

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, September 27, 2022
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

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

Absent:

Others: CEO, Denise Webber, Dan Brown, DO, Dr. Malinda Webb, Alan Lovelace, Liz Michael, Kayla Isaacs, Chris Roark, Joe Akin, Michal Shaw, Courtney Kozikuski, Brian Grace, Tony Hendrix, Butch Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Lowell Barto, called the meeting to order at 5:31 p.m.

APPROVAL OF MINUTES

Haney moved the Board approve the minutes of the August 23, 2022, Board of Trustees meeting, the July 20, 2022, Finance Committee minutes, August 17, 2022, Finance Committee minutes and the July 27, 2022, Medical Staff Integration Committee minutes as presented. Buchanan seconded the motion and Duncan, Buchanan, Haney, Barto, Joyce and Clark voted in favor of the motion. Dr. Green had not yet arrived.

APPROVAL OF PURCHASE OF ANESTHESIA MACHINES

Tony Hendrix, CRNA, shared the need to purchase eight anesthesia machines to be used in the new surgery and women's center expansion. Draeger equipment is used in the MCHU, Cath Lab and throughout our facilities. Using the same equipment throughout allows for greater patient safety and purchasing Draeger will allow us to use our current vaporizers.

Duncan made a motion to approve the purchase of eight anesthesia machines from Draeger for a total cost of \$518,675.94. Haney seconded the motion, and Duncan, Haney, Buchanan, Barto, Clark and Joyce voted in favor of the motion. Dr. Green had not yet arrived.

BOARD EDUCATION: ELECTRONIC HEALTH RECORD

Chris Roark, CIO, gave an overview of a company being considered to provide an electronic health record that could be used across the system.

BALANCED SCORECARD REPORT

CEO, Denise Webber shared the scorecard performance in detail with the members. The Emergency Department scores are improving. The physician survey has gone out, and results will be known in the next couple of months.

REPORTS FROM OFFICERS

AUGUST 2022 FINANCIAL REPORT/SEPTEMBER FINANCE COMMITTEE REPORT

Lovelace gave a PowerPoint presentation of the summary of operations for August 2022. Admissions, including rehab, were 411 above budget of 402 and below last year of 431. Average Daily Census, including rehab, was 48, below a budget of 63 and last year of 63.

Surgeries were 500 for the month, below budget of 529 and above last year of 413. Surgeries at the Surgery Center West were 635 for the month, above a budget of 579 and above last year of 573.

Emergency room visits were 2,776 above budget of 2,475 and below last year of 3,072. Outpatient visits, not including ER visits, were 14,435 above budget of 13,750 and below last year of 16,363. Births were 62 for the month, below budget of 65 and last year at 81.

Financial assistance was \$674,000 for the month. Salaries and Wages were at \$11.44M, below budget of \$11.5M and above last year of \$11.0M. FTE's were 1,604 below budget of 1,707 and above last year of 1,601. Benefits were \$2.5M below budget of \$2.6M and above last year of \$2.4M.

Operating Income Consolidated is (\$874,000), below budget of \$1.3M and last year of \$2.2M. Operating Income for the Hospitals is (\$998,000) below last year of \$2.6M. Operating Income for Stillwater Medical was (\$67,000). Operating Income for Stillwater Medical Perry was (\$445,000). Operating Income for Stillwater Medical Blackwell was (\$486,000). Operating Income for the Clinics is \$124,000 above last year of (\$357,000).

Operating Income for the Hospitals year to date is (\$2M) compared to a budget of \$12.2M. Operating Income for the Clinics year to date is (\$4.4M) compared to a budget of (\$2.7M) and last year of (\$2.3M). Operating Margin for the Hospitals is -1.3% compared to a budget of 7.2%. Operating Margin for the Clinics is -6.8% compared to a budget of -4.2% and last year -3.9%.

YTD Operating Margin Consolidated is -3.0%, compared to a budget of 4.1% and last year of 5.1%. YTD Non-Operating Revenue is (\$13.5M), below budget of \$3.2M and last year at \$8M. YTD Net Income Consolidated is (\$19.9M), below budget of \$12.8M and last year of \$19M.

The BancFirst investment account decreased to \$86.2M. The Arvest investment account decreased to \$8.57M. The Commerce investment account decreased to \$13.7M. Consolidated Investments is \$108,550M.

Days in Accounts Receivable is 40 days. Days Cash on Hand is 177 days. Cash on hand is \$146.6M compared to \$151.1M at year end 2021.

A YTD Operating Income Summary vs Budget was shared with members showing a loss of (\$6.4M) year to date. Members of the Board and Administration discussed the financial challenges of this time and the various strategies underway to improve financial performance.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. An investment portfolio update was given by Commerce. The Committee recommended approval of the purchase of anesthesia machines and the OR Integration System.

Clark made a motion to accept the August 2022 Financial Report and September Finance Committee Report as presented. Buchanan seconded the motion, and Clark, Barto, Joyce, Haney, Buchanan, Green and Duncan voted in favor of the motion.

APPROVAL OF PURCHASE OF OR INTEGRATION SYSTEM

Doug Blessen, Assistant Administrator, Surgical Services, shared two videos showing the benefits of the OR Integration system. He explained the needs of the various specialists, the equipment needed and how they integrate into the system. The Storz system is requested for system integration at a cost of \$2,215,053.58 along with the addition of Arthrex equipment at \$386,211.94. This would provide the latest technology for the new surgery expansion.

Haney made a motion to approve the purchase of the OR Integration System and Arthrex equipment as presented at a total cost of \$2,601,265.52. Clark seconded the motion, Joyce, Barto, Clark, Haney, Buchanan, Green and Duncan 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.

Clark noted two corrections needed in the Advance Directives policy: in the paragraph red-lined, "Chapter" 3101.14 should read "Section" 3101.14. In the following paragraph, "Chapter 3131.1" should read "Chapter 61A."

Haney moved the Board approve Consent Agenda items A and B with the correction stated above. Clark seconded the motion and Haney, Buchanan, Duncan, Barto, Clark, Joyce and Green voted in favor of the motion.

Haney moved the Board approve the Credentialing Actions presented. Duncan seconded the motion and Green, Joyce, Clark, Barto, Duncan, Buchanan and Haney 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 C and D as presented. Haney seconded the motion and Green, Barto, Duncan, Buchanan, Clark, Joyce and Haney voted in favor of the motion.

CEO REPORT

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

OU TRAUMA AWARD

Dr. Cara Pence and Dr. Christopher Goff recently received the Trauma Champion Award by OU Health. Their awards are usually given to only OU physicians, but this year Drs. Pence and Goff were included for their exemplary efforts to save a life transferred from our facility.

GREAT 100 NURSES CELEBRATION OF OKLAHOMA

Four of Stillwater Medical's phenomenal nurses were recognized as part of the "Great 100 Oklahoma Nurses Foundation for 2022": *Chelsea Engle, Dennise Foster, Corki Damron and Cara Hargrove*. These exemplary Nurses were selected based on their concern for humanity, their contributions to the profession of Nursing, and their mentoring of others.

SEPTEMBER 2022 EMPLOYEE OF THE MONTH - TAMMY BRO

Tammy Bro was nominated by her peers as Employee of the Month. Her coworkers said, "Tammy is an amazing nurse, coworker and person, and is a tremendous asset." Congratulations to Tammy!

CHAMPIONSHIP TAILGATE - CELEBRATING OUR AWARD-WINNING TEAM

In appreciation of our team and recognition of their recent accomplishments such as Best Places to Work, 5 Stars by CMS, and Newsweek's Best Hospitals List, we hosted a Championship Tailgate party on September 8th. It was a great event, well received by all of our staff.

EMPLOYEE FORUMS

Employee Forums were held over three weeks in late August with over 800 in attendance. We let them know about the many wonderful things

happening as well as an in-depth conversation around how we are doing financially.

DAY OF CARING – UNITED WE THRIVE

SMC had over 30 volunteers for the United Way Day of Caring. One group was assigned to help a mobile meals customer. It was a rewarding day for all involved.

LEADERSHIP DEVELOPMENT INSTITUTE

Our most recent LDI took place on September 1st. Training centered around having difficult conversations so we can hold each other accountable in our efforts to achieve top decile performance. Huron speaker, Pam Beitlich, did a great job teaching on this subject.

FOUNDATION GOLF TOURNAMENT

On September 16, the 25th Annual Tin Cup Classic took place at Stillwater Country Club. It was a banner year with 40 teams and nearly 160 golfers, and our highest gross revenue to date - \$73,000!

JEFF CORBETT – EXPANDS ROLE TO INCLUDE VOLUNTEER COORDINATOR

Volunteer Coordinator, Lisa Eckels, recently retired. It was decided to move volunteer responsibilities to the Foundation. The Foundation's Director of Operations & Programs, Jeffery Corbett, will be promoted to Senior Director of Volunteer Engagement & Foundation Programs, effective October 1. Operational and financial responsibilities will be transferred from Jeffery to other members of the Foundation team.

CANDLELIGHT VIGIL

Grady Lambert's heart for adventure and compassion for helping others led him to begin a run across the country as a way to raise awareness for healthcare workers. While running near Amarillo, he was struck by a vehicle and later passed away. At the request of Grady's parents, a scholarship has been established at the Foundation in his name. To date, family and friends have donated more than \$30,000 to honor Grady's life and mission. Our hearts go out to the Lambert family.

CONSTRUCTION UPDATE

Webber updated the members on the many construction projects underway.

LEGISLATIVE UPDATE

OHA/AHA Report: Hospitals face worst year financially since start of COVID-19 pandemic

As labor shortages and inflation drive up expenses, U.S. hospitals and health systems this year face the worst financial crisis since the COVID-19 pandemic began, according to a report prepared for the American Hospital Association by Kaufman Hall. The analysis and a full report can be found at <https://bit.ly/3Lkm8kY>.

NEW BUSINESS

None

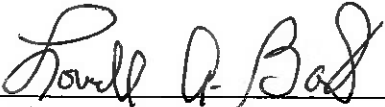
OTHER BUSINESS

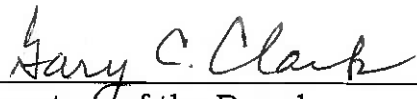
Prior to the meeting, Board members reviewed the following Medical Staff meeting minutes:

<i>Stillwater Medical Center</i>	<i>Medical Executive Committee</i>	<i>8/10/2022</i>
	<i>Peer Review Committee</i>	<i>8/10/2022</i>
	<i>Infection Control Committee</i>	<i>8/10/2022</i>
	<i>Medicine Section</i>	<i>8/11/2022</i>
	<i>Surgery/Anesthesia Section</i>	<i>8/18/2022</i>
	<i>E-Medical Records Committee</i>	<i>8/26/2022</i>
<i>Stillwater Medical Perry:</i>	<i>Medical Executive Committee</i>	<i>8/17/2022</i>
	<i>1st Quarter Safety Meeting</i>	<i>8/30/2022</i>
<i>Stillwater Medical Blackwell:</i>	<i>Medical Staff Committee</i>	<i>9/20/2022</i>

ADJOURN

There being no further business, Buchanan moved that the meeting be adjourned. Duncan seconded the motion, and Buchanan, Green, Haney, Duncan, Clark, Joyce and Barto voted in favor of the motion. The meeting was adjourned at 7:02 p.m.


Chairman of the Board


Secretary of the Board