

**MINUTES
MUHA/MUSC
BOARD OF TRUSTEES MEETING
OCTOBER 11-12, 2018**

The Board of Trustees of the Medical University Hospital Authority and the Medical University of South Carolina convened Thursday, October 11, 2018, in the Beauregard Room of the Belmond Charleston Place Hotel with the following members present: Mr. Charles Schulze, Chair; Dr. James Lemon, Vice-Chair, Mr. Bill Baker; Ms. Terri Barnes; Mr. Jim Battle; Mr. Bill Bingham; Dr. Melvin Brown; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; and Mr. Tom Stephenson.

The following MUSC administrative officials were present: Dr. David Cole, Dr. Pat Cawley; Ms. Annette Drachman; Dr. Ray DuBois; Dr. Lisa Saladin; and Mr. Mark Sweatman.

At 8:01 a.m., Chairman Schulze called the meeting order and recognized Mr. Jim Battle.

Statement: A motion was made by Mr. Jim Battle for the Board of Trustees to move into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code:

- discussion of employment, compensation and contractual matters related thereto,
- discussion of information related to the negotiation of contractual arrangements and proposed sale or purchase of property related to the expansion of clinical and educational services,
- discussion of information related to the negotiation of contractual arrangements for research activities; and,
- discussion of contract negotiations related to lodging/room rates for members of the Board of Trustees

Board Action: The motion made by Mr. Battle was seconded by Dr. Murrell Smith, voted on and unanimously carried. Chairman Schulze announced that the board will now move into closed session.

At 2:45 p.m. the Board returned to public session with no action taken.

At 2:46 p.m., Chairman Schulze adjourned the meeting.

Respectfully submitted,



Mark C. Sweatman, Secretary

MCS:jls

**MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY (MUHA)
BOARD OF TRUSTEES MEETING
OCTOBER 11-12, 2018**

The Board of Trustees of the Medical University Hospital Authority convened Friday, October 12, 2018, with the following members present: Mr. Charles Schulze, Chair; Dr. James Lemon, Vice-Chair, Mr. Bill Baker; Ms. Terri Barnes; Mr. Jim Battle; Mr. Bill Bingham; Dr. Melvin Brown; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; and Mr. Tom Stephenson.

MUSC administrative officials were present: Dr. David Cole, Dr. Pat Cawley; Ms. Annette Drachman; Dr. Ray DuBois; Dr. Lisa Saladin; and Mr. Mark Sweatman.

Item 1. Call to Order-Roll Call.

Statement: Prior to roll call taking place, Mr. Stephenson made a motion for the roll call that was about to take place to be for both the MUHA and MUSC Board of Trustees meetings.

Board Action: The motion made by Mr. Stephenson was seconded, voted on and unanimously carried.

There being a quorum present, Chairman Schulze called the meeting to order. Ms. Jane Scutt 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.

Ms. Scutt reported that the date of the next regularly scheduled meeting is Friday, December 14, 2018.

Item 3. Approval of the Minutes of the Regular Meeting of the Medical University Hospital Authority Board of Trustees of August 10, 2018, and the MUSC/MUHA Board of Trustees Management Development and Compensation Subcommittee Meeting of August 6, 2018.

Board Action: Mr. Schulze called for a motion for the approval of the minutes. A motion was made by Dr. Lemon, the motion was seconded, voted on and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT.

OLD BUSINESS: None.

NEW BUSINESS: None.

Item 4. Other Business.

None.

OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIR: DR. MURRELL SMITH, SR.

OLD BUSINESS: None.

NEW BUSINESS:

Item 5. Election of Committee Chair.

Statement: A motion was made by Chairman Schulze to re-elect Dr. Murrell Smith as Chair of the Operations, Quality and Finance Committee.

Recommendation of Committee: That Dr. Smith be re-elected as committee chair.

Board Action: The motion made by Chairman Schulze was seconded, voted on and unanimously carried to re-elect Dr. Smith as Chair of the Operations, Quality & Finance Committee.

Item 6. Medical University Hospital Authority (MUHA) Status Report.

Board Action: Item deferred.

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

Statement: Ms. Lisa Goodlett, CFO, MUHA, gave an update on MUHA's financial status as of August 31, 2018. She reported the operating margin at the end of August was 4.15% compared to 2.63% for the same period last year. Days' cash on hand remains steady at 69 days and the debt service coverage is at 3.93 compared to 2.34 last year.

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

Board Action: Received as information.

Item 8. Quality and Patient Safety Report.

Statement: Dr. Danielle Scheurer, Chief Quality Officer, MUHA, updated the Board on Quality WINS and next steps with Baldrige.

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

Board Action: Received as information.

Item 9. Update on MUSC Physicians and Approval of Capital Purchases Exceeding \$50,000.

Statement: Dr. Dirk Elston, President, MUSC Physicians, gave a brief update on MUSC Physicians and requested approval of the following capital purchases exceeding \$50,000.

- A Fraxel laser for the Department of Dermatology East Cooper clinic at a total cost of \$134,856.85.
- Additional \$200,000 to finalize the East Cooper parking lot expansion bring the total cost of the project to \$550,000.

Recommendation of Administration: That the report be received as information and the capital purchases be approved.

Board Action: The update was received as information and Dr. Smith made a motion to approve the capital purchases; the motion was seconded, voted on and unanimously carried.

Item 10. **Legislative Update.**

Board Action: Item deferred.

Item 11. **Certificate of Need for Level IV Complex Neonatal Intensive Care Unit.**

Statement: Dr. Cawley requested approval for MUHA to seek a Certificate of Need (CON) to become a Complex Neonatal Intensive Care Unit (Level IV) as outlined in the South Carolina State Health Plan and adjoining regulations.

Recommendation of Administration: That this request to seek a CON be approved.

Board Action: Dr. Smith made a motion to approve MUHA’s request to seek a Certificate of Need; the motion was seconded, voted on and unanimously carried

Item 11.1 **Other Committee Business.**

None.

Item 12. **Appointments, Reappointments and Delineation of Privileges (Consent Item).**

Statement: The list of appointments, reappointments and delineation of privileges for July and August 2018 were presented for approval.

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

Board Action: Dr. Smith made a motion to approve; the motion was seconded, voted on and unanimously carried.

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

Statement: Medical Executive Committee minutes for June and July 2018 were presented for information.

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

Board Action: Received as information.

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

Statement: A report of contracts and agreements signed since the last board meeting, were presented for information.

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

Board Action: Received as information.

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

OLD BUSINESS: None

NEW BUSINESS:

Item 15. Election of Committee Chair.

Statement: A motion was made by Chairman Charles Schulze to re-elect Mr. Bill Bingham as Chair of the MUHA and MUSC Physical Facilities Committees.

Recommendation of Committee: That Mr. Bingham be re-elected as committee chair.

Board Action: The motion made by Chairman Schulze was seconded, voted on and unanimously carried to re-elect Mr. Bingham as Chair of the MUHA and MUSC Physical Facilities Committees.

Item 16. Major Projects Report.

Statement: Mr. Matt Wain, COO, presented a report on the following major projects:

- MUSC Shawn Jenkins Children's Hospital and Women's Pavilion
- MUSC Health Ambulatory Expansion
- Children's Ambulatory Campus
- MUSC Health West Campus
- Consolidated Service Center

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

Board Action: Report received as information.

Item 17. MUHA Facilities Procurements/Contracts for Approval.

Statement: Mr. Bingham requested approval of the following:

- Lease of 45,500 square feet of warehouse space at 2440 Clements Ferry Road to provide support space for various major construction projects. Annual lease amount is \$238,875.
- Renovation of 113,000 square feet in three (3) buildings that make up the South Park Plaza complex. This renovation will enable the relocation of occupants currently housed in Harborview Office Tower. Construction requires demolition of existing antiquated space and up fit for high-density administrative offices. Work includes demolition, HVAC, plumbing, electrical, data/communications, casework, and finishes. The total cost of the project is \$5,400,000.
- Lease amendment to add 8,570 square feet of clinical space at Nexton of Summerville resulting in new total square foot amount of 24,470. The Board approved the lease at the December 2017 meeting. Lease amendment will provide additional space for Specialty Clinics and extend the lease term from 5 to 12 years. Monthly rental rate will be \$48,192 for total annual lease amount of \$587,250.00.

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

Board Action: A motion was made by Dr. Johnson to defer the Nexton of Summerville lease; the motion was seconded and unanimously carried.

Mr. Bingham then made a motion to approve the Clements Ferry Road lease and the South Park Plaza renovation; the motion was seconded, voted on and unanimously carried.

Item 18. Other Committee Business.

None.

Item 19. Facilities Contracts Awarded (Consent Item).

Statement: 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: MR. MICHAEL STAVRINAKIS

OLD BUSINESS: None.

NEW BUSINESS: None.

Item 20. Women’s and Children’s Clinical Overview.

Board Action: Item deferred.

Item 21. Shawn Jenkins Children’s Hospital Development Activity Report.

Board Action: Item deferred.

Item 22. Other Committee Business.

Board Action: Item deferred.

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

OLD BUSINESS: None.

NEW BUSINESS:

Item 23. Election of Committee Chair.

Statement: A motion was made by Chairman Charles Schulze to re-elect Mr. Tom Stephenson as Chair of the MUHA and MUSC Audit Committees.

Recommendation of Committee: That Mr. Stephenson be re-elected as committee chair.

Board Action: The motion made by Chairman Schulze was seconded, voted on and unanimously carried to re-elect Mr. Stephenson as Chair of the MUHA and MUSC Audit Committees.

Item 24. Compliance Update.

Board Action: Item deferred.

Item 25. 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 the report be received as information.

Board Action: Received as information.

Item 26. Increase in External Auditor Fees.

Statement: Ms. Susan Barnhart, Director of Internal Audit, requested approval of an increase in external auditor fees of \$72,000.

Recommendation of Administration: That the request be approved.

Board Action: Mr. Stephenson made a motion to approve the increase in fees; the motion was seconded, voted on and unanimously carried.

Item 27. **Other Committee Business.**

None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 28. **Approval of Consent Agenda.**

Statement: Approval of the consent agenda is requested.

Recommendation of Administration: That the consent agenda be approved.

Board Action: Mr. Schulze made a motion to approve the consent agenda in its entirety.; the motion was seconded, voted on and unanimously carried.

Item 29. **Executive Session**

Board Action: See minutes of Board of Trustees meeting on October 11, 2018.

Item 30. **New Business for the Board of Trustees.**

None.

Item 31. **Report from the Chairman.**

None.

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

Respectfully submitted,

Mark C. Sweatman, Secretary