

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, January 28, 2020
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

Present: Beth Buchanan, Calvin Anthony, Lowell Barto, Dan Duncan, Joe Haney and Dr. Cary Couch

Absent: Mayor Will Joyce

Others: CEO, Denise Webber, Cara Pence, MD, Steven Cummings, MD, Malinda Webb, MD, Alan Lovelace, Liz Michael, Steven Taylor, Nat Cooper, Cheryl Wilkinson, Leva Swim, Ph.D., Scott Petty, Allison Wilson (Foundation), Shyla Eggers, Wendi Barrett, Tamie Young, Courtney Kozikuski, Jackie Aguilar, John Koemel and Cheryl Marshall (minutes)

CALL TO ORDER

Chair, Beth Buchanan, called the meeting to order at 5:30 p.m.

APPROVAL OF MINUTES

Duncan moved the Board approve the minutes of the December 17, 2019 regular meeting of the Stillwater Medical Center Authority Board of Trustees as presented. Haney seconded the motion and Couch, Anthony, Barto, Haney, Duncan and voted in favor of the motion. Beth Buchanan abstained, as she was unable to attend the December meeting.

PRESENTATION OF GIFT BENEFITING THE HEART AND VASCULAR INSTITUTE PROJECT AND PHARMACY RENOVATION/RELOCATION FROM THE STILLWATER MEDICAL CENTER FOUNDATION

Scott Petty, SMC Foundation Director and Allison Wilson, Chair of the SMC Foundation Board presented a check for \$1.25M for the Heart and Vascular Institute project and Pharmacy Relocation. The SMC Board of Trustees expressed their appreciation of the generous donation and hard work of the Foundation Board.

BOARD EDUCATION: BILLING/NEW STATEMENTS

Wendi Barrett shared an educational overview of the billing process and current statements for the hospitals and clinics (Stillwater, Perry and Blackwell).

ELECTION OF 2020 BOARD OF TRUSTEE OFFICERS

Dr. Couch nominated the following to serve as 2020 Board Officers: Anthony as Chair, Barto as Vice Chair and Duncan as Secretary. Haney

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

APPROVAL OF 2020 COMMITTEE APPOINTMENTS

Webber stated that Ken Skillman was the Immediate Past Chair, but moved away from the community, so Vic Schutte is continuing in that role. Allison Wilson is current Chair; Scott Jones, Vice Chair. The Board Executive Committee will include Calvin Anthony as Chair, Lowell Barto as Vice Chair and Dan Duncan as Secretary/Treasurer. Tracy Brown is included as a non-voting member of the Board Oversight Committee. The Board members reviewed the proposed Appointments and agreed to serve.

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.

No action is required.

BALANCED SCORECARD REPORT

CEO, Denise Webber, shared the Scorecard report with the members. The scores are not yet final for the year, as data is continuing to be processed. We are above our goal in almost every category. We are below goal in two areas and are working to make improvements.

REPORTS FROM OFFICERS

ACCEPTANCE OF DECEMBER 2019 FINANCIAL REPORT AND JANUARY 23, 2020 FINANCE COMMITTEE MINUTES

Lovelace gave a PowerPoint presentation of the summary of operations for December 2019. Admissions, including rehab, were 367 above budget of 355 and above last year of 328. Average Daily Census, including rehab, was 41, below a budget of 46 and above last year of 36.

Surgeries were 406 for the month, below budget of 425 and above last year of 357. Surgeries at the Surgery Center were 620 compared to 531 last year.

Emergency room visits were 2,855, above last year of 2,663. Outpatient visits, not including ER visits, were 12,459 above budget and last year. Births were 65 for the month, below budget of 72 and last year at 75.

Financial assistance was \$1.1M for the month. Salaries and Wages were at \$8.9M, above budget of \$8.2M. FTE's were 1,371 above budget of 1,310. Benefits were \$2.29M above budget of \$2.0M and last year of \$1.2M.

Operating Income for the Hospital is \$2.3M above budget of \$979,000. Operating Income for the Clinics was (\$218,000) compared to a budget of (\$20,000) and last year of \$1M. Operating Income Consolidated is \$2.08M, above budget of \$949,000 and below last year of \$5M.

Operating Income for Perry Memorial Hospital in the month of December is (\$129,000) with a year to date loss in the amount of (\$1.7M). A significant improvement was made of 2018.

YTD Operating Income Consolidated is \$19.3M, above budget of \$11.29M and last year of \$17.6M. YTD Operating Margin Consolidated is 7.3%, above budget of 3.8%. YTD Non-Operating Revenue is \$11.1M, above budget of \$1.1M. YTD Net Income is \$30.5M, above budget of \$12.3M and last year of \$17.9M.

The BancFirst investment account increased to \$57.9M. The Arvest investment account increased to \$8.3M.

Days in Accounts Receivable is 35 days. Days Cash on Hand is 164 days. Cash on hand is \$95.2M, 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 BK Ultrasound, Uro Navfusion Biopsy Chair and the Cool Temp Sterilizer system. Arvest and BancFirst provided 2019 investment report account summaries to the Finance Committee members.

The Executive Committee shared that a decision was made to wait until the Finance Committee has reviewed the minutes at their meeting each month before bringing them forward to Board.

Buchanan moved the Board approve the December financial statements as presented. Barto seconded the motion, and Buchanan, Haney, Duncan, Barto, Anthony and Couch voted in favor of the motion.

APPROVAL TO PURCHASE THE BK ULTRASOUND AND URO NAVFUSION BIOPSY CHAIR

Nat Cooper shared information on the UroNav Fusion Biopsy System and BK Ultrasound. This device would more accurately identify suspicious areas within the prostate, reduce the amount of tissue samples required and is less painful to patients. Recovery time is also shorter. The Finance Committee recommended the Board approve the BK Ultrasound System at a cost of \$120,201.90 and the Uro Navfusion at a cost of \$156,010.03.

Barto moved the Board approve the purchase of the BK Ultrasound and Uro Navfusion Biopsy Chair as presented. Haney seconded the motion, and Barto, Couch, Anthony, Buchanan, Duncan and Haney voted in favor of the motion.

APPROVAL OF COOL TEMP STERILIZATION SYSTEM

This item was tabled, as Jerri Oosting was unable to attend the meeting.

STILLWATER MEDICAL CENTER FOUNDATION ANNUAL REPORT

Scott Petty, Executive Director, SMC Foundation, updated the Board members on the accomplishments of the past year. Since 1983, \$7.420M has been distributed to the Hospital for various projects and equipment. The Board expressed their appreciation of the great work being done by the Foundation.

CONSENT AGENDA

Dr. Pence updated the Board members on the manual and policy change requests of Stillwater Medical Center listed on the Consent Agenda. 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. Duncan seconded the motion, and Haney, Buchanan, Couch, Duncan, Anthony and Barto voted in favor of the motion.

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

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

Stillwater Medical – Blackwell had no action items at the time.

CEO REPORT

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

HEALTH LIBRARY ON STILLWATERMEDICAL.COM

We have added a new addition for patients to our Stillwater Medical website called the Health Library. The library contains the most up-to-date health information in easy to understand formats, combining text, visual diagrams, quizzes and instructional videos.

COMMISSION ON CANCER ACCREDITATION ACHIEVED

Stillwater Medical Center has received accreditation through the Commission on Cancer. It is an outstanding achievement that has taken several years to accomplish. The Commission is a consortium of professional organizations dedicated to improving survival and quality of life for cancer patients through standard-setting, prevention, research, education and the monitoring of comprehensive quality care.

DNV-GL SURVEY

Three DNV-GL surveyors performed our annual survey January 6th – 8th. In our 2019 survey, we'd had 6 findings and they were able to close all but one. It was an exceptionally good survey this year with only 4 findings.

2020 MANAGEMENT OBJECTIVES

Webber directed the members to the 2020 Management Objectives, which were included behind her report.

FACILITY UPDATE

Medical Office Building Canopy (East Entrance)

Demolition work is complete. The concrete foundation and piers have been poured and the structural steel is being installed.

HVI

Punch-list items continue to be completed. The architects sent Flintco information for completing terrazzo and stone wall in Corridor X and area around Chapel.

Pharmacy Relocation

Work commenced on Monday, 1/20/2020. Rick Scott Construction is currently working to “demo” the area. Project schedule is 180 days with a completion date of 7/17/2020.

Additional CT Scan Procedure Room

The architects sent drawings to Flintco this week and we are awaiting proposal for construction costs.

Surgery/Women's Center

Several “pre-construction” discussions continue for the project. Tentative plan is to take the south courtyard and a portion of parking lot on 2/17/2020 to complete utility work. For the Women's Center, work is planned to start the second week of March.

Surgery Center West Endoscopy

Lambert Construction is working to complete their portion of the construction agreement contract for the project. Project is scheduled for 500 days in duration.

Psychiatric Clinic

Architects working to complete conceptual drawings to review.

Blackwell Facility Project

30% Construction Documents are complete and the Stage I submission package has been sent to the OSDH.

DR. WEDLAKE AWARDED QUILT OF VALOR

Dr. John Wedlake received a Quilt of Valor during December's City Council meeting. Quilts of Valor is an organization that has wrapped more than 240,000 veterans and retired, active duty or reserve service members in handmade quilts as a way of thanking them for their service. It is a tremendous honor.

DR. SUBLETT PLANS TO RETIRE

It's bittersweet to share the news of Dr. Sublett's upcoming retirement this coming September. He began his practice here in 1983 and has been a part of so many positive changes over his 37 years practicing in Stillwater. We'll celebrate Dr. Sublett later this year closer to his retirement date.

EMPLOYEE FORUMS

We held Employee Forums earlier this month to share the many things going on here at SMC. We changed our format to a "Tonight Show" style and have had very positive feedback from our team.

VIBRANT COMMUNITY PARTNERS

Quint Studer came to Stillwater last week to discuss community planning with several community members. Citizens are planning to re-group about next steps in the coming weeks.

LEGISLATIVE UPDATE:

SQ 802, MEDICAID EXPANSION, CLOSER TO STATEWIDE VOTE

SQ 802, the Medicaid Expansion ballot initiative, has passed the mandated protest period meaning Oklahoma voters will get to decide sometime this year whether the state should expand Medicaid.

U.S. CONGRESS RAISES LEGAL AGE FOR TOBACCO PURCHASES TO 21

H.R. 1865 was passed and signed into law raising the legal age to purchase tobacco products from 18 to 21.

SENATOR LANKFORD INTRODUCES BILL TO ASSIST RURAL PPS HOSPITALS

Sen. James Lankford introduced the "Rural Hospital Relief Act." This bill would allow states to identify qualifying PPS hospitals (Perry and Blackwell included) as necessary providers and convert them to Critical Access Hospital (CAH) status, thus eliminating the 35-mile distance rule.

5th CIRCUIT COURT OF APPEALS SENDS ACA CASE BACK TO DISTRICT COURT

On Dec. 18, a federal appeals court ruled the Affordable Care Act's individual mandate unconstitutional, but it did not invalidate the entire law. This filing has started the clock running for amicus brief deadlines.

PATIENT COMPLIMENTS

Webber 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. Buchanan seconded the motion, and Anthony, Barto, Duncan, Couch, Buchanan and Haney voted in favor of the motion.

Those present in Executive Session included: Board members, Anthony, Buchanan, Barto, Duncan, Haney, Couch and Webb (Medical Staff Liaison) as well as Denise Webber, CEO, Alan Lovelace, CFO and Cheryl Marshall, Executive Assistant.

Barto moved the Board return to Open Session. Duncan seconded the motion and Buchanan, Duncan, Anthony, Couch, Barto and Haney 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.

POSSIBLE APPROVAL OF RESOLUTION 2020-01

Barto moved the Board approve Resolution 2020-01 with one change: adding, "not to exceed" in front of the dollar amount to purchase. Buchanan seconded the motion, and Duncan, Anthony, Haney, Buchanan, Barto and Couch voted in favor of the motion.

NEW BUSINESS

None.

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

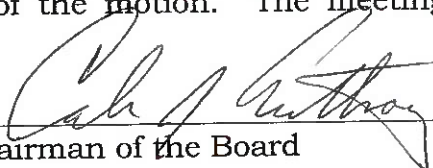
SMC:	<i>Medical Executive Committee</i>	<i>12/11/2019</i>
SM - Perry:	<i>Medical Staff</i>	<i>1/15/20</i>

ADJOURN

There being no further business, Duncan moved that the meeting be adjourned. Couch seconded the motion, and Barto, Haney, Couch, Duncan, Buchanan and Anthony voted in favor of the motion. The meeting was adjourned at 7:04 p.m.



 Secretary of the Board



 Chairman of the Board