

**STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Regular Meeting, April 25, 2023
Stillwater Medical Center Honska Conference Center
5:30 p.m.**

Present: Lowell Barto, Dan Duncan, Beth Buchanan, Dr. Todd Green and Joe Haney

Absent: Mayor Will Joyce and Gary Clark

Others: CFO, Alan Lovelace, Dr. Dan Brown, Dr. Malinda Webb, Dr. Steven Cummings, Steven Taylor, Liz Michael, Michal Shaw, Tamie Young, Shyla Eggers, Joe Ogle, Brian Grace, Kathy Dagnon, Butch Koemel (attorney) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Lowell Barto, called the meeting to order at 5:32 p.m.

APPROVAL OF MINUTES

Duncan made a motion to approve the March 28, 2023, Board of Trustees minutes, March 15, 2023, Finance Committee minutes and March 22, 2023, Medical Staff Integration Committee minutes as presented. Haney seconded the motion and Green, Buchanan, Barto, Haney and Duncan voted in favor of the motion.

STRATEGIC PERFORMANCE SCORECARD

Lovelace shared current scores in each category with the members.

ACCEPTANCE OF REPORTS FROM OFFICERS

MARCH 2023 FINANCIAL REPORT/APRIL FINANCE COMMITTEE REPORT

Lovelace provided a PowerPoint handout of the summary of operations for March 2023. Admissions, including rehab, were 387 below budget of 415, and last year of 389. Average Daily Census, including rehab was 50, compared to a budget of 50 and last year of 50.

Surgeries were 431 for the month, below budget of 603 and last year of 438. Surgeries at the Surgery Center West were 817 for the month, above a budget of 553 and last year of 604.

Emergency room visits were 2,572 above budget of 2,486 and last year of 2,440. Outpatient visits, not including ER visits, were 14,893 above budget of 12,365 and below last year of 14,966. Births were 65 for the month, compared to a budget of 65 and last year at 80.

Financial assistance was \$601,000 for the month. Salaries and Wages were at \$11.1M, below budget of \$11.9M and last year of \$11.4M. FTE's were 1,532 below budget of 1,579 and last year of 1,587. Benefits were \$2.6 below budget of \$2.9M and above last year of \$2.4M.

Operating Income Consolidated is \$696,000, below last year of \$1.1M. Operating Income for the Hospitals is \$930,000, below last year of \$1.9. Operating Income for Stillwater Medical is \$1.2M, below last year of \$1.8M. Operating Income for Stillwater Medical Perry is (\$278,000) below a budget last year of \$115,000. Operating Income for Stillwater Medical Blackwell is (\$11,000), below last year of \$75,000. Operating Income for the Clinics is (\$235,000) compared to last year of (\$807,000).

Operating Income for the Hospitals year to date is \$1.6M compared to last year of \$3.1M. Operating Income for the Clinics year to date is (\$2.3M) compared to last year of (\$1.9M). Operating Margin for the Hospitals is 2.98% compared to last year of 1.4%. Operating Margin for the Clinics is -8.8% compared to last year -8.0%.

YTD Operating Margin Consolidated is -0.8%, compared to a budget of -2.1% and last year of 1.4%. YTD Non-Operating Revenue is \$4.7M, above last year at (\$4.8M). YTD Net Income Consolidated is 4.0M, above budget of (\$1.7M) and last year of (\$3.6M).

The BancFirst investment account increased to \$89.2M and year to date is 4.44%. The Arvest investment account increased to \$8.8M and year to date is 4.09%. The Commerce investment account increased to \$14.1M and year to date is 4.38%. Consolidated Investments for March is \$112.1M.

Days in Accounts Receivable is 35 days. Days Cash on Hand is 158 days. Cash on hand is \$133.2M compared to \$140M at year end 2022.

A YTD Operating Income Summary vs Budget was provided.

Lovelace shared that the Finance Committee reviewed the financials and summary of clinic operations. Arvest Bank presented SMC's investment portfolio update. The main campus roof replacement and Cancer Center change order request were recommended for Board approval. A status report was given to the members regarding BCBS.

APRIL FACILITIES COMMITTEE REPORT

Steven Taylor updated the members on the April Facilities Committee meeting. He noted that the Surgery project Open House is scheduled for tomorrow. We will start moving in over the next few weeks. Once the Surgery Center West inspection is complete this week, we will start using the third OR. The main roof replacement and change order were recommended for approval.

Buchanan made a motion to accept the March 2023 Financial Report, April Finance Committee Report and April Facilities Committee report as presented. Haney seconded the motion, and Buchanan, Green, Duncan, Haney and Barto voted in favor of the motion.

APPROVAL OF MAIN CAMPUS ROOF REPLACEMENT

Steven Taylor shared bid information for replacement of the main campus roof. Five bids were received. The bid request asked for additional unit pricing for unforeseen issues discovered once the old roof is removed. Aduddell was the lowest bidder on the roof replacement; however, was the highest on repair of the items that are unforeseen. Due to consideration of this factor, the Facilities Committee recommended Standard Roofing as the bid of choice at \$1,338,166.

Haney made a motion to approve the main campus roof replacement by Standard Roofing at a total cost of \$1,338,166. Green seconded the motion, and Buchanan, Duncan, Haney, Green and Barto voted in favor of the motion.

APPROVAL OF CANCER CENTER/MR LINAC CONSTRUCTION PROJECT CHANGE ORDER REQUEST

Steven Taylor shared details concerning the updated change order from Manhattan. The original request was approx. \$3M, reduced to approx. \$1.2M. The delays of 120 to 145 days in receiving the equipment have extended the scheduled days. The completion date has been extended from August to December. \$1.1M of the request is electrical/mechanical due to extending the scheduled days. The requested amount is \$1,283,858.

Duncan made a motion to approve the Cancer Center MR Linac construction project change order in the amount of \$1,283,858. Haney seconded the motion, and Barto, Haney, Duncan, Green and Buchanan 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.

Haney moved the Board approve Consent Agenda policies and procedures for Stillwater Medical Health System and Stillwater Medical Center. Buchanan seconded the motion and Haney, Buchanan, Barto, Green and Duncan 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. All actions listed on the consent agenda were approved through our Medical Staff Committees.

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

CEO REPORT

CFO, Alan Lovelace shared the following report with the members as Webber was attending the American Hospital Association annual meeting:

SMC RECEIVES HEALTHGRADES 2023 OUTSTANDING PATIENT EXPERIENCE AWARD

We were so honored to learn that our Stillwater Medical team has earned the HealthGrades 2023 Outstanding Patient Experience Award! This places Stillwater Medical in the top 15% of hospitals in the nation for outstanding patient experience for 10 years in a row (2014-2023)! Top 5% in the Nation for Outstanding Patient Experience for 2 Years in a Row (2022-2023); Orthopedics - Five-Star Recipient for Total Knee Replacement in 2023 - Five-Star Recipient for Hip Fracture Treatment for 2 Years in a Row (2022-2023) - Gastrointestinal - Five-Star Recipient for Gallbladder Removal Surgery for 2 Years in a Row (2022-2023)

APRIL EMPLOYEE OF THE MONTH, LESLIE CALDWELL SCHMIDT

Leslie Caldwell Schmidt was nominated by her peers as our April Employee of the Month. Her coworkers said, "Leslie demonstrates tremendous commitment to co-workers, and we are so fortunate to have her as teammate!" We appreciate Leslie for all she does.

KATIE BALES, RN, RECEIVES MARCH DAISY AWARD

Katie Bales received our Quarter 1 DAISY Award! Katie provides care in SMC's Dorothy Blackwell Wound Care clinic.

DR. MARY CLARKE RECEIVES THE ED CALHOON LEADERSHIP IN MEDICINE AWARD

On April 14th, Dr. Clarke received the Ed Calhoon Leadership in Medicine award at the OSMA Presidential inauguration and Awards Ceremony.

EMPLOYEE ANNIVERSARY AWARDS BANQUET

The 2023 Employee Anniversary Awards banquet was held on April 18th and was a great success. Every year, employees who have reached 5-year increments of employment have the opportunity to attend the banquet.

DOCTORS DAY CELEBRATED!

The physicians and providers were treated to breakfast on March 30th in the Physician Lounge to celebrate Doctor's Day. A great time was had by all who attended.

DR. MATTHEW PAYNE NAMED CHIEF OF STAFF

Dr. Matthew Payne is the incoming Chief of Staff serving June 2023 through June 2025.

NEW LOOK AT THE FRONT ENTRANCE!

The round front desk has been updated and moved to create a more open flow for our patients, it is brighter, more inviting and open. We've received several compliments noting the positive improvement.

STILLWATER MEDICAL PERRY NAMED FIRST RURAL EMERGENCY HOSPITAL IN OKLAHOMA

On April 1, Stillwater Medical Perry became the first Rural Emergency Hospital (REH) in the state. Stillwater Medical Perry submitted their application to become an REH in January 2023 and received their official license from the Oklahoma State Department of Health on March 24.

DAUGHTERS OF THE AMERICAN REVOLUTION

Webber attended and gave a presentation to the Daughters of the American Revolution (DAR) local chapter last month. It was a great opportunity to let them know about the many aspects of the soon coming Women's Center.

ENA ENGAGE!!! (EMERGENCY NURSES ASSOCIATION)

On April 12-13, a team from the Emergency Nurses Association came on-site to perform an assessment of our Stillwater Medical Center Emergency Room. They focused on patient throughput, nurse competencies, teamwork, and turnover. We are awaiting their final report.

CONSTRUCTION UPDATE

Lovelace gave an update on the many construction projects underway. He shared that he was a test patient in the new MR-Linac and was impressed with the clarity of the images and the state-of-the-art technology, which will make a huge difference in cancer treatment for our patients.

INDUSTRY UPDATE

Our staff was pleased to learn that OSU announced the creation of a four-year nursing degree program. This program is vitally needed. They will start with 50 students and plan to grow to 150. They have had great interest already.

PATIENT COMPLIMENTS AND AREA ANNOUNCEMENTS

Patient compliments, upcoming events and area announcements were shared.

EXECUTIVE SESSION

Duncan 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. Haney seconded the

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

Those present in Executive Session included: Board members, Barto, Buchanan, Duncan, Green, Haney and Webb (Medical Staff Liaison) as well as Alan Lovelace/CFO, Steven Taylor (CAO), Butch Koemel (attorney) and Cheryl Marshall, Executive Assistant.

Duncan moved the Board return to Open Session. Haney seconded the motion and Green, Barto, Buchanan, 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>3-8-2023</i>
<i>Peer Review Committee</i>	<i>3/7/2023</i>
<i>Cancer Committee</i>	<i>1/19/2023</i>
<i>Surgery/Anesthesia Section</i>	<i>3/9/2023</i>
<i>ED Section</i>	<i>3/8/2023</i>
<i>OB Section</i>	<i>4/6/2023</i>

Stillwater Medical Perry:

<i>Medical Executive Committee</i>	<i>4/18/2023</i>
<i>Performance Improvement Committee</i>	<i>4/20/2023</i>
<i>Utilization Review Committee</i>	<i>4/20/2023</i>

Stillwater Medical Blackwell:

<i>Medical Executive Committee</i>	<i>3/15/2023</i>
<i>Patient Safety & Quality</i>	<i>4/11/2023</i>

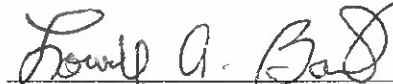
NEW BUSINESS

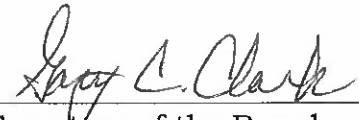
None.

ADJOURN

There being no further business, Haney moved that the meeting be adjourned. Buchanan seconded the motion, and Green, Duncan, Barto, Buchanan and Haney voted in favor of the motion. The meeting was adjourned at 6:38 p.m.

A tour of the new surgery area was offered to all in attendance.


Chairman of the Board


Secretary of the Board