

Oklahoma State University Medical Trust
Regular Meeting of the Board of Trustees

OSU Medical Center
744 West 9th Street, Tulsa, OK
Tuesday, January 20, 2022 | 1:30 PM

MINUTES

A Regular Meeting of the Oklahoma State University Medical Trust (“Trust”) was held at OSU Medical Center, 744 West 9th Street, Tulsa, OK, on Thursday, January 20, 2022, at 1:30 PM. The notice and agenda for the meeting were posted at the Trust’s main office prior to 1:30 PM on January 19, 2022, in compliance with the Oklahoma Open Meeting Act. Items contained in the meeting booklet provided to the Trustees are incorporated by reference in these Minutes, and the contents of the meeting booklet are included in the Minute Book.

TRUSTEES PRESENT: Jay Helm, Barry Steichen, Johnny Stephens, Doug Evans (virtual attendance, departed at 3:00 PM), and Melinda Stinnett

TRUSTEES ABSENT: Kevin Corbett

GUESTS: Eric Polak, Finny Mathew, Noe Gutierrez Jr, Rhonda Hanan, RN, Deborah Dage, Bill Schloss, and Glenn Coffee, Esq.

I. Call to order and establishment of a quorum – Jay Helm, Chairman

The meeting was called to order by Chairman Helm at 1:32 PM. After a roll call, Chairman Helm declared that a quorum of the Trustees of the Oklahoma State University Medical Trust was present for the meeting.

II. Discussion, consideration, and possible vote to approve the minutes from the December 14, 2021, meeting, and any amendments made thereto by Trustees (ATTACHMENT 1) – Jay Helm, Chairman

Trustee Stephens moved to approve the minutes from the December 14, 2021, meeting. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Evans, Stephens, and Stinnett

NAY: None

III. FINANCE COMMITTEE (ATTACHMENT 2) - Doug Evans, Finance Committee Chairman

(a) Review of the Fiscal Year 2023 Preliminary Operational Budget

Committee Chairman Evans reported that the Finance Committee reviewed and discussed the Fiscal Year 2023 Preliminary Operational Budget for use by the Trustees in discussions with the Legislature to work to proactively secure funding each fiscal year to cover any operating losses for OSUMC prior to the start of the fiscal year.

(b) Review of Month To Date and Year To Date December 2021 Financials

Committee Chairman Evans reported that the Finance Committee also reviewed and discussed the Month to Date and Year to Date December 2021 financials.

Mr. Gutierrez Jr presented a review of the Month to Date and Year to Date December 2021 financials, a copy of which is attached hereto and referenced herein and provided the following report: for the month of December, OSUMC reported a net income in the amount of \$4.1M, or a positive 24.3 percent margin, which compared favorably to the budgeted operating margin of 1.3 percent for the month. Included in December's net income is \$1.1M related to the unbudgeted \$13.3M strategic plan funding that was appropriated to OSUMC for Fiscal Year 2022. A one-time payment of \$1.4M was included in December's net income related to Phase 4 COVID-19 relief funding.

He stated that looking at the major volume indicators for the month of December, admissions were up compared to December 2020 by 23.6 percent or 130 admits. Observations or short stay patients were up by 37 percent or 81 visits. Emergency room visits were up by 942 visits or 36.1 percent compared to December 2020, and surgeries cases were up by 102 cases or 42 percent compared to December 2020.

Mr. Gutierrez Jr reported that for the six months ending December 2021, OSUMC reported a net operating income of \$15.4M, or a positive 16.9 percent margin, which was favorable to the budgeted operating margin of 0.4 percent. Included in the YTD December net operating income was \$6.6M related to unbudgeted strategic plan funding and \$1.4M related to the Phase 4 COVID-19 relief funding. Year to date net operating income less the strategic plan funding and the COVID-19 relief funding was \$7.4M or an 8.1 percent margin. For the six months ending December 2021 OSUMC's days cash on hand was 161.

(c) Discussion, consideration, and possible vote to approve the Hospital's Updated Investment Policy

Committee Chairman Evans reported that the Finance Committee did not review the Investment Policy and tabled the matter until the next Finance Committee meeting.

Chairman Helm advised that because the Finance Committee had tabled their review of the Updated Investment Policy, the Trust would table its consideration of the Investment Policy.

IV. Recommendations of the Medical Executive Committee from its meeting of January 19, 2022 (ATTACHMENT 3) – Damon Baker, DO, OSU Medical Center Chief Medical Officer

At Chairman Helm’s request, Dr. Baker reported on the recommendations from the Medical Executive Committee and stated that the Medical Executive Committee recommends approval of the following recommendations, copies of which are attached hereto and referenced herein:

(a) Discussion, consideration and possible vote to approve the Organized Medical Staff Renewal Appointments and Credentials, Additional Privilege Requests, a Temporary Privilege Request, Staff Status Changes and Resignations

Dr. Baker reported that included in the credentials were a long list of temporary privileges that were given due to physician credentialing paperwork being found that had not been processed when a change in staffing had recently occurred. He stated that some of the credentials had lapsed and temporary privileges were retroactively applied to their effective date, all paperwork is being processed accordingly and the physicians were not notified as they did not need to re-apply. Discussion ensued regarding what steps were needed from the Trustees in terms of notification to appropriate agencies and the recommendation was made to contact legal counsel for specific guidance for immediate action in handling the matter.

Providing an amended motion after discussion, Trustee Stephens moved to approve the Organized Medical Staff Renewal Appointments and Credentials, Temporary Privilege Request, and Resignations, and direct that Management immediately notify the appropriate agency authorities of the lapse in physician credentials. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Evans, Stephens, and Stinnett

NAY: None

(b) Discussion, consideration and possible vote to approve the following Privilege Form: Certified Nurse Midwife (CNM) Form

Dr. Baker reported on the revisions to the Certified Nurse Midwife privilege form, advising that the revisions were made to come into line with law and with the manner in which the Hospital desired for midwives to function within the Hospital. He stated that the form had been approved by the Credentials Committee and the Medical Executive Committee, and that the Medical Executive Committee recommended approval of the form.

Trustee Stephens moved to approve the Certified Nurse Midwife (CNM) Form. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Evans, Stephens, and Stinnett

NAY: None

(c) Quality Dashboard (January 2022)

Dr. Baker reviewed the Quality dashboard along with the categories on the dashboard that had been highlighted from Ms. Hanan's presentation. He stated that a mortality review committee had been initiated and has made a positive impact. Dr. Baker identified struggles with patient satisfaction scores, long-term ICU cases for COVID and readmissions. He reported that since the receipt of the robot, hospital-acquired infections have decreased, and HAC PSI-90 have had excellent performance measures over the last year. Discussion ensued.

This Agenda Item was reported on after the presentation provided on Value-Based Purchasing under Agenda Item VIII.

(d) Sept-December, 2021 Committee Minutes of the following Committees that are Available for Review from the Medical Executive Committee Meetings: Quality Council, Utilization Review Committee, Safety Committee/Dashboard

No report provided.

- V. Discussion, consideration and possible vote to approve and authorize OSU Medical Center Management to enter into an Amendment to the anesthesia agreement with UTB Anesthesia, P.L.L.C. (the "Anesthesia Group"), the outsourced anesthesia group; the Amendment is a subsidy agreement based on collected amounts per month. The Amendment has been reviewed and approved by the OSU Medical Trust fair market value consultants.**

Trustee Stinnett moved to approve and authorize OSU Medical Center Management to enter into an Amendment to the anesthesia agreement with UTB Anesthesia, P.L.L.C. (the "Anesthesia Group"), the outsourced anesthesia group in an amount not to exceed \$430,000 with follow-up relative to the CRNA mix and the deliverables that are within that; the Amendment is a subsidy agreement based on collected amounts per month. The Amendment has been reviewed and approved by the OSU Medical Trust fair market value consultants. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Stephens, and Stinnett

NAY: None

Discussion for this Agenda Item was held in Executive Session under Agenda Item XII.

VI. Discussion, consideration and possible vote to authorize OSU Medical Center Management to negotiate and enter into a professional services agreement with Oklahoma Cancer Specialists and Research Institute ("OCSRI") for oncology call coverage and resident training

Trustee Stephens moved to authorize OSU Medical Center Management to negotiate and enter into a professional services agreement with Oklahoma Cancer Specialists and Research Institute ("OCSRI") for oncology consultations and resident training; and further authorize the Chairman, subject to legal consultation, to negotiate the reimbursement of self-pay patients and bring back the final negotiated arrangement to the Trust for final approval. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Stephens, and Stinnett

NAY: None

Discussion for this Agenda Item was held in Executive Session under Agenda Item XII.

VII. Oklahoma State University Medical Center Administrator Update - Finny Mathew, MHA (ATTACHMENT 4)

At Mr. Mathew's request, Ms. Hanan provided a PowerPoint presentation on Quality education to the Trustees over the Value-Based Purchasing Program ("VBP") in response to the request of the Trust to provide more Quality information. Mr. Mathew stated that this presentation would provide the framework for a few items that Dr. Baker would review as part of the Quality

dashboard report under Agenda Item IV.(c) above. Ms. Hanan provided background about VBP, highlights of which included: the value-based purchasing program was initiated in 2010 as part of CMS' on-going work to structure Medicare's payment system to reward hospitals for the quality of care they provide; the VBP Program is funded by reducing a participating hospital's Medicare payment; and the amount of these reductions are then redistributed to hospitals based on their quality scores. She also reported on the pay-for-performance program (value-based payment); VBP - total performance score; VBP - payments based on quality care; VBP - FY2023 measurement periods; OSUMC quality dashboard; OSUMC's total performance score trend; VBP - Community total performance scores; pay-for-performance - quality initiatives; pay-for-performance - OSUMC fiscal year penalties; challenges; a patient's story-COPD; and next steps. Discussion ensued.

Mr. Mathew provided the following OSU Medical Center update: a COVID update was reported that included the COVID patient census is between 24-40 and the COVID patients are clinically different. Dr. Baker stated that the COVID patients are not quite as ill, shorter stays, more vaccinated individuals are in the hospital but none have been in the ICU unit, and for the first time in the pandemic, unvaccinated patients are getting sent home from their hospital stays. Mr. Mathew reported that between 20-60 employees out with COVID which provides staffing challenges; news media coverage around testing supplies being low with the PPE supply sufficient. An exterior construction update included an update on high signage, landscaping, metal panels issues that surround the top of the building, the operating room renovation update including OB, central sterile (instrument cleaning, ICU move and central supply; and modernization update. Mr. Mathew reported on leader staffing regarding the hiring of a marketing director, two medical/surgical managers, a security manager, an infection preventionist, a surgery director, and an ICU manager; and identified an opening for an emergency department manager and a risk opening; clinic updates included multiple physician and midlevel provider candidates and coordinating efforts with CHS on physician and midlevel provider candidate interviews; major capital updates included the surgery towers, ortho sets and cath lab 2; the quality plan development is ongoing with a quality RN contractor engaged and the Tier1 contract regarding high reliability has been signed.

VIII. Reports from Subsidiary Entities - Eric Polak, Chief Executive Officer, OSU Medical Trust

Mr. Polak reported that there have been no formal meetings or actions on the part of the subsidiary entities; the final payment for the grant study that the State provided for the Medically Home business plan has been paid and all activity has been closed out. Mr. Polak stated that communication had been received from the Attorney General's Office for a little more information regarding the request to

bring in external legal counsel to review the legal structures of the entities, any accountabilities or responsibilities that the entities may have.

IX. Unfinished Business – Jay Helm, Chairman

None.

X. New Business (Limited to Matters Not Known About and Which Could Not Have Been Reasonably Foreseen Prior to Posting of the Agenda) – Jay Helm, Chairman

None.

XI. Announcements (if any) – Jay Helm, Chairman

Next regularly-scheduled Trust meeting: Thursday, March 17, 2022 at OSU Center for Health Sciences, 1111 West 17th Street, Tulsa

Chairman Helm announced the date and location of the next scheduled Trust meeting. No additional announcements were given.

XII. Executive Session – Jay Helm, Chairman

Prior to entering Executive Session, Glenn Coffee, legal counsel, stated that for purposes of clarification, discussion of agenda item (c) below would be held in executive session, however, any action to be taken on the item would be held in the open session of the meeting after the adjournment of Executive Session.

- (a) Discussion, consideration and possible vote to authorize and convene an Executive Session, as authorized by Title 25, Oklahoma Statutes, Section 307(B)(3), for the purpose of discussing the purchase of real property with the Trust and Trust Counsel, and as authorized by Title 25, Oklahoma Statutes, Section 307(B)(7)**

Trustee Stephens moved to authorize and convene an Executive Session, as authorized by Title 25, Oklahoma Statutes, Section 307(B)(3), for the purpose of discussing the purchase of real property with the Trust and Trust Counsel, and as authorized by Title 25, Oklahoma Statutes, Section 307(B)(7). Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Evans, Stephens, and Stinnett

NAY: None

The Trustees entered into Executive Session at 2:45 PM and adjourned from Executive Session at 3:05 PM.

(b) Discussion, consideration and possible vote to adjourn the Executive Session and reconvene to the Trust Meeting

Trustee Steichen moved to adjourn the Executive Session and reconvene to the Trust Meeting. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Stephens, and Stinnett

NAY: None

Chairman Helm invited the public to return to the open Trust meeting and reported that no action was taken during the Executive Session.

(c) Discussion, consideration and possible vote to approve and authorize OSUMC to negotiate the purchase of a warehouse as a result of the Hospital's operating room renovation project

Trustee Steichen moved to approve and authorize OSUMC to negotiate the purchase of a warehouse as a result of the Hospital's operating room renovation project up to and not to exceed a purchase price of \$1.5M subject to the Chairman's physical examination of the warehouse, with any additional requests for improvements to come back to the Trust for approval; and to further authorize the Chairman to sign the agreement, subject to legal approval. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Stephens, and Stinnett

NAY: None

XIII. Adjournment - Motion and Vote to Recess or Adjourn - Jay Helm, Chairman

Trustee Steichen moved to adjourn the meeting. Upon motion duly made and seconded, the recorded vote was:

AYE: Helm, Steichen, Stephens, and Stinnett

NAY: None

The meeting ended at 3:10 PM.

Oklahoma State University Medical Trust



Melinda Stinnett, Secretary