



MINUTES

Meeting of the Board of Trustees
of the Medical University Hospital Authority

August 10, 2007

It Is Understood that the Minutes Herein Recorded Have Not as
Yet Been Approved and Cannot be Considered as Official Action
of the Board Until Such Approval Has Been Given

125 Strom Thurmond Biomedical Research Center
Medical University of South Carolina
Charleston, South Carolina

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
August 10, 2007

The Board of Trustees of the Medical University Hospital Authority convened Friday, August 10, 2007, with the following members present: Dr. Charles B. Thomas, Jr., Chairman; Thomas L. Stephenson, Esquire, Vice Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Dr. Cotesworth P. Fishburne, Jr.; Mr. William B. Hewitt; Dr. Donald R. Johnson II; Dr. E. Conyers O'Bryan, Jr.; Dr. Paul E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin Tallon; Dr. James E. Wiseman, Jr.

The following administrative officials were present: Dr. Raymond S. Greenberg, President; Dr. John Raymond, Vice President for Academic Affairs and Provost; Dr. Jerry Reves, Vice President for Medical Affairs, and Dean, College of Medicine; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Jim Fisher, Vice President for Development and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Becki Trickey, Executive Associate Dean, College of Health Professions; Dr. Perry Halushka, College of Graduate Studies; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; Dr. Joseph DiPiro, South Carolina College of Pharmacy; Dr. Arnold Karig, MUSC Campus Dean, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Thomas called the meeting to order. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday October 12, 2007.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of May 17, 2007.

Board Action: It was moved that the Minutes be approved. The motion was seconded, voted on and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

OLD BUSINESS: None.

NEW BUSINESS:

Item 4. General Informational Report of the President.

Dr. Greenberg asked Dean Reves to introduce the guest speaker, Dr. Robin Adams. Dean Reves said Dr. Adams received an undergraduate degree in engineering and

his medical degree from the University of Arkansas. He completed an internship at the University of Arkansas in Little Rock and a neurology residency at the Medical College of Georgia.

Dr. Adams came to MUSC from the Medical College of Georgia where he was the Presidential Distinguished Chair and Regents Professor of Neurology and also co-director of the Cerebrovascular Research Program.

He developed an innovative approach to the care of stroke in the rural areas. He is a co-founder of and chief medical consultant for REACH Call, Inc. which provides system equipment, software and expert experience to remote sites via the Internet which assists in emergency evaluation and treatment of acute stroke.

Dean Reves said Dr. Adams holds the endowed Chair in Stroke and will help direct the Center of Economic Excellence in Stroke at MUSC.

Dr. Adams presented information on REACH, his work with pediatric stroke victims and his research interests. He stated he would work to make SC the first state to virtually eradicate stroke in children with Sickle Cell disease through intervention. Another goal could be to double the number of SC citizens that have access to urgent care meaning they would have a functioning stroke team with specialized consultation provided in person or by telemedicine. He also presented other goals for his work at MUSC and in South Carolina.

Dr. Greenberg commented that this is a very important innovation and MUSC can really make an impact on the medically underserved counties in the state. The model developed here can be transported to many other clinical areas to help rural healthcare.

Dean Reves introduced Dr. David Cole the new Chairman of the Department of Surgery who will be taking Dr. Fred Crawford's place effective September 4. Dr. Cole is a surgical oncologist. His MD degree was awarded by Cornell University; he did his residency at Emory University and a fellowship at the National Cancer Institute.

Dr. Cole shared his vision, goals and direction for the department. He feels MUSC is at a unique crossroads in its history and many opportunities are available now that have not been available in the past. MUSC now has the ability to recruit nationally prominent faculty which enables MUSC, as an institution, to have a greater influence on health initiatives regionally and at a national level.

The Department of Surgery has been a key part of this on-going transformation. His vision for the department is to attain a level of recognized excellence for the department that will achieve national prominence. He sees the mission of the Department of Surgery is to provide patient care recognized for excellence integrated with innovative research, which leads to the advancement of medical science and the state-of-the-art training course for future physicians.

Dr. Greenberg thanked Dr. Cole and Dr. Adams for their presentations and concluded his report.

Recommendation of Administration: That the reports be received as information.

Board Action: Received as information.

Item 5. Other Business. None.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. MUSC Medical Center Status Report.

Statement: Mr. Stuart Smith reported on two recent survey visits from the College of American Pathologist and the JCAHO survey for stroke certification. He also reported that admissions have increased 7% over the same period last year and patient days have increased 4.1%. He said he had presented to committee an update on MUSC Excellence and briefed the committee on the FY07-08 goals for the Medical Center. A report had been given to committee by Casey Liddy on the East Cooper Market Study. Dr. Clark had provided an update to committee on various IT projects.

Recommendation of Administration: That the report be received as information.

Recommendation of Committee: That the report be received as information.

Board Action: Received as information.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker reported that Ms. Montgomery had provided a financial and statistical report to committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 8. Resolution Authorizing an Increase of the Equipment Lease for Ashley River Tower.

Statement: Dr. Baker stated that Ms. Montgomery had presented a request for approval of a resolution authorizing an increase from \$36.8 million to \$56.8 million

for equipment for the new Ashley River Tower.

Recommendation of Administration: That the resolution be approved.

Recommendation of Committee: That the resolution be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the resolution to authorize an increase in the maximum amount of the equipment lease for the Ashley River Tower from \$36,793,930 to \$56,793,930.

Item 9. MUSC Medical Center Budget for Fiscal Year 2007-2008.

Statement: Dr. Baker stated that the committee recommended approval of the MUSC Medical Center Budget for FY 2007-2008 at presented.

Recommendation of Administration: That the budget be approved.

Recommendation of Committee: That the budget be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the MUSC Medical Center Budget for Fiscal Year 2007-2008.

Item 10. Amendment to Community Based Primary Care Clinical Education and Services Agreement.

Statement: Dr. Baker stated the Amendment to Community Based Primary Care Clinical Education and Services Agreement was presented to committee and the committee recommended approval.

Recommendation of Administration: That the Amendment to the Community Based Primary Care Clinical Education and Services Agreement be approved.

Recommendation of Committee: That the Amendment to the Community Based Primary Care Clinical Education and Services Agreement be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Amendment to the Community Based Primary Care Clinical Education and Services Agreement.

Item 11. Ambulatory Care Agreement.

Statement: Dr. Baker stated the Ambulatory Care Agreement was presented to committee and the committee recommended approval.

Recommendation of Administration: That the Ambulatory Care Agreement be approved.

Recommendation of Committee: That the Ambulatory Care Agreement be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Ambulatory Care Agreement.

Item 12. Report on Quality and Patient Safety.

Statement: Dr. Baker stated the committee had received an update on quality and patient safety as an informational item.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 13. Report of the Vice President for Medical Affairs and Dean, College of Medicine.

Statement: Dr. Baker stated that Dean Reves provided his report to the Education, Faculty and Student Affairs Committee.

Recommendation of Administration: That the report be received as information.

Recommendation of Committee: That the report be received as information.

Board Action: Received as information.

Item 14. Report on University Medical Associates.

Statement: Dr. Baker stated the committee had received a report on outreach activities from Dr. Feussner. Dr. Feussner had requested approval for outreach activities in Neurosciences, psychiatry and surgery, approval for replacement of equipment for neurosciences and OB and permission to proceed with planning a multi-specialty clinic in the East Cooper area. Dr. Baker said the committee recommended approval.

Recommendation of Administration: That the outreach activities in Neurosciences, psychiatry and surgery, approval for replacement of equipment for neurosciences and OB and permission to proceed with planning a multi-specialty clinic in the East Cooper area be approved as presented.

Recommendation of Committee: That the outreach activities in Neurosciences, psychiatry and surgery, approval for replacement of equipment for neurosciences and OB and permission to proceed with planning a multi-specialty clinic in the East Cooper area be approved as presented.

Board Action: A motion was made to approve the outreach activities in Neurosciences, psychiatry and surgery, approval for replacement of equipment for neurosciences and OB and permission to proceed with planning a multi-specialty clinic in the East Cooper area. The motion was seconded, voted on and unanimously carried.

Item 15. Legislative Update.

Statement: Dr. Baker stated no report had been given to committee.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 16. Other Committee Business. None.

Item 17. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).

Statement: Appointments, reappointments and delineation of privileges to the medical staff were presented for approval.

Recommendation of Administration: That the appointments, reappointments and delineation of privileges to the medical staff be approved.

Recommendation of Committee: That the appointments, reappointments and delineation of privileges to the medical staff be approved at presented.

Board Action: Dr. Baker moved that the appointments, reappointments and delineation of privileges to the medical staff be approved. The motion was seconded, voted on and unanimously carried.

Item 18. Environment of Care Report (Consent Item).

Statement: Dr. Baker stated an Environment of Care report which is required by the Joint Commission had been provided to committee and was received as information.

Recommendation of Administration: That the report be received as information.

Recommendation of Committee: That the report be received as information.

Board Action: Received as information.

Item 19. Medical Executive Committee Minutes (Consent Item).

Statement: Minutes of the Medical Executive Committee meetings of April, May and June 2007 were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 20. Medical Center Contracts and Agreements (Consent Item).

Statement: Contracts and Agreements which have been signed since the last board meeting were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY PHYSICAL FACILITIES COMMITTEE.
CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Detailed committee minutes are attached to these minutes).**

OLD BUSINESS: None

NEW BUSINESS:

Item 21. Facilities Procurements/Contracts Proposed.

Statement: Mr. Bingham presented the following for approval:

- Lease of 31,968 square feet of office space at the Rutledge Tower Annex.
Total cost for the five year renewal term is \$2,508,480.

Recommendation of Administration: That the procurements/contracts be approved as presented.

Recommendation of Committee: That the procurements/contracts be approved as presented.

Board Action: A motion was made, seconded and unanimously voted to approve the procurements/contracts as presented.

Item 22. Update on Projects.

Statement: Mr. Bingham reminded committee that the Board member would have a tour of the new hospital at the conclusion of today's meeting.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 23. Other Committee Business. None

Item 24. Facilities Contracts Awarded (Consent Item).

Statement: Facilities contracts awarded since the last board meeting were presented for information.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

MEDICAL UNIVERSITY HOSPITAL AUTHORITYAUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQUIRE (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None

NEW BUSINESS:

Item 25. Review of Internal Audit Reports and Audit Plan for Fiscal Year 2007-2008.

Statement: Mr. Stephenson stated the committee received a report on recent audits performed by the Office of internal Audit.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 26. Report of Legal Counsel.

Statement: Mr. Stephenson stated the committee received a report from Ms. Annette Drachman and it was received as information.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 27. Compliance Office Update.

Statement: Mr. Stephenson reported that Ms. Reece Smith had provided a report to committee on the activities of the Authority Compliance Office.

Recommendation of Administration: That this report be received as information.

Recommendation of Committee: That this report be received as information.

Board Action: Received as information.

Item 28. Other Business.

Statement: Mr. Stephenson reported that the Audit Committee recommended the appointment of Ms. Susan Barnhart as Director of Internal Audit effective August 10, 2007.

Recommendation of Committee: That the appointment of Ms. Susan Barnhart as Director of Internal Audit be approved.

Board Action: A motion was made, seconded and unanimously voted that Ms. Barnhart be appointed Director of Internal Audit.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 29. Approval of Consent Agenda.

Statement: Approval of the Medical University Hospital Authority consent agenda was requested.

Recommendation of Administration: That the consent agenda be approved.


Board Action: It was moved, seconded and unanimously voted that the consent agenda be approved.

Item 30. New Business for the Board of Trustees. None

Item 31. Report from the Chairman. None

There being no further business, the Hospital Authority meeting was adjourned.

Respectfully submitted,


Hugh B. Faulkner III
Secretary

/wcj
Attachments

Medical University Hospital Authority
Board of Trustees
Operations and Finance Committee
Minutes
August 9, 2007

Attendees:

Dr. Stanley Baker, Chair
Dr. Charles B. Thomas, Jr
Thomas Stephenson, Esq.
Mr. Melvyn Berlinsky
Mr. William Bingham
Mr. William Hewitt
Dr. Donald Johnson
Dr. Conyers O'Bryan
Dr. Paula Orr
Dr. Thomas Rowland
Mr. Charles Schulze
Hon. Robin Tallon
Dr. James Wiseman
Hon. Robert Lake
Dr. Raymond Greenberg
Mr. Stuart Smith
Dr. John Raymond
Dr. J.G. Reves
Dr. Cotesworth Fishburne, Jr.

Ms. Lisa Montgomery
Dr. John Feussner
Dr. Frank Clarke
Dr. Marilyn Schaffner
Ms. Rosemary Ellis
Mr. John Cooper
Mr. Steve Hargett
Ms. Joan Herbert
Mr. Mark Sweatmann
Mr. H. B. Faulkner
Joseph Good, Esq.
Annette Drachman, Esq.
Ms. Susan Barnhart
Mr. Casey Liddy
Mr. Betts Ellis
Mr. Dennis Frazier
Ms. Sarah King
Mr. Alan Edwards
Mr. Dave Neff

The meeting was called to order at 9:30 a.m. by Dr. Stanley Baker, Chair.

Item 6.MUSC Medical Center Status Report

Personnel: Stuart Smith introduced Mr. Alan Edwards, MUSC Medical Center Administrative Resident.

Awards/Recognitions: Mr. Smith reported that MUSC has received survey visits from several agencies recently. The College of American Pathologists (CAP) recently surveyed our laboratory and was impressed with our facilities, staff, and technology, and JCAHO surveyed for stroke certification. Although the final report has not yet been received, preliminary results indicate that this was a very successful survey and that the next step will be to apply for certification as a comprehensive stroke center. MUSC also received the Lifepoint Dove Award for a substantial increase in transplant donors over the last two years.

Statistical Report: Mr. Smith reported that admissions have increased 7% over last year and patient days have increased 4.1%. Outpatient visits, ED visits, Operating

Room cases, MRI and CT procedures, and heart cath procedures have all experienced increases over the last year.

MUSC Excellence Update: Mr. Smith presented data which shows that FY 07 MUSC Excellence goals were met or exceeded in the areas of increased inpatient and outpatient admissions, reduction of FTEs per adjusted discharge, decreasing mortality index, ambulatory care and psychiatric care patient satisfaction. We are still awaiting result of our employee satisfaction results as well as the results of our financial goal for the operating margin. The employee turnover goal was not met this year, and the patient satisfaction goal for the main hospital and children's hospital were not met although both are improving over last year.

Mr. Smith reported that the MUSC Medical Center is about half way thorough its contact with the Studer Group, and he feels that when the remaining techniques are rolled out to staff we will see a continued increase in results. He expects techniques such as hourly rounding on patients as well as post discharge phone calls to increase the patient satisfaction results.

Joan Herbert, Administrator for the Institute of Psychiatry, and Dave Neff, Administrator for Ambulatory Services reported on techniques they used to achieve successful patient satisfaction results in their areas. Both credited their successes to the use of various Studer Group techniques. These techniques focus on making the patient understand that he/she is in good hands, holding staff accountable for communicating with the patient, and training staff on these techniques and giving them the tools to be successful.

FY 07-08 MUSC Excellence Goals: Mr. Smith briefed the committee on the FY 07-08 goals for the Medical Center. The goals include increasing patient satisfaction, reducing turnover, increasing employee and physician satisfaction, decreasing our mortality index and our adverse event rate, obtaining a margin of 3%, lowering our supply expense and labor expense, and increasing inpatient discharges and outpatient visits.

East Cooper Market Study: Casey Liddy, Manager for Business Development and Marketing Services presented the results of the East Cooper Market Study. The study's goal was to evaluate the effect of the practices on MUSC's market position in East Cooper and to evaluate the downstream impact of the practices. Urology services have been in place in East Cooper since 1998, however, in 2001, East Cooper Medical Arts practice opened with services in ENT, Cardiology, OB/GYN, Medicine and Medical Oncology. It appears that the data suggest that the strategy of a multi-specialty facility has helped to enhance and/or maintain MUSC's position in East Cooper. The East Cooper market is growing rapidly with very favorable market demographics. Also, the outpatient visits in East Cooper are driving downstream encounters to the MUSC main campus. Overall, this seems to have been a very successful strategy.

IT Update: Dr. Frank Clark provided a status on various IT projects. He will elaborate at a future meeting.

Action: Received as information

Item 7. MUSC Medical Center Financial and Statistical Report

Ms. Montgomery briefed the committee on the MUSC Medical Center financial report. She reported that our final operating margin was negatively impacted by \$9 million due to a change in methodology used by Health and Human Services re the disproportionate share distribution. MUSC is appealing this and she expects to be reimbursed for all or part of this deficit in the FY 07-08 fiscal year.

MUSC Medical Center ended the fiscal year with a change in net assets of \$20.8 million which is a negative variance of \$17.2 million from budget. This variance consists of the \$9.4 million reduction in disproportionate share funds which is being appealed, the incremental cost of travelers needed in some hard to fill technical areas, an increase in health care insurance rates for employees, accelerated costs for the new hospital replacement and the McKesson project as well as a necessary transfer to the university related to the parking garage and the decision to offset some of the cost of the purchase of new uniforms required for our clinical personnel.

The Medical Center ended the year with 29.2 days cash on hand. This is in excess of what was required by the feasibility study.

Ms. Montgomery will continue to update the Board on her efforts with the appeal of the disproportionate share reduction.

Action: That report be received as information

Item 8. Resolution authorizing increase of Equipment Lease for Ashley River Tower

Ms. Montgomery requested approval of a resolution authorizing an increase from \$36.8 million to \$56.8 million for equipment for Ashley River Tower.

Action: Recommend approval

Item 9. MUSC Medical Center Budget for Fiscal Year 2007-08

The budget for the Medical Center for FY 07-08 was presented for approval.

Action: Approved

Item 10: Amendment to Community Based Primary Care Clinical Education and Services Agreement

Mr. Smith presented this agreement for renewal.

Action: Recommend approval

Item 11: Ambulatory Care Agreement

Mr. Smith presented the Ambulatory Care Agreement for renewal

Action: Recommend approval

Item 12: Report on Quality and Patient Safety

Ms. Rosemary Ellis, Director of Patient Safety presented the annual update on quality for the Board. Ms. Ellis reported on sentinel events as well as other aspects of quality and safety. While MUSC's total case volume and census continue to rise, our readmission rate and our mortality index have decreased. She presented a detailed written report to all Board members indicating progress on numerous clinical measures. One of MUSC's greatest challenges is also faced by hospitals nationwide. Infection control and hospital acquired infections are a major focus in all hospitals. MUSC is making this a priority for all staff and expects to see a reduction in its rates in the near future.

Action: Received as information

Item 13: Report of Vice President for Medical Affairs and Dean, College of Medicine

Report was presented in Education Committee

Item 14: Report on University Medical Associates

Dr. John Feussner, Chairman of Medicine, presented a report on UMA and its outreach activities. Dr. Feussner requested approval from the committee on the following: Approval on outreach activities in Neurosciences, psychiatry and surgery, approval for replacement of equipment for neurosciences and OB, and permission to proceed with planning a multi-specialty clinic in the East Cooper area, possibly away from the central East Cooper area.

Action: Approval of initiatives

Item 15: Legislative Update

Bo Faulkner had no report

Item 16: Other business

None

Consent

Item 17: Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

The appointments, reappointments and delineation of privileges were presented to the committee. All have been recommended by appropriate internal review committees.

Action: Recommend approval

Item 18: Environment of Care Report

Mr. Ellis presented the Environment of Care report. This included updates on the seven EOC management plans which include safety management, security management, hazardous materials and waste management, emergency management, fire safety management, medical equipment management, and utility system management. He reported that the annual evaluation of the plans was successfully completed. The EOC plan is carried out by one or two primary owners of each plan and the university-wide Environment of Care Committee. Methods used to routinely monitor the plans include inspections, drills, risk assessments and advice from subject matter experts. The EOC Committee is overseen by and provides reports to the Hospital Operations Group, Medical Executive Committee and Quality Council.

Action: Received as information

Item 19: Medical Executive Committee Minutes

The minutes of the April, May and June Medical Executive Committee meetings were presented for information.

Action: Received as information

Item 20: Medical Center Contracts and Agreements:

The Contracts and Agreements were presented for information

Action: Received as information

There being no further business, the committee adjourned at 11:50 a.m.

Respectfully Submitted,

**Medical University Hospital Authority
Physical Facilities Committee
August 9, 2007
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair	Mr. Chip Hood
Dr. Stanley C. Baker, Jr.	Mr. Mike Keels
Mr. Melvyn Berlinsky	Ms. Sara King
Dr. Thomas C. Rowland, Jr.	Mr. John Malmrose
Mr. Charles W. Schulze	Mr. Stewart Mixon
Thomas L. Stephenson, Esquire	Ms. Jennifer Pearce
The Honorable Robin M. Tallon	Dr. Jerry Reves
Dr. James E. Wiseman, Jr.	Dean Jack Sanders
The Honorable Robert C. Lake, Jr.	Ms. Janet Scarborough
Dr. Raymond S. Greenberg	Mr. Stuart Smith
Ms. Susan Barnhart	Mr. Mark Sweatman
Dr. Jack Feussner	Mr. Patrick Wamsley
Mr. Dennis Frazier	

Mr. Bingham called the meeting to order.

REGULAR Items

Item 21. Facilities Procurements/Contracts Proposed

Mr. Dennis Frazier presented the following for approval:

- Lease of 31,968 square feet of office space at the Rutledge Tower Annex.
Total cost for the five year renewal term is \$2,508,480.

Recommendation of Committee: That the lease be approved.

Item 22. Update on Projects

Mr. Frazier reminded everyone that a tour of the new hospital was planned for the Board immediately following the Board meeting on Friday. The tour would constitute his update.

Recommendation of Committee: That the report be received as information.

Item 23. Other Committee Business

None

CONSENT Items for Information:

Item 24. Facilities Contracts Awarded

The facilities contracts since the last board meeting were presented for information.

Recommendation of Committee: That this report be received as information.

With no further business, the meeting was adjourned.

Respectfully submitted,


Celeste Jordan

Medical University Hospital Authority Audit Committee
August 9, 2007
Minutes

Attendees:

Thomas L. Stephenson, Esquire, Chair	Dr. Raymond S. Greenberg
Dr. Stanley C. Baker, Jr.	Ms. Julie Acker
Mr. Melvyn Berlinsky	Ms. Susan Barnhart
Mr. William H. Bingham, Sr.	Ms. Annette Drachman
Dr. Cotesworth P. Fishburne, Jr.	Mr. Joe Good
Mr. William B. Hewitt	Ms. Lisa Kindy
Dr. Donald R. Johnson, II	Ms. Lisa Montgomery
Dr. E. Conyers O'Bryan, Jr.	Dr. John Raymond
Dr. Paula E. Orr	Dr. Jerry Reves
Dr. Thomas C. Rowland, Jr.	Ms. Reece Smith
Mr. Charles W. Schulze	Mr. Stuart Smith
The Honorable Robin M. Tallon	Mr. Stewart Mixon
Dr. Charles B. Thomas, Jr.	Mr. Patrick Wamsley
Dr. James E. Wiseman, Jr.	Mr. Bart Yancey
The Honorable Robert C. Lake, Jr.	

Mr. Stephenson called the meeting to order.

REGULAR Items

Item 25. Review of Internal Audit Reports and Audit Plan for Fiscal Year 2007-2008

Ms. Susan Barnhart presented a review of internal audit reports previously provided to the Board. She also outlined her audit plan for Fiscal Year 07-08.

Recommendation of Committee: That the report be received as information.

Item 26. Report of Legal Counsel.

Ms. Annette Drachman presented an update on Authority litigation including the settlement received in connection with a class action lawsuit.

Recommendation of Committee: That the report be received as information.

Item 27. Compliance Office Update.

Ms. Reece Smith provided an update on the Authority Compliance Office. She outlined the activities of the office including education, monitoring, as well as responding to allegations and questions regarding compliance issues. She also reviewed current initiatives of the office.

Recommendation of Committee: That this report be received as information.

Item 28 Other Committee Business

Mr. Stephenson asked for an Executive Session to discuss a personnel matter. A motion was made, seconded and unanimously voted to go into executive session. At the conclusion of the executive session and in open session, Mr. Stephenson announced that the Audit Committee had discussed the appointment of Ms. Susan Barnhart as Director of Internal Audit.

Recommendation of Committee: That Ms. Susan Barnhart be appointed Director of Internal Audit.

There being no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Celeste Jordan', with a long, sweeping horizontal line extending to the right.

Celeste Jordan

A RESOLUTION

AUTHORIZING THE EXECUTION OF AMENDMENT NO. 1 TO THE EQUIPMENT LEASE/PURCHASE AGREEMENT BY AND BETWEEN BANC OF AMERICA PUBLIC CAPITAL CORP, AS SUCCESSOR TO BANC OF AMERICA LEASING & CAPITAL, LLC AND THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY INCREASING THE MAXIMUM AMOUNT FROM \$36,793,930 TO \$56,793,930 PURSUANT TO THE STATE MASTER LEASE PROGRAM RELATING TO THE ACQUISITION OF CERTAIN EQUIPMENT BY THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY, AUTHORIZING THE EXECUTION OF OTHER NECESSARY DOCUMENTS AND PAPERS, AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED by the Board of Trustees of the Medical University Hospital Authority, in meeting duly assembled.

ARTICLE I FINDINGS OF FACT

The Board of Trustees of the Medical University Hospital Authority (the "*Governing Body*") has made the following findings of fact:

Section 1.01 Findings

1. The Medical University Hospital Authority (the "*Lessee*") is a duly constituted agency and a political subdivision of the State of South Carolina.
2. The Governing Body of the Lessee determined that it was in the best interest of the Lessee to acquire certain hospital equipment through a lease/purchase financing pursuant to the State Master Lease Program, implemented and administered by the office of the State Treasurer pursuant to South Carolina Code Section 31-1-120 and approved the entering into of an Equipment Lease/Purchase Agreement effective as of September 19, 2005 (the "*Original Lease/Purchase Agreement*" and, as amended by Amendment No. 1, as hereinafter defined, the "*Lease/Purchase Agreement*") with Banc of America Leasing & Capital, LLC, succeeded in interest by Banc of America Public Capital Corp, (the "*Lessor*") with a maximum amount of \$36,793,930 (the "*Maximum Amount*").
3. The Governing Body has determined that a true and very real need exists for the acquisition of certain additional hospital equipment, as shown on Exhibit A attached hereto (herein the "*Additional Equipment*"). The total cost of the Additional Equipment is estimated to be not in excess of \$20,000,000.
4. The Governing Body has determined that it is in the best interests of the Lessee to acquire the Additional Equipment by amending the Original Lease/Purchase Agreement pursuant to Amendment No. 1 to Equipment Lease/Purchase Agreement ("*Amendment No. 1*") with Lessor which, inter alia, increases the Maximum Amount from \$36,793,930 to \$56,793,930. The form of Amendment No. 1 has been presented to the Governing Body with this Resolution.

ARTICLE II
AUTHORIZATION

Section 2.01 Approval of the Financing

The Governing Body hereby approves Amendment No. 1 to finance the purchase of the Additional Equipment. The Lease/Purchase Agreement shall not constitute a debt of the Lessee or the State of South Carolina, and the full faith, credit, and taxing power of the Lessee and the State of South Carolina shall not be pledged to secure payment of rental payments or other sums due pursuant to the Lease/Purchase Agreement. Amendment No. 1 shall be in form substantially similar to that provided to the Governing Body, together with such changes, not inconsistent herewith, as shall be deemed by the President in his or her discretion to be in the Lessee's best interest. The execution and delivery of Amendment No. 1 by the President shall constitute conclusive evidence of approval of the terms thereof.

Section 2.02 Other Documents, etc.

The President and the Executive Director of the Lessee are hereby authorized to execute, attest, and deliver any and all other documents, instruments, certificates, or other papers as they deem necessary and appropriate to accomplish the transaction contemplated by this Resolution.

Section 2.03 Effective Date of Resolution

This Resolution shall become effective upon adoption.

ARTICLE III
CERTAIN MATTERS PERTAINING TO THE INTERNAL REVENUE CODE

Section 3.01 General Tax Covenants

The Lessee will comply with all requirements of the Internal Revenue Code of 1986, as amended (the "*Code*"), in order to preserve the tax-exempt status of the Lease/Purchase Agreement including without limitation, the requirement to file the information report pertaining to Amendment No. 1 with the Internal Revenue Service.

Section 3.02 General Tax Representations and Covenants

The Lessee hereby represents and covenants that it will not take any action that will, or fail to take any action which failure will, cause the interest component of rental payments made pursuant to the Lease/Purchase Agreement to become includable in the gross income of the Lessor for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original execution of Amendment No. 1. Without limiting the generality of the foregoing, the Lessee represents and covenants that:

(a) All property provided by the net proceeds of the Lease/Purchase Agreement will be owned by the Lessee in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The Lessee shall not permit the proceeds of the Lease/Purchase Agreement or any facility financed with the proceeds of the Lease/Purchase Agreement to be used in any manner that would

result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a governmental unit as provided in Section 141(b) of the Code, or (b) five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The Lessee is not a party to or nor will it enter into any contracts with any person for the use or management of any facility provided with the proceeds of the Lease/Purchase Agreement that do not conform to the guidelines set forth in Revenue Procedure 97-13 as may be modified or amended by subsequent pronouncements of the United States Treasury Department.

(d) The Lessee will not sell or lease the Additional Equipment or any property provided by the Lease/Purchase Agreement to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Lease/Purchase Agreement.

(e) The Lease/Purchase Agreement will not be federally guaranteed within the meaning of Section 149(b) of the Code. The Lessee has not entered into any leases or sales or service contracts with any federal government agency and will not enter into any such leases or contracts unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Lease/Purchase Agreement.

DONE IN MEETING DULY ASSEMBLED, this 10th day of August, 2007

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, the undersigned, Secretary to the Board of Trustees of the Medical University Hospital Authority, Do Hereby Certify:

That the foregoing is a true, correct, and verbatim copy of a resolution duly adopted by the Board of Trustees of the Medical University Hospital Authority on June ____, 2007. At the meeting at which the resolution was approved, a majority or all members of the Board of Trustees were present and voted in favor thereof. At said meeting, a quorum of the Board of Trustees was present at all times during the proceedings pursuant to which the aforesaid resolution was adopted.

That as required by Chapter 4, Title 30 of the Code of Laws of South Carolina 1976, as amended, written public notice of the regular meetings of the Board of Trustees (showing the date, time and place of the meetings) is prominently posted in the administrative office of the Medical University Hospital Authority, and was provided to the local news media at the appropriate times. The agenda for the meeting at which the resolution was read was prominently posted in the administrative office of the Medical University Hospital Authority at least twenty-four hours prior to the commencement of said meeting;

I DO FURTHER CERTIFY that the foregoing resolution has not been repealed or amended and remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of the Board of Trustees this ____ day of June, 2007.

(SEAL)

Name: Hugh B. Faulkner
Title: Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

COMMUNITY BASED PRIMARY CARE
CLINICAL EDUCATION AND SERVICES
AGREEMENT

evaluate educational and clinical programs in community based primary care for medical students, interns and residents;

WHEREAS, UMA, CFC, and MUSC's other affiliates, including the Hospital, Carolina Health Management Services, Inc., Carolina Primary Care Physicians, P.A. (hereafter collectively the "Affiliates") work collaboratively to provide quality patient care and services to persons, including economically disadvantaged persons, in the greater Charleston metropolitan area;

WHEREAS, UMA and the Affiliates offer primary care services in furtherance of the missions of MUSC, the Authority, and UMA;

WHEREAS, UMA and CFC offer unique patient care environments, including community-based primary care practices, for medical students, interns and resident instruction, which MUSC desires to use;

WHEREAS, MUSC, the Authority and UMA acknowledge the mutual benefits that each derives from the smooth functioning of the other in advancing the educational, scientific, medical, and charitable missions of MUSC, the Hospital, and UMA;

WHEREAS, MUSC, the Authority, and UMA recognize the growing importance to government and third party payors of an ability on the part of health care providers to participate in an integrated delivery network, providing a full range of health care services, and to manage care under contracts in which the providers may share some or all of the risk for managing the continuum of care for payors;

WHEREAS, such trends in the provision of health care require MUSC, the Authority, and UMA to collaborate strategically and to provide a full range of health care services both at the Hospital and, more broadly, within the greater Charleston metropolitan area to meet the needs of consumers and third party payors; and

WHEREAS, MUSC, the Authority, and UMA mutually desire that such services be provided in a manner that assures the provision of appropriate levels of clinical services by the Hospital, and UMA and CFC physicians, in coordination with the educational and research responsibilities of the Faculty;

NOW THEREFORE, in consideration of the symbiotic relationship that must exist among medical faculty (here represented by UMA), medical centers (here represented by the Hospital), and teaching institutions (here represented by MUSC) to further the medical, educational, research and charitable purposes of each, and of the mutual promises and covenants contained herein, the parties hereto agree as follows:

I. OBLIGATIONS OF UMA:

A. Provision of Clinical Education:

(1) Provide, or arrange through CFC for the provision of, appropriate clinical settings for community based primary care education and research for MUSC students, interns, and residents through operating the community based primary care clinical sites (“Sites”) listed in Appendix A, as the same may be modified from time to time by written notice from UMA to MUSC and the Authority; provided, that at no time shall there be fewer than five (5) Sites within the Hospital’s service area;

(2) Provide appropriate teaching and physician supervision of MUSC students, interns, and residents participating in the community based primary care educational program in the subject areas identified on Appendix B, including, without limitation, cooperating with MUSC in scheduling rotations and providing appropriate written evaluations of students, interns, and residents upon reasonable request of MUSC;

(3) Cause UMA members and CFC physicians to maintain licenses to practice medicine in good standing;

(4) Cause UMA members and CFC physicians to maintain their eligibility to provide clinical services that are reimbursed or paid for by third party payors;

(5) Cause UMA members and CFC physicians to maintain their good standing as Faculty members;

(6) Cause UMA members and CFC physicians to promptly and accurately prepare and file in the medical records of their patients progress notes and reports of examinations, procedures, and operations that accurately reflect the patient’s diagnosis and treatment, in accordance with MUSC and Hospital policies and procedures and with applicable federal, state, and local laws and regulations;

(7) Cause UMA members and CFC physicians working at Sites receiving funding under this Agreement to maintain an active practice of medicine and the primary site of such practice in the Hospital’s service area;

(8) Cause UMA members and CFC physicians to acquire and maintain appropriate professional liability insurance coverage; and

(9) Promptly inform MUSC of any event or occurrence that could adversely affect a UMA member’s or CFC physician’s license(s), staff privileges at the Hospital, status as an MUSC Faculty member or eligibility to provide clinical services that are reimbursed or paid for by third party payors.

B. Operation of Sites:

UMA hereby covenants and agrees to:

(1) Operate, or cause CFC to operate, the Sites in a professional manner, including acquiring and maintaining all required licenses, certifications or other governmental

approvals necessary for the operation thereof and the provision of community based primary care services and the performance of its obligations hereunder at the Sites;

(2) Make its best efforts to operate the Sites in a cost-effective manner, including, without limitation, exercising reasonable prudence in purchases and expenditures and applying appropriate productivity standards and incentives to CFC physicians;

(3) Acquire, operate and maintain, or cause CFC to acquire, operate and maintain all facilities, equipment and supplies necessary for the operation of the Sites and the provision of community based primary care services and the performance of its obligations hereunder at the Sites;

(4) Employ, or cause CFC to employ, all personnel necessary for the operation of the Sites and the provision of community based primary care services and the performance of its obligations hereunder at the Sites, including without limitation, establishing and maintaining appropriate personnel policies and procedures, hiring and firing, performance review and assuring appropriate license and certification;

(5) Acquire and maintain, or cause CFC to acquire and maintain policies of property, casualty and personal injury insurance in such amounts as are reasonable and customary for similarly situated providers of community based primary care services and necessary or appropriate for the performance of its obligations hereunder;

(6) Provide, or cause CFC to provide, MUSC with reasonable access to the books and records of UMA and CFC, at the locations where such books and records are kept, for the purpose of verifying the quality of UMA's performance hereunder and the nature and extent of UMA's expenditures in respect of the Sites;

(7) Operate, or cause CFC to operate, the Sites in accordance with all applicable laws, regulations, regulatory and third party payor guidelines, and prevailing medical standards, including, without limitation, the Bylaws of UMA, and the laws, regulations, guidelines and standards of the Department of Health and Environmental Control, the Occupational Safety and Health Administration, state and local agencies responsible for health and fire codes, the Centers for Medicare and Medicaid Services and any other applicable regulatory agencies;

(8) Operate quality control utilization review programs reasonably acceptable to MUSC in conjunction with the services of the students, interns and residents in the Sites, and provide reports, in a form reasonably acceptable to MUSC, at least annually to MUSC;

(9) Cause UMA and CFC in the aggregate to furnish treatment to a reasonable volume of patients who are indigent, economically disadvantaged, and/or whose care is covered under Medicaid, in support of the charitable mission of MUSC, the Authority and UMA, subject to commercially reasonable budgetary constraints;

(10) Cause CFC to participate in third party payor contracting proposals and agreements undertaken by the mutual agreement of MUSC, the Hospital, and UMA.

C. Physician Compensation

UMA hereby represents, warrants and covenants that its compensation of UMA member physicians, and CFC's compensation of CFC physicians, is and shall be commensurate with the fair market value in an arms-length transaction of such physician's services to UMA or CFC, as the case may be, and does not and shall not reflect the volume or value of any referrals by such physicians to each other or any of the Affiliates, or the business generated by an such physician for any component of the Academic Medical Center.

II. OBLIGATIONS OF MUSC:

A. Clinical Training

(1) MUSC shall have primary responsibility for operating the student, intern, and resident clinical educational, and training programs in which UMA participates under this Agreement. In collaboration with the Hospital, MUSC shall select and appoint the individual students, interns, and residents, who participate, and determine the number of students and residents. MUSC shall provide UMA with reasonable notice of the students, interns and residents participating in such programs for planning purposes.

(2) MUSC shall provide an appropriate administrative structure for the maintenance of the student, intern and resident clinical educational programs, including the scheduling of rotations in consultation with UMA. MUSC shall obtain and maintain scheduling of rotations in consultation with UMA. MUSC shall obtain and maintain accreditation of all the educational and training programs by appropriate accrediting bodies.

(3) MUSC shall review quality assurance and utilization review survey results relating to the community based primary care operations.

B. Assessments: MUSC will be responsible for the assessment of UMA's performance pursuant to this Agreement. MUSC reserves the right to perform such assessment through internal and external appraisal groups. The cost of any such assessments shall be borne solely by MUSC.

III. OBLIGATIONS OF THE AUTHORITY:

The Authority shall participate in third party payor contracting proposals and agreements undertaken by the mutual agreement of MUSC, the Authority, and UMA.

IV. COMPENSATION OF UMA:

A. **Reimbursement:** As payment in full for the performance of its obligations hereunder, UMA shall accept and MUSC and Authority shall pay, an annual fixed amount determined in advance. The amount will be set through the University's and the Authority's annual budgetary process, and will be based on the fair market value of UMA's services to MUSC and Hospital, taking into account the participation of UMA and CFC in joint contracting for third-party payor contracts, and the contributions of UMA and CFC to the advancement of the charitable missions of the Hospital and MUSC, including without limitation through the provision of medical care to indigent, economically disadvantaged, and Medicaid patients. The payment due under this Agreement shall be Eight Hundred Thousand and 00/100 Dollars (\$800,000.00)

UMA will be responsible for all expenditures which exceed the annual fixed payment amount from MUSC and the Authority.

B. **Manner of Payment:** Payments will be made to UMA as follows: Fixed payments will be made monthly in advance on the 1st working day to UMA in the amount of 1/12 of the approved annual amount. UMA shall be responsible for providing any amounts owed to the Affiliates within ten (10) days of receipt of such funds from MUSC.

C. **Limitations on Financial Responsibility:** In the event that MUSC is unable to pay its debts for obligations as they come due and MUSC does not have the funds or funding required to meet its obligations under this Agreement, MUSC shall have no further funding obligation under this Agreement (provided that MUSC must continue to forward to UMA any funds that Hospital or Authority pays to MUSC in fulfillment of Authority's funding obligations under this Agreement).

V. **DISPUTE RESOLUTION:**

MUSC, the Authority, and UMA jointly commit to a relationship of equity and cooperation. Should any disagreement arise as to the terms and conditions hereof, MUSC, the Authority, and UMA will first attempt to resolve these issues by designating representatives to engage in good faith negotiations, for a period of not less than fourteen (14) days, with the aim of resolving such issues in a fair and equitable manner. Should an equitable resolution not be reached within twenty-one (21) days, MUSC, the Authority, and UMA hereby agree and covenant to submit said disagreements to binding arbitration under the rules of the American Health Lawyers Association. The requesting party shall notify the other parties of their demand for arbitration within thirty (30) days and each party shall select one independent arbitrator. The three selected arbitrators shall then elect, within fourteen (14) days, two (2) additional arbitrators, all of whom shall be certified and approved by the American Health Lawyers Association. The five member arbitration board shall meet within fourteen (14) days of its selection, and within the subsequent thirty (30) days, a decision of the majority of the arbitration board shall be rendered and will be final and binding upon the parties.

VI. **TERM AND RENEWAL:** This Agreement shall commence on July 1, 2007, and shall be for the initial term of 1 year, terminating on June 30, 2008. This Agreement may be renewed

for up to four (4) additional one (1) year terms upon approval by the Boards of Trustees of MUSC and the Authority and by the UMA.

VII. FOR CAUSE TERMINATION:

A. **Termination for Cause:** This Agreement may be terminated prior to expiration only for cause as defined in this Article VII. Either party may terminate this Agreement in the event that another party materially breaches any material term or condition of this Agreement and fails to rectify such breach within thirty (30) days written notice of said failure.

B. **Termination for Adverse Change:** In the event that any party to this Agreement determines in good faith after receipt of the written opinion of qualified legal counsel stating that any part of this Agreement is illegal or requires either party to be in violation of any state or federal law, regulation, or controlling court decision ("Law"), it shall notify the other parties. The parties shall then negotiate in good faith to reach an agreement as close as possible to the original agreement that is not in violation of the Law. In the event that the parties are unable after good faith and motivation, to reach agreement on terms and conditions for a new agreement, any party may terminate this Agreement on thirty (30) days written notice.

VIII. EVENTS UPON TERMINATION:

In the event that either party exercises its right to terminate this Agreement pursuant to Article VII, no further obligations shall exist of either party to the other except as expressly provided herein. Without limiting the generality of the foregoing, the following actions shall be taken:

- A. **Accounting:** The parties shall, within thirty (30) days of notice of termination, conduct a final accounting of all funds and final payments and adjustments of all funds shall be made.
- B. **No Effect on Other Agreements:** Said termination shall not affect any other contractual obligations between the parties and shall not be considered a waiver of any other contractual obligations, duties, or responsibilities the parties have or may entered into and shall have no effect on the existing or future legal remedies or rights of the respective parties.

IX. NO JOINT VENTURE:

The relationship established by this Agreement is one of independent parties contracting together and shall not be deemed as a partnership or joint venture. No party shall have expressed or implied authority to bind any other party or act as its agent.

X. AGREEMENT NOT TO CONSTITUTE DEBT:

Without limiting or impairing the creation, liability, and existence of this Agreement, neither this Agreement nor any obligation of MUSC or the Authority herein shall constitute or

give rise to any debt of MUSC or the Authority, the State of South Carolina, or any political subdivision thereof. All obligations herein are payable solely from revenues of MUSC or the Authority lawfully available for such purpose.

XI. INDEMNIFICATION:

UMA will indemnify, defend and hold harmless MUSC and the Authority from any and all claims, liabilities and expenses arising from or in connection with any breach of this Agreement or from any negligence or wrongful acts or omissions.

XII. MISCELLANEOUS TERMS AND PROVISIONS:

A. Necessary Approvals: This Agreement shall be subject to approval by the MUSC and Authority Boards of Trustees and the Executive Committee of the Board of UMA before it becomes binding on the parties.

B. Amendment: This Agreement may be modified, altered or amended only in writing duly executed by authorized representatives of the parties, and approved by the MUSC and Authority Board of Trustees.

C. Partial Invalidity: If any provision of this Agreement is held to be void by a court of competent jurisdiction, the remaining provisions of this Agreement shall be unaffected and shall be given such construction as to permit it to comply with the requirements of all applicable laws and the intent of the parties hereto, unless to do so would defeat one or more of the essential purposes of the Agreement. In the event that such construction would defeat one or more of the essential purposes of the Agreement, the offending provision shall be subject to the provisions of Article VII(B) as if it were deemed illegal under such Article.

D. Waiver: A party's waiver of a breach of any term of this Agreement shall not be constituted as a waiver of any subsequent breach of the same or another term contained in the Agreement. A party's subsequent acceptance of performance by the other party shall not be construed as a waiver of a preceding breach of this Agreement other than failure to perform the particular duties so accepted.

E. Controlling Law: This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of South Carolina, but not including the choice of law rules thereof.

F. Conformity with State Statutes: Any provision of this Agreement which may be in conflict with any statutes, local ordinances or law, or regulations of the state in which services are provided, shall be construed to conform to the minimum requirements of such statutes, (if reasonably susceptible of such construction), unless to do so would defeat one or more of the essential purposes of the Agreement. In the event that such provision is not reasonably susceptible of such construction, or that such construction would defeat one or more of the essential purposes of the Agreement, such provision shall be subject to the provisions of Article VII(B) as if it were deemed illegal under such Article.

G. Entire Agreement: This Agreement contains the entire understanding between the parties hereto, with respect to the subject matter hereof, and supersedes all prior Agreements and understandings, expressed or implied, oral or written.

H. Annual Audit: UMA expenses related to its performance of this Agreement shall be subject to audit during the annual audit of UMA. The results of the audit and a schedule of expenses related hereto shall be reported to the MUSC and Authority Board of Trustees.

I. Assignability: No party to this Agreement may assign this Agreement to any other person without the written approval of the other party.

J. Notices: All notices, demands, requests or other communications which may be or are required to be given, served or sent by any party hereunder shall be in writing, and shall be (i) delivered by hand; (ii) mailed by first-class registered or certified mail, with a receipt requested, postage prepaid or by recognized overnight carrier; or (iii) transmitted by facsimile to the address designated on the signature page below, or to such other address as may be designated by written notice. Notices shall be deemed delivered upon receipt (or refusal to accept receipt) in the case of hand delivery, within three (3) days of mailing, in the case of first class mail, within one day of mailing in the case of overnight carrier, and on the day of sending in the case of confirmed facsimile transmission.

K. Survival: Neither expiration nor termination of this Agreement shall terminate these obligations and rights of the parties pursuant to this Agreement which by their terms are intended to survive and such provision shall survive the termination or expiration hereof.

L. Limitation on Benefits: It is the explicit intention of the parties hereto that no person or entity other than a party hereto is or shall be entitled to bring any action to enter or any provision of this Agreement against either of the parties hereto, and that the covenants, agreements and undertakings set forth in this Agreement shall be solely for the benefit of and shall be enforceable only by the parties hereto or their respective successors and assigns as permitted hereunder.

M. Additional Actions and Documents: Each of the parties hereto hereby agrees to take or cause to be taken such further actions and/or execute and deliver such additional documents as may be necessary or as may be reasonably requested in order to fully effectuate the purposes, terms and conditions of this Agreement.

N. Access to Records: To the extent required by Section 1861(v)(1)(I) of the Social Security Act, until the expiration of four (4) years after the furnishing of any services provided under this Agreement, UMA shall make available, and shall cause CFC to make available, upon written request by the Secretary of the U.S. Department of Health and Human Services of the U.S. Comptroller General or their duly authorized representatives, this Agreement and all books, documents and records that are necessary to certify the nature and extent of such services. If UMA and/or CFC carries out the duties of this Agreement through a permitted subcontract worth \$10,000 or more over a 12-month period with a related organization, to the extent required by

Section 1861 such subcontractor shall also contain an access clause to permit access by the Secretary, the Comptroller General and their representatives to the related organization's books, documents and records.

IN WITNESS WHEREOF THE PARTIES AFFIX THEIR SIGNATURES HERETO.

**THE UNIVERSITY MEDICAL ASSOCIATES
OF THE UNIVERSITY OF SOUTH
CAROLINA**

Witness

BY: _____
JOHN R. FEUSSNER
ITS: PRESIDENT
FAX: (843) 792-2048
171 ASHLEY AVENUE
CHARLESTON, SC 29425

**THE MEDICAL UNIVERSITY OF SOUTH
CAROLINA**

Witness

BY: _____
LISA MONTGOMERY
ITS: VICE PRESIDENT FOR FINANCE
AND ADMINISTRATION
FAX: (843) 792-1097
171 ASHLEY AVENUE
CHARLESTON, SC 29425

**THE MEDICAL UNIVERSITY HOSPITAL
AUTHORITY**

Witness

BY: _____
W. STUART SMITH
ITS: EXECUTIVE DIRECTOR AND VICE
PRESIDENT FOR CLINICAL
OPERATIONS
FAX: (843) 792-6682
169 ASHLEY AVENUE
CHARLESTON, SC 29425

**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION
PURSUANT TO SECTION 15-48-10, ET SEQ., OF THE SOUTH
CAROLINA CODE OF LAWS (THE SOUTH CAROLINA UNIFORM
ARBITRATION ACT), AS MODIFIED HEREIN.**

STATE OF SOUTH CAROLINA)
) AMBULATORY PATIENT CARE AND
COUNTY OF CHARLESTON) CLINICAL EDUCATION AGREEMENT

This Agreement, entered into the day of 200 , by and between the Medical University Hospital Authority, an agency of the State of South Carolina, (hereinafter "Authority"), the Medical University of South Carolina, an agency and instrumentality of the State of South Carolina, (hereinafter "MUSC"), and University Medical Associates of the Medical University of South Carolina, a not for profit South Carolina Corporation, (hereinafter "UMA").

Deleted: ntered into

Deleted: _____

Deleted: May,

Deleted: 3

Formatted: Superscript

Deleted: effective as of July 1, 2002,

WHEREAS, the Authority seeks to contract with UMA in an effort to more effectively and efficiently manage and operate outpatient clinic settings, and

WHEREAS, the Authority seeks to provide an appropriate clinical setting for instruction of students and residents of MUSC,

WHEREAS, MUSC seeks to insure academic excellence and support of its mission through education, research, patient care and service, and

WHEREAS, the UMA has unique patient care environments for student and resident instruction, which will be made available to the Authority, and

WHEREAS, UMA members are also regular faculty members of MUSC who by virtue of their training and experience are uniquely qualified to organize, deliver and evaluate education and clinical programs for students and residents, and

WHEREAS, the corporate purpose of the UMA is to promote and support the educational, medical, scientific and research purposes of MUSC, and

WHEREAS, the Authority and UMA work collaboratively to provide quality student and resident instruction in a patient care environment, and

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

Ham 11

ARTICLE I
OBLIGATIONS OF UMA

A. Provision of Clinical Education

1. Clinical Sites. The Authority through this management contract with UMA hereby agrees and covenants to coordinate appropriate (within its financial limits) clinical and educational settings for ambulatory patient care, education and research to all residents and students of MUSC in conjunction with UMA's member physicians who are MUSC faculty. Ambulatory patient care, education, and research shall be interwoven throughout all applicable clinical sites managed by the UMA, as set forth in Appendix A attached hereto and incorporated herein by reference.

Sites can be added or deleted from the list attached hereto as Appendix A based upon written approval by the Ambulatory Care Committee, the Authority, MUSC, and UMA, and in consultation with the Authority Board of Trustees.

2. Clinical Education. UMA further agrees to provide clinical education services to students and residents of MUSC or affiliated entities through its member physicians. These services may be provided at the clinical sites provided by the Authority and managed by UMA through this Agreement (see Appendix A) or may be provided at other appropriate sites not included in this Agreement.

B. Equipment

1. UMA shall comply with Authority policies and procedures concerning the approval and purchase of capital equipment. All requests will be directed through the Hospital Technology Assessment Committee, the Authority Purchasing Department, and reviewed and authorized by the Authority's Executive Director or his designee.

2. The Authority and UMA will coordinate the transfer of capital and operating leases for equipment currently held by UMA. Until ownership or leases are transferred to the Authority, the Authority will reimburse UMA for depreciation and interest in an amount determined during the annual budgetary process. Upon full depreciation of the equipment, UMA shall immediately transfer title of the equipment to the Authority. The Authority will be responsible for necessary maintenance and upkeep required by this equipment.

C. Facilities

1. Existing Leases

a. Leases for Facilities housing the ambulatory care clinics listed in Appendix A attached hereto will continue as written and UMA hereby agrees to provide all of the facilities at their actual cost and expense required to support the ambulatory patient care programs of the Authority, (sites and locations as listed in Appendix A), and clinical education programs of MUSC.

b. During the term of this Agreement, the Authority or MUSC shall not be responsible for any costs beyond or in addition to the requirements or commitments contained herein including but not limited to rental expenses, utilities, taxes, governmental assessment or other costs related to such facilities and shall have no liability arising directly or indirectly from said facilities. Any costs above and beyond those contained in this Agreement or its Appendices or amendments will be the responsibility of UMA. UMA shall maintain appropriate insurance for property and personal injury naming the Authority and MUSC as an additional insured.

2. Future Acquisitions or Leases. Acquisition or renovation of facilities housing the ambulatory care clinics listed in Appendix A attached hereto shall be subject to Authority policies and procedures, and must be approved by the Authority. Issues related to facilities management shall be routed through the Authority's Department of Facilities Management and Capital Projects.

D. Operation of Clinic Sites

1. Ambulatory Care Clinics. UMA shall be responsible for the complete management of all clinics covered hereunder and listed in Appendix A attached hereto. This responsibility shall include, but not be limited to, the establishment of all relations required for the successful operation of the ambulatory clinic sites. UMA shall be responsible for the clinical, financial, and personnel management of the ambulatory clinic sites. UMA's Ambulatory Care Administrator shall report directly to the Executive Director of the Authority. The Ambulatory Care Administrator and other members of the Ambulatory Care Management Team listed in Appendix C attached hereto shall participate in the Authority's Management and/or Leadership Committees as determined by the Executive Director of the Authority or his designee from time to time.

2. Clinical Centers. UMA shall be responsible for management of the financial and administrative functions provided to the facilities listed in Appendix B attached hereto and incorporated herein by reference. These centers shall be subject to Authority policies and procedures including but not limited to those governing business operations.

3. Policies and Procedures. In the operation of the ambulatory care clinics, UMA shall comply with all Authority policies and procedures including but not limited to compliance with the Authority's Code of Conduct and corporate compliance initiatives, quality improvement initiatives, Institutional Compliance Agreement, EMTALA policy, Medicare Provider Agreement, non-discrimination policies and procedures (i.e., Affirmative Action Plan, EEO, etc.), and the standards issued by the Joint Commission on Accreditation of Health Care Organizations.

E. Provision of Personnel

In fulfilling its responsibilities under this Agreement, UMA will provide appropriate personnel to manage the ambulatory care clinics. More specifically, UMA will provide the personnel listed in Appendix C attached hereto and incorporated herein by reference. Changes

or modifications to Appendix C, the organizational structure, or business protocols shall be approved by the Authority in writing. Costs attributable to the employees listed in Appendix C shall also be approved by the Authority in writing, and if necessary by the Authority's Board of Trustees.

UMA shall insure the appropriate appointed clinical professionals (faculty) provide care to patients in the ambulatory care clinics and provide appropriate instruction to residents and students assigned to the ambulatory care clinics.

UMA shall be responsible for managing employees of the ambulatory care clinics and enforcing Authority employment policies and procedures. UMA shall be responsible for ensuring that appropriate standards are met by all non-faculty personnel through educational requirements and employee performance assessments.

F. Financial Management

1. UMA shall provide to the Authority for approval, an annual operating and capital budget prepared pursuant to the Authority budget guidelines and within the Authority's budget cycle timeline. The budget shall clearly identify the costs to be expended for the management responsibility of the ambulatory care clinics as required under this Agreement and is attached hereto and incorporated herein by reference as Appendix D. Any increase in this Budget shall be approved by the Authority's Board of Trustees.

2. The cost of operation of the ambulatory care clinics shall be included in Authority cost centers. However, UMA shall present to the Authority monthly financial reports comparing the budgeted income and expenses to actual and including an analysis of the relative profitability and efficiency of the various clinic sites as described in Appendix A.

3. UMA will provide on a quarterly basis to the Authority and the Ambulatory Care Committee (see Article II, Section B), reports defining the progress of operational and financial components within the annual ambulatory patient care budget. These reports will include information reflecting actual performance criteria compared to established benchmarking standards jointly agreed upon by the Authority and UMA in the areas of clinic staffing, room utilization, patient satisfaction, patient care quality, and cost.

4. UMA hereby agrees to comply with revenue cycle procedures and guidelines as determined by the Authority.

G. Licensing and Accreditation

UMA agrees to adhere to all standards, regulations, and guidelines applicable to ambulatory care operations as determined by the Authority, the Joint Commission on the Accreditation of Health Care Organizations, Department of Health and Environmental Control, the Occupational Safety and Health Administration, the Health and Fire Code Requirements, and any other applicable regulatory agencies.

H. Physicians and Other Professional Staff/Clinical Services

1. Physicians or other UMA professional personnel providing care in the ambulatory care clinics must have MUSC faculty appointments and be members of the Authority Medical Staff or otherwise authorized to provide care to Authority patients and are subject to the same standards as other members of the Authority Medical Staff, including but not limited to documentation and performance standards, and are subject to the Medical Staff Bylaws, rules, policies and procedures.

UMA shall also coordinate with MUSC to provide appropriately credentialed professional personnel for the purposes of training students assigned to the ambulatory care clinics through affiliation agreements held by the Authority (e.g., faculty from the College of Nursing, College of Health Professions, etc.).

2. The UMA shall appoint a Medical Director (Chief Medical Officer of UMA) of the ambulatory care clinics who will report to the Medical Director of the Authority in a manner similar to that of medical directors of other departments of the Authority. More specifically, the Medical Director of the ambulatory care clinics shall have the following responsibilities:

a. Ensure compliance with Hospital Authority mission statement and related policies.

b. Provide leadership to the medical staff of the ambulatory care clinics that includes direct involvement in and oversight responsibility for compliance issues, compliance with JCAHO standards, physician services, medical staff applications, credentialing, reappointments, and new physician orientation.

c. Assess and develop protocols and guidelines to improve the quality, effectiveness, and resource utilization of care delivered to ambulatory care patients.

d. Participate in performance improvement activities that improve measured outcomes outlined in the Medical University Hospital Performance Improvement Plan as applicable under the scope of this Agreement.

e. Participate in institution-wide quality initiatives that pertain to care of ambulatory care patients.

3. The UMA shall appropriately bill and distribute revenues for all professional services associated with the provision of care in the ambulatory care clinics in accordance with the applicable requirements of UMA's practice plan. UMA shall also appropriately identify the setting in which the care is provided (i.e., bill as hospital outpatient).

4. Further, the UMA shall comply with Federal, State and Local laws, rules and regulations.

5. UMA shall comply with the quality control utilization and process improvement programs initiated by the Authority. The ambulatory care clinics shall be included in the Authority's quality improvement programs including but not limited to the Authority's Quality Network.

I. Medical Records

UMA shall maintain the medical records of patients seen in the ambulatory care clinics in accordance with the policies and procedures of the Authority's Health Information Services. The Authority shall be given access to the medical records upon request.

UMA shall comply with the Authority's policies and procedures regarding medical records, as required by the Health Insurance Portability and Accountability Act.

ARTICLE II
OBLIGATIONS OF MUSC

A. Clinical Education Programs:

1. MUSC shall be solely responsible for the maintenance of student and resident educational programs throughout the term of this contract which duties encompass the selection, reappointment, and termination of individual students and residents, as well as, determining the number of students and residents. One hundred and twenty (120) days advance notice shall be given to UMA of any change in the size of the student and resident clinical education programs.

2. MUSC shall coordinate with UMA to determine the appropriate clinical site

3. At its own expense, MUSC will be solely responsible for the appropriate administrative structure for the maintenance of the student and residency clinical education programs. MUSC will assume sole responsibility for obtaining and maintaining accreditation of all the educational programs by appropriate accrediting bodies.

ARTICLE III
OBLIGATIONS OF THE AUTHORITY

A. Performance Assessment. The Authority will be responsible for the assessment of UMA's management and operations performance pursuant to this Agreement. The Authority shall also review quality assurance and utilization and review survey results. The Authority reserves the right to perform such assessment through internal and external appraisal groups. The cost of any such assessments shall be borne solely by the Authority.

B. Establishment of the Ambulatory Care Committee. The Authority will establish the Ambulatory Care Committee which will provide oversight of this Agreement by the Authority. This Committee will receive periodic reports and presentations monitoring the operational and financial performance incorporated within or resulting from the Ambulatory

Patient Care and Clinical Education Agreement, and shall be responsible for forwarding these reports to other departments or individuals as appropriate. The Committee will also serve as the initial body responsible for the resolution of any disputes between the Authority, MUSC, and UMA arising from this Agreement. The Ambulatory Care Committee shall consist of: The Vice President for Clinical Operations/Executive Director of the Authority, the Administrator for Financial Services for the Authority, the Administrator for Clinical Services, the Vice President for Medical Affairs and Dean of the College of Medicine, the Vice President for Academic Affairs and Provost, the President of UMA, the Chief Executive Officer of UMA, the Chief Medical Officer of UMA, and the Ambulatory Care Administrator. The Authority Board of Trustees shall appoint one of their members to be a liaison with the Ambulatory Care Committee, who shall be kept informed of all major actions.

C. Equipment

The Authority shall be responsible for the purchase and maintenance of capital equipment required by the ambulatory care clinics. Purchase of any capital equipment or supplies must be in compliance with Authority purchasing policies and procedures and must be approved by the appropriate Authority personnel.

D. Facilities

The Authority shall reimburse UMA for actual costs associated with facilities currently being purchased or leased by UMA and housing the ambulatory care clinics listed in Appendix A attached hereto. Purchases or leases of facilities to house the ambulatory care clinics entered into after the effective date of this Agreement will be approved and provided by the Authority. The Authority shall approve and be responsible for renovations of facilities listed in Appendix A attached hereto.

E. Personnel

The Authority shall provide non-faculty personnel to staff the ambulatory care clinics. Staff employed in the ambulatory care clinics shall be subject to the same employment policies and procedures, including verification of licensure, pre-employment screens and verification, educational requirements, and performance assessments as other employees of the Authority. Further, the employees of the ambulatory care clinics shall be subject to the same grievance policy and pay plans in place for the Authority.

F. Billing

The Authority shall be responsible for billing the facility fees, procedure fees, and ancillary fees associated with the ambulatory care clinics.

G. Medical Records

The Health Information Services Department of the Authority shall have access to the medical records maintained in the ambulatory care clinics.

ARTICLE IV
REIMBURSEMENT TO UMA

A. Authority Reimbursement. The Authority will reimburse UMA in an annual fixed amount determined in advance for providing clinical operations management and an environment for ambulatory patient care pursuant to this Agreement. The annual budget will be set in advance through the Authority's annual budgetary process and attached hereto as Appendix D. UMA shall be entitled to reimbursement for actual expenses associated with the operation of the ambulatory care clinics listed in Appendix A attached hereto including but not limited to: salaries and benefits for management personnel as set forth in Appendix C attached hereto and incorporated herein by reference, space and other operating costs directly associated with or attributed to the management of the ambulatory care clinics, as agreed upon in advance by the parties to this Agreement. Any UMA expenditures which cause UMA to exceed UMA's portion of the Budget attached hereto as Appendix D must be approved by both parties to this Agreement and authorized by the Authority's Board of Trustees if it is to be reimbursed by the Authority. Together, the Authority and UMA will reconcile actual UMA costs with payments made by the Authority on a quarterly basis.

Payments will be made to UMA subject to adjustments described as follows:

1. Ambulatory Care Clinics

Fixed payments will be made monthly in advance on the 1st working day to UMA in the amount of 1/12 of the approved annual budget attached hereto as Appendix D for the operation of the ambulatory care clinics.

2. Equipment

With regard to capital equipment purchased or leased prior to the effective date of this Agreement, the Authority will reimburse UMA for depreciation and interest in an amount determined during the annual budgetary process. Upon full depreciation of the equipment, UMA shall immediately transfer title of the equipment to the Authority.

The Authority shall also reimburse UMA for the necessary maintenance and upkeep required on equipment owned or leased by UMA and in operation in the ambulatory care clinics listed in Appendix A attached hereto.

B. MUSC Reimbursement. MUSC will reimburse UMA in an annual fixed amount for providing clinical education pursuant to this Agreement. The annual payment will be set through MUSC's annual budgetary process and attached hereto as Appendix E.

ARTICLE V
DISPUTE RESOLUTION

The Authority, MUSC, and UMA jointly commit to a relationship of equity and cooperation. Should any disagreement as to the operations, financial considerations, or strategic decisions arise, the Authority, MUSC, and UMA will first attempt to resolve these issues through the Ambulatory Care Committee. Should an equitable resolution not be reached through the Ambulatory Care Committee, the Authority, MUSC, and UMA hereby agree and covenant to submit said disagreements to binding arbitration. The requesting party shall notify the other party of their demand for arbitration within thirty (30) days and both parties shall select one independent arbitrator. The two selected arbitrators shall then elect within fourteen (14) days a third arbitrator, all of which shall be certified and approved by the American Arbitration Society. The three member arbitration board shall meet within fourteen (14) days of its selection and within the subsequent thirty (30) days a decision of the majority of the arbitration board shall be rendered and will be final and binding upon the parties. All costs of arbitration will be shared equally between the parties.

ARTICLE VI
TERM AND RENEWAL

This agreement shall commence on July 1, 200 , and shall terminate on the 30th day of June, 200 . This Agreement may be renewed for up to additional one (1) year terms upon agreement by the parties and approval of the Authority's Board of Trustees, MUSC's Board of Trustees, and the UMA's Board of Directors. Should the Authority, MUSC, or UMA wish not to renew, at least sixty (60) days written notice of such intent shall be given to the other parties.

Deleted: 2
Deleted: 4
Deleted: three

ARTICLE VII
TERMINATION

A. For Cause Termination

1. Breach. Any party may immediately terminate its obligations pursuant to this Agreement in the event that the other party fails to perform any material terms or conditions of this Agreement and fails to rectify such breach within thirty (30) days written notice of said failure.

2. Change in Appropriations. Either the Authority, MUSC, or UMA may terminate this Agreement upon ninety (90) days notice to the other parties in the event that any party in good faith determines that sufficient funds are not available through legislative appropriations, the Authority budget, or otherwise, to continue to appropriately operate the facilities.

B. Adverse Change. In the event that any party to this Agreement determines in good faith after consultation with legal counsel that any part of this Agreement is illegal or in violation of any state or federal law, regulation or controlling court decision ("Law"), it shall notify the other party. Each party shall then negotiate in good faith to reach an agreement as close as possible to the original Agreement that is not in violation of the Law. In the event that the parties are unable to negotiate a new agreement, the parties shall submit the issue to arbitration pursuant to Article IV herein. The arbitrator shall determine whether there is a violation of Law, and if so shall amend the Agreement in an effort to duplicate the original Agreement as closely as possible to the original but in a manner that is not in violation of the Law. Such decision of the arbitrator shall not be appealable.

ARTICLE VIII **EVENTS UPON TERMINATION**

In the event of termination the following actions shall be taken:

A. UMA shall within thirty (30) days of notice of termination assign, reassign, or reconvey all Authority personal or intellectual properties to the Authority and shall cease use of the Authority's name or logo on facilities or activities associated with ambulatory care clinics.

B. The parties shall within thirty (30) days of notice of termination conduct a final accounting of all funds due under the Agreement.

C. Said termination shall not affect any other contractual obligations between the parties and shall not be considered a waiver of any other contractual obligations, duties, or responsibilities the parties have or may enter into and shall have no effect on the existing or future legal remedies or rights of the respective parties.

ARTICLE IX **NO JOINT VENTURE**

The relationship established by this agreement is one of contract and shall not be deemed as a partnership or joint venture. UMA shall not have authority expressed or implied to bind the Authority or MUSC or act as their agent.

ARTICLE X **AGREEMENT NOT TO CONSTITUTE DEBT**

Without limiting or impairing the creation, liability, and existence of this Agreement, neither this Agreement nor any obligation of the Authority herein, shall constitute or give rise to any debt of the Authority, the State of South Carolina, or any political subdivision thereof. All obligations herein are payable solely from revenues lawfully available for such purpose.

ARTICLE XI
NO PAYMENT FOR REFERRALS

The consideration of this Agreement is an amount equal to fair market value for the services to be performed hereunder. No consideration is being given base upon the volume or values of referrals.

ARTICLE XII
MISCELLANEOUS TERMS AND PROVISIONS

A. Necessary Approvals

This Agreement shall be subject to approval by the Authority Board of Trustees, the MUSC Board of Trustees, and the Executive Committee of the Board of UMA before it becomes binding upon the parties.

B. Entire Agreement and Renegotiation of Terms

1. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and undertakings, both written and oral, concerning the subject matter hereof.

2. Terms of this Agreement may be renegotiated upon written notification to the other parties. Notice of such intent must be given by the requesting party by hand delivery to the chief executive of the other party. Unless otherwise stated in this Agreement, all changes shall become effective at such time as mutually approved by all parties, the Authority's Board of Trustees, the MUSC Board of Trustees, and the UMA's Board of Directors.

C. Partial Invalidity

If any part, clause or provision of this Agreement is held to be voided by a court of competent jurisdiction, the remaining provisions of this Agreement shall be unaffected and shall be given such construction as to permit it to comply with the requirements of all applicable laws and the intent of the parties hereto.

D. Waiver

A party's waiver of a breach of any term of this Agreement shall not be constituted as a waiver of any subsequent breach of the same or another term contained in the Agreement. A party's subsequent acceptance of performance by the other party shall not be construed as a waiver of a preceding breach of this Agreement other than failure to perform the particular duties so accepted.

E. Controlling Law

This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by and construed in accordance with the laws of the State of South Carolina.

F. Conformity with State Statutes

Any provision of this Agreement which is in conflict with any statutes, local ordinances or law, or regulations of the state in which services are provided, is hereby amended to conform to the minimum requirements of such statutes.

G. Entire Agreement

This Agreement contains the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior Agreements and understandings, expressed or implied, oral or written. This Agreement may not be amended, modified, or altered unless such amendment, modification or alteration is in writing and is signed by duly authorized officers or representatives of the Authority, MUSC, and UMA.

H. Annual Audit

UMA expenses related to the Ambulatory Patient Care and Clinical Education Agreement will be subject to audit during the annual audit of UMA. The results of the audit and a schedule of ambulatory patient care expenses shall be reported to the Authority's and MUSC's Board of Trustees. This Agreement and the transactions related hereto shall be subject to review by the Authority's or MUSC's Internal Audit Department at any time.

I. Right to Access

The Authority and MUSC shall have unrestricted right to enter and inspect all clinical sites operated and managed by UMA set forth in Appendix A attached hereto.

J. Assignability

No party to this Agreement may assign this Agreement to any party without the prior written approval of each party to this Agreement.

IN WITNESS WHEREOF THE PARTIES AFFIX THEIR SIGNATURES HERETO.

UNIVERSITY MEDICAL ASSOCIATES

Witness

BY: _____

~~JOHN R. FEUSSNER~~
ITS: ~~PRESIDENT~~

~~Deleted: BRUCE QUINLAN~~
~~Deleted: CHIEF EXECUTIVE~~
~~OFFICER~~

MEDICAL UNIVERSITY HOSPITAL
AUTHORITY

Witness

BY: _____

W. STUART SMITH
ITS: EXECUTIVE DIRECTOR

MEDICAL UNIVERSITY OF SOUTH
CAROLINA

Witness

BY: _____

ITS: VICE PRESIDENT FOR FINANCE
AND ADMINISTRATION

~~Deleted: JOHN SUTUSKY~~

**APPENDIX A
CURRENT LOCATIONS OF AMBULATORY
PATIENT CARE AND CLINICAL
EDUCATION SERVICES**

PROVIDED BY MUSC:

Hollings Cancer Center 86 Jonathan Lucas Street	Multi-disciplinary: Breast, Chest and Gastro, Chemotherapy, Prevention, Bone Marrow, Transplant, Hematology Oncology, Surgical Oncology
Storm Eye Institute	1 st Floor: General Adult, Pediatrics 2 nd Floor: Adult Specialty Clinic
Family Medicine Center 295 Calhoun Street	Department of Family Medicine
Gazes/Strom Thurmond Building 114 Doughty Street	Cardiac Rehabilitation, Executive Health Program, Cholesterol Center
6SW - Main Hospital	Adult Cardiology

LEASED FROM OUTSIDE PARTIES:

McClennan-Banks Ambulatory Care Center 326 Calhoun Street	1 st Floor: Medical Subspecialties – Neurology, Cardiology, Dermatology, GI Clinic, Orthopedics, PM&R, Prosthetic Clinic & UnnaBoot Clinic
	2 nd Floor: Pediatric Primary Care
	3 rd Floor: “Women’s Health Services”: OB/GYN, Colposcopy, Family Planning, Infertility, Ultrasound
	4 th Floor: Adult Primary Care Center
628 St. Andrews Blvd.	Prenatal Wellness Diagnostic Center

LEASED FROM HEALTH SCIENCE FOUNDATION:

30 Bee Street	Faculty Practice: OB/GYN
Rutledge Tower 135 Rutledge Avenue	<p>1st Floor: Pediatric Orthopedics, Pediatric Neurology, Sickle Cell - Adult</p> <p>2nd Floor: ENT Center (Peds & Adult)</p> <p>3rd Floor: Pediatric Clinics: Burn, Adolescent Medicine, Day Treatment, Endocrinology, Genetics, Pediatric Psychiatry, OPAC, Nephrology, Sickle Cell, Surgery, Developmental Pediatrics/Psychology, Transfusion</p> <p>4th Floor: High Risk Neonatology, Urology, Gastroenterology/Cystic Fibrosis, Neurosurgery, Spina Bifida, Infant Home Monitoring, Allergy & Asthma, Infectious Diseases, Craniofacial, Oncology/Hematology, Brain Tumor, Spasticity</p> <p>5th Floor: Rheumatology, Pulmonary, Urology, Asthma & Allergy Treatment Center</p> <p>6th Floor: Cardiology/Vascular, Hypertension, Nephrology, Transplant</p> <p>7th Floor: Infectious Disease, Surgery, Burn & Trauma, Adult Orthopedics</p> <p>8th Floor: Diabetes, Endocrinology, UDC</p> <p>9th Floor: EMG, Neurology, Neurosurgery, Pain Management, Spine, PM&R</p> <p>10th Floor: Dermatologic Surgery, Dermatology, Maxillofacial Prosthodontics, ENT, Facial, Plastic, Reconstructive Surgery</p>

LEASED FROM OUTSIDE PARTIES: NON-CLINICAL

160 Rutledge Avenue	Centralized Regional Scheduling, Training & Financial Counseling
136 Rutledge Avenue	Ambulatory Care Administration

**APPENDIX B
CLINICAL CENTERS**

MUSC Children's Hospital

MUSC Heart and Vascular Center

APPENDIX C
UMA AMBULATORY CARE MANAGEMENT TEAM

Administrator

Director, Administrative Services

Director, Clinical Services

Manager, Women's Health Services

Manager, Hollings Cancer Center

Manager, Purchasing & Materials Support

Manager, Information Systems

Manager, Medical Surgical Services

Manager, Children's Services

Manager, Performance Improvement/Staff Development

Manager, Planning & Facility Management

Manager, Social Workers

Manager, Family Medicine

Manager, SEI Clinics

Manager, Business Operations

Information Systems Staff:

Information Tech Coordinator

Scheduling Systems Coordinator

Systems Analyst

Information Systems Operations

APPENDIX D
AMBULATORY CARE MANAGEMENT BUDGET

To Be Determined in MUHA Budgetary Process

APPENDIX E
MUSC PAYMENT SCHEDULE

To Be Determined in MUSC Budgetary Process

MUSC-MC BOARD OF TRUSTEES
Credentials Report

August 10, 2007

The Medical Executive Committee has reviewed the following applicants for appointment / reappointment / change in privileges and recommend approval by the Board.

Status Legend: AC=Active; PA=Prov. Active; AF=Affiliate; PF=Prov. Affiliate; AFC=Affiliate [CFC]; PAFC=Prov. Affiliate [CFC];
 AH=Allied Health; PH=Prov. Allied Health; HE=Allied Health [External]; PE= Prov. Allied Health [External]
 SB=Sabbatical; AD=Administrative

Application Type: APPT=Appointment; REAP=Reappointment; REIN=Reappointment with increase; INCR=Increase; CHNG=Change

APPLICANTS FOR APPOINTMENT

EXPEDITED APPLICANTS

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Caneiro-Pla, Denise M.	MD	PA	SURG		7/11/2007	7/18/2007	8/10/2007	NEW
Duckett, Ashley N.	MD	PA	MEDI		7/11/2007	7/18/2007	8/10/2007	NEW
Embrey, Donna B.	CRNA	PH	ANES		7/11/2007	7/18/2007	8/10/2007	NEW
Herrmann, Virginia M.	MD	PA	SURG	SONC	6/13/2007	6/20/2007	8/10/2007	NEW
Jaruzel, Candace	CRNA	PH	ANES		6/13/2007	6/20/2007	8/10/2007	NEW
Johnson, Ian T.	MD	PA	NEUR		7/11/2007	7/18/2007	8/10/2007	NEW
McGillicuddy, John W.	MD	PA	SURG	GSTS	6/13/2007	6/20/2007	8/10/2007	NEW

APPLICANTS

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Adams, Robert J.	MD	PA	NSCI	NEUR	6/13/2007	6/20/2007	8/10/2007	NEW
Briones, Kerry P.	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Buchmann, Luke O.	MD	PA	OTOL		6/13/2007	6/20/2007	8/10/2007	NEW
Camp, Ernest R.	MD	PA	SURG	SONC	6/13/2007	6/20/2007	8/10/2007	NEW
Caton, Cathryn	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Clark, Jennifer K.	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Guidry, Orin F.	MD	PA	ANES		6/13/2007	6/20/2007	8/10/2007	NEW
Hammond, Natalie A.	MD	PA	OB/GYN		6/13/2007	6/20/2007	8/10/2007	NEW
Hant, Faye N.	DO	PA	MEDI	RHEU	6/13/2007	6/20/2007	8/10/2007	NEW
Koch, David G.	MD	PA	MEDI	GAST	6/13/2007	6/20/2007	8/10/2007	NEW
Koch, Frances R.	MD	PA	PEDI		6/13/2007	6/20/2007	8/10/2007	NEW
Lester, Mary E.	MD	PA	SURG	PLAS	6/13/2007	6/20/2007	8/10/2007	NEW
Matheson, Eric M.	MD	PA	FAMP		6/13/2007	6/20/2007	8/10/2007	NEW
McElligott, James T.	MD	PA	PEDI		6/13/2007	6/20/2007	8/10/2007	NEW
Mennito, Sarah H.	MD	PA	PEDI		6/13/2007	6/20/2007	8/10/2007	NEW
Merrell, Christopher A.	MD	PA	ORTH		6/13/2007	6/20/2007	8/10/2007	NEW
Roberts, Jason R.	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Scarlett, Leslie C.	MD	PA	OPHT		6/13/2007	6/20/2007	8/10/2007	NEW
Stowe, Claudia B.	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Wiggins, Travis F.	MD	PA	MEDI	IMED	6/13/2007	6/20/2007	8/10/2007	NEW
Debroy, Sumita K.	MD	PFC	PEDI		6/13/2007	6/20/2007	8/10/2007	NEW
Dommm, Aaron B.	MD	PA	MEDI	GAST	6/13/2007	6/20/2007	8/10/2007	NEW
Edwards, Jonathan C.	MD	PA	NEUR		6/13/2007	6/20/2007	8/10/2007	NEW
Alanis, Mark C.	MD	PA	OBGY		7/11/2007	7/18/2007	8/10/2007	NEW
Alder, Timothy L.	MD	PA	RADI		7/11/2007	7/18/2007	8/10/2007	NEW
Burns, Jill M.	WHNP	PH	OBGY		7/11/2007	7/18/2007	8/10/2007	NEW
Egidi, Maria F.	MD	PA	MEDI	NEPH	7/11/2007	7/18/2007	8/10/2007	NEW
Gans, Jennifer J.	PsyD	PH	PEDI	GAST	7/11/2007	7/18/2007	8/10/2007	NEW
Grant, Cheryl A.	MD	PA	PEDI		7/11/2007	7/18/2007	8/10/2007	NEW
Guldan, George J., III	MD	PA	ANES		7/11/2007	7/18/2007	8/10/2007	NEW
Hays, Angela N.	MD	PA	NEUR		7/11/2007	7/18/2007	8/10/2007	NEW
Hammond, Kerry L.	MD	PA	SURG		7/11/2007	7/18/2007	8/10/2007	NEW
Harvey, Richard J.	MBBS	PA	OTOL		7/11/2007	7/18/2007	8/10/2007	NEW

Ham 17

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Hebra, Andre	MD	PA	SURG		7/11/2007	7/18/2007	8/10/2007	NEW
Kenneda, Virgil J.	DO	PA	ANES		7/11/2007	7/18/2007	8/10/2007	NEW
Marcus, Bradley J.	MD	PA	PATH		7/11/2007	7/18/2007	8/10/2007	NEW
Matheus, Maria G.	MD	PA	PATH		7/11/2007	7/18/2007	8/10/2007	NEW
Meekins, Pauline E.	MD	PA	MEDI		7/11/2007	7/18/2007	8/10/2007	NEW
Randazzo, William S.	MD	PA	PEDI		7/11/2007	7/18/2007	8/10/2007	NEW
Shapshak, Dag	MD	PA	MEDI	EMER	7/11/2007	7/18/2007	8/10/2007	NEW
Teed, Ronald G.	MD	PA	OPHT		7/11/2007	7/18/2007	8/10/2007	NEW

APPLICANTS FOR REAPPOINTMENT

<u>Practitioner</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Abernathy, James H.	MD	PA	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
Aiken, Jill C.	MD	AF	PEDI	PEDI	7/11/2007	7/18/2007	8/10/2007	REAPPT
Alele, Jimmy D.	MD	AC	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Anderson, Annette B.	MD	AF	FAMP		7/11/2007	7/18/2007	8/10/2007	REAPPT
Anis, Munazza	MBBS	PA	RADI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Arnold, Pamela C.	CNS, APR	AH	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Askins, David G.	MD	AF	FAMP		7/11/2007	7/18/2007	8/10/2007	REAPPT
Athar, Saima	MD	PA	NSCI	NEUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Ayiku, Henry B.	MD	PA	MEDI	NEPH	7/11/2007	7/18/2007	8/10/2007	REAPPT
Ball, Bruce D.	MD	AF	PEDI	PALL	7/11/2007	7/18/2007	8/10/2007	REAPPT
Bates, Laura Calcultt	PNP	PH	PEDI	PGAS	7/11/2007	7/18/2007	8/10/2007	REAPPT
Bilic, Masha	MD	PA	PATH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Bowles, Robert H.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Broadway, Jessica L.	MD	PA	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Brown, Eugene G.	MD	AF	OTOL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Brzezinski, Walter A.	MD	AC	MEDI	IMED	7/11/2007	7/18/2007	8/10/2007	REAPPT
Calandra, Joseph J.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Chang, Eugene Y.	MD	AC	OBGY	MATE	7/11/2007	7/18/2007	8/10/2007	REAPPT
Chavis, Pamela S.	MD	AC	OPHT		7/11/2007	7/18/2007	8/10/2007	REAPPT
Cheek, DeAnna E.	MD	AC	PEDI	PNEP	7/11/2007	7/18/2007	8/10/2007	REAPPT
Cluver, Jeffrey S.	MD	AF	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Comerford, Lawrence W.	MD	PA	MEDI	GAST	7/11/2007	7/18/2007	8/10/2007	REAPPT
Comley, Kathleen	CRNA	AH	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
Curry, Nancy S.	MD	AC	RADI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Cusack, John R.	DO	AC	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Devlin, Mitchell L.	DO	AF	MEDI	CARD	7/11/2007	7/18/2007	8/10/2007	REAPPT
Dobson, Joseph V.	MD	AC	PEDI	PEMG	7/11/2007	7/18/2007	8/10/2007	REAPPT
Durrence, Hugh D.	MD	AF	FAMP		7/11/2007	7/18/2007	8/10/2007	REAPPT
Eglen, Rebecca S.	MD	AF	PEDI	PEDI	7/11/2007	7/18/2007	8/10/2007	REAPPT
Fernandes, Jyotika K.	MBBS	AC	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Forbus, Geoffrey A.	MD	AC	PEDI	PCAR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Franklin, Lynette E.	CNS	PH	UROL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Giglio, Pierre	MD	PA	NSCI	NEUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Grant, Paul M.	MD	AF	OPHT		7/11/2007	7/18/2007	8/10/2007	REAPPT
Hainer, Barry L.	MD	AC	FAMP		7/11/2007	7/18/2007	8/10/2007	REAPPT
Halavonich, Rikki L.	MD	PA	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Harper, Angelle S.	MD	PA	RADI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Harper, Jennifer L.	MD	PA	RADO		7/11/2007	7/18/2007	8/10/2007	REAPPT
Hocevar, Susan N.	MD	PA	PEDI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Hornig, Joshua D.	MD	AC	OTOL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Hsia, Tain-Yen	MD	PA	SURG	CSUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Hughes-Joyner, Frederica	PNP	AH	FAMP		7/11/2007	7/18/2007	8/10/2007	REAPPT
Jackson, Sherron M.	MD	AC	PEDI	PHEM	7/11/2007	7/18/2007	8/10/2007	REAPPT
Kennedy, Shannon A.	MD	PA	PEDI	PEDI	7/11/2007	7/18/2007	8/10/2007	REAPPT
Kirker, Nicole M.	ACNP	PH	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Kogos, Philip G.	MD	PA	RADI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Kolkas, Eugenia	MD	AC	OBGY	BGYN	7/11/2007	7/18/2007	8/10/2007	REAPPT
Kupferman, Seth P.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Lake, Robert S.	MD	PF	MEDI	IMED	7/11/2007	7/18/2007	8/10/2007	REAPPT
Lawrence, Christopher	MD	AC	MEDI	GAST	7/11/2007	7/18/2007	8/10/2007	REAPPT
Leon, Stuart M.	MD	AC	SURG	TCCS	7/11/2007	7/18/2007	8/10/2007	REAPPT
Lowery, Robert B.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Madory, James E.	DO	AC	PATH	SPAT	7/11/2007	7/18/2007	8/10/2007	REAPPT
Marculescu, Camelia	MD	AC	MEDI	INFE	7/11/2007	7/18/2007	8/10/2007	REAPPT
Marica, Livia S.	MD	AC	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
McCrosson, John J.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
McEvoy, Matthew D.	MD	PA	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
Melikian, Margaret	DO	AC	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Merrill, Keith D.	MD	AF	ORTH		7/11/2007	7/18/2007	8/10/2007	REAPPT
Meyer, Ted A.	MD	AC	OTOL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Miller, Matthew S.	CRNA	PH	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
Neupert, Larry D.	CRNA	AH	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
O'Neil, Patrick M.	PhD	AH	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
O'Neill, Patrick J.	MD	AC	SURG	PLAS	7/11/2007	7/18/2007	8/10/2007	REAPPT
Powell, Caroline K.	MD	AC	MEDI	IMED	7/11/2007	7/18/2007	8/10/2007	REAPPT
Rames, Ross A.	MD	AC	UROL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Ramsay, Amy C.	MD	AC	MEDI	EMER	7/11/2007	7/18/2007	8/10/2007	REAPPT
Raney, Laurence H.	MD	AC	MEDI	EMER	7/11/2007	7/18/2007	8/10/2007	REAPPT
Reed, John H.	MD	PA	PEDI	PCAR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Ringewald, Jeremy M.	MD	AC	PEDI	PCAR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Roberts, John M.	MD	AC	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Romagnuolo, Joseph	MD	AC	MEDI	GAST	7/11/2007	7/18/2007	8/10/2007	REAPPT
Ross, Adam T.	MD	AC	OTOL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Rovner, Eric S.	MD	AC	UROL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Rovner, Michelle S.	MD	AC	ANES		7/11/2007	7/18/2007	8/10/2007	REAPPT
Salgado, Cassandra D.	MD	AC	MEDI	INFE	7/11/2007	7/18/2007	8/10/2007	REAPPT
Savage, Ashlyn H.	MD	PA	OBGY	BGYN	7/11/2007	7/18/2007	8/10/2007	REAPPT
Savage, Stephen J.	MD	AC	UROL		7/11/2007	7/18/2007	8/10/2007	REAPPT
Schultze, Jeffrey G.	MD	AFC	MEDI	IMED	7/11/2007	7/18/2007	8/10/2007	REAPPT
Short, Edward B.	MD	PA	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Silvestri, Gerard A.	MD	AC	MEDI	PULM	7/11/2007	7/18/2007	8/10/2007	REAPPT
Singleton, Kelly	OD	PH	OPHT		7/11/2007	7/18/2007	8/10/2007	REAPPT
Singleton, Stephanie D.	MD	PF	OBGY		7/11/2007	7/18/2007	8/10/2007	REAPPT
Smith III, Charles D.	MD	AC	SURG	PSUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Smith, Daniel W.	PhD	AH	PSYC	CRVC	7/11/2007	7/18/2007	8/10/2007	REAPPT
Smith, Georgette M.	PNP	AH	NSCI	NEUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Soule, Jeremy B.	MD	AC	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Stonerock, Robert L.	DDS	AC	HSDS	PEDD	7/11/2007	7/18/2007	8/10/2007	REAPPT
Strange, Charlton B.	MD	AC	MEDI	PULM	7/11/2007	7/18/2007	8/10/2007	REAPPT
Stroud, Sally D.	ANP	AH	MEDI	IMED	7/11/2007	7/18/2007	8/10/2007	REAPPT
Tessler, Stuart L.	DPM	HE	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Teufel, II, Ronald J.	MD	AC	PEDI	PEDI	7/11/2007	7/18/2007	8/10/2007	REAPPT
Tiller, E. Blair	CNM	PH	OBGY		7/11/2007	7/18/2007	8/10/2007	REAPPT
Toole, John M.	MD	PA	SURG	CSUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Toole, Shannan K.	PNP	AH	PEDI	PEMG	7/11/2007	7/18/2007	8/10/2007	REAPPT
Ulozas, Erlandas	MD	AC	MEDI	NEPH	7/11/2007	7/18/2007	8/10/2007	REAPPT
Usher, Bruce W.	MD	AC	MEDI	CARD	7/11/2007	7/18/2007	8/10/2007	REAPPT
Varma, Abhay K.	MBBS	AC	NSCI	NSUR	7/11/2007	7/18/2007	8/10/2007	REAPPT
Vaughan, Joel F.	MD	PA	MEDI		7/11/2007	7/18/2007	8/10/2007	REAPPT
Vela Aquino, Marcelo F.	MD	AC	MEDI	GAST	7/11/2007	7/18/2007	8/10/2007	REAPPT
Waid, L. R.	PhD	HE	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT
Webb, Sally A.	MD	AC	PEDI	PEMG	7/11/2007	7/18/2007	8/10/2007	REAPPT
Weinstein, Benjamin L.	MD	AC	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Williams, Tiffany H.	PNP	AH	PEDI	PINF	7/11/2007	7/18/2007	8/10/2007	REAPPT
Wood, R. Denise	CNS	AH	MEDI	ENDO	7/11/2007	7/18/2007	8/10/2007	REAPPT
Wright, Tara M.	MD	PA	PSYC	CDAP	7/11/2007	7/18/2007	8/10/2007	REAPPT
Zealberg, Joseph J.	MD	AF	PSYC		7/11/2007	7/18/2007	8/10/2007	REAPPT

MEDICAL STAFF/ALLIED HEALTH PROFESSIONALS - Increase/Decrease/Change in Privileges

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
Annand, Andrew	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Arthur, John	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Ayiku, Henry	MD	PA	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Barreira, Jeanne	CNM	AH	OBGY		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Additional Drugs (Bactrim, Domperidone, Mupirocin Ointment)</i>								
Brooks, Deborah H.	APRN	AH	MEDI	NEPH	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Extended privileges</i>								
Budisavljevic, Milos N.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Bush, Jeffrey S.	MD	AC	MEDI	EMER	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Limited Emergency Ultrasound</i>								
Canivan, Christine	MD	AF	PEDI		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Emergency room privileges</i>								
Gupta, Monika	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Haase, Barbara A.	PNP	AH	OBGY		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Additional Drugs (Bactrim, Domperidone, Mupirocin Ointment)</i>								
Hutchison, Florence N.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Kennedy, Shannon A.	MD	PA	PEDI		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Dual faculty appointment</i>								
Koch, David G.	MD	PA	MEDI	GAST	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Moderate Sedation</i>								
Lawrence, Christopher	MD	AC	MEDI	GAST	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Moderate Sedation</i>								
Leon, Stuart M.	MD	AC	SURG	TRSU	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Extend privileges to pediatric population</i>								
Milutinovic, Jovan	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Minshall, Christian T.	MD	AC	SURG	TRSU	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Extend privileges to pediatric population</i>								
Murphy, Pamela K.	CNM	AH	OBGY		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Additional Drugs (Bactrim, Domperidone, Mupirocin Ointment)</i>								
Norcross, E. Douglas	MD	AC	SURG	TRSU	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Extend privileges to pediatric population</i>								
Plath, David W.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Queener, Carl E.	MD	AC	MEDI	EMER	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Limited Emergency Ultrasound</i>								
Raymond, John R.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								
Rhodes, Jean R.	CNM	AH	OBGY		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Additional Drugs (Bactrim, Domperidone, Mupirocin Ointment)</i>								
Romagnuolo, Joseph	MD	AC	MEDI	GAST	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Moderate Sedation</i>								
Shepard, Michelle M.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>	<u>App Type</u>
<i>Apheresis in peds population</i> Sturdivant, Rachel L.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i> Sutton, Valerie J.	FNP	PH	ORTH		7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Schedules III-V</i> Tiller, E. Blair	CNM	PH	OBGY	FAMP	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Change in department</i> Toole, Shannan K.	CPNP	AH	PEDI	PEMG	7/11/2007	7/18/2007	8/10/2007	INCREASE
<i>Change in protocol</i> Ullian, Michael E.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i> Ulozas, Erlandas	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i> Vela-Aquino, Marcelo F.	MD	AC	MEDI	GAST	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Moderate Sedation</i> Velez, Juan Carlos Q.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i> Webb, Sally A.	MD	AC	MEDI	NEPH	6/13/2007	6/20/2007	8/10/2007	INCREASE
<i>Apheresis in peds population</i>								

**FACILITIES
HOSPITAL AUTHORITY
LEASE RENEWAL
FOR APPROVAL**

AUGUST 10, 2007

DESCRIPTION OF NEW LEASE: This lease is for 31,968 square feet of office space located at Rutledge Tower Annex. The purpose of this lease is to provide space for various hospital departments for clinical and office functions. The per square foot rate for this lease renewal is \$15.69 (rounded). The monthly rental rate will be \$41,808.00, resulting in an annual lease amount of \$501,696.00. The property is owned by the Medical University of South Carolina Foundation, and leased to the University Medical Associates in its entirety. This 31,968 square feet of space is being further subleased to the Medical University Hospital Authority.

NEW LEASE AGREEMENT _____
RENEWAL LEASE AGREEMENT X

LANDLORD: University Medical Associates

LANDLORD CONTACT: Marty Phillips, Statistical/Financial Analyst, 852-3109

DEPARTMENT NAME AND CONTACT: Hospital Facilities and Capital
Improvements, Dennis Frazier, Administrator, 792-7727

SOURCE OF FUNDS: Hospital General Operating Funds

LEASE TERMS:

TERM: Five (5) Years
COST PER SQUARE FOOT: \$15.69
ANNUALIZED LEASE COST: \$501,696.00
TOTAL COST RENEWAL TERM: \$2,508,480.00

EXTENDED TERM(S): N/A, To be negotiated.

OPERATING COSTS:
FULL SERVICE _____
NET X

Item 21