

A meeting of the McAlester Regional Health Center Authority was held at 04:00 PM, on Wednesday January 10, 2024, 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 11:43 AM on January 05, 2024.

TRUSTEES PRESENT: Christopher Beene, MD, Chairman ~ Marti Fields ~ Johnny Zellmer, MD ~ Mary Shannon ~ Brent Grilliot ~ Damon Mascoto ~ Susan Kanard ~ James Bland ~ Sayer Brenner

TRUSTEES ABSENT: Damon Mascoto

HOSPITAL STAFF: Cheryl Perry ~ T. Shawn Howard ~ Sonya Stone ~ Lucy Muller ~ Ken Matthews ~ Julie Powell ~ Dr. Matthew Graves

OTHER ATTENDEES: Karen Rieger, Legal Counsel (via conference phone), Kenneth Corn, USDA, Joel Mease, USDA

CALL TO ORDER: Chairman Beene called the meeting to order at 04:00 PM. He welcomed Mr. Keneth Corn and Mr. Joel Mease from USDA who traveled to McAlester in order to award MRHC with a USDA Rural Development Grant. The Grant will be used to equip one hub site and five end-user sites throughout Pittsburg, Pushmataha, Haskell, Leflore, and Latimer Counties in Southeast Oklahoma. Medical professional at McAlester Regional Health Center will deliver nursing, medical consults, TeleStroke medicine, social work, behavioral health, and support services to five locations benefiting 29,626 individuals.

Public Comment: None

Consent Agenda:

1. MRHCA Board of Trustees Minutes for December 06, 2023
2. December 2023 Agreement Log

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

Consideration and discussion of Resolution for Belfair of McAlester Loan Extension: Ms. Cheryl Perry reported the second extended maturity date for the Belfair of McAlester Loan will expire on January 11, 2024. This proposed Resolution is for a third loan extension that will extend the Belfair loan to April 11, 2024. The interest rate will increase from a fixed 4.75% to a fixed 6.75% until the maturity date of April 11, 2024. The monthly payment will increase to \$50,158.19. The Resolution also authorizes and empowers Mr. T. Shawn Howard to negotiate, execute, and deliver, agreements, loan documents and other ancillary documents related to the proposed third loan extension, in the name of and on behalf of the McAlester Regional Health Center Authority. Mr. Sayer Brenner stated the fixed interest rates are fair for the three month extension; however, the hospitals tax exempt status should be considered in the refinancing negotiations. A motion was made (Bland) and seconded (Brenner) to approve the Resolution for Belfair of McAlester Third Loan Extension as presented. The vote was taken as follows: Aye: James Bland, Sayer Brenner, Brent Grilliot, Susan Kanard, Marti Fields, Johnny Zellmer, MD, Mary Shannon, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: None. Chairman Beene declared the motion carried.

Finance Committee Reports:

1. **Consideration and discussion of November 2023 Financial Reports:** Ms. Cheryl Perry provided an overview of the November 2023 Financial Reports. She reviewed the Income Statement, Month and Year to Date Actuals, Statement of Financial Position, Days Cash on Hand, MRHCA Loan Covenants, and Investments/Board Designated Capital/General Use Funds Roll Forward. Discussion occurred regarding the Finance reports as presented.

Initials _____

A **motion** was made (Zellmer) and seconded (Shannon) to approve the November 2023 Finance Reports as presented. The vote was taken as follows: Aye: Dr. Johnny Zellmer, MD, Mary Shannon, Marti Fields, Sayer Brenner, Susan Kanard, Brent Grilliot, James Bland, 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 Board designated Capital Funds:** Ms. Perry made a recommendation to move funds in the amount of \$2M from Board Designated Capital Funds to Cash General Use. A **motion** was made (Brenner) and seconded (Zellmer) to approve the movement of funds from Board designated Capital Funds in the amount of \$2K as presented. The vote was taken as follows: Aye: Sayer Brenner, Johnny Zellmer, MD, Susan Kanard, Brent Grilliot, James Bland, Marti Fields, Mary Shannon, and Christopher Beene, MD. Nay: None. Absent: Damon Mascoto. Abstain: Sayer Brenner. Chairman Beene declared the **motion** carried.
3. **Consideration and discussion regarding Arvest Debt Covenant:** Tabled.
4. **Discussion regarding the MRHC Audited Financial Report for FY ending June 30, 2023:** Ms. Cheryl Perry reported the hospital received an Unqualified Opinion on the Audit which is the preferred outcome. She discussed the Schedule of Findings and Responses provided by Forvis, primarily focusing on the multi-layered structure of ASLG and Belfair. No Action Taken

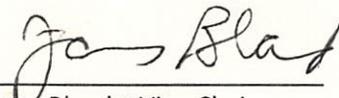
Chief of Staff Report: Dr. Matthew Graves introduced himself to the Board as the new Chief of Staff for 2024. He asked the Board to provide input on topics they would like him to report. The Board welcomed him and thanked him for serving as Chief of Staff.

CEO Report: Mr. Howard provided a brief overview of the CEO report included in the meeting packet. His focus was on the Forvis/CDI projects that are working on continual improvement and Lean projects. He stated the program is extremely successful and generating more savings than expected. Mr. Howard updated the Board on the Coppertop recovery renovations expected to be completed in May. The highlight of his report was on quality metrics. He reported the hospital will be receiving a +4.77% adjustment to ACO beneficiaries part B claims in 2024. He stated this is a huge achievement and MRHC continues to strive for excellence and quality of care as we participate in accountable care organization activities to improve the health and wellness of our patient population. MRHC is working with the VA to establish an agreement to provide ancillary services to the VA patients in the area to assist the VA with their backlog of patients. The PET CT has been operational since December 15th, 2023 and showing a significant increase in revenue. Nuclear Medicine is in the final stages of testing image transfer to OHH for reading stress tests. Once testing is complete, OHH will send all stress tests to our facility.

Adjournment: A **motion** was made (Brenner) and seconded (Kanard) to adjourn the meeting at 05:27. The vote was taken as follows: Aye: Sayer Brenner, Susan Kanard, Mary Shannon, Johnny Zellmer, MD, Marty Fields, 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