currently improving slightly. Discussion occurred regarding the impact of a Cyber Attack and acquiring possible insurance. She shared that Lifecare will be discussing Cyber Attack Insurance in their upcoming Strategic Plan Meeting, but she cannot predict if they will adopt it into their insurance plan coverage. A **motion** was made (Bland) and seconded (Brenner) to approve the March 2025 Finance Reports as presented. The vote was taken as follows: James Bland, Sayer Brenner, Brent Grilliot, Marti Fields, Johnny Zellmer, MD, Janet Wansick, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.

2. **Consideration and discussion regarding the movement of funds from the Board Designated Capital Fund and General Use Fund to the Operating Account:** Ms. Karen Hendren discussed a recent development regarding SHOPP funding. She reported receiving a notice from the Oklahoma Healthcare Authority on behalf of CMS, that SHOPP funding had been overstated, and as a result, SHOPP funding will be reduced for MRHC and other Oklahoma hospitals through July 2025. She stated that this reduction in cash flow will impact operations and payroll. To adjust to this event, she recommended moving resources from the Capital Account to the Operations Account of up to \$150K per payroll as needed through July 2025, not to exceed \$1M. In addition, she recommended utilizing and moving resources in the SHOPP Fund located in the General Use Account to the Operations Account, to include Q1 leftover SHOPP funds, and Interest on Funded Depreciation funds totaling \$195,684K.

A **motion** was made (Brenner) and seconded (Bland) to approve moving resources from the Capital Account to the Operations Account of up to \$150K per payroll as needed through July 2025, not to exceed \$1M as presented. The vote was taken as follows: Sayer Brenner, James Bland, Brent Grilliot, Johnny Zellmer, MD, Marti Field, Janet Wansick, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.

A second **motion** was made (Bland) and seconded (Grilliot) to approve moving resources in the SHOPP fund located in the General Use Account to the Operations Account, to include Q1 leftover SHOPP funds, and Interest on Funded Depreciation funds totaling \$195,684K as presented. The vote was taken as follows: Aye: James Bland, Brent Grilliot, Janet Wansick, Johnny Zellmer, MD, Marti Fields, Sayer Brenner, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.

Consideration and discussion to approve the Construction Bid Awards for the Cancer Center Renovation Project: Mr. Ken Matthews reported that Hix Industries prepared the scope of work, and as Construction Manager, published the bids for demolition and renovation of the Cancer Center building. On April 3, 2025, bid packets were received and opened at 1:00 PM in response to the advertised request for proposals. Sealed bids were received from twenty vendors. MRHC bid reviewers chose to approve the lowest bids, with the exception of two bids. ACO was chosen for door frames and hardware due to the use of healthcare-grade fixtures as opposed to commercial-grade fixtures offered by the competitor. The Bid from McIntosh for Plumbing was chosen because, when combined with their HVAC bid, it totaled less than the competitors' matching combined bids. The bids were slated to be opened on May 3, 2025, however on May 02, 2025, a Special MRHCA Board of Trustees Meeting was held to approve a 15-day extension for awarding Cancer Center Construction Bids Pursuant to Title 61 of the Oklahoma State Statutes to delay approval until the regularly scheduled MRHCA Board of Trustees Meeting on May 07, 2025. Mr. Matthew's recommendation is to award the following bids: PTC for concrete at \$32,430, WARDCO for Dry Wall & Ceiling at \$118,000, Yale for Painting at \$23,783, ACO for Door Frames Hardware at \$43,965, WARDCO for DFH & Specialties at \$ 9,180, Commercial Carpet for Flooring at \$60,325, Contract Drapery for Shades at \$11,950, Dickman Glass for Aluminum and Glazing at \$11,500, McIntosh for Plumbing at \$ 241,625, McIntosh for HVAC at \$ 87,185, Genesis for Electric at \$125,590, Summit for Fire Alarm at \$33,250, Summit for Fire Suppression at \$180,106, Total for Demolition at \$ 38,400. A **motion** was made (Bland) and seconded (Zellmer) to award the recommended bids for demolition and renovation of the Cancer Center as presented above. The vote was taken as follows: Aye: James Bland, Johnny Zellmer, MD, Brent Grilliot, Marti Fields, Janet Wansick, Sayer Brenner, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.

Strategic Plan Update: 4.0B Leadership Development Succession Planning: Ms. Lucy Muller reported that processes currently in place for leadership development include monthly leadership training, quarterly training, and career pathway planning. She stated the challenge is not knowing if training is being applied or if it meets personal leadership development goals. A plan for adapting the leadership program is to create a learning culture by continuing the current processes, adding personalized development plans with informal learning methods, and informal learning tools such as books, podcasts, and articles from credible sources. Ms. Muller discussed succession plan goals for leaders to identify high-potential employees and track progression.

Audit & Corporate Compliance Committee Report: Ms. Kayla Rovnak provided an overview of the Audit & Corporate Compliance meeting held on April 24, 2025. Topics discussed include the Open Records Report, Privacy/Security Compliance Report, Quarterly Vendor Sanctions, 340B Audits, Compliance Activity Log, and the Medical Necessity Audit Report.

Chief of Staff Report: Dr. Sims reported that it is Nurses Week next week. Nurses are the backbone of the organization. He encouraged everyone to reach out to a Nurse they know and tell them thank you for the work they do. He reported that a letter of intent was signed by Dr. Stephen Ferry, who will be entering his third year of Family Medicine Residency. He will also be acting as Chief Resident. Dr Sims stated that Dr. Ferry will live locally and be part of the community. He added that Letters of Intent have also been offered to Interns in hopes of retaining them at MRHC. Dr. Sims reported that there is still an active search for an Orthopedic Provider to work alongside Dr. Gannon. Dr. Stallings from OSU will be providing some sports and orthopedic coverage. He plans to come once a week, alternating between the Clinic and Surgery schedules. Dr. Sims reported that MRHC is working to credential providers for OSU Telemedicine Cardiology. He shared that the Service Line is funded through a grant at no expense to MRHC. He reported that MRHC has a new Radiology Group that started a month ago. The Group is proving to be a great Service Line. They are very efficient, thorough, and everyone is pleased with their reliable reads. Dr. Sims reported that a Committee was established to look at documentation to shore up the billing process and minimize insurance denials. He stated that the Emergency Department and the Hospitalist are working together to retain as many patients as possible here at MRHC. In closing, Dr. Sims reported that Dr. Joseph Hunsaker and Dr. Samantha Burnside, currently with the Family Medicine Residency Program, will be joining the MRHC Hospitalist Department in July 2025.

CEO Report: Ms. Julie Powell provided a brief overview of the CEO report included in the meeting packet. She reported that the agency contracts continue to trend down, which equates to roughly \$5.9M. She reported that MRHC has a new Patient Access Director beginning in June. The new Director will be working closely with Currance, the new Patient Financial Group, to identify opportunities for improvement. In addition, a new Manager of Respiratory Services has joined MRHC and will be working to build up the program. Mr. Jason Gipson has accepted the role of Director of Pharmacy, replacing Larry Auld, who recently retired. Ms. Powell reported that Hospital Week is next week. Human Resources worked hard to create an eventful, fun-filled week, including free T-shirts for employees donated by the MRHC Foundation. Ms. Powell also expressed gratitude to local businesses whose donations made it possible to have Hospital Week festivities. Ms. Powell announced that Belfair of McAlester had officially sold as of May 1, 2025, and MRHC is no longer affiliated with the organization. Ms. Powell reported that MRHC opened a walk-in clinic in February that is open Monday-Friday. The non-emergency patients are shifting to the walk-in clinic, lowering the volume in the ER. She stated that the Southeast Urgent Care Clinic in Eufaula is a short drive and is also open Monday-Friday and on the weekends. In closing, Ms. Powell reported that Cindy Sanford submitted her resignation and will be departing from MRHC on May 16th. Notification letters were sent out to her patients. The Family Medicine Resident Clinic will be absorbing her patients, who want to stay with MRHC.

Executive Session (25 O.S. § 307(C)) ~ Discussion and Potential Action ~ Christopher Beene, Chairman

A motion was made in public session at 5:35 PM by (Fields) and seconded by (Zellmer) to enter Executive Session. The vote was taken as follows: Aye: Marti Fields, Johnny Zellmer, MD, Janet Wansick, Sayer Brenner, Brent Grilliot, James Bland, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the motion carried.

Executive Session (25 O.S. § 307(C)) ~ Discussion and Potential Action ~ Christopher Beene, Chairman

Executive Session pursuant to 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.”

- Discuss financial forecasts and strategic planning related to the core healthcare services provided by MRHCA.

A **motion** was made at 6:35 PM by (Bland) and seconded by (Grilliot) to come out of the Executive Session. The vote was taken as follows: Aye: James Bland, Brent Grilliot, Sayer Brenner, Marti Fields, Johnny Zellmer, MD, Janet Wansick, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.

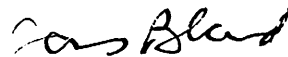
Proposed vote to approve or disapprove any action regarding the financial forecasts and strategic planning related to the core healthcare services provided by MRHCA:

ACTION: None

Adjournment: A **motion** was made (Fields) and seconded (Zellmer) to adjourn the meeting at 6:26 PM. The vote was taken as follows: Aye: Marty Fields, Johnny Zellmer, Janet Wansick, Sayer Brenner, Brent Grilliot, James Bland, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the **motion** carried.



Christopher Beene, MD ~ Chairman
/sds



James Bland ~ Vice-Chairman