

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, December 17, 2019
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

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

Absent: Beth Buchanan

Others: CEO, Denise Webber, Steven Cummings, MD, Malinda Webb, MD, Alan Lovelace, Liz Michael, Steven Taylor, Nat Cooper, Cheryl Wilkinson, Leva Swim, Ph.D., Keith Hufnagel, Scott Petty and Cheryl Marshall (minutes)

All in attendance enjoyed a holiday meal together.

CALL TO ORDER

Vice Chairman, Calvin Anthony, called the meeting to order at 5:42 p.m.

APPROVAL OF MINUTES

Haney moved the Board approve the minutes of the November 19, 2019 regular meeting of the Stillwater Medical Center Authority Board of Trustees as presented. Barto seconded the motion and Anthony, Barto, Haney, Duncan and voted in favor of the motion. Dr. Couch and Mayor Joyce abstained, as they were unable to attend the November meeting.

BOARD EDUCATION: MD SAVE

Alan Lovelace shared an overview of MD Save, which compares local prices of specific medical tests and procedures, and allows patients to pay set (out of pocket) prices. This option is beneficial for patients with high deductibles or those without insurance.

BALANCED SCORECARD REPORT

CEO, Denise Webber, shared the Scorecard report with the members. We have made improvements and are above our goal in almost every category. Inpatient satisfaction is slightly below goal.

REPORTS FROM OFFICERS

ACCEPTANCE OF NOVEMBER 2019 FINANCIAL REPORT AND DECEMBER 16, 2019 FINANCE COMMITTEE MINUTES

Lovelace gave a PowerPoint presentation of the summary of operations for November 2019. Admissions, including rehab, were 358 above budget of 355 and above last year of 309. Average Daily Census, including rehab, was 42,

below a budget of 46 and above last year of 36. Surgeries were 401 at the hospital and 541 at the Surgery Center.

Emergency room visits were 2,607 below budget of 2,974 and above last year of 2,594. Outpatient visits, not including ER visits, were 12,174 above budget of 10,619 and below last year of 12,362. Births were 81 for the month, above budget of 72 and last year at 74.

Financial assistance was almost \$1.3M for the month. Salaries and Wages were at \$8.7M, above budget of \$8.2M and last year of \$6.8M. FTE's were 1,386. Benefits were \$1.76M above budget of \$1.72M and last year of \$1.2M.

Operating Income for the Hospital is \$2.3M above budget of \$969,000 and last year of \$1M. Operating Income for the Clinics was (\$575,000) compared to a budget of (\$20,000) and last year of \$503,000. Operating Income Consolidated is \$1.79M, above budget of \$949,000 and last year of \$1.5.

Operating Income for Perry Memorial Hospital in the month of November is (\$109,000) with a year to date loss in the amount of (\$1.6M).

YTD Operating Income Consolidated is \$17.29M, above budget of \$10.3M and last year of \$12.6M. YTD Operating Margin Consolidated is 7.2%, above budget of 3.8% and above last year of 6.0%. YTD Non-Operating Revenue is \$10.1M, above budget of \$1M and last year at \$880,000. YTD Net Income is \$27.4M, above budget of \$11.3M and last year of \$13.5M.

The BancFirst investment account increased to \$57.14M. YTD Simple Return for BancFirst is 13.28%; Arvest 3.12%. The benchmark is 18.44%.

Days in Accounts Receivable is 40 days. Days Cash on Hand is 192 days. Cash on hand is \$110.3M, compared to \$72.6M at year end 2018.

Lovelace stated that the Finance Committee members discussed the financials, scorecard and summary of clinic operations. They recommended the Board's approval of the 2020 Operating and Capital Budgets. Lovelace said that they also discussed the Sterilization System.

Barto moved the Board approve the November financial statements and the December 16, 2019 Finance Committee minutes as presented. Couch seconded the motion, and Barto, Haney, Duncan, Joyce, Anthony and Couch voted in favor of the motion.

APPROVAL OF 2020 OPERATING AND CAPITAL BUDGETS

Alan Lovelace shared the 2020 Operating and Capital Budget Summary and answered questions of the Board.

Duncan moved the Board approve the 2020 Operating and Capital Budgets as presented. Barto seconded the motion, and Joyce, Haney, Barto, Couch, Anthony and Duncan voted in favor of the motion.

APPROVAL OF ADMINISTRATIVE POLICIES

Denise Webber shared the requested changes to the policies included in the Board packet.

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

APPROVAL OF STERILIZATION SYSTEM

This item was tabled with plans to present it in January.

APPROVAL OF RESOLUTION 2019-6

Taylor explained that the structure of Blackwell Regional is being set up similarly to Perry. This action is approving the Medical Staff Bylaws, Rules and Regulations, Medical Staff policies and procedures, as well as the physicians and allied health staff currently credentialed. Mr. Barto recommended changing the definition of Governing Board or Board of Trustees to refer to the governing board of the Stillwater Medical Center Authority.

Barto moved the Board approve Resolution 2019-6 with the recommended change as presented. Haney seconded the motion, and Duncan, Barto, Anthony Joyce, Couch and Haney voted in favor of the motion.

RATIFICATION OF ACTIONS TAKEN BY CHIEF FINANCIAL OFFICER IN CONNECTION WITH RESOLUTION 2019-5

Lovelace requested the Board ratify Resolution 2019-5 agreeing to waive the competitive bid requirements concerning the refinancing of bonds.

Haney moved the Board approve Ratification of Resolution 2019-5 as presented. Duncan seconded the motion, and Duncan, Haney, Anthony, Barto, Couch and Joyce voted in favor of the motion.

APPROVAL OF RESOLUTION 2019-7

Hufnagel reminded the Board members that in regard to retirement benefits, that in the past when bringing on a group, we have recognized their years of service and waived the one-year waiting period. This resolution is that request for the employees of Blackwell.

Barto moved the Board approve Resolution 2019-7 as presented. Joyce seconded the motion, and Barto, Duncan, Joyce, Anthony, Couch and Haney voted in favor of the motion.

CONSENT AGENDA

Dr. Pence was unable to attend this meeting. Dr. Webb updated the Board members on the policy change requests and credentialing actions of Stillwater Medical Center listed on the Consent Agenda. Three of the policies listed were tabled and will be brought back after further review of the Medical Executive Committee; policies included: Advanced Directives, Do Not Resuscitate and Withholding or Withdrawing Life-Prolonging Procedures. Credentialing actions included the reappointment of privileges for those listed (one half of the alphabet each year). 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 Center as presented. Haney seconded the motion, and Haney, Couch, Duncan, Joyce, Anthony and Barto voted in favor of the motion.

Steven Taylor updated the Board members on the policy changes for Stillwater Medical - Perry listed on the Consent Agenda. All actions requested have been approved through the Medical Staff Committees.

Duncan moved that Consent Agenda items of Stillwater Medical - Perry be approved as presented. Haney seconded the motion, and Couch, Anthony, Barto, Haney, Duncan and Joyce voted in favor of the motion.

CEO REPORT

Denise Webber shared the topics of her CEO Report, which included the following:

SMPC PHYSICIANS CLINIC RECEIVES PHYSICIAN PRACTICE QUALITY IMPROVEMENT AWARD

Congratulations to the physicians and team at SMPC! The TMF Physician Practice Quality Improvement Award recognized them for demonstrated excellence in health care quality.

SHARON MCLAFFERTY - OHA VOLUNTEERS WITH SPIRIT

The Hospital Volunteers of Oklahoma recently recognized 19 volunteers from across the state as 2019 Volunteers with Spirit. We are very fortunate to have Sharon on our team.

DEMENTIA COMMUNITY OUTREACH EVENT - HUGE SUCCESS!

The Dementia Community Outreach Event held on November 19th. Leva Swim, several physicians and leaders, staff and volunteers came together to put on the event and it was a huge success. We have received many compliments from the community. Thank you to all involved!

GREAT AMERICAN SMOKE OUT

Stillwater Medical Center celebrated the 42nd Annual Great American Smokeout by providing over 100 Quit Kit bags and educational materials to tobacco users.

OHA CONVENTION AND TRADE SHOW

The 2019 OHA Convention marked a century of statewide annual meetings for Oklahoma Hospital Association. It was a good conference with lots of really good speakers.

HORTY SPRINGER CONFERENCE

Dr. Pence and Denise Webber recently attended a conference, "Complete Course for Medical Staff Leaders." Highlights from the course included peer review, credentialing, investigations, Disruptive Conduct, Health, Aging, Burnout, Suspensions, Bylaws, Managing Change, Social Media, Emergency Call, and a Physician Leader's Role in management and governance.

HEAD AND NECK CANCER SCREENING

Stillwater Medical held a free Head, Oral and Neck Cancer Screening Event for the public as part of our efforts to provide low cost and free screenings to the community. Drs. Crawley and Goff saw 36 patients in a 2 hour period.

VOLUNTEER CHRISTMAS LUNCHEON

SMC hosted its annual Volunteer Christmas Party. This special event is an opportunity for SMC to celebrate the many volunteers that bring compassion and support to the hospital. The Stillwater High School Choir did a wonderful job singing favorite Christmas carols.

STILLWATER MEDICAL FOUNDATION NEWS/KFOR PAY IT FORWARD

Webber shared a video shown on News on 6. It is a story of Heidi Gilbert and JoAnn Seamans who are working together to raise funds for Stop the Bleed. This story will air on News Channel 4 "Pay It Forward" on Dec. 18th.

Webber also shared that Mike and Madolyn Lamonica made a \$250,000 commitment to name Stillwater Medical's new surgical expansion reception area, the "Dr. Robert J. Lauvetz Family Reception Area." A press release this week will give details behind Mike's life-saving diagnosis by Dr. Lauvetz in 1976. Our foundation also just received an anonymous \$100,000 gift commitment for the new surgery expansion.

SANTA VISITS SMC

On December 3, approximately 74 families took the opportunity to have their picture taken with Santa. There were lots of smiles and a few tears, but all and all, it was a great evening.

FACILITY UPDATE

Emergency Department Canopy

Flintco has completed the project.

MOB Canopy

We are now utilizing the two temporary exit/entries and the demolition crew has started removing the existing canopy. The job duration is estimated at 14 weeks.

HVI

Our Cath Lab and Cardiology Clinic teams have already moved in and are seeing patients.

Pharmacy Relocation

The majority of the "old space" is cleared out and we are working on securing storage for the remaining items. Our goal is a 1/20/20 start date.

LEGISLATIVE UPDATE *SHOPP Assessment Rate Decreasing in 2020*

Oklahoma hospitals in the Supplemental Hospital Offset Payment Program (SHOPP) will pay an assessment of 2.3% of net hospital patient revenue in 2020, a decrease from the 2019 rate of 2.8%.

PATIENT COMPLIMENTS AND AREA ANNOUNCEMENTS

Webbers shared patient compliments and area announcements.

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 purposes of discussing the items on the agenda. Couch seconded the motion, and Anthony, Barto, Haney, Joyce, Duncan and Couch 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 CEO, Denise Webber, Alan Lovelace, Chief Financial Officer, Steven Taylor, Regional CEO and Cheryl Marshall, Executive Assistant.

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

RETURN FROM THE EXECUTIVE SESSION

Vice 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.

POSSIBLE ACTION TO APPROVE THE PURCHASE OF REAL PROPERTY

No action taken.

NEW BUSINESS

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

SMC: *Peer Review Committee*

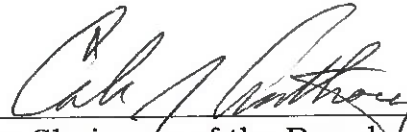
12/3/2019

SM – *Perry: Medical Staff*

12/11/2019

ADJOURN

There being no further business, Haney moved that the meeting be adjourned. Joyce seconded the motion, and Duncan, Anthony, Barto, Haney, Couch and Joyce voted in favor of the motion. The meeting was adjourned at 7:21 p.m.



Vice Chairman of the Board



Secretary of the Board