

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Special Meeting, May 21, 2020
Stillwater Medical Center West Conference Room
and via Videoconference
5:30 p.m.**

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

Others: CEO, Denise Webber, Malinda Webb, MD, Cara Pence, MD, Steven Cummings, MD, Alan Lovelace, Liz Michael, Steven Taylor, Cheryl Wilkinson, Scott Petty, Brian Grace and Cheryl Marshall (minutes)

Via video-conference: Kevin Gore (BKD, LLP), Kari Easson, Shyla Eggers, Nat Cooper and John Koemel

CALL TO ORDER

Chair, Calvin Anthony, called the meeting to order at 5:30 p.m. Anthony stated that those in the room were spaced appropriately and all are wearing their masks.

APPROVAL OF MINUTES

Duncan moved the Board approve the minutes of the April 28, 2020 regular meeting of the Stillwater Medical Center Authority Board of Trustees as presented. Barto seconded the motion and Haney, Duncan, Couch, Barto, Buchanan, Anthony and Joyce and voted in favor of the motion.

Barto moved the Board approve the minutes of the April 22, 2020 Finance Committee meeting as presented. Buchanan seconded the motion and Buchanan, Anthony, Joyce, Haney, Duncan, Couch and Barto voted in favor of the motion.

APPROVAL OF 2019 AUDIT REPORT – BKD, LLP

Kevin Gore, with BKD, LLP presented the 2019 Accountants' Report and Financial Statement (Audit Report). The audit included SMCA, SMC RE, SMC Development and SMC Equipment. No adjustments were made to Accounts Receivable. Gore shared the balance sheet and statement of cash flow, as well as ratios and trends. Stillwater Medical compared favorably with hospitals in Oklahoma and across the nation, both rural and urban. Gore commented that the Hospital's operating margin of 8% is strong, well above Fitch AA rated hospitals. He also commented that SMC consistently performs well in comparison with other BKD clients. The report in detail was included in the Board packet and reviewed by the members. Following the presentation, Gore answered questions of the Board.

Barto moved the Board approve the 2019 Audit Report as presented. Haney seconded the motion and Duncan, Barto, Buchanan, Joyce, Anthony, Couch and Haney voted in favor of the motion.

**REPORTS FROM OFFICERS
APRIL 2020 FINANCIAL REPORT AND MAY FINANCE COMMITTEE
MINUTES**

Lovelace gave a PowerPoint presentation of the summary of operations for April 2020. Admissions, including rehab, were 244 below budget of 355 and last year of 341. Average Daily Census, including rehab, was 40, below a budget of 46 and last year of 43.

Surgeries were 165 for the month, below last year of 497. Surgeries at the Surgery Center were 59 for the month, below last year of 520.

Emergency room visits were 1,515 below budget of 2,762 and last year of 2,607. Outpatient visits, not including ER visits, were 7,088 below budget of 11,109. Births were 73 for the month, above last year at 70.

Financial assistance was \$975,000 for the month. Salaries and Wages were at \$9.1M, below budget of \$9.85M. FTE's were 1,42M below budget of 1.48M and above last year of 1.28M. Benefits were \$2.1M below budget of \$2.37M and last year of \$2.5M.

Operating Income for the Hospitals is (\$7.4M) below budget of \$1.1M and last year of \$1.2M. Operating Income for the Clinics was (\$1.6M) compared to a budget of \$83,000. Operating Income Consolidated is (\$9.1M), below budget of \$1.2M and last year of \$1M.

Operating Income for Perry Memorial Hospital in the month of April is (\$432,000) with a year to date loss in the amount of (\$2.8M).

Operating Income for Blackwell Regional Hospital in the month of April is (\$442,000) with a year to date loss in the amount of (\$2M).

YTD Operating Income Consolidated is (\$8.2M), below budget of \$4.7M and below last year of \$5M. YTD Operating Margin Consolidated is (10%). YTD Non-Operating Revenue is (\$4M), below budget of \$257,000 and last year at \$4.8M. YTD Net Income is (\$12.2M), below budget of \$5M.

The BancFirst investment account increased to \$54.3M. The Arvest investment account increased to \$7.7M.

Days in Accounts Receivable is 32 days. Days Cash on Hand is 176 days. Cash on hand is \$115.4M.

Lovelace shared that we were allowed to begin elective surgeries May 4th. In April, we saw a 40% decline. In the first week of May, we improved to a 26% decline, second week we improved to a 14% decline; and for the first three days of the third week, we are continued improvement to a 7% decline. He shared recovery efforts and answered questions of the Board.

Lovelace stated that the Finance Committee members discussed the financials, summary of clinic operations and funding opportunities. They recommended the Board's approval of 2019 Audit Report.

Barto moved the Board approve the Financial Report. Duncan seconded the motion, and Buchanan, Duncan, Anthony, Couch, Barto, Haney and Joyce voted in favor of the motion.

MAY FACILITIES COMMITTEE MEETING

Steven Taylor updated the members on the items discussed at the May Facilities Committee meeting.

APPROVAL OF ADMINISTRATIVE POLICIES

Denise Webber shared the policies with the Board requesting one minor change.

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

REVIEW AND RATIFICATION OF ITEMS PURCHASED PURSUANT TO MARCH 24, 2020 EMERGENCY PURCHASE AUTHORITY

Denise Webber shared details of the five capital purchases made under the emergency purchase authority and the need for each: IV pumps, Max-air suits, defibrillators, Cepheid and ventilators.

Barto made a motion to ratify the purchases made under the Emergency Purchase Authority as presented. Duncan seconded the motion, and Joyce, Barto, Haney, Anthony, Couch, Buchanan and Duncan voted in favor of the motion.

APPROVAL OF RESOLUTION 2020-07

The Board of Trustees graciously expressed their appreciation of the work done by the staff during the COVID-19 pandemic. Mr. Barto read the Resolution in full. Webber let the Board know that the Resolution is greatly appreciated and will be shared with all staff.

Mr. Barto moved the Board approve Resolution 2020-07. Couch seconded the motion, and Duncan, Joyce, Barto, Couch, Haney, Buchanan and Anthony voted in favor of the motion.

CONSENT AGENDA

Dr. Pence 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. 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 and Stillwater Medical Center as presented. Duncan seconded the motion, and Haney, Joyce, 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.

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

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

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

CEO REPORT

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

COVID-19 UPDATE

Phases of COVID19

We have moved into Phase 2 of the State's reopening plan and should begin to see those effects in the testing data around June 5th -12th. The Governor has a goal of June 1st to move into Phase 3. We continue to see very low numbers of COVID19 positive cases locally.

On May 4th, we began slowly scheduling elective services while adding additional safety precautions such as COVID-19 testing prior to surgery.

We continue to have adequate PPE resources to safely protect our team. We have at least a 20-day supply of the critical PPE (gowns, N95, masks, gloves and face/eye protection).

Our biggest concern at this time is disinfectant, but we did receive our full, normal allocation this week.

We have recently validated our in-house molecular test to be able to test patients for COVID19 (anterior nares test). Supply of the test kits are still a major concern however with no consistent supply delivery. We will limit in house testing to inpatients and ED patients until we get an adequate supply of test kits.

We also plan to bring antibody testing (blood test) in house in 4 to 6 weeks. We'll continue to send these tests to our reference lab for the time being.

Visits to hospitals/clinics are still being limited to one patient advocate/support person allowed per patient.

BEST PLACES TO WORK SURVEY

We are currently at a 57% response rate and the minimum requirement of 140 surveys was met in just 3 days.

HOSPITAL WEEK

We moved the celebration of Hospital Week to October 4-9.

UPLIFTING EMPLOYEE SPIRITS

We have found many to boost staff spirits over this time: Sidewalk tagging with positive messages in chalk at main campus and urgent care clinics; fun activities on the blog to be entered to win prizes; You Are the Heroes Video; treats delivered to all facilities, etc.

EMPLOYEE SERVICE MILESTONES

Due to the inability to gather in a large group for a banquet, we decided on an alternate celebration: curbside gift delivery service, nice dinner gift cards, and a slideshow honoring each of the employees celebrating milestones.

STILLWATER MEDICAL HONORED BY OKLAHOMA AIR NATIONAL GUARD

The Oklahoma Air National Guard performed multiple flyovers across the state to honor all health care workers, first responders and other essential personnel during the coronavirus pandemic. Stillwater Medical was honored to be included in this tribute.

FRAUDULENT UNEMPLOYMENT CLAIMS

Employers across the state are seeing a rise in fraudulently submitted claims for unemployment benefits. These fraudulent claims are submitted to the Oklahoma Employment Security Commission (OESC) using other people's names and/or employee's social security numbers. We have seen a notable increase in these fraudulent claims recently, and are working to get all of those resolved.

MEDICAID EXPANSION

SoonerCare 2.0 passed in the House and Senate, but was vetoed by the Governor. Campaign efforts around SQ802 are beginning to increase.

PATIENT COMPLIMENTS

Webber shared compliments and upcoming events.


OTHER BUSINESS

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

SMC:	<i>Medical Executive Committee</i>	4/8/2019
SM – Perry:	<i>Medical Staff</i>	5/13/2020
SM – Blackwell:	<i>Performance Improvement Committee</i>	4/29/2020

ADJOURN

There being no further business, Duncan moved that the meeting be adjourned. Buchanan seconded the motion, and Joyce, Barto, Haney, Couch, Duncan, Buchanan and Anthony voted in favor of the motion. The meeting was adjourned at 6:39 p.m.


 Chairman of the Board


 Secretary of the Board