

**MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
May 18, 2017**

The Board of Trustees of the Medical University Hospital Authority convened Thursday, May 18, 2017, with the following members present: *Dr. Donald R. Johnson II, Chairman; Mr. William H. Bingham, Sr., Vice-Chairman; Ms. Terri R. Barnes; The Honorable James A. Battle; Dr. Guy Castles; Dr. Richard Christian; Dr. Robert Gordon; Dr. James Lemon; Dr. G. Murrell Smith, Sr.; Mr. Michael E. Stavrinakis; Dr. Charles B. Thomas, Jr.*

The following administrative officials were also present: *Dr. David Cole, President; Ms. Lisa Montgomery, Executive Vice President for Finance and Operations; Dr. Lisa Saladin, Executive Vice President for Academic Affairs and Provost; Dr. Patrick Cawley, CEO, MUSC Health and Vice President for Health Affairs; Mr. Jim Fisher, Vice President for Development and Alumni Affairs; Dr. Ray Dubois, Dean, College of Medicine; Dr. Kathleen Brady, Vice President for Research.*

Item 1. Call to Order - Roll Call.

There being a quorum present, Chairman Johnson called the meeting to order at 8:00 a.m. Ms. Jane Scutt called the roll and 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.

Ms. Scutt reported that the date of the next regularly scheduled Board of Trustees meeting is Friday, August 11, 2017.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of April 14, 2017, and the Management Development and Compensation Subcommittee meeting of May 4, 2017.

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. Cole announced that we had two very special guests attending the board meeting today, City of Charleston Mayor John Tecklenburg and Charleston County School District Superintendent, Dr. Gerrita Postlewait. Dr. Cole introduced the first guest, Mayor John Tecklenburg.

Dr. Cole told the board he asked Mayor Tecklenburg and Dr. Postlewait to attend and share some of the ways the MUSC enterprise is partnering with their entities to build healthier and more economically viable communities. Mayor Tecklenburg talked about the good working relationship between the city and MUSC, noting the monthly meetings to discuss the numerous initiatives taking place including the WestEdge development currently under construction and plans for the new medical district. He also thanked MUSC for being the title partner in the Holy Spokes bike share program.

Mayor Tecklenburg discussed the drainage issues facing MUSC and the city and gave a brief update on the \$180 million drainage project under way along the Crosstown. He also shared an early glimpse into plans on the drawing board for the next major drainage project, which will have an impact on the MUSC campus and surrounding area.

Next, Dr. Cole introduced Dr. Gerrita Postlewait. In his introduction of Dr. Postlewait, Dr. Cole connected the dots on why MUSC needs to be in schools, noting the complex set of factors that create learning readiness and how many of those are tied to a child's physical, mental and emotional well-being. Dr. Postlewait thanked the board and MUSC leadership for their foresight in creating these programs and opportunities for improved student health. She praised MUSC for the MUSC STAR clinic for behavioral intervention referrals, the 10 school-based health clinics and 16 school-based telehealth partnerships and stated that MUSC is a stellar example of a community partnership that is healthy, growing and leading to more thriving outreach services available for our students. Dr. Postlewait asked the board to consider expanding current services, innovative programs that address the growing substance abuse problem among students and families, and for MUSC's help in recruiting more health practitioners to teach courses in the STEM curriculum throughout Charleston County.

Dr. Johnson and Dr. Cole thanked both Mayor Tecklenburg and Dr. Postlewait for attending the meeting. Dr. Cole stated that this concluded his report.

Board Action: Received as information.

Item 5. Other Business.

Statement: Dr. Murrell Smith moved to go into closed session to discuss the following items pursuant to section 30-4-70 of the South Carolina Code:

- Discussion of matters relating to the proposed expansion of clinical and educational services including Item 6.1 of the MUHA Agenda; and
- Negotiations incident to proposed contractual arrangements for clinical services, including a discussion of Item 14.1 of the MUHA Agenda.

Board Action: The motion was seconded, voted on and unanimously carried for the Board to go into executive session. Dr. Johnson announced that the board would move into executive session at the end of the meeting.

OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIRMAN: DR. MURRELL SMITH, JR.

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. MUSC Medical Center Status Report.

Statement: Dr. Patrick Cawley gave a report focused on four areas. The first was the announcement of Lisa Goodlett as the CFO of MUHA and co-CFO of MUSC Health who will be joining us in June. The second area was an update on the ambulatory strategy plan first approved by the board in 2014-2015. The reasons behind the strategy were listed progress and next steps in each of the projects in North Charleston, West Ashley, Mount Pleasant, and Northern Tri-county was discussed. The third area was an update on the MUSC home health joint venture, MUSC Health at Home by Bayada. This new home health company is operating in Charleston. Certificate of needs have been filed with DHEC to expand the counties the company can operate in and a decision is expected by DHEC in June 2017. The fourth area was an update on the clinical enterprise funds flow process, which has been underway from a planning perspective since December 2015 and goes live July 1, 2017. Dr. Cawley reminded the board about the reasoning behind the implementation of a new funds flow. With the go live in the next few months, there is expected to be some discontent. If board members are hearing about particular issues, they should make Drs. Cawley or Ray Dubois aware. Extensive discussion followed from multiple board members as well as Dr. David Cole regarding the funds flow implementation. The board remains supportive of the process.

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

Board Action: Received as information.

Item 6.1. Certificate of Need (CON) for Free Standing Emergency Department.

Statement: Dr. Cawley requested approval to seek a Certificate of Need (CON) for a free-standing emergency department in Berkeley County.

Recommendation of Administration: That this be approved.

Board Action: Dr. Smith moved that the request to seek a Certificate of Need (CON) for a free-standing emergency department in Berkeley County be approved. The motion was seconded, voted on and unanimously carried.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Mr. Mike Dacus, Interim CFO, gave an update on the Medical University Hospital Authority's financial status through March 31, 2017. Mr. Dacus reported that the Operating Margin is 2.24% and without the additional pension expense it would be 3.77%. He reported that Days Cash on Hand have increased from 31 to 40 compared to the same time period last year. The Debt service coverage is at 4.56 and Days in A/R have remained at 56 over the same time period last year.

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

Board Action: Received as information.

Item 7.1. Approval to Establish a Banking Relationship.

Statement: Mr. Mike Dacus, Interim CFO, MUHA, requested approval for MUHA to seek authorization from the State Treasurer to establish a banking relationship with United Community Bank (UCB).

Recommendation of Administration: That this request be approved.

Board Action: Dr. Smith moved that the request for MUHA to seek authorization from the State Treasurer to establish a banking relationship with United Community Bank (UCB) be approved. The motion was seconded, voted on and unanimously carried.

Item 8. Update on MUSC Physicians.

No report.

Item 9. Legislative Update.

Statement: Mr. Sweatman gave an update on legislative activities at the state and federal level.

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

Board Action: Received as information.

Item 10. Other Committee Business.

None.

Item 11. 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.

Board Action: It was 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 12. Comprehensive Utilization Monitoring Plan.

Statement: Changes to the Comprehensive Utilization Management Monitoring Plan were presented for information.

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

Board Action: Received as information.

Item 13. Medical Center Contracts and Agreements (Consent Item).

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

Recommendation of Administration: That this be received as information.

Board Action: Received as information.

PHYSICAL FACILITIES COMMITTEE. CHAIRMAN: MR. WILLIAM H. BINGHAM, SR.

OLD BUSINESS: None

NEW BUSINESS:

Item 14. MUHA Facilities Procurement / Contracts for Approval.

Statement: Mr. Greg Weigle requested approval of the following:

- Lease of 4,456 square feet of office space located at the Roper Medical Office Building, 125 Doughty Street, Suite 460. The purpose of this lease agreement is to provide space needed for the relocation of Harborview Office Tower occupants and to accommodate future space needs. The cost per square foot for this lease is \$29.24 resulting in an annual lease amount of \$132,254.08.

Recommendation of Administration: That these procurements/contracts be approved.

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

Item 14.1 Mount Pleasant Ambulatory Surgery Center and Clinical Space Lease Approval.

Statement: Mr. Greg Weigle presented for approval the lease for an Ambulatory Surgery Center and other clinical space located in Mount Pleasant, South Carolina.

Recommendation of Administration: That this lease be approved.

*Board Action: A motion was made, seconded and unanimously voted, by the board

members eligible to vote, to approve the lease for an Ambulatory Surgery Center and other clinical space located in Mount Pleasant, South Carolina.

**Due to a potential conflict of interest, Dr. Donald Johnson recused himself from the vote and turned the chairing of the meeting over to Vice Chairman, Mr. Bill Bingham. After the vote, Dr. Johnson returned to chairing the meeting. A copy of the document signed by Dr. Johnson is attached.*

Item 15. Other Committee Business.

None.

Item 16. 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.

Board Action: Received as information.

SHAWN JENKINS CHILDREN'S HOSPITAL COMMITTEE. CHAIRMAN: Michael Stavrinakis

OLD BUSINESS: None

NEW BUSINESS: None

Item 17. Other Committee Business.

None.

AUDIT COMMITTEE. CHAIRMAN: THOMAS L. STEPHENSON, ESQ.

OLD BUSINESS: None

NEW BUSINESS: None

Item 18. Other Committee Business.

None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 19. Revisions to the MUSC Board Policy on Travel.

Statement: Revisions to the MUSC Board Policy on Travel were presented for approval.

Recommendation of Administration: That the revisions to the MUSC Board Policy on Travel be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to the MUSC Board Policy on Travel.

Item 20. **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 21. **New Business for the Board of Trustees.** None.

Item 22. **Report from the Chairman.** None

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

Respectfully submitted,



Mark C. Sweatman
Secretary

MCS/jls

**Medical University of South Carolina
Medical University Hospital Authority
Board of Trustees**

Written Statement – Conflict of Interest

This written statement is prepared pursuant to Section 8-13-700(B), Code of Laws of South Carolina 1976, as amended.

Name: Donald R. Johnson, II, MD

Position: Chairman

Date: May 18, 2017

Description of the matter requiring action or decision: Item 14.1 of the MUHA Board of Trustees Agenda: Approval of a lease for an Ambulatory Surgery Center and other clinical space located in Mount Pleasant, South Carolina.

Nature of the potential conflict of interest with respect to the action or decision: There is before the Board of Trustees a proposed lease of an ambulatory surgery and clinical services space in Mt. Pleasant. That space was formerly owned by and is currently leased by Southeastern Spine Institute and/or Southeastern Spine Institute Real Estate Partners, LLC. Because this lease, if approved, may affect an economic interest of myself or a business with which I am associated, and to avoid any potential conflict of interest, I wish to recuse myself from any vote, deliberation, or other action on the matter. I therefore request to be excused from the meeting while this matter is under consideration and that this statement be reflected in the minutes of this meeting.

When completed, present to the chair of the Board or presiding officer who shall cause the statement to be printed in the minutes and who shall require the preparer to be excused from any votes, deliberations, and other actions on the matter.



Donald R. Johnson II, MD

5-18-17
