

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, November 29, 2022
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

Present: Lowell Barto, Dan Duncan, Beth Buchanan, Mayor Will Joyce and Dr. Todd Green

Absent: Gary Clark and Joe Haney

Others: CEO, Denise Webber, Dr. Dan Brown, Dr. Malinda Webb, Dr. Steven Cummings, Alan Lovelace, Steven Taylor, Liz Michael, Kayla Isaacs, Joe Akin, Shyla Eggers, Michal Shaw, Joe Ogle, Jason Cox, Brian Grace, Butch Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Lowell Barto, called the meeting to order at 5:30 p.m.

APPROVAL OF MINUTES

Duncan moved the Board approve the minutes of the October 25, 2022, Board of Trustees meeting, October 19, 2022, Finance Committee minutes and the September 28, 2022 Medical Staff Integration Committee meeting as presented. Buchanan seconded the motion and Duncan, Green, Buchanan, Joyce, and Barto voted in favor of the motion.

BOARD EDUCATION: CULTURE OF EXCELLENCE

Kayla Isaacs shared our plans for service excellence. A survey was done in 2008 and we found that our physician, employee and patient satisfaction scores were low. We went to work right away and formed a group of high performers to create our Behavioral Standards. This initiative put us on a trajectory that made a huge difference in our culture and all of our scores rose tremendously. With the many challenges of the last three years, we realized a need to build upon our culture, by working with a group of our team members to learn from them, how to ensure we are a place where our employees want to work, physicians want to practice medicine and patients want to receive care.

STRATEGIC PERFORMANCE SCORECARD

CEO, Denise Webber shared that we have changed the name of our Balanced Scorecard to the Strategic Performance Scorecard as these are our strategic goals shared by every team member. Webber shared the current scores in each category with the members.

REPORTS FROM OFFICERS

OCTOBER 2022 FINANCIAL REPORT/NOVEMBER FINANCE COMMITTEE REPORT

Lovelace gave a PowerPoint presentation of the summary of operations for October 2022. Admissions, including rehab, were 396 below budget of 402 and last year of 405. Average Daily Census, including rehab, was 51, below a budget of 63 and last year of 58.

Surgeries were 402 for the month, below budget of 529 and last year of 423. Surgeries at the Surgery Center West were 659 for the month, above a budget of 622 and last year of 524.

Emergency room visits were 2,521 above budget of 2,475. Outpatient visits, not including ER visits, were 14,308 above budget of 13,750. Births were 68 for the month, above budget of 65 and below last year at 86.

Financial assistance was \$1.3M for the month. Salaries and Wages were at \$11.2M, below budget of \$11.6M and last year of \$11.5M. FTE's were 1,582 below budget of 1,707 and last year of 1,614. Benefits were \$2.3M below budget of \$2.66M and last year of \$2.62M.

Operating Income Consolidated is \$363,000, below budget of \$1.4M and last year of \$1.7M. Operating Income for the Hospitals is \$960,000 below budget of \$1.5M and last year of \$2.7M. Operating Income for Stillwater Medical is \$1M below budget of \$1.8M and last year of \$2.9M. Operating Income for Stillwater Medical Perry is \$25,000 above last year of (\$101,000). Operating Income for Stillwater Medical Blackwell is (\$111,000) below last year of (\$123,000). Operating Income for the Clinics is (\$596,000) compared to a budget of (\$395,000) and last year of (\$954,000).

Operating Income for the Hospitals year to date is (\$4,000) compared to a budget of \$15.6M and last year of \$17M. Operating Income for the Clinics year to date is (\$6.1M) compared to a budget of (\$3.4M) and last year of (\$3M). Operating Margin for the Hospitals is 0% compared to a budget of 7.2% and last year of 8.8%. Operating Margin for the Clinics is -7.5% compared to a budget of -4.2% and last year -3.9%.

YTD Operating Margin Consolidated is -2.3%, compared to a budget of 4.2% and last year of 5.2%. YTD Non-Operating Revenue is (\$17.6M), below budget of \$4.1M and last year at \$8.3M. YTD Net Income Consolidated is (\$23.7M), below budget of \$16.3M and last year of \$22.6M.

The BancFirst investment account increased to \$82.7M; Arvest investment account increased to \$8.2M; and Commerce investment account increased to \$13.2M. Consolidated Investments for October is \$104.2M.

Days in Accounts Receivable is 40 days. Days Cash on Hand is 164 days. Cash on hand is \$135.7M compared to \$151.1M at year end 2021. Lovelace also shared a YTD Operating Income Summary vs Budget was provided. We were pleased to see a positive Operating Income in October.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. An investment portfolio update was given by Banc1st. The chemistry lab analyzers and patient monitors were both recommended for approval.

FACILITIES COMMITTEE REPORT

Steven Taylor updated the members on the November Facilities Committee meeting. He noted that some of the equipment is being delivered for the MR Linac project and we plan to be ready to see patients in June 2023. The main roof (14,000 sq. ft.) is now 40 years old. We are preparing to send out bids to have it replaced.

Buchanan made a motion to accept the October 2022 Financial Report, November Finance Committee Report and November Facilities Committee Report as presented. Duncan seconded the motion, and Barto, Joyce, Buchanan, Green and Duncan voted in favor of the motion.

BOARD OF TRUSTEES SELF-ASSESSMENT RESULTS

Denise Webber shared the Board self-assessment results with the members. Highest rating being five, all scores were four or greater. Webber shared her appreciation of the members completing the survey, stating that this information is helpful in leading our organization.

APPROVAL OF PURCHASE OF LABORATORY CHEMISTRY ANALYZERS

Jason Cox shared that the current chemistry analyzers are nearing end of life. He provided bid information from both bids received: Ortho at \$490,000 and Beckman for \$532,045. We currently have Ortho equipment and are pleased with the performance and service.

Joyce made a motion to approve the Ortho laboratory chemistry analyzer for \$490,000 as presented. Duncan seconded the motion, and Green, Joyce, Barto, Duncan and Buchanan voted in favor of the motion.

APPROVAL OF PURCHASE OF PATIENT MONITORING SYSTEM

Liz Michael shared that cardiac monitors are needed in Obstetrics, Information Technology and the Emergency Department. We also need a software upgrade on existing monitors. We would like to purchase Mindray cardiac monitors as those are the ones we currently have throughout the facility and will standardize care. The total cost is \$293,865.84.

Buchanan made a motion to approve the Mindray cardiac monitors as presented at a total cost of \$293,865.84. Joyce seconded the motion, and Buchanan, Green, Joyce, Duncan and Barto voted in favor of the motion.

APPROVAL OF RESOLUTION 2022-3

Lovelace explained that we were able to secure \$7M in new market tax credits for the additional needs of the Surgery/Women's Center project (NICU, additional ICU beds, etc.). This will benefit us \$1.6M in equity at closing. This resolution authorizes Lovelace or Webber to execute the documents for this transaction.

Joyce made a motion to approve Resolution 2022-3 as presented. Duncan seconded the motion, and Barto, Duncan, Green, Joyce and Buchanan voted in favor of the motion.

APPROVAL OF ADMINISTRATIVE POLICIES

Denise Webber shared the recommended changes to the Investment policy.

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

CONSENT AGENDA

Dr. Daniel Brown 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.

Duncan moved the Board approve Consent Agenda for Stillwater Medical Health System and Stillwater Medical Center including the credentialing actions. Joyce seconded the motion and Duncan, Joyce, Buchanan, Green and Barto voted in favor of the motion.

Steven Taylor updated the Board members on the Consent Agenda items for 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 Blackwell as presented. Buchanan seconded the motion and Barto, Green, Duncan, Buchanan and Joyce voted in favor of the motion.

CEO REPORT

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

MARCH OF DIMES HEROES IN ACTION/NURSE OF THE YEAR AWARDS!

Three SMC nurses were honored during the annual statewide March of Dimes event: *Paula Majors, RN*, Surgical Services Educator, finalist, Nurse Educator category; *Julia Purus, RN*, Med/Surg, finalist, Medical Surgical Nurse Category; and ***Chelsea Engle, RN***, finalist and **WINNER**, Charge Nurse/House Supervisor! Our congratulations to all three!

DR. FERNANDO PERFORMS 200TH ROBOTIC SURGERY

Dr. Fernando has completed over 200 robotic-assisted surgeries, and we congratulate him on this significant achievement. Our patients are benefiting from his expertise and the sophisticated da Vinci robotic technology. Congratulations Dr. Fernando!

STILLWATER MEDICAL BLACKWELL HAS MOVED INTO THEIR NEW SPACE!

On November 3, Stillwater Medical - Blackwell held an open house to celebrate the completion of the new facility. The Blackwell Chamber of Commerce was present for a ribbon cutting ceremony and tours were provided to the community.

NOVEMBER 2022 EMPLOYEE OF THE MONTH - KELSEY DAVIS

Kelsey Davis was nominated by her peers as our November Employee of the Month. Her coworkers said, “Kelsey is so passionate about serving patients. She is a joy to work with.” Our congratulations to Kelsey!

INPATIENT REHAB DIALYSIS SERVICE

We have contracted with “New Direction” Dialysis to provide dialysis services in our Inpatient Rehab Unit for patients who are already receiving dialysis, but now have a rehab diagnosis and need therapy to return home. The professionals from New Direction will administer the dialysis in the patient’s room and will work with our rehab therapists and nursing staff to provide the very best outcome possible for these patients.

GREAT AMERICAN SMOKEOUT 2022

The Population Health Team participated in several events to bring awareness to the Stillwater Community of the dangers of tobacco and to provide information on cessation support. Their efforts are greatly appreciated.

DR. GLEN HENRY RETURNS TO STILLWATER MEDICAL!

We have been recruiting to grow our OB/GYN service to better serve our patients and community. Dr. Glen Henry has returned to help lead us as we prepare to open our new Womens Center. Dr. Henry will lead our nocturnal laborist program and will not see patients in the clinic.

LDI – November 15th

Our leaders attended the Leadership Development Institute (LDI) which is a day of education and training to further develop skills to improve individual leadership performance and organizational consistency.

UNITED WAY

The United Way campaign is wrapping up. Our employees have pledged over \$83,000 to assist Payne County residents in need.

GIVING TUESDAY

The Foundation is highlighting Stillwater Medical's Neonatal Intensive Care Unit on Giving Tuesday which is November 29th. They are highlighting the Kennedy Reese Lester story who was born unexpectedly premature at SMC in September.

INTERNAL MEDICINE RESIDENCY UPDATE

In December we will begin interviewing new candidates to join our Residency Program. This year we had 697 applicants apply to fill the five spots available. Interviews will wrap up in early January and in March we will be matched with 5 new residents to join Stillwater Medical in July of 2023.

GREELEY PHYSICIAN AND HOSPITAL LEADERSHIP CONFERENCE

Incoming Chief of Staff, Dr. Matthew Payne and Webber recently attended a conference providing an overview of a well-organized Medical Staff focused on the Medical Executive Committee and various committee leadership structure. We feel this training will provide significant improvement in medical staff leader engagement.

OKLAHOMA HOSPITAL ASSOCIATION ANNUAL CONVENTION

Some of our leaders recently attended the annual Oklahoma Hospital Association meeting. The event was filled with sessions focused on many of the current events we are experiencing in healthcare. Our team was educated on legal issues, quality and risk management, nurse leadership, public relations, financial management and healthcare engineering.

OKLAHOMA HOSPITAL ASSOCIATION

Webber continues to serve on the Board of our State Hospital Association. In January 2023, she will serve her second year as Chair Elect and then serve as the Chair for the following two years.

HEALTHCARE INDUSTRY OUTLOOK

Webber shared a recent article on the healthcare industry outlook as well as a presentation from Kaufman Hall on the Financial Impact of COVID-19 on Oklahoma hospitals. Overall, hospital margins are significantly below pre-pandemic levels. Labor costs are up for all and in many cases urban hospitals are fairing worse than rural hospitals. We are working to obtain SHOPP funding from the State.

EXECUTIVE SESSION

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

Those present in Executive Session included: Board members, Barto, Buchanan, Duncan, Joyce, Green and Webb (Medical Staff Liaison) as well

as Denise Webber, CEO; Joe Ogle, Physician Recruiter and Cheryl Marshall, Executive Assistant.

Duncan moved the Board return to Open Session. Joyce seconded the motion and Joyce, Buchanan, Green, Barto and Duncan 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>10/12/2022</i>
<i>Utilization Review Committee</i>	<i>10/26/2022</i>
<i>Infection Control Committee</i>	<i>10/20/2022</i>
<i>Radiology Section</i>	<i>10/26/2022</i>
<i>Peer Review Committee</i>	<i>11/8/2022</i>
<i>Quality Assessment/PI</i>	<i>9/20/2022, 3/29/2022, 11/16/2021</i>

Stillwater Medical Blackwell:

<i>Medical Staff Committee</i>	<i>10/19/2022</i>
<i>Patient Safety Quality (PSQM)</i>	<i>11/14/2022</i>
<i>Infection Control/Employee Health</i>	<i>11/1/2022</i>

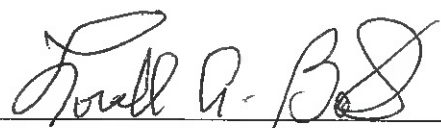
NEW BUSINESS

None.

ADJOURN

There being no further business, Duncan moved that the meeting be adjourned. Buchanan seconded the motion, and Buchanan, Green, Joyce, Duncan, Clark and Barto voted in favor of the motion. The meeting was adjourned at 7:19 p.m.


Secretary of the Board


Chairman of the Board

