

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
April 17, 2009

The Board of Trustees of the Medical University Hospital Authority convened Friday, April 17, 2009, with the following members present: Dr. Charles B. Thomas, Jr., Chairman; Mr. Thomas L. Stephenson, Esquire, Vice Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. Donald R. Johnson II; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin M. Tallon and Dr. James E. Wiseman, Jr. Emeritus; Mrs. Claudia W. Peebles; The Honorable Phillip D. Sasser. Absent: Dr. Cotesworth P. Fishburne, 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; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Mark Sothmann, College of Health Professions; Dr. Jerry Reves, College of Medicine; and Dr. Arnold Karig, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Thomas called the meeting to order at 9:00 a.m. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Thursday, May 14, 2009.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of February 13, 2009.

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 commented that he and the Board know how amazing the MUSC students are whether in their academic achievements or their work in the community. A couple of nights ago there was a dinner where students were honored for their community service; however, one student has done something that is an example of what we want to cultivate in all health care providers – a sense of compassion and responsibility to other people. One of our students in the College of Health

Professions did what no student, to Dr. Greenberg's knowledge, has done before and that is to donate a kidney to a stranger. This is the 40th year of the University's organ donation program and this was such a significant voluntary donation from our student that Dr. Greenberg and the Board wanted, as an institution, to recognize Zachary Sutton.

Dr. Thomas read a resolution of appreciation to Mr. Sutton, a physician's assistant student in the College of Health Professions. The Board commended Mr. Sutton for his extraordinary act.

Dr. Greenberg said that students don't get these strong values without parental and family support and he thanked Mr. and Mrs. Sutton for the example they set for Zachary.

Dean Sothmann recognized Zachary as an outstanding student and a leader in the College.

Dean Reves introduced Dr. John Ikonmidis who went to the University of Toronto; the University of Toronto Medical School; did his residency in surgery at Toronto and got a PhD in Cardiac Physiology during that time. He went to Stanford for his cardiothoracic fellowship and joined the University in 2000. Dr. Ikonmidis will replace Dr. Crawford as Chief of the Cardiothoracic Division at MUSC as of July 1.

Dr. Ikonmidis presented information to the Board regarding the University's Cardiothoracic Surgery program and where he hopes to take the program in the future. He reviewed some of the activities of the Division and talked about faculty; some clinical results of the program and opportunities for expansion in the Division. He discussed the education program and research in the Division.

Dr. Johnson commented that as the new Division Chair, Dr. Ikonmidis might work with the PR department to get the word out on some of the many remarkable things he had shared with the Board today.

Recommendation of Administration: That these 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 the Georgetown operation – an affiliation negotiated for cardiac surgery. He asked the Board to acknowledge that Georgetown can use the MUSC Health logo in their activities. MUSC will provide physician coverage and MUSC will be reimbursed a royalty by Georgetown for the use of the logo.

Recommendation of Administration: That the Board approve the use of the MUSC Health logo by Georgetown for their cardiac surgery activities and MUSC will in turn receive royalties from Georgetown for the use of the logo.

Recommendation of Committee: That the Board approve the use of the MUSC Health logo by Georgetown for their cardiac surgery activities and MUSC will in turn receive royalties from Georgetown for the use of the logo.

Board Action: A motion was made, seconded and unanimously voted to approve the use of the MUSC Health logo by Georgetown for their cardiac surgery activities and MUSC will, in turn, receive royalties from Georgetown for the use of the logo.

Statement: Also, Mr. Smith reported there is an effort for Carolina Family Care to lease a mobile MRI from Disc Radiology located in Mt. Pleasant. He asked for approval of that lease and also approval to proceed with a CON for the leased MRI or replacement MRI at the appropriate time.

Recommendation of Administration: That the Board approve the Carolina Family Care lease of a mobile MRI from Disc Radiology located in Mt. Pleasant. Also that the Board approve MUHA/Carolina Family Care going forward with requesting a CON for the leased MRI or another MRI at the appropriate time.

Recommendation of Committee: That the Board approve the Carolina Family Care lease of a mobile MRI from Disc Radiology located in Mt. Pleasant. Also that the Board approve MUHA/Carolina Family Care going forward with requesting a CON for the leased MRI or another MRI at the appropriate time.

Board Action: A motion was made, seconded and unanimously voted to approve the Carolina Family Care lease of a mobile MRI from Disc Radiology located in Mt. Pleasant and that MUHA/Carolina Family Care proceed with requesting a CON for the leased MRI or another MRI at the appropriate time.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker stated Ms. Montgomery reported 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. Quality and Safety Report.

Statement: Dr. Baker stated there was no report.

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

Statement: Dr. Baker stated Dean Reves made a report to the full board in the morning session.

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 10. Legislative Update.

Statement: Dr. Baker stated there was no report.

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 11. Other Committee Business. None

Item 12. Major Purchases (Consent Item).

Statement: The following purchases were presented for approval:

- Siemens SOMATOM Definition Flash - Estimated Cost: \$1M.
- Electrophysiology Monitor and Navigation System – St. Jude and Siemens.
Estimated Cost: \$492,755

Recommendation of Administration: That the purchases be approved.

Recommendation of Committee: That the purchases be approved.

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

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).

Statement: An updated list of 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 approve.

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

Item 14. University Medical Associates (Consent Item).

Statement: Dr. Baker presented the following for approval:

- Purchase of telemedicine video conferencing equipment for OBGYN at a cost of \$43,335
- Purchase of Shimadzu HPLC system for Psychiatry at a cost of \$43,895
- Increase the purchasing authority for UMA from \$5,000 to \$50,000 for medical equipment.
- Authority to complete the purchase of 3.35 acres in Mt. Pleasant if negotiations are successful
- Construction Project to replace the Rutledge Tower Transformer and Switchgear at a cost of \$1.8M.

Recommendation of Administration: That the items be approved.

Recommendation of Committee: That the items be approved.

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

Item 15. MUSC/MUHA/MUSCF Affiliation Agreement (Consent Item).

Statement: An updated MUSC/MUHA/MUSCF Affiliation Agreement was presented for approval.

Recommendation of Administration: That the MUSC/MUHA/MUSCF Affiliation Agreement be approved.

Recommendation of Committee: That the MUSC/MUHA/MUSCF Affiliation Agreement be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the MUSC/MUHA/MUSCF Affiliation Agreement.

Item 16. Policy on Management of Conflict (Consent Item).

Statement: A Policy on Management of Conflict was presented for approval.

Recommendation of Administration: That the Policy be approved.

Recommendation of Committee: That the Policy be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Policy on Management of Conflict.

Item 17. MUSC Medical Center Plan for Provision of Services (Consent Item).

Statement: A Medical Center Plan for Provision of Services was presented for approval.

Recommendation of Administration: That the Plan for Provision of Services be approved.

Recommendation of Committee: That the Plan for Provision of Services be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Plan for Provision of Services.

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

Statement: The Environment of Care Annual Report was presented for information.

Recommendation of Administration: That this 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 February 2009 meeting were presented to the Board.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: The minutes of the Medical Executive Committee February 2009 were 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. Update on Projects.

Statement: Mr. Bingham reported that Mr. Frazier presented an update on Authority projects to the 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 22. Other Committee Business. None

Item 23. Facilities Procurements/Contracts Proposed (Consent Item).

Statement: Mr. Bingham presented the following for approval:

- Replacement of Deaerator & Surge Tank System for the University Hospital Boiler Plant. Project Total: \$413,000.
- Children's Hospital Roof Fire-Related Repairs. Budget: \$400,000.

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

Item 24. Facilities Contracts Awarded (Consent Item).

Statement: Facilities Contracts awarded since the last 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 AUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQUIRE. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None

NEW BUSINESS:

Item 25. Report on the Recovery Audit Contractor.

Statement: Mr. Stephenson reported Ms. Reece Smith presented a report to committee on the Recovery Audit Contractor.

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. MUHA/MUSC Identity Theft Policy.

Statement: An MUHA/MUSC Identity Theft Policy was presented for approval.

Recommendation of Administration: That the Policy be approved.

Recommendation of Committee: That the Policy be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the MUHA/MUSC Identity Theft Policy.

Item 27. Report of the Office of Internal Audit.

Statement: Mr. Stephenson reported Ms. Barnhart had provided a report.

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 Committee Business. None

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. No Report.

There being no further business, the Hospital Authority meeting was adjourned and the University Board of Trustees meeting was convened.

Respectfully submitted,


Hugh B. Faulkner III
Secretary

/wcj
Attachments

**Medical University Hospital Authority
Board of Trustees
Operations and Finance Committee
April 16, 2009
Minutes**

Attendees:

Dr. Stanley Baker, Chair	Mr. Tom Anderson
Mr. Melvyn Berlinsky	Dr. Marilyn Schaffner
Mr. William Bingham	Dr. John Feussner
Mr. William Hewitt	Dr. Howard Evert
Dr. Donald Johnson	Mr. Steve Valerio
Dr. Conyers O'Bryan	Dr. Philip Costello
Dr. Thomas Rowland	Ms. Susan Barnhart
Mr. Charles Schulze	Mr. Bill Spring
Thomas Stephenson, Esq.	Mr. Dennis Frazier
Hon. Robin Tallon	Ms. Betsy Waters
Dr. Charles Thomas	Mr. Maurice Snook
Dr. James Wiseman	Mr. Casey Liddy
Dr. Raymond Greenberg	Ms. Allison Livingston
Mr. Stuart Smith	Mr. Betts Ellis
Ms. Lisa Montgomery	
Dr. John Raymond	
Dr. J. G. Reves	
Mr. Jim Fisher	

The meeting was called to order by Dr. Stanley Baker, Chair

Item 6. MUSC Medical Center Status Report

Statistical Report

Mr. Stuart Smith reported that the average daily census has increased 3.7% year to date through March. Operating room cases have increased 14.5% and outpatient activity has increased 14% for the same time period.

Pillar Goals Update

Mr. Smith also reported on progress toward meeting the organizational goals. Through the quarter ending March 31, MUHA was at the 72nd percentile on Service as compared to the goal of 80th percentile. He noted a significant difference in patient satisfaction with the environment between the University Hospital and the Ashley River Tower. This can be attributed to the effects of a new building compared with an older building. This makes the continued renovation of the University Hospital especially important. Cash on-hand continues to rise but is still significantly behind the targeted goal. Supply and labor expenses per adjusted discharge are trending toward the goal target. Mr. Smith pointed out that our supply per adjusted discharge is high as a result of the amount we accrue. It is hoped this number will be closer to the 40th

percentile at the end of the fourth quarter. Outpatient encounters have exceeded their goal while inpatient medical/surgical discharges are 3.1% compared with the goal of 7%.

Recognition

Dr. Marilyn Schaffner reported on several awards recently received by MUHA. The American Association of Critical Care Nurses awarded the Neurosciences ICU, Surgical Trauma ICU and Medical ICU the Beacon Award for outstanding care. These are the first ICUs in the state to receive this award. She also reported that the American Heart Association awarded the Silver Performance Award to MUSC for the “Get with the Guidelines Achievement Measures” in stroke, heart failure and coronary heart disease.

MUHA also was recognized as one of the 2009 Top 100 Hospitals to Work by the Nursing Professionals Magazine.

CON Update

Mr. Smith reported that the CON for the North Area clinic has been approved. The Gamma Knife CON application is complete and while there has been one inquiry from Palmetto Richland, there are no objections. The Georgetown affiliation has been negotiated for cardiac surgery. It is requested that the Board allow the use of the MUSC Health logo by the Georgetown facility. MUSC will provide physician coverage and will be reimbursed for the use of the logo.

Mobile CT

Mr. Smith presented a proposal to allow Carolina Family Care to lease a Mobile MRI from Disc Radiologists, PA in Mount Pleasant, for a period of two years with an option to purchase at the end of the lease. The Board members also approved MUHA/Carolina Family Care going forward with requesting a CON for this MRI if it is decided to purchase at the end of the two year lease.

Action: Reports received as information

Approval of use of MUSC Health logo for Georgetown cardiac affiliation

Approval of lease by Carolina Family Care for mobile MRI and approval to proceed with CON application

Item 7. MUSC Medical Center Financial and Statistical Report

Presented today in earlier session

Item 8. Report on Quality and Patient Safety

No report

Item 9. Report of Vice President for Medical Affairs and Dean, College of Medicine

Report presented in earlier session

Item 10. Legislative Update

No report

Item 11. Other Committee Business

None

CONSENT AGENDA**Item 12: Major Purchases**

The committee discussed and approved the purchase of a SOMATOM Definition Flash CT as well as an electrophysiology monitor and navigation system

Action: Recommend approval

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

These were reviewed by the committee and recommended for approval

Action: Recommend approval

Item 14. University Medical Associates Report

Dr. Feussner briefed the committee on outreach activities in the areas of OB/GYN, Neurosurgery, Ophthalmology, and Medicine.

He also requested approval to purchase two pieces of equipment – telemedicine video conferencing equipment for OBGYN and a Shimadzu HPLC system for Psychiatry.

Dr. Feussner also requested that the Board increase the purchasing authority for UMA from \$5000 to \$50,000 for medical equipment.

He reported that all space at the North Area clinic is now in use or will soon be in use and that clinic visits have substantially increased. The Oakland Plantation Tract, a 6 acre site in Mount Pleasant, has been purchased by UMA. UMA is also negotiating the purchase of another 3.35 acres in the Mt. Pleasant area and requests approval to complete the purchase if negotiations are successful. Both of these sites will allow for potential growth in the Mt. Pleasant area.

Also, under this item was a request to purchase a Transformer and Switchgear for Rutledge Tower .

Action: Approval to purchase telemedicine video conferencing equipment and Shimadzu HPLC system. Approval to complete purchase of additional 3.35 acres if negotiations are successful. Approval to increase medical equipment purchase threshold for UMA from \$5000 to \$50,000. Approval of transformer and switchgear for Rutledge Tower.

Item 15. MUSC/MUHA/MUSCF Affiliation Agreement

The Committee reviewed and approved the affiliation agreement between MUSC, MUHA and the MUSC Foundation to allow for philanthropic support of the Medical University Hospital Authority and the Medical University of South Carolina.

Action: Recommend approval

Item 16. Policy on Management of Conflict

The committee reviewed and approved the policy on management of conflict among leaders and staff of the MUSC Medical Center.

Action: Recommend approval

Item 17. MUSC Medical Center Plan for the Provision of Services.

The committee reviewed and approved the Plan for the Provision of Services for the Medical Center.

Action: Recommend approval

Item 18. Environment of Care Annual Report

The Committee reviewed the Environment of Care Annual Report. This report reviews the management plans for safety management, security management, hazardous materials and waste management, emergency management, fire safety management, medical equipment management and utility system management. Each management plan consists of at least one performance indicator. Performance indicators which reveal opportunities for improvement are continuously monitored for appropriate interventions.

Action: Report received as information

Item 19. Medical Executive Committee Minutes

The minutes of the February, 2009 meeting were reviewed by the committee.

Action: Received as information

Item 20. Medical Center Contracts and Agreements

The contracts and agreements entered into since the last board meeting were presented for information.

Action: Received as information

There being no further business, the committee adjourned at 1:40 p.m.

Submitted by:

Teresa K. Rogers

**Medical University Hospital Authority
Physical Facilities Committee
April 16, 2009
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Mr. William B. Hewitt
Dr. Paula E. Orr
Mr. Charles Schulze
Thomas L. Stephenson, Esquire
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman, Jr.
Dr. Raymond S. Greenberg
Ms. Susan H. Barnhart
Mr. John Cooper
Ms. Annette Drachman
Dr. Jack Feussner

Mr. Dennis Frazier
Mr. Chip Hood
Mr. Mike Keels
Mr. Steve Hargett
Dr. Steve Lanier
Mr. John Malmrose
Mr. Stewart Mixon
Ms. Jody O'Donnell
Ms. Jennifer Pearce
Dr. Jerry Reves
Ms. Reece Smith
Mr. Ravi Srinivas
Mr. Maurice Snook
Mr. Patrick Wamsley

Mr. Bingham called the meeting to order.

REGULAR Items

Item 21. Update on Projects

Mr. Dennis Frazier presented an update on various Authority projects.

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

Item 22. Other Committee Business

None

CONSENT Items for approval:

Item 23. Facilities Procurements/Contracts Proposed

Mr. Dennis Frazier presented the following for approval:

- Replacement of Deaerator & Surge Tank system for the University Hospital Boiler Plant. Project Total: \$413,000.
- Children's Hospital Roof Fire-Related Repairs. Budget: \$400,000.

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

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
April 16, 2009
Minutes**

Attendees:

Mr. Thomas L. Stephenson., Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Mr. William H. Bingham, Sr.
Mr. William B. Hewitt
Dr. E. Conyers O'Bryan, Jr.
Dr. Paula E. Orr
Dr. Thomas C. Rowland, Jr.
Mr. Charles Schulze
Thomas L. Stephenson, Esquire
The Honorable Robin M. Tallon
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman, Jr.
Mr. Hugh B. Faulkner, III
Dr. Raymond S. Greenberg
Ms. Susan H. Barnhart

Mr. John Cooper
Ms. Annette Drachman
Mr. Jack Feussner
Mr. Steve Hargett
Mr. Dennis Frazier
Mr. Joe Good
Dr. Steve Lanier
Ms. Lisa Montgomery
Ms. Jody O'Donnell
Dr. John Raymond
Dr. Jerry Reves
Ms. Reece Smith
Mr. Stuart Smith
Mr. Maurice Snook
Mr. Ravi Srinivas
Mr. Patrick Wamsley

Mr. Stephenson called the meeting to order.

REGULAR Items

Item 25. Report on the Recovery Audit Contractor

Ms. Reece Smith provided an update on the Recovery Audit Contractor (RAC) as well as audits of the Medicaid Integrity Program, the Comprehensive Error Rate Testing and the Statewide Prepayment Audit conducted by PGBA.

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

Item 26. MUHA/MUSC Identify Theft Policy

Ms. Annette Drachman presented the MUHA/MUSC Identity Theft Policy for approval.

Recommendation of Committee: That the Identity Theft Policy be approved as presented.

Item 27. Report of the Office of Internal Audit.

Mr. Stephenson reported on the financial challenges facing the Office of Internal Audit.

Recommendation of Committee: Received as information.

Item 28. Other Committee Business. None

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY
MAJOR PURCHASES FOR
BOARD OF TRUSTEES APPROVAL
April 17, 2009**

Description of Purchase: Siemens SOMATOM Definition Flash

Estimated Cost of Purchase: \$1,000,000

Requisition Number: N/A

Department Name(s) and UDAK Number(s):

Department Contact Person: Mr. Mansle Raines

Method of Purchase: Negotiation with selected vendors

Vendor Name: Siemens

New Purchase: ☒ Yes ☐ No

Replacement of Existing Item (s) ☒ Yes ☐ No N/A

Name of Item(s) Being Replaced: Dual Source CT at H&V

Name and Value of Equipment the Requested Purchase Will Be Used in Conjunction With:

NAME OF EQUIPMENT

VALUE

How this purchase will benefit MUSC: MUHA will benefit from this purchase by staying on the cutting edge of CT technology. This will allow for increased scanning speed and reduced radiation exposure for patients. This will allow for CT scans to be performed on certain populations that were not eligible with previous equipment. This also opens up additional research potential for the Department of Radiology.

Why and how this purchase will benefit MUSC: See above

Source of Revenue/Savings: Hospital Technical Revenue

Physical Plant Requirements: N/A

Annual Cost (Maintenance, supplies, etc.): Siemens will waive first two years of maintenance expense.

Personnel Cost (to include base salary, fringes, training, etc.) No additional personnel required.

Siemens SOMATOM Definition Flash Proposal

March 20, 2009

Project Summary

MUHA is requesting to purchase the Siemens SOMATOM Definition Flash CT. This will replace the Dual Source CT currently in operation at Ashley River Tower. This new scanner has two main advantages: speed and significant reduction in radiation exposure.

Increased Scanning Speed

Siemens has produced a CT scanner that offers significant advantages due to increased scanning speed. This scanner is better equipped to deal with moving structures such as the heart. The patients are moved through the scanner at nearly twice the current speed.

A heart study can be completed in less than half a heart beat or 250 milliseconds. It also allows scanning of patients with elevated pulse or irregular heart beat without the use of beta blockers. This has important applications connected to the Chest Pain Center at Ashley River Tower. The speed also eliminates the need for patients to hold their breath during a scan which has advantages for patients who are frail or critically ill.

Reduced Radiation Exposure

This scanner is on the cutting edge of reducing radiation exposure for patients. The following are two quotes from Siemens on the improvements in this area:

“...a spiral heart scan can be performed with less than 1 millisievert (mSv), whereas the average effective dose required for this purpose usually ranges from 8 mSv to 40 mSv. In comparison: The X-ray radiation that everyone is exposed to each year from natural sources amounts to 2 mSv to 5 mSv. The dose values of the new Siemens CT scanner, thus lie far below those of an intracardiac catheter examination, thus opening up possibilities for using CT scanners for routine cardiological examinations...”

“Owing to its high scanning speed, the SOMATOM Definition Flash also features new possibilities for performing CT examinations of the heart in the sub-mSv range. This represents a much lower radiation dose than is obtainable with conventional systems, which require doses ranging from 8 mSv to more than 40 mSv. For the first time ever, the heart can thus be examined at a radiation exposure level that is three times lower than the background radiation a person naturally absorbs in a year.”

Other Advantages

This CT is also designed with a wide-bore to accommodate patients up to 660 pounds. This will allow for greater service for patients that may be seen in ART for Bariatric services.

MUSC Cardiologists Dr. Peter Zwerner and Pamela Morris fully endorse purchasing this new device. There are patients still undergoing catheterization for exclusion of coronary artery disease who should have a cardiac CT. Many younger patients especially women, where there are radiation dose concerns on our dual source CT, will be able to undergo cardiac CT for exclusion of coronary artery disease.

Research Applications

Dr. Joseph Schoepf, Professor of Radiology and Director of CT Research and Development believes there are expanded research applications for the Definition Flash.

There are numerous studies that have enhanced application with this scanner. Studies on radiation exposure, contrast media injection technique, coronary artery plaque analysis, myocardial perfusion and acute chest pain are among the areas that could attract potential extramural funding.

Pro forma

The current CT scanner that this new machine would replace generates \$5.0 Million in annual net income for MUHA. This machine manages over 5500 scans per year for a per scan profit of \$915 per scan. To offset the increased depreciation expense for the medical center it would need to generate another 156 scans per year. This is less than one scan per day.

Pro Forma Depreciation

Flash CT Obligation	97198 ART CT
	Cost Center Number
	1,000,000.00
	Capital Equipment Cost
	CT exams per accession number(appt)

Current Dual Source	Flash
5,544	5,544
FY 2008/09 Annualized	FY 2008/09 Annualized

ACTUAL OR ANNUALIZED GROSS REVENUES:(based on Dec 08 actual charges annualized)
 (-) Revenue Deductions(58% revenue)

\$14,294,888	\$14,294,888
\$8,291,035	\$8,291,035
\$6,003,853	\$6,003,853

TOTAL NET REVENUES:

DIRECT EXPENSES:

- 501-Salaries, Wages, Benefits(2% per year increase)
- 502-Contractual Services(5% per year increase)
- 503-Supplies(5% per year increase)
- 504-Fixed Charges(5% per year increase)

FY 2008/09 Annualized	FY 2008/09 Annualized
566,534	566,534
2,988	2,988
268	268
3,564	3,564
573,354	573,354

Service Contract on Equipment

TOTAL DIRECT EXPENSES

INDIRECT EXPENSES

= (30% of Direct Expenses)

\$172,006	\$172,006
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TOTAL EXPENSES

=(Direct + Indirect)

\$745,360	\$745,360
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DEVICE DEPRECIATION

= (Initial Cost Divided by 7 Years) Flash
 Depreciation on Current Dual Source

\$185,714	\$142,857
\$185,714	\$185,714
\$328,571	\$328,571

Total Depreciation on Both Units

PROJECTED NET INCOME

= (Total Net Revenue - Total Expenses -
 Depreciation)

\$5,072,778	\$4,929,921
-------------	-------------

Net revenue per procedure currently \$915
 Break even point for trade-in 156 scans on Accrual Basis

\$915.00

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY
MAJOR PURCHASES FOR
BOARD OF TRUSTEES APPROVAL
April 17, 2009**

Description of Purchase: Electrophysiology Monitor and Navigation System –St. Jude & Siemens

Estimated Cost of Purchase: \$492,755

Requisition Number: N/A

**Department Name(s) and UDAK Number(s): Heart & Vascular Services Electrophysiology- MCCU
9715800-97158-0800**

Department Contact Person: Mr. Bill Spring & Dr. Eric Powers

Method of Purchase: Negotiation with selected vendors

**Vendor Name: Combination System –St. Jude Ensite Operating Software, Siemens Sensis & Acuson
Ultrasound System, Fischer Medical Tech Bloom Stimulator, Booker V1 System**

New Purchase: ☒ Yes ☐ No

Replacement of Existing Item (s) ☐ Yes ☐ No N/A

Name of Item(s) Being Replaced: Not applicable to purchase

Name and Value of Equipment the Requested Purchase Will Be Used in Conjunction With:

<u>NAME OF EQUIPMENT</u>	<u>VALUE</u>
Siemens – Axiom ARTIS BiPlane System	\$1.8 million

How this purchase will benefit MUSC: MUHA will benefit from this purchase as a result of achieving increased volume and revenue. The requested system will allow for dual use in an existing Cath Lab. The EP system will allow for both EP and Cath lab procedures to be performed in one room thereby taking advantage of the recent increases in EP Procedures and recent decrease of Cath procedures.

Why and how this purchase will benefit MUSC: See above

Source of Revenue/Savings: Electrophysiology Procedures - based upon EP ablation and EP Comprehensive procedures with a 25% increase in Procedures over FY08. Revenue over 5 year term is \$14.4 million with a profit of \$3.5 million over the term.

Physical Plant Requirements: N/A

**Annual Cost (Maintenance, supplies, etc.)
\$17,500 annual service cost per year.**

Personnel Cost (to include base salary, fringes, training, etc.) No additional personnel required.

Electrophysiology Equipment

March 24, 2009

Program Summary:

- MUSC is requesting the purchase of equipment detailed in the attached request to convert one catheterization lab in Ashley River Tower to dual-use so that both Cardiac catheterization and electrophysiology (EP) procedures can be performed.
- The current lab is only capable of performing catheterizations which limits the utilization of the lab.
- The current EP lab is fully utilized by Dr. Wharton and an additional physician is being recruited by the Division of Cardiology. This equipment is necessary to allow capacity for this new physician.

Timeline for Expenditures

- \$492,755 in this FY to equip the room to allow for physician recruitment to begin practicing this summer.

Pro forma

	0	1	2	3	4	5
Investment:						
Equipment						
Lease payments						
Fee per procedure payments						
Net Revenues		\$2,888,064	\$2,888,064	\$2,888,064	\$2,888,064	\$2,888,064
Income before taxes		\$878,926	\$784,303	\$704,094	\$620,677	\$533,924
Taxes		\$0	\$0	\$0	\$0	\$0
Net Income (after taxes)		\$878,926	\$784,303	\$704,094	\$620,677	\$533,924
Plus: Depreciation		\$98,551	\$98,551	\$98,551	\$98,551	\$98,551
Plus: Equipment residual/		\$0	\$0	\$0	\$0	\$0
Net Cash Flow		\$977,477	\$882,854	\$802,645	\$719,228	\$632,475
Cumulative Net Cash Flow		\$484,722	\$1,367,576	\$2,170,221	\$2,889,449	\$3,521,924
NPV		\$3,521,924				
IRR		188.14%				

ROSTER

Board of Trustees Credentialing Subcommittee

January 28, 2009

The Medical Executive Committee reviewed the following applicants for appointment/reappointment/change in privileges January 21, 2008 and recommends approval by the Board of Trustees effective January 28, 2009

New Appointments

First Name	Last Name	Degree	Department
Jeffrey	Acsell	CCP	Surgery
Michele	Ballister	CRNA	Anesthesiology
Carla	Bistrick	CCP	Surgery
Neal	Christiansen	MD	Medicine
Rhiannan	Davis	CRNA	Anesthesiology
Jason	Goebel	MD	Medicine
Joanne	Hunter	ANP MSN	Psychiatry
Matthew	Klein	MD	Medicine
Emily	Munday	CRNA	Anesthesiology
Anthony	Shackelford	CCP	Surgery

Reappointments

First Name	Last Name	Degree	Department
Ian	Aaronson	MB ChB	Urology
Nada	Abou-Fayssal	M.D.	Neurosciences
Robert	Albanese*	MD	Psychiatry
Andrew	Atz	MD	Pediatrics
Karen	Bieganousky	CRNA	Anesthesiology
Charles	Bowman	MD, PhD	Pediatrics
Howard	Brilliant	MD	Orthopaedic Surgery
Clive	Brock	MD	Family Medicine
Grace	Brown	MD	Anesthesiology
Gene	Burges	MD	Dermatology
Carol	Burns	CNS	Pediatrics
Jeffrey	Bush	MD	Medicine
Jennifer	Caldwell	CRNA	Anesthesiology
Joseph	Cantey	MD	Medicine
Laura	Caristi-Harvey	PNP	Pediatrics
Cheryl	Carlson	NNP, PhD	Pediatrics
James	Carter	MD	OBGYN
Alexander	Chessman	MD	Family Medicine
Christine	Coe	CRNA	Anesthesiology
James	Comley	CRNA	Anesthesiology
Annette	Cooper	CRNA	Anesthesiology
Louis	Costa	MD	Otolaryngology
Phillip	Costello	MD	Radiology
Carla	Danielson	PhD	Psychiatry
Paul	Darden	MD	Pediatrics
Andrew	Davidson	MD	Pediatrics
Kimberly	Davis	MD	Medicine
Victor	Diaz-Gonzalez	MD	Medicine
Carmen	Dooley	NNP	Pediatrics
Diane	Dufour	PNP	Pediatrics

Reappointments Continued

First Name	Last Name	Degree	Department
Pamela	Eliason	FNP	Pediatrics
Linda	Ernst	NNP	Pediatrics
Kenneth	Farr	MD	Ophthalmology
Valerian	Fernandes	MD	Medicine
Albert	Finn Jr.	MD	Medicine
Jennifer	Flynn	PAC	Surgery
Bruce	Frankel	MD	Neurosciences
Donald	Fylstra	MD	OBGYN
William	Gamble III	MD	Pediatrics
Peter	Gazes	MD	Medicine
Mark	George	MD	Psychiatry
Steven	Glazier	MD	Neurosciences
Michael	Gold	MD	Medicine
William	Graham	MD	Pediatrics
Christine	Hamolia	CNS	Psychiatry
Marta	Hampton	MD	Dermatology
Christopher	Hannegan	MD	Radiology
Elizabeth	Hapke	PAC	Neurosciences
Russell	Harley	MD	Otolaryngology
Amanda	Harper	CRNA	Anesthesiology
Thomas	Harper III	MD	Pediatrics
Grady	Hendrix	MD	Medicine
Melissa	Henshaw	MD	Pediatrics
Heather	Highland	CRNA	Anesthesiology
Cynthia	Hipp	DDS MSCR	Oral
Anthony	Hlavacek	MD, MSCR	Pediatrics
Gary	Hoeffler	CRNA	Anesthesiology
Brenda	Hoffman	MD	Medicine
Lucia	Horowitz	PhD	Pediatrics
Leonora	Horton	CNM	OBGYN
Florence	Hutchison	MD	Medicine
John	Ikonomidis	MD	Surgery
Phillip	Ivy	CRNA	Anesthesiology
Dorothea	Jenkins	MD	Pediatrics
Candy	Johnson	CRNA	Anesthesiology
Thomas	Keane	MD	Urology
Theresa	Kelechi	CNS	Medicine
Stephen	Kinsman	MD	Neurosciences
Charles	Kisabeth	MD	Pediatrics
Susan	Knight	PhD	Psychiatry
Jacqueline	Kraveka	DO	Pediatrics
Markus	Kruesi	MD	Psychiatry
Diann	Krywko	MD	Medicine
John	Kulze III	MD	Ophthalmology
W. John	Langley II	MD	Pediatrics
Robert	Leman	MD	Medicine
Janna	Licht	FNP	Psychiatry
Patti	Long	NNP	Pediatrics
Maria	Lopez-Virella	MD	Medicine
Joseph	Losek	MD	Pediatrics

Reappointments Continued

First Name	Last Name	Degree	Department
Cathy	Luedeman	CRNA	Anesthesiology
Emily	Lynn	PAC	Surgery
Rachel	Lynn	CRNA	Anesthesiology
Michelle	Macias	MD	Pediatrics
Ian	Marshall	MD	Urology
Marga	Massey	MD	Surgery
Amanda	McFann	FNP	Family Medicine
Tim	McQuinn	MD	Pediatrics
Rita	Meyers	CRNA	Anesthesiology
Corrine	Montelaro	CRNA	Anesthesiology
James	Mooney III	MD	Orthopaedic Surgery
Pamela	Murphy	MD	Neurosciences
Roger	Newman	MD	OBGYN
Jacob	Nunamaker IV	MD	Medicine
Terrence	O'Brien	MD	Medicine
Makio	Ogawa	MD, PhD	Medicine
Bryan	Ohning	MD, PhD	Pediatrics
Robert	Peyser	MD	Ophthalmology
Frances	Porcher	PNP	Pediatrics
Pamela	Pride	MD	Medicine
Dilip	Purohit	MD	Pediatrics
Charles	Raine	MD	Medicine
Michael	Ramsay	MD	Medicine
Sabena	Ramsetty	MD	Medicine
Anil	Rao	MD	Radiology
Cesar	Rodriguez-Diaz	MD	Anesthesiology
Kenneth	Ruggiero	PhD	Psychiatry
Julius	Sagel	MB ChB	Medicine
Steven	Sahn	MD	Medicine
Vicky	Salak	FNP	Neurosciences
Richard	Saunders	MD	Ophthalmology
John	Schaefer III	MD	Anesthesiology
Frederick	Schaffer	MD	Pediatrics
Christine	Schaub	APRN	Medicine
Claudio	Schonholz	MD	Radiology
Sara	Schuh	MD	Pediatrics
Sidney	Seltzer	MD	Ophthalmology
Roy	Sessions	MD	Otolaryngology
Miton	Seymour III	CRNA	Anesthesiology
Ibrahim	Shatat	MD	Pediatrics
Edwin	Smith	MD	Medicine
Katherine	Smith	DO	Psychiatry
Hans	Sonntag	MD	Anesthesiology
Kenneth	Spicer	MD, PhD	Radiology
Sarah	Stapleton	MD	Medicine
Robert	Stapleton	MD	Pediatrics
E. Elizabeth	Steadman	ACNP	Surgery
Celia	Theidke	MD	Family Medicine
Paola	Tumminello	MD	Neurosciences
James P.	VanDorsten	MD	OBGYN

Reappointments Continued

First Name	Last Name	Degree	Department
Todd	Vasko	MD	Pediatrics
David	Vroman	MD	Pediatrics
Carol	Wagner	MD	Pediatrics
Janelle	Wagner	PhD	Pediatrics
John	Waller	MD	Anesthesiology
Robert	Weaver	MD	Pediatrics
Jodi	Weber	CRNA	Anesthesiology
George	Worsham Jr.	MD	Otolaryngology
Stephen	Worsham	MD	Pediatrics
Susan	Zayac	FNP	Medicine
Michael	Zile	MD	Medicine

The Medical Executive Committee reviewed the following applicant for appointment on November 19, 2008 and recommends approval by the Board of Trustees effective January 28, 2009.

Samir	Fakhry	MD	Medicine
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*Omitted on previous roster

ROSTER

Board of Trustees Credentialing Subcommittee

February 28, 2009

The Medical Executive Committee reviewed the following applicants for appointment/reappointment/change in privileges February 18, 2008 and recommends approval by the Board of Trustees effective February 28, 2009

New Appointments

Eleanor	Campbell	ANP	Surgery
Jennifer	Page	ANP	Medicine
Nicholas	Pastis, Jr.	MD	Medicine
Ellen	Rierner	MD	Pathology and Lab. Medicine

Reappointments

Emily	Bagwell	PAC	Surgery
Nicholas	Batalis	MD	Pathology and Lab. Medicine
Margaret	Diamond	ANP	Anesthesiology
Anne	Flynn	MD	Pathology and Lab. Medicine
Helen	Furtado	CRNA	Anesthesiology
Kelly	Hylton	FNP	Medicine
George	Inabinet, Jr.	MD	Anesthesiology
Joy	Laub	APRN	Pediatrics
John E.	McGillicuddy	MD	Neurosciences
Karleen	McNeal	MD	Medicine
Horst	Rieke	MD PhD	Anesthesiology
Jack	Yang	MD	Pathology and Lab. Medicine

Reappointments with Request for Change in Privileges

Patricia	Mathias	PAC	Neurosciences	Replacement: Board Approved Scope of Practice
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Request for Change in Privileges

Deborah	Brooks	ANP	Medicine	Addition: Increase in Prescriptive Authority
Joseph	Hart	MD	Surgery	Addition: Carotid Artery Stenting
Stephen	Kinsman	MD	Neurosciences	Replacement: Updated Privileges
Jacqueline	Kraveka	MD	Pediatrics	Addition: Privilege previously omitted

The Medical Executive Committee reviewed the following applicants for appointment/reappointment on the following dates and recommends approval by the Board of Trustees effective February 28, 2009.

Carissa	Carie	PNP	Otolaryngology	November 19, 2008
Melissa	Dunham	NNP	Pediatrics	January 14, 2009
Edward	Kantor	MD	Psychiatry	December 17, 2008
Luis	Ramos-Duran	MD	Radiology	January 14, 2009
Barton	Sachs	MD	Orthopedic Surgery	December 17, 2008
Peter	Shamamian	MD	Surgery	November 19, 2008

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF CHARLESTON) THE MEDICAL UNIVERSITY OF SOUTH
CAROLINA – THE MEDICAL UNIVERSITY
HOSPITAL AUTHORITY – THE MEDICAL
UNIVERSITY OF SOUTH CAROLINA
FOUNDATION

AGREEMENT

This Agreement entered into this ____ day of _____, 2008 by and among the Medical University of South Carolina, an educational institution and an agency of the State of South Carolina, hereinafter referred to as the “University”, the Medical University Hospital Authority, an agency of the State of South Carolina, hereinafter referred to as the “Authority”, and the Medical University of South Carolina Foundation, a private, nonprofit corporation, hereinafter referred to as the “Foundation”;

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WITNESSETH:

WHEREAS, the University, the Authority and the Foundation wish to reduce to writing their long-standing and mutually beneficial relationship and understanding; and

WHEREAS, the University and the Authority seek to maximize their responsibility to raise private funds; and

WHEREAS, the Foundation receives and manages private funds for the exclusive benefit and support of the University and the Authority; and

WHEREAS, in order to further its objectives for the benefit of the University and the Authority, the Foundation desires access to support personnel, office equipment certain administrative and support services from the University and the Authority; and

WHEREAS, the University and the Authority desire to furnish the Foundation said support personnel, office equipment and certain administrative and support services in accordance with the terms and conditions as set forth herein;

May, 2008

Deleted: 2008

NOW, THEREFORE, in consideration of the relationship established between the parties and in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Laws Applicable

This Agreement is made and entered into in the County of Charleston, State of South Carolina, and is governed and construed in accordance with the laws of the State of South Carolina.

2. Term

This Agreement is for a term commencing on July 1, ~~2009~~, and ending on June 30, ~~2010~~, and may be renewed for the subsequent fiscal year beginning on July 1, ~~2010~~, and ending on June 30, ~~2011~~, unless otherwise amended or cancelled as herein outlined.

3. Duties of the University and the Authority

The University and the Authority agree to and shall:

3.1 Provide support personnel to assist the Chief Executive Officer of the Foundation to carry out the normal and regular administrative functions and operations of the Foundation's business, the cost of which shall be reimbursed as described in Section 5.5 of this Agreement. It is understood and agreed that said personnel will include, but not be limited to: clerical, accounting and reasonable administrative support, and the level of staffing and compensation of such personnel will be recommended jointly by the Vice President for Finance and Administration of the University, the Vice President for Finance and Administration of the Authority and the Chief Executive Officer of the Foundation and shall be submitted to the University President, the University Board of Trustees, the Authority Chief Executive Officer and the Authority Board of Trustees for prior approvals. Such personnel will retain their status as employees of the University or the Authority and will be governed by applicable University or Authority rules, regulations, policies and procedures, but will report to and be evaluated by the Chief Executive Officer of the Foundation.

May, ~~2009~~

~~Deleted: 2008~~

~~Deleted: 2009~~

~~Deleted: 2009~~

~~Deleted: 2010~~

~~Deleted: 2008~~

3.2 Provide the Foundation access to office equipment and program services on an as needed basis, the cost of which shall be reimbursed as described in Section 5.5 of this Agreement.

3.3 Furnish to the Foundation telephone and computer line access and similar services required for use in normal Foundation business, the cost of which shall be reimbursed as described in Section 5.5 of this Agreement.

3.4 Provide the Foundation with normal custodial, security and grounds maintenance services, the cost of which shall be reimbursed as described in Section 5.5 of this Agreement.

3.5 Provide the Foundation with access, at the rates in effect for all University or Authority units, to printing, mail and other services provided by the University or the Authority and to day-to-day maintenance and technical support of the Foundation's offices and equipment located at 18 Bee Street, Charleston, South Carolina. These expenses and costs to be paid by the Foundation upon receipt of invoices from the University or the Authority, as applicable.

4. Duties of the Foundation

The Foundation agrees to and shall:

4.1 Provide to or for the use of the University or University affiliated individuals and programs, the sole benefit of all gifts and gift income received by the Foundation for the benefit of the University.

4.2 Provide to or for the use of the Authority or Authority affiliated individuals and programs, the sole benefit of all gifts and gift income received by the Foundation for the benefit of the Authority.

4.2 Carry on independent activities and programs which support or benefit the University and the Authority.

May, 2009

Deleted: 2008

4.3 Provide a portion of the annual budget for the University's and the Authority's Central Development Office in an amount to be determined by the Board of Directors of the Medical University of South Carolina Foundation.

5. Agreement of Both Parties

The University, the Authority and the Foundation mutually agree as follows:

5.1 The Foundation shall continue to publish an annual report which shall account for the major activities of the Foundation and for the receipts and disbursements thereof.

5.2 The Foundation will provide to the University, upon request of the President of the University or the Board of Trustees of the University, or to the Authority, upon request of the Chief Executive Officer of the Authority or the Board of Trustees of the Authority, all such names of donors, prospective donors and all other related information, provided, however, that such information shall be kept in confidence and not disclosed to others.

5.3 All Foundation activities and records shall be subject to confidential inspection and review at any time by the South Carolina State Auditor's Office and the University's or the Authority's Internal Auditor.

5.4 All proposed salary supplements or other salary payments by the Foundation to state employees at the University or the Authority shall be submitted to the University President and the University Board of Trustees, or to the Authority Chief Executive Officer and the Authority Board of Trustees, as appropriate, for prior approvals. Those payments which require reporting to the State Budget and Control Board, shall be reported by the University or the Authority, as appropriate, annually.

5.5 Within sixty (60) days after the conclusion of the fiscal year of the University, the Authority and the Foundation, the parties shall review the financial records of the Foundation and shall make an equitable, written accounting of the state property, personnel or resources used

May, 2009

Deleted: 2008

directly by the Foundation. The Foundation shall pay to the University or the Authority, as appropriate, the cost of such state resources upon receipt of such written accounting.

5.6 At all times, the President of the University shall be an ex-officio, non-voting member of the Foundation Board of Directors, and three (3) members of the University Board of Trustees, or other persons appointed by the University Board of Trustees (with the aggregate total of Trustee/appointee membership not to exceed three(3), shall be members of the Foundation Board of Directors with full voting powers.

Deleted:)

5.7 The Foundation's Board of Directors shall prepare an annual operating budget based on projected expenses and revenues from unrestricted funds and shall share this budget with the University's Board of Trustees and the Authority's Board of Trustees. (Unrestricted funds are funds which do not carry a donor designated restriction.)

6. Tax Exempt Status

The Foundation shall maintain and observe all state and federal requirements of an Internal Revenue Code Section 501(c)(3) tax exempt non-profit organization.

7. Notices

Any-notices or demands shall be given to the University in care of University Legal Counsel, 26 Bee Street, MSC 204, Charleston, South Carolina 29425-2040, to the Authority in care of Authority Legal Counsel, MSC 332, Charleston, South Carolina 29425-3320 and to the Foundation in care of the Foundation's Chief Executive Officer, 18 Bee Street, MSC 450, Charleston, South Carolina 29425-4500.

8. Renewal

The University, the Authority and the Foundation may renew this Agreement in subsequent fiscal years. Notice or intent to decline renewal or extension of this Agreement and its contents

Deleted: 2008

May, 2009

shall be given either by the Foundation, the University or the Authority at least sixty (60) days prior to June 30th of the close of the year in which the Agreement is in effect.

9. Modifications

The University, the Authority and the Foundation agree to full and complete performance of the covenants herein and that this Agreement constitutes the sole, full, and complete Agreement by and between the parties; and no amendments, changes, additions, deletions, or modifications to or of this Agreement shall be valid unless reduced to writing, signed by the parties and attached hereto.

10. Cancellation

Any party shall have the right at any time during this Agreement to cancel this Agreement with respect to its rights and obligations contained herein upon giving the other parties not less than sixty (60) days prior written notice of such cancellation. If such notice be given, this Agreement shall expire and terminate with respect to such party at the expiration of such period of sixty (60) days as fully and completely as if such date were the date herein specified for the expiration of the term of this Agreement.

11. Entire Agreement

The foregoing is a complete written Agreement by and among the University, the Authority and the Foundation. There are no other agreements expressed or implied by or between the parties hereto.

May, 2009

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IN WITNESS WHEREOF, the parties hereto have this day and year as above stated
executed this Agreement.

WITNESSES:

THE MEDICAL UNIVERSITY OF SOUTH
CAROLINA

BY: _____
RAYMOND S. GREENBERG, M.D., Ph.D.
PRESIDENT

THE MEDICAL UNIVERSITY HOSPITAL
AUTHORITY

BY: _____
W. STUART SMITH
ITS: EXECUTIVE DIRECTOR

THE MEDICAL UNIVERSITY OF SOUTH
CAROLINA FOUNDATION

BY: _____
THOMAS P. ANDERSON
CHIEF EXECUTIVE OFFICER AND
SECRETARY

May, 2009

Deleted: 2008

Number & Title: Conflict Management

Owner:

Location / File name:

Dates:

Originated: 3/09

Reviewed:

Legal Review:

Revised:

Policy:

The Medical University Hospital Authority recognizes that conflicts among and between Hospital leaders, medical staff, employees, volunteers, patients and visitors or leadership groups have the potential to adversely affect the environment in which patients are treated and may affect the healthcare team's ability to provide high quality care. Conflicts are often unavoidable and therefore should be managed with the intention of protecting patient safety and quality of care. MUHA has established a conflict management process to promote the collaboration between various tiers of the organization and to ensure that patient safety and quality of care are not affected by interpersonal or interprofessional differences. The purpose of this policy is to resolve any conflicts that may arise and to promote the safety and quality of care.

All MUHA facilities, including inpatient and outpatient offices both on and off campus, must follow the established procedure for conflict management. This process must include the following foundational principles:

- A. A willingness to acknowledge existence of a conflict;
- B. Open communication;
- C. Dealing with conflict within an environment of mutual respect;
- D. Acceptance and tolerance of different perspectives through the process;
- E. Commitment to fundamental fairness;
- F. Educating individuals about conflict management;
- G. Developing a conflict management process with policies and procedures through a multidisciplinary process; and
- H. Holding parties accountable to use the conflict management process.

Policy Number & Title:

Page:

Procedure:

A. Continuum of Conflict

1. Conflicts among and between individuals or groups arise in many settings and for many different reasons. For example, conflicts may arise due to differences in needs, beliefs, values, interests or experience, etc.
2. Conflicts may be managed through a variety of means depending on the severity of the issues, the parties involved, and the potential effect on the safety of patients and the quality of care. This process may include both informal interventions such as discussion, persuasion and conciliation or may be formal through mechanisms such as mediation or utilization of resources outside of the Hospital. The mechanism used should be consistent with the nature and severity of the conflict.
3. Conflicts often provide an opportunity to analyze differing opinions and perspectives on issues. The conflict management process is an appropriate mechanism to facilitate an active and open discussion of differences in a respectful and professional manner.

B. Informal Conflict Management

1. Most conflicts can be managed informally. The process shall be conducted in a manner consistent with the MUHA Standards of Behavior and Code of Conduct policies.
 - a. Each party involved in the conflict is expected to acknowledge the conflict and share their perspectives or position in an open and respectful manner. Due consideration must be provided to opposing positions.
 - b. Informal discussions shall be held in a respectful environment and the parties are expected to actively listen and engage in the process. Each party is expected to maintain control over their respective behaviors. If behaviors escalate to an unacceptable level, the individual may be subject to disciplinary action in accordance with MUHA's Disciplinary Actions Policy (HR-45).
 - c. All parties are expected to conduct themselves in a manner consistent with the MUHA Standards of Behavior and the foundational principles identified above.
2. If the parties are unable to resolve the conflict through the informal process, or if the matter escalates to a level that threatens the safety or wellbeing of patients, visitors, or employees, a formal conflict resolution process may be implemented.

Policy Number & Title:

Page:

C. Formal Conflict Management

1. Any member of the Board of Trustees, leadership, employee, manager, physician or other personnel may initiate the conflict management process by contacting the MUHA Department of Human Resources. Human Resources will assign an appropriately trained mediator to assist in the conflict management process. The MUHA Department of Human Resources will coordinate the conflict management process through the following steps:
 - a. Assigning an internal mediator;
 - b. Planning the logistics of the mediation;
 - c. Providing summary information to the mediator prior to the mediation;
 - d. Providing the Mediation Agreement to be signed by the parties involved.

As soon as is reasonably possible, the mediator will meet with the relevant parties alone and/or together to gather information. Information may be gathered from the parties themselves or from other relevant resources. The mediator will attempt to resolve the parties' differences and develop a plan of action. To the extent possible this process is confidential. The outcome of this process, or any agreement entered into by the parties, remains confidential and will only be shared if all parties agree. **Any information may be disclosed if the information discussed reveals a violation of state or federal law, or patient safety may be compromised.**

2. If a Service Line Administrator or senior leader(s) determine that the matter should be handled externally, or if the MUHA Department of Human Resources is unable to manage the matter successfully, the matter may be referred to an appropriate external resource.

Once the appropriate internal or external resource has been retained, the designated professional is expected to meet with the parties as soon as possible to:

- a. Identify possible areas of agreement;
 - b. Gather additional information as necessary;
 - c. Work toward an appropriate resolution of the matter through management or resolution of the conflict.
3. The internal or external resource is expected to report to the Service Line Administrator and/or senior leader regarding the outcome of the process. Issues that may impact patient safety or the safety of employees or visitors shall be promptly reported to the Service Line Administrator and/or senior leader.

Policy Number & Title:

Page:

4. The Service Line Administrator and/or senior leader is charged with taking appropriate steps to ensure that patient care and quality are not compromised throughout this process.
- D. Failure to actively participate in the conflict resolution process once initiated may be grounds for disciplinary action in accordance with policies HR-45 Disciplinary Action and HR-12 Standards of Behavior.

Appendices:

Related Policies:

A-62	Code of Ethical Behavior
A-67	Compliance Policy and Code of Conduct
C-105	Clinical Staff Professionalism
HR-12	Standards of Behavior
HR-36	Employee Assistance Program
HR-45	Disciplinary Actions

Policy Number & Title:

Page:

History

The Medical University of South Carolina (MUSC) has a distinguished heritage that began in 1824 with the founding of the College of Medicine by the Medical Society of South Carolina. In 1913, the Medical College, which included the Pharmacy School, became a state-owned institution. By 1969, the institution had added four more schools: Nursing, Graduate Studies, Health professions, and Dental Medicine. Also in 1969, the South Carolina Legislature voted to consolidate the professional schools and programs in the Medical University of South Carolina.

On June 3, 1999 the South Carolina General Assembly passed legislation that established the Medical University hospital Authority (MUHA). This required that MUSC Medical Center provide critical medical and hospital care, teach and train medical professionals, and gave the Board of Trustees of MUSC greater management and operational flexibility. The Authority Legislation took effect on June 16, 2000.

Mission, Vision, and Values

The Mission of the Medical Center of MUSC is to provide excellence in patient care, teaching, and research in an environment that is respectful of others, adaptive to change, and accountable for outcomes. The Vision of the Medical Center is to become a leading academic health center. The Values endorsed by the Medical Center are accountability, respect, excellence, and adaptability, also represented by the acronym AREA.

Strategic Plan

The Clinical Enterprise Strategic Plan was developed in 1998, and identified six issues in August of 1999 as critical to the success of its initiatives. These six issues included the implementation of the Authority, reducing the cost of care, enhancing management effectiveness, increasing Medical Staff involvement, creating a customer service focused environment, and improving information based decision-making. In 2001, the Clinical Enterprise Strategic plan shifted to focus on a hospital replacement strategy, Phase One of which was realized in February 2008 with the opening of Ashley River Tower.

In the spring of 2006, the Service Line Advisory Committee began planning for the implementation of designated Service Lines in the Medical Center. A Service Line is designed to be a defined set of clinical services aligned to meet patients' and providers' needs for convenience, access, consistency, and quality of care.

The first four Service Lines were formed in July 2007. These included the Children's Services, Heart and Vascular Center, Digestive Disease Center, and Transplant Services. The remaining seven Service Lines were finalized in July 2008:

- Perinatal Services
- Hollings Cancer Center
- Mental Health
- Musculoskeletal Services
- Neurosciences Institute
- Medicine Acute and Critical Care, and
- Surgical Acute and Critical Care

MUHA Medical Center Description

The Medical Center at the Medical University Hospital Authority is an integral part of a health care delivery system serving the people of South Carolina. The 709 bed Medical center includes five hospitals:

- Medical University Hospital
- Ashley River Tower
- MUSC Children's Hospital
- Albert Florens Storm Eye Institute, and
- Institute of Psychiatry

There are numerous outpatient clinics, facilities, and services, both on the MUSC Medical Center campus and in the community. The Medical center is operated as a not-for-profit organization by the MUHA Medical Center Board of Trustees. The Medical Center's Staff is comprised of more than 600 full-time attending physicians, more than 600 interns and residents, as well as nursing and support staff.

Each clinical and non-clinical department of the Medical University Hospital Authority has a defined scope of service. The scope of service for each area includes the types and ages of patients served, methods used to access and meet patient care needs, scope and complexity of patient care needs, availability of necessary staff, extent to which the level of care or service meets patient needs, the types of services most frequently provided, the hours of operation and methods for assuring access, the skills of the care providers, and the standard of practice, if applicable.

The organizational structure of MUSC Medical Center is designed to ensure that patient care and support services are integrated. Interdisciplinary teams and committees are utilized to design, implement, evaluate, and improve patient care and business processes.

**FACILITIES
HOSPITAL AUTHORITY
CONSTRUCTION PROJECT
FOR APPROVAL**

April 17, 2009

PROJECT TITLE:	Replacement of Deaerator & Surge Tank System for the University Hospital Boiler Plant
BUDGET FY09:	\$189,000
BUDGET FY10:	\$224,000
PROJECT TOTAL:	\$413,000
SOURCE OF FUNDS:	Hospital Generated Revenue

JUSTIFICATION:

The existing Deaerator and Surge Tank system is nearly 30 years old and has been repaired on a number of occasions. The current system has been deemed un-repairable by our present boiler maintenance staff due to its age and condition.

The current system is undersized since continued expansion of the Medical Center Steam System has now exceeded the capacity of this system

The current system will no longer provide the necessary volume of conditioned boiler feed water to the hospitals three boiler units during cold weather and the boiler plant operators have been forced to feed the boilers with additional make up water. This practice is very costly due to the loss of chemical treatment and temperature loss of make up water. A number of boiler shut downs have occurred during the few weeks due to lack of boiler make up water.

The current system structure integrity is of great concern and complete failure would render the steam system inoperable shutting down all domestic hot water, heating hot water, and Operating Room Sterilization and dietary functions. Since this equipment would require 14 to 16 weeks to manufacture, the Medical Center would have to procure and connect an emergency portable steam system in the service street behind the building and operate at great expense in fuel cost and rental fees until the system was replaced. Since it could take over a week to procure and install a portable steam system, all patient care activities would have to be suspended and patients evacuated to other facilities. This project will prevent the need to evacuate patients to other facilities.

**FACILITIES
HOSPITAL AUTHORITY
CONSTRUCTION PROJECT
FOR APPROVAL**

April 17, 2009

PROJECT TITLE: Children's Hospital Roof Fire Related Repairs

BUDGET: \$400,000

SOURCE OF FUNDS: Hospital Generated Revenue

JUSTIFICATION:

Design and services necessary to make repairs to equipment and structural damage caused by a fire on the Children's Hospital Roof.

A fire occurred on the Children's Hospital 3rd floor mechanical systems roof near the penetration of the Emergency Standby Generator Exhaust Stacks. This fire caused damage to the roofing and nearby exterior walls. The fire and subsequent fire fighting efforts to put out the fire damaged mechanical systems including air handler unit 15, the ETO exhaust ductwork, the generator exhaust system hood and possibly the fan system.

Since the fire, the Emergency Standby Generator System cannot be operated due to the systems failures outlined above. A portable system is now being used to provide emergency standby power in case of an outage and it has limited capabilities of fuel capacity and priority switching of the ATS Switches.

Identity Theft Program for The Medical University of South Carolina

1.0 INTRODUCTION

Pursuant to the Fair and Accurate Credit Transactions Act (“FACTA”)(16CFR § 681.2), this identify theft policy enables the Medical University of South Carolina, its agents or affiliates, including but not limited to the Medical University Hospital Authority, University Medical Associates, and Carolina Family Care (hereinafter collectively referred to as “MUSC”), to detect, respond to and prevent the improper use of patient, employee, student or other individual financial and medical information and to minimize damage to MUSC.

2.0 PURPOSE

To establish an Identity Theft Prevention Program for MUSC that is designed to mitigate financial and medical identity theft and its harmful effects in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the program. This Program is intended to:

- a) Identify risks that indicate potentially fraudulent activity;
- b) Detect risks as soon as reasonably possible;
- c) Respond appropriately to risks to determine if fraudulent activity has occurred and act appropriately if fraud has been attempted or committed; and
- d) Update the Program periodically to reflect changes in any risk of identity theft for the Covered Accounts as well as for any risk to MUSC and its operations.

3.0 POLICY

MUSC strives to prevent the intentional or inadvertent misuse of Personal Identifying Information owned or stored by MUSC including but not limited to customer names, identities including photographs of an individual’s face, and records; to report criminal activity relating to identity theft and theft of services to appropriate authorities; and to take steps to correct and/or prevent further harm to any person whose Personal Identifying Information is used unlawfully or inappropriately.

4.0 **PROGRAM ADMINISTRATION**

Each organization's Compliance Office shall serve as the primary point of contact for issues related to this Program. From time to time, however, other departments or areas may be tasked with implementation of required elements or investigation related duties under this Program.

- 4.1 MUSC shall obtain approval of this initial written Program from the Board of Trustees or the appropriate Committee of the Board of Trustees. Policies and procedures supporting this Program may be implemented from time to time as deemed appropriate.
- 4.2 The Organization's Compliance Office shall ensure a risk assessment regarding the Program is prepared when there are material changes or on an annual basis so that necessary modifications are made to the Program.
- 4.3 The Organization's Compliance Office shall oversee the implementation of material changes to the Program as needed to address changing risks of identity theft. To monitor compliance issues and evaluate the need for any changes to the Program, the Organization's Compliance Officer shall:
 - a) document incidents of attempted or successful reports of identity theft; and
 - b) prepare an Annual Report to the Board of Trustees regarding the Program.
- 4.4 The Organization's Compliance Office shall ensure staff is trained, as necessary to implement the Program.
- 4.5 MUSC recognizes that contractual services may be engaged for the purpose of performing an activity in connection with one or more Covered Accounts, or contractors may have access to Personal Identifying Information regarding a Covered Account. Contracts for such services shall require that the contractor have a reasonable identity theft program in place. For example, contracts for such services should contain terms substantially similar to the following:

“Contractor acknowledges that MUSC has adopted an Identity Theft Prevention Program as required under 16 C.F.R. Part 681 for certain covered accounts that may be accessed in accordance with this agreement. Accordingly, Contractor will conduct its activities in accordance with reasonable policies and procedures to detect, prevent and mitigate the risk of identity theft.”

5.0 STAFF TRAINING

Training regarding this Program shall be provided to all faculty, staff, volunteers or other personnel. Additional training will be provided when changes are made to the methods of detection, prevention and mitigation of identity theft.

6.0 PERIODIC UPDATE

MUSC will update the Program (including the Red Flags determined to be relevant) periodically, to reflect changes in risks to customers or to the safety and soundness of MUSC from financial and medical identity theft, based on factors such as:

- a) The experiences of MUSC with identity theft;
- b) Changes in methods of identity theft;
- c) Changes in methods to detect, prevent, and mitigate identity theft;
- d) Changes in the types of accounts MUSC offers or maintains; and
- e) Changes in the business arrangements of the financial institution or creditor, including mergers, acquisitions, alliances, joint ventures, and service provider arrangements.

7.0 DEFINITIONS

Covered Account: An account designed to permit multiple payments or transactions for services rendered or any other account for which there is a reasonably foreseeable risk to individuals or to the safety and soundness of MUSC from identity theft. Every new or existing account meeting the following criteria is covered by this policy:

- a) Business, personal and household accounts for which there is a reasonably foreseeable risk of identity theft; or
- b) Business, personal, and household accounts for which there is a reasonably foreseeable risk to the safety or soundness of MUSC from identity theft, including financial, operational, compliance, reputation or litigation risks.
- c) At MUSC, Covered Accounts include but are not limited to:
 - i. Patient accounts;
 - ii. Employee accounts;
 - iii. Student accounts;

- iv. Medical records;
- v. Research records;
- vi. Provider accounts;

Identity Theft: A fraud committed or attempted using the Personal Identifying Information of another person without authority. Importantly, such Personal Identifying Information is often used to obtain credit, merchandise, and services in the identity theft victim's name, or to provide the thief with false credentials. Within this policy, identity theft includes medical identity theft.

Individual: Any natural person, individual or organization.

Medical Identity Theft: Medical identity theft occurs when someone uses a person's name, Personal Identifying Information, or other parts of their identity, such as insurance information or Social Security Number, without the victim's knowledge or consent. This information may be used to obtain medical services or goods or to obtain money by falsifying claims for medical services and falsifying medical records to support those claims. Medical identity theft also can result in inaccurate information being placed in a patient's medical record. Such information could result in harm to a patient (e.g. a doctor administering a patient a contraindicated drug, one that could result in a severe allergic reaction and even death), and therefore should be monitored to prevent injury.

Personal Identifying Information. The first name or first initial and last name in combination with and linked to any one or more of the following data elements that relate to a Customer, when the data elements are neither encrypted nor redacted:

- a) Sensitive Information as defined below;
- b) Social Security number;
- c) Driver's license number or state identification card number issued instead of a driver's license;
- d) Financial account number, or credit card or debit card number in combination with any required security code, access code, or password that would permit access to a Customer's financial account; or
- e) Other numbers or information which may be used to access a person's financial accounts or numbers or information issued by a governmental or regulatory entity that uniquely will identify an individual.

The term does not include information that is lawfully obtained from publicly available information, or from federal, state, or local government records lawfully made available to the general public.

Potentially Fraudulent Activity: Activity which may result in the disclosure of unencrypted or unredacted personal identifying information which was, or is reasonably believed to have been, obtained for an unauthorized purpose when the illegal use of the information has occurred or is reasonably likely to occur, or which creates a material risk of harm to the individual.

Red Flag: A warning sign of the possible existence of identity theft due to a pattern, practice, or specific activity that could indicate an account holder has been the victim of, or is engaged in, identity theft. Specific red flags and how MUSC will respond appropriately are discussed more fully below.

Sensitive Information: Sensitive information includes the following printed or electronic stored information:

- a) Credit card information including credit card number (in part or whole), expiration date, cardholder name or address and card verification value code (CVV/CVC);
- b) Tax identification numbers including Social Security Number, business identification number or employer identification number;
- c) Payroll information including paychecks, pay stubs and bank account numbers;
- d) Photographs of an individual's face;
- e) Medical information including physician names and claims, insurance claims, prescriptions and any other identifiable medical information; and
- f) Other information including date of birth, address, phone numbers, names, maiden name, customer numbers, account numbers, medical record numbers, etc.

8.0 IDENTIFICATION OF RELEVANT RED FLAGS

Red Flags are a potential indicator of fraud. Any identified Red Flag, or a situation closely resembling a Red Flag should be investigated for verification. Each business unit will develop procedures for routinely monitoring accounts for potential Red Flag activity.

- 8.1 **Common Red Flags** include:
- a) Identification which appears altered or forged;
 - b) Alerts, notifications or warnings from a consumer reporting agency;
 - c) A fraud alert included with a consumer report; or
 - d) Notice of a credit freeze in response to a request for a consumer report.
- 8.2 **Consumer reports** indicating a pattern of activity inconsistent with the history and usual pattern of activity of an applicant or customer are a red flag. Some examples include:
- a) A recent and significant increase in the volume of inquiries;
 - b) An unusual number of recently established credit relationships;
 - c) A material change in the use of credit, especially with respect to recently established credit relationships;
 - d) An account that was closed for cause or identified for abuse of account privileges by a financial institution or creditor; or
 - e) A notice of address discrepancy from a consumer reporting agency.
- 8.3 **Suspicious documents** are a Red Flag. The following non-exhaustive list provides examples of suspicious documents:
- a) Documents (such as a driver's license or health insurance card) provided for identification that appears to have been altered or forged;
 - b) A photograph or physical description on an identification card which is not consistent with the appearance of the individual;
 - c) Other information on the identification is not consistent with the information provided by the individual;
 - d) Other information on the identification is not consistent with readily accessible information that is on file;

- e) A form (such as an application) appearing to have been altered or forged, or gives the appearance of having been destroyed and reassembled; or
- f) A signature on a document (for example, a driver's license) that does not match the individual's signature.

8.4 **Suspicious Personal Identifying Information** is also a Red Flag indicative of possible identity theft or medical identity theft. Some common scenarios include when:

- a) The Personal Identifying Information provided is inconsistent with other information. For example, the address does not match any address in a consumer report; or
- b) The Social Security number provided has not been issued, is listed on the Social Security Administration's Death Master File, or is otherwise invalid. The following numbers are always invalid:
 - i. First three digits are 800, 900, 000, in 700 ranges above 772, or are 666
 - ii. Fourth and Fifth digits are 00; or
 - iii. Last four digits are 0000.
- c) The Personal Identifying Information provided by an individual is not consistent with other Personal Identifying Information provided by the individual. For example, there is a lack of correlation between the Social Security number range and the date of birth;
- d) The Personal Identifying Information provided is associated with known fraudulent activity as indicated by internal or third-party sources. For example, the address on an application is the same as the address provided on a fraudulent application.
- e) The Personal Identifying Information provided is of a type commonly associated with fraudulent activity as indicated by internal or third-party sources. For example, the address provided is fictitious (e.g. a mail drop or prison), or a phone number is invalid or associated with a pager or answering service;
- f) The Social Security number provided is the same as that submitted by another individual;

- g) The address or telephone number provided is the same as or similar to the address or telephone number submitted by an unusually large number of other individuals;
- h) The individual fails or refuses to provide all required personal identifying information;
- i) Personal Identifying Information provided is not consistent with personal identifying information that is on file; or
- j) An individual is unable to correctly authenticate challenge questions. For example, when using security questions (date of birth, last known appointment, etc.) the individual cannot provide authenticating information beyond that which generally would be available from a wallet or consumer report.

8.5 **Generally suspicious activity** is also a Red Flag, such as when:

- a) Shortly following the notice of a change of address for a covered account, the individual requests additional services;
- b) A new account is used in a manner commonly associated with known patterns of fraud. For example, the individual fails to make the first payment or makes an initial payment, but no subsequent payments.
- c) A Covered Account is used in a manner not consistent with established patterns of activity. For example, nonpayment when there is no history of late or missed payments or a material change in usage patterns;
- d) A Covered Account that has been inactive for a lengthy period of time is used;
- e) Mail sent to the individual is returned repeatedly as undeliverable although transactions continue to be conducted;
- f) The individual notifies MUSC that he/she is not receiving paper account statements;
- g) MUSC is notified of unauthorized charges or transactions in connection with an individual's account;
- h) MUSC receives notice from individuals, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft; or

- i) MUSC is notified by an individual, a victim of identity theft, law enforcement authorities or any other person that it has opened a fraudulent account for a person engaged in identity theft.

9.0 PROCEDURES RESPONDING TO RED FLAGS

- 9.1 Once Potentially Fraudulent Activity has been suspected, an employee will act quickly, as a rapid response can protect both individuals financially and medically and MUSC from damages and loss.
 - a) An employee who detects a Red Flag should gathered relevant information relating to the incident and report it to their immediate supervisor for verification and information. If Potentially Fraudulent Activity continues to be suspected, the information should be presented to the organization's Compliance Officer who will further investigate the matter to determine if the situation reported was fraudulent or authentic. If the activity is found to be fraudulent, the Organization's Compliance Office will coordinate notification of the individual(s) affected to advise that fraud has been attempted and advise the individual of actions taken to mitigate that fraud, as appropriate. Additional resources may be utilized to notify individuals of such activity in accordance with state and federal law.
 - b) An individual wishing to make an anonymous report of Potentially Fraudulent Activity may do so through the organization's compliance hotline.
- 9.2 If the situation is determined to be fraudulent, appropriate actions must be taken immediately. These actions may include:
 - a) Canceling the transaction;
 - b) Notifying and cooperating with MUSC Public Safety or other appropriate law enforcement;
 - c) Determining the extent of the liability of MUSC; and
 - d) Notifying the individual that fraud (identify theft) has been attempted. Notification must comply with the requirements of SC Code Ann. §§1-11-490(e) and 39-1-90(A).

10.0 CORRECTION OF COVERED ACCOUNTS

If identify theft is confirmed, MUSC shall take appropriate steps to correct the compromised account. If a record was generated or information was added to an

existing record as a result of identity theft, the record will be noted, inaccurate information will be corrected and the information added to the record as a result of the identity theft will be segregated from the original record. A determination will be made to whether any other record(s) are linked to the record

11.0 DISCIPLINARY ACTION

Failure to comply with the requirements of this Policy may result in disciplinary action up to and including termination.

Appendices:

Guide to Investigating Identity Theft
Identity Theft Affidavit