



# OSU Medical Trust Finance Committee Minutes

OSU Medical Authority and Trust

Thursday, June 20, 2024 at 11:15 AM CDT

@ OSU CHS, 1111 W. 17th St. Tulsa, North Hall Executive Boardroom

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, Doug Evans, Barry Steichen, Billy Taylor


Guests: Eric Atkinson, Ellen Buettner, Melissa Cox, Deborah Dage, Catherine Gann, Karlee Gholson, Michael Herndon, Finny Mathew, Jacob McDougal (remote), Eric Polak, Michael Rogers, Jessica Russell, Bill Schloss, Johnny Stephens, Terri Tinkler

Other Guests: Mike Fields with Glenn Coffee

### I. Call to order (Presenters: Doug Evans)

A quorum was established, and the meeting was called to order at 11:30 AM by Doug Evans.

### II. Approval of the minutes from the April 25, 2024 meeting – ACTION (Presenters: Doug Evans)

 [Draft-OSU Medical Trust Finance Committee Minutes 4.25.2024.pdf](#)

### Motion:

Motion to approve the minutes from the April 25, 2024 meeting.

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

### III. Finance Reports (Presenters: Eric Atkinson)

A. Review of the MTD and YTD May 2024 Financial Statements (Presenters: Eric Atkinson, Melissa Cox, Bill Schloss)

 [May 2024 Financial Results - Finance Committee.pdf](#)

PS, LLC-Melissa Cox

- Visits were down due to PTO for many providers
- Clinic FTE's were also down due to same reason
- Net revenue down due to lower clinic volume but favorable to budget

OSUMC-Eric Atkinson

- Finished month of May favorable for in-patient and observation patients
- Admits were up along with observations.
- YTD still trending favorable
- Outpatient volumes favorable to budget
- Surgeries were in line with budget
- Overall volumes were up which increased gross charges
- Salaries are below budget due to not filling all budgeted fixed FTE positions
- Supplies were in line with volumes
- Salaries and contract labor below budget
- Net patient revenue is trending favorable to budget
- Transfer denials trending down
- RN contract FTE's trending down
- Payor mix trending favorable to Commercial
- Finished the month favorable to budget

- B. Discussion, consideration, and possible vote to approve the Fiscal Year 2025 OSU Medical Trust Operating and Capital Budgets - ACTION (Presenters: Eric Atkinson, Melissa Cox, Bill Schloss)

 [FY25 Budget - Finance Committee Presentation.pdf](#)

PS, LLC-Melissa Cox

- Growth/Volume and Revenue Initiatives

Ramp up for Dr. Polito starting August 30, 2024 – Pulmonology

Ramp up for Dr. Crow starting August 30, 2024 – Endocrinology

Ramp up for Dr. Ratcliff starting July 1, 2024, and Dr. Griffin starting August 30, 2024 - Primary Care

Denial exposure related to Managed Medicaid

Wound Care Clinic - Transition of providers

Full year of employment related to Dr. Frederick (Aug 2023) and Dr. Ray (Sep 2023) - Primary Care

Reduction for Quality Measure Rebates received in FY24

Reduction of volumes due to loss of Dr. Hasenpflug (Nov 2023) - Primary Care

- Expense Initiatives

Salary Adjustments effective 10/1/2024 - 3% Merit and 3% reserved for potential Market adjustments

Full Year of costs associated with consulting agreement with J. Russel

Inflation of 5% for Medical Benefits, Supplies, Rentals, R&M, Utilities, Contract Services

Additional administrative staffing per OSU-CHS/PS LLC Contract

Full Year of costs associated with FC Tulsa - OSU Medicine Sponsorship

Benefit increases for Insurance premiums of 5% beginning January 2025

- Projecting an increase in clinic visits due to increase in providers
- Total clinic visits will be up a little over 6000

OSU Medical Center-Eric Atkinson

- Growth/Volume & Revenue Initiatives

Change in SHOPP Reimbursement calculation and ACR Direct Payment Plan

Increase in Net Revenue related to \$4M hit for FY18-FY22 Cost Report adjustments in FY24

PS, LLC Primary Care and Specialist recruiting initiatives

Chargemaster Increase - 5% increase in Gross Charges

Addition of a 6th OR Site - OSU Surgeons, Dental, Urology

General Organic Growth

Increased Wound Care volumes related to restarting hyperbaric treatments

Full year of increased volumes for 3D Mammography and related testing/procedures

Increase in denials related to Managed Medicaid transition

Decrease in interest on investment accounts due to cash outflows for major capital projects

Items not included:

Volume increases related to VA/Psych Hospitals (FY26 Considerations)

- Expense Initiatives

Salary Adjustments effective 10/1/2024 - 3% Merit, 3% Reserved for Market and 5% Resident increases

Fixed and variable FTE adjustments for fully staffing to department needs

Increase in Supplies, R&M, Contract Services, Insurance & Utilities related to inflation

Increase in Depreciation related to Oracle

Estimated 5% increase on medical benefit expenses January 1, 2025

Reduction in revenue share based on financial operations

Items not included:

Additional staffing needs for dietary, pharmacy and other services for VA/Psych Hospitals (FY26 Consideration)



Baxter Pump transition from Agiliti – Rentals still in budget, no Bio-Med FTE

Residency Growth for Urology/Neurology

Transition of Linen Services to SFHS

- Slight increase in admits for FY25
- Case mix is going to increase slightly or stay consistent monthly
- Total FTE's increase for FY25 for fixed FTE additions and departments being fully staffing assumptions
- Expecting a sizeable increase in surgeries due to bringing on a 6th site.
- Opportunities for the year
- Managed Medicaid
- Dr. Hanson - Ortho
- Dr. Stallings - Ortho - \$30k
- Assumption for staffing to full in all departments is additional 30 FTEs
- Baxter Pump transition from Agiliti – Rentals still in budget, no Bio-Med FTE
- Transition of Linen Services to SFHS
- Residency Growth for Urology/Neurology
- No assumptions for ASC partnership
  - Risks for the year
    - Managed Medicaid
- Pain Management Turnover - Stockwell leaving
- VA/Psych Hospital Ancillary staffing increases
- Volume Degradation due to major construction projects
- Loss of MOB - Physician office space on campus
- Loss of Dialysis Service Line

FY25 Capital Budget

- Eric Atkinson went over the Hospital FY25 Capital Budget requests and Hospital FY24 Capital Requests carried forward to FY25 on page 57 of the packet. Eric and Finny Mathew fielded questions from the Board about the crash carts and mentioned the approval is not brand specific.

**Motion:**

Motion to approve the Fiscal Year 2025 OSU Medical Trust Operating and Capital Budgets.

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

- IV. Discussion, consideration, and possible vote to approve the Travel and Business Expense Reimbursement Policy - ACTION (Presenters: Eric Atkinson)

 [Travel and Business Expense Reimbursement.pdf](#)

Eric Atkinson discussed the purpose of the travel and business expense reimbursement needed changes and what they will be now. He discussed the new flow for approvals.

- V. Discussion, consideration, and possible vote to approve the Graduate Medical Education Financial Funding Guidelines - ACTION (Presenters: Eric Atkinson)

 [Graduate Medical Education -GME- Financial Funding Guidelines.pdf](#)

Eric Atkinson mentioned this was approved by the Liaison Committee to go forward in the approval process. Finny Mathew mentioned he would like the Trust to give the Chairman ability for final approval since it needs to go to GME next week for their final approval.

**Motion:**

Motion to approve items IV. and V. and for Chairman Helm to have ability to give final approval of item V once it goes to the GME Committee.

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

- VI. Unfinished Business (Presenters: Doug Evans)

None

- VII. New Business (Presenters: Doug Evans)

None

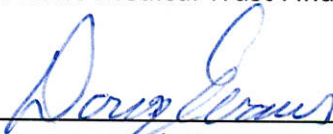
- VIII. Adjournment (Presenters: Doug Evans)

**Motion:**

Motion to adjourn meeting at 1:08 pm.

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

Oklahoma State Medical Trust Finance Committee



Chairman