A meeting of the McAlester Regional Health Center Authority was held at 4:00 PM, on Wednesday September 01, 2021 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 10:08 AM on Tuesday August 31, 2021.

**Trustees Present:**

Mary Shannon, Chairwoman ~ Weldon Smith ~ Marti Fields ~ Susan Kanard ~ Brent Grilliot ~ James Bland ~ Sayer Brenner ~ Johnny Zellmer, MD

**Trustees Absent:** Damon Mascoto

**Hospital Staff:**

David Keith, Sonya Stone, Recording Secretary, Shawn Howard, Kim Stout, Cheryl Perry, Dr. Kamron Torbati, Chief of Staff, Lucy Muller, Christopher Plunkett

**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 August 04, 2021 and amended MRHC Board of Trustee minutes for

 May 05, 2021

2. August Agreement Log

 3. Credentialing & Privileging Appointments as follows:

A. Appointment for credentialing & privileging for provisional for

 one year as follows:

1. Bradley Lawson, MD – Orthopedics (Locums)~ One year

2. Zachary Book, MD – Emergency Medicine (Premier) ~ One year

3. Doug Lyssy, MD – Emergency Medicine (Premier) ~ One year

4. Chet Wilson, DO – Emergency Medicine (Premier) ~ One year

B. Appointment for credentialing & privileging for Advancement (Active Staff) for one year as follows:

 1. Matthew Brooker, DO – Emergency Medicine ~ One year

 2. Sang Lee, DO – Emergency Medicine (Premier) ~ One year

C. Appointment for credentialing & privileging for Advancement

 (Remain Provisional-Moonlighting)) for one year as follows:

 1. Kaya Smith, DO – Emergency Medicine (Premier) ~ One year

D. Appointment for credentialing & privileging for Advancement

 (Active Staff) for one year as follows:

 1. Jennifer Hastings, APRN-CNP – Nurse Practitioner/Hospitalist (Prime)~ One year

E. Appointment for credentialing & privileging for Advancement

 (Consulting Staff) for one year as follows:

 1. Ahsan Khan, MD – Psychiatry/Telemedicine (Forefront) ~ One Year

F Appointment for credentialing & privileging for Reappointment (Active) for two years as follows:

 1. Jon McCauley, MD - Nephrology ~ Two years

 2. Christine Tavakoli, DO – Family Medicine/Hospitalist (Prime)~ Two years

 3. Jonathan Rohloff, DO – Family Medicine/Hospitalist (Prime) ~ Two years

G. Appointment for credentialing & privileging for Reappointment (Allied Health Staff) for two years as follows:

 1. Tanya Rennie, APRN-CNP – Psychiatry (Forefront) ~ Two years

 2. Michael Spieker, APRN-CNP – Psychiatry (Forefront) ~ Two years

 3. Daneal Dobbs, APRN-CNP – Family Medicine (Eufaula Urgent Care

H. Appointment for credentialing & privileging for Reappointment (Affiliate Staff) for two years as follows:

 1 Rachelle Haning, DO – Emergency Medicine (Premier) ~ Two years

 2. Reagan Robles, DO – Emergency Medicine (Premier) ~ Two years

 3. Brittany McShane, DO – Emergency Medicine (Premier) ~ Two years

 4. Emory Hilton, DPM – Podiatry ~ Two years

I. Appointment for credentialing & privileging for Reappointment (Proxy: Distant Site) for two

 years as follows:

 1. Paul Oler, II, MD (Teleradiologist)

 2. Christopher Bedford, MD (Teleradiologist)

 3. Michael Moak, DO (Teleradiology)

 4. Alex C. Chan, MD (Teleradiology)

 5. Bradley Peters, MD (Teleradiology)

 6. Christopher Nguyen, MD (Teleradiology)

 J. Temporary Privileges Granted (Informational only)

 1. Bradley Lawson, MD – Orthopedics (Locums) 07/23/21-09/23/21

 2. Zachary Book, MD – Emergency Medicine (Premier) 08/01/21 – 10/01/21

 3. Doug Lyssy, MD – Emergency Medicine (Premier) 08/07/21 – 10/07/21

K Resignations (Information Only)

 1. Rudolph Bescherer, Jr. DO – Emergency Medicine (Premier) 07/15/21

 2. Stormi McKnight, APRN – Family Medicine 07/12/21

 3. Glenn Reynolds, MD – Interventional Cardiology (OK Heart) 07/16/21

 4. Michael Gebetsberger, MD – Emergency Medicine (Premier) 07/30/21

 5. Kate Petrilla, DO – Emergency Medicine (Premier) 07/22/21

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

**Senate Bill 674 (Telemedicine) Update:**   Ms. Wendy Thorpe reported the MRHC Meditech System has a module called “Virtual Visits” for which the project build was completed in June 2021. This program is used for telehealth visits. The module is application based and works through the patient portal, where the patient can register themselves. This

program has been fully tested and is ready for use. She stated while telemedicine has been in use for several years, it’s potential was highlighted during the COVID pandemic.

**MRHC Foundation Report**: Mr. Chris Plunket, Foundation Director provided an MRHC Foundation Update. He reported the Foundation has a mission to promote and provide financial support to MRHC to improve the health and lives of those living in Southeast Oklahoma. He shared initiatives to include the following: Board education, maintain a positive general fund,

increase employee giving, fundraising for building projects, promote and fundraise for the Mercy Clinic/Wig Closet, and help MRHC employees through the Friends Helping Friends program. Mr. Plunkett reported last year’s Foundation sponsored

Health Fair was the most profitable in our history bringing in $42,620. The Foundation Golf Tournament also exceeded its profitability bringing in $57,453. He reported over 50 cancer patients were helped through the TLC Wig Closet and 8

employees were helped through the MRHC Foundation Friends Helping Friends program. The Foundation provided $5,266 for prescriptions and $2, 379 in taxi vouchers for Mercy Clinic patients. He added the Foundation paid $250,545 to MRHC for an ED workstation, an ASC Endo Cabinet, and remodeling at the Southeast Healthplex in downtown McAlester. Mr. Plunkett engaged the Board in discussion regarding the presentation.

 **Personnel Committee Report:**

 1. **Discussion and Consideration of FY 2022 Leadership Bonus Structure:** Ms. Lucy Muller reported the

 Leadership Bonus Structure was vetted by the Personnel Committee however new information was

 discovered since the last meeting. She stated due to the timeframe required for project bidding, she

 requested the date set for completion of the Urgent Care to be changed to November 30, 2021 for Target

 and November 1, 2021 for Target Plus goals. Mr. Weldon Smith recommended the shading be removed

 for better readability. A motion was made (Grilliot) and seconded (Zellmer) to approve the proposed

 Leadership Bonus Structure with the recommended revisions as discussed. Aye: Brent Grilliot, Johnny

 Zellmer, MD, James Bland, Susan Kanard, Sayer Brenner, Marti Fields, Weldon Smith, and Mary Shannon.

 Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

 2**. Discussion and Consideration of Letter of Understanding for RFP from Benefit Partner – Valic/AIG for 3**

 **years:** Due to information discovered after the posting of this meeting’s agenda, the Board took a vote to

 reject this agenda item. A motion was made (Bland) and seconded (Fields) to reject this agenda item. The vote was taken as follows: Aye: James Bland, Marti Fields, Susan Kanard, Brent Grilliot, Johnny Zellmer, MD, Weldon Smith, Sayer Brenner, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

**Board QI Committee Report:** Meeting cancelled, No report

**Chief of Staff Report**: No report

**Chief Administration Officer (CAO) Report**: Mr. Shawn Howard provided an overview of the Chief Administration Officer Report. Mr. Howard reported Phase 1 of the Urgent Care Demolition and Underground Utilities was publicly bid and contractors were selected. MRHC is moving forward through the approval process. Architects are working on specifications for the Phase 2 Bid Package for the inside build. The project is currently on pace to be completed on time. DNV accepted our corrections following an accreditation survey and MRHC was cleared. He stated MRHC received a very good survey this year. Marketing participated in the Annual Whole Hawg festival and won 1st place parade float. This was a great marketing opportunity in the Eufaula area. Mr. Howard reported the MRHC Technical team has been working very hard to implement updates that will resolve several security risks identified on the most recent Security Assessment. The new Director, Ms. Wendy Thorpe is very knowledgeable and is doing a great job in that department. MRHC reached an agreement with Heritage Hills Rehabilitation Center to provide PT/OT/ST for skilled patients and outpatients. The contract is expected to be finalized in mid-September and then services can begin. Pharmacy upgraded the Pyxis medication vending machines that generated a $12K annualized cost savings. Mr. Howard reported MRHC is excited to partner again this year with McAlester Public Schools in hosting students from The Achievement Center. These students come to the wellness enter with MPS faculty to exercise. The program helps at risk students to get back on track to graduate. The program was very successful last year. Mr. Howard reported the hospital called a Hospital Incident Command meeting to discuss the influx of Covid patients. EMS, Fire Department, City Manager and Mayor were invited to participate and discuss ways to collaboratively manage during this difficult time. Additional meetings are planned.

 1. **Nursing Shortage:** Ms. Kim Stout provided a nursing shortage update. She reported efforts are underway to create a Nurse Community by implementing process to include, Town Hall Meetings, organizational chart changes, open door policy and training RNs to be cultural ambassadors to help with issues for frontline nurse leaders. She stated there is a national nurse shortage. Rural areas are being hit the hardest. The intensity of

 COVID on the nursing staff is impacting the shortage and nurses that are aging out are retiring earlier than expected. Nationally, we are in a crisis where recruitment and retention is being hit the hardest. MRHC is combating this shortage by implementing a retention plan led by nurse leaders, recruitment bonuses, utilizing Agency Nurses, reaching out internationally for nurse recruitment, and becoming a Managed Service Provider

 for Per Diem Staffing. Ms. Stout reported MRHC recognizes the value in educating nursing professionals. HR is working to create a living competency document that will help navigate floating nurses. Administration is working with the Education Department on a partnership to provide nurse education to our facility. Ms. Stout discussed the nursing turnover last fiscal year that averaged 38% compared to the national average of 17.1%. She shared that Administration, and the nursing staff has made commitments to enhance retention efforts

**Chief Executive Officer (CEO) Report**: Mr. David Keith reported the Social Determinants of Health (SDoH), a bipartisan group of members of the House of Representatives launched a Caucus to bring a greater focus to the impacts of SDoH and to create actionable policy interventions to improve population health. He stated he is watching closely The rural America Health Corps Act (S.924), legislation that would establish a rural America Health Corps modeled on the National Health Service Corps to encourage health care professionals to serve in rural areas. The bill provides incentives for clinicians to practice in rural areas and authorizes a Rural Provider Loan Repayment Demonstration Program in which participants who agree to serve full-time for five years in a rural health professional shortage area would be eligible for $200,000 in loan repayment. The Senate has reached an agreement on a bipartisan $1 trillion infrastructure agreement and is expected to be approved this week. The package includes $65 billion in funding for broadband deployment but lacks other major health care provisions. The bill would extend Medicare sequestration for another year through FY 2031 to offset part of the cost. The agreement may be contingent on passage of a separate partisan $3.5 trillion package focused on health care, education, and other Democratic priorities. Grant funding to help hospitals in rural communities combat the Covid-19 pandemic and stay financially viable are coming available. The Biden Administration said it would provide $500 million in funding from the American Rescue Act to create the Emergency Rural Health Care. The U.S Chamber of Commerce and an affiliate are suing Health and Human Services to block the enforcement of a regulation that aims to increase insurance plan price transparency. The “Transparency in Coverage” rule is set to take effect January 1, 2022. Mr. Keith stated he will be watching the outcome closely. Oklahoma Hospital Association is pursuing modernization of the Public Trust Law in collaboration with representatives from the Oklahoma Municipal League and LifeCare Group is pursuing changes to the Open Records Request laws to add protections against obvious abuses. MRHC met with Eastern Oklahoma State College and Kiamichi Technology Center to discuss nursing and allied health recruitment and retention. The group also discussed a Nursing Residency Program for MRHC. Funding requests to Pittsburg County, Choctaw Nation and USDA are being considered to construct a 300,000 gallon water tank to directly ser MRHC. Lifecare CEO’s and respective IT members met to discuss the development of a Meditech Shared Services Center that will provide ongoing support for hospitals that have or are upgrading their Meditech platforms. The goal is to garner scale to reduce costs, add capabilities and improve services. In closing, Mr. Keith reported leaders from Latimer County Met with MRHC Administration to discuss their desire to reopen their emergency room. Follow up meetings are pending.

**Finance Committee Report**:

1. **Discussion and Consideration of July 2021 Financial Reports:** Ms. Perry presented the July 2021 Financial

 Report to the Board. She informed the Board the month of July is not how the start to the fiscal year was planned. She explained COVID numbers increased, staffing struggles continues, collections were lower, and it was all reflected on the income statement. The operations for the month showed volumes for inpatient

 improved in July with higher discharges, patient days, and Case Mix. However, with the COVID population growing, the average length of stay went back up 3%. Inpatient surgeries were down to a run rate of 25%. In contrast, outpatient surgeries were higher in July by 5% while the ED was busy with 12% growth. Outpatient Imaging was down to a run rate of 3%. MMS volumes were below run rate at approximately 7%. This dip in volume was driven by the loss of a provider and scheduled time away by another provider in the clinics. The Ambulatory Surgery Center had a strong month with surgery volume up 15% to run rate. The Hospital Gross Patient Revenue was 5% above run rate. The IP Revenue was driven by the departments caring for COVID patients and OP was driven by the Surgery department. MMS’s gross revenue was at the three-month run rate. The ASC’s Gross Revenue had a 34% increase over the prior months with about half of the increase being driven

 by volume and half being driven by surgery mix. Overall, the payer mix for the month shifted from Blue Cross and the other categories to Medicare in the month of July. This reduced the overall net revenue approximately $100k. Ms. Perry explained there were three (3) departments identified in July where billing is behind – ED,

 Surgery, and the OB Clinic. Late charges are estimated to be around $1m and have an estimated net collection rate of $335k. These late charges contributed to the increase in days in AR as well as the lower collection’s month. Ms. Perry said the cause of the lag in each area has been identified and all charges should have been entered in August. Salaries were higher as overtime and incentives were paid to cover nurse and respiratory

 staffing shortages. In departments like Information Technology, salaries grew as contract labor was replaced with employed personnel. Finally, $96k of inappropriate charges for a PTO accrual hit the general ledger that will be corrected in August. Supply usage of drugs to support COVID patients has increased. Pharmacy costs were up and the remainder being the high cost/high use drugs needed to care for patients. Another supply item was the $67k increase for the purchase of products used in procedures in Surgical Arts for the month of July. There were a few other notable items for the month of July on expenses. The first progress bill for the FY21 audit was paid for $53k. The payment for the clean-up of a diesel spill behind the hospital for $42k was made. A couple of provider loan care repayments that occur annually for $30k and a third payroll charge on the Oklahoma Heart billing which increased the cost for July by $34k increased Physician Fees. Finally, payment for data, related to the strategic planning for $10k hit Purchased Services. A **motion** was made (Brenner) and seconded (Grilliot) to approve the Financial Reports for July 2021 as presented. The vote was taken as follows: Aye: Sayer Brenner, Brent Grilliot, Susan Kanard, James Bland, Johnny Zellmer, MD, Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

 2. **Discussion and Consideration of Bid for** **Urgent Care Remodel (Demolition and Utilities):** Ms. Wilson

 presented the Bid for the Urgent Care Remodel (Demolition and Utilities). She stated on July 20th and 27th, McAlester Regional Health Center published an RFP for the Urgent Care Remodel, specifically the demolition and underground utilities. We received a sealed bid from Candor Building Solutions, which was opened at 1:00 pm on August 18, 2021. The bid from Candor Building Solutions was for $156,271.10. Candor Building Solutions was the only respondent for this RFP, so we recommend accepting the proposal from this supplier. A **motion** was made (Bland) and seconded (Zellmer) to approve the Bid for Urgent Care remodel (Demolition and

 Utilities) from Candor Building Solutions for $156,271.10 as presented. Aye: James Bland, Johnny Zellmer, MD, Sayer Brenner, Susan Kanard, Marti Fields, Weldon Smith, Brent Grilliot, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

3. **Discussion and Consideration of recommendation from Investment Committee and Finance Committee**

**to engage with Compass Capital Management LLC for MRHC’s Investment Advisory Services:**  Ms. Cheryl Perry stated the Investment Committee decided to explore different advisory services for MRHC hospital investments. Three proposals were received from Compass Capital Management, LLC, Gaddis & Gaddis, and Country Health. The current Investment Advisor, Morgan Stanley also provided a revised proposal for their service fee. After considering all the proposals, the Investment Committee decided on Compass Capital Management LLC, as the best decision for MRHC’s investment services. They are recommending a 3-year contract with a one (1) year option. She stated the Compass services will be monitored to assure the ongoing fees are in line with their proposal and they do not exceed the current fees. A **motion** was made (Zellmer) and seconded (Brenner) to approve Compass Capital Management LLC for MRHC’s Investment Advisory Services as presented. Aye: Johnny Zellmer, MD, Sayer Brenner, James Bland, Brent Grilliot, Susan Kanard,

Marti Fields, Weldon Smith, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

**New Business:**  Due to clarification of Benefit Partner proposals, a discussion occurred regarding information discovered after the posting of the agenda. Proposals from Arvest Bank and Valic were previously considered and found comparable in all measured categories. The Personnel Committee recommended Valic with the lower rate of 0.25%. However, additional information was uncovered regarding Valic’s proposal. Valic offered a limited fixed rate of 0.25% that would hold 1% of employee benefits in their plan for 5 years after closing. Valic offered a non-fixed rate of 0.33% which is higher than the competitor. This new information was found to not be in the best interest of the employees. Arvest offered a non-fixed rate of 0.27% that will allow employees to move 100% of their retirement benefits upon retirement or closing of plan. Following the discussion, the Board made a recommendation to engage Arvest as the Benefit Partner for MRHC. A **Motion** was made

(Bland) and seconded (Brenner) to engage Arvest as the Benefit Partner for MRHC. The vote was taken as follows: Aye: James Bland, Sayer Brenner, Weldon Smith, Johnny Zellmer, MD, Marti Fields, Susan Kanard, Brent Grilliot, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried

**Adjournment:** A **Motion** was made (Zellmer) and seconded (Kanard) to adjourn 7:14 PM. The vote was taken as follows: Aye: Johnny Zellmer, MD, Susan Kanard, Weldon Smith, Marti Fields, Sayer Brenner, Brent Grilliot, James Bland, and Mary Shannon. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairwoman Shannon declared the **motion** carried.

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Mary Shannon ~ Chairwoman James Bland ~ Vice-Chairman

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