

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Special Meeting, July 28, 2020
Stillwater Medical Center West Conference Room
and via Videoconference
5:30 p.m.**

Present: Lowell Barto and Dan Duncan
Via video-conference: Calvin Anthony, Joe Haney, Dr. Cary Couch and Mayor Will Joyce

Absent: Beth Buchanan

Others: CEO, Denise Webber, Malinda Webb, MD, Steven Cummings, MD, Alan Lovelace, Liz Michael, Steven Taylor, Nat Cooper, Cheryl Wilkinson, Joe Akin, Scott Petty, Jason Cox, Brian Grace and Cheryl Marshall (minutes)

Via video-conference: Shyla Eggers and John Koemel

CALL TO ORDER

Chair, Calvin Anthony, called the meeting to order at 5:30 p.m. Roll was called and all Board members, with the exception of Buchanan, were present.

APPROVAL OF MINUTES

Lowell Barto moved the Board approve the minutes of the June 23, 2020 special meeting of the Stillwater Medical Center Authority Board of Trustees and the June 17, 2020 Finance Committee minutes as presented. Joe Haney seconded the motion and Couch, Barto, Haney, Anthony, Joyce and Duncan voted in favor of the motion.

BOARD EDUCATION: COVID-19 LAB TESTING

Jason Cox, Laboratory Director, shared an overview of COVID-19 testing with the members. PCR and Antibody testing are done in-house. Our PCR testing has a 95% sensitivity rate which is gold standard. An additional test instrument is on order. We are resulting approx. 75 tests daily and are currently sending the OSU Lab approx. 60 per day. The nation is experiencing a shortage of reagent, which is causing a delay in receiving test results. We continue to quick test inpatients and ER patients, who look to be admissions, in house.

REPORTS FROM OFFICERS

JUNE 2020 FINANCIAL REPORT/FINANCE COMMITTEE REPORT

Lovelace gave a PowerPoint presentation of the summary of operations for June 2020. Admissions, including rehab, were 365 above budget of 355 and below last year of 367. Average Daily Census, including rehab, was 44, below a budget of 46 and the same as last year of 44.

Surgeries were 380 for the month, below budget of 419 and above last year of 365. Surgeries at the Surgery Center were 550 for the month, below a budget of 593 and above last year of 522.

Emergency room visits were 2,259 below budget of 2,665 and last year of 2,527. Outpatient visits, not including ER visits, were 16,072 above budget of 11,109 and last year of 11,815. Births were 66 for the month, below budget of 72 and above last year at 57.

Financial assistance was \$1M for the month. Salaries and Wages were at \$9.1M, below budget of \$9.77M. FTE's were 1,471 below budget of 1,488. Benefits were \$2.108M below budget of \$2.37M.

Operating Income for the Hospitals is \$1.8M above budget of \$1.1M and last year of \$1.2M. Operating Income for the Clinics was (\$370,000) compared to last year of \$360,000. Operating Income Consolidated is \$1.51M, above budget of \$1.1M and below last year of \$1.58M.

Operating Income for SM - Perry is (\$53,000), with a year to date loss in the amount of (\$973,000). Operating Income for SM - Blackwell is (\$34,000) with a year to date loss in the amount of (\$810,000).

YTD Operating Income Consolidated is (\$7.8M), below budget of \$7M. YTD Operating Margin Consolidated is -6.0%, below budget of 5.0% and last year of 6%. YTD Non-Operating Revenue is (\$1.2M), below budget of \$380,000 and last year at \$5.3M. YTD Net Income is (\$9M), below budget of \$7.4M and last year of \$13.35M.

The BancFirst investment account increased to \$56.98M. YTD Simple Return for BancFirst is -0.76%. The Arvest investment account increased to \$7.9M. YTD Simple Return for Arvest is -4.11%.

Days in Accounts Receivable is 42 days, which was due to converting to a new vendor. Days Cash on Hand is 190 days. Cash on hand is \$122.3M, compared to \$95.2 at year end 2019.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. Members of Arvest were in attendance and went over the portfolio and strategy going forward. The Urology Laser was recommended for approval. The Cares Act funding was discussed. Approval was given by the members to move some funds into the investment account.

Barto moved the Board accept the Financial Report and June Finance Committee minutes. Joyce seconded the motion, and Duncan, Anthony, Couch, Barto, Haney and Joyce voted in favor of the motion.

BOARD OVERSIGHT COMMITTEE MEETING REPORT

Denise Webber updated the members on the items discussed at the July 20, 2020 Board Oversight Committee meeting. She shared that DNV began the Perry survey today. The members discussed and agreed to share the legal report with the Board members and legal counsel at a Board meeting in Executive Session on an annual basis.

Duncan moved the Board accept the Board Oversight Committee minutes as presented. Barto seconded the motion, and Joyce, Couch, Anthony, Duncan, Haney and Barto voted in favor of the motion.

APPROVAL OF MINIMALLY INVASIVE HOLMIUM LASER

Alan Lovelace shared that our two new urologists started last year, which has increased the use of the Holmium Laser to approx. 100 per year. Therefore, it is more cost effective to now purchase a laser. It would allow the physicians to provide treatment that is less invasive. Two bids were received: Lumenis at \$120,000 and Fortec at \$99,000. Fortec, (low bidder) is the bid of choice. SMC has used a Fortec Laser for years and is pleased with the performance and service.

Barto moved the Board approve the purchase of the Fortec Holmium Laser for \$99,000 as presented. Duncan seconded the motion, and Couch, Anthony, Joyce, Duncan, Haney and Barto voted in favor of the motion.

APPROVAL OF ADMINISTRATIVE POLICIES

Denise Webber shared the recommended minor changes to the Petty Cash and Competitive Bidding policies. The Legal Emergency Plan and Charitable Contributions policies were reviewed with no recommended changes.

Duncan moved the Board approve the Administrative policies as presented. Barto seconded the motion, and Anthony, Haney, Duncan, Couch, Joyce and Barto voted in favor of the motion.

SEMI-ANNUAL CONFLICT OF INTEREST

The Conflict of Interest statement is completed semi-annually and filed with the Secretary of State. Signatures were secured from the Board members present and will be mailed to those not in attendance or present in person.

No action is required.

APPROVAL OF RATIFICATION

Lovelace explained that this action ratifies the actions taken to close the \$10M financing for capital improvements and purchases set forth in Resolution 2019-3.

Barto moved the Board approve the Ratification as presented. Joyce seconded the motion, and Duncan, Couch, Anthony, Joyce, Barto and Haney voted in favor of the motion.

CONSENT AGENDA

Dr. Webb updated the Board members on policy change requests and credentialing actions of Stillwater Medical Health System and Stillwater Medical Center listed on the Consent Agenda. Steven Taylor updated the Board members on credentialing actions for Stillwater Medical - Perry and policies and credentialing actions of Stillwater Medical - Blackwell. All actions listed on the consent agenda were approved through our Medical Staff Committees.

Barto moved the Board approve the Consent Agenda items of Stillwater Medical Health System, including Stillwater Medical Center, Stillwater Medical - Perry and Stillwater Medical - Blackwell as presented. Couch seconded the motion and Duncan, Couch, Joyce, Anthony, Barto and Haney voted in favor of the motion.

CEO REPORT

Denise Webber shared the CEO Report, which included the following:

STILLWATER MEDICAL HONORED TO BE NAMED IN "BEST PLACES TO WORK IN HEALTHCARE" FOR THE NINTH YEAR IN A ROW!

We were excited to learn that for the ninth year in a row, we were named as a "Best Places to Work in Healthcare" by Modern Healthcare. Specific rankings are scheduled to be announced October 8, 2020. We are working on how to best celebrate this award in our new environment.

FROM THE CHILDREN AT STILLWATER MARTIAL ARTS

Some really special cards from the children at Stillwater Martial Arts were shared with the members.

WEBBER NAMED TO STATE CHAMBER BOARD OF DIRECTORS

Webber was asked and agreed to serve on the State Chamber of Oklahoma Board of Directors beginning July 1.

JEFF MOODY'S PARADE VIDEO

Webber shared the video of Jeff Moody's retirement parade. Staff had a lot of fun celebrating Jeff.

LDI MINI SERIES WITH WAYNE SOTILE, PHD

As we couldn't gather for a typical LDI, we recently arranged a 3-session mini-series on Resilience with expert Wayne Stotile, PhD, in a virtual setting.

COVID-19 UPDATE

Payne County appears to be seeing an upward trend from 4.57 to 10.71 positive cases per day. Stillwater positives have increased from 3.42 to 8 per day over the past few weeks. Area (Payne, Kay, Pawnee and Noble Counties) positive cases have increased from 9.42 to 23 per day. We continue to have three to five positive COVID-19 inpatients. Early on in the pandemic a New England Journal article advised sending patients home on oxygen when additional care is not necessary. SMC has followed that recommendation and are able to keep some patients out of the hospital or get them home earlier. We are able to monitor their progress through pulse oximeters and nurse navigation. This has allowed us to have fewer COVID-19 inpatients and creates greater capacity.

We continue to prepare for a possible surge. We learned that FEMA will reimburse 75% of the cost for a negative pressure isolation system (tent). We would like to consider purchasing 3, 12-bed units, which could be placed near the southwest areas of the facility grounds, just outside of the Emergency Department. These units come in reusable containers and could be stored at Cimarron Medical. Having these units would allow us to be prepared for other emergencies as well, such as tornados. The cost is approx. \$500,000, of which we would be responsible for 25% or \$125,000. Taylor agreed to look further into the FEMA requirements. Integris and St. Francis each currently have 90+ COVID-19 inpatients. The State has had issues in obtaining Remdesivir. OSU will begin testing hundreds of students the first week of August.

MEDICAL STAFF UPDATE

William (Drew) Anthony, DO, Family Medicine, and his wife Aerial Anthony, PA, Internal Medicine, will start practicing in August. In June, Mike Hafner, PA started seeing spine referrals in preparation for Alex Detwiler, DO's arrival in late August. Also in August, Andrew Waller, MD will start at Stillwater Medical Psychiatry and Counseling.

Our new OB/GYN, Sean Reid, MD is joining Stillwater Women's Clinic and Julie Nelson, MD, will begin practice at our clinic in Pawnee. Both are scheduled to start in October. In November, Jacey (Cha) Hutchinson, DO will join Stillwater Pediatrics.

OKLAHOMA HOSPITAL ASSOC. (OHA)/VIZIENT UPCOMING RETIREMENTS

Rick Snyder - OHA CFO, Lynne White - OHA Lobbyist, and Dave Robertson - Vizient Senior VP of Member Connections have all announced their retirements later this year.

CONSTRUCTION UPDATE

Webber updated the members on the various construction project that are underway.

LEGISLATIVE UPDATE

SQ802

SQ802 narrowly passed bringing Medicaid Expansion to Oklahoma. Shortly after passage, the governor announced an RFP release for Managed Medicaid with anticipated implementation by October 1, 2021.

PROPOSED CHANGES TO 2020 MANAGEMENT OBJECTIVES

Webber shared a spreadsheet showing the proposed changes to the Management Objectives. The members agreed to review the proposed changes and bring back approval or recommendations at the Board meeting next month.

Webber shared patient compliment and upcoming events.

EXECUTIVE SESSION

Couch moved the Board convene to Executive Session according to Title 25, Oklahoma Statutes, §307 (B) of the Oklahoma Open Meeting Act for the purposes of discussing the items on the agenda. Joyce seconded the motion, and Duncan, Barto, Anthony, Couch, Joyce and Haney voted in favor of the motion.

Those present in Executive Session included: Board members, Anthony, Barto, Duncan, Haney, Couch, Joyce and Webb (Medical Staff Liaison) as well as Denise Webber, CEO; Nat Cooper, VP, Business Development and Cheryl Marshall, Executive Assistant.

Barto moved the Board return to Open Session. Duncan seconded the motion and Duncan, Joyce, Haney, Couch, Anthony and Barto voted in favor of the motion.

RETURN FROM THE EXECUTIVE SESSION

Chairman, Anthony stated that nothing other than what was listed on the agenda had been discussed in Executive Session, and that no votes had been taken.

OTHER BUSINESS

Prior to the meeting, Board members reviewed the following Medical Staff meeting minutes:

SMC:	<i>Medical Executive Committee</i>	<i>7/8/2020</i>
	<i>Medicine Section</i>	<i>6/11/2020</i>
	<i>Radiology Section</i>	<i>6/24/2020</i>
	<i>E-Medical Records Committee</i>	<i>6/26/2020</i>

Credentials Committee

6/29/2020

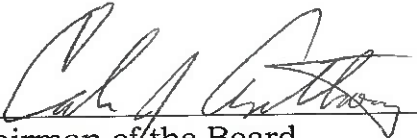
SM – Perry:

Medical Staff Committee

7/21/2020

ADJOURN

There being no further business, Couch moved that the meeting be adjourned. Duncan seconded the motion, and Joyce, Barto, Haney, Couch, Duncan and Anthony voted in favor of the motion. The meeting was adjourned at 7:03 p.m.


Chairman of the Board


Secretary of the Board