

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
August 12, 2016

The Board of Trustees of the Medical University Hospital Authority convened Friday, August 12, 2016, with the following members present: *Dr. Donald R. Johnson II, Chairman; Mr. William H. Bingham, Sr., Vice-Chairman; Dr. Stanley C. Baker, Jr.; Mr. William A. Baker, Jr.; Ms. Terri R. Barnes; The Honorable James A. Battle; Dr. Harold W. Jablon; Dr. James Lemon; Ms. Barbara Johnson-Williams; Dr. Ragin C. Monteith; Dr. E. Conyers O'Bryan, Jr.; Mr. Charles W. Schulze; Dr. G. Murrell Smith, Sr.; Mr. Michael E. Stavrinakis; Thomas L. Stephenson, Esq.; Dr. Charles B. Thomas, Jr.*

The following administrative officials were present: *Dr. David Cole, President; Dr. Lisa Saladin, Interim Provost; Ms. Lisa Montgomery, Executive Vice President for Finance and Operations; Dr. Pat Cawley, CEO, MUSC Health and Vice President for Health Affairs, MUSC; Mr. Jim Fisher, Vice President for Development; Dr. Ray Dubois, Dean, College of Medicine; Ms. Annette Drachman, General Counsel*

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Johnson called the meeting to order. Ms. Jane Scutt called the roll. Ms. Scutt announced the following, *"In compliance with the Freedom of Information Act, notice of meetings and agendas were furnished to all news media and persons requesting notification."*

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday, October 14, 2016.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of May 19, 2016 and Special Called Meeting of the Medical University of South Carolina and Medical University Hospital Authority of June 27, 2016.

Board Action: A motion was made for the minutes to be approved. The motion was seconded, voted on and unanimously carried.

Item 4. Election of Chairman and Vice Chairman of the Board of Trustees of the Medical University Hospital Authority.

Board Action: The vote for Chairman and Vice-Chairman was conducted under the MUSC Board meeting. According to the MUSC Bylaws, the Chairman and Vice-Chairman for the MUSC Board also serve in this capacity for the MUHA Board; therefore, an additional vote was not required.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

OLD BUSINESS: None.

NEW BUSINESS:

Item 5. General Informational Report of the President.

No report.

Item 6. Other Business.

None.

**OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR.
(Committee minutes are attached).**

OLD BUSINESS: None.

NEW BUSINESS:

Item 7. MUHA Medical Center Status Report.

Statement: Dr. Baker stated that Dr. Cawley presented the MUHA Status report to committee and gave an update on the following:

- New Chief Nursing Officer
- FY2016 Year to Date Goal Performance
- FY2017 Goals
- Cost Improvement Efforts – MUSC Performance Excellence
- Funds Flow Efforts

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 8. Medical University Hospital Authority Financial and Statistical Report

Statement: Dr. Baker stated that Mr. Steve Hargett, CFO, gave an update on the Medical University Hospital Authority's financial status for Fiscal Year 2016 and the report 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 9. Fiscal Year 2017 Budget for Medical University Hospital Authority (MUHA)

Statement: Dr. Baker stated that the MUHA FY 2017 budget was presented to committee for approval.

Recommendation of Administration: That the FY2017 budget for MUHA be approved.

Recommendation of Committee: That the FY2017 budget for MUHA be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the FY2017 MUHA budget as presented.

Item 10. **Report on Quality and Patient Safety.**

Statement: Dr. Baker stated that Dr. Scheurer presented the Quality and Patient Safety report to committee and gave an update on the following:

- Performance to Date
- Rankings
- Blue Distinction
- Baldrige
- Transparency

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 11. **Update on MUSC Physicians.**

Statement: Dr. Baker stated that Dr. Rockey, President, MUSC Physicians, Dr. Rockey requested approval for the purchase of a C-ARM, procedure table, EMG machine, an up-fit for the West Ashley Pain Management Program at a total cost of \$212,000.

Recommendation of Administration: That this purchase be approved.

Recommendation of Committee: That this purchase be approved.

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

Statement: Dr. Baker stated that Dr. Don Rockey, President, MUSC Physicians, announced that MUSC Partners recently hired a neurologist who will be working at the Georgetown location.

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 12. **Legislative Update.**

No report.

Item 13. Other Committee Business.

None.

Item 14. 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 for April, May and June 2016 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.

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

Item 15. Medical Executive Committee Minutes (Consent Item).

Statement: Minutes of the Medical Executive Committee for April, May and June 2016 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 16. 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.

PHYSICAL FACILITIES COMMITTEE. CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Committee minutes are attached).

OLD BUSINESS: None

NEW BUSINESS:

Item 17. Children’s Hospital Report.

Statement: Mr. Bingham stated that Matt Wain gave an update to committee on the Children’s Hospital timeline and this report 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: Report received as information.

Item 18. Children’s Hospital Financial Update.

Mr. Bingham stated that Mr. Steve Hargett gave an update on the financing for the Children’s Hospital and this report 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: Report received as information.

Item 19. Other Committee Business

CONSENT ITEMS FOR INFORMATION:

Item 20. Facilities Contracts Awarded (Consent Item).

Statement: The facilities contracts awarded since the last meeting were presented for information.

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

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

Board Action: Received as information.

CHILDREN’S HOSPITAL COMMITTEE. CHAIRMAN: DR. RAGIN C. MONTEITH (Committee minutes are attached)

OLD BUSINESS: None.

NEW BUSINESS:

Item 21. Children’s Hospital Clinical Overview.

Statement: Dr. Monteith stated that Dr. Anthony Quiros, Division of Pediatric

Gastroenterology, gave a presentation the Division of Pediatric Gastroenterology, Hepatology and Nutrition's initiatives and highlighted the programs unique to MUSC.

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

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

Board Action: Received as information.

Item 22. **Women's Services Clinical Overview.**

Statement: Dr. Monteith stated that Dr. Steven Swift gave a presentation on Female Pelvic Medicine and Reconstructive Surgery (FPMRS) and this was received as information.

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

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

Board Action: Received as information.

Item 23. **Development Activity Report**

Statement: Dr. Monteith stated that Mr. Jim Fisher gave a development activity report on the Shawn Jenkins Children's Hospital and this report 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 24. **Other Committee Business.** None

AUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQ. (Committee minutes are attached)

OLD BUSINESS: None

NEW BUSINESS:

Item 25. **Annual Conflict of Interest Update.**

Statement: Mr. Tom Stephenson stated that a report had been provided to committee by Dr. Elliott.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 26. Compliance Updates.

Statement: Mr. Stephenson stated that a report had been provided to committee by Ms. Reece Smith.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 27. Report of the Office of Internal Audit.

Statement: Mr. Stephenson stated that a report had been provided to committee by Ms. Susan Barnhart.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 28. Management Development and Compensation Subcommittee Update.

Statement: Mr. Stephenson requested for approval of the 2017 Variable Compensation Plan and a 3.25% cost of living adjustment for senior leadership.

Recommendation of Committee: That the 2017 Variable Compensation Plan and the 3.25% cost of living adjustment be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the 2017 Variable Compensation Plan and the 3.25% cost of living adjustment.

Item 29. Other Committee Business.

None.

Item 30. Revised Institutional Conflict of Interest Policy (Consent Item).

Statement: The revised Institutional Conflict of Interest Policy was presented for approval.

Recommendation of Administration: That the revised policy be approved.

Recommendation of Committee: That the revised policy be approved.

Board Action: It was moved, seconded and unanimously voted that the revised policy be

approved.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES

Item 31. Approval of Consent Agenda.

Statement: Approval of the University 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 32. Executive Session.

Statement: Dr. Johnson stated that yesterday the Board of Trustees entered into executive session in accordance with SC Code Ann. §30-4-70. Dr. Johnson then recognized Dr. Smith who moved that MUSC Board of Trustees authorize MUSC Strategic Ventures to pursue a joint venture with East Cooper Medical Center

Board Action: It was moved, seconded and unanimously voted authorizing MUSC Strategic Ventures pursue a joint venture with East Cooper Medical Center.

Item 33. New Business for the Board of Trustees. None.

Item 34. Report from the Chairman.

There being no further business, the meeting of the Authority Board of Trustees was adjourned.

Respectfully submitted,



Mark C. Sweatman, Secretary

MCS:jls
Attachments

**Medical University Hospital Authority
Hospital Operations, Finance and Quality Committee
August 11, 2016**

Attendees:

| | | |
|------------------------------|-----------------------|-----------------------|
| Dr. Stanley Baker, Chair | Mr. Michael Stavrakis | Mr. Matt Wain |
| Mr. Bill Baker | Dr. Charles Thomas | Mr. Steve Hargett |
| Ms. Terri Barnes | Dr. David Cole | Mr. David McLean |
| The Honorable Jim Battle | Ms. Lisa Montgomery | Ms. Allyson Abernathy |
| Mr. William Bingham, Sr. | Dr. Patrick Cawley | Ms. Susan Barnhart |
| Dr. Harold Jablon | Mr. Jim Fisher | Mr. Greg Weigle |
| Dr. Donald Johnson, II | Dr. Kathleen Brady | Dr. Don Rockey |
| Ms. Barbara Johnson-Williams | Dr. Lisa Saladin | Ms. Sheila Champlin |
| Dr. James Lemon | Mr. Mark Sweatman | Ms. Gina Ramsey |
| Dr. Ragin Monteith | Dr. Danielle Scheurer | Ms. Robin Mutz |
| Dr. Conyers O'Bryan | Dr. Mark Scheurer | Ms. Heather Woolwine |
| Mr. Charles Schulze | Dr. Kathleen Brady | Mr. Patrick Wamsley |
| Dr. Murrell Smith | Dr. Darlene Shaw | |

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

Item 7. Medical University Hospital Authority Status Report

Dr. Pat Cawley, CEO, MUSC Health, presented the MUHA status report and gave an update on the following:

- New Chief Nursing Officer
- FY2016 Year to Date Goal Performance
- FY2017 Goals
- Cost Improvement Efforts – MUSC Performance Excellence
- Funds Flow Effort

Action: Report received as information.

Item 8. Medical University Hospital Authority Financial and Statistical Report

Mr. Steve Hargett, CFO, gave an update on the Medical University Hospital Authority's financial status for Fiscal Year 2016.

Action: Received as information.

Item 9. Fiscal Year 2017 Budget for Medical University Hospital Authority (MUHA)

The Fiscal Year 2017 budget for MUHA was presented for approval.

Action: Recommend approval.

Item 10. Report on Quality and Patient Safety

Dr. Danielle Scheurer gave the Report on Quality and Patient Safety and gave an updated on the following:

- Performance to Date
- Rankings
- Blue Distinction
- Baldrige
- Transparency

Action: Report received as information.

Item 11. Update on MUSC Physicians

Dr. Rockey requested approval for the purchase of a C-ARM, procedure table, EMG machine, an up-fit for the West Ashley Pain Management Program at a cost of \$212,000.

Action: Recommend approval.

Dr. Don Rockey, President, MUSC Physicians, announced that MUSC Partners recently hired a neurologist who will be working at the Georgetown location.

Action: Reported received as information.

Item 12. Legislative Update

No report.

Item 13. Other Committee Business None.

CONSENT AGENDA

Item 14. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

The committee reviewed the appointments, reappointments and delineation of privileges requests for the months April, May and June, 2016. These have been recommended for approval by all appropriate committees.

Action: Recommend approval

Item 15. Medical Executive Committee Minutes

The Medical Executive Committee minutes from April, May and June, 2016 were reviewed by the committee.

Action: Received as information.

Item 16. Medical Center Contracts and Agreements

Contracts and agreements entered into since the last board meeting were presented.

Action: Received as information.

There being no further business, the committee adjourned.

Respectfully Submitted

A handwritten signature in cursive script that reads "Jane L. Scutt".

Jane L Scutt

**MUHA Physical Facilities Committee
August 11, 2016
Minutes**

Board Members Attending:

| | |
|------------------------------------|-----------------------------|
| Mr. William H. Bingham, Sr., Chair | Dr. James Lemon |
| Dr. Stanley C. Baker, Jr. | Dr. Ragin Monteith |
| Mr. William A. Baker, Jr. | Dr. E. Conyers O'Bryan, Jr. |
| Ms. Terri R. Barnes | Mr. Charles W. Schulze |
| Mr. James A. Battle | Dr. G. Murrell Smith, Sr. |
| Dr. Harold Jablon | Mr. Michael E. Stavrinakis |
| Dr. Donald R. Johnson II | Mr. Tom Stephenson |
| Ms. Barbara Johnson-Williams | Dr. Charles B. Thomas, Jr |

Mr. Bill Bingham, Chair, called the meeting to order at 9:05 a.m.

REGULAR ITEMS

Item 17. Children's Hospital Report.

Mr. Matt Wain gave an update on the MUSC Shawn Jenkins Children's Hospital and Women's Pavilion. Mr. Wain reported that the current budget estimate as of July 2016 is \$384.2 million which is slightly down from the previous budget estimate reported in May 2016. Mr. Wain also reported that we are still on target for a 2019 opening.

Action: Report received as information.

Item 18. Children's Hospital Financial Update.

Mr. Steve Hargett gave an update on the financing for the Children's Hospital. Mr. Hargett reported that Wells Fargo, who is the banker selected for the HUD loan financing, anticipates the loan interest rate to be at 4 to 4 ½ percent.

Action: Report received as information.

Item 19. Other Committee Business

None.

CONSENT ITEMS FOR INFORMATION:

Item 20. Facilities Contracts Awarded

Facilities contracts entered into since the last meeting were presented for information.

Action: Report received as information.

With no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink that reads "Jane L. Scutt". The signature is written in a cursive style with a large initial "J" and a distinct "L" and "S".

Jane L. Scutt

**Medical University Hospital Authority
Children's Hospital Committee Minutes
August 11, 2016**

Board Members Attending:

| | |
|---------------------------|------------------------------|
| Dr. Ragin Monteith, Chair | Ms. Barbara Johnson-Williams |
| Mr. Bill Baker | Dr. James Lemon |
| Ms. Terri Barnes | Dr. Conyers O'Bryan |
| The Honorable Jim Battle | Mr. Charles Schulze |
| Mr. William Bingham, Sr. | Dr. Murrell Smith |
| Dr. Harold Jablon | Mr. Michael Stavrinakis |
| Dr. Stanley Baker | Mr. Tom Stephenson |
| Dr. Donald Johnson, II | Dr. Charles Thomas |

The meeting was called to order by Dr. Ragin Monteith.

Item 21. Children's Hospital Clinical Overview

Dr. Anthony Quiros, Division of Pediatric Gastroenterology, gave a presentation on the department's new initiatives including programs unique to MUSC. Dr. Quiros reported that the Peds GI and Nutrition division has been ranked in the top 50 nationally by *US News & World Report* in three of the last four years and ranked 39th nationally for 2016-2017 with a goal to be in the top 30 nationally next year.

Action: Report received as information.

Item 22. Women's Services Overview

Dr. Steven Swift gave a presentation on Female Pelvic Medicine and Reconstructive Surgery (FPMRS). Dr. Swift reported that there will be 50-60% growth in urinary incontinence in the next 25 years and the number of patients requesting therapy for FMPRS disorders will grow by over 25% in the next 5-10 years. Dr. Swift commented that there are four fellowship trained board certified/eligible FPMRS physicians in the Charleston area and all are at MUSC.

Action: Report received as information.

Item 23. Development Activity Report

Mr. Jim Fisher reported that \$98,789,960 has been raised for the Children's Hospital Building Campaign which is 79% of the goal of \$125 million. Mr. Fisher also gave an update on naming opportunities for the Children's Hospital.

Action: Report received as information.

Item 24. Other Committee Business

None.

With no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jane L. Scutt".

Jane L. Scutt

**Medical University Hospital Authority
Audit Committee
August 11, 2016
Minutes**

Board Members Attending:

Mr. Thomas L. Stephenson, Chair
Dr. Stanley C. Baker
Mr. William A. Baker, Jr.
Ms. Terri R. Barnes
Mr. James A. Battle
Mr. William H. Bingham, Sr.
Dr. Harold Jablon
Dr. Donald R. Johnson II

Ms. Barbara Johnson-Williams
Dr. James Lemon
Dr. E. Conyers O'Bryan, Jr.
Mr. Charles W. Schulze
Dr. G. Murrell Smith, Sr.
Mr. Michael E. Stavrinakis
Mr. Tom Stephenson
Dr. Charles B. Thomas, Jr.

Mr. Stephenson, Chair, called the meeting.

REGULAR AGENDA

Item 25. Annual Conflict of Interest (COI) Update.

Dr. Bruce Elliott, Institutional Official for Conflict of Interest, provided the Annual Conflict of Interest update. Dr. Elliott stated that 7.6% of employees had disclosures in 2016 and the majority of the 7.65% was in the less than \$25k range. Total number of employees with disclosures was 418 with a grand total dollar value of \$21,995,911. 578 research and sponsored project reviews were conducted by the COI Office and 3 COI's reported on PHS funded research.

Recommendation of Committee: That this be received as information.

Item 26. Compliance Updates

Ms. Reece Smith provided the annual enterprise compliance update for MUHA, MUSCP and MUSC. MUHA Compliance initiatives include: provider-based site neutral payment analyses; confidential patient process overhaul; updated training curriculum with on-going employee training; and, audit activity. MUSC P Compliance initiatives include: OCR Phase II audit review and preparation; home health/DME order process improvement; serving as a resource to the Telehealth initiative; routine audit activity; and, ongoing training for faculty and staff. She also gave an update on the University's Compliance training and audits. Ms. Smith noted that for all three entities, the majority of compliance issues were regarding HIPPA violations.

Recommendation of Committee: That this be received as information.

Item 27. **Report of the Office of Internal Audit.**

Ms. Susan Barnhart, Director of Internal Audit, stated that she had previously sent the result of audits to the board members and if there were questions, she would be happy to address them. There being none, the report was received as information.

Recommendation of Committee: That this be received as information.

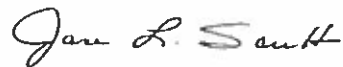
Item 28. **Management Development and Compensation Subcommittee Update.**

Mr. Tom Stephenson stated that this item will be discussed in executive session.

Item 29. **Other Committee Business.**

With no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jane L. Scutt".

Jane L. Scutt