



# OSU Medical Trust Finance Committee Minutes

OSU Medical Authority and Trust

6/26/2025 11:15 AMCDT

@ OSU-CHS, North Hall 4th Floor Boardroom, 1111 West 17th Street, 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 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: Jay Helm, Brett Lessley (remote), Barry Steichen, Billy Taylor, Michael Herndon, Johnny Stephens

Guests: Eric Atkinson, Rick Brewster (remote), Melissa Cox, Deborah Dage, Akhil Govin, Finny Mathew, Eric Polak, Jessica Russell (remote), Bill Schloss, Terri Tinkler

Johnny Stephens is leading the meeting and standing in for Jay Helm until he arrives. Michael Herndon is standing in for Brett Lessley.

### I. Call to order (Presenters: Jay Helm)

A quorum was established, and the meeting was called to order at 11:19 AM by Johnny Stephens.

Johnny Stephens gave our new member, Brett Lessley's, background to the Board and introduced him online.

### II. Approval of the minutes from the April 24, 2025 meeting – ACTION (Presenters: Jay Helm)

 [Draft-OSU Medical Trust Finance Committee Minutes 4.24.2025.pdf](#)

### Motion:

Motion to approve the minutes from the April 24, 2025 meeting.

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

### III. Finance Reports

#### A. Review of Month to Date and Year to Date May 2025 Financials (Presenters: Melissa Cox, Eric Atkinson)

 [OSUMT May 2025 Financial Presentation - Finance Committee.pdf](#)

Melissa Cox PS, LLC:

Key Volume Statistics:

- Hospital visits were favorable to budget.
- Dr. Chad Hanson started on May 1st and is one of the reasons new visits increased.
- Close to budget on clinic visits.
- Clinic FTEs favorable to budget mainly due to staffing shortage.
- Employee provider FTEs and leased provider FTEs have increased due to three new doctors starting.

Income Statement for May 2025:

- Net patient revenue favorable due to additional pulmonology, orthopedic, and wound revenue.
- Other revenue favorable due to quality payments and internal medicine resident clinic coverage.
- Contract Services favorable due to the departure of pain management. PS, LLC saw an increase in contract services in May with the addition of Dr. Chad Hanson.
- Other operating expenses were unfavorable due to asset retirements in past clinics.
- Supplies favorable to budget due to lower vaccine cost and closing the pain management clinic.
- Net Income of (\$481k) for May and (\$4.3M) for YTD May.

Eric Atkinson OSUMC:

Key Volume IP Statistics:

- Favorable volumes to budget for the month of May.
- Volumes in June will drop off with utility downtime happening.
- Patient days in line with expectations.

Key Volume OP Statistics:

- Emergency room visits slightly down.

- An increase of seven ortho cases in May due to Dr. Hanson starting.
- Outpatient imaging lower than budget.
- Total FTEs in line with budget.

#### Income Statement for May 2025:

- High volumes with 75 admits favorable to budget net patient service revenues. Improved cash flow thanks to denial management and improved cash collections.
- Increase to PY for DPP payments received.
- Professional fees include budget and PY variances largely driven by \$290k and subsidies (DIA for IR of \$121k, DIA for Diagnostic imaging of \$117k and UTB for Anesthesia of \$60k)
- Revenue shares exceeding budget and PY based on monthly and YTD financial performance. June 25 projection built into May.
- Lower interest income was budgeted based on expected cash outflows for major capital projects. Cash expended on those projects in FY25 is driving lower interest income than prior year.
- Net Income of \$1.97M for May

#### Income Statement for YTD:

- Professional fees includes budget and PY variances largely driven by subsidies (DIA for IR, Dia for diagnostic imaging and UTB for Anesthesia). Additional unbudgeted outside consultant fee of \$300k.
- The revenue share expense is exceeding budget by \$6.3M and more than
- Net Income of \$26.2M for YTD May

#### Key Financial Ratios:

- Net revenue per adjusted admit up over \$1000 YTD.
- FTE per AOB
- Days cash on hand still around 172 and healthy.

#### Transfers:

- Remain healthy

#### RN FTEs by Type

- The total number of RN's on contract went from 113 to 86.

#### Payor Mix:

- Remained consistent from prior year

Consolidated Income Statement:

- Total revenue favorable to budget.
- Net Income of \$21.9M YTD May on a budget of \$13.2M.
- ACR Proforma Comparison-utilization is a little low from what we and the state expected from a managed care to traditional. We believe we are \$4.5 million overpaid on DPP payments.

- B. Discussion, consideration, and possible vote to approve the Fiscal Year 2026 OSU Medical Trust Operating and Capital Budgets - ACTION (Presenters: Melissa Cox, Eric Atkinson)

 [OSUMT FY26 Budget Presentation - Finance Committee.pdf](#)

Melissa Cox PS, LLC went over budget assumptions for the following:

- Growth/volume and revenue initiatives and expense initiatives.
- Statistical comparisons for visits, RVUs, FTEs, specialties for total staff and provider
- Clinic visits
- Financial Statement comparison with growth/volume and revenue initiatives and expense initiatives.
- FY26 Budgeted Net Income of (\$5,827,731) compared to (\$4,510,610) for projected FY25 due to recruitment of 5 additional Physicians.

Eric Atkinson OSUMC went over budget assumptions for the following:

- Growth/volume and revenue initiatives
  - Items not included are managed Medicaid IME program reimbursement-pending SPA approval for CMS volumes related to VA/Psych hospitals which open summer 2026 and Fall 2026 respectively.
- Expense initiatives
  - Items not included are additional staffing needs for dietary, pharmacy and other services for VA/Psych Hospitals (FY27 consideration).
  - Surpass/Onhand materials management at \$400k only, equivalent savings are \$900k.



- Statistical Comparison for in-patient and out-patient admissions and observations, patient and observation days, case mix index, deliveries, and FTEs.
- Trended admissions and observations.
- Trended surgery cases.
- Trended emergency room visits.
- Hospital financial statement walk forward for net income, growth/volume and revenue initiatives, expense initiatives, with a total for FY26 budget net income and FY26 net income margin.
- Hospital financial statement comparison for revenue, operating expenses, operating income, and non-operating income with a total for net income, net income margin, and operating income margin.
- Non-operating income showing YTD FY25 projections, YOY change, YOY %, and YTD FY26 budget for interest income, base operational subsidy, strategic capital funding, nursing workforce stabilization, and select specialty lease interest income. This also shows the OSUMA allocation for each.
- FY26 Budgeted Net Income of \$17,147,352 compared to \$18,278,986 for projected FY25 due to IGT payment for IME Managed Medicaid program held at OSUMA, salary increases, inflation and Medicaid reductions offset by cost savings initiatives and increased budget for IP and surgical volume growth.

Eric Atkinson went over the FY26 consolidated budget:

- Consolidated financial statement comparison for net revenue, operating expenses, operating income, and non-operating income, net income, net income margins, and operating income margin.
- Opportunities-new doctors starting, surpass/onhand, recruiting boost, IME Managed Medicaid resident reimbursement program, targeted expense reductions, service line reviews, relocation of Riverside clinic.
- Risks-managed Medicaid, Dr. Berger-GI, volume degradation due to major construction projects, economic uncertainties, new interpretations of existing regulations, regional hospital consolidation impacts, 2020 to 2023 RVU conversion for PS, LLC.
- FY26 Budgeted Net Income of \$11,319,621.

Capital budget:

- Routine FY26 Capital Budget Request and FY25 Capital Budget Request Carried Forward to FY26.
  - \$7,615,292 in routine capital expenditures
  - \$4,960,553 in capital carried forward from FY25
  - Does not include strategic capital for the expansion or other medical office strategic initiatives

**Motion:**

Motion to approve the Fiscal Year 2026 OSU Medical Trust Operating and Capital Budgets.

Motion moved by Billy Taylor and motion seconded by Barry Steichen. Aye: Steichen, Taylor, Helm, Nay: None Abstain: None

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

 [FY25 Restricted Asset.pdf](#)

Eric Atkinson went over allocated funds, released, and remaining for FY22, FY23, FY24, and board designated funds and proposed financial statements for FY25. He also went over the request for release/reallocation for FY22 Capital improvements and physician recruitment, FY22, FY23, and FY24 strategic capital funding, and FY25 strategic capital funding. Release of \$43,865,955 from Board Designated funds from FY2022-FY2025 with a remaining \$5,180,903 retained for the completion of the C-Section Renovation. Eric Polak mentioned all of these restrictions came from the OSUMA Board. This will be an action item at the OSUMA meeting.

IV. Policies

- A. Discussion, consideration, and possible vote to approve the Business Associates Agreement Policy - ACTION (Presenters: Eric Atkinson)

 [Business Associates Agreement-Changes.pdf](#)

Eric Atkinson explained the changes and updates.

- B. Discussion, consideration, and possible vote to approve the Policy approved via the Compliance Committee - ACTION (Presenters: Eric Atkinson)

 [Code of Conduct Distribution and Training.pdf](#)

 [Political Contributions and Activities.pdf](#)

Eric Atkinson explained the changes and updates.

**Motion:**

Motion to approve items IV. A and B.

Motion moved by Billy Taylor and motion seconded by Barry Steichen. Aye: Steichen, Helm, Taylor Nay: Steichen Abstain: None

V. Unfinished Business (Presenters: Jay Helm)

None

VI. New Business (Presenters: Jay Helm)

None

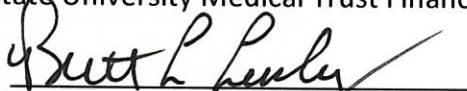
VII. Adjournment (Presenters: Jay Helm)

**Motion:**

Motion to adjourn the meeting at 1:17 PM.

Motion moved by Barry Steichen and motion seconded by Billy Taylor. Aye: Steichen, Helm, Taylor Nay: Steichen Abstain: None

Oklahoma State University Medical Trust Finance Committee

  
Finance Chairman