

MINUTES

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

May 15, 2008

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

101 Colcock Hall
Medical University of South Carolina
Charleston, South Carolina

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
May 15, 2008

The Board of Trustees of the Medical University Hospital Authority convened Thursday, May 15, 2008, with the following members present: Dr. Charles B. Thomas, Jr., Chairman; Thomas L. Stephenson, Esquire, Vice Chairman; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Dr. Cotesworth P. Fishburne, Jr.; Dr. Donald R. Johnson II; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin Tallon; Dr. James E. Wiseman, Jr.; Absent: Mr. William B. Hewitt.

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

The following deans were present: Dr. John Sanders, College of Dental Medicine; Dr. Mark Sothmann, College of Health Professions; Dr. Gail Stuart, College of Nursing; Dr. Perry Halushka, College of Graduate Studies; Dr. Arnold Karig, College of Pharmacy and Dr. Joseph DiPiro, South Carolina College of Pharmacy.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Thomas 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, August 8, 2008. Committee Meetings will be held Thursday, August 7, 2008.

A Retreat will be held June 19 and 20, 2008 in Charleston, SC.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of April 11, 2008.

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 asked Dr. Langdon Hartsock, Chairman of the Department of Orthopedics to introduce Dr. Richard Henry Gross, a tenured professor in

Duke University and has been at MUSC for twenty-two years. He was previously at the University of Oklahoma, Harvard and the University of Florida. During his time at MUSC, he has served with distinction as an orthopaedic surgeon and has received numerous awards for his teaching and service. Dr. Gross provided an overview and update on Pediatric Orthopaedics at the University.

At the conclusion of his presentation, Dr. Donald Johnson asked Dr. Gross what the greatest needs of the pediatric orthopaedic department are. Dr. Gross said, at present, the department is located on the first floor of Rutledge Tower; however, there have been discussions about moving the department to another floor. This move would require the children, many of whom are in wheelchairs, to ride the elevators. He said that is a major concern for him and he requested that the department remain on the first floor.

Dr. Charles Thomas commented that he knows Dr. Gross very well and taught Dr. Johnson and Dr. Thomas. He is a teacher and educator in the finest sense of the word. He is always passionate about what he does and the University could use about 600 more like Dick Gross at the University. He thanked Dr. Gross for his twenty-two years of service to the institution.

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

Board Action: Received as information.

Item 5. Other Business. None.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS AND FINANCE COMMITTEE.
CHAIRMAN: DR. STANLEY C. BAKER, JR.**

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. MUSC Medical Center Status Report.

Statement: Mr. Stuart Smith said the Ashley River Tower (ART) was opened in early February and reported on the three months' data. The facility opened with 100 beds and now 120 are open. The projections are to have 140 beds open by the end of May. In addition, the main hospital has opened an additional 6 beds in the ICU and 10 in the med surg unit. In October another 23 beds will be added. The hospital is building capacity that has been needed for a long time. Census for the current month is at 520 which is a 5% increase over the previous three quarters reflecting the pent-up demand for beds. This is critically important from a financial standpoint as the financial demands of the overhead of a new facility are brought on line.

He reported on the MUSC Excellence Pillars and the progress being made toward meeting the pillar goals. The lead pillar goal is patient satisfaction and he was pleased to report the goal targeted of 75% had been exceeded through a month and a half of the last quarter. He stated that is a result of the new facility and the techniques which continue to be implemented as part of the Studer program.

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

Board Action: Received as information.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Ms. Montgomery was pleased to report that through March, the hospital was ahead of budget in terms of its net income. As beds are being opened as quickly as possible comes the staff expense associated with that effort. As a result, it is doubtful that there will be much of a positive variance at year end but it is expected that the Authority will come in on budget which is projected to be about \$5 million in net income. The cash position as of the end of March was \$22 million or 11 days of operating cash on hand. Ms. Montgomery reminded the Board that the Authority is still owed approximately \$10 million from Medicaid as a result of the changed reimbursement methodology. Some reserve accounts remain that hopefully will come back to the Authority by the summer and, hopefully, by the fall the Board will be given a true cost certification for the Ashley River Tower, as HUD requires. There remain some claims that are still being settled and, also by this fall, that will be reported to the Board. The hospital is in good shape and cash is being closely monitored.

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

Board Action: Received as information.

Item 8. Report on Quality.

Statement: Dr. Baker said there would be no report from Dr. Cawley.

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

Board Action: Received as information.

Item 9. Report on University Medical Associates.

Statement: Dr. Baker asked for a report from Dr. Feussner. Dr. Feussner reported on outreach activity since the meeting in April. The Department of Ophthalmology wishes to collaborate with Dr. Bishop on placing a pediatric ophthalmologist who would see patients 1-2 times per month in Hardeeville. Anticipated net income for the year from the operation would be approximately \$60,000. Request as follows:

Department of Ophthalmology Hilton Head/Hardeeville Outreach

- **Pediatric Ophthalmologist**
 - **Dr. Bishop, former MUSC resident, has office capacity & requests onsite pediatric specialist**
 - **Department is now recruiting a pediatric ophthalmologist**
 - **Would like to see patients 1-2X/month in Hardeeville**
 - **Pays \$400/day to cover personnel & supply costs**
 - **All surgeries brought back to MUSC**

- All patients registered via IDX
- Anticipate \$60,000 net income for year one

Recommendation of Administration: That the outreach activity be approved.

Board Action: A motion was made to approve Department of Ophthalmology's Hilton Head/Hardeeville Outreach initiative. The motion was seconded, voted on and unanimously carried.

Item 10. Legislative Update.

Statement: Mr. Faulkner informed the Board regarding the current status of the '09 State budget highlighting the Cigarette Tax, below-the-line funding and the endowed chair funding. Dr. Greenberg commented that the cut to the core University appropriation, which applies to all higher education, is still around 2.5% which translates to \$2.5 to \$3 million in cuts to the University.

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

Board Action: Received as information.

Item 11. Other Committee Business. None.

Item 12. 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.

Board Action: It was 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 13. Medical Executive Committee Minutes (consent item).

Statement: Minutes of the Medical Executive Committee meeting of March 2008 were presented to the Board.

Recommendation of Administration: That this be received as information.

Board Action: Received as information.

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY PHYSICAL FACILITIES COMMITTEE.
CHAIRMAN: MR. WILLIAM H. BINGHAM, SR.**

OLD BUSINESS: None

NEW BUSINESS:

Item 14. Facilities Procurements/Contracts Proposed.

Statement: Mr. Dennis Frazier presented the following for approval:

- New lease for 3,300 square feet of clinical space located at 1253 Savannah Highway in the West Ashley area for Forensic Psychiatry. Total cost of seven year lease: \$439,395.
- New lease for 1,300 square feet of office space located at 29 Leinbach Drive, Building D for office space for the National Crimes Victim Center. Total cost of five year lease: \$106,979.09.
- New lease for 8,226 square feet of office space located at 162 Ashley Avenue for the Transplant Center's administrative operations. Total cost of five year lease: \$1,066,012.90.

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

Board Action: A motion was made, seconded and unanimously voted to approve the procurements/contracts as presented.

Item 15. Update on Projects.

Statement: Mr. Frazier stated there is no update on projects to be presented.

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

Board Action: Received as information.

Item 16. Other Committee Business. None

Item 17. 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.

Board Action: Received as information.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 18. 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.

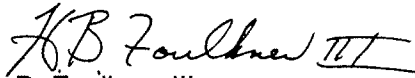
Board Action: It was moved, seconded and unanimously voted that the consent agenda be approved.

Item 19. New Business for the Board of Trustees.

Item 20. Report from the Chairman. None

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

Respectfully submitted,



Hugh B. Faulkner III
Secretary

/wcj
Attachments

New Outreach Initiatives

Department of Ophthalmology

Hilton Head/Hardeeville Outreach

- **Pediatric Ophthalmologist**
 - **Dr. Bishop, former MUSC resident, has office capacity & requests onsite pediatric specialist**
 - **Department is now recruiting a pediatric ophthalmologist**
 - **Would like to see patients 1-2X/month in Hardeeville**
 - **Pays \$400/day to cover personnel & supply costs**
 - **All surgeries brought back to MUSC**
 - **All patients registered via IDX**
- **Anticipate \$60,000 net income for year one**



MUSC - Board of Trustees
Credentials Report

May 16, 2008

The Medical Executive Committee has reviewed the following applicants for appointment / reappointment / change in privileges on 16 April 2008 and recommends approval by the Medical Executive Committee.

Status Legend: AC=Active; PA=Prov. Active; AF=Affiliate; PF=Prov. Affiliate; AFC=Affiliate [CFC]; PAFC=Prov. Affiliate [CFC];
 AH=Allied Health; PH=Prov. Allied Health; HE=Allied Health [External]; PE= Prov. Allied Health [External]
 SB=Sabbatical; AD=Administrative

APPLICANTS FOR APPOINTMENT

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>
Beckham, Patricia	CRNA	PH	ANES		4/9/2008	4/16/2008	5/16/2008
Cianfoni, Alessandro	MD	PA	RADI		4/9/2008	4/16/2008	5/16/2008
Clark, Suzanne	FNP-C	PH	ANES		4/9/2008	4/16/2008	5/16/2008
Durst, Jr., George	MD	PA	FAMP		4/9/2008	4/16/2008	5/16/2008
Durst, Kay	MD	PA	FAMP		4/9/2008	4/16/2008	5/16/2008
Iloka, Ucechi	MD	PA	MEDI	IMED	4/9/2008	4/16/2008	5/16/2008
Jauch, Edward	MD	PA	MEDI	EMER	4/9/2008	4/16/2008	5/16/2008
Law, Tameeka	MD	PA	OBGY		4/9/2008	4/16/2008	5/16/2008
Lazenby, Gweneth	MD	PA	OBGY		4/9/2008	4/16/2008	5/16/2008
Makley, Colleen	PA-C	PH	FAMP		4/9/2008	4/16/2008	5/16/2008
Manfred, Lynn	MD	PA	MEDI	IMED	4/9/2008	4/16/2008	5/16/2008
Marshall, Jennifer	PA-C	PH	NSCI	NSUR	4/9/2008	4/16/2008	5/16/2008
Mohyuddin, Nadia	MD	PA	OTOL		4/9/2008	4/16/2008	5/16/2008
Nozaki, Kenkichi	PhD	PH	NSCI	NEUR	4/9/2008	4/16/2008	5/16/2008
Ramberan, Hemchand	MD	PA	MEDI	GAST	4/9/2008	4/16/2008	5/16/2008
Russell, W. Scott	MD	PA	PEDI	PEMG	4/9/2008	4/16/2008	5/16/2008
Rutledge, Rochelle	MD	PA	FAMP		4/9/2008	4/16/2008	5/16/2008
Sas, David	MD	PA	PEDI	PNEP	4/9/2008	4/16/2008	5/16/2008
Scimeca, Tyler	MD	PA	RADI		4/9/2008	4/16/2008	5/16/2008
Shirai, Keisuke	MD	PA	MEDI	HEMA	4/9/2008	4/16/2008	5/16/2008
Vela, Stacie	MD	PA	MEDI	GAST	4/9/2008	4/16/2008	5/16/2008
Weinstein, Mitchell	MD	PA	ANES		4/9/2008	4/16/2008	5/16/2008

APPLICANTS FOR REAPPOINTMENT

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>
Johnson, George	MD	AC	PEDI	PINF	4/9/2008	4/16/2008	5/16/2008

MEDICAL STAFF/ALLIED HEALTH PROFESSIONALS - Increase/Decrease/Change in Privileges

<u>Practitioner Name</u>	<u>Degree</u>	<u>Status</u>	<u>Dept</u>	<u>Div</u>	<u>CC</u>	<u>MEC</u>	<u>BOT</u>
Cormack, Carrie	PNP-C	AH	ORTH		4/9/2008	4/16/2008	5/16/2008
Change in Protocol owing to change in Supervising physicians							
Curry, Michelle	MD	PA	MEDI	EMER	4/9/2008	4/16/2008	5/16/2008
Additional privilege of Moderate Sedation							
Franklin, Lynette	APRN-C	AH	URO		4/9/2008	4/16/2008	5/16/2008
Change in Protocol owing to change in Supervising physicians							
Glover, Neil	MD	PA	MEDI	EMER	4/9/2008	4/16/2008	5/16/2008
Additional privilege of Moderate Sedation							
Pollehn, Thomas	MD	PA	MEDI	EMER	4/9/2008	4/16/2008	5/16/2008
Additional privilege of Moderate Sedation							
Watson, Simon	MD	PA	MEDI	EMER	4/9/2008	4/16/2008	5/16/2008
Additional privilege of Moderate Sedation							

**FACILITIES
HOSPITAL AUTHORITY
NEW LEASE
FOR APPROVAL**

MAY 15, 2008

DESCRIPTION OF NEW LEASE: This lease is for 8,226 square feet of office space located at 162 Ashley Avenue, to house the Transplant Center's administrative operations. The per square foot rate for the initial year of this lease is \$25.00. The monthly rental rate will be \$17,137.50, resulting in an annual rent amount of \$205,650.00. Rent will increase 3% annually starting year three. The Center currently resides at 158 and 160 Rutledge Avenue. These properties have been sold and will be occupied by the new owner.

NEW LEASE AGREEMENT X
RENEWAL LEASE AGREEMENT

LANDLORD: NAI Batten & Moore, LLC

LANDLORD CONTACT: Kit Regnery, 576-0120

TENANT NAME AND CONTACT: Transplant Center, Kim Phillips, Administrator,
792-0280

SOURCE OF FUNDS: Hospital General Operating Funds

LEASE TERMS:

LEASE TERM:	Five (5) years
COST PER SQUARE FOOT:	\$25.00
ANNUALIZED LEASE COST:	
Year 1	\$205,650.00
Year 2	\$205,650.00
Year 3	\$211,819.50
Year 4	\$218,174.09
Year 5	\$224,719.31
TOTAL COST OF LEASE:	\$1,066,012.90

EXTENDED TERM(S): N/A

TOTAL COST OF EXTENDED TERM: N/A

OPERATING COSTS:

FULL SERVICE
NET X

**FACILITIES
HOSPITAL AUTHORITY
NEW LEASE
FOR APPROVAL**

MAY 15, 2008

DESCRIPTION OF NEW LEASE: This lease is for 1,300 square feet of office space located at 29 Leinbach Drive, Building D. The purpose of this lease is to provide office space for personnel to support all clinical operations. This group needs to relocate from the 2nd floor of the Psychiatric Institute (2 South) in order for construction to begin for the National Crimes Victim Center. The per square foot rate for this new lease is \$15.50. The monthly rental rate will be \$1,679.17 (rounded), resulting in an annual rent amount of \$20,150.00 for the first year. Rent will increase annually 3%.

NEW LEASE AGREEMENT X
RENEWAL LEASE AGREEMENT

LANDLORD: Brilliant-Estes Associates

LANDLORD CONTACT: John Hassell, 224-1239

TENANT NAME AND CONTACT: Hospital Psychiatry, Howard Helmly, Facilities Manager, 792-0713

SOURCE OF FUNDS: Hospital General Operating Funds

LEASE TERMS:

TERM: Five (5) years
COST PER SQUARE FOOT: \$15.50
ANNUALIZED LEASE COST:
 Year 1 \$20,150.00
 Year 2 \$20,754.50
 Year 3 \$21,377.14
 Year 4 \$22,018.45
 Year 5 \$22,679.00
TOTAL COST OF LEASE: \$106,979.09

EXTENDED TERM(S): One (1) term, five (5) years, rate to be negotiated

OPERATING COSTS:

FULL SERVICE
NET X (taxes and insurance are included)

**FACILITIES
HOSPITAL AUTHORITY
NEW LEASE
FOR APPROVAL**

MAY 15, 2008

DESCRIPTION OF NEW LEASE: This lease is for 3,300 square feet of clinical space located at 1253 Savannah Highway in West Ashley. The purpose of this lease is to provide clinical space for Forensic Psychiatry. This group needs to relocate from the Institute of Psychiatry Annex to a more accessible area with ready access for law enforcements and to free up existing space for residency education purposes. The per square foot rate for this new lease is \$17.50. The monthly rental rate will be \$4,812.50, resulting in an annual rent amount of \$57,750.00 for the first year. Rent will increase annually 3%.

Included in the annual rent amount are renovation costs (\$25,253.20) that are amortized throughout the initial lease term.

NEW LEASE AGREEMENT X
RENEWAL LEASE AGREEMENT

LANDLORD: Brilliant-Estes Associates

LANDLORD CONTACT: John Hassell, 224-1239

TENANT NAME AND CONTACT: Hospital Forensic Psychiatry, Howard Helmly,
Facilities Manager, 792-0713

SOURCE OF FUNDS: Hospital General Operating Funds

LEASE TERMS:

TERM: Seven (7) years

COST PER SQUARE FOOT: \$17.50

ANNUALIZED LEASE COST:

Year 1 \$57,750.00

Year 2 \$59,334.00

Year 3 \$60,984.00

Year 4 \$62,667.00

Year 5 \$64,416.00

Year 6 \$66,198.00

Year 7 \$68,046.00

TOTAL COST OF LEASE: \$439,395.00

EXTENDED TERM(S): One (1) term, seven (7) years, rate to be negotiated

OPERATING COSTS:

FULL SERVICE

NET X (taxes and insurance are included)