

**Medical University of South Carolina (MUSC)  
Medical University Hospital Authority (MUHA)  
Board of Trustees Special Called Meeting  
June 25, 2021 Minutes**

The MUSC/MUHA Board of Trustees convened Friday, June 25, 2021, at the Palmetto Club, in Columbia, South Carolina, with the following members present: Dr. James Lemon, Chair; Mr. Charles Schulze, Vice-Chair; Ms. Terri Barnes; Mr. Jim Battle; Dr. Melvin Brown; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Paul Davis; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; Mr. Michael Stavrinakis; Mr. Tom Stephenson; and Dr. Bart Witherspoon. Board members excused: Mr. Bill Bingham, Dr. Richard Christian; Dr. Donald Johnson.

In addition, the following members of MUSC administration were present: Dr. David Cole; Dr. Patrick Cawley; Dr. Ray DuBois; Ms. Annette Drachman; Ms. Lisa Montgomery; Dr. Lisa Saladin; and, Mr. Mark Sweatman.

**Item 1. Call to Order**

There being a quorum present, Chairman Lemon called the meeting to order.

**Item 2. Roll Call.**

Mark Sweatman 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." The date of the next meeting of the MUHA and MUSC Board of Trustees is scheduled for August 13, 2021.

**Item 3. Executive Session.**

Chairman Lemon recognized Mr. Battle who moved that the Board go into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code:

- 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 of pending contracts related to the expansion of clinical services and possible sale or purchase of real property; and,
- Receipt of legal advice related to matters covered by the attorney/client privilege.

Board Action: The motion was seconded, voted on and unanimously carried.

At 9:05 a.m., Chairman Lemon announced the Board would now move into closed session.

At 11:15 a.m., the Board returned to open session with no action taken.

**MUSC and MUHA Informational Agenda**

**Item 4. MUSC FY2021 Budget.**

Mr. Patrick Wamsley, MUSC CFO, presented the MUSC's proposed FY 2022 operating and capital budgets. The operating budget, with a budgeted funds bottom line of \$10 million included \$119 million of state appropriations (\$79 million recurring and \$40 million non-recurring); \$112 million in tuition and fees; \$231 million of grants and contracts; and \$91 million in reimbursement from MUSC

Physicians. Mr. Wamsley separated out the Health System pass-through dollars of \$118 million from other revenues and expenses so the effect of those dollars could be understood. Wamsley reviewed FY2022 expenditure budget assumptions include statement mandated cost of living and increase in employer contributions to insurance and retirement. He also gave a historical overview of the increase in employer contributions to insurance and pension over the last several years. Salaries and Benefits expenses of \$405 million represented approximately 44% of total expenses. The second largest category of expenses (18%) were Contractual Services in the amount of \$163 million. Proposed investment of prior year funds of \$28 million was explained. The FY2022 capital budget of \$60 million was also presented and explained.

Board Action: Received as information.

**Item 5. MUSC Health FY2022 Budget.**

Ms. Lisa Goodlett, MUSC Health CFO, presented the MUSC Health – Consolidated FY2022 operating and capital budget. FY2021 health system wins included recurring \$27.3 million increase in Medicaid reimbursement; new ambulatory site locations in MUSC Health West, Chuck Dawley, Nexton and Okatie; \$45 million in COVID vaccine funding; \$39 million for Black River Hospital and financial recovery from the impacts of COVID. Risks include changes to Supplemental Teaching Payment (STP) structure; fundraising commitments; reimbursement changes inclusive of telehealth; and dependency of successful growth plans. Other risks include operational changes in MUHA including length of stay improvement and other enhances to surgical volume; case mix index and retail pharmacy; and labor cost and availability. Ms. Goodlett gave an overview of the financial impact of pension and OPEB on the health system. MUSC Health – Consolidated is projected to have operating revenues in excess of \$3.7 billion; operating expenses of \$3.6 million with a total net income of \$29.8 million or a net margin of 0.8%. FY2022 capital planning requests include \$27 million for strategic growth investment as well as \$78 million for routine capital.

Board Action: Received as information.

**MUSC Approval Agenda**

**Item 6. Changes to College of Dental Medicine Tuition and Fees for FY2022**

Dr. Lisa Saladin, Executive Vice President for Academic Affairs and Provost, presented for approval, changes to the College of Dental Medicine tuition and fees for FY2022.

Board Action: Ms. Johnson-Williams moved for approval, the motion was seconded, voted on and unanimously carried.

**Item 7. Changes to College of Nursing Tuition and Fees for FY2022**

Dr. Lisa Saladin, Executive Vice President for Academic Affairs and Provost, presented for approval, changes to the College of Nursing tuition and fees for FY2022.

Board Action: Ms. Johnson-Williams moved for approval, the motion was seconded, voted on and unanimously carried.

## MUHA Approval Agenda

### Item 8. MUHA Facilities Lease

Mr. Brad Taylor, Chief Facilities Officer, presented for approval the following lease:

- **Lease Description:** 9,500 SF of clinical space to be occupied by MUSC Health Solutions for startup clinical programs. Initially this will be focused on the Health and Wellness ICCE to deliver evidence-based and innovative health, wellness & human performance products, programs and services. Annual lease amount will be \$408,025; lease term of ten years for a total least cost of \$4,806.883.15.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried.

### Item 9. Nexton Dominion Energy Easement.

Mr. Brad Taylor, Chief Facilities Officer, presented the following easement for approval:

- **Easement Description:** Utility easement for the purpose of laying, constructing, maintaining, operating, repairing, altering, replacing and removing pipelines including valves, tie-overs and appurtenant facilities for the transportation of gas, oil petroleum products. 15' easement running parallel to Nexton Parkway for high pressure gas main.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried.

### Item 10. Lake City Heath Family Sewer System Easement.

Mr. Brad Taylor, Chief Facilities Officer, presented the following easement for approval:

- **Easement Description:** MUHA intends to construct or cause to be constructed on the MUHA Parcel certain pipes, lines, system, facilities and related equipment for delivery of sanitary sewer from the MUHA project and from the Heath Family Sewer System to publicly owned sewer line on US Highway 52.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried.

### Item 11. Lake City Lift Station and Water Tower Easement.

Mr. Brad Taylor, Chief Facilities Officer, presented the following easement for approval:

- **Easement Description:** The City of Lake City has agreed to construct and operate a water tower and sewer lift station on portions of the MUHA Parcel necessary to support the Hospital project.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried.

**Item 12. Authorizing Resolutions.**

Dr. Patrick Cawley, CEO, MUSC Health, presented proposed resolutions authorizing MUHA to enter into such agreements or other documents related to the purchase of property and expansion of services and financing thereof; authorizing MUHA to petition the State Fiscal Accountability Authority to approve debt associated with the project; authorizing MUHA to obtain a commitment for US Department of Housing and Urban Development (HUD) Section 242/223(f) Mortgage Insurance to secure the financing of the project; and, to take any necessary action in connection with such purchase.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried with Dr. Murrell Smith abstaining from the vote.

**Item 13. FY2021 Performance and FY2022 Strategic Goals Plan (Consent Item).**

Approval was requested for a FY2021 performance and FY2022 strategic goals plan for senior leadership based on achievement of enterprise goals aligned with strategic priorities and metrics set by the President and reviewed by the Board.

Board Action: Dr. Lemon moved for approval, the motion was seconded, voted on and unanimously carried.

**Item 13. New Business for the Board of Trustees.**

Chairman Lemon asked if there was any new business that needed to be discussed. There being none, the meeting was adjourned at 12:50 p.m.

Respectfully submitted,



Mark C. Sweatman, Secretary

MCS:js  
Attachments