



MINUTES

Meeting of the Board of Trustees
of the Medical University Hospital Authority

August 11, 2006

It Is Understood that the Minutes Herein Recorded Have Not as
Yet Been Approved and Cannot be Considered as Official Action
of the Board Until Such Approval Has Been Given

Colcock Hall
Medical University of South Carolina
Charleston, South Carolina

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
August 11, 2006

The Board of Trustees of the Medical University Hospital Authority convened Friday, August 11, 2006, with the following members present: Dr. Donald R. Johnson II, Chairman; Dr. Cotesworth P. Fishburne, Jr., Vice Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. E. Conyers O'Bryan, Jr.; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; Mr. Thomas L. Stephenson, Esquire; The Honorable Robin Tallon; Dr. Charles B. Thomas, Jr.; Dr. James E. Wiseman, Jr. Absent: Dr. Paula E. Orr.

The following administrative officials were present: Dr. Raymond S. Greenberg, President; Dr. John Raymond, Vice President for Academic Affairs and Provost; Dr. Jerry Reves, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Vice President for Finance and Administration; Mr. Stuart Smith, Vice President for Clinical Operations and Executive Director, MUHA; and Dr. Frank Clark, Vice President for Information Technology and CIO.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Becki Trickey, Interim Dean, College of Health Professions; Dr. Jerry Reves, College of Medicine; Dr. Gail Stuart, College of Nursing; and Dr. Joseph DiPiro and Dr. Arnold Karig, College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Johnson called the meeting to order. Ms. Celeste Jordan called the roll.

Item 2. Secretary to Report Date of Next Meeting.

The date of the next regularly scheduled meeting is Friday, October 13, 2006.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of May 18, 2006.

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. Greenberg provided a list of his activities since the last board meeting as well as a summary list of goals and accomplishments. He commented the summer has been busy and cited the Duke Endowment Grant and the discussions with the VA as examples.

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

Board Action: Received as information.

Item 5. Report of Internal Auditor. Previously reported.

Item 6. Other Business.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR. (Detailed committee minutes are attached to these minutes).

OLD BUSINESS: None.

NEW BUSINESS:

Item 7. MUSC Medical Center Status Report.

Statement: Mr. Stuart Smith reported Authority statistical information as compared to 2001. All measures have had substantial increases in activity, especially in the areas of outpatient visit and CT, Cath and MR procedures. He was pleased to report the length of stay is down and everyone is looking forward to the new hospital space becoming available.

The Joint Commission is expected to survey MUSC before the end of the year so the hospital continues to focus on survey readiness.

The Authority is about six months into the MUSC Excellence effort which is to develop detailed, measurable goals for the organization as well as its leaders. Mr. Smith will provide more information on the goals at the October Board meeting.

Each year the accrediting agency for Graduate Medical Education asks the Board to make a commitment statement on graduate medical education. This affirms that the Medical Center and the University support graduate medical education. Mr. Smith asked the Board for affirmation.

Recommendation of Administration: That the Board affirm its commitment to Graduate Medical Education.

Recommendation of Committee: That the Board affirm its commitment to Graduate Medical Education.

Board Action: A motion was made, seconded and unanimously voted to affirm the Board's commitment to Graduate Medical Education at the institution.

Item 8. MUSC Medical Center Financial and Statistical Report.

Statement: Ms. Lisa Montgomery reported that the June interims look quite good. The Hospital external audit with KPMG is underway so the final numbers should be available in October. The Authority exceeded budget expectations and many of

its benchmarks are moving toward the 25th percentile with UHC peers. The cash position is improving.

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 9. MUSC Medical Center Budget for Fiscal Year 06-07.

Statement: Ms. Montgomery stated that the Authority will come back to the Board in December with an adjustment to the budget for the Phase I Replacement Hospital. At present, she asked for approval of the budget as presented to the Board in June.

Recommendation of Administration: That the budget be approved.

Recommendation of Committee: That the budget be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the MUSC Medical Center Budget for Fiscal Year 06-07.

Item 10. Primary Care Agreement.

Statement: Dr. Baker asked that the Primary Care Agreement be approved.

Recommendation of Administration: That the Primary Care Agreement be approved.

Recommendation of Committee: That the Primary Care Agreement be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Primary Care Agreement.

Item 11. Ambulatory Care Agreement

Statement: Dr. Baker asked for approval of the Ambulatory Care Agreement.

Recommendation of Administration: That the Ambulatory Care Agreement be approved.

Recommendation of Committee: That the Ambulatory Care Agreement be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the Ambulatory Care Agreement.

Item 12. Quality Report.

Statement: Dr. Baker said the committee had received a report on quality and sentinel events.

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 13. Report of the Vice President for Medical Affairs and Dean, College of Medicine.

Statement: Dr. Baker stated that in Dean Reves absence, Dr. Feussner briefed the committee on the Strategic Manpower Initiative of the College of Medicine. He discussed strategic goals, deliverables and growth initiatives. Dr. Baker asked for approval of the initiative.

Recommendation of Administration: That the Strategic Manpower Initiative be approved.

Recommendation of Committee: That the Strategic Manpower Initiative be approved.

Board Action: A motion was made, seconded and unanimously approved that the Strategic Manpower Initiative of the College of Medicine be approved.

Item 14. Report on University Medical Associates.

Statement: Dr. Baker stated Dr. Feussner presented a report to Committee on the UMA outreach activities. He also briefed the Committee on a contractual matter between the Medical University Hospital Authority and the University Medical Associates. Dr. Baker asked for approval to proceed with a Memorandum Of Understanding (MOU) between UMA and MUHA. A formal contract will be brought back to the Board at a future date.

Recommendation of Administration: That the approval to proceed with the MOU between UMA and MUHA be approved.

Recommendation of Committee: Approval to proceed with the MOU between UMA and MUHA.

Board Action: A motion was made, seconded and unanimously voted to proceed with the MOU between UMA and MUHA with the understanding that a formal contract will be brought back to the Board at a later date.

Item 15. Legislative Update.

Statement: A report was provided to Committee.

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 16. Other Committee Business.

Statement: Dr. Baker asked for approval of the following items which had been covered in Committee:

- Update of Medical Staff Bylaws, Rules and Regulations.
- Application for the Certificate of Need request for neuro-rehab beds.
- Resolution to continue the line of credit for the MUSC Medical Center.
- Phase I Equipment purchases totaling \$21,809,486.

Board Action: A motion was made, seconded and unanimously voted to approve the items.

Item 17. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (consent item).

Statement: 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.

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

Board Action: Dr. Baker moved that the appointments, reappointments and delineation of privileges to the medical staff be approved. The motion was seconded, voted on and unanimously carried.

Item 18. Environment of Care Report (consent item).

Statement: EOC report was presented to committee by Mr. Betts Ellis.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: That this be received as information.

Item 19. Medical Executive Committee Minutes (consent item).

Statement: Minutes of the Medical Executive Committee meetings of April, May and June, 2006 were presented to the Board.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: The minutes of the Medical Executive Committee of April, May and June 2006 were received as information.

Item 20. Medical Center Contracts and Agreements (consent item).

Statement: Contracts and Agreements which have been signed since the last board meeting were 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.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY PHYSICAL FACILITIES COMMITTEE.
CHAIRMAN: MR. WILLIAM H. BINGHAM, SR. (Detailed committee minutes are attached to these minutes).**

OLD BUSINESS: None

NEW BUSINESS:

Item 21. Update on Projects.

Statement: Mr. Bingham reported that the team of BGKS, represented by Mr. Bill Wiseman, Southern Management; Mr. Tim Cullum, MB Kahn; and Mr. John Darnall with Brasfield Gorrie provided the committee an update on the new Central Energy Plant. The also updated the committee on the progress of Phase I of the new hospital with a review of its remaining hurdles as well as early completion benefits and project goals.

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 22. Other Committee Business. None

Item 23. Facilities Contracts Awarded (consent item).

Statement: Facilities contracts awarded since the last board meeting were 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.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 24. Approval of Consent Agenda.

Statement: Approval of the Medical University Hospital Authority 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 25. New Business for the Board of Trustees. None

Item 26. Report from the Chairman.

Dr. Johnson reminded everyone that at the October Board meeting the committee chairs will be elected. Everyone was asked to submit their request for which committees they would like to serve on.

There being no further business, the Hospital Authority meeting was adjourned.

Respectfully submitted,

Hugh B. Faulkner III
Secretary

/wcj
Attachments

**Medical University Hospital Authority
Board of Trustees
Committee on Operations and Finance
Minutes**

August 10, 2006

Attendees:

Dr. Stanley Baker, Chair	Ms. Susan Barnhart
Dr. Donald Johnson	Ms. Lisa Montgomery
Dr. Cotesworth Fishburne	Mr. Betts Ellis
Mr. Melvyn Berlinsky	Mr. Dennis Frazier
Mr. William Bingham	Mr. Chris Malanuk
Mr. William Hewitt	Ms. Rosemary Ellis
Dr. Conyers O'Bryan	Ms. Annette Drachman
Dr. Thomas Rowland	Ms. Marilyn Schaffner
Mr. Charles Schulze	Ms. Alexis Grant
Thomas Stephenson, Esq.	Mr. John Cooper
Hon. Robin Tallon	Mr. Bruce Quinlan
Dr. Charles Thomas	Ms. Sara King
Dr. James Wiseman	Ms. Casey Martin
Mr. Stuart Smith	Mr. H. B. Faulkner
Dr. Pat Cawley	
Dr. Jack Feussner	
Mr. Paul Taylor	

The meeting was called to order at 9:30 a.m. by Dr Stanley Baker, Chairman.

A motion was made, seconded and passed to discuss peer review and contractual items in executive session.

Item 7. MUSC Medical Center Status Report

Personnel: Mr. Smith introduced Ms. Alexis Grant, Administrative Resident for the MUSC Medical Center.

Commitment to Graduate Medical Education: Mr. Smith presented the statement on graduate medical education. This affirms that the Medical Center and the University support graduate medical education. This was affirmed by the Board.

MUSC Excellence: Mr. Smith briefed the committee on the MUSC Excellence initiative which is in its sixth month in the Medical Center. The Medical Center is developing detailed goals for the organization and is setting specific measurable goals for

its leaders. Mr. Smith will report on the goals in more detail at the October meeting of the Board.

JCAHO – Mr. Smith reported that the Joint Commission is expected to survey MUSC sometime between now and the end of the year. Since surveys are now unscheduled, MUSC continues to focus on survey readiness.

Statistical Data: Mr. Smith briefed the committee on end of year statistical data as compared to 2001. All measures have had substantial increases in activity, especially in the areas of outpatient visits and CT, Cath and MR procedures. Length of stay is down to 5.7 and case mix index has increased indicating that we admit much more complex cases and that we do a better job of coding.

Action: Received as information

Item 8. MUSC Medical Center Financial and Statistical Report

Ms. Montgomery briefed the committee on the Medical Center financial status. The change in net assets at the end of the fiscal year was \$28.8 million as compared to \$24.7 million last fiscal year. This equates to a 4% margin. She also reported almost 21 days cash on hand at the end of the fiscal year.

She reported on key indicators. MUSC compares favorably with other academic medical centers on UHC indicators.

Action: Received as information

Item 9. MUSC Medical Center Budget for FY 07

Board reviewed the FY 07 budget as presented and recommended approval

Action: Recommend approval

Item 10. Primary Care Agreement

Mr. Smith discussed the Primary Care Agreement. This was reviewed by the board.

Action: Recommend approval

Item 11. Ambulatory Care Agreement

Mr. Smith discussed the Ambulatory Care Agreement. This was reviewed by the Board.

Action: Recommend approval

Item 12. Quality Report

Dr. Patrick Cawley presented the quality report and sentinel event report in executive session.

Action: Received as information

Item 13. Report of the Vice President for Medical Affairs and Dean, College of Medicine

In Dr. Reves' absence, Dr. John Feussner briefed the committee on the Strategic Manpower Initiative of the College of Medicine. He discussed strategic goals, deliverables and growth initiatives. Approval of institutional hires will be based on a matrix which includes evaluation of institutional needs, national shortage areas, new or growing programs, productivity, access reports, patient satisfaction results, population demand and the dependency on other services.

Action: Committee recommended approval of the initiative

Item 14. Report on University Medical Associates and Outreach Initiatives

Dr. Feussner briefed the committee on UMA outreach activities. He also briefed the committee on a contractual matter between the Medical University Hospital and the University Medical Associates. A formal contract will be brought back to the Board at a future date.

Action: Approval to proceed with formal contract.

Item 15. Legislative Update

Deferred

Item 16. Other Business

Update of Medical Staff Bylaws, Rules and Regulations - Committee reviewed changes to Medical Staff Bylaws and Rules and Regulations

Action: Recommend approval

Certificate of Need – Mr. Smith presented information regarding a certificate of need request for neuro-rehab beds. This was reviewed.

Action: Recommend approval to proceed with CON process

Line of Credit: Ms. Montgomery briefed the committee on a request for a resolution to continue the line of credit for the MUSC Medical Center. This has been approved by HUD. This request will be taken before the Budget and Control Board.

Action: Recommend approval of resolution

Phase I Equipment – Ms. Montgomery briefed the committee on the equipment request for Phase I. Approval for this equipment is needed in order to keep the project on schedule. Additional equipment requests will be brought to the December board.

Action: Recommend approval

CONSENT AGENDA

Item 17 Medical University Hospital Authority Appointments, Reappointments, and Delineation of Privileges

These have been approved by the Department chairs, the Credentials Committee and the Medical Executive Committee.

Action: Recommend approval

Item 18. Environment of Care Report

Mr. Ellis briefed the committee on the seven EOC management plans which include safety management, security management, hazardous materials and waste management, emergency management, fire safety management, medical equipment management, and utility system management. Mr. Ellis reported that the annual evaluation of the plans was successfully completed. The Environment of Care plan is carried out by one or two primary owners of each plan and the university-wide Environment of Care Committee. Methods used to routinely monitor the plans include inspections, drills, risk assessments and advice from subject matter experts. The EOC Committee is overseen by and provides reports to the Hospital Operations Group, Medical Executive Committee and the Quality Council.

Action: Recommend approval

Item 19. Medical Executive Committee minutes

The Medical Executive Committee minutes for April, May and June, 2006 were presented to the committee. These have been reviewed by appropriate internal committees.

Action: Received as information

Item 20. Medical Center Contracts and Agreements

The contracts and agreements entered into since the last Board meeting were presented for review.

Action: Received as information

There being no further business, the committee adjourned at 11:25 a.m.

Respectfully Submitted,

Teresa K. Rogers

**Medical University Hospital Authority
Physical Facilities Committee
August 10, 2006
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair
Dr. Stanley C. Baker, Jr.
Mr. Melvyn Berlinsky
Mr. William B. Hewitt
Dr. Donald R. Johnson, II
E. E. Conyers O'Bryan, Jr.
Dr. Thomas C. Rowland, Jr.
Mr. Charles W. Schulze
Thomas L. Stephenson, Esquire
The Honorable Robert M. Tallon, Jr.
Dr. Charles B. Thomas, Jr.
Dr. James E. Wiseman, Jr.
Mr. Hugh B. Faulkner III
Dr. Raymond S. Greenberg
Ms. Susan H. Barnhart
Dr. Frank Clark

Mr. John Cooper
Mr. Hal Currey
Dr. Jack Feussner
Mr. Dennis Frazier
Mr. Joe Good
Mr. Mike Keels
Ms. Sarah King
Mr. Chris Malanuk
Mr. John Malmrose
Ms. Casey Martin
Mr. Stewart Mixon
Ms. Lisa Montgomery
Ms. Jennifer Pearce
Dr. John Raymond
Dean John Sanders
Mr. Stuart Smith
Mr. Patrick Wamsley

Mr. William H. Bingham, Sr. called the meeting to order.

REGULAR Items

Item 21 Update on Projects

Mr. Dennis Frazier introduced the construction management team for Phase I of the new hospital. The team, BGKS was represented by Mr. Bill Wiseman, Southern Management; Mr. Tim Cullum, MB Kahn; and Mr. John Darnall with Brasfield Gorrie. The team provided an update on the new Central Energy Plant and the progress of Phase I of the new hospital with a review of its remaining hurdles, early completion benefits and project goals.

At the conclusion of the update, Mr. Frazier reported that the Board would also receive future updates on backfill planning as a result of the move to the hospital, as well as, the plan for the move.

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

Item 22 Other Committee Business

None

CONSENT Items for Information:

Item 23 Facilities Contracts Awarded

Recommendation of Committee: That the consent agenda items be approved.

With no further business, the meeting was adjourned.

**Report of President's Activities
Medical University of South Carolina
to Board of Trustees
August 11, 2006**

Since the May 18, 2006 meeting of the Board of Trustees, Dr. Greenberg's activities have been concentrated in the following areas:

1. Meetings with public officials:

- a. Secretary of Commerce Taylor – 6/7
- b. Centers of Excellence Review Board – 6/13
- c. Legislative dinner – 6/16
- d. Congressman Buyer – 7/14, 7/25
- e. Congressman Brown – 7/14
- f. VA Undersecretary for Health Perlin – 7/14
- g. Senator Graham's senior staff – 7/25
- h. Congressman Buyer's senior staff – 7/25
- i. Senator Hollings – 8/4
- j. Governor Richardson (NM) – 8/6
- k. Governor Romney (MA) – 8/7
- l. Senator Graham – 8/7

2. Media Interviews/Invited Public Presentations:

- a. American Legion – 7/10
- b. Interview, *The State* – 7/13
- c. Interview, *Charleston Business Journal* – 7/14, 8/9
- d. SC Commission on Higher Education – 8/2

3. Presentations to/Meetings with MUSC constituencies:

- a. University Budget Meeting – 5/30, 6/14
- b. President's Council – 5/31
- c. Commencement Committee Wrap-Up – 5/31
- d. MUSC Foundation Board – 6/7
- e. Board of Trustees Retreat – 6/22-23
- f. Farewell Reception, Dr. Allen Johnson – 6/28
- g. Vice Presidents – 8/2
- h. New Faculty Welcome – 8/7
- i. New Board Orientation – 8/9

4. Meetings with outside constituencies:

- a. Higher Education Task Force – 6/1, 6/8, 6/27, 8/1
- b. Hospital Design Team – 6/7
- c. Architects re Distance Education sites – 6/12
- d. Trident Urban League – 6/14
- e. Ayers Saint Gross – 6/19, 6/20, 7/10
- f. Accreditation Council on Pharmacy Education, Chicago – 6/24
- g. Siemens – 6/29
- h. CODM Architects – 7/10
- i. SCUREF Board – 7/11
- j. SCRA Board – 7/12
- k. Delegation from Suqian Hospital – 7/17
- l. Trident United Way – 7/17
- m. Cerner Corporation – 7/20-22
- n. McKesson Corporation Advisory Board – 7/27-29
- o. Architects, Drug Discovery Building – 8/2

5. Meetings with members of local and non-local medical community:

- a. Health Sciences South Carolina – 5/25, 6/27, 7/18
- b. Holly Hill – 6/28
- c. Gibbs Cancer Center, Spartanburg – 7/24

6. Meetings with donors:

- a. Development lunch – 5/30, 6/12, 6/14, 6/26, 8/8
- b. Development dinner – 5/26, 5/27, 6/1, 7/3, 7/10, 7/15, 8/5, 8/6
- c. Development phone call – 7/11, 7/24, 8/7, 8/8
- d. Development visit – 5/26, 5/27, 5/28, 5/31, 6/12, 8/3
- e. Alzheimer's Association – 7/13
- f. Storm Eye Institute Board reception – 8/7

7. Collaborative discussions:

- a. President Barker – 5/25, 6/26
- b. President Sorensen – 6/12, 8/2
- c. Fox Chase Cancer Center – 6/14
- d. The Hope Foundation – 6/16
- e. McKesson Corporation – 6/19, 7/14, 7/28, 7/29
- f. University Center, Greenville – 7/13
- g. VAMC/MUSC – 7/14
- h. Senator Hollings – 8/4

Medical University of South Carolina Accomplishments, 2005-2006

EDUCATION

- Began operating most advanced allied health education facility in the country within the renovated Charleston High School
- College of Nursing's "Racial and Ethnic Approaches to Community Health 2010" program won the 2006 Health Information Award
- Completed design and approvals to construct new James B. Edwards College of Dental Medicine Building
- Began development of campus-wide Teaching Academy
- Recruited Ms. Willette Burnham to direct the Office of Student Diversity
- Signed Memorandum of Understanding creating the South Carolina College of Pharmacy (SCCP)
- Established single online Pharmacy admissions process and selected first class for Fall 2006
- Approved new pharmacy curriculum and installed distance education equipment
- Accreditation Council for Pharmacy Education approved pre-candidate status for South Carolina College of Pharmacy

RESEARCH

- Obtained over \$189 million in extramural grant awards
- Recruited five endowed chairs through Centers of Economic Excellence program: Drug Discovery, Drs. Smith and Lemasters; Regenerative Medicine, Dr. Swaja; Neurosciences, Drs. Papolla and Aston-Jones

- Recruited Dr. Steve Lanier as Associate Provost for Research
- Continued planning for two new research buildings in Drug Discovery and Development, and Bioengineering/ Cancer Genomics
- Attained approval for new Centers of Economic Excellence in Molecular Proteomics in Cardiovascular Disease and Childhood Neurotherapeutics
- Planning grant for Clinical and Translational Science Award reviewed favorably at NIH

CLINICAL

- Continued ahead of schedule on construction of Phase I of replacement hospital
- Bariatric Surgery named Center of Excellence by American Society for Bariatric Surgery
- Cardiac Transplant Program ranked 1st in Southeast and 2nd in nation in one-year survival rates by Scientific Registry of Transplant Recipients
- SC Medically Fragile Children's Program recognized as a national model by the National Association of Children's Hospitals
- Opened new Hollings Cancer Center seven-story tower
- Studied and reported to Congress on collaboration with the VA Medical Center
- Began installation of the hospital digital clinical information systems
- Implemented outpatient electronic medical records system in 75% of all clinics
- Improved operating margin in hospital to \$28 million

GENERAL UNIVERSITY

- Approved redistribution of funds flow to address operational expenses
- Opened new 625-space parking garage
- Raised \$64 million in private support, setting another annual record
- Completed feasibility study and initiated the silent phase of a \$300 million, five-year MUSC Capital Campaign
- Increased total assets of MUSC Foundation by 8% to record level of \$238 million
- Renovated historic Colcock Hall and Anderson House

Medical University of South Carolina Goals, 2006-2007

EDUCATION

- Receive full reaffirmation from Southern Association of Colleges and Schools (SACS)
- Continue attracting/retaining talented, productive and diverse faculty, staff, students and residents
- Begin construction of James B. Edwards College of Dental Medicine
- Recruit new dean for College of Health Professions
- Renovate, equip, and open the Simulated Clinical Laboratory
- Achieve candidate status for accreditation of SC College of Pharmacy

RESEARCH

- Complete design of Drug Discovery and Development Building
- Begin design for Cancer Genomics/Bioengineering Building
- Implement Duke Endowment grant to Health Sciences South Carolina
- Secure funding for additional Centers of Economic Excellence
- Establish “light rail” data transmission capacity for Health Sciences South Carolina
- Exceed \$190 million in extramural grant funds

- Continue preparation for Clinical and Translational Science Award submission

CLINICAL

- Complete construction of Phase I new hospital and launch operations
- Implement hospital digital clinical information systems
- Complete implementation of outpatient electronic medical record
- Continue planning/financing of Phase II of new hospital
- Continue to pursue joint facility model with VA Medical Center
- Recruit new Digestive Disease Center Director
- Create three service lines and implement service line management
- Expand physician work force by 15-30 MDs
- Continue to improve operating financial margin

GENERAL UNIVERSITY

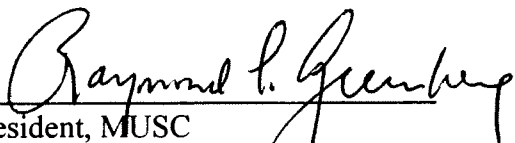
- Successfully launch \$300 million, five-year, institution-wide Capital Campaign
- Continue addressing residual account deficits
- Continue addressing deferred maintenance
- Increase MUSC Foundation total assets to more than \$250 million
- Transition computer support personnel into an MUSC-affiliated organization
- Open pilot University Childcare project
- Establish MUSC campus as smoke-free
- Begin construction of new hospital garage
- Continue to maintain positive operating margin

MEDICAL UNIVERSITY OF SOUTH CAROLINA
Medical University Hospital Authority
College of Medicine


Institutional Commitment to Graduate Medical Education

Medical education is a major component of the mission of the Medical University of South Carolina, the Medical University Hospital Authority and the College of Medicine. The Board of Trustees, the President of MUSC and the administrators, faculty and staff are committed to provide graduate medical education using the financial, educational and personnel resources necessary to ensure the highest quality programs. These graduate medical education programs will further our mission of educating future physicians for the State of South Carolina while providing the highest quality care for our patients. We pledge to emphasize coordinated care with community physicians and to take advantage of cooperative opportunities to work with other institutions to fulfill mutual educational objectives.


We commit ourselves to provide graduate medical education programs that enable physicians in training to develop personal, clinical and professional competence under the guidance and supervision of the faculty and staff. The program directors will assure that patients receive safe, appropriate and humane care by resident physicians who will gradually assume responsibility for patient care based upon each trainee's demonstrated clinical competence. We further commit to conduct these programs in compliance with the institutional and specific requirements of the ACGME, the JCAHO and in accordance with all applicable federal and state laws and regulations. As a major research institution, MUSC will encourage residents to participate in a wide range of scholarly activities including research and publications.



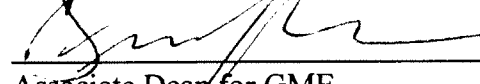
President, MUSC



CEO, Medical University Hospital Authority



Dean, MUSC College of Medicine



Associate Dean for GME
ACGME Designated Institutional Official for GME

Date July 1, 2006

**THE MEDICAL UNIVERSITY OF SOUTH
CAROLINA**

Witness

Date

BY: _____
LISA P. MONTGOMERY
ITS: VICE PRESIDENT FOR FINANCE
AND ADMINISTRATION
FAX: (843) 792-1097
171 ASHLEY AVENUE
CHARLESTON, SC 29425

**THE MEDICAL UNIVERSITY HOSPITAL
AUTHORITY**

Witness

Date

BY: _____
W. STUART SMITH
ITS: EXECUTIVE DIRECTOR AND VICE
PRESIDENT FOR CLINICAL
OPERATIONS
FAX: (843) 792-6682
169 ASHLEY AVENUE
CHARLESTON, SC 29425

**2006 AMENDED
APPENDIX A
CURRENT LOCATIONS OF AMBULATORY
PATIENT CARE AND CLINICAL
EDUCATION SERVICES**

PROVIDED BY MUSC:

Hollings Cancer Center
86 Jonathan Lucas Street

Multi-disciplinary: Breast, Thoracic, Head & Neck
Oncology, Surgical Oncology,
Hematology, Bone Marrow
Transplant, Bone Marrow
Infusion/Chemo

Storm Eye Institute

1st Floor: General Adult, Pediatrics
2nd Floor: Adult Specialty Clinic
4th Floor: Adult Specialty Clinic

Family Medicine Center
295 Calhoun Street

Department of Family Medicine

Gazes/Strom Thurmond Building
114 Doughty Street

Cardiac Rehabilitation, Executive Health Program

LEASED FROM OUTSIDE PARTIES:

East Cooper Medical Arts Center
Hollings Infusion Suite
1201 Johnnie Dodds Blvd
Mt. Pleasant, SC 29464

3rd Floor: Infusion Services

McClennan-Banks
Ambulatory Care Center
326 Calhoun Street

1st Floor: Medical Subspecialties – Cardiology,
Orthopedics, & UnnaBoot Clinic

LEASED FROM HEALTH SCIENCE FOUNDATION:

135 Cannon Street

Prenatal Wellness Diagnostic Center
Women's Health Services: OB/GYN, Colposcopy, Family
Planning, Infertility, Ultrasound

Rutledge Tower
135 Rutledge Avenue

1st Floor: Pediatric OPAC, Pediatric Infectious Disease, Pediatric Orthopedics, Pediatric Neurology, Pediatric Nephrology, Pediatric Sickle Cell
2nd Floor: ENT Center (Peds & Adult), Neurology, PM&R, Seizure
3rd Floor: Pediatric Clinics: Endocrinology, Day Treatment/Transfusion, Genetics, Pediatric Psychiatry, Developmental Pediatrics/Psychology, Pediatric Primary Care
4th Floor: High Risk Neonatology, Urology, Gastroenterology, Pulmonary/Cystic Fibrosis, Neurosurgery, Spina Bifida, Adolescent Medicine, Allergy & Asthma, Infectious Diseases, Craniofacial, Oncology/Hematology, Brain Tumor, Spasticity, Surgery/Burn
5th Floor: Rheumatology, Pulmonary, Urology, Asthma & Allergy Treatment Center
6th Floor: Cardiology/Vascular, Cardiothoracic Hypertension, Prosthetic Clinic
7th Floor: Infectious Disease, Surgery, Burn & Trauma, Adult Orthopedics, Diabetes (IDEAL), Endocrinology, Podiatry, Cholesterol Clinic
8th Floor: University Internal Medicine
9th Floor: Pain Management, Neurosurgery, Spine, PM&R, Transplant, Nephrology, Anemia Clinic, ALS
10th Floor: Dermatologic Surgery, Dermatology, Maxillofacial Prosthodontics, Facial, Plastic, Reconstructive Surgery

LEASED FROM OUTSIDE PARTIES: NON-CLINICAL

1 Rutledge Avenue

Centralized Regional Scheduling, Training & Financial Counseling, Pre-Certification Unit

136 Rutledge Avenue

Ambulatory Care Administration, Facilities Management, Information Systems

APPENDIX B
 AMBULATORY CARE MANAGEMENT BUDGET
 FISCAL YEAR 2007

	Management Team Expenses	Rutledge Tower Infrastructure	Ambulatory Care Total
Ambulatory Care Educational Agreement	1,873,660	6,126,340	8,000,000
Total Revenue	<u>1,873,660</u>	<u>6,126,340</u>	<u>8,000,000</u>
Staff Salaries	1,400,089	0	1,400,089
Faculty Salaries	68,288	0	68,288
Payroll Taxes	104,208	0	104,208
Staff Fringe Benefits		0	0
Pension / Staff	159,588	0	159,588
Pension / Faculty	6,595	0	6,595
Salary Reimbursement		404,250	404,250
Amortization-Leasehold Improvements		740,000	740,000
Amortization-Bond Issuance Costs		112,875	112,875
Repairs & Maintenance-Other		12,500	12,500
Depreciation-Building & Equipment		293,000	293,000
Depreciation-Contributed Equipment		240,000	240,000
Data Processing		512,956	512,956
Insurance/ General		84,709	84,709
Insurance / Work Comp	5,580	0	5,580
Insurance / Group Life	6,202	0	6,202
Insurance/ Group Health	108,881	0	108,881
Insurance / Disability	14,230	0	14,230
Professional Liability Insurance		0	0
Office Rental		582,550	582,550
Parking Fees		1,000	1,000
Bank Charges		75,000	75,000
Interest Expense		2,825,000	2,825,000
Miscellaneous		225,000	225,000
Taxes & Licenses		17,500	17,500
Total Expenditures	<u>1,873,660</u>	<u>6,126,340</u>	<u>8,000,000</u>

MUSC Medical Center
Medical Staff Bylaws
Proposed Revisions
August 2006

Article VI- Temporary & Disaster Privileges

Linked to Disaster Privileging Policy (C-35)
Identified Department Chair as responsible individual for monitoring performance of volunteer physicians with Disaster Privileges

Article VIII- Responsibility of Membership

Be willing to speak with patients when hospitalized patients wish to contact them about their medical care in accordance with the South Carolina Lewis Blackman Hospital Patient Safety Act

Article VI- Active Category

Linked to Resident Supervision Policy

Article VII- Committee

Changed membership to include Associate Dean, Clinical Affairs
Changed voting schedule for MEC membership to eliminate schedule conflict

Medical Staff Rules & Regulations
Proposed Revisions
August 2006

History and Physical Requirements

When using an H & P that was performed prior to admission or the outpatient procedure, an update to the H&P must be completed within 24 hours for inpatients and prior to the outpatient procedure. This includes intra campus admissions from the Medical Center. (i.e., TCU, IOP.) For all outpatient surgeries and other procedures requiring an H&P the update may be completed in combination with the preanesthesia assessment.

Operative and other procedure documentation requirement

Immediately after the operation/procedure a progress note will be written and promptly signed by the primary physician/surgeon (this applies to both inpatients and outpatients). This progress note is considered an abbreviated report and will include the pre-operative procedure/diagnosis, the name of the primary physician/surgeon and assistants, findings, procedure performed and a description of the procedure,

estimated blood loss, as indicated any specimens/tissues removed, and the postoperative/procedure diagnosis.

For all patients (both inpatient and outpatient) the full operative/procedure report shall be written or dictated and signed by the primary physician/surgeon and entered into the medical record no later than 28 days from the completion of completion of operation/procedure.

Verbal Orders

Time frame changed from 72 hours to 48 hours as dictated by DHEC,
Other change made to mirror Medication Administration Policy C-67

Emergency Department

Deleted requirement that required follow-up to include one clinic visit.

Moderate Sedation

Moderate sedation will be administered under the immediate direct supervision of a physician, dentist, or other (deleted LIP) practitioner who is clinically privileged to perform moderate sedation

Patient Safety

All members of the medical staff are required to follow all guidelines/policies related the National Patient Safety Goals and other patient safety initiatives.

House Staff/Resident Physicians

Linked this to Resident Supervision Policy, C-74

A RESOLUTION

AUTHORIZING THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY
TO INCUR CERTAIN SHORT-TERM INDEBTEDNESS.

WHEREAS, Act No. 264 enacted at the 2000 session of the General Assembly of the State of South Carolina and approved by the Governor of South Carolina on May 1, 2000 ("Act No. 264") provides that the Board of Trustees of the Medical University, upon adoption of an implementing resolution, becomes the Board of Trustees of the Medical University Hospital Authority (the "Authority"), an agency of the State of South Carolina; and

WHEREAS, by resolution adopted by the Board of Trustees of the Medical University on June 16, 2000, the Board of Trustees of the Medical University implemented the provisions of Act No. 264 by, among other things, establishing the Authority and designating the facilities to be included in the "hospital" for purposes of Act No. 264 (the "Hospital"); and

WHEREAS, "A RESOLUTION AUTHORIZING THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY TO INCUR CERTAIN SHORT-TERM INDEBTEDNESS" was adopted by the Authority on May 19, 2005, requesting State Budget and Control Board (the "State Board") approval which was granted by resolution of the State Board on June 14, 2005; and

WHEREAS, the revenue anticipation notes approved under the Resolutions of the Authority and State Board were not issued; and

WHEREAS, the Board of Trustees of the Medical University Hospital Authority wishes to make provision for short-term indebtedness of the Authority by issuing revenue anticipation notes in an aggregate principal amount not exceeding \$22,400,000 for a term not exceeding six (6) months for operation of the Hospital; and

WHEREAS, the Authority is authorized under Act No. 264 to issue revenue anticipation notes; provided that, such notes shall have a maturity of not exceeding six (6) months from date of issuance; and do not exceed, in the aggregate, ten percent (10%) of the net patient service revenue for the fiscal year preceding the fiscal year in which such obligations are issued; and

WHEREAS, the audited financial statements of The Medical University of South Carolina for the fiscal year ended June 30, 2005, reflect net patient service revenues of \$624,942,225; and

WHEREAS, the Authority is also subject to the terms of that certain Trust Indenture dated as of December 1, 2004 (the "Indenture") between the Authority and The Bank of New York, as trustee; and

WHEREAS, pursuant to Section 637 of the Indenture, the Authority may only incur Indebtedness (as defined in the Indenture) on such terms and conditions as shall be approved by FHA (as defined in the Indenture); and

WHEREAS, FHA has approved the short-term indebtedness in an aggregate principal amount not exceeding \$22,400,000 as described in this Resolution.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
MEDICAL UNIVERSITY HOSPITAL AUTHORITY IN MEETING DULY ASSEMBLED:

1. The Board of Trustees of the Authority hereby approves the incurring of short-term indebtedness by means of the issuance of revenue anticipation notes of the Authority in an aggregate principal amount not exceeding \$22,400,000 for a term not exceeding six (6) months.

2. The President of the Authority is hereby authorized to execute and deliver such documents (the form of which shall be approved by the State Treasurer of South Carolina) as shall be necessary to evidence such short-term indebtedness.

3. The President is authorized to negotiate, execute and deliver such documents as are necessary for a renewal of the foregoing short-term indebtedness for a period not to exceed an additional six (6) months (the form of which shall be approved by the State Treasurer of South Carolina).

I, the undersigned, being the duly qualified Secretary of the Medical University Hospital Authority (the "Authority") do hereby certify that the attached Resolution is a true, correct, and verbatim copy of "A RESOLUTION AUTHORIZING THE MEDICAL UNIVERSITY HOSPITAL AUTHORITY TO INCUR CERTAIN SHORT-TERM INDEBTEDNESS" adopted by the Authority at a meeting duly called and held on August 10, 2006, at which a quorum was present and acting throughout.

IN WITNESS WHEREOF, I have hereunto set my hand for delivery on the ____ day of _____ 2006.

Secretary, Medical University Hospital Authority

Phase One Hospital Replacement Project

Major Medical Equipment for State Lease Program

<u>Component/Function:</u>	<u>Amount</u>
Diagnostic Imaging	
Nuclear Medicine (3 Spec-CTs)	\$ 3,022,890
Magnetic Resonance Imaging (1.5 Tesla)	\$ 1,514,915
Computerized Tomography (2 Diagnostic, 1 Interventional)	\$ 2,802,558
General Radiography	\$ 1,127,096
Other (Ultrasound and Mobile Systems)	\$ 702,139
 Booms & Lights	
9 Operating Rooms, 9 Interv. Cardiology & Radiology Labs, Chest Pain Center & 32 ICU Rooms	\$ 2,708,660
 Digestive Disease Center	
2 ERCP Procedure Rooms (Floursocopy)	\$ 650,005
Endoscopy Suite Booms	\$ 411,000
 Interventional Labs & Control Rooms	
3 Electrophysiology Labs, 4 Cath Labs, 2 Interv. Radiology Labs	\$ 7,732,470
 Other Supporting Equipment	
Sterile Processing, Scrub Sinks, & Dialysis	\$ 1,137,753
<hr/>	
Total	\$ 21,809,486