

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, June 27, 2023
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

Present: Lowell Barto, Dan Duncan, Dr. Todd Green, Mayor Will Joyce, Gary Clark and Joe Haney

Absent: Beth Buchanan

Others: Denise Webber, Dr. Matthew Payne, Dr. Steven Cummings, Alan Lovelace, Steven Taylor, Liz Michael, Tamie Young, Joe Ogle, Brian Grace, Butch Koemel (attorney), Andrew Castillo (Durbin & Co.) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Lowell Barto, called the meeting to order at 5:33 p.m.

APPROVAL OF MINUTES

Haney made a motion to approve the May 23, 2023, Board of Trustees minutes, May 17, 2023, Finance Committee minutes and May 9, 2023, Facilities Committee minutes as presented. Clark seconded the motion and Duncan, Clark, Haney, Barto and Joyce voted in favor of the motion. Dr. Green had not yet arrived.

APPROVAL OF 2022 AUDIT REPORT

Andrew Castillo with Durban and Company, LLP, presented the 2022 Accountants' Report and Financial Statement (Audit Report). He shared the balance sheet and statement of cash flow, as well as ratios and trends. Stillwater Medical compared favorably with hospitals in Oklahoma. He and his team assessed risk and praised the team for the welcome environment. No material adjustments were made. The report in detail was included in the Board packet and reviewed by the members.

Duncan moved the Board approve the 2022 Audit Report as presented. Joyce seconded the motion and Duncan, Barto, Joyce, Green, Clark and Haney voted in favor of the motion.

STRATEGIC PERFORMANCE SCORECARD

Webber shared current scores in each category with the members. All three service areas are 3-star or higher. She explained that 3-star signifies 70%tile; 4-star, 80%tile and 5-star is 90%tile or higher.

CLINICAL PERFORMANCE SCORECARD

Liz Michael shared the many metrics that make up the Clinical Performance Scorecard. This data is abstracted by Medicare and defines our annual Quality Score which is reported on the Strategic Performance Scorecard. Michael shared some areas of weakness and the strategies we have been working on for improvement.

ACCEPTANCE OF REPORTS FROM OFFICERS

MAY 2023 FINANCIAL REPORT/JUNE FINANCE COMMITTEE REPORT

Lovelace provided a PowerPoint summary of operations for May 2023. Admissions, including rehab, were 384 below budget of 415, and above last year of 348. Average Daily Census, including rehab was 52, compared to a budget of 48 and last year of 46.

Surgeries were 453 for the month, above last year of 425. Surgeries at the Surgery Center West were 610, above a budget of 563 and last year of 564.

Emergency room visits were 2,610 above last year of 2,391. Outpatient visits, not including ER visits, were 13,706, below last year of 13,158. Births were 51 for the month, below last year at 62.

Financial assistance was \$686,000 for the month. Salaries and Wages were at \$11.071M, below last year of \$11.091M. FTE's were 1,505 below last year of 1,578. Benefits were \$2.7M, below last year of \$3.0M.

Operating Income Consolidated is \$959,000, above budget of \$528,000 and last year of (\$1.9M). Operating Income for the Hospitals is \$1.2M above budget of \$1.0M and last year of (\$1.8M). Operating Income for Stillwater Medical is \$1.5M, above last year of (\$1.2M). Operating Income for Stillwater Medical Perry is (\$302,000), below last year of (\$95,000). Operating Income for Stillwater Medical Blackwell is (\$58,000), below last year of (\$504,000). Operating Income for the Clinics is (\$243,000) compared to a budget of (\$512,000) and last year of (\$106,000).

Operating Income for the Hospitals year to date is \$4.4M compared to last year of \$1.7M. Operating Income for the Clinics year to date is (\$3.36M) compared to last year (\$2.5M). Operating Margin for the Hospitals is 4.67% compared to last year of 1.82%. Operating Margin for the Clinics is -7.7% compared to a budget of -7.5% and last year -6.1%.

YTD Operating Margin Consolidated is 0.79%, compared to a budget of -0.33% and last year of -0.56%. YTD Non-Operating Revenue is \$4M, above budget of \$81,000 and last year at (\$9.5M). YTD Net Income Consolidated is 5.1M, above budget of (\$414,000) and last year of (\$10.3M).

The BancFirst investment account decreased to \$88.4M. The Arvest investment account decreased to \$8.7M. The Commerce investment

account decreased to \$14.1M. Consolidated Investments for May is \$111.3M.

Days in Accounts Receivable are 38 days. Days Cash on Hand is 160 days. Cash on hand is \$132.6M compared to \$140M at year end 2022. A YTD Operating Income Summary vs Budget was provided. Operating Income for May was \$959,363.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. Commerce Bank presented SMC's investment portfolio update. The 2022 audit report was presented to the Committee. The members also discuss the concept of an Ortho Center of Excellence.

MAY MEDICAL STAFF INTEGRATION COMMITTEE REPORT

Joe Ogle updated the members on the May Medical Staff Integration meeting. He noted the need to recruit primary care physicians and shared our goal of recruiting three or four each year for the next three years. One minor change was recommended to the minutes, changing "medical student" to "resident."

Joyce made a motion to accept the May 2023 Financial Report, June Finance Committee Report and May Medical Staff Integration Committee report with the recommended change. Haney seconded the motion, and Joyce, Green, Haney, Duncan, Clark and Barto voted in favor of the motion.

APPROVAL OF RADIOLOGY FINANCIAL ASSISTANCE AGREEMENT

Denise Webber shared that after last month's meeting, we learned of changes needed in Dr. Theisen's financial assistance agreement. She shared the change in compensation, language correction and length of service. The agreement and recommended changes were reviewed by the members.

Clark made a motion to approve the Radiology Financial Assistance Agreement. Duncan seconded the motion, and Clark, Haney, Barto, Duncan, Green and Joyce voted in favor of the motion.

ANNUAL REPORT OF COMPLIANCE ACTIVITIES

Necia Kimber shared the compliance activities, areas of focus, training, audit activities and responses and security risk assessment efforts. Details were included in the written report included in the packet. Webber shared that recent legislation has given some financial protection for hospitals who experience a cyberattack if they are compliant with the High Tech and the HIPAA Act.

Duncan made a motion to approve the annual report of compliance activities. Clark seconded the motion, and Clark, Barto, Green, Duncan, Joyce and Haney voted in favor of the motion.

CONSENT AGENDA

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

Joyce moved the Board approve Consent Agenda items for Stillwater Medical Health System and Stillwater Medical Center. Haney seconded the motion and Haney, Joyce, Duncan, Green, Barto and Clark voted in favor of the motion.

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

Joyce moved the Board approve Consent Agenda items for Stillwater Medical Perry as presented. Clark seconded the motion and Barto, Haney, Joyce, Green, Duncan and Clark voted in favor of the motion.

CEO REPORT

CEO, Denise Webber shared the following report with the members:

WORLD'S BEST HOSPITALS 2023

Webber shared that she was very pleased to learn that our team has achieved this distinctive award for three years in a row!

2023 IBCLC CARE AWARD RECEIVED!

Stillwater Medical is a recipient of the 2023 IBCLC Care award, which recognizes hospitals and birthing facilities worldwide that staff with the gold standard in lactation care. Our facility was recognized for promoting, protecting and supporting breastfeeding.

FIRST CASE IN NEW SURGICAL RENOVATION & EXPANSION AREA

We are excited to share that our Surgical team performed the first surgery in our new surgical suites on June 7, 2023. We started with one OR, continued to work out logistics, and by the end of the week we were all moved in!

DR. MALINDA WEBB PUBLISHED IN NATIONAL LIBRARY OF MEDICINE

Webber thanked Dr. Webb for her very impressive work.

JUNE EMPLOYEE OF THE MONTH – ROSIE GODFREY

Rosie Godfrey was nominated by his peers as our June Employee of the Month. Her coworkers said, "Rosie is such a positive light in our office! Not just for us, but for our patients. We are so lucky to have Rosie on the SMC team." We appreciate her for all he does!

MEDICAL STAFF RECRUITMENT UPDATE

Brandon Wilson, MD, OB/GYN, Solange Debone, APRN and Sarah De Muth, PA-C have all joined our team.

INTERNAL MEDICINE RESIDENCY UPDATE

Our second class of internal medicine residents join our team July 1st!

CONSTRUCTION UPDATE**Surgery/Women's Center/NICU/ICU Project:**

A team is working on artwork and design for the new Women's Center. We are fully utilizing the new OR suites. The NICU project will begin soon. The ICU project is moving forward.

Stillwater Surgery Center West Project:

We are working to finalize this project and plan to start utilizing the new OR in July.

Cancer Center MR Linac Project:

Education and training continues for employees on the new MR Linac. We plan to start patient treatments in August.

YMCA & VIBRANT STILLWATER UPDATE

The YMCA is fundraising and hopeful to build a new Y in Stillwater. Their hope is to raise \$8M in our community. We feel this would be a great benefit for our community.

MEDICAID MANAGED CARE – OHCA BID AWARD ANNOUNCED

Successful bid awards were given to Centene, Aetna, and Cigna.

INDUSTRY UPDATE

CMS eliminated COVID-19 vaccination requirement for healthcare workers.

Webber shared patient compliments and area announcements.

Denise Webber introduced Jovan Smith, VP, Clinic Practices to the members, who welcomed him to our team!

EXECUTIVE SESSION

Haney 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 Clark, Duncan, Barto, Haney, Green and Joyce voted in favor of the motion.

Those present in Executive Session included: Board members, Barto, Duncan, Green, Clark, Haney and Joyce as well as Denise Webber, CEO, Joe Ogle, Physician Recruiter and Cheryl Marshall, Executive Assistant.

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

RETURN FROM THE EXECUTIVE SESSION

Chairman, Barto 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

OTHER BUSINESS

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

Stillwater Medical Center:

<i>Medical Executive Committee</i>	<i>6-14-2023</i>
<i>Medical Executive Committee</i>	<i>5-10-2023</i>
<i>Utilization Review Committee</i>	<i>5-24-2023</i>
<i>Quality Assessment/ QAPI</i>	<i>5-16-2023</i>

Stillwater Medical Blackwell:

<i>Medical Executive Committee</i>	<i>5-17-2023</i>
<i>Patient Safety Quality</i>	<i>6-13-2023</i>

NEW BUSINESS

None.

ADJOURN

There being no further business, Clark moved that the meeting be adjourned. Haney seconded the motion, and Clark, Green, Duncan, Barto, Haney and Joyce voted in favor of the motion. The meeting was adjourned at 6:55 p.m.


Chairman of the Board


Secretary of the Board