

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY (MUHA)
BOARD OF TRUSTEES MEETING MINUTES
APRIL 8, 2022**

The MUHA Board of Trustees convened April 8, 2022, with the following board members present: Dr. James Lemon, Chair; Charles Schulze, Vice-Chair; Jim Battle; Bill Bingham; Dr. Melvin Brown; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Barbara Johnson-Williams; Dr. Donald Johnson; Dr. Murrell Smith; Dr. Bart Witherspoon. MUSC officials present: Dr. David Cole; Rick Anderson; Dr. Patrick Cawley; Annette Drachman; Dr. Terry Steyer; Dr. Lori McMahon; Dr. Lisa Saladin; and Mark Sweatman.

Item 1. Call to Order.

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

Item 2. Roll Call for the MUHA and MUSC Board of Trustees.

Mark Sweatman, Secretary, called the roll and announced that, "In compliance with FOIA, notice of meetings and agendas were furnished to all news media and persons requesting notification."

Item 3. Date of Next Meeting.

The date of the next meeting of the MUSC/MUHA Board of Trustees is May 20, 2022.

Item 4. Approval of Minutes.

Chairman Lemon called for a motion to approve the minutes of February 9, 2022, and February 11, 2022.

Board Action: Motion was made by Mr. Schulze; motion was seconded and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

Item 5. General Informational Report of the President.

Dr. Cawley who introduced Dr. Tom DiSalvo, Director, Division of Cardiology. Dr. DiSalvo began his presentation with a review of the division's journey over the last 6-7 years. He showed a map of H & V's presence in SC prior to the RHN networks and another since 2016. With 7 hospitals becoming part of the MUSC Health System, it was huge opportunity for our heart programs and provided the foundation to distribute clinics statewide. Dr. DiSalvo gave an overview of H & V providers across the health system and reported they had a "banner year" in recruitment. HCAHPS scores for willingness to recommend were at 87% for inpatient and 94% for outpatient areas. H & V's Risk-Adjusted Mortality ratio equals 0.856 which equates to fewer mortalities than expected. The High Case Mix Index equals 3.445 as H & V provides care to the most complex patients at MUSC. He showed a chart depicting the rapid and sustained growth in surgeries and procedures and the growth in volume for inpatient and outpatient. Dr. DiSalvo concluded his presentation highlighting of H & V's program initiatives including translational research; genetics; and, artificial intelligence/machine learning.

Board Action: Report received as information.

Item 6. Other Business. None.

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE. CHAIR: DR. MURRELL SMITH, SR.
(Detailed committee minutes attached.)

Item 7. MUSC Health Status Report.

Dr. Smith reported that Dr. Patrick Cawley, CEO, MUSC Health, gave the MUHA status report focused on FY2022 organizational goals and the 2022 MUSC Health Care Team Member Engagement Survey.

Board Action: Report received as information.

Item 8. MUHA Financial Report.

Dr. Smith reported that Lisa Goodlett, Chief Financial Officer, MUSC Health, reported on MUHA's financial status through February 28, 2022.

Board Action: Report received as information.

Item 8.1 Capital Reprioritization Request.

Dr. Smith made a motion to approve the following capital reprioritization requests:

- MUSC Health Charleston: Two ECHO machines and replacement of mammography equipment at a cost of \$715,000.
- MUSC Health Florence: Three ultrasounds at a cost of \$401,000.
- MUSC Health Lancaster: Two ultrasounds at a cost of \$294,000

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

Item 9. COVID-19 Update.

Dr. Smith reported that Dr. Michael Sweat, Professor, Psychiatry and Behavioral Sciences, Faculty Director, MUSC Center for Global Health and Project Leader for the MUSC COVID-19 Epidemiology Intelligence Project, gave an update to the Board on the COVID-19 virus.

Board Action: Received as information.

Item 10. Quality and Patient Safety Report.

Dr. Smith reported that Dr. David Bundy, Chief Quality Officer, MUSC Health-Charleston, gave the Quality and Patient Safety Report focused on quality wins; system culture of safety and quality scorecards.

Board Action: Received as information.

Item 11. Legislative Update.

Dr. Smith reported that Mark Sweatman, Chief, Governmental Affairs, gave an update to the Board on legislative activities at the state and federal levels.

Board Action: Received as information.

Item 12. MUSC Physicians Update.

Dr. Smith reported that Dr. Gene Hong, MUSC Physicians, Chief Physician Executive, introduced Dr. Jonathan Edwards as the new Interim President for MUSC Physicians.

Board Action: Received as information.

Item 13. Other Committee Business. None.

MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE. CHAIR: MR. BILL BINGHAM
(Detailed committee minutes attached.)

Item 14. MUHA Leases for Approval.

Mr. Bingham made a motion to approve the following:

- Lease amendment for 61,645 square feet of clinical and office space at 2001 Laurel Street, Columbia, for MUSC Health Heart & Vascular. Total lease extension cost is \$842,821.
- Lease renewal for 2,316 square feet of office space at 52 Courtenay Drive, Charleston, for Psychiatry & Behavioral Services. Five-year lease term cost of \$227,310.
- Lease renewal for 9,000 square feet of space at 1001-B Michigan Avenue, Charleston, for the MUSC Children's Day Treatment Program. Two-year lease term cost of \$202,500.

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

Item 15. MUSC Leases for Approval.

Mr. Bingham made a motion to approve the following:

- Lease renewal for 7,962 square feet of office space at 20 Ehrhardt Street, Charleston, for temporary office and swing space for assignment by the EVP for Finance & Operations. Five-year lease term cost of \$261,540.
- Lease renewal for 75,018 square feet of office and warehouse space at 4295 Arco Lane, North Charleston, for MUSC Business Services departments. Five-year lease term cost of \$680,000.

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

Item 16. May River Shopping Center Primary Care Fit-Out for Approval.

Mr. Bingham made a motion to approve the May River Shopping Center Primary Care, Bluffton, fit-out project of 2,800 square feet of primary care clinic space at 3521 Okatie Highway with a total project cost of \$900,000.

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

Item 17. College of Nursing First Floor Renovation Project for Approval

Mr. Bingham made a motion to approve the College of Nursing First Floor Renovation with a total project cost of \$3,710,000.

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

Item 18. College of Nursing First Floor Renovation Project for Approval

Mr. Bingham made a motion to approve the MUSC Campus Elevated Walkway Connector Bridges with a total project cost of \$34,399,710.

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

Item 19. Other Committee Business.

None.

**MUHA AND MUSC AUDIT COMMITTEE. ACTING CHAIR: MR. CHARLES SCHULZE
(Detailed committee minutes attached.)**

Item 20. Enterprise Compliance Report.

Mr. Schulze reported that Ms. Angela Wertz, Director of MUSC Compliance, gave the CY2021 enterprise compliance update.

Board Action: Received as information.

Item 21. KPMG FY2022 External Auditor Entrance Conference.

Mr. Schulze reported that Ms. Jennifer Hall, Senior Partner, KPMG discussed the FY2022 External Audit Plan.

Board Action: Received as information.

Item 22. Fees for Agreed Upon Procedure by KPMG.

Mr. Schulze made a motion to approve the fees for the agreed upon procedure to be conducted by KPMG at a total of \$60,000 for MUSC and MUHA.

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

Item 23. Report of the Office of Internal Audit.

Mr. Schulze reported that the results of the audits were mailed to board members.

Board Action: Received as information.

Item 24. Other Committee Business. None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES

Item 25. Approval of Consent Agenda.

Approval of the consent agenda was requested.

Board Action: Chairman Lemon called for motion to approve the consent agenda in its entirety. The motion was made by Mr. Schulze, the motion was seconded and unanimously carried.

Item 26. Executive Session.

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

- Negotiations of pending contracts related to
 - Possible expansion of clinical services,
 - The proposed sale or purchase of real property, and
 - Transportation services;
- Receipt of legal advice related to potential claims and other matters covered by the attorney/client privilege.

Board Action: The motion made by Mr. Battle was seconded, vote on and unanimously carried. Chairman Lemon announced that the Board of Trustees would move into closed session immediately (8:35 a.m.) for discussion of one item. The Board will then return to open session and then move back into executive session following the conclusion of the MUSC Board of Trustees Regular Agenda.

Item 27. New Business for the Board of Trustees. None.

Item 28. Report from the Chairman. None.

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE. CHAIR: DR. MURRELL SMITH, SR.
(Detailed committee minutes are attached.)

Item 29. Appointments, Reappointments and Delineation of Privileges.

Appointments, reappointments and delineation of privileges requests for the months of February and March 2022 were presented for approval.

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

Item 30. Medical Executive Committee Minutes.

Medical Executive Committee minutes were presented for information.

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

Item 31. Contracts and Agreements.

Contracts and agreements since the last board meeting were presented for information.

Action: Received as information.

MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE. CHAIR: MR. BILL BINGHAM
(Detailed committee minutes are attached.)

Item 32. MUHA and MUSC FY2022 Active Projects >\$250,000.

MUSC active projects exceeding \$250,000 were presented for information.

Board Action: Received as information.

Item 33. MUSC Facilities Contracts Awarded.

Facilities contracts awarded were presented for information.

Board Action: Received as information.

Item 34. Revisions to the MUHA Board of Trustees Bylaws.

Proposed revisions to the MUHA Board of Trustees Bylaws were presented for approval.

Board Action: A motion to approve was made by Chairman Lemon, was seconded, voted on and unanimously carried.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark C. Gault". The signature is written in a cursive style with a large, sweeping flourish at the end.

Hospital Operations, Quality and Finance Committee Minutes
April 8, 2022

REGULAR AGENDA

Item 7. Medical University Hospital Authority Status Report.

Dr. Patrick Cawley, CEO, MUSC Health, gave an update on fiscal year 2022 goal performance and recapped how the health system sets its organizational goals longitudinally and reviewed MUSC Health's Strategic Intent 2026. Dr. Cawley reported that at the system level, year-to-date goal performance is currently at 2.95; Charleston at 3.40; Florence at 2.21; Lancaster at 2.53; and Midlands at 2.41. He also updated the Board on results from the recent MUSC Health Care Team Member survey that was conducted in February 7-22, 2022. Themes looked at in the survey include engagement; safety culture; diversity perceptions; resilience which is a market for burnout; strengths and weaknesses; and leader performance at the unit level.

Committee Action: Report received as information.

Item 8. MUHA Financial Report.

Lisa Goodlett, Chief Financial Officer, MUSC Health, gave a detailed report on financial performance of MUHA Consolidated and the markets of Florence, Lancaster and Midlands through February 28, 2022. For MUHA Consolidated, operating margin was \$-20.9M or -1.03% with \$39.4M favorable to budget and total margin was \$6M or 0.30% with \$42.8M favorable to budget. Charleston's operating margin was \$31.9M or 2.09% with \$49.3M favorable to budget and a total margin of \$50.6M or 3.31% with \$61.5M favorable to budget. Florence's operating margin was \$-10.2M or -5.13% with \$11.9M unfavorable to budget and total margin was \$-4.3M with \$6.2M unfavorable to budget or -2.14%. Lancaster's (including Edgewater Surgery Center) operating margin was \$-6M or -6.13% with \$0.6M unfavorable to budget and total margin was \$-3.4M with \$2M favorable to budget or -3.44%. Midland's market operating margin was at \$-36.6M or -18.10% with \$2.5M favorable to budget and total margin was \$-37M with \$14.5M unfavorable to budget or -18.31%.

Committee Action: Report received as information.

Item 8.1. Capital Reprioritization Request.

Lisa Goodlett requested approval of the following capital reprioritization request:

- MUSC Health Charleston: Two ECHO machines and replacement of mammography equipment at a cost of \$715,000 using funds reallocated from the SSICU renovation project.
- MUSC Health Florence: Three ultrasounds at a cost of \$401,000 using funds from contingency funds.
- MUSC Health Lancaster: Two ultrasounds at a cost of \$294,000 using funds from contingency funds.

Committee Action: Recommend approval.

Item 9. COVID-19 Update.

Dr. Michael Sweat, Faculty Director, MUSC Center for Global Health, and Project Leader for the MUSC COVID-19 Epidemiology Intelligence Project, gave an update to the Board on the COVID-19

virus. Due to the importance of the information and data presented, his attached presentation will serve as the minutes for this agenda item.

Committee Action: Report received as information.

Item 10. Quality and Patient Safety Report.

Dr. David Bundy, Chief Quality Officer, MUSC Health-Charleston, gave a report focused on Quality WINS and scorecards. Quality WINS included MUSC Health is on track for exceptional performance in ACO again this year; no patient safety events with Epic Midlands roll out; post-acute care on scorecards; shadow goal but good performance; Foster G McGaw Award Finalist for AHA national award for community health and wellness that will be announced at AHA annual meeting April 26th. Dr. Bundy also reported on the 2022 MUSC Health System Safety Culture scores from the recent care team member survey and the year-to-date overall quality scorecard scores for the system and by the locations of Charleston, Florence, Lancaster, and, Midlands.

Committee Action: Received for information.

Item 11. Legislative Update.

Mark Sweatman, Chief, Governmental Relations, reported that the 2022-23 House of Representatives budget version includes the following MUSC new allocations: recurring funding of \$5.5M for tuition mitigation; \$5M for behavioral health; and, \$8M for Hollings Cancer Center / Comprehensive Cancer status. It also includes capital funding of \$15M for the purchase of Roper Hospital's downtown buildings; \$25M for maintenance, renovation, and replacement; and, \$10M for SC Children's Hospital Collaborative Infrastructure.

Committee Action: Received for information.

Item 12. MUSC Physicians Update.

Dr. Gene Hong, Chief Physician Executive, MUSC Physicians, who introduced Dr. Jonathan Edwards, who will be serving as the Interim President and Vice President for MUSC Physicians effective April 1, 2022. Dr. Edwards replaced Dr. Terry Steyer who is serving as Interim Dean, College of Medicine.

Committee Action: Received for information.

Item 13. Other Committee Business.

None.

CONSENT AGENDA

Item 29. Appointments, Reappointments and Delineation of Privileges (Consent item).

Appointments, reappointments and delineation of privileges requests for the months of February and March 2022 were presented for approval.

Action: Recommend approval.

Item 30. Medical Executive Committee Minutes (Consent item).

Medical Executive Committee minutes were presented for information.

Action: Recommend approval.

Item 31. Contracts and Agreements (Consent Item).

Contracts and agreements since the last board meeting were presented for information.

Committee Action: Received as information

There being no further business, the committee adjourned.

Respectfully Submitted

Jane L. Scott

COVID-19 Update

MUSC Board of Trustees Meeting

April 7th, 2022

Michael Sweat, PhD
 Department of Psychiatry and Behavioral Sciences
 Faculty Director MUSC Center for Global Health
 Project Leader: MUSC COVID-19 Epidemiology Intelligence Project

Veronique Whittaker, MPH
 Lead Analytics Coordinator

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Changes to CDC's Risk Levels

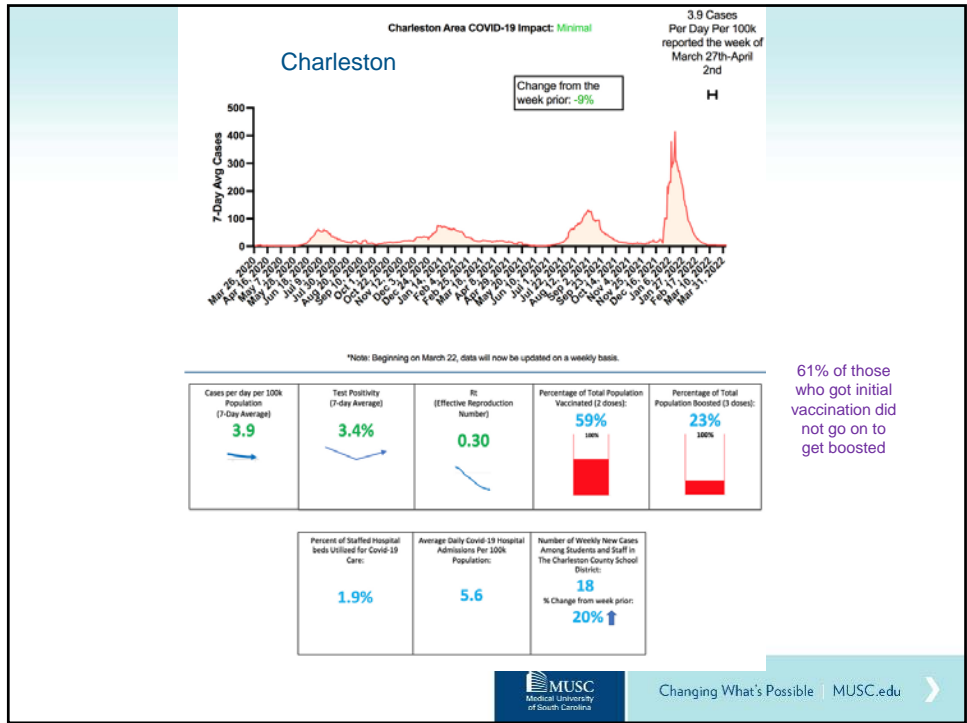
- 3 Metrics:
 - New Cases / 100k pop
 - Number of hospitalizations a week
 - Percentage of hospital beds used for COVID
- Increased emphasis on impact to hospital capacity
- Leaves out growth / decline rate of cases
- Need wastewater monitoring

COVID-19 Community Levels – Use the Highest Level that Applies to Your Community					
New COVID-19 Cases Per 100,000 people in the past 7 days	Indicators	Low	Medium	High	
		Fewer than 200	New COVID-19 admissions per 100,000 population (7-day total)	<10.0	10.0-19.9
	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	<10.0%	10.0-14.9%	≥15.0%	
200 or more	New COVID-19 admissions per 100,000 population (7-day total)	NA	<10.0	≥10.0	
	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	NA	<10.0%	≥10.0%	

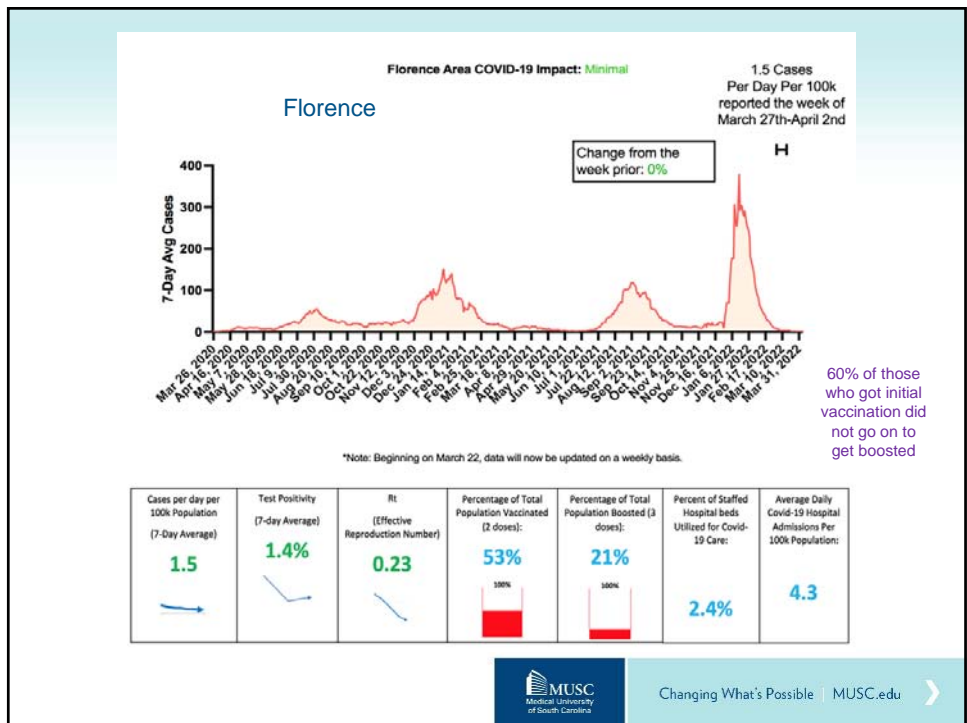
The COVID-19 community level is determined by the higher of the new admissions and inpatient beds metrics, based on the current level of new cases per 100,000 population in the past 7 days

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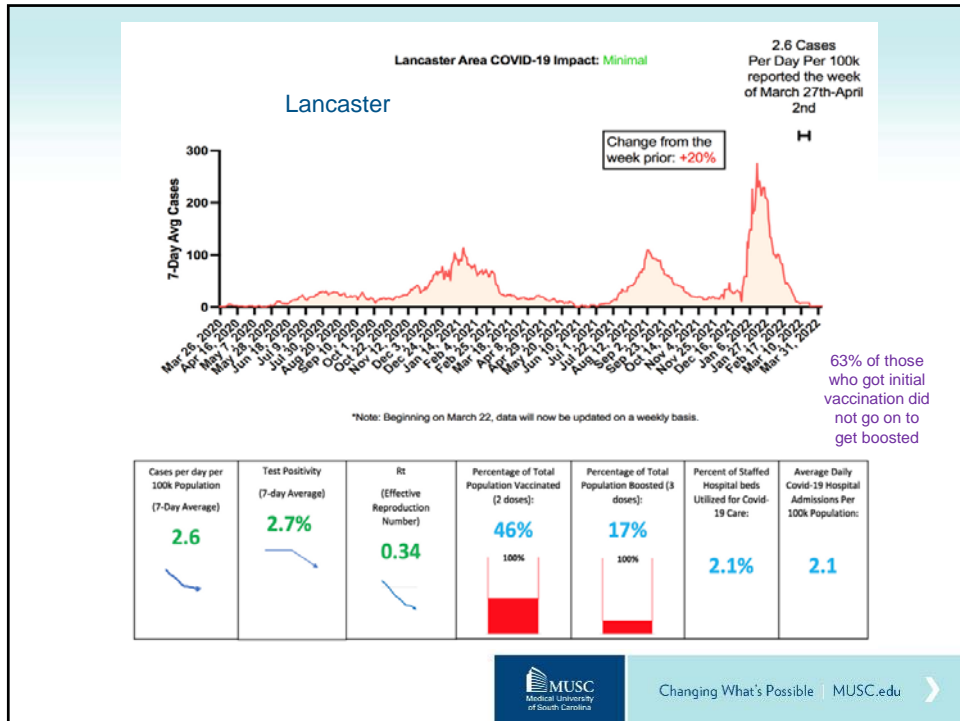
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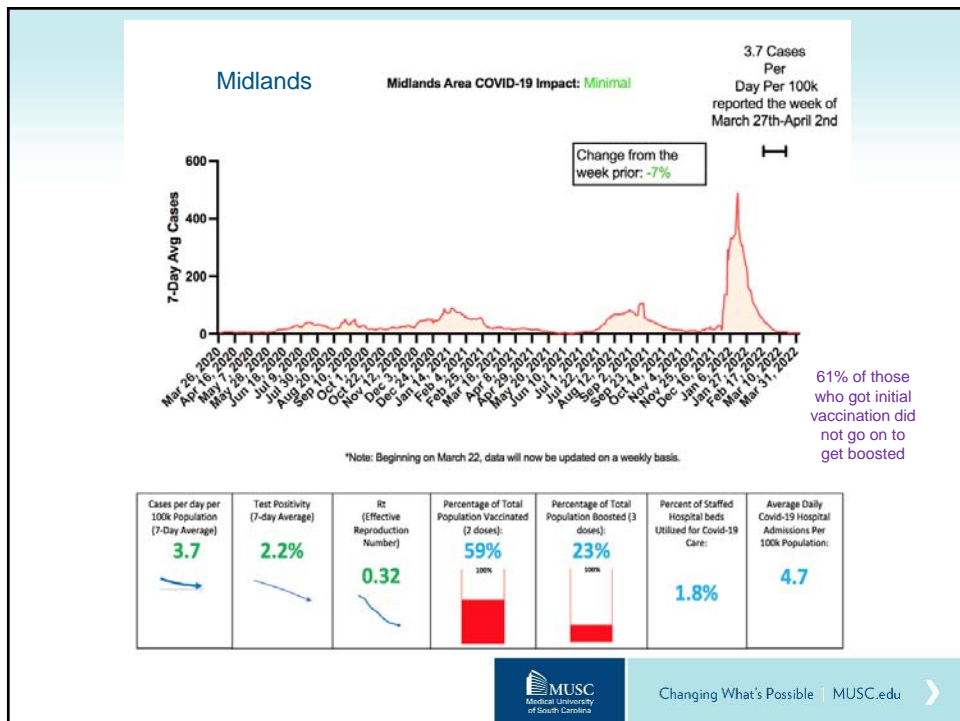
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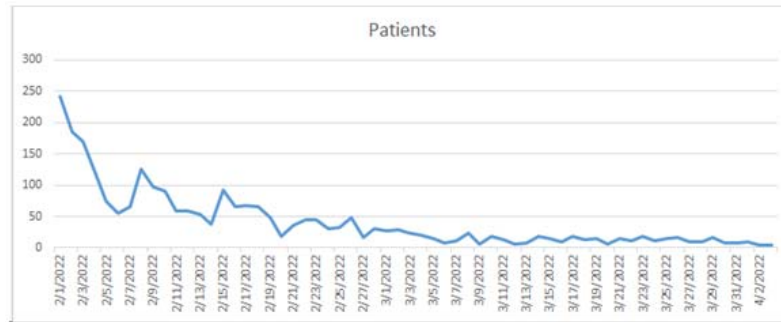


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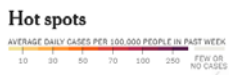
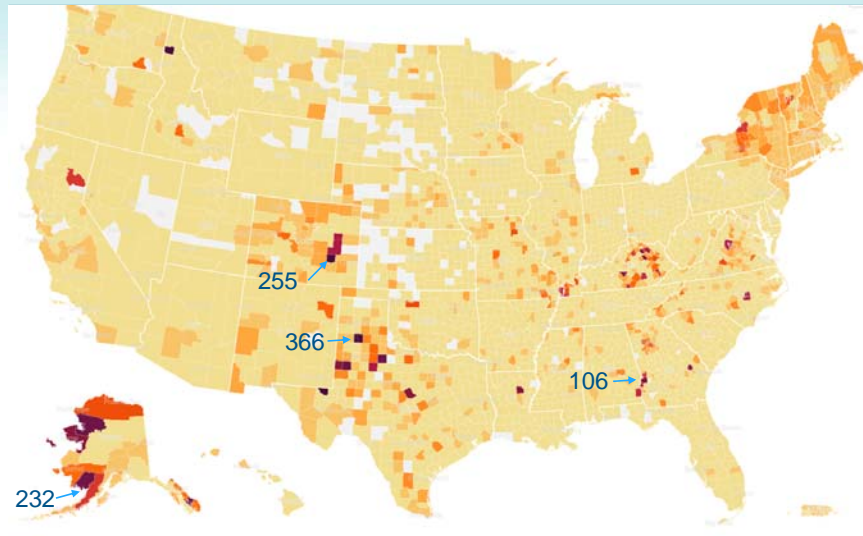


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COVID-19 Patient Census: All MUSC Hospitals
 Finally, very low numbers of hospitalized patients



7



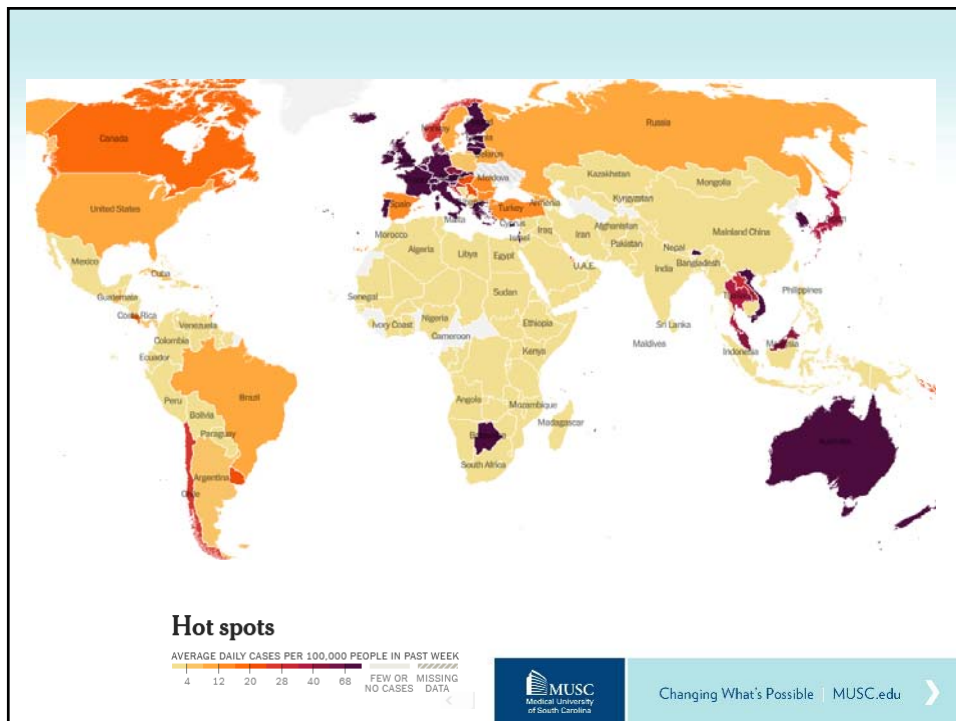
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	CASES DAILY AVG.	PER 100,000	14-DAY CHANGE
United States	28,693	9	-1%
U.S. Virgin Islands >	11	10	+245%
American Samoa	261	527	+106%
Nevada >	151	5	+104%
Nebraska >	77	4	+87%
Puerto Rico >	416	12	+85%
New York >	3,603	19	+77%
Massachusetts >	1,274	18	+68%
Connecticut >	486	14	+60%
Washington, D.C. >	96	14	+60%
Mississippi >	144	5	+58%
New Jersey >	1,326	15	+57%
Florida >	1,505	7	+34%
Rhode Island >	215	20	+28%



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	CASES DAILY AVG.	PER 100,000	14-DAY CHANGE
South Korea	254,098	491	-36%
Germany >	268,477	323	+20%
Cyprus	3,651	305	-6%
Botswana	5,939	258	—
New Zealand	12,344	251	-38%
Tonga	256	245	+5%
Austria	20,313	229	-54%
Australia >	57,253	226	+15%
France >	137,727	205	+39%
Luxembourg	1,092	176	-1%
Greece	18,244	170	-17%
Malta	820	163	+201%
Isle of Man	116	137	-46%
Bhutan	1,039	136	+128%
Portugal	13,536	132	+107%

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BA.2 Sub-Variant

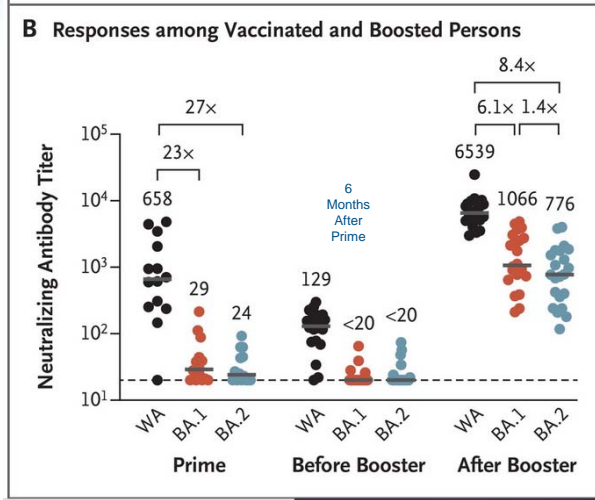
A Spike Mutations of Omicron BA.1 and BA.2 Sublineages

- Now Predominant Variant
 - Globally - 86% of cases reported to the W.H.O. between Feb. 16 and March 17
 - US - 66% of cases according to CDC this week
- BA.2 is more transmissible than BA.1 (original Omicron variant)
 - Estimates vary, but minimally 40% more transmissible
- BA.2 no difference in virulence compared to BA.1
- Effect of Vaccination and Boosting
 - 2-dose Vaccine Efficacy (Infection & Severity) – declines significantly with time, and is weaker for BA.1 & BA.2
 - 3-dose Vaccine Efficacy (Infection) – short term protection, weaker against BA.1 & BA.2
 - 3-dose Vaccine Efficacy (Severity) – Robust, but weakens some with time, minimal difference w/ BA.1 & BA.2
 - 4-dose Vaccine Efficacy (Infection) – likely only effective for 4-6 weeks
 - 4-dose Vaccine Efficacy (Severity) – Modest improvement over 3-dose (for BA.1 & BA.2)

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Antibody Response among 24 persons who had been vaccinated and boosted with the Pfizer–BioNTech vaccine

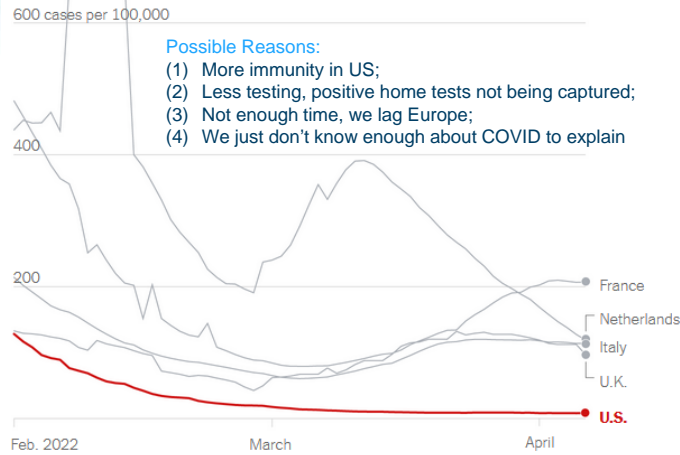


Source: "Neutralization of the SARS-CoV-2 Omicron BA.1 and BA.2 Variants", Dan H. Barouch, M.D., Ph.D. et. Al., March 16, 2022. NEJM. DOI: 10.1056/NEJMc2201849

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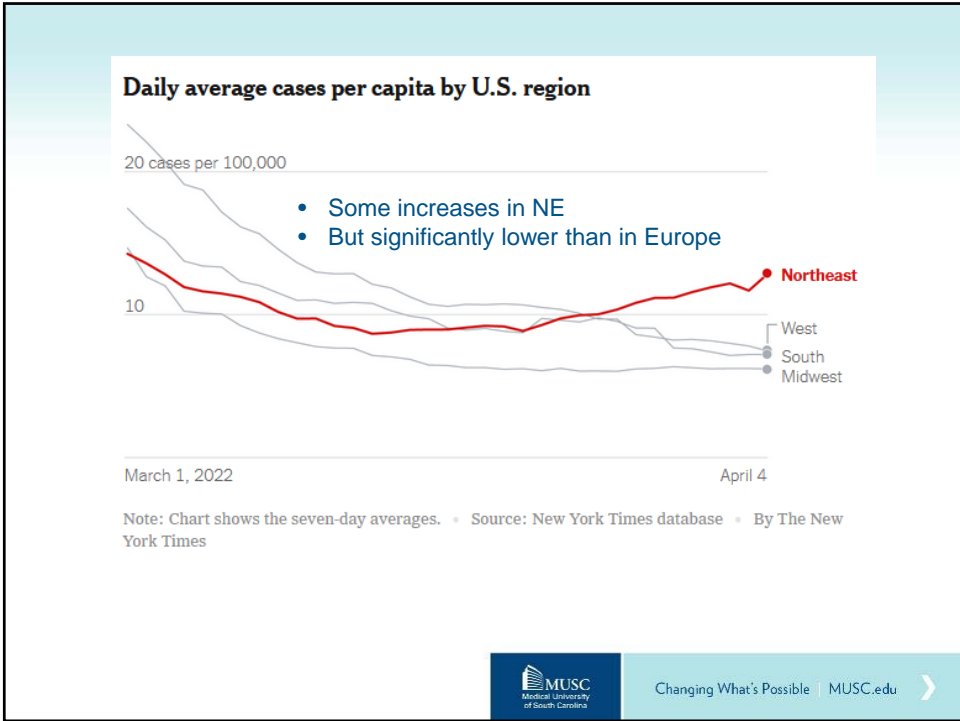
Daily average cases per capita Risk of new BA.2 Surge?
Europe having a surge, but not yet in the US



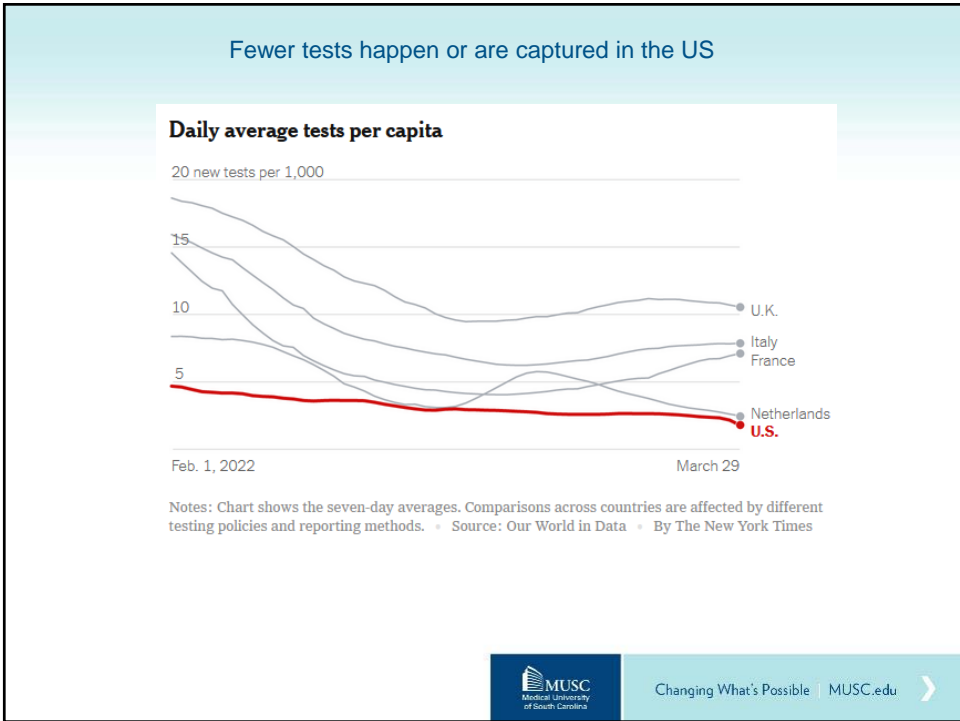
Note: Chart shows the seven-day averages. Data as of April 4, 2022. Sources: New York Times database; Johns Hopkins University By The New York Times

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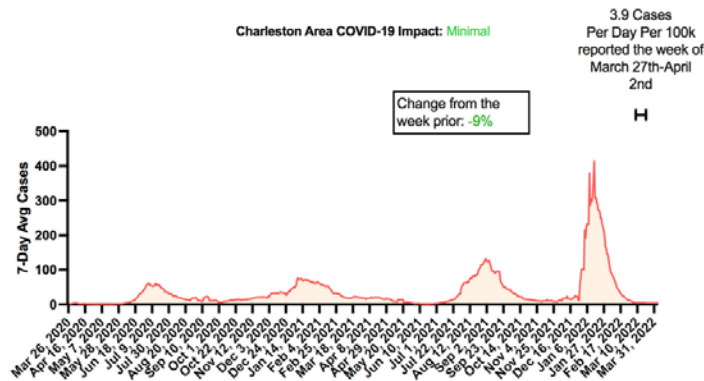


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16

We do seem to have seasonality...



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Key Points

- **Changes in metrics for assessing severity of epidemic**
 - Greater emphasis on hospital impact
 - Important to still track changes in growth to give early warning
 - Need for wastewater monitoring
- **SC (and US) are at very low levels of infection / transmission**
 - Hospital census is at very low level
- **The BA.2 sub-variant is now the predominant variant globally and in US**
 - More transmissible
 - No difference in virulence
 - Driving surges in Europe
 - Vaccine effects for severe disease similar to BA.1
- **Risk of summer surge**
 - Over past 2-years have had a consistent summer and winter waves
 - BA.2 waves in Europe a concern
 - Confidence low – many unknowns
- **Vaccination and boosting is sub-optimal**
 - Vaccinations have stalled
 - Boosters (3-dose) significantly enhance protection against severe disease
 - Extremely low levels in SC of boosters: ~60 of those who had 2 doses not yet boosted
 - Enhances risk of new waves
- **Containment is likely possible, but will require:**
 1. Rapid testing when symptomatic
 2. Rapid access to oral antiviral medications
 3. Vaccines tailored to variants / nasal and pan-vaccines
 4. Judicially targeted NPI interventions (masks use, distancing, etc)
 5. Greater trust and community solidarity



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**MUHA and MUSC
Physical Facilities Committee Minutes
April 7, 2022**

REGULAR AGENDA

Item 14. MUHA Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following for approval:

- Lease amendment for 61,645 square feet of clinical and office space at 2001 Laurel Street, Columbia, for MUSC Health Heart & Vascular. Total lease extension cost is \$842,821.
- Lease renewal for 2,316 square feet of office space at 52 Courtenay Drive, Charleston, for Psychiatry & Behavioral Services. Five-year lease term cost of \$227,310.
- Lease renewal for 9,000 square feet of space at 1001-B Michigan Avenue, Charleston, for the MUSC Children's Day Treatment Program. Two-year lease term cost of \$202,500.

Committee Action: Recommend approval.

Item 15. MUSC Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following for approval:

- Lease renewal for 7,962 square feet of office space at 20 Ehrhardt Street, Charleston, for temporary office and swing space for assignment by the EVP for Finance & Operations. Five-year lease term cost of \$261,540.
- Lease renewal for 75,018 square feet of office and warehouse space at 4295 Arco Lane, North Charleston, for MUSC Business Services departments. Five-year lease term cost of \$680,000.

Item 16. May River Shopping Center Primary Care Fit-Out for Approval.

Tom Crawford, Chief Operations Officer, MUSC Health, presented for approval the May River Shopping Center Primary Care, Bluffton, fit-out project of 2,800 square feet of primary care clinic space at 3521 Okatie Highway with a total projected cost of \$900,000.

Committee Action: Recommend approval.

Item 17. College of Nursing First Floor Renovation Project for Approval.

Greg Weigle, Interim Chief Facilities Officer, presented for approval the College of Nursing First Floor Renovation project with a total projected cost of \$3,710,000.

Committee Action: Recommend approval.

Item 18. MUSC Campus Elevated Walkway Connector Bridges Project for Approval.

Greg Weigle, Interim Chief Facilities Officer, presented for approval the MUSC Campus Elevated Walkway Connector Bridges with a total projected cost of \$34,399,710.

Committee Action: Recommend approval.

Item 19. Other Committee Business.

None.

CONSENT AGENDA

Item 32. MUSC FY2022 Active Projects >\$250,000 (consent item).

MUSC active projects exceeding \$250,000 were presented for information.

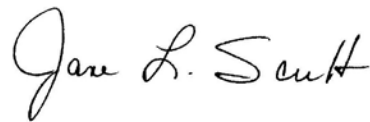
Board Action: Received as information.

Item 33. MUSC Facilities Contracts Awarded (consent item).

Facilities contracts awarded were presented for information.

Board Action: Received as information.

There being no further business, the committee meeting was adjourned.

A handwritten signature in cursive script that reads "Jane L. Scott". The signature is written in black ink and is centered on the page.

MUHA and MUSC Audit Committee Minutes
April 7, 2022

Item 20. Enterprise Compliance Report.

Angela Wertz, Director, MUSC Compliance, gave the annual Enterprise HIPAA Update for MUHA, MUSC and MUSC-P for CY2021. Ms. Wertz reported 171 breaches with the highest breaches from unauthorized access/disclosure, mail and information technology. She shared HIPAA privacy highlights including revised privacy assessment tools and policies for alignment of procedures due to enterprise growth; continued collaboration with Information Security including education, policies, privacy and security reviews and working to identify technical opportunities in EMR; and, education and awareness which includes live and online – orientation, annual, ad hoc; enterprise privacy campaign; communication of OCR guidance, and updated privacy training materials.

Committee Action: Received as information.

Item 21. KPMG Entrance Conference.

Ms. Jennifer Hall, Senior Partner, KPMG, discussed the FY 2022 External Audit Plan for MUHA, MUSC, MUSC Physicians and MUSC Strategic Ventures. She reviewed the summary of services to be provided and the client service team. Ms. Hall discussed the primary factors included in the risk assessment including recent significant developments; complexity; related parties; degree of subjectivity; outside normal course of business and complexity with error and fraud. She reported that significant risks and additional risks identified in the risk assessment will require additional audit work. She reviewed the new accounting standards effective for MUSC in 2022. Ms. Hall stated that KPMG will be doing additional work related to GASB 87 and the Midlands acquisition, which will result in additional audit fees over the contract amounts for MUSC and MUHA. She gave an overview of the audit approach; single audit overview and scope, and new accounting standards. She reviewed the audit timeline; responsibilities; materiality in the context of an audit; and, KPMG's independence policies and systems of quality control.

Board Action: Received as information.

Item 22. Report of the Office of Internal Audit.

Mr. Stephenson reported that Susan Barnhart, Director of Internal Audit, shared results of recent audits conducted by her office and she would be glad to answer any questions.

Board Action: Received as information.

Item 23. Other Committee Business.

None.

With no further business, the meeting was adjourned.

Respectfully submitted,



Jane L. Scutt