

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, July 23, 2019
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

Present: Beth Buchanan, Lowell Barto, Dan Duncan, Joe Haney and Mayor, Will Joyce

Absent: Dr. Cary Couch and Calvin Anthony

Others: Cara Pence, MD, Malinda Webb, MD, Steven Cummings, MD, Alan Lovelace, Steven Taylor, Liz Michael, Cheryl Wilkinson, Nat Cooper, Keith Hufnagel, Scott Perry, Shyla Eggers, Butch Koemel (Koemel Law) and Cheryl Marshall (minutes)

Chair, Beth Buchanan, called the meeting to order at 5:30 p.m. The Board welcomed Dr. Cara Pence.

APPROVAL OF MINUTES

Haney moved the Board approve the minutes of the June 25, 2019 regular meeting of the Stillwater Medical Center Authority Board of Trustees as presented. Duncan seconded the motion and Haney, Barto, Duncan and Buchanan voted in favor of the motion. Mayor Joyce abstained as he was unable to attend the June meeting.

BALANCED SCORECARD REPORT

CFO, Alan Lovelace shared the Scorecard report. We have three scores that are just slightly below our goal: inpatient satisfaction score is 83.7%, goal is 85%; clinic satisfaction score is 79%, goal is 80%; ED score is 66.7%, goal is 67%. We are exceeding our outpatient satisfaction goal.

The Patient Falls rate is 4.46, not meeting our goal of less than 2.03. We met our Adverse Medication Event and C-Diff goals. We also achieved all of our financial and recruitment goals.

REPORTS FROM OFFICERS

ACCEPTANCE OF JUNE 2019 FINANCIAL REPORT AND JULY 19, 2019 FINANCE COMMITTEE MINUTES

Lovelace gave a PowerPoint presentation of the summary of operations for June 2019. We are well ahead of the last three years in Admissions and Average Daily Census. Admissions, including rehab, were 343 below budget of 355 and above last year of 288. Average Daily Census, including rehab, was 45, above a budget of 42 and above last year of 33.

Surgeries were 365 for the month, below budget of 420 and above last year of 309. Surgeries at the Surgery Center were 522 for the month, below a budget of 593 and above last year of 457.

Emergency room visits were 2,527 below budget of 2,928 and above last year of 2,430. Outpatient visits, not including ER visits, were 12,142 above budget and last year. Births were 57 for the month, below budget of 72 and last year at 65.

Financial assistance was \$1.14M for the month. Salaries and Wages were at \$8.17M, below budget of \$8.22M and above last year of \$6.8M. FTE's were 1,321 above budget of 1,310. Benefits were \$2.1M above budget of \$1.7M and last year of \$1.5M.

Operating Income for the Hospital is \$1.2M. Operating Income for the Clinics was \$360,000 compared to a budget of (\$20,000) and above last year of (\$86,000). Operating Income Consolidated is \$1.5M, above budget of \$900,000 and last year of \$1.5M.

Operating Income for Perry Memorial Hospital in the month of June is (\$127,000) with a year to date loss in the amount of (\$958,000).

YTD Operating Income Consolidated is \$8M, above budget of \$5.7M and last year of \$6.9M. YTD Operating Margin Consolidated is 8%. YTD Non-Operating Revenue is \$5.3M. YTD Net Income is \$13.3M, above budget of \$6.2M and last year of \$8.2M.

The market is doing well. The BancFirst investment account increased to \$55.52M. YTD Simple Return for BancFirst is 10.32%. The benchmark is 12.93%.

Days in Accounts Receivable is 40 days, which is up slightly. Volume has increased and we are looking for a coder to add to our team. Days Cash on Hand is 131 days. Cash on hand is \$74.4M, 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 purchase of IT Server and Storage Expansion for \$247,300.

Barto moved the Board approve the June financial statements and the July 19, 2019 Finance Committee minutes as presented. Haney seconded the motion, and Joyce, Barto, Duncan, Buchanan and Haney voted in favor of the motion.

ACCEPTANCE OF THE JUNE 26, 2019 MEDICAL STAFF INTEGRATION COMMITTEE MINUTES

Nat Cooper updated the members on the items discussed at the June 26, 2019 meeting of the SMC Medical Staff Integration Committee of which minutes were included in the packet. He noted that Dr. Swanch, General Surgeon, started in July. Dr. Shaw and Dr. Rademaker, Urologists, will start seeing patients in August.

Haney moved the Board approve the June 26, 2019 Medical Staff Integration Committee minutes as presented. Duncan seconded the motion, and Duncan, Buchanan, Haney, Joyce and Barto voted in favor of the motion.

SEMI ANNUAL CONFLICT OF INTEREST STATEMENT

The Conflict of Interest statement is completed every six months and filed with the Secretary of State. Signatures were secured from the Board members present.

No action was required.

APPROVAL OF PURCHASE OF IT SERVER STORAGE

Alan Lovelace explained that this would replace older servers and expand storage for our growth in employees and patient care services. The total cost is \$247,300. Mayor Joyce asked if they would be purchased directly from Dell or through a company such as Interworks. Lovelace said that he would find out and let the Board members know. They will be purchased through State Contract.

Haney moved the Board approve the purchase of the IT Server Storage at a total cost of \$247,300. Duncan seconded the motion, and Haney, Duncan, Buchanan and Barto voted in favor of the motion. Mayor Joyce abstained.

APPROVAL OF STILLWATER MEDICAL – PERRY MEDICAL STAFF BYLAWS AND FAIR HEARING PLAN

Steven Taylor shared that there are a significant number of revisions. The Perry Medical Staff is separate from the SMC Medical Staff as the number of Perry physicians is much fewer. All of the proposed changes were reviewed and recommended by Rudolf and Todd. The Perry Medical Executive Committee reviewed and discussed all proposed changes over a three month period, and recommended the Board's approval.

Barto moved the Board approve the Stillwater Medical - Perry Medical Staff Bylaws and Fair Hearing Plan as presented. Joyce seconded the motion and Duncan, Haney, Barto, Joyce and Buchanan voted in favor of the motion.

CONSENT AGENDA

Dr. Pence updated the Board members on the policy change requests and credentialing items for Stillwater Medical Center listed on the Consent

Agenda. All actions requested have been approved through our Medical Staff Committees.

Barto moved that Consent Agenda items of Stillwater Medical Center as presented. Haney seconded the motion, and Barto, Buchanan, Haney, Joyce and Duncan voted in favor of the motion.

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.

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

CEO REPORT

Alan Lovelace shared the topics of Denise Webber's CEO Report, which included the following:

DR. CARA PENCE, CHIEF OF STAFF

Dr. Cara Pence was welcomed as SMC's new Chief of Staff.

BOBBY LAUVETZ RECEIVES THE BOB PHILLIPS AWARD

Dr. Bobby Lauvetz was awarded the Dr. Bob Phillips Physician Service Award. Dr. Lauvetz has been a member of the SMC Medical Staff since 1998; is a Diplomate with the American Board of Urology; and was named HealthStream's "Top Urologist in the Nation" for three consecutive years. The Phillips Physician Service Award was created by the SMC Medical Staff to honor physicians who demonstrate outstanding community advocacy, fellowship and service. Our congratulations to Dr. Lauvetz!

LETTER RECEIVED FROM OKLAHOMA SECRETARY OF COMMERCE AND WORKFORCE

We received a very nice letter from the Oklahoma Secretary of Commerce and Workforce. The letter congratulates us and states, "Governor Kevin Stitt and I are pleased to see your commitment to providing a quality workplace and careers to your staff, as well as a high standard of healthcare for Oklahomans."

GRAND LAKE MENTAL HEALTH CENTER

Grand Lake Mental Health Center has been awarded the state contract to serve as our community mental health agency, replacing Edwin Fair. They began providing this service July 1, 2019. They are leasing our building at 604 S. Walnut.

Grand Lake will be working with and equipping law enforcement for Payne and surrounding counties with iPads. These resources will allow law enforcement to call Grand Lake Mental Health crisis unit directly for

assessment to bypass the ED when possible. iPads will be provided to the hospital to allow for connection to Grand Lake Mental Health crisis unit for patient assessment via tele-medicine. We feel this will greatly help to improve mental health services.

DR. TRAD SPEAKS AT UNITED NATIONS

For his work with CURA, an NGO he founded to serve the medical needs of those with little to no access, Dr. Trad spoke at the High Level Multi-Stakeholder Meeting for Universal Health Care at the United Nations HQ General Assembly in NY on April 29th.

HEALTH INFORMATION EXCHANGE

The state of Oklahoma is planning to release an open, deliverables-based request for proposal (RFP) for a single statewide health information exchange (HIE). The state will be seeking a vendor to manage the operations and technology to support the statewide exchange of clinical health care information and other services to support the improvement in health outcomes.

MEDICAID EXPANSION BALLOT INITIATIVE SIGNATURE COLLECTION TO BEGIN JULY 31

The SQ 802 ballot initiative has been released by the Oklahoma secretary of state and so the Oklahomans Decide Healthcare signature petition drive will begin July 31. From that date, supporters will have 90 days to collect more than 200,000 signatures.

PATIENT COMPLIMENTS

Lovelace directed the Board attention to the patient comments and upcoming events.

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. Joyce seconded the motion, and Buchanan, Haney, Duncan, Joyce and Barto voted in favor of the motion.

Those present in Executive Session included: Board members, Buchanan, Barto, Duncan, Haney and Joyce, Dr. Webb (medical staff liaison) as well as CFO, Alan Lovelace, Nat Cooper, VP Business Development and Community Outreach and Cheryl Marshall, Executive Assistant.

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

Chairman Buchanan 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

None

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

SMC: <i>Medical Executive Committee</i>	6/13/2019
<i>Surgery/ Anesthesia Section</i>	6/13/2019
<i>E-Medical Records Committee</i>	6/28/2019
<i>Peer Review Committee</i>	6/5/2019

SM – Perry:	
<i>Medical Staff Committee</i>	7/10/2019

ADJOURN

There being no further business, Haney moved that the meeting be adjourned. Joyce seconded the motion, and Couch, Barto, Haney, Duncan, Anthony and Buchanan voted in favor of the motion. The meeting was adjourned at 6:07 p.m.



Chairman of the Board



Secretary of the Board