

MINUTES
MEDICAL UNIVERSITY HOSPITAL AUTHORITY
BOARD OF TRUSTEES MEETING
October 11, 2013

The Board of Trustees of the Medical University Hospital Authority convened Friday, October 11, 2013, with the following members present: Thomas L. Stephenson, Esquire, Chairman; Dr. James E. Wiseman, Jr., Vice Chairman; Dr. Stanley C. Baker, Jr.; The Honorable James A. Battle; Mr. William H. Bingham, Sr.; Mr. William B. Hewitt; Dr. Harold W. Jablon; Dr. Donald R. Johnson II; Ms. Barbara Johnson-Williams; Dr. Ragin C. Monteith; Dr. E. Conyers O'Bryan, Jr.; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin M. Tallon; Dr. G. Murrell Smith, Sr.; Mr. Michael E. Stavrinakis and Dr. Charles B. Thomas, Jr. Emeritus; Dr. Cotesworth P. Fishburne.

The following administrative officials were present: Dr. Mark Sothmann, Interim President and Vice President for Academic Affairs and Provost; Dr. Etta Pisano, Vice President for Medical Affairs, and Dean, College of Medicine; Ms. Lisa Montgomery, Executive Vice President for Finance and Operations; Dr. Pat Cawley, Vice President for Clinical Operations and Executive Director, MUHA; Dr. Frank Clark, Vice President for Information Technology and CIO; Mr. Jim Fisher, Vice President for Development.

Item 1. Call to Order-Roll Call.

There being a quorum present, Chairman Stephenson 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, December 13, 2013.

Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of August 9, 2013.

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 Interim President.

Dr. Mark Sothmann called on Dr. Pat Cawley to introduce the speakers. Dr. Cawley stated that Drs. Jacqueline Kraveka and Michelle Hudspeth are members of MUSC's pediatric hematology/oncology division. They will tell a great story at MUSC where education, translational research, clinical tradition and philanthropy came together.

He introduced Dr. Hudspeth who is Division Chief of Pediatric Hematology/Oncology at MUSC. Dr. Hudspeth said they were going to tell the board about the legacy of Harper Elizabeth Drolet who was diagnosed with rhabdomyosarcoma, a rare pediatric soft tissue cell cancer, at just 9 years old. She died on Sept. 30, 2011. Harper was a remarkable young girl who focused on fund raising for other cancer patients, encouraging parents of patients and serving as an inspiration to all who knew her.

Dr. Hudspeth introduced Dr. Kraveka as a long-standing member of the MUSC community. Dr. Kraveka runs the MUSC pediatric cancer lab which is the only one in the State of South Carolina dedicated to pediatric cancer research. Dr. Kraveka stated that only four percent of the budget of the National Cancer Institute goes to childhood cancer research and less than that (\$200 million) is used for pediatric sarcoma research so funding is critical. Harper's parents, Mr. and Mrs. James Drolet, through fund raising efforts in "Hugs for Harper" are responsible for over \$150,000 in funding for Dr. Kraveka's research. Dr. Kraveka presented details of her research efforts to the board.

Drs. Kraveka and Hudspeth invited the board to visit their lab and pediatric areas. Chairman Stephenson commented that he would like to tour more areas of MUSC.

Dr. Sothmann thanked them for their work at MUSC and contributions to children in the state.

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

Board Action: Received as information.

Item 5. Other Business. None.

MEDICAL UNIVERSITY HOSPITAL AUTHORITY OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIRMAN: DR. STANLEY C. BAKER, JR. (Detailed Committee Minutes Are Attached To These Minutes)

OLD BUSINESS: None.

NEW BUSINESS:

Item 6. Medical University Hospital Authority Status Report.

Statement: Dr. Baker said everyone had been present in committee for Dr. Cawley's report which was received as information.

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

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

Board Action: Received as information.

Item 7. MUSC Medical Center Financial and Statistical Report.

Statement: Dr. Baker said Mr. Hargett had provided a financial report to committee and was received as an information item. There have been three excellent months in the hospital and MUHA's operating margin is at 6.2%. KPMG has finished their report and will give the report to the board in December.

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

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

Board Action: Received as information.

Item 8. Annual Report on Quality and Patient Safety.

Statement: Dr. Baker stated everyone had been present for the committee report on Quality and Patient Safety from Dr. Danielle Scheurer. She presented a new Organizational Transparency Policy and its eight guiding principles for approval.

Recommendation of Administration: That policy and principles be approved.

Recommendation of Committee: That the policy and principles be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the new Organizational Transparency Policy and its eight guiding principles.

Item 9. Report of the Vice President for Medical Affairs and Dean, College of Medicine.

Statement: Dr. Baker stated Dr. Jack Feussner presented a report for Dean Pisano to committee.

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

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

Board Action: Received as information.

Item 10. Update on MUSC Physicians.

Statement: No report.

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. Legislative Update.

Statement: Dr. Baker said a brief legislative update had been given 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 12. Other Committee Business.

Statement: Chairman Stephenson asked for formal approval of the following name change:

From: The Children's Hospital of South Carolina
Back to: MUSC Children's Hospital

Drs. Hudspeth and Kraveka were asked to comment on which name they preferred for the Children's Hospital. They stated the name change to The Children's Hospital of South Carolina had been problematic for them in their collaborative efforts with referrals from other parts of the state and they preferred the name be changed back to MUSC Children's Hospital. The board thanked them for their input.

Recommendation of Administration: That the name be changed back to MUSC Children's Hospital.

Board Action: A motion was made, seconded and unanimously voted to change the name back to MUSC Children's Hospital from The Children's Hospital of South Carolina.

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges (Consent Item).

Statement: An updated list of 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: Dr. Baker moved that the list of appointments, reappointments and delineation of privileges to the medical staff for July and August be approved. The motion was seconded, voted on and unanimously carried.

Item 14. Medical Executive Committee Minutes (Consent Item).

Statement: Minutes of the Medical Executive Committee for were presented for information.

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 for July and August, 2013 were received as information.

Item 15. 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 16. Facilities Procurements/Contracts Proposed.

Statement: Mr. Bingham presented the following for approval:

- New lease for 6,414 square feet of clinical space located on the 1st floor of 1280 Hospital Drive in Mt. Pleasant to provide physical, occupational and speech therapy. Total amount of Lease: \$1,252,846.62 for 7 years.
- A resolution authorizing the grant of certain right-of-way and utility easements to the City of Charleston for the installation and maintenance of a storm water collection and conveyance system serving the Spring/Fishburne Basin. (Mr. Bingham noted that this item had not been originally approved in the Facilities Committee but a subsequent conversation with administration indicated that if this item were not approved that some other projects in process with the city might be delayed. The Committee now recommended approval of the resolution).
- IDC Professional Services – Architectural. 5 firms selected to provide the services were: Compass 5 Partners; Goodwin, Mills & Cawood; Josie S. Abrams Architect; Perkins & Will; UWPD Architecture.

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

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

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

Item 17. Project Update.

Statement: None.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 18. Other Committee Business. None

Item 19. Facilities Contracts Awarded (Consent Item).

Statement: Facilities Contracts awarded since the last 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 AUDIT COMMITTEE. CHAIRMAN: MR. WILLIAM B. HEWITT. (Detailed Committee Minutes Are Attached To These Minutes)

OLD BUSINESS: None

NEW BUSINESS:

Item 20. Annual Report of the Office of the OCIO.

Statement: Mr. Hewitt stated Dr. Frank Clark provided an update on cyber security at MUSC. He reviewed the cyber security actions. Mr. Hewitt stated all the board members had been present for the detailed report.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 21. Report of the Office of Internal Audit.

Statement: Mr. Hewitt stated a report had been received from the Internal Auditor and since there were no questions or suggestions the report would be received as information.

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

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

Item 22. Other Committee Business. None

OTHER BUSINESS FOR THE BOARD OF TRUSTEES:

Item 23. Approval of Consent Agenda.

Statement: Approval of the 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 24. New Business for the Board of Trustees. None.

Item 25. Report from the Chairman. None

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

Respectfully submitted,



Hugh B. Faulkner III
Secretary

HBF:waj

**Medical University Hospital Authority
Hospital Operations, Finance and Quality Committee
October 10, 2013
Minutes**

Attendees:

Dr. Stanley Baker, Chair	Mr. H. B. Faulkner
Mr. Jim Battle	Mr. Matt Wain
Mr. William Bingham, Sr.	Dr. Sabra Slaughter
Mr. William B. Hewitt	Dr. Deborah Deas
Dr. Harold Jablon	Mr. Thomas Anderson
Dr. Donald Johnson, II	Dr. David Cole
Ms. Barbara Johnson-Williams	Dr. Steve Lanier
Dr. Ragin Monteith	Mr. Dennis Frazier
Dr. Conyers O'Bryan	Dr. Marilyn Schaffner
Dr. Thomas Rowland.	Mr. Steve Hargett
Mr. Charles Schulze	Annette Drachman, Esq.
Dr. Murrell Smith	David McLean, Esq.
Mr. Michael Stavrinakis	Dr. Bart Sachs
Thomas Stephenson, Esq.	Dr. Danielle Scheurer
The Honorable Robin Tallon	Mr. John Cooper
Dr. Charles Thomas	Mr. Mark Sweatman
Dr. James Wiseman, Jr.	Dr. John Feussner
Dr. Pat Cawley	Ms. Sarah King
Dr. Mark Sothmann	Mr. Greg Weigle
Ms. Lisa Montgomery	Ms. Lauren Sausser
Mr. Jim Fisher	Mr. Steve Valerio
Dr. Lisa Saladin	Ms. Angie Baldwin

The meeting was called to order at 10:50 a.m. by Dr. Stanley Baker, Chair.

Item 6. MUSC Medical Center Status Report

General:

Dr. Pat Cawley introduced Mr. Matt Wain, the Medical Center's new Chief Operating Officer. Matt came from Penn State Hershey Medical Center where he held was the Chief Administrative Officer.

Organizational Goals:

Dr. Cawley gave an update on the Medical Center's organizational goals. Two new strategic goals for FY14 are focused around *U.S. News and World Report* and UHC rankings. Dr. Cawley reviewed the metrics that make up the Ideal Service and discussed efforts to improve patient satisfaction. Under the Quality pillar of Ideal Care, Dr. Cawley reported that while we are doing well in some areas, we struggle with CAUTI but are meeting on this regularly and are making progress. Under the finance pillar, we are currently hitting our margin goal. He also reported that while our direct cost goal is currently in the red that once many of the financial improvement measures hit the bottom line, we will be in the green at some point later in the year.

Performance Excellence:

Dr. Cawley reported on progress with MUHA's Performance Excellence related to Huron initiatives. Huron's initial assessment identified about \$57.5 million in savings. Once on site, \$64.9 million in savings was actually identified which is now our new target. \$47.2 million in savings has been implemented to date and \$14.4 million has been confirmed which means it is hitting our bottom line.

PEBA (Public Employee Benefit Authority):

The Budget and Control Board approved the MUSC-PEBA Pilot on September 3rd. Under this plan, which was carved out from the standard state health plan, there will be no increase in premiums to the employer or the employees. MUSC/MUHA employees and their dependents will be incentivized to use a Patient Centered Medical Home (PCMH). Dr. Cawley stated that we are also going to improve preventive care and will monitor utilization with this plan. Communication efforts continue with MUSC leaders, employees and dependents. MUSC, PEBA and Blue Cross Blue Shield are working through operational details. The pilot begins January 1, 2014, and is anticipated to run two to three years. Any potential savings from this pilot will be split between MUSC/MUHA and PEBA.

Action: Report received as information

Item 7. MUSC Medical Center Financial and Statistical Report

Steve Hargett gave an update on the Medical Center's financial performance through August. Mr. Hargett reported that the Medical Center has done well for the first two months of this fiscal year and September should also be another good month. He reported that gross and net revenues have improved year over year. MUHA's operating margin is as at 6.2%, which is one of the best margins the hospital authority has ever had. Days in A/R are down by 7 days, from the same period last year. The Days Cash on Hand is at 24 days which equates to 66 million.

Mr. Hargett gave an update on the status on the refinancing of the CEP debt that was previously approved by the board.

Mr. Hargett reported that the external audit is complete and KPMG will report at the December Board meeting. The interim number reported through June was \$28.8 million and the audited number was \$28.1 million. Mr. Hargett reported that during the audit, we were notified of another Medicare advantage provider bankruptcy which is the reason for the difference.

Mr. Hargett mentioned that MUHA is in discussions with two for-profit companies about growing business together in the areas of sports medicine and radiation oncology. Mr. Hargett commented that if negotiations continue to move in a positive direction, he will be coming back to the board to ask for any necessary approvals.

Action: Report received as information.

Item 8. Annual Report on Quality and Patient Safety

Approval Item:

Dr. Danielle Scheurer presented the new Organizational Transparency Policy and requested board support of the policy and the eight guiding principles contained within the policy. Dr. Scheurer explained that health care is moving toward a more transparent era and the new transparency policy essentially sets the framework of how MUHA will display our metrics to the public. A copy of the proposed policy was given to each member of the Board of Trustees.

Action: Recommend Board of Trustees support and approval for the new Organizational Transparency Policy and its eight guiding principles.

Informational Items:

Dr. Scheurer reviewed the draft of the new MUSC Health Clinical Scorecard. This information will be reported at future board meetings on a regular basis.

Dr. Scheurer gave a Magnet update. She reported on the progress with the five nursing sensitive indicators. Dr. Scheurer indicated that we are doing well in four of the five areas but are struggling with CAUTI. Three barriers that have been identified that effect CAUTI rates are supplies, equipment and people. Dr. Scheurer reported that these barriers are being addressed and we expect to see improvement with CAUTI rates over time. Dr. Scheurer reported that another major metric is around nursing certification. The goal is increase 5% and we have every indication that we will meet this goal by April 2014. Dr. Scheurer also shared the nursing certifications by service line. Leading stars in nursing certification are Hollings Cancer Center, Women's Care and Clinical Services.

Action: Report received as information.

Item 9. General Report of the Dean, COM and Vice President for Medical Affairs

Dr. Jack Feussner gave an update on College of Medicine activities, in Dr. Pisano's absence, in the areas of Clinical Affairs, Education, Research and Administration. Dr. Feussner briefly reported on the following items:

- New MUSC Physicians' Psychiatry "Cash Only" Clinic being established
- Update on COM Admissions
- New Family Medicine Chair, Dr. Terrence Steyer
- New Public Health Sciences Chair, Dr. John Vena
- Three finalists for Chair of Pathology

Action: Report received as information.

Item 10. Updated on MUSC Physicians

No report.

Item 11. Legislative Update

Mr. Bo Faulkner gave a brief update on legislative activities at the federal and state level.

Action: Report received as information.

Item 12: Other Committee Business

No other business.

CONSENT ITEM FOR APPROVAL

Item 13. Medical University Hospital Authority Appointments, Reappointments and Delineation of Privileges

The committee reviewed the appointments, reappointments and delineation of privileges requests for the months of July and August 2013. These have been recommended for approval by all appropriate committees.

Action: Recommend approval

CONSENT ITEMS FOR INFORMATION

Item 14. Medical Executive Committee Minutes

The minutes of the Medical Executive Committee from July and August 2013 were reviewed by the committee.

Action: Received as information

Item 15. Medical Center Contracts and Agreements

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

Action: Received as information

There being no further business, the committee adjourned at 11:31 am

Respectfully Submitted,



Jane L. Scutt

**Medical University Hospital Authority
Physical Facilities Committee
October 10, 2013
Minutes**

Board Members Attending:

Mr. William H. Bingham, Sr., Chair	Dr. Thomas C. Rowland, Jr.
Dr. Stanley C. Baker	Mr. Charles W. Schulze
Mr. James A. Battle	Dr. G. Murrell Smith, Sr.
Mr. William B. Hewitt	Mr. Thomas L. Stephenson
Dr. Harold Jablon	Mr. Michael E. Stavrinakis
Dr. Donald R. Johnson II	The Honorable Robin M. Tallon
Ms. Barbara Johnson-Williams	Dr. Charles B. Thomas, Jr.
Dr. Ragin C. Monteith	Dr. James E. Wiseman, Jr.
Dr. E. Conyers O'Bryan, Jr.	Dr. Cotesworth Fishburne, Emeritus

Mr. Bingham called the meeting to order.

REGULAR Items

Item 16 Facilities Procurements/Contracts Proposed.

Mr. Dennis Frazier presented the following for approval:

- IDC Professional Services –Architectural. Mr. Frazier stated the IDC Selection Committee consisting of Mr. Bingham, Dr. Rowland and Dr. Wiseman interviewed firms and selected the following 5 firms to provide the services:
 - Compass 5 Partners (Cayce, SC)
 - Goodwin, Mills & Cawood (Greenville, SC)
 - Josie S. Abrams Architect (Charleston, SC)
 - Perkins & Will (Atlanta, Ga)
 - UWPD Architecture (Myrtle Beach, SC)
- New Lease for 6,414 sq. ft. of clinical space located on the 1st floor of 1280 Hospital Drive, Mt. Pleasant. This lease is to provide clinical space for Physical Therapy, Occupational Therapy and Speech Therapy. Total lease for 7 years: \$1,252,846.62.

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

Mr. Frazier also presented a request for the board to approve a resolution authorizing the grant of certain right-of-way and utility easements to the City of Charleston for the installation and maintenance of a stormwater collection and conveyance system serving the Spring/Fishburne Basin.

Recommendation of Committee: That the request be deferred to the December meeting.

Item 17 Update on Projects.

None

Recommendation of Committee: Received as information.

Item 18 Other Committee Business. None

CONSENT Items for Information:

Item 19 Facilities Contracts Awarded

The facilities contracts since the last board meeting were presented for information.

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

With no further business, the meeting was adjourned.

Respectfully submitted,

Celeste Jordan

**Medical University Hospital Authority
Audit Committee
October 10, 2013
Minutes**

Board Members Attending:

Mr. William B. Hewitt, Chair	Dr. Thomas C. Rowland, Jr.
Dr. Stanley C. Baker	Mr. Charles W. Schulze
Mr. James A. Battle	Dr. G. Murrell Smith, Sr.
Mr. William H. Bingham, Sr.	Mr. Thomas L. Stephenson
Dr. Harold Jablon	Mr. Michael E. Stavrinakis
Dr. Donald R. Johnson II	The Honorable Robin M. Tallon
Ms. Barbara Johnson-Williams	Dr. Charles B. Thomas, Jr.
Dr. Ragin C. Monteith	Dr. James E. Wiseman, Jr.
Dr. E. Conyers O'Bryan, Jr.	Dr. Cotesworth Fishburne, Emeritus

Mr. Hewitt called the meeting to order.

REGULAR Items

Item 20. Annual Report of the Office of the OCIO.

Dr. Frank Clark, Chief Information Officer, provided an update focusing on cyber security at MUSC. He reviewed the cyber security actions list which included the following:

- Formation in January 2013 of the Information Security advisory Council
- Information security risk assessment and management
- Operational security infrastructure including firewalls, intrusion detection, virus/malware, SPAM filters, 2FA MDM, etc). \$3 million has been spent since 2010 and averages \$1.5 million per year.
- Incident Management
- Training, education and awareness

He reported that diligence is needed 24/7 to stop malicious activity due to the ceaseless attempts by individuals to hack the MUSC systems. Failure to protect MUSC's sensitive data can result in consequences including damage to MUSC's reputation; regulatory fines and audits; as well as, adverse impact on individuals due to identity theft and breach of privacy. He reminded everyone of the hacking of the state's Department of Revenue which has, in the past year, cost the state \$21.7 million. If the state had only installed a dual-password computer system costing \$25,000, it would have likely stopped the hacker.

As a result of the growing cyber threat, a new measure of compliance has been implemented. The Office for Civil rights – US Department of Health and Human Services has developed an audit protocol for HIPAA Security and Privacy Audits to gage compliance with HIPAA and HITECH.

In order to protect against cyber threats, MUSC has initiated the Mobile Device Management (MDM) system for smartphones and tablets. Any device used to access MUSC systems had to be registered by October 1st to continue access. The MDM encrypts email and requires

✓ proof that there is a passcode on the mobile device. IF the phone is lost, MUSC data can be wiped from the phone. There are currently 9,500 devices enrolled in MDM.

In addition, a Two Factor Authentication (2FA) has been initiated. This is a security measure for users accessing MUSC applications from off campus. 11,700 individuals have enrolled to date.

Dr. Clark emphasized that cyber security is everyone's concern therefore everyone must practice safe cybering.

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

Item 21. **Report of the Office of Internal Audit.**

Ms. Susan Barnhart had distributed the results of internal audit reports and there being no questions, the reports were received as information.

Recommendation of Committee: That the report be received as information

Item 22. **Other Committee Business.** None

Respectfully Submitted,

Celeste Jordan