



MINUTES

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

October 7, 2005

It Is Understood That The Minutes Herein Recorded Have Not As
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119 & 121 Education Center/Library Building
Medical University of South Carolina
Charleston, South Carolina

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
October 7, 2005

The Board of Trustees of the Medical University Hospital Authority convened Friday, October 7, 2005, with the following members present: Dr. Donald R. Johnson II, Chairman; Mr. Charles L. Appleby, Jr.; Dr. Stanley C. Baker, Jr.; Mr. Melvyn Berlinsky; Mr. William H. Bingham, Sr.; Dr. E. Conyers O'Bryan, Jr.; Dr. Paula E. Orr; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; Mr. Thomas L. Stephenson, Esquire; Dr. Charles B. Thomas, Jr.; and Dr. James E. Wiseman, Jr., Mr. Hugh B. Faulkner, III.

Absent from the meeting were: Dr. Cotesworth P. Fishburne, Jr., Vice Chairman; 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; 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; Mr. Jim Fisher, Vice President for Development.

The following deans were present: Dr. Mark Barry, representing the College of Dental Medicine; Dr. Perry Halushka, College of Graduate Studies; Dr. Danielle Ripich, 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 at 8:00 a.m. 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, December 9, 2005. Committee meetings will be held Thursday, December 8, 2005.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of August 12, 2005.

Board Action: It was moved, seconded and unanimously voted that the Minutes be approved as written.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

OLD BUSINESS: None.

NEW BUSINESS:

Item 4. General Informational Report of the President.

Dr. Greenberg informed the Board that the hospital and clinical enterprise received the National Research Council Consumers Choice Award based on hospital telephone surveys of consumers in leading market places in the country. MUHA has

won the award every year since the award was established. He congratulated Stuart Smith and the entire clinical faculty for continuing to maintain the high esteem of the population with regard to quality of care.

Dr. Arthur Crumbley provided a report on the University's heart transplantation program which has been recognized for having extraordinary outcomes. Over the last 18 years, MUSC has developed a program with consistent superior results. The survival and waiting list times are among top programs nationally and lead the Southeast. Dr. Crumbley recognized Dr. Van Bakel for his work in helping MUSC achieve these good results. Dr. Greenberg thanked Dr. Crawford for his leadership in getting the program established and putting together such an excellent team.

Dr. Raymond presented Dr. Carolyn Reed, the former director of the Hollings Cancer Center, an internationally recognized thoracic surgeon and Chair of the American Board of Thoracic surgeons. Dr. Reed presented information on the Center of Excellence in GI Malignancy and its importance in providing healthcare and a positive economic impact to the State. Dr. Greenberg thanked Dr. Reed for her groundbreaking work on the collaborative effort and congratulated her on her recent election as Chair of the American Board of Thoracic Surgeons.

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

Board Action: Received as information.

Item 5. Other Business. None.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY AUDIT COMMITTEE. CHAIRMAN: Thomas L. Stephenson, Esquire. (Detailed committee minutes are attached to these minutes).

Item 6. Election of Chairperson. It was reported that Thomas L. Stephenson, Esquire, was elected Chair of the Authority Audit Committee.

Board Action: Received as information.

Item 7. MUHA External Audit Status Report. Mr. Stephenson stated that the Committee had received a preliminary audit report and that there was nothing outstanding to report. The final report would be received at the December meeting.

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 8. Report of the General Counsel. No report.

Item 9. Other Committee Business. Mr. Stephenson recommended merging the two Audit Committee agendas into one agenda for MUSC/MUHA.

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 10. MUSC Medical Center Status Report.

Statement: Mr. Stuart Smith presented the MUSC Medical Center Status Report. His report included statistical data and recognitions received by the Medical Center. He reported Mr. Dave Bennett had given an update to the Committee on Web Management and the GetWell Network.

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 11. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker reported that Ms. Montgomery had provided a financial update to the 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 12. MUSC Medical Center Major Purchases in Excess of \$250,000.

Statement: The following major purchase was presented for approval:

- The Studer Group, which specializes in hospital management education and training, will be engaged to provide hands-on direction and tools which will enable the Medical Center to achieve targeted goals of excellence in service and operational practices; Estimated Total of \$1.5 million over 3 years.

Recommendation of Administration: That the major purchase be approved.

Recommendation of Committee: That the major purchase be approved.

Board Action: Dr. Baker moved that the major purchase be approved. The motion was seconded, voted on and carried.

Item 13. Revision of Medical Center Expenditure Authority Policy.

Statement: An amendment to the Medical Center Expenditure Authority Policy to reflect a variance allowance for flexibility in capital equipment purchases was presented. The revision stipulates that administration must seek additional approval for capital purchases, prior to expending funds, if they exceed by 10% or \$250,000, whichever is less, the line item amount approved in the Capital Budget.

Recommendation of Administration: That the revised Medical Center Expenditure Authority Policy be approved as modified.

Recommendation of Committee: That the revised Medical Center Expenditure Authority Policy be approved as modified.

Board Action: Dr. Baker moved that the revised Medical Center Expenditure Authority Policy be approved as modified. The motion was seconded, voted on and unanimously carried.

Item 14. Resolution to Authorize Short-Term Borrowing to Construct Garage.

Statement: A resolution authorizing the Hospital Authority to obtain short-term financing, not to exceed \$25 million, to construct a new garage at the corner of Courtenay and Spring Streets was presented for approval.

Recommendation of Administration: That the resolution be approved.

Recommendation of Committee: That the resolution be approved.

Board Action: Dr. Baker moved that the resolution be approved. The motion was seconded, voted on and unanimously carried.

Item 15. Quality and Safety Report.

Statement: Dr. Baker reported that Dr. Patrick Cawley provided a report to the committee on the Leapfrog Survey.

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. Information System RFP Update.

Statement: Dr. Baker reported that the committee was briefed on the status of the Information System RFP process.

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 17. Report on Outreach Initiatives.

Statement: Dr. Baker reported that Dr. Feussner briefed the committee on outreach initiatives.

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 18. Report of the Vice President for Medical Affairs and Dean, College of Medicine.
No Report.

Item 19. Report on University Medical Associates.

Statement: Dr. Baker reported that Dr. Feussner had presented a report to the Committee on University Medical Associates.

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 20. Legislative Update.

Statement: Dr. Baker reported that the committee received a legislative report from Ms. Casey Martin.

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 21. Other Committee Business. None

Item 22. 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.

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 23. Medical Executive Committee Minutes (consent item).

Statement: Minutes of the August 15, 2005, Medical Executive Committee 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 from August 15, 2005 were received as information.

Item 24. 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.

Item 25. Environment of Care Management Plans Annual Report (consent item).

Statement: The Environment of Care Management Plans Annual Report was 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.

Item 26. Staffing Effectiveness Indicator Annual Report (consent item).

Statement: The Staffing Effectiveness Indicator Annual Report was 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 27. Facilities Procurements/Contracts Proposed.

Statement: Mr. Bingham presented the following procurements/contracts for approval:

- Renovation of 7th and 8th floors of Rutledge Tower: \$496,000
- Lease Renewal of 208B Rutledge Avenue: Total Cost for 5 years - \$251,927
- Ground lease from the University, for a nominal charge, for the land needed for the new parking garage project at the corner of Courtenay and Spring Streets.
- Lease to the University of the 1,500 space garage with the lease cost equal to the amortization of the Authority's borrowing. Estimated annual lease - \$1.3 million for 20 years.

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

Recommendation of Committee: That these procurements/contracts be approved.

Board Action: It was moved that these procurements/contracts be approved. The motion was seconded, voted on and carried.

Item 28. Update on Projects.

Statement: Mr. Bingham reported that Mr. Frazier presented an update on Authority projects.

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 29. Other Committee Business. None

Item 30. 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 31. 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 32. Report of Internal Auditor. No report.

Item 33. New Business for the Board of Trustees. None.

Item 34. Report from the Chairman. No Report.

There being no further business, the Hospital Authority meeting was adjourned and the University Board of Trustees meeting was convened.

Respectfully submitted,

Hugh B. Faulkner III
Secretary

/wcj
Attachments

MUHA Audit Committee
Thursday, October 6, 2005
Minutes

Attendees:

Mr. Charles L. Appleby, Jr.	Dr. Mark Barry
Dr. Stanley Baker, Jr.	Mr. John Cooper
Mr. Melvyn Berlinsky	Mr. Bo Faulkner
Mr. William H. Bingham, Sr.	Dr. John Feussner
Dr. Donald Johnson II	Ms. Robyn Frampton
Dr. Conyers O'Bryan, Jr.	Mr. Joseph Good
Dr. Thomas Rowland, Jr.	Ms. Celeste Jordan
Mr. Charles Schulze	Mr. Mike Keels
Mr. Thomas Stephenson, Esq.	Ms. Lisa Kindy
Dr. Charles B. Thomas, Jr.	Ms. Casey Martin
Dr. Raymond Greenberg	Mr. Greg Murphy
Ms. Lisa Montgomery	Mr. Bruce Quinlan
Dr. John Raymond	Ms. Janet Scarborough
Dr. Jerry Reves	Dr. Sabra Slaughter
Mr. Stuart Smith	Mr. Paul Taylor
Ms. Susan Barnhart	Mr. Patrick Wamsley

The meeting was called to order by Dr. Donald Johnson, Chairman of the MUSC/MUHA Board of Trustees.

Item 6. Election of Chairperson.

Mr. Thomas Stephenson was elected Chairman of the Audit Committee.

Item 7. MUHA External Audit Status Report.

Statement: Mr. Lisa Montgomery presented an External Audit Status Report.

Ms. Montgomery reported that there are no real findings at this point other than one issue with the balance sheet. MUHA's net operating income is \$31.5 million. The adjusted budget was around \$21 million. The one thing that the University's Auditors took exception to was the way MUHA handled the \$12.5 million purchase of land from the University. In the HUD deal the hospital purchased the Wellness Center property where two wings were taken down. That asset was recorded on University's books at \$1.9 million and the hospital actually purchased it for \$12.5 million. The auditors took a very conservative approach and we had to change the way we book that transaction. Our net operating income will still be \$31 million but our transfers below the line to the University will be \$10.5 million to the University.

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

Item 8. Report of the General Counsel.

Statement: Ms. Annette Drachman will present a general report.

Ms. Drachman was not present at the meeting due to an emergency.

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

Other Committee Business:

Mr. Stephenson recommended merging the two Audit Committee agendas into one agenda for MUSC/MUHA.

There being no further business, the committee adjourned.

**Medical University Hospital Authority
Operations and Finance Committee
October 6, 2005**

Attendees:

Dr. Stanley Baker, Chairman
Mr. Charles Appleby
Mr. Melvyn Berlinsky
Mr. William Bingham
Dr. Donald Johnson
Dr. E. Conyers O'Bryan
Dr. Paul Orr
Dr. Thomas Rowland
Mr. Charles Schulze
Thomas Stephenson, Esq.
Dr. Charles Thomas
Dr. James Wiseman
Dr. Raymond Greenberg
Mr. Stuart Smith
Ms. Lisa Montgomery
Dr. Jerry Reves
Mr. Paul Taylor

Dr Frank Clark
Mr. Paul Taylor
Ms. Susan Barnhart
Mr. H. B. Faulkner
Dr. Sabra Slaughter
Ms. Annette Drachman
Dr. Pat Cawley
Dr. John Feussner
Mr. Bruce Quinlan
Ms. Marilyn Schaffner
Mr. Betts Ellis
Mr. Dennis Frazier
Mr. John Cooper
Ms. Rosemary Ellis
Mr. Dave Bennett
Ms. Casey Martin
Ms. Meredith Sanders
Mr. Jonathan Maze

The meeting was called to order by Dr. Stanley Baker, Chairman.

Item 10. MUSC Medical Center Status Report

Introductions: Mr. Stuart Smith introduced Ms. Meredith Sanders who is participating in an Administrative Residency in Hospital Administration. Ms. Sanders is a graduate of the College of Charleston and the MUSC College of Health Professions.

Medical Center Recognitions: MUSC has recently achieved recognition in several areas: Full accreditation by the Society of Chest Pain Centers as an accredited Chest Pain Center; designation by the National Alliance on Mental Illness as the 2005 S.C. Hospital of the Year, and recognition for the second year by the Health Information Management Association for its complete and compliant coding. MUSC ranks 5th nationwide in the teaching hospital category.

Statistical Data: MUSC activity levels continue to increase. Admissions have increased 5.5% over last year. Pediatric and adult ER visits have increased as have radiology and cardiac procedures. These activity levels exceed the requirements of our feasibility study.

Web Management: Dave Bennett reported on the progress made in web management for MUSC for our .com and .edu websites. He reported that an increasingly large percentage of the population is now using the internet for information, much of which is related to healthcare choices as well as college selection. Benchmarking data provided by Greystone.net comparing the Medical University to 60 other academic medical centers ranks us highly in the areas of total user sessions, electronic newsletter subscribers, numbers of pages viewed, percentage of users accessing multiple pages, and online job application conversion rates. There are still many challenges ahead which will be addressed by a Web Governance Information Council, under the leadership of Dr. Frank Clark.

GetWell Network: Mr. Bennett reported that the GetWell Network which had been previously approved by the Board of Trustees should be operational at the patient bedside by the end of October.

Action: Report received as information

Item 11: MUSC Medical Center Financial and Statistical Report

Lisa Montgomery reported that through August the financial status continues to be positive. Net income is \$500,000 ahead of projected budget with income of \$4.6 million as compared to \$3.6 million in FY 04. Cash is at \$19 million. The next Disproportionate Share payment is expected before November.

Action: Report received as information

Item 12: Major Purchases in excess of \$250,000

Mr. Smith briefed the committee on a major purchase to engage the Studer Group in a hospital management education and training initiative. This concept has proved highly successful in healthcare organizations nationwide as well as in several of our local hospitals. This program is expected to enable us to reach our goals in patient and employee satisfaction.

Action: Recommend approval

Item 13: Revision of MUHA Expenditure Authority Policy

Ms. Montgomery presented a revision to the MUHA Expenditure Authority Policy. This revision stipulates that administration must seek additional approval for capital purchases if the purchase exceeds by 10% or \$250,000, whichever is less, the line item amount approved in the Capital Budget prior to expending funds on the item.

Action: Recommend approval

Item 14. Resolution to Authorize Short Term Borrowing to Construct Garage

Ms. Montgomery presented a resolution authorizing the authority to obtain short-term financing, not to exceed \$25 million, to construct a new garage at Courtenay and Spring Streets.

Action: Recommend approval

Item 15: Quality and Safety Report

Dr. Patrick Cawley reported on the Leapfrog Survey. The Leapfrog Group is made up of more than 170 companies and organization which buy healthcare. Leapfrog and its members work together to reduce preventable medical mistakes and improve quality and affordability of care, encourage public reporting of healthcare quality and outcome data, reward doctors and hospitals for improving quality, safety and affordability of healthcare, and help consumers make healthcare decisions.

The Hospital Quality and Safety Survey is one of the major initiatives of the Leapfrog Group. MUSC is working toward this initiative by: 1) standardizing interventions such as a new universal admission sheet which has been developed, 2) making process changes, such as providing feedback to direct care givers, and building accountability into the evaluation system, and 3) monitoring of systems.

Action: Report received as information

Item 16: Information System RFP Update

Dr. Frank Clark briefed the committee on progress with the Information System RFP. The contract has been signed with McKesson for the Advanced Point of Care Clinical Systems (APOC). This clinical information system is expected to maximize quality, safety and efficiency in clinical care. Dr. Clark presented a governance model as well as a timeline for completion of the various phases of the project.

Action: Received as information

Item 17. Report on Outreach Initiatives

Dr. John Feussner briefed the committee on outreach activities. An activity matrix has been developed to insure that all outreach initiatives are handled in the same manner. Standard operational procedures have been developed along with algorithms and checklists for departmental chairs. There are four major areas of focus in the operating procedures. These are in the areas of contracting, space leasing agreements, professional services and VA negotiations. Each of these areas has an algorithm attached to assure that departments follow appropriate institutional procedures. Department Chair

checklists have been designed to assure that proformas, business plans, and logistical details are planned for at each outreach site.

Action: Received as information

Item 18: Report of the Vice President for Medical Affairs and Dean, College of Medicine

No Report

Item 19: Report on University Medical Associates

Covered in Item 17

Item 20 Legislative Update:

Casey Martin reported that a house and senate Certificate of Need Study Committee has been formed to review the CON process for the State. She also reported that more legislation dealing with tort reform is expected as well as legislation dealing with the cigarette tax. MUSC will be hosting staff from Senator Lindsey Graham's staff in the near future.

Action: Received as information

Item 21. Other committee Business

None

CONSENT AGENDA

Item 22. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

These have been recommended by departmental chairs, the Credentials Committee, and the Executive Committee.

Action: Recommend approval

Item 23. Medical Executive Committee Minutes

Minutes of the August 15, 2005 Medical Executive Committee were reviewed by the committee. The minutes dealt with routine business, policy development, and reports by various hospital committees.

Action: Received as information

Item 24. Medical Center Contracts and Agreements

The Medical Center Contracts and Agreements which were signed since the last Board meeting were presented for information.

Action: Received as information

Item 25. Environment of Care Management Plans Annual Report

Mr. Betts Ellis, briefed the committee on the seven EOC management plans. The annual review and update was completed for each of the seven EOC plans. Performance indicators were used to measure progress under each plan.

Action: Received as information

Item 26. Staffing Effectiveness Indicator Annual Report

Mr. Ellis briefed the committee on the staffing effectiveness annual report. JCAHO requires that hospitals select screening indicators to measure and assess staffing effectiveness for designated units. MUSC's staffing effectiveness indicators included reported falls vs. total nursing care hours and patient satisfaction scores vs. staff turnover.

Action: Received as information

There being no further business, the committee adjourned at 11:55 a.m.

Respectfully Submitted,

Teresa K. Rogers

**Medical University Hospital Authority
Physical Facilities Committee
October 6, 2005
Minutes**

Attendees:

Mr. William H. Bingham, Sr., Chair	Ms. Annette Drachman
Mr. Charles L. Appleby, Jr.	Mr. Dennis Frazier
Dr. Stanley C. Baker, Jr.	Mr. Joe Good
Mr. Melvyn Berlinsky	Mr. Chris Malanuk
Dr. Donald R. Johnson, II	Mr. John Malmrose
Dr. Paula E. Orr	Ms. Casey Martin
Dr. Thomas C. Rowland, Jr.	Mr. Stewart Mixon
Mr. Charles W. Schulze	Ms. Lisa Montgomery
Dr. James E. Wiseman, Jr.	Dr. John Raymond
Ms. Susan Barnhart	Dr. Jerry Reves
Mr. Wayne Brannan	Dr. Sabra Slaughter
Mr. John Cooper	Mr. Stuart Smith
	Mr. J. Paul Taylor

Mr. Bingham chaired the committee and called the meeting to order.

REGULAR Items

Item 27 Facilities Procurements/Contracts Proposed

Mr. Dennis Frazier presented procurements/contracts for approval.

Recommendation of Committee: The procurements/contracts were approved as presented.

Item 28 Update on Projects

Mr. Frazier presented an update on Authority projects.

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

Item 29 Other Committee Business

Mr. Wayne Brannan presented a Storm Emergency Preparedness Briefing. Mr. Bingham asked that the University consider a plan to move the generators and switchgear that could be damaged during flooding. At present, the cost is prohibitive but Ms. Montgomery said the items would be added to the capital needs list.

CONSENT Items

Item 30 Facilities Contracts Awarded

With no further business, the meeting was adjourned.