

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES**

**Regular Meeting, December 16, 2021
Stillwater Medical Center West Conference Room
5:30 p.m.**

Present: Calvin Anthony, Lowell Barto, Joe Haney, Dan Duncan Beth Buchanan, Gary Clark and Mayor Will Joyce

Absent:

Others: CEO, Denise Webber, Dan Brown, MD, Malinda Webb, MD, Alan Lovelace, Liz Michael, Nat Cooper, Cheryl Wilkinson, Joe Akin, Michal Shaw, Butch Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Calvin Anthony, called the meeting to order at 5:48 p.m.

APPROVAL OF MINUTES

Clark moved the Board approve the minutes of the November 12, 2021, Board of Trustees Retreat, the November 16, 2021 Board of Trustees meeting, the November 15, 2021 Finance Committee, the November 11, 2021, Facilities Committee meeting and the October 27, 2021 Medical Staff Integration Committee minutes as presented. Buchanan seconded the motion and Clark, Haney, Buchanan, Barto, Duncan, Joyce and Anthony voted in favor of the motion.

REPORT FROM BOARD OFFICER'S NOMINATING COMMITTEE

Calvin Anthony shared that he and the Committee discussed nominees and recommended Lowell Barto serve as Chair, Dan Duncan as vice chair and Gary Clark as secretary.

ELECTION OF BOARD OFFICERS

Will Joyce made a motion to elect Lowell Barto as Chairman, Dan Duncan as Vice Chair and Gary Clark as Secretary. Buchanan seconded the motion and Buchanan, Joyce, Barto, Haney, Duncan, Anthony and Clark voted in favor of the motion.

BALANCED SCORECARD REPORT

CEO, Denise Webber, shared performance in each category. She noted that the percentile ranges change each year. We will finish the year at 4.4 stars. The Centers for Medicare and Medicaid also use star ratings. They will not publicize ratings until later in 2022.

APPROVAL OF 2022 PROPOSED BALANCED SCORECARD AND STRATEGIC INITIATIVES

Webber shared the proposed scorecard, the initiatives and tactics planned to reach our goal of 5-star in each category.

Dan Duncan moved the Board approve the 2022 proposed balanced scorecard and initiatives. Gary Clark seconded the motion and Barto, Haney, Duncan, Anthony, Buchanan, Clark and Joyce voted in favor of the motion.

REPORTS FROM OFFICERS

NOVEMBER 2021 FINANCIAL REPORT/DECEMBER FINANCE COMMITTEE REPORT

Lovelace gave a PowerPoint presentation of the summary of operations for November 2021. Admissions, including rehab, were 432 above budget of 380 and below last year of 436. Average Daily Census, including rehab, was 61, above a budget of 39 and below last year of 64.

Surgeries were 440 for the month, above budget of 399 and last year of 362. Surgeries at the Surgery Center were 561 for the month, above a budget of 398 and last year of 439.

Emergency room visits were 2,643 above budget of 2,261 and above last year of 2,373. Outpatient visits, not including ER visits, were 14,023 above budget of 13,917 and below last year of 14,323. Births were 67 for the month, below budget of 70 and last year at 75.

Financial assistance was \$686,000 for the month. Salaries and Wages were at \$11.2M, above budget of \$10.2M and last year of \$9.9M. FTE's were 1,618 below budget of 1,662 and above last year of 1,478. Benefits were \$2.6M above budget of \$2.41M and last year of \$1.9M.

Operating Income for the Hospitals is \$1.3M below a budget of \$1.4M and last year of \$2.5M. Operating Income for the Clinics was \$563,000 compared to a budget of (\$175,000). Operating Income Consolidated is \$1.76M, above budget of \$1.4M and last year of \$1.726M.

Operating Income for Stillwater Medical in November is \$1.4M below last year of \$3.1M. Operating Income for Stillwater Medical Perry in November is \$66,000 above and last year of (\$201,000). Operating Income for Stillwater Medical Blackwell in November is (\$201,000) below last year's loss of (\$392,000).

YTD Operating Margin Consolidated is 5.3%, above budget of 4.6% and last year of 0.6%. YTD Non-Operating Revenue is \$6.6M, above budget of \$480,000 and last year at \$6.2M. YTD Net Income is \$22.8M, above budget of \$14.19M and last year of \$7.6M.

The BancFirst investment account decreased to \$70.3M. The Arvest investment account decreased to \$9.5M. The Commerce investment account decreased to \$15.3M.

Days in Accounts Receivable is 45 days. Days Cash on Hand is 190 days. Cash on hand is \$145.1M compared to \$140.7M at year end 2020.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. They reviewed and recommended the Board approve the capital and operating budgets, the \$15M new market tax credit allocation from Metafund, as well as a loan for that allocation.

Haney made a motion to accept the November Financial Report and December 2021 Finance Committee minutes as presented. Buchanan seconded the motion, and Haney, Clark, Joyce, Anthony, Duncan, Buchanan and Barto voted in favor of the motion.

APPROVAL 2022 OPERATING AND CAPITAL BUDGETS

Lovelace shared an overview of the 2022 Operating and Capital Budgets with the members and answered questions of the Board. The Finance Committee reviewed the budgets in detail.

Barto made a motion to approve the 2022 Operating and Capital Budgets as presented. Duncan seconded the motion, and Haney, Buchanan, Duncan, Joyce, Anthony, Clark and Barto voted in favor of the motion.

APPROVAL OF \$15M NEW MARKET TAX CREDIT (NMTC) ALLOCATION FROM METAFUND

Lovelace shared information regarding the \$15M New Market Tax Credit (NMTC) allocation. He reminded the members of the previous tax credits participated in. He explained the financial monetization and answered questions of the Board. Lovelace shared the sources and uses of the NMTCs, the bids and the benefits. Lovelace also shared the list of the equipment to be purchased with the NMTCs.

Duncan made a motion to approve the \$15M new market tax credit allocation from Metafund as presented. Clark seconded the motion, and Anthony, Haney, Barto, Duncan, Joyce, Clark and Buchanan voted in favor of the motion.

APPROVAL OF \$15M LOAN FOR NMTC ALLOCATION

Lovelace shared the list of equipment for which the loan would be used. He shared the fees, interest rates, credit monetization and analysis of obtaining a loan or self-funding. Simmons Bank was low bidder.

Clark made a motion to authorize the officers to obtain the \$15M loan for NMTC through Simmons Bank at the terms presented. Barto seconded the motion, and Barto, Buchanan, Haney, Clark, Duncan, Joyce and Anthony voted in favor of the motion.

APPROVAL OF ADMINISTRATIVE POLICIES

Webber shared the recommended changes to the Patient Grievances and Complaints policy. The Patient Safety Plan policy was reviewed with no changes.

Joyce made a motion to approve the Administrative Policies as presented. Duncan seconded the motion, and Buchanan, Clark, Barto, Joyce, Anthony, Haney and Duncan voted in favor of the motion.

CONSENT AGENDA

Dr. Brown updated the Board members on the Consent Agenda items for Stillwater Medical Center. All actions listed on the consent agenda were approved through our Medical Staff Committees.

Mayor Joyce inquired about members of our medical staff and COVID vaccine recommendations. The Board of Trustees and Chief of Staff agreed to have further conversation about making an official position statement for Stillwater Medical Center.

Barto moved the Board approve the Consent Agenda items as presented. Buchanan seconded the motion and Joyce, Duncan, Haney, Anthony, Clark, Buchanan and Barto voted in favor of the motion.

Denise Webber updated the Board members on the Consent Agenda items for Stillwater Medical Blackwell and Stillwater Medical Perry. All actions listed on the consent agenda were approved through our Medical Staff Committees.

Barto moved the Board approve the Consent Agenda items as presented. Clark seconded the motion and Haney, Anthony, Duncan, Joyce, Clark, Buchanan and Barto voted in favor of the motion.

CEO REPORT

Webber shared the CEO Report, which included the following:

SANTA VISITS STILLWATER MEDICAL

We were so pleased that Santa (Hugh Merrill) stopped by again this year to visit with the children of SMC team members. Great time by all!

STILLWATER MEDICAL FOUNDATION GALA

The 2021 Stillwater Medical Foundation Gala raised a net revenue of \$112,489, all of which will benefit the Women's Health Center. It was a great event.

DOWNTOWN CHRISTMAS TREE LIGHTING HONORS SMC TEAM

Stillwater Medical was honored at the City's annual Christmas Tree Lighting as a source of "HOPE" as our team continues to give throughout this pandemic.

OKLAHOMA HOSPITAL ASSOCIATION – WEBBER NAMED CHAIR ELECT

Denise Webber was elected to serve as chair-elect of the OHA board. She will serve as the association's board chair in 2024-25.

BLACKWELL TEAM PARTICIPATES IN THE PARADE

Some of the Stillwater Medical - Blackwell team participated in the 9th annual Night of Lights Christmas Parade held Dec. 6th with a community tree lighting.

CONSTRUCTION UPDATE

Webber shared an update of the many construction projects underway.

CMS VACCINE MANDATE

The Centers for Medicare and Medicaid announced that the agency would not enforce the mandate for healthcare workers after the vaccine mandate was stayed by legal challenges. Multiple federal courts issued injunctions to prevent both the CMS and OSHA requirements from taking effect. While these ruling aren't the final say, for now, the vaccination requirements are on hold until additional court rulings are issued.

LEGISLATIVE REPORT

Norman Regional CEO, Richie Splitt, Duncan Regional CEO, Jay Johnson, and Webber met with the OHCA to discuss the future of the Medicaid delivery system. OCHA Leadership plans to share their vision soon on a path forward.

SENATE PASSES BILL TO PROVIDE RELIEF FROM FORTHCOMING MEDICARE CUTS

The U.S. Senate passed legislation that would stop Medicare cuts to hospitals, physicians and other providers from going into effect early next year. The House passed the bill on Tuesday, and President Biden is expected to sign it into law soon.

EMPLOYEE OF THE MONTH - SUZI TEGUE, RN

Suzi Teague, RN was selected as our Employee of the Month for December. She started in our Maternal Child Health Unit (labor and delivery) in 2016 and is well liked by her co-workers.

INTERNAL MEDICINE RESIDENCY UPDATE

Dr. Cummings and team plan to virtually interview 100+ applicants for the five residency positions. Over 60 virtual interviews have been completed so far.

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 purposes of discussing the items on the agenda. Duncan seconded the motion, and Haney, Barto, Anthony, Duncan, Joyce, Buchanan and Clark voted in favor of the motion.

Those present in Executive Session included: Board members, Anthony, Barto, Duncan, Haney, Joyce, Buchanan, Clark and Webb (Medical Staff Liaison) as well as Denise Webber, CEO; Nat Cooper, VP, and Cheryl Marshall, Executive Assistant.

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

NEW BUSINESS

Mayor Joyce and the Board members shared their appreciation of Chairman Anthony's service as Chair.

OTHER BUSINESS

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

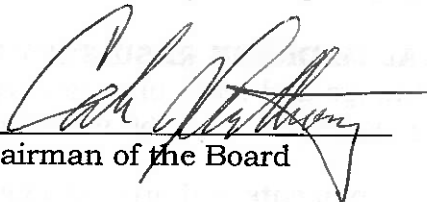
Stillwater Medical Center: Recommendation for Reappointment to Medical Staff/Allied health Staff with Privileges as Requested

Stillwater Medical Perry: Medical Staff Minutes 11/16/2021

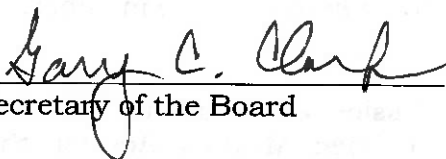
*Stillwater Medical Blackwell: Medical Executive Committee 10/20/2021
Infection Control/Employee Health 11/2/2021
Medical Executive Committee 11/17/2021*

ADJOURN

There being no further business, Barto moved that the meeting be adjourned. Joyce seconded the motion, and Haney, Duncan, Anthony, Barto, Joyce, Clark and Buchanan voted in favor of the motion. The meeting was adjourned at 7:34 p.m.



Chairman of the Board



Secretary of the Board