

STILLWATER MEDICAL CENTER AUTHORITY
BOARD OF TRUSTEES
Special Meeting, January 17, 2023
Stillwater Medical Center Honska Conference Center
5:30 p.m.

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

Absent: Mayor Joyce

Others: CEO, Denise Webber, CFO, Alan Lovelace, Roni White (attorney), Maggie Martin (Crowe & Dunlevy), Joe Akin, Brian Grace, Billy Treadwell, Valerie Bloodgood, Brant Cale, Kaylee Cale (community members) and Cheryl Marshall (minutes)

CALL TO ORDER

Chairman, Lowell Barto, called the meeting to order at 5:30 p.m. Notice of this special meeting was posted with the City of Stillwater City Clerk's office more than 48 hours (excluding weekends and holidays) prior to this meeting. The agenda was posted 24 hours prior to this meeting.

BLUECROSS BLUESHIELD OF OKLAHOMA UPDATE AND INFORMATION

Denise Webber and Alan Lovelace shared a detailed presentation with the Board. They shared that Stillwater Medical's mission is to provide exceptional patient care in a financially sound manner. We are committed to excellence to our community and strive to provide the highest quality of healthcare as well as providing as many healthcare services as possible in Stillwater, so our community does not have to travel far when needing healthcare.

Lovelace noted that our labor and supply costs have increased significantly. Hospital staff worked together to decreased expenses by \$7M, yet the Hospital's loss was still \$6.74M in 2022. Across the US, 30% of all rural hospitals are at risk of closing due to financial losses and inadequate reimbursement to cover expenses. Oklahoma hospitals are struggling. 75% of Oklahoma hospitals had a negative operating margin in 2022. Integris announced that they will layoff 200 employees; OU 100. We ask that our commercial payers keep pace with increased costs and have worked to negotiate a contract with BlueCross Blue Shield since August 2022. It is our desire to continue negotiations in hopes to reach an agreement that is beneficial to our community.

Lovelace shared that as hospitals in Oklahoma and nation-wide struggle financially, health insurance companies are seeing record profits. Hospitals

around the nation, in particular more rural hospitals will close, decreasing access to vital health care for patients.

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

Those present in Executive Session included: Board members, Barto, Buchanan, Clark, Duncan, Haney, and Green as well as Denise Webber, CEO, Alan Lovelace, CFO; Roni White, attorney, Maggie Martin (attorney) and Cheryl Marshall, Executive Assistant.

Clark moved the Board return to Open Session. Haney seconded the motion and Clark, Buchanan, Green, Barto, Haney 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.

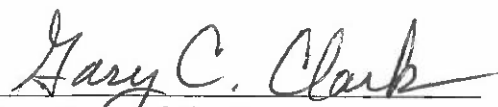
DISCUSSION AND POSSIBLE ACTION TO APPROVE OR MODIFY RESOLUTION NO. 2023-01 REGARDING THE AGREEMENT BETWEEN STILLWATER MEDICAL CENTER AUTHORITY AND BLUECROSS BLUESHIELD OF OKLAHOMA

Chairman Barto read the most recent draft of the resolution.

Clark made a motion to include "effective *not later than* midnight on April 30, 2023" and approve Resolution 2023-01. Haney seconded the motion and Clark, Barto, Green, Duncan, Buchanan and Haney voted in favor of the motion.

ADJOURN

There being no further business, Duncan moved that the meeting be adjourned. Clark seconded the motion, and Haney, Buchanan, Green, Duncan, Clark and Barto voted in favor of the motion. The meeting was adjourned at 7:22 p.m.


Secretary of the Board


Chairman of the Board