

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, August 23, 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, Steven Cummings, MD, Alan Lovelace, Liz Michael, Steven Taylor, Kayla Isaacs, Shyla Eggers, Michal Shaw, Joe Ogle, Brian Grace, 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 June 28, 2022, Board of Trustees meeting, the June 15, 2022, Finance Committee minutes and the June 14, 2022, Facilities Committee minutes as presented. Buchanan seconded the motion and Barto, Duncan, Buchanan, Haney, Green, Joyce and Clark voted in favor of the motion.

BOARD EDUCATION: SPINE PROGRAM AND ROSA ROBOT

Joe Ogle, Director of OrthoOK, gave an overview of the Spine Program and Rosa Robot. He shared the surgical options SMC offers for spine treatment. The addition of spine surgery in Stillwater has been a great asset for our patients in our area. He also shared how the Rosa Robot is instrumental in total knee replacement which benefits our patients and physicians. With material advancements and the precision of the robot, we aim to extend the life of a knee replacement past 20 years.

BALANCED SCORECARD REPORT

CEO, Denise Webber shared the scorecard performance in detail with the members. Our Emergency Department team has been focusing on specific culture tactics and we are seeing significant positive changes.

REPORTS FROM OFFICERS

JULY 2022 FINANCIAL REPORT/JULY/AUGUST FINANCE COMMITTEE REPORT

Lovelace gave a PowerPoint presentation of the summary of operations for July 2022. Admissions, including rehab, were 395 below budget of 402 and

last year of 434. Average Daily Census, including rehab, was 48, below a budget of 63 and last year of 55.

Surgeries were 388 for the month, below budget of 529 and last year of 441. Surgeries at the Surgery Center West were 495 for the month, below a budget of 580 and above last year of 352.

Emergency room visits were 2,604 above budget of 2,475 and below last year of 2,860. Outpatient visits, not including ER visits, were 12,044 below budget of 13,750 and last year of 13,766. Births were 75 for the month.

Financial assistance was \$1M for the month. Salaries and Wages were at \$11.46M, in line with budget of \$11.5M. FTE's were 1,593 below budget of 1,707. Benefits were \$2.37M, below budget of \$2.66M.

Operating Income Consolidated is (\$2.71M), below budget of \$1.2M and last year of \$2.8M. Operating Income for the Hospitals is (\$1.5M) compared to a budget of \$1.5M and last year of \$2.8M.

Operating Income for Stillwater Medical in the month of July is (\$1.1M) below budget of \$1.6M and last year of \$2.7M. Operating Income for Stillwater Medical Perry is (\$113,000). Operating Income for Stillwater Medical Blackwell is (\$289,000). Operating Income for the Clinics was (\$1.1M) compared to a budget of (\$353,000).

YTD Operating Margin Consolidated is -3.0%, compared to a budget of 4.1% and last year of 4.5%. YTD Non-Operating Revenue is (\$9.6M), below budget of \$2.8M and last year at \$6.9M. YTD Net Income is (\$18.2M), below budget of \$11M and last year of \$15.7M.

The BancFirst investment account increased to \$89M. The Arvest investment account increased to \$8.8M. The Commerce investment account increased to \$14.1M.

Days in Accounts Receivable is 40 days. Days Cash on Hand is 184 days. Cash on hand is \$152M compared to \$151.1M at year end 2021.

Lovelace included three additional slides. Operating Income Summary showed actual loss of (\$5.596M) through July. He also shared Cash Collection and Expenses and Operating Income change from 2019 to 2022A.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. They met in July and August. A portfolio update was given by Arvest. The members interviewed the Discovery Healthcare Consulting Group (DHC) and proposed changing to their auditing firm. The Committee recommended approval of the NMTC for IT equipment purchase and Level II NICU. Webber shared that many efforts are underway to make the changes necessary to help reduce expenses.

JULY 2022 MEDICAL STAFF INTEGRATION COMMITTEE REPORT

Joe Ogle updated the members on the items discussed at the July Medical Staff Integration Committee meeting. He noted that we are working to bring in a new Family Practice and a new OB/Gyn physician.

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

DISCUSSION AND POSSIBLE APPROVAL OF AUDIT FIRM

Alan Lovelace shared that the auditing firm, Discovery Healthcare Consulting Group attended the Finance Committee meeting. He shared reasons discussed for switching to a different auditing firm for the 2022 audit and cost report. The Finance Committee recommended changing to DHCG for auditing services.

Haney made a motion to approve changing auditors to Discovery Healthcare Consulting Group as presented. Clark seconded the motion, Duncan, Haney, Buchanan, Barto, Green, Clark and Joyce voted in favor of the motion.

SEMI-ANNUAL CONFLICT OF INTEREST STATEMENT

The Conflict-of-Interest statement is completed every six months and filed with the Secretary of State. Signatures were secured from the Board members present. No action was required.

STILLWATER MEDICAL FOUNDATION MID-YEAR REPORT

Michal Shaw, Executive Director, gave a positive report to the members, sharing the many events accomplished this year and the financial impact made. She noted that they are three-quarters of their way to the 2022 goal of \$1M.

APPROVAL OF NMTC FOR IT PURCHASE

Brian Grace, IT Director, shared the critical needs for the equipment which included business continuity, expansion of our current data center, hardware to keep up with growth, added protection of data and replacement of aging equipment. The total project cost is \$1,709,064.18. \$1.5M will be covered by the NMTC with an additional \$226,502.24 cost.

Haney made a motion to approve the IT equipment purchase as presented. Buchanan seconded the motion, and Clark, Green, Buchanan, Barto, Haney and Duncan voted in favor of the motion. Mayor Joyce abstained.

APPROVAL OF LEVEL II NICU PROJECT

Steven Taylor presented the GMP from Flintco and a proforma for a Level II NICU. Children's Hospital does not have enough beds for the number of babies needing critical care and reach out to us about adding a unit here. OU will provide neonate nurse practitioners onsite 24/7 and tele-neonatologists. This project would be constructed upon the completion of the new women's health unit in the current MCHU space. The total square footage is 8,500 which will add 12 NICU beds. The total project cost is \$2,105,677.

Clark made a motion to approve the Level II NICU project as presented. Haney seconded the motion, and Barto, Clark, Joyce, Buchanan, Haney, Green and Duncan voted in favor of the motion.

CONSENT AGENDA

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

Steven Taylor updated the Board members on the Consent Agenda items for Stillwater Medical Perry and Stillwater Medical Blackwell. He noted that the credentialing items listed on the agenda are requested for Perry. All actions listed on the consent agenda were approved through our Medical Staff Committees.

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

CEO REPORT

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

STILLWATER MEDICAL TEAM, 2022 AWARD WINNER – OKLAHOMA HOSPITAL TOBACCO CESSATION CHAMPION OF HEALTH – GREATEST GROWTH IN HELPLINE REFERRALS

Webber congratulated the team for achieving the award of reducing Oklahoma's leading cause of preventable death, tobacco use and related illness.

DR. JAWAD TRAD RECEIVES U.S. PATENT FOR HEART FAILURE DEVICE

Dr. Trad received a patent for his device that monitors increases and decreases of fluid retention in patients with various clinical conditions such as heart and renal failure pre-operation and post operation.

DR. MARY CLARKE RECEIVES 2022 FRIEND OF EDUCATION AWARD

Dr. Mary Clarke, who has been a strong proponent of strengthening the response to COVID-19 across the state, is being honored by the Oklahoma Education Association (OEA) with the 2022 Friend of Education Award.

JOE OGLE, PHYSICIAN RECRUITMENT MEDICAL STAFF RECRUITMENT UPDATE

Joe Ogle was selected as our new Physician Recruiter. He has served as Director and physical therapist at OrthoOK. He will continue his role as Director and replace his time in physical therapy with his new role as Physician Recruiter. We are so fortunate to have him serving in this new role!

NEONATAL SIMULATOR

The Stillwater Medical Foundation purchased the SuperTory Neonatal Simulator. This extremely lifelike baby will elevate how nurses train for almost any scenario in the first moments of life. As we prepare for the Level II NICU to open at Stillwater Medical, the new simulator will give us invaluable life like educational opportunities.

AUGUST 2022 EMPLOYEE OF THE MONTH – SHERRY STOUT

Sherry Stout was nominated by her peers as August Employee of the Month. Her coworkers said, "Sherry has an awesome attitude, the patience of a saint and a heart of gold."

RESIDENCY UPDATE

The outpatient Internal Resident Clinic is now open and accepting patients. All residents will be working alongside an attending physician.

FOUNDATION DONOR APPRECIATION AND SCHOLARS/FELLOW RECOGNITION DINNER

On August 4, the Foundation celebrated the generous spirit of Stillwater Medical donors, and the lives impacted by their gifts. It was a great event.

CONSTRUCTION UPDATE

A construction updated was shared with the members.

LEGISLATIVE UPDATE

Webber shared an update on the legislative issues in our state and nation.

WEBBER SELECTED AHA'S 2022 OKLAHOMA GRASSROOTS CHAMPION

Chairman Barto congratulated Denise Webber as she was selected 2022 Oklahoma Grassroots Champion by the American Hospital Association (AHA). She has been very active in the advocacy efforts of the OHA, working to advance important initiatives to strengthen the provision of health care in Oklahoma.

Webber shared patient compliments and area announcements.

OTHER BUSINESS

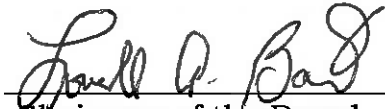
Prior to the meeting, Board members reviewed the following Medical Staff meeting minutes:

<i>Stillwater Medical Perry:</i>	<i>Medical Staff Minutes</i>	<i>7/19/2022</i>
	<i>Medical Staff Minutes</i>	<i>8/16/2022</i>
	<i>Performance Improvement</i>	<i>8/17/2022</i>

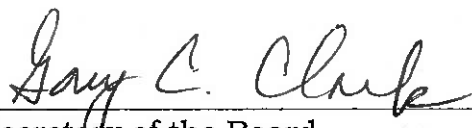
<i>Stillwater Medical Blackwell:</i>	<i>Medical Executive Committee</i>	<i>6/15/2022</i>
	<i>Patient Safety/Quality</i>	<i>7/13/2022</i>
	<i>Patient Safety Quality</i>	<i>8/10/2022</i>
	<i>Infection Control/Employee Health</i>	<i>8/2/2022</i>

ADJOURN

There being no further business, Duncan moved that the meeting be adjourned. Buchanan seconded the motion, and Buchanan, Green, Haney, Duncan, Clark, Joyce and Barto voted in favor of the motion. The meeting was adjourned at 7:06 p.m.



Chairman of the Board



Secretary of the Board