



OSU Medical Authority Minutes

OSU Medical Authority and Trust

6/26/2025 1:15 PMCDT

@ OSU-CHS, North Hall 4th Floor Boardroom, 1111 W. 17th St, Tulsa

Notice of the meeting was given in writing to the Oklahoma Secretary of State more than forty-eight (48) hours prior to the meeting, and the agenda of this meeting was posted at all entrances of Oklahoma State University Center for Health Sciences, 1111 West 17th Street; twenty-four (24) hours prior to such meeting, excluding Saturdays, Sundays, and legal holidays, in compliance with the Oklahoma Open Meeting Act.

Attendance

Present:

Members: Ellen Buettner, Jay Helm, Michael Herndon, Brett Lessley (remote), Barry Steichen, Johnny Stephens, Billy Taylor

Guests: Eric Atkinson, Damon Baker, Adam Bradley, Melissa Cox, Deborah Dage, Mike Fields, Karlee Gholson, Akhil Govin, Amanda Hardt, Finny Mathew, Eric Polak, Jessica Russell, Bill Schloss, Terri Tinkler

- I. Call to order and establishment of a quorum (Presenters: Jay Helm)

The meeting was called to order by Chairman Jay Helm at 1:28 PM. After a roll call, Jay Helm declared that a quorum of the Oklahoma State University Medical Authority was present for the meeting.

- II. Discussion, consideration, and possible vote on the approval of minutes of the March 27, 2025, meeting (Presenters: Jay Helm)

 [Draft-OSU Medical Authority Minutes 3.27.2025 .pdf](#)

Motion:

Motion to approve the minutes of the March 27, 2025, meeting.

Motion moved by Barry Steichen and motion seconded by Michael Herndon. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

- III. Acknowledgement of the appointment of Mr. Brett Lessley to the OSU Medical Authority Board (Presenters: Jay Helm)

Mr. Lessley was appointed on June 5, 2025, by the President Pro Tempore of the Oklahoma Senate, Lonnie Paxton, pursuant to Title 63 O.S. Section 3275(B)(2). He was appointed to fulfill the remainder of the unexpired term that ends May 3, 2026. This position was previously held by Mr. Doug Evans.

 [25OSUMALessley.pdf](#)

Jay Helm welcomed Brett to the board.

IV. CEO's Report

A. Financial Report

1. YTD May 31, 2025 SRD (Presenters: Eric Polak)

 [OSUMA FY 2025 SRD YTD 5.31.25.pdf](#)

Eric Polak gave a summary of FY25 revenue and disbursements. He also gave an update on the ARPA funds rolling forward and explained how the funds travel for the Legacy Capital Funds.

The 195 fund is largely on track with budget except for savings in administrative costs and no repayment yet on the Legacy Capital Fund.

- OCIA by law can't invoice for LCF repayment until 2 months after we make our 1st draw, and we can't make our 1st draw until we have the contracts in place to demonstrate the need for that funding. We have been spending the ARPA money first. When the Trust receives bids and makes the final selection of alternates, our CMAR can provide an updated draw schedule that can be presented to OCIA to begin making draws on the \$30 million.
- The repayment comes from appropriated dollars and the term is 20 years at 0% interest.
- Barry Steichen noted a conversation with the AG and how we fulfilled the engagement.

ARPA funds from the legislature for the advanced care for rural Oklahoma grant were reduced by the legislative ARPA committee. That's a program grant that was sub awarded to the University, and the University had originally programmed the expenditures of that grant to run through December of 2026 to coincide with the original performance period of the award. The legislature has determined that the grant needs to be expended by June 2026 so they have reduced that award by about 2.1 million dollars. We are preparing new amended sub award from OSUMA

to the University recognizing that reduction of 2.1 million dollars' worth of funding.

Behavioral Health Workforce Grants

- We have reached back out to Parkside because they have not submitted anything. They are gathering everything together and will be submitting soon.
- The other grants are proceeding as planned.

B. Update on ARPA funding

\$2,164,039 reduction to the Advanced Care for Rural Oklahoma award based on reducing the time for expenditure from December 31, 2026 to June 30, 2026

Mr. Polak referenced the discussion in the last agenda item regarding the funding reduction and the amended sub award being prepared.


C. Legislative Update (Presenters: Jessica Russell, Eric Polak)

 [HB2784 ENR L1T .pdf](#)

Jessica Russell highlighted some statutory changes in House Bill 2784, which is related to the level one trauma partnership between OSUMA, the University, and Saint Francis. She gave the background of the agreement about training students in a level 1 trauma center and \$8 million of funding for that. It creates a revolving fund for emergency medicine workforce programs at a level one trauma center. The Companion Bill is House Bill 2793, where 8 million dollars was appropriated to that new revolving fund associated within the OSU Medical Authority. She recognized the legislators that have worked so hard on this. Jay Helm recognized Jessica and Karlee Belle for all the work they did on this.

A little over 450 bills will be going into law over the next few months.

V. Discussion, consideration, and possible vote to approve the release of Restricted Net Assets - ACTION (Presenters: Eric Atkinson)

 [FY25 Restricted Asset.pdf](#)

Eric Atkinson mentioned we are bringing forward to the authority request to release currently restricted net assets approximately 30 million dollars, which came from FY 22 through FY 24. The FY 24 audit has approximately 35 million dollars of restricted net assets. We are requesting that we release the previously allocated strategic capital funds and reallocate an additional \$166,000 that was appropriate or designated for specific use to the C-section suite. This would leave approximately 5.2 million dollars to finish

that project. In addition, we are requesting the approval to release the FY 25 strategic capital funding for 3 major projects that were concluded during FY 25, which include the Oracle ERP implementation, the bedside monitoring, and the purchase of land in Collinsville.

This was discussed in detail in the Finance Committee meeting. No new questions or concerns.

Motion:

Motion to approve the release of Restricted Net Assets.

Motion moved by Billy Taylor and motion seconded by Johnny Stephens. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

- VI. Discussion, consideration and possible vote to approve the FY 2026 budget and allotment for appropriated funds in the amount of \$93,019,006 - ACTION (Presenters: Eric Polak)


HB 2766 - General Appropriations Bill

SECTION 84. There is hereby appropriated to the Oklahoma State University Medical Authority from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2026, the sum of Eighty-three Million Eight Hundred Forty-eight Thousand One Hundred Eighty-nine Dollars (\$83,848,189.00) or so much thereof as may be necessary to perform the duties imposed upon the Authority by law.


SECTION 85. There is hereby appropriated to the Oklahoma State University Medical Authority Behavioral Health Workforce Development Fund from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2026, the sum of One Million Dollars (\$1,000,000.00) to be budgeted and expended in accordance with law.

HB 2793 - Level 1 Trauma Fund

Section 1. There is hereby appropriated from any monies not otherwise appropriated from the Progressing Rural Economic Prosperity Fund of the State Treasury created in Section 256 of Title 62 of the Oklahoma Statutes the sum of Eight Million Dollars (\$8,000,000.00) to the Emergency Medicine Revolving Fund created pursuant to Enrolled House Bill No. 2784 of the 1st Session of the 60th Oklahoma Legislature.

 [OSUMA FY 2026 Budget.pdf](#)

 [HB2766 ENR 2025GA bill.pdf](#)

 [HB2793 ENR.PDF](#)

Eric Polak discussed the adjustments for FY26. This is only giving expenditure authority overall.

196 fund has fiscal year limitations on how you can spend that money from the legislature of \$83,848,189. This educational, operational and initiative funding for OSU-CHS of 35,762,126 matches the historical amount paid by OSUMA for the Deans GME, joint hires with the VA, and Academic Research support at OSU-CHS. The legislature

reduced \$10 millions for Human Performance Initiative and \$5 million for Polytech programs with OSU. There was an addition of \$6 million for operational initiatives of the Authority and Trust.

280 fund for the Psychiatric Residency development is budgeted for \$170,817. This is for a PGY-1 and a PGY-2 Resident.

280 fund for the Behavioral Health Workforce Development had an additional \$1 million provided by the legislature, but new grants have not been issued for this funding.

280 fund for Emergency Medicine Revolving Fund had \$8 million appropriated.

This gives a total allotment of \$93,019,006 for FY26.

Ellen Buettner and Barry Steichen did not participate in discussion or questions and abstained from voting.

Motion:

Motion to approve the FY 2026 budget and allotment for appropriated funds in the amount of \$93,019,006.

Motion moved by Johnny Stephens and motion seconded by Billy Taylor. Aye: Helm, Taylor, Stephens, Herndon Nay: None Abstain: Steichen, Buettner

- VII. Discussion, consideration and possible vote to authorize administration to execute a payment in the estimated amount of \$7,016,651 to the Oklahoma Health Care Authority for Medicaid Indirect Medical Education state matching funds - ACTION (Presenters: Eric Polak)

Payment of this match generates an IME payment in the amount of \$21,314,249.53

Eric Polak discussed how the amount changes every year based on the size of the pool and the State Matching Rate. Ellen Buettner did not participate in discussion or questions and abstained from voting.

Motion:

Motion to authorize administration to execute a payment in the estimated amount of \$7,016,651 to the Oklahoma Health Care Authority for Medicaid Indirect Medical Education state matching funds.

Motion moved by Billy Taylor and motion seconded by Johnny Stephens. Aye: Helm, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: Buettner

- VIII. Discussion, consideration and possible vote to authorize the chair to execute a cooperative agreement with OSU to provide \$44,762,126 to the university for

educational, operational, strategic research initiative support and LCF repayment -
ACTION (Presenters: Eric Polak)

FY 2025 funding from OSUMA to OSU totaled \$59,762,126 across multiple agreements. This action reflects the legislature's deletion of \$15 million in funding previously allocated to polytechnic and HPNRI initiatives at OSU and consolidates the transfers into one agreement. The funds are ultimately subject to the budget authority of OSU and the Board of Regents and have been budgeted to be distributed as followed:

- \$9 million to OSU Stillwater for LCF repayment and strategic research initiatives
- \$35,762,126 to OSU-CHS for educational and campus operating support, strategic research initiatives and support of physician salaries

 [FY 2026 Cooperative Agreement .pdf](#)

Eric Polak gave the background on the FY 25 cooperative agreements. This FY26 agreement will combine the CHS and Stillwater agreements into one agreement. When the funds get to OSU, they fall under the budgeting authority of the University and the Board of Regents, and they have already acted on their budget. In that budget to OSU, \$9 million was included from OSUMA to pass to OSU Stillwater, \$4 million for the Legacy Capital Fund repayment, and then the strategic research initiatives funding which is going to their drone program.

Motion:

Motion to authorize the chair to execute a cooperative agreement with OSU to provide \$44,762,126 to the university for educational, operational, strategic research initiative support and LCF repayment.

Motion moved by Johnny Stephens and motion seconded by Michael Herndon. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

IX. Discussion, consideration and possible vote to transfer \$30,319,412 to the OSU Medical Trust for educational, operational and strategic initiative support - ACTION (Presenters: Eric Polak)

FY 2025 funding under this agreement totaled \$24,610,371. This item contemplates a reallocation of \$290,959 to the state match for Medicaid IME as well as new funding of \$6,000,000 in new appropriations for strategic operational initiatives:

- Base operational subsidy of \$10,319,412
- Strategic initiatives of \$6,000,000
- \$14,000,000 contemplated for strategic initiatives. Distribution of this funding will be held until adjudication of state plan initiatives currently pending CMS approval and ultimate determination of additional state match needs

 [FY 26 OSUMA to OSUMT subsidy Agreement.pdf](#)

Eric Polak gave the background of the reallocation. This item contemplates the reallocation of the money in the budget that moved up to the IME Match payment, and then the addition of \$6 million. While the subsidy agreement budgets to pay the whole \$30 million from the Authority to the Trust. The plan is to hold back \$14 million of that waiting on the adjudication from CMS of the currently pending State Plan amendments.

Motion:

Motion to transfer \$30,319,412 to the OSU Medical Trust for educational, operational and strategic initiative support.

Motion moved by Michael Herndon and motion seconded by Billy Taylor. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

- X. Discussion, consideration and possible vote to authorize the chair, or their designee, to execute an agreement with the OSU Medical Trust for \$170,817 from the Psych Residency Development Fund - ACTION (Presenters: Eric Polak)

This will fund 2 total positions, a PGYI position at the rate of \$83,312 and a PGYII position at the rate of \$87,505 for salary, benefits and malpractice insurance costs

Eric Polak gave the breakdown of the two positions and the background of the reasoning for growing the program.


Motion:


Motion authorize the chair, or their designee, to execute an agreement with the OSU Medical Trust for \$170,817 from the Psych Residency Development Fund.


Motion moved by Michael Herndon and motion seconded by Billy Taylor. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

- XI. Discussion, consideration and possible vote to approve utility easements for the OSU Medical Center Expansion - Action

 [OSU MC UE #659.pdf](#)

 [OSU MC WL #660.pdf](#)

 [OSU MC WL #661.pdf](#)

 [PSO OSU MA - for signature.pdf](#)

Motion:

Motion to approve utility easements for the OSU Medical Center Expansion.

Motion moved by Barry Steichen and motion seconded by Johnny Stephens. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

XII. Announcements (Presenters: Jay Helm)

- A. Next regularly scheduled meeting of the Authority is August 28, 2025, at the OSU-CHS 1111 W. 17th St., Tulsa, OK

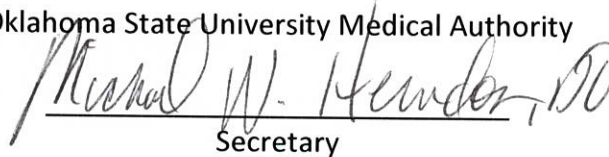
XIII. Motion and Vote for Adjournment (Presenters: Jay Helm)

Motion:

Motion to adjourn the meeting at 2:22 P.M.

Motion moved by Michael Herndon and motion seconded by Ellen Buettner. Aye: Helm, Buettner, Taylor, Stephens, Steichen, Herndon Nay: None Abstain: None

Oklahoma State University Medical Authority

A handwritten signature in black ink, reading "Michael W. Herndon, MD". The signature is written over a horizontal line.

Secretary