

STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, January 27, 2026
Stillwater Medical Center, Honska Conference Center
5:30 p.m.

Present: Dan Duncan, Lowell Barto, Denise Weaver, Gary Clark, Cheryl Wilkinson and Todd Green, MD

Absent: Mayor Will Joyce

Others: Denise Webber, Dr. Mark Paden, Dr. Ted Kaspar, Dr. Steven Cummings, Alan Lovelace, Steven Taylor, Kayla Isaacs, Jovan Smith, Shawn Howard, Mary Beth Hunziker, Michal Shaw, Joe Ogle, Brian Grace, John Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Dan Duncan, called the meeting to order at 5:36 p.m. The members reviewed the Mission, Vision and Values statement included in the packet.

APPROVAL OF MINUTES

Weaver made a motion to approve the December 18, 2025, Board of Trustees minutes, December 17, 2025, Finance Committee minutes, and December 15, 2025, Medical Staff Integration Committee minutes as presented. Clark seconded the motion and Barto, Duncan, Green, Weaver, Wilkinson and Clark voted in favor of the motion.

FOUNDATION ANNUAL REPORT

Executive Director, Michal Shaw, shared the many memorable events held throughout 2025, celebrating an extraordinary total of \$1,632,567 raised! She expressed heartfelt gratitude for the generosity, dedication, and countless volunteer hours that made each event possible.

2025 ORGANIZATIONAL SCORECARD REPORT

Webber shared the star rating in each category, ending 2025 at a 3.9-star overall rating.

APPROVAL OF 2026 ORGANIZATION PERFORMANCE SCORECARD

Webber shared that the 2026 goals remained the same as 2025 except for the margin target of 5% and growth goal of recruiting 19 providers.

Weaver made a motion to approve the 2026 Organizational Performance Scorecard as proposed. Wilkinson seconded the motion, and Weaver, Green, Duncan, Clark, Barto and Wilkinson voted in favor of the motion.

**ACCEPTANCE OF REPORTS FROM OFFICERS
DECEMBER QUALITY ASSURANCE PERFORMANCE IMPROVEMENT
(QAPI) REPORT**

Steven Taylor shared the following quality reports:

December 2025 Quality Report: The committee discussed regulatory surveys, performance data, and departmental reports. The Stroke DNV Survey identified two nonconformities—primarily incomplete or inconsistent documentation—and several observations related to patient education, dysphagia screening, and provider credentialing. Five opportunities for improvement were also noted, including mock stroke alerts, refinement of hemorrhagic stroke protocols, and enhanced community outreach. Additional updates included the CY 2026 Hospital Outpatient Prospective Payment System Final Rule, which introduces new reporting requirements, removes several existing measures, and increases the weight of patient safety in CMS star ratings. Both the Vizient CDB and CMS scorecards were reviewed, with ongoing monitoring assigned to the QAPI Coordinator.

Department reports highlighted upcoming Epic training and implementation timelines, a risk report showing stable but closely watched incident trends, and HR's continued efforts to improve on time evaluations, which remain below the 90% target. Consent agenda items—including quality reports and committee minutes—were reviewed and approved without concerns. No new recommendations for improving patient care or provider satisfaction were raised.

January 2026 Quality Report: The committee reviewed several ongoing initiatives from 2025 and confirmed progress on the 2026 reporting and quality structure. The proposed 2026 Patient Care Department Reporting Schedule aims to ensure each department reports at least annually to both Patient Safety and QAPI, with a recommendation to incorporate clinics not currently listed. Departments also reviewed their active quality and safety metrics, and the group formally recommended July Stanley for appointment as the organization's Infection Preventionist. New business centered on the 2025 Patient Safety and Risk Report, which showed lower incident reporting volumes likely tied to reporting behavior rather than reduced risk. The committee emphasized improved reporting expectations, clearer event classification, and better cross-referencing aggression events with Security.

The annual Management Review confirmed that risks are consistently identified across the organization, though opportunities remain to strengthen prioritization, preventive control consistency, and evaluation of effectiveness. A formal risk prioritization matrix will be drafted to support more standardized decision making. The QAPI Internal Audit Program was updated to reduce audit frequency to one annual process audit, clarify roles, streamline documents, and align terminology with accrediting standards. The 2026 QAPI Plan underwent structural and language updates, including clearer objectives, PDCA alignment, confidentiality updates, and removal of

outdated or overly specific organizational descriptions. All consent agenda quality reports—including blood culture contamination, blood utilization, Life Share data, and delinquent medical records—were reviewed and approved with no concerns.

DECEMBER FINANCIAL REPORT/JANUARY FINANCE COMMITTEE REPORT

Alan Lovelace, CFO, provided a PowerPoint summary of operations for December 2025. Admissions, including rehab, were 551, above budget of 470, and last year of 468. Average Daily Census, including rehab was 73 compared to a budget of 75 and last year of 56.

Surgeries were 524, above budget of 520 and last year of 479. Surgeries at the Surgery Center West were 525, last year of 571. Surgeries total was 1,049, in line with last year of 1,050.

Emergency room visits were 2,735 below last year of 2,915. Outpatient visits, not including ER visits, were 15,604 above last year of 14,750. Adjusted patient days at SMC was 6,989 compared to a budget of 6,672 and last year of 6,065. Clinic Visits were 31,618, compared to last year of 32,657. Births were 86, above budget of 79 and last year at 49. Average Daily Census for the NICU was 2.8 compared to a budget of 4.6.

Financial assistance was \$1.4M for the month. Salaries and Wages were at \$15.0M, above budget of \$13.5M, and last year of \$13.2M. FTE's were 1,658 below budget of 1,675 and above last year of 1,608. Benefits were \$3.6M above budget of \$3.0M and last year of \$2.3M.

Operating Income Consolidated is \$679,000, in line with last year of \$676,000. Operating Income for the Hospitals is \$380,000 below last year of \$960,000. Operating Income for Stillwater Medical is \$51,000, below budget of \$1.0M and last year of \$1.1M. Operating Income for SM Perry is \$119,000 compared to a budget of \$24,000 and last year of (\$123,000). The operating Income for SM Blackwell is \$210,000, above budget of \$101,000 and last year of (\$107,000). Operating Income for the Clinics is \$299,000 compared to a budget of (\$512,000) and last year of (\$305,000).

Operating Income for the Hospitals year to date is \$18.0M compared to a budget of \$17.2M and last year of \$15.3M. Operating Income for the Clinics year to date is (\$5.4M) compared to a budget of (\$5.5M) and last year of (\$5.0M). Operating Margin for the Hospitals is 6.98% compared to last year of 6.56%. Operating Margin for the Clinics is -4.4% compared to a budget of -4.1 and last year -4.3%.

YTD Operating Margin Consolidated is 3.29%, compared to a budget of 2.99% and last year of 2.94%. YTD Non-Operating Revenue is \$12.4M, above last year at \$7.1M. YTD Net Income Consolidated is \$24.9M, above budget of \$14.6M and last year of \$17.4M.

The BancFirst investment account increased to \$73.8M and year to date is 10.02%. The Arvest investment account increased to \$11.6M and year to date is 14.92%. The Commerce investment account increased to \$18.86M and year to date is 12.10%. Consolidated Investments for December \$104.3M.

Cash Collections-AR only for December was \$30.1M compared to \$25.2M in 2024. Net AR Balance Consolidated in December was \$44.0M. Cash on hand is \$122.6M compared to \$134M at year end 2024. Days Cash on Hand was 123 in December. A YTD Operating Income Summary vs Budget and Investment Bank Performance was provided.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. Arvest presented the investment portfolio. The Committee recommended approval of the Chiller purchase.

Lovelace reported that the Finance Committee also discussed the Surgery Center West flood loss and subsequent insurance denial. The Committee recommended Taylor follow up with the construction company. The Board discussed possible remedies to recover losses associated with the incident. Clark requested an update at the next Board of Trustees meeting.

JANUARY 2026 FACILITIES COMMITTEE REPORT

Steven Taylor shared the January Facilities Committee report updating the members on the many projects underway. Billy Treadwell is the interim Facilities Committee Director. Taylor also shared that we were waiting on fire doors to arrive for the Surgery project and have moved final inspection to February 20.

JANUARY 2026 MEDICAL STAFF INTEGRATION COMMITTEE REPORT

Joe Ogle shared the January 2025 Medical Staff Integration Committee report. He shared that we interviewed 100 residents for the five available spots for the next class of residents.

Wilkinson made a motion to accept the standing reports. Barto seconded the motion, and Duncan, Green, Weaver, Wilkinson, Clark and Barto voted in favor of the motion.

SEMI-ANNUAL CONFLICT OF INTEREST STATEMENT

The conflict-of-interest statement was signed by the members present. Gary Clark stated that he retired from Crowe & Dunlevy December 2025 and does not have any conflicts of interest.

APPROVAL OF PURCHASE OF CHILLER REPLACEMENT

Steven Taylor shared that this project would replace the current 300-ton chiller that was installed in 2000 with a 400-ton chiller including replacement of pumps and isolation valves. Bids received: Stolhand Wells,

\$719,477; Streets Mechanical, \$849,237; Airtech, \$965,000; and Vision Air, \$875,000. The Facilities Committee and Finance Committee recommended Board approval of Stolhand at a total project cost of \$816,424.

Clark moved approval of the purchase of the Stolhand Wells Chiller Replacement at a total project cost of \$816,424. Barto seconded the motion, and Wilkinson, Duncan, Weaver, Barto, Clark and Green voted in favor of the motion.

APPROVAL OF ADMINISTRATIVE POLICIES

Webber shared minor recommended changes in the following policies: Smoke Free policy and the Posting of Documents/Materials policy.

Barto made a motion to approve the Administrative policies as presented. Clark seconded the motion, and Weaver, Clark, Duncan, Wilkinson, Green and Barto voted in favor of the motion.

CONSENT AGENDA

The Board reviewed the Stillwater Medical Center and Rural Emergency Hospital policies and credentialing actions included on the Consent Agenda. All actions listed on the consent agenda were approved through our Medical Staff Committees.

The Board members reviewed the following Medical Staff meeting minutes included in their packet prior to the meeting:

Stillwater Medical Center:

<i>Medical Executive Committee</i>	<i>January 12, 2026</i>
<i>Credentials Committee</i>	<i>December 16, 2025</i>
<i>Credentials Committee</i>	<i>December 23, 2025</i>
<i>Credentials Committee</i>	<i>December 30, 2025</i>
<i>Credentials Committee</i>	<i>January 13, 2026</i>
<i>Medical Records Committee</i>	<i>December 19, 2025</i>
<i>Surgery/ Anesthesia Section</i>	<i>December 11, 2025</i>
<i>Ethics Committee</i>	<i>December 22, 2025</i>
<i>Credentials Committee</i>	<i>November 18, 2025</i>
<i>Credentials Committee</i>	<i>December 2, 2025</i>
<i>Credentials Committee</i>	<i>December 9, 2025</i>
<i>ED Section</i>	<i>November 13, 2025</i>
<i>General Medical Staff</i>	<i>November 13, 2025</i>
<i>Infection Control Committee</i>	<i>November 19, 2025</i>
<i>Ob/Peds</i>	<i>November 25, 2025</i>
<i>Medical Education Committee</i>	<i>December 4, 2025</i>
<i>Radiology Section</i>	<i>December 10, 2025</i>
<i>Peer Review</i>	<i>November 11, 2025</i>
<i>Peer Review</i>	<i>December 2, 2025</i>
<i>Medicine Section</i>	<i>December 10, 2025</i>

MEDICAL STAFF RECRUITMENT UPDATE

Webber shared the many new recruits that will join us soon.

OKLAHOMA HOSPITAL ASSOCIATION SERVICE

Webber served as Chair of the Oklahoma Hospital Association working closely with many healthcare leaders across the state to help guide healthcare policy, address healthcare challenges and support healthcare initiatives that improve patient care in Oklahoma. She will continue serving as Past-Chair for the next two years.

Webber shared that the 2026 Nurse Residency program kicks off next month.

LEGISLATIVE UPDATE

Webber shared article, "AI will help process Medicare claims. Oklahomans worry they'll be denied care" with the members.

NEWSPRESS SMCA SPOTLIGHT ARTICLES

The members reviewed a Spotlight article featured in the NewsPress.

Patient compliments and area announcements were shared with the members.

EXECUTIVE SESSION

Barto moved the Board convene to Executive Session according to Title 25, Oklahoma Statutes, §307 (B) of the Oklahoma Open Meeting Act for the purpose of discussing the items listed on the agenda. Weaver seconded the motion, and Clark, Duncan, Barto, Wilkinson, Weaver and Green voted in favor of the motion.

Those present in Executive Session included: Board members, Barto, Duncan, Clark, Wilkinson, Green and Weaver; Medical Staff Liaison, Dr. Mark Paden, as well as Denise Webber, CEO and Cheryl Marshall, Executive Assistant.

Clark moved the Board return to Open Session. Barto seconded the motion and Weaver, Barto, Green, Wilkinson, Clark, and Duncan voted in favor of the motion.

RETURN FROM THE EXECUTIVE SESSION

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

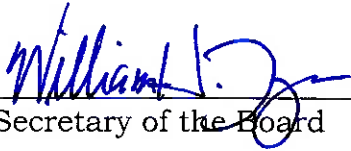
NEW BUSINESS

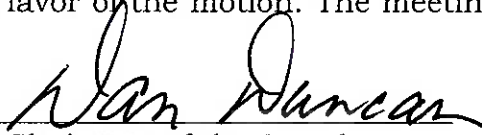
The next meeting of the Board of Trustees will be held March 24, 2026.

ADJOURN

There being no further business, Barto moved that the meeting be adjourned. Wilkinson seconded the motion, and Barto, Green, Duncan,

Clark, Weaver and Wilkinson voted in favor of the motion. The meeting was adjourned at 7:15 p.m.


Secretary of the Board


Chairman of the Board