

**MINUTES**  
**MEDICAL UNIVERSITY HOSPITAL AUTHORITY**  
**BOARD OF TRUSTEES MEETING**  
**December 8, 2017**

The Board of Trustees of the Medical University Hospital Authority convened Friday, December 8, 2017, with the following members present: *Dr. Donald R. Johnson II, Chairman; Mr. William H. Bingham, Sr., Vice-Chairman; Mr. Bill Baker; Ms. Terri R. Barnes; Mr. Jim Battle; Dr. Guy Castles; Dr. Richard Christian; Dr. Robert Gordon; Dr. James Lemon; Ms. Barbara Johnson-Williams; Mr. Charles Schulze; Dr. Murrell Smith; Mr. Michael Stavrinakis; Mr. Tom Stephenson; Dr. Charles Thomas*

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

**Item 1. Call to Order-Roll Call.**

There being a quorum present, Chairman Don Johnson called the meeting to order. Ms. Jane Scutt, Assistant Board Secretary, called the roll and made the following announcement, *"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, February 9, 2018.

**Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority Minutes of October 13, 2017.**

**Board Action: A motion was made by Mr. Schulze for approval of the minutes. 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 called on Mr. Jim Fisher, Vice President for Development. Mr. Fisher shared with the Board a video entitled, "Harper's Story." After the video was finished, Stephen, Jenna and Harper Brown joined the meeting. Jenna Brown talked about Harper's journey and thanked Dr. Eskandari and his team and all the staff at MUSC involved in Harper's care. Jenna also shared with the board that she resigned from teaching to be a stay-at-home mother and to also become a full-time volunteer, advocate and spokeswoman for pediatric neuroscience awareness and children's health in general. Dr. Johnson thanked the Brown family for taking

the time to come to the Board meeting today and the family was given a round of applause by the Board. Dr. Cole stated that this concluded his report.

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

Board Action: Received as information.

**Item 5. Other Business.**

None.

**OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIRMAN: DR. G. MURRELL SMITH, SR.  
(Detailed committee minutes are attached.)**

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 6. MUHA Medical Center Status Report.**

Statement: Dr. Smith reported that Dr. Pat Cawley, CEO, MUSC Health, presented the MUHA status report to committee.

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

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

Board Action: Received as information.

**Item 7. Medical University Hospital Authority (MUHA) Financial and Statistical Report**

Statement: Dr. Smith stated that Ms. Lisa Goodlett, MUHA Chief Financial Officer, provided a report to committee on the MUHA's financial status through October 31, 2017.

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. Report on Quality and Patient Safety.**

Statement: Dr. Smith stated that Dr. Scheurer presented the quality and patient safety report to committee.

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

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

Board Action: Received as information.

**Item 9.**      **Update on MUSC Physicians.**

**Statement:** Dr. Smith requested approval of the following:

- Listing six (6) acres of land at Porcher’s Bluff in Mt. Pleasant for sale for \$700,000/acre (total \$4.2 million).
- Purchasing 4.39 acres of land adjacent to the property MUSCP currently owns at 1600 Midtown in Mt. Pleasant for \$950,000/acre (total \$4,170,500)

**Recommendation of Administration:** That this land sale and land purchase be approved.

**Recommendation of Committee:** That this land sale and land purchase be approved.

**Board Action:** Dr. Smith made a motion to approve the land sale and land purchase as presented. The motion was seconded, voted on and unanimously carried.

**Item 10.**      **Legislative Update.**

**Statement:** Dr. Smith stated that the legislative report was given under the MUSC Finance and Administration committee.

**Item 11.**      **Other Committee Business.**

**Statement:** Dr. Smith requested approval to authorize MUHA to submit a Certificate of Need for a 128-bed hospital in the Tri-County Area estimated at a cost of \$325 million.

**Recommendation of Administration:** That the request to authorize MUHA to submit a Certificate of Need for a 128-bed hospital in the Tri-County Area estimated at a cost of \$325 million be approved.

**Recommendation of Committee:** That the request to authorize MUHA to submit a Certificate of Need for a 128-bed hospital in the Tri-County Area estimated at a cost of \$325 million be approved.

**Board Action:** A motion was made by Dr. Smith to authorize MUHA to submit a Certificate of Need for a 128-bed hospital in the Tri-County Area estimated at a cost of \$325 million. The motion was seconded, voted on and unanimously carried.

**Statement:** Dr. Smith requested approval to authorize MUHA to seek approval from the State Fiscal and Accountability Authority to borrow up to \$54.4 million for the following projects:

- \$28 million to purchase land and build a Consolidated Service Center including a Sterile Processing Center in the North Charleston Area.
- \$16.4 million for the leasehold improvements for the West Ashley Musculoskeletal Institute
- \$10 million for land acquisition for a 128-bed hospital in the Tri-County Area.

**Recommendation of Administration:** That the request to authorize MUHA to seek approval from the State Fiscal and Accountability Authority to borrow up to \$54.4 million for the projects as presented be approved.

Recommendation of Committee: That the request to authorize MUHA to seek approval from the State Fiscal and Accountability Authority to borrow up to \$54.4 million for the projects as presented be approved.

Board Action: A motion was made by Dr. Smith to authorize MUHA to seek approval from the State Fiscal and Accountability Authority to borrow up to \$54.4 million for the projects as presented. The motion was seconded, voted on and unanimously carried.

**Item 12. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).**

Statement: Medical staff appointments, reappointments and delineation of privileges for the months of September and October 2017 were presented for approval.

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

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

Board Action: Dr. Smith made a motion for approval of the medical staff appointments, reappointments and delineation of privileges. The motion was seconded, voted on and unanimously carried.

**Item 13. Medical Executive Committee Minutes (Consent Item).**

Statement: Medical Executive Committee minutes for September and October 2017 were presented for information.

Recommendation of Administration: That these minutes be received as information.

Recommendation of Committee: That these minutes be received as information.

Board Action: Received as information.

**Item 14. Medical Center Contracts and Agreements (Consent Item).**

Statement: A list of contracts and agreements signed since the last board meeting was 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.  
(Detailed Committee minutes are attached.)**

**OLD BUSINESS:** None

**NEW BUSINESS:**

**Item 15. Children's Health Status Report.**

**Statement:** Mr. Bingham reported that Mr. Matt Wain presented his stoplight report for both the MUSC Shawn Jenkins Children's Hospital and Women's Pavilion and the new Children's Ambulatory Center.

**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 16. MUHA Facilities Procurements/Contracts for Approval.**

**Statement:** Mr. Bingham requested approval of the following:

- University Hospital 3<sup>rd</sup> Floor Neurophysiology Relocation - This project is the enabling project for the new Specialized Medical Unit (SMU) to be constructed on the 1st floor of CSB. Estimated cost is \$1.25M and is being partially funded with \$500k from the SMU grant.
- ART 3<sup>rd</sup> Floor Cath Lab #8 Bi-Plane – This project is to replace outdated imaging equipment. This will include renovation of the cath room environment, adjacent control room and existing infrastructure to accommodate new imaging equipment. Estimated design and construction cost \$350K.
- Lease of 15,737 square feet of clinical space in Nexton for a five-year term at the rate of \$24.00 per square foot.
- Lease of 1500 square feet of clinical space for a twenty-year year term in Bluffton, South Carolina at a rate not to exceed \$28.00 per square foot.
- Purchase of approximately 13 acres of land and a 125,000 square foot building for a Consolidated Service Center in the North Charleston. Requesting project delivery on a sole source basis where the seller will design/build the facility. Justification is business operations continuity as the sterile processing facility is necessary to support the new Children's Hospital and Pediatric Ambulatory Campus. Total estimated budget is \$28 million.

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

**Recommendation of Committee:** That these procurements/contracts be approved.

**Board Action:** Mr. Bingham made a motion for approval of the procurements/contracts presented. The motion was seconded, voted on and unanimously carried to approve the procurements/contracts as presented.

**Item 18. Other Committee Business.**

None.

**CHILDREN'S HOSPITAL COMMITTEE. CHAIRMAN: MR. MICHAEL STAVRINAKIS  
(Detailed Committee minutes are attached.)**

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 19. Women's Services Overview.**

**Statement:** Mr. Stavrinakis reported that Dr. Satish Nadig, Surgical Director for Pediatric & Living Donor Transplantation, gave a report to committee.

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

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

**Board Action:** Received as information.

**Item 20. Shawn Jenkins Development Activity Report.**

**Statement:** Mr. Stavrinakis stated that Mr. Jim Fisher gave a report on the Children's Hospital Building Campaign and also gave an update on naming opportunities to committee.

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

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

**Board Action:** Received as information.

**Item 21. Other Committee Business.**

None

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

**OLD BUSINESS:** None

**NEW BUSINESS:**

**Item 22. KPMG Exit Conference.**

**Statement:** Mr. Stephenson stated that the KPMG Exit Conference was presented to committee and this was received as 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 23.**      **Report of the Office of Internal Audit.**

**Statement:** Mr. Stephenson reported that the results of the audits were mailed to board members.

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 24.**      **Other Committee Business.**

None.

**OTHER BUSINESS FOR THE BOARD OF TRUSTEES**

**Item 25.**      **Approval of Consent Agenda.**

**Statement:** Approval of the consent agenda was requested.

Recommendation of Administration: That the consent agenda be approved.

**Board Action:** Mr. Schulze made a motion for the approval of the consent agenda in its entirety. The motion was seconded and unanimously carried.

**Item 26.**      **New Business for the Board of Trustees.**

None.

**Item 27.**      **Report from the Chairman.**

None.

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

Respectfully submitted,



Mark C. Sweatman, Secretary

**Medical University Hospital Authority  
Hospital Operations, Finance and Quality Committee  
December 7, 2017  
Minutes**

**Board Members Attending:**

Dr. Murrell Smith, Chair	Dr. Donald R. Johnson II
Mr. William A. Baker, Jr.	Ms. Barbara Johnson-Williams
Ms. Terri R. Barnes	Dr. James Lemon
Mr. Jim Battle	Mr. Charles W. Schulze
Mr. William H. Bingham, Sr.	Mr. Michael E. Stavrinakis
Dr. Guy Castles	Mr. Tom Stephenson
Dr. Richard Christian	Dr. Charles B. Thomas, Jr.
Dr. Robert Gordon	

The meeting was called to order by Dr. Murrell Smith, Committee Chair.

**Item 6. Medical University Hospital Authority Status Report**

Dr. Patrick Cawley, CEO, MUSC Health, presented the MUHA Status Report and gave a progress report on the Fiscal Year 2018 goals. Dr. Cawley announced that Dr. Gene Hong has been hired as the new Chief Physician Executive for MUSC Health and MUSC-P and will be joining MUSC in March 2018.

*Action: Report received as information.*

**Item 7. Medical University Hospital Authority Financial and Statistical Report**

Ms. Lisa Goodlett, MUHA CFO, gave an update on MUHA's financial status through October 2017. Ms. Goodlett reported that the operating margin is at 2.91% compared to 3.08% during the same period last year; Days Cash on Hand are at 56 days, and Debt Service Coverage is at 3.45. Net patient revenue is up 9.3% from the same period last year and inpatient census is up 3.9% compared to last fiscal year.

*Action: Report received as information.*

**Item 8. Report on Quality and Patient Safety**

Dr. Danielle Scheurer presented the Quality and Patient Safety Report and gave an update on quality wins; quality performance year-to-date; and Baldrige status.

*Action: Report received as information.*

**Item 9. Update on MUSC Physicians.**

Dr. Dirk Elston requested approval of the following:



- Listing six (6) acres of land at Porcher's Bluff in Mt. Pleasant for sale for \$700,000/acre (total \$4.2 million).
- Purchasing 4.39 acres of land adjacent to the property MUSCP currently owns at 1600 Midtown in Mt. Pleasant for \$950,000/acre (total \$4,170,500).

*Action: Recommend approval.*

**Item 10. Legislative Update**

Dr. Smith stated that the Legislative Update will be giving during the MUSC Finance and Administration Committee.

*Action: Report received as information*

**Item 11. Other Committee Business.**

After discussion, Dr. Cawley requests the following:

- Approval to authorize MUHA to submit a Certificate of Need for a 128-bed hospital in the Tri-County Area estimated at a cost of \$325 million.

*Action: Recommend approval.*

- Authorization for MUHA to seek approval from the State Fiscal and Accountability Authority to borrow up to \$54.4 million for the following projects:
  - \$28 million to purchase land and build a Consolidated Service Center including a Sterile Processing Center in the North Charleston Area.
  - \$16.4 million for the leasehold improvements for the West Ashley Musculoskeletal Institute
  - \$10 million for land acquisition for a 128-bed hospital in the Tri-County Area.

*Action: Recommend approval.*

**Item 12. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).**

The committee reviewed the appointments, reappointments and delineation of privileges requests for the months of September and October 2017. These have been recommended for approval by all appropriate committees.

*Action: Recommend approval.*

**Item 13. Medical Executive Committee Minutes (Consent Item).**

The Medical Executive Committee minutes September and October 2017 were reviewed by the committee.

*Action: Received as information.*

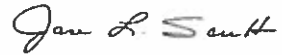
**Item 14. Medical Center Contracts and Agreements (Consent Item).**

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**  
**December 7, 2017**  
**Minutes**

**Board Members Attending:**

Mr. William H. Bingham, Sr., Chair  
Mr. Bill Baker  
Ms. Terri R. Barnes  
Mr. Jim Battle  
Dr. Guy Castles  
Dr. Richard Christian  
Dr. Richard Gordon  
Dr. Donald R. Johnson II

Ms. Barbara Johnson-Williams  
Dr. James Lemon  
Mr. Charles Schulze  
Dr. Murrell Smith  
Mr. Michael E. Stavrinakis  
Mr. Tom Stephenson  
Dr. Charles Thomas

The meeting was called to order by Mr. Bingham, Committee Chair.

**REGULAR ITEMS**

**Item 16.        Children’s Health Status Report.**

Mr. Matt Wain, Chief Operating Officer, MUHA, gave his stoplight report on the progress of the MUSC Shawn Jenkins Children’s Hospital and Women’s Pavilion and also the new Children’s Ambulatory Center in North Charleston.

*Action: Report received as information.*

**Item 17.        MUHA Facilities Procurements/Contracts for Approval.**

Mr. Greg Weigle, Chief Facilities Officer, MUHA presented the following for approval:

- University Hospital 3<sup>rd</sup> Floor Neurophysiology Relocation - This project is the enabling project for the new Specialized Medical Unit (SMU) to be constructed on the 1st floor of CSB. Estimated cost is \$1.25M and is being partially funded with \$500k from the SMU grant.
- ART 3<sup>rd</sup> Floor Cath Lab #8 Bi-Plane – This project is to replace outdated imaging equipment. This will include renovation of the cath room environment, adjacent control room and existing infrastructure to accommodate new imaging equipment. Estimated design and construction cost \$350K.

*Action: Recommend approval.*

**Item 18.        Other Committee Business.**

After discussion, Mr. Greg Weigle requests approval of the following:

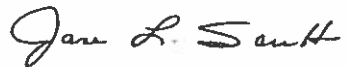
- Lease of 15,737 square feet of clinical space in Nexton for a five-year term at the rate of \$24.00 per square foot.

- Lease of 1500 square feet of clinical space for a twenty-year year term in Bluffton, South Carolina at a rate not to exceed \$28.00 per square foot.
- Purchase of approximately 13 acres of land and a 125,000 square foot building for a Consolidated Service Center in the North Charleston. Requesting project delivery on a sole source basis where the seller will design/build the facility. Justification is business operations continuity as the sterile processing facility is necessary to support the new Children's Hospital and Pediatric Ambulatory Campus. Total estimated budget is \$28 million.

*Action: Recommend approval.*

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  
Shawn Jenkins Children's Hospital Committee  
Minutes  
December 7, 2017**

**Board Members Attending:**

Mr. Michael Stavrinakis, Chair	Dr. Guy Castles	Dr. James Lemon
Mr. Bill Baker	Dr. Richard Christian	Mr. Charles Schulze
Ms. Terri Barnes	Dr. Robert Gordon	Dr. Murrell Smith
Mr. Jim Battle	Dr. Donald Johnson	Mr. Tom Stephenson
Mr. William Bingham, Sr.	Ms. Barbara Johnson-Williams	Dr. Charlie Thomas

The meeting was called to order by Mr. Stavrinakis, Chair.

**Item 19. Children's Clinical Overview**

Dr. Satish N. Nadig, Surgical Director of the Pediatric and Living Donor Transplantation Program gave an update on MUSC's program. Dr. Nadig gave an overview of the outstanding individuals who make up the transplant team, including four attending physicians; a pediatric nurse practitioner; a PharmD and an abdominal pediatric coordinator. Dr. Nadig reported that MUSC's one year graft survival rate and one year patient/graft survival rate are both higher than the national average. He also gave an overview on the academics, research and community involvement of the pediatric transplant program.

*Action: Report received as information.*

**Item 20. Shawn Jenkins Children's Hospital Development Activity Report**

Mr. Jim Fisher reported that \$120,688,661 has been raised for the Children's Hospital Building Campaign which is 97% 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 21. Other Committee Business**

None.

With no further business, the meeting was adjourned.

Respectfully submitted,



**Medical University Hospital Authority  
Audit Committee  
Minutes  
December 7, 2017**

**Board Members Attending:**

Mr. Tom Stephenson, Chair  
Mr. William A. Baker, Jr.  
Ms. Terri R. Barnes  
Mr. Jim Battle  
Mr. William H. Bingham, Sr.  
Dr. Guy Castles  
Dr. Richard Christian  
Dr. Robert Gordon

Dr. Donald R. Johnson II  
Ms. Barbara Johnson-Williams  
Dr. James Lemon  
Mr. Charles W. Schulze  
Dr. G. Murrell Smith, Sr.  
Mr. Michael E. Stavrinakis  
Dr. Charles B. Thomas, Jr.

Prior to the beginning of the audit committee meeting, Dr. Johnson recognized Mr. Jim Battle who made a motion to move into closed session to discuss the following items pursuant to section 30-4-70 of the South Carolina Code: discussion of employment, appointment or compensation of an employee, a student, or a person regulated by a public body or the appointment of a person to a public body; negotiations incident to proposed contractual arrangements including the sale of 295 Calhoun Street, and the lease of clinical space in the North Charleston area; matters relating to the proposed expansion of clinical and educational services including contractual negotiations related thereto and any required Certificates of Need; and Legal advice and matters covered under the attorney-client privilege.

Board Action: The motion made by Mr. Battle was seconded and unanimously voted to move into closed session following the conclusion of the committee meetings.

Mr. Tom Stephenson, Chair, called the meeting to order.

**REGULAR AGENDA**

**Item 22. KPMG Exit Conference**

Ms. Jennifer Hall, Audit Managing Director with KPMG, presented the results of the 2017 audit. She provided an overview of the results; reviewed significant audit areas; internal control observations and audit adjustments. She also reviewed the industry focus areas and recently issued accounting standards.

Recommendation of Committee: Received as information.

**Item 23.**      **Report of the Office of Internal Audit.**

Mr. Stephenson stated that the results of the audits were mailed to the board members and Susan Barnhart would be happy to answer any questions.

*Recommendation of Committee: That this be 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