

**MINUTES**  
**MEDICAL UNIVERSITY HOSPITAL AUTHORITY**  
**BOARD OF TRUSTEES MEETING**  
**October 11, 2012**

The Board of Trustees of the Medical University Hospital Authority convened Thursday, October 11, 2012, with the following members present: Thomas L. Stephenson, Esquire, Chairman; Dr. Stanley C. Baker, Jr.; Dr. Cotesworth P. Fishburne, Jr.; Mr. William B. Hewitt; Dr. Harold W. Jablon; Dr. Donald R. Johnson II; Dr. E. Conyers O'Bryan, Jr.; Dr. Thomas C. Rowland, Jr.; Mr. Charles W. Schulze; The Honorable Robin M. Tallon; Dr. Charles B. Thomas, Jr.; Absent: Mr. William H. Bingham, Sr. Dr. James E. Wiseman, Jr., Vice Chairman.

The following administrative officials were present: Dr. Raymond S. Greenberg, President; Dr. Mark Sothmann, 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; Mr. Stuart Smith, 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.

The following deans were present: Dr. Jack Sanders, College of Dental Medicine; Dr. Etta Pisano, College of Medicine; Dr. Philip Hall, College of Pharmacy; Dr. Gail Stuart, College of Nursing, Dr. Perry Halushka, College of Graduate Studies; Dr. Joseph DiPiro, Executive Dean, SCCP.

**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 14, 2012.

**Item 3. Approval of Minutes of the Regular Meeting of the Medical University Hospital Authority of August 10, 2012.**

Board Action: It was moved that the Minutes be approved. The motion was seconded, voted on and unanimously carried.

Chairman Stephenson reported Jim Fisher provided some statistics regarding comparisons of other institutions' number of major gift officers employed and the results of their efforts during the same period. MUSC has 16 major gift officers and raised \$76 million; Clemson has 32 and raised \$100 million; USC has 50 and raised \$150 million; College of Charleston has 7 and raised \$14 million; UNC has 110 and raised \$287 million. Mr. Stephenson thought the board would be interested in these statistics.

He also stated that due to the Retreat scheduled for tomorrow and the abbreviated board meeting today that only items that required action be mentioned in this board meeting. He noted that all the board members had been present during the committee meetings earlier in the day and had heard the reports during the committee meetings.

## RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**Item 4. General Informational Report of the President.**

Dr. Greenberg stated that there would be no speakers at this board meeting due to the retreat scheduled for tomorrow.

**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 provided a report to committee.

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

Recommendation of Committee: Received as information.

Board Action: Received as information.

**Item 7. MUSC Medical Center Financial and Statistical Report.**

Statement: Mr. Steve Hargett had provided a report on the financial status of the Medical Center to Committee.

Recommendation of Administration: Received as information.

Recommendation of Committee: Received as information.

Board Action: Received as information.

**Item 8. Report on Quality and Patient Safety.**

Statement: Dr. Pat Cawley had provided a report 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 9. General Report of the Dean, COM and Vice President for Medical Affairs.**

Statement: Dean Pisano provided a report to committee.

Recommendation of Administration: Report received as information.

Recommendation of Committee: Report received as information.

Board Action: The report was received as information.

**Item 10. University Medical Associates By-Laws Changes.**

Statement: Dr. Baker asked for approval of the changes to the UMA By-Laws.

Recommendation of Administration: The changes to the By-Laws be approved.

Recommendation of Committee: The changes to the By-Laws be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the changes to the UMA By-Laws.

**Item 11. Legislative Update.**

Statement: Mr. Faulkner and Mr. Sweatman gave an update to committee on legislative activities.

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.** Dr. Baker was re-elected Chair of the committee.

**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 be approved. The motion was seconded, voted on and unanimously carried.

**Item 14. Revisions to Resuscitation Orders Policy C-013**

Statement: Revisions to Resuscitation Orders Policy C-013 were presented for approval.

Recommendation of Administration: That the revisions to Resuscitation Orders Policy C-13 be approved.

Recommendation of Committee: That the revisions to Resuscitation Orders Policy C-13 be approved.

Board Action: A motion was made, seconded and unanimously voted to approve the revisions to Resuscitation Orders Policy C-013.

**Item 15. 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 2012 were received as information.

**Item 16. 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:** In Mr. Bingham's absence, Dr. Rowland chaired the committee.

**Item 17. Facilities Procurements/Contracts Proposed.**

Statement: Dr. Rowland presented the following lease for approval:

- Lease renewal for 2,220 square feet of office space located at 208-B Rutledge Avenue. Total cost of five years lease: \$229,652.

Recommendation of Administration: That the lease be approved as presented.

Recommendation of Committee: That the lease be approved as presented.

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

**Item 18. Update on Projects.**

Statement: No report.

Recommendation of Administration: That this be received as information.

Recommendation of Committee: That this be received as information.

Board Action: Received as information.

**Item 19. Other Committee Business.** Mr. Bingham was re-elected chair of the Facilities Committee.

**Item 20. 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 21. Annual report on the activities of the Office of the Chief Information Officer.**

Statement: Dr. Clark provided a report 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 22. Report of the Office of Internal Audit.**

Statement: Ms. Susan Barnhart had provided a report 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 23. Other Committee Business.** Mr. Hewitt was re-elected Chair of the committee.

**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.**

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

**Medical University Hospital Authority  
Board of Trustees  
Committee on Hospital Operations, Finance and Quality Committee  
October 11, 2012  
Minutes**

Attendees:

Dr. Stanley Baker (Chair)	Mr. Jim Fisher
Mr. William H. Bingham, Sr.	Dr. Patrick Cawley
Dr. Cotesworth P. Fishburne, Jr.	Dr. Marilyn Schaffner
Mr. William B. Hewitt	Dr. Mark Lyles
Dr. Harold Jablon	Dr. Phillip Costello
Dr. Don Johnson	Dr. Steve Lanier
Dr. E. Conyers O'Bryan, Jr.	Dr. Mark Lyles
Mr. Charles W. Schulze	Mr. Dennis Frazier
Mr. Allan E. Stalvey	Mr. Steve Hargett
Thomas L. Stephenson, Esq.	Mr. John Cooper
Hon. Robin M. Tallon	Mr. Casey Liddy
Charles B. Thomas	Annette Drachman, Esq.
Dr. James E. Wiseman, Jr.	Mr. Thomas Anderson
Dr. Raymond Greenberg	Mr. Mr. Mark Sweatman
Mr. Hugh B. Faulkner	Mr. Steve Valerio
Mr. Stuart Smith	Ms. Haily James
Dr. Etta Pisano	Mr. Robyn Frampton
Ms. Lisa Montgomery	
Dr. Mark Sothmann	

The committee was called to order at 9:35 a.m. by Dr. Stanley Baker, Chair.

**Item 6. Medical University Hospital Authority Status Report**

Stuart Smith gave a hospital statistics report through September 2012. Mr. Smith reported that patient activity is basically flat. Mr. Smith noted that there was one more workday during this same time period in 2012 over 2013. Average length of stay has decreased. In the last month, inpatient activity has picked up and today we had the third highest midnight census this fiscal year. NNICU activity is down and has not been at full census yet this year. This could be attributed to the effort to eliminate pre-term elective deliveries. MUHA has not had any of these type deliveries this fiscal year and beginning in January 2013, Blue Cross and Medicaid will no longer pay for these deliveries without documented proof of medical necessity. Mr. Smith summarized by saying that overall inpatient activity reflects that Med-Surg activity has increased, but NNICU and OB activity have decreased.

Mr. Smith also reported on successful recruitment efforts including two hand surgeons in plastic surgery, two hand surgeons in orthopedics that will start next July, three ophthalmologists and two new Neurosurgeons that started in July.

Action: Received as information

**Item 7. Medical University Hospital Authority Financial and Statistical Report**

Steve Hargett gave an update on the Medical Center's financial status. Total net revenue is flat compared to the first two months of last fiscal year. Our operating margin at 2.95% is also down. Main reasons that the operating margin is down are the investment in Epic that is now being capitalized and the FY13 financial commitment to Dean Pisano and the College of Medicine. Days in A/R is flat even though a good job is being done in collecting accounts receivable. Days Cash on Hand is also flat. Mr. Hargett reminded the committee that MUHA is waiting for \$22 million in FICA resident appeal money and the Medicaid program owes MUHA approximately one year's worth of GME money (\$9 million) which should be received tomorrow. He also noted that due to our credit status, HUD requires us to fund a special reserve account of three-year's worth of interest payments which equates to 39 million of operating cash. We will be able to get these funds back after two years of positive operating margins. In order to do this, we need to get our operating cash back to 21 days and the FICA money will help get us there.

Mr. Hargett gave a status report on refinancing of the HUD and CEP debt. The petition is going to the Budget and Control Board on October 30. The refinance will take the current interest rates of 4.8% for the current HUD and 5.6% for CEP loans to somewhere around 3% which will save approximately 74 million in interest expense over the remainder of the loan. After a required waiting period, we should be able to proceed with the refinancing the first week of December.

Action: Received as information

**Item 8. Report on Quality and Patient Safety**

Dr. Patrick Cawley announced that MUHA recently was awarded the "Rising Star" award at the Annual UHC meeting held in September 2012. Eligibility for this award is that you must increase more than 20 spots and be in the Top 25. Last year we were in the low 40s and this year we jumped to 16 which put us in the Top 15% of AMCs. Last time we received this award was in 2007 when we jumped from the 70s up to the 50s. Dr. Cawley presented MUSC's results in each of the measurements which include mortality, safety, equity, patient centered, efficiency and effectiveness.

Dr. Cawley reported that on MUSC's Readmission Tactical Plan which includes MUSC-wide specific tactics, service-specific tactics and state-wide efforts to effect readmissions. Dr. Cawley shared that MUSC is participating in the PART, Preventing Avoidable Readmissions Together, which is a statewide collaborative effort to effect readmissions. Dr. Cawley shared that other participating organizations include the SC Partnership for Health, SCHA and Blue Cross/Blue Shield, all working in conjunction with the Medicare Quality Improvement organization, CCME. Dr. Cawley went on to explain the penalties that are going into effect in January that will affect reimbursement on readmissions.



Dr. Cawley discussed MUSC becoming a High Reliability Organization (HRO). HROs perform high risk work without rare, catastrophic events. Research has shown that HROs must have five characteristics including: preoccupation with failure, sensitivity to operations; reluctance to simplify; deference to expertise and resilience. Dr. Cawley commented the HRO way of thinking is that “we have a problem, we need to fix it.” Dr. Cawley stated that currently no healthcare organizations function at this high level today. With no blueprint to follow, the Joint Commission and SCHA have partnered in this effort to develop the South Carolina High Reliability Institute to get hospitals to become an HRO. Currently SC is the only state doing this. Activities over the next 3 years will include a core group of 8-10 hospitals that will complete an in-depth assessment to identify, address most pressing barriers; learn together and share what works. Learnings will be communicated regularly to all SC hospitals. More information will be shared at future board meetings.

Action: Received as information

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

Dean Pisano gave a report on the College of Medicine activities including successful and ongoing recruitment efforts. Dr. Phillip Howe was appointed Chair of Biochemistry and Molecular Biology, effective October 1. Second round interviews of the top two candidates for the Chair of Orthopedic Surgery are finishing up this week with the hopes of having the new chair in place the first of the year. Recruitment for the Executive Director is ongoing with the goal to provide a list to Dr. Greenberg on or around November 15. She also announced they have two great candidates for the Chair for the Department of Public Health Sciences and should be making an offer soon. Dr. Pisano also reported on the ongoing preparations for the upcoming LCME re-accreditation anticipated in January 2013. A mock site visit is being conducted in November. Dr. Pisano was pleased to announce that the outpatient clinic activity is pretty much back to “pre-Epic” numbers. Dr. Pisano also gave an update on strategic plan activities in the clinical affairs arena and reported on ongoing administrative initiatives including the new hire and compensation review and approval process; communication strategies and the review of Dean’s office staffing.

Action: Received as information

**Item 10. University Medical Associates By-Laws Changes**

For Approval:

Dr. Costello requested approval of revisions to the UMA By-law which were discussed earlier in executive session.

Action: Recommend approval.

For Information:

Dr. Costello gave an update on MUSC Physician outreach activities as follows:

- The Department of Psychiatry's development of a PTSD network in Columbia, South Carolina.
- The ED division in the Department of Medicine is negotiating a contract with Rhodia, Inc. for on-site medical/emergency services.
- Dr. Jennifer Peura's lease with an independent heart and vascular clinic in Columbia has expired and therefore, Dr. Peura has opportunities to continue her clinic in the Columbia area by leasing space in both Provident and Palmetto Health Hospitals.

Action: Received as information

**Item 11. Legislative Update**

Mark Sweatman reported on legislative activity including work with the SCHA on Medicaid funding and the crafting of the telemedicine bill. Lisa Montgomery reported that the SCHA continues to work with the Health & Human Services to gain a better understanding what the plan is in regards to the Medicaid expansion, or lack thereof. Meetings were held with Tony Keck last week to discuss what might be available to MUSC in a grant. Ms. Montgomery stated that we are still waiting to hear what the final plans are and in the absence of this information, the SCHA's position is that we should accept the funding. Mark Sweatman shared that he and Dr. Harold Jablon recently attend the Governor's Conference on High Education. Dr. Jablon gave a summary on the topics discussed at the meeting.

Action: Received as information.

**Item 12. Other Committee Business**

**CONSENT AGENDA FOR APPROVAL**

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

The committee reviewed the request for appointments, reappointments and delineation of privileges. These have been approved by the appropriate hospital committees, and have been recommended by the Medical Executive Committee.

Action: Recommend approval.

**Item 14. Revisions to Resuscitation Orders Policy C-013**

The revised Policy C-013, Resuscitation Order was presented for approval.

Action: Recommend approval.

**CONSENT AGENDA FOR INFORMATION**

**Item 15. Medical Executive Committee minutes**

The minutes for August 2012 were presented. These were reviewed by the committee.

Action: Received as information

**Item 16. Medical Center Contracts and Agreements.**

The committee reviewed the contracts and agreements which have been entered into since the last meeting of the Board.

Action: Received as information

There being no further business, the committee adjourned at 10:40 a.m.

Jane L. Scutt

## SUMMARY

### Proposed Amended and Restated By-laws for MUSC Physicians (UMA)

The three major reasons for amending the bylaws are (1) to reduce the size of the MUSC Physicians Board from 37 directors to 20 directors to allow for a more nimble board; (2) to provide greater transparency with respect to the process of nomination, election, and appointment of directors and officers of the MUSC Physicians Board; and (3) to update the by-laws to more accurately reflect our current business practices. The proposed changes are not substantive and preserve the original foundations of the organization and our independent 501(c)(3) status.

#### Reduce size of MUSC Physicians Board

By reducing the number of community leaders on the MUSC Physicians Board to 4 (maintaining 9 has been a challenge), we are able to reduce the total number of voting directors to 19. Under this proposal, there would be an additional 1 nonvoting director of the Board (MUHA Executive Director) for a total of 20 directors. Diagrams outlining the current and proposed MUSC Physicians Board structure are attached for your reference.

#### Provide greater transparency

Article V of the by-laws has been amended to provide greater transparency with respect to the process of nomination, election, and appointment of directors and officers of the MUSC Physicians Board.

#### Reflect current business practices

The original bylaws were drafted in 1991 and require updating to more accurately reflect current business practices. Several sections were removed completely in the revised version – e.g., sections on departmental revenues and allocation of expenses and departmental balances. Email and facsimile were added as acceptable means of communicating with directors about meetings. The responsibilities of the chief executive officer were more clearly defined. The Capital Assets section (Article VIII, Section 5) is updated reflecting the resolution passed by the MUSC BOT unanimous vote, at its April 17, 2009 meeting, granting MUSC Physicians the authority to purchase medical equipment up to \$50,000.

#### Conclusion

The proposed amendments to the by-laws have been fully vetted by internal and external counsel. This includes review and approval by the MUSC Physicians general counsel, MUSC general counsel, tax counsel from Haynsworth Sinkler Boyd, and ERISA counsel from Nelson Mullins.

WHEREAS, pursuant to Article XI, Section 2 of the bylaws (“**Bylaws**”) of University Medical Associates of The Medical University of South Carolina (“**UMA**”), the Bylaws may be amended, deleted, or added to if approved by the Board of Directors of UMA (the “**Board**”) and a majority of all voting Members, and shall only be effective after approval of the Board of Trustees of The Medical University of South Carolina (“**MUSC**”);

WHEREAS, the Board and a majority of the voting Members of UMA have approved and adopted the amended and restated Bylaws, a true copy of which is attached hereto as Exhibit A (“**Amended & Restated Bylaws**”), such approval and adoption being contingent upon the approval of the Board of Trustees of MUSC;

WHEREAS, the Board of Trustees of MUSC has determined that it shall approve the Amended & Restated Bylaws, contingent upon the following additional revisions to Amended & Restated Bylaws being subsequently approved by the Board and Members of UMA (“**MUSC Revisions**”):

NOW THEREFORE, BE IT RESOLVED, that the Board of Trustees of MUSC hereby approves the amendment and restatement of the Bylaws in the form attached hereto as the Amended & Restated Bylaws, but subject to and including the MUSC Revisions; and such approval of the Board of Trustees of MUSC shall be effective upon the approval and adoption of the Amended & Restated Bylaws subject to and including the MUSC Revisions by the Board and the Members of UMA.

RESOLVED FURTHER, that as long as the Amended & Restated Bylaws with the MUSC Revisions are approved by the Board and Members of UMA, notwithstanding anything to the contrary in the Amended & Restated Bylaws with the MUSC Revisions, and in order to facilitate the transition (“**Transition**”) from the composition of the Board previously elected or appointed pursuant to the Bylaws (“**Current Directors**”) to the composition of the Board as described in the Amended & Restated Bylaws with the MUSC Revisions, the Current Directors shall continue to serve on the Board until successor Directors shall be elected or appointed to the Board pursuant to the Amended & Restated Bylaws with the MUSC Revisions to commence their service on July 1, 2013, or at such earlier date as shall be permitted under the Amended & Restated Bylaws with the MUSC Revisions; in the event of a conflict during this Transition between the provisions of the Amended & Restated Bylaws with the MUSC Revisions regarding the composition of the Board and the provisions of the Bylaws regarding the composition of the Board, the Amended & Restated Bylaws with the MUSC Revisions shall be read in a reasonable manner to permit the operation of UMA by the Current Directors during the Transition.

Exhibit A

Amended & Restated Bylaws

AMENDED & RESTATED  
**BYLAWS**  
OF  
**UNIVERSITY MEDICAL ASSOCIATES OF**  
**THE MEDICAL UNIVERSITY OF SOUTH CAROLINA**

**ARTICLE I - NAME OF ORGANIZATION**

The name of the organization shall be the University Medical Associates of The Medical University of South Carolina (hereinafter, the "*Corporation*").

**ARTICLE II - CORPORATE PURPOSES AND POWERS**

**Section 1. Corporate Purposes.** The purposes for which the Corporation is established and for which it shall be operated are as follows:

(1) To promote and support the educational, medical, scientific and research purposes of ~~the~~The Medical University of South Carolina;

(2) To deliver inpatient and outpatient professional services in furtherance of and for the benefit of ~~the~~The Medical University of South Carolina;

(3) To promote superior patient care at all sites within the academic and research environment of ~~the~~The Medical University of South Carolina;

(4) To promote recruitment and retention of superior faculty at ~~the~~The Medical University of South Carolina;

(5) To engage in charitable programs related to patient care, education, and the research mission of ~~the~~The Medical University of South Carolina;

(6) To provide the full-time clinical, professional faculty of ~~the~~The Medical University of South Carolina and other health professionals with the development of

group practice arrangements and to operate on behalf of The Medical University of South Carolina as a multi-specialty group practice of medicine and related services in the furtherance of medicine and medical research;

(7) To promote, encourage and aid investigation and research by the faculty, staff and students of The Medical University of South Carolina.

The Corporation is organized exclusively for charitable purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986 and the Corporation shall not carry on any activity not permitted to be carried on by (a) a corporation exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c) (2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

**Section 2. ~~Corporate Powers.~~** ~~In furtherance of the purposes of this Corporation, it shall possess all powers and authority granted to~~ The Corporation will have such powers as are now or may hereafter be granted corporations under Chapter 31 of Title 33 of the Code of Laws of the South Carolina (as amended). Nonprofit Corporation Act of 1994, as amended [Chapter 31, Title 33, S.C. Code (the "Act")], except as may be limited by the Corporation's Articles of Incorporation or Bylaws.

**Section 3. Operating Policies, Procedures and Guidelines.** From time to time, the Board of Directors of the Corporation may adopt, amend, or restate operating



policies, procedures and guidelines to carry out the purposes and objectives of the Corporation.

### ARTICLE III - OFFICES

The principal office of the Corporation in the State of South Carolina shall be located at 1180 Sam Rittenberg Boulevard in the City of Charleston, County of Charleston. The Corporation may have such other offices, either within or without the State, as may be designated by the Board ~~of Directors~~. The registered office of the Corporation need not be identical with the principal office of the Corporation and the Board ~~of Directors~~ may from time to time change the address of the registered office of the Corporation.

### ARTICLE IV – MEMBERSHIP

**Section 1. Classes of Membership.** Subject to the provisions hereinafter contained, there shall be two classes of membership ~~consisting of the following~~ in the Corporation ("**Membership**"), which are as follows:

(a) Members. Full-time faculty of the College of Medicine of The Medical University of South Carolina who are physicians or doctoral level clinical professionals licensed to practice by a South Carolina licensing body shall be ~~Members~~ members of the Corporation (individually, ~~"Members,"~~ and collectively, ~~the "Membership"~~). Membership "**Members.**" and each individually, a "**Member**". An individual shall become a Member, effective upon his or her appointment to the faculty of the College of Medicine ~~faculty~~ of The Medical University of South

Carolina and upon execution of an annual contract with The Medical University of South Carolina and the appropriate ~~Department~~department therein (the "**Faculty Contract**").

Permanent loss of ~~The~~Medical University Hospital ~~Authority~~privileges or termination of ~~The Medical University of South Carolina~~the Faculty Contract shall automatically terminate Membership in the Corporation for the applicable ~~Member~~Member.

(b) ~~Associate Members~~. Clinical ~~Professionals~~professionals, other than those ~~mentioned~~described in ~~paragraph~~subparagraph (a) above, on the faculty of the College of Medicine of The Medical University of South Carolina shall be ~~considered~~ "**Associate Members.**" Associate ~~members~~Members shall not have the right to vote on any matter before the Members, but shall be permitted to attend all meetings of the ~~Members~~Members.

**Section 2. Voting Rights and Privileges.** Voting on all matters properly before the Membership shall be restricted to ~~the~~Members.

## ARTICLE V - BOARD OF DIRECTORS

**Section 1. Purpose, Powers, and Duties.** The business and affairs of the Corporation shall be managed by its Board of Directors (~~collectively, the~~ "**Board,**" and each individual serving on the Board, a "**Director**"), which shall be vested with all corporate powers ~~under the Act not expressly reserved~~limited by these Bylaws. The ~~Board of Directors~~has the general power to (1) control and manage the affairs, funds, and property of the Corporation~~;~~, and (2) disburse the Corporation's monies and

dispose of its property in fulfillment of its corporate purpose; provided, however, that the fundamental and basic purposes of the Corporation, as expressed in the Articles of Incorporation, shall not thereby be amended or changed, and provided further, that the Board ~~of Directors~~ shall not permit any part of the net earnings or capital of the Corporation to inure to the benefit of any private individual. The Board ~~of Directors~~ may further delegate authority to committees or individual Directors as it deems necessary for the carrying out of the purposes and business of the Corporation.

**Section 2. Composition of Board ~~Members~~.** The Board ~~of Directors~~ of the Corporation shall consist of the following persons:

(1) ~~The duly elected Principal Officers of the Corporation, namely the President, Vice President, Secretary and Treasurer of the Corporation, one or more of which have historically also served on the Board of Directors by virtue of holding a position further described in Paragraphs (6) or (8) of this Section 2.~~ From the College of Medicine of the Medical University of South Carolina, the following two individuals: (i) The Medical University of South Carolina's Vice President for Medical Affairs and Dean of the College of Medicine of The Medical University of South Carolina, and (ii) the Executive Senior Associate Dean for Clinical Affairs of the College of Medicine of The Medical University of South Carolina;

(2) From The Medical University of South Carolina's, the Executive Vice

~~President for Academic Affairs and Provost;~~

~~(3) The Medical University of South Carolina's Vice President for Finance and Administration; (4) The Operations and, from the Medical University of South Carolina's Vice President for Medical Affairs and Dean of the College of Medicine; (5) The Hospital Authority, the Executive Director; except as expressly provided for in these Bylaws, the Executive Director of the Medical University of South Carolina Medical Center Hospital Authority shall be a non-voting Director and not have any right to vote on matters before the Board;~~

~~(6) The Chairmen of the clinical departments of the College of Medicine of the Medical University of South Carolina;~~

(73) Two members of the Board of Trustees of The Medical University of South Carolina ~~Board of Trustees, who shall be~~ designated by the Board of Trustees of the Medical University of South Carolina;

(4) Eight chairmen from the clinical departments of the College of Medicine of the Medical University of South Carolina; provided that at least six individuals are elected from each of the following three categories: (i) Surgical specialties, (ii) Medical specialties, and (iii) Hospital-based specialties; and provided that two individuals shall be elected from a clinical department not specified in the foregoing three categories. The Board shall designate which departments and which departmental divisions come under each category in a manner that best reflects the clinical organization at the time of each election;

~~(8) Nine~~5) Four community membersleaders who are not trustees, agents or employees of The Medical University of South Carolina or the State of South Carolina. These community membersleaders shall be nominated and elected by ~~those~~

~~members of the Directors serving on the Board of Directors of the Corporation~~  
~~who are not trustees, agents or employees of The Medical University of South Carolina or~~  
~~the State of South Carolina. These community members~~Directors ~~shall be as~~  
~~geographically diverse within the state of South Carolina as possible, with a goal of~~  
~~having at least one~~each ~~community board member~~Director ~~be from each of~~  
~~the six~~different ~~Congressional Districts within the State of South Carolina.~~  
~~Provided, that no more than three community board members~~  
~~may reside in the First Congressional District (which as of~~  
~~2006 consists of greater Charleston, Mt. Pleasant, Moncks~~  
~~Corner, Summerville, Upper Charleston County, Georgetown~~  
~~County, and Horry County); and~~

~~(9) Six members elected at large from the voting~~  
~~Members of the Corporation; provided, however that at least~~  
~~one member is elected from each of the following four~~  
~~categories: (1) Surgical specialties, (2) Medical~~  
~~specialties, (3) Primary care specialties, and (4)~~  
~~Hospital-based specialties, and provided further that not~~  
~~more than two members of any clinical department within the~~  
~~Medical University of South Carolina shall serve under the~~  
~~provisions of this paragraph. The Board of Directors shall~~  
~~designate which departments and which departmental divisions~~

~~come under each category in a manner that best reflects the  
clinical organization at the time of each election.6) Two  
Members elected at large from the voting Members of the Corporation.~~

**Section 3. Election, Term of Office.** ~~The members of  
the Board of Directors serving by virtue of positions  
described in Article V, Section 2, Paragraphs (1) through  
(7) shall serve as long as each occupies the position  
entitling him to a seat on the Board (hereinafter the  
"Designated Director(s)"). The members of the Board serving  
under Article V, Section 2, Paragraph (8) shall serve a term  
of three (3) years. The at large members of the Board  
serving under Article V, Section 2, Paragraph (9) shall  
serve terms of three (3) years and be nominated from the  
Membership and elected by written ballot at the regular  
annual meeting of the Members of the Corporation. **Term of  
Office.**~~

~~Candidates for election to the Board of Directors shall  
be nominated for office by a Nominating Committee or  
candidates may be nominated by any voting Member by  
submission of a written nomination to the Nominating  
Committee not less than sixty (60) days prior to the  
election.~~

~~Directors shall serve until their successors are duly elected and qualified in accordance with these Bylaws, except in the case of their earlier death, resignation, or removal from office. Directors serving pursuant to Article V, Section 2, Paragraphs (8) and (9) (the "Non-Designated Directors") may be re-elected without limitations as to the number of terms, provided that after serving two three-year terms as a Director, one must rotate off the Board for at least one year before being eligible for re-election. The Non-Designated Directors shall be divided into three classes to provide for the election of approximately one-third of the elected Directors at each annual meeting of the Board.~~

(a) The Directors described in Article V, Section 2, Paragraphs (1) and (2) (hereinafter the "*Designated Director(s)*") shall hold office as long as each occupies the position entitling him or her to a seat on the Board.

(b) The Directors described in Article V, Section 2, Paragraphs (3) through (6) ("*At-Large Directors*") shall hold office for a term of four years ("*Term*") or until his or her death, resignation, retirement, removal or disqualification, and until his or her successor is elected. With the exception of those At-Large Directors described in Article V, Section 2, Paragraphs (3) and (5), who shall be permitted to serve an unlimited number of consecutive Terms, an At-Large Director shall be eligible for no more than one Term until a period of one year has elapsed following the completion of his or her Term;

provided, however, upon a finding of extraordinary circumstances, this Term limitation may be waived any number of times by the vote of a majority of the Board. After a lapse of one (1) year, any individual who has previously served as an At-Large Director may be re-elected. Each Term shall commence on the first day of the fiscal year of the Corporation.

In the fiscal year in which these Amended & Restated Bylaws are adopted, the authority to appoint or elect the Directors described in Article V, Section 2, Paragraphs (3), (4), (5), and (6) shall also include the ability to vary the length of the initial Term of each Director in order to accommodate staggering of Term lengths to ensure better continuity of the Corporation's leadership.

**Section 4. Nomination/ Election of At-Large Directors.**

(a) Candidates for election to the Board seats described in Article V, Section 2, Paragraph (4) shall be nominated for office by the Nominating Committee, pursuant to a submission of a written nomination to the Board not less than forty (40) days prior to the election. Candidates for election to the Board seats described in Article V, Section 2, Paragraph (5) shall be nominated for office by the then-current Directors described in Article V, Section 2, Paragraph (5), pursuant to a submission of a written nomination to the Board not less than forty (40) days prior to the election. The regular election shall be held at the annual meeting of the Board; provided, however, the Board may additionally elect any individual to fill a vacancy in a Board seat at any regular or special meeting of the Board in accordance with the nomination and election procedure and timeline described in the prior sentence.



(b) Notwithstanding subparagraph (a) above, candidates for election to the Board as the At-Large Director described in Article V, Section 2, Paragraph (6) shall be nominated by the Nominating Committee and elected by the Members at the regular annual meeting of the Members of the Corporation in accordance with the procedures established by the Members; provided, however, the Members may additionally elect any individual to fill a vacancy in the Board seat described in Article V, Section 2, Paragraph (6) at any regular or special meeting of the Members in accordance with the procedures established by the Members.

(c) Notwithstanding subparagraph (a) above, the Board of Trustees of The Medical University of South Carolina shall appoint the Directors described in Article V, Section 2, Paragraph (3) in accordance with the procedures established by the Board of Trustees of The Medical University of South Carolina at the regular meeting of the Board of Trustees of The Medical University of South Carolina held prior to the start of the fiscal year of the Corporation; provided, however, the Board of Trustees of The Medical University of South Carolina may additionally elect any individual to fill a vacancy in the directorships described in Article V, Section 2, Paragraph (3) at any regular or special meeting of the Board of Trustees of The Medical University of South Carolina in accordance with the procedures established by the Board of Trustees of The Medical University of South Carolina.

**Section 5. Resignation and Removal of Directors.**

(a) Any Director may resign by giving written notice of his or her resignation to the Board or to the President or Secretary of the Corporation. Such resignation shall take effect at the time specified in such notice and the acceptance of such resignation

shall not be necessary to make it effective. ~~Any Director elected pursuant to Article V, Section 2, Paragraph (8~~

(b) Any Director described in Article V, Section 2, Paragraph (3), may be removed, with or without cause, by the Board of Trustees of The Medical University of South Carolina.

(c) Any Director described in Article V, Section 2, Paragraph (4), may be removed, with or without cause, by a two-thirds vote of all Directors then serving in office at a special or regular meeting of the Board called for such purpose.

(d) Any Director described in Article V, Section 2, Paragraph (5), may be removed, with or without cause, by a two-thirds vote of all Directors then serving in office who are not trustees, agents or employees of The Medical University of South Carolina or the State of South Carolina at a special or regular meeting of the Board called for such purpose.

(e) Any Director elected pursuant to Article V, Section 2, Paragraph (9) ~~(the "at large" directors~~6), may be removed, with or without cause, by a two-thirds vote of all Members at a special or regular meeting of the Members called for such purpose.

(f) A Designated Director may be removed from the Board of Directors upon an amendment to Section 2 of Article V of these Bylaws, whereby such Designated Director is permanently removed from the Board.

**Section 5. ~~Vacancies.~~** ~~Vacancies in those members of the Board elected pursuant to Article V, Section 2,~~

~~Paragraph (8), however arising, shall be filled by a majority vote of all Directors who are not trustees, agents or employees of The Medical University of South Carolina or the State of South Carolina and who are present at any regular meeting of the Board or at a special meeting of the Board called for that purpose. Vacancies in those members of the Board elected pursuant to Article V, Section, Paragraph (9), however arising, shall be filled by a majority vote of all Directors present at any regular meeting of the Board or at a special meeting of the Board called for that purpose. Persons shall be nominated for Directorship by the Nominating Committee and the list of any such nominees shall be included with the notice of the meeting at which election is proposed. Persons so elected shall serve the balance of the unexpired term of the vacating member of the Board. Designated Directors shall be replaced by the person elected to each respective designated office.~~

**6. Vacancies.**

(a) Designated Directors shall be replaced by the person elected to each respective designated office.

(b) The nomination and election process for any vacancy of an At-Large Director position arising other than the natural expiration of a Term shall be conducted in

accordance with Section 4 of this Article V. Any persons so elected to fill a vacancy in an At-Large Director position shall serve the balance of the unexpired Term of the vacating At-Large Director.

**Section ~~6-7~~. Compensation.** The ~~Members of the Board~~ serving under Directors described in Article V, Section 2, Paragraphs ~~(73)~~ and ~~(85)~~ may receive nominal stipends, for attending meetings in their capacity as Directors. ~~Members of the Board of~~ Directors shall not receive compensation for their services as Directors, but may receive reimbursement for their expenses incurred in conducting the business of the Corporation and in attending meetings, in accordance with the Corporation's reimbursement policy.

## ARTICLE VI – MEETINGS

**Section 1. Annual Meeting of Members.** The annual meeting of the Members of the Corporation shall be held each year on such date as may be fixed by the ~~Board of Directors~~ during the months of May or June.

**Section 2. Notice of Annual Meetings of Members.** Written notice of time and place of the annual meetings of the Members shall be sent to each Member to the last known place of business or residence, electronic mail address, or facsimile of the Member at least thirty (30) days, but not more than sixty (60) days prior to the date of such meetings.

**Section 3. Special Meetings of Members.** Special meetings of Members may be called at any time by the President or Vice President of the Corporation, the Vice

President for Medical Affairs and Dean of the College of Medicine, or by written request of twenty-five (25) voting Members of the Corporation.

**Section 4. Notice of Special Meetings of Members.** Written notice of special meetings of the Members shall be sent to each Member to the last known place of business or residence, electronic mail address, or facsimile of each Member not less than ten (10) days and not more than sixty (60) days prior to the date of such special meeting.

**Section 5. Regular Meetings of Board of Directors.** There shall be a regular meeting of the Board ~~of Directors~~ at least four (4) times per year. The regular meeting of the Board immediately prior to the conclusion of the fiscal year of the Corporation shall be designated as its annual meeting. The frequency and dates of regular meetings of the Board ~~of Directors~~ shall be fixed by the Board ~~of Directors~~. Additional meetings under this section shall be termed "regular" if approved by the Board ~~of Directors~~ during one of the required ~~annual~~ meetings and provided that regular notice is given, as underdescribed in Section 6 below.

**Section 6. Notice of Meetings of Board of Directors.** Written notice of time and place of the regular meetings of the Board ~~of Directors~~ shall be sent to each Director to the last known place of business or residence, electronic mail address, or facsimile of the Director at least ten (10) days, but not more than sixty (60) days prior to the date of any such meetings ~~regular meeting~~.

**Section 7. Special Meetings of Board of Directors.** Special meetings of the Board ~~of Directors~~ may be called at the written request of the President or Vice President of the Corporation or of eight (8) members ~~four (4) voting Directors~~ of the Board.

**Section 8. Notice of Special Meetings of Directors.** Written notice of special meetings shall be sent to the last known place of business or residence, electronic mail address, or facsimile of each member of the Board ~~of Directors~~ not less than ten (10) days prior to the date of such meeting. Only matters set forth in the notice ~~of the meeting~~ may be discussed at the special meeting.

**Section 9. Place of Meetings.** Meetings of the Members of the Corporation and the Board ~~of Directors~~ may be held at the principal office of the Corporation or at any place within or without the State of South Carolina. The notice of the meeting shall include the place and time of the meeting.

**Section 10. Waiver.** Notwithstanding the provisions of any of the foregoing sections, a meeting of the Board ~~of Directors~~ may be held at such time or place within or without the State of South Carolina as the Board ~~of Directors~~ shall designate and any action may be taken thereat, if notice thereof is waived in writing by every Director having the right to vote at the meeting.

**Section 11. Quorum.** ~~The greater of one-third~~ One-half of the number of ~~directors~~ voting Directors in office ~~or two directors~~ shall constitute a quorum for purposes of conducting a regular or special meeting. Action shall be taken by a majority vote of those ~~members of the Board of Directors~~ present once a quorum is established. A quorum for an annual or special meeting of the Members of the Corporation shall be ten percent (10%) of the Members.

**Section 12. Voting; Action by the Board.** At any meeting of the Board ~~of~~ ~~Directors~~, every voting Director present in person at such meeting shall be entitled to one vote and, except as otherwise provided by law or by these Bylaws, the act of a majority of the Directors present in person at any meeting at which a quorum is present shall be the act of the Board ~~of Directors~~. Notwithstanding anything to the contrary contained herein, and other than with regard to the removal of a Director as provided in Article V, Section 5(c), the Directors described in Article V, Section 2, Paragraphs (2) shall have no voting rights and shall not be entitled to vote upon any matter before the Board.

**Section 13. Voting; Action by the Members.** At any meeting of the Members, every voting Member shall be entitled to one vote and, except as otherwise provided by law or by these Bylaws, the act of a majority of the Members at any meeting at which a quorum is established shall be the act of the Members. A Member may appoint another Member to act as his or her proxy to vote or otherwise act for the Member by signing an appointment form either personally or by an attorney in-fact.

**Section 14. Governing Rules.** All ~~Meetings~~meetings of the Board ~~of~~ ~~Directors~~ and the Members of the Corporation shall be governed by Roberts Rules of Order.

## ARTICLE VII – COMMITTEES

**Section 1. Designation of Committees.** ~~The Board may by resolution at any meeting of the Board of Directors~~

~~designate standing and/or ad hoc committees of the Board.~~**Executive Committee.** The Executive Committee of the Board shall be composed of:

**Section 2. Membership.** ~~Each standing committee shall consist of at least three (3) members, at least two of whom shall be a member of the Board of Directors. Chairmen of each committee shall be appointed by the President. Unless otherwise provided for in these Bylaws, any standing or ad hoc committee designated by the Board of Directors may include as full voting members of such committees such persons, whether or not Directors or Officers of the Corporation, as the Chairman of each Committee shall determine. Each such committee shall have power to the extent delegated to it by the Board of Directors and in accordance with the laws of the State of South Carolina. Each committee shall keep minutes of proceedings and report to the Board of Directors.~~

**Section 3. Standing Committees.** ~~The following standing committees shall be established by the Board of Directors: Executive Committee, Nominating Committee, Finance Committee, and the Committee on Articles of Incorporation and Bylaws.~~



~~(a) Executive Committee. The Executive Committee of the Board of Directors shall be composed of:~~

(1) the Officers of the Corporation;

(2) the Vice President for Medical Affairs and Dean of the College of Medicine of The Medical University of South Carolina; and

(3) the Executive Senior Associate Dean for Clinical Affairs of the College of Medicine of The Medical University of South Carolina;

~~(3) two members~~(4) one voting Director who shall be elected from the Board of Directors to serve for a term of ~~four~~ (4) two years; and

~~(45) the immediate past President of the Corporation. The Chief Executive Officer, the Chief Medical Officer and the current President of the Medical Staff of The Medical University Hospital shall be ex-officio members~~ shall be a non-voting member of the Executive Committee.

The chairman of the Executive Committee shall be the President. The Executive Committee shall, during intervals between meetings of the Board of Directors, exercise all the powers of the Board in the management of the business and affairs of the Corporation, except as otherwise provided by law, these Bylaws, or by resolution of the Board. Four members of the Executive Committee then serving in office shall be necessary and sufficient to constitute a quorum and the act of a majority of the members of the Executive Committee present at a meeting of the Executive Committee at which a quorum is present, shall be the act of the Executive Committee. The Executive

Committee shall keep full and fair records and accounts of its proceedings and transactions. The minutes of the Executive Committee shall be distributed to all ~~members~~ Directors of the Board ~~of Directors~~. All actions by the Committee shall be reported to the Board ~~of Directors~~ at its next meeting and shall be subject to approval by the Board. Expenditures in excess of fifty thousand (\$50,000.00) dollars may be reviewed by the entire Board ~~of Directors~~.

Special meetings of the Executive Committee may be called at the request of any one of its committee members.

~~(b)~~ Section 2.        **Nominating Committee.**    The Nominating Committee shall consist of at least three Members, and shall follow policies and procedures consistent with these Bylaws as promulgated from time to time by the Board. The Nominating Committee shall review regularly the needs of the Corporation in regard to the election of ~~members~~ individuals to the Board ~~of Directors~~; and in accordance with Article V, Section 4 shall propose a slate of nominees for election as Directors at each annual meeting of the ~~Members of the Corporation~~ Board or at any other meeting at which Directors will be elected. The Nominating Committee ~~also shall propose a slate of Officers of the Corporation for election at each annual meeting of the Board of Directors. The Nominating Committee also shall nominate Directors and/or Officers to~~ shall nominate individuals for Director positions described in Article V, Section 2, Paragraphs (4) and (6) and fill vacancies occurring for whatever reason, ~~as~~

~~provided for in Article V, Section 5, and Article VIII, Section 4, of these Bylaws.~~

~~(c)~~ **Section 3. Finance Committee.** The Finance Committee shall work with the staff of the Corporation in the preparation of an annual budget, and shall make recommendations to the Board ~~of Directors~~. The Treasurer of the Corporation shall serve as ~~a voting~~ the chairman of the Finance Committee, and at least one member of the Finance Committee shall be a Director described in Article V, Section 2, Paragraph (5).

~~(d) Committee on Articles of Incorporation and Bylaws.~~  
~~The Committee on Articles of Incorporation and Bylaws shall recommend all changes in the Articles of Incorporation and Bylaws to the full Board of Directors for consideration thereby.~~

**Section 4. Designation of Committees.** The Board may, additionally, by resolution at any meeting of the Board designate standing and/or ad hoc committees of the Board.

**Section 5. Committee Membership.** Each standing committee shall consist of at least three (3) members, at least two of whom shall be a voting Director serving on the Board. Unless otherwise specified herein, the chairman of each committee shall be appointed by the President. Unless otherwise provided for in these Bylaws, any standing or ad hoc committee designated by the Board may include as full voting members of such committees such persons, whether or not Directors or Officers of the Corporation, as the

chairman of each committee shall determine. Each such committee shall have power to the extent delegated to it by the Board and in accordance with the laws of the State of South Carolina. Each committee shall keep minutes of proceedings and report to the Board.

**Section 4-6. Committee Meetings.** Unless otherwise provided for in these Bylaws, a majority of the members then serving on a committee constitutes a quorum for the meeting of the committee and the vote of a simple majority of those present at a meeting at which a quorum is present constitutes an action of the ~~Committee~~committee. Each committee shall determine and schedule the number of regular meetings it will hold each year.

**Section 5-7. Election, Term of Office.** The ~~Chairman~~chairman of each committee shall normally be appointed by the President for a term of ~~one year~~two years and may be re-appointed without limitation. Except as otherwise provided herein, (a) other committee members shall normally be nominated by the ~~Chairman~~chairman of each committee, (b) pursuant to the requirements of S.C. Code Ann. §33-31-825 (as it may be amended from time to time), such committee nominees shall be approved by a majority of all Directors in office when the action is taken, and (c) ~~Committee~~committee members shall serve for a term of ~~one year~~two years, or until their successors are duly appointed, except in the case of their earlier death, resignation, or removal from office.

**Section 6-8. Resignation and Removal.** Any committee member may resign by giving his or her written notice to the ~~Chairman~~chairman of the committee and such

resignation shall take effect at the time specified in such notice. Any committee member may be removed from his or her committee, with or without cause, by the ~~Chairman~~chairman of the committee at any time, or by a majority vote of all Directors present at any regular meeting of the Board ~~of Directors~~, or at a special meeting of the Board ~~of Directors~~ called for that purpose.

## ARTICLE VIII – OFFICERS

**Section 1. Principal Officers.** The principal officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. ~~Section 2. Election and Term of Office.~~ ~~The~~ (collectively, the “*Officers*,” and each, an “*Officer*”). All Officers of the Corporation shall be Directors who are entitled to vote on matters before the Board, and shall be nominated and elected by the Board.

**Section 2. Election and Term of Office.** The Officers of the Corporation shall be elected by a majority vote of Directors present at any regular or special meeting of the Board ~~of Directors~~ at which there is a quorum present; provided that the list of nominations for Officer positions shall be included with the notice of the meeting at which election is proposed (it is intended but not required that the election of officers shall be held at a ~~Board~~the annual regular meeting ~~in the Spring~~of the Board). An Officer shall be elected to serve a ~~two-year~~ term of two years and shall hold office until his or her successor shall have been elected, except in the case of death, resignation, or removal as provided for in these Bylaws. ~~Officers may be re-elected to office for one (1) additional~~

~~term, after which a one (1) year waiting period shall be necessary for future election to the same office.~~

**Section 3. Removal of Officers.** Any Officer may be removed, with or without cause, at any time at any meeting of the Board ~~of Directors~~ at which a quorum is present by a vote of two-thirds of the Directors then serving in office.

**Section 4. Removal of Officers by Members.** Any Officer may be removed, with or without cause, by the Members, but only if such removal is accomplished at the very next meeting of the Members (annual or special) subsequent to the appointment of the Officer. Removal of an Officer by the Members pursuant to this Section shall be by majority vote at the meeting of the Members described in the previous sentence where a quorum is present.

**Section 5. Vacancies.** Vacancies among Officers, however arising, shall be filled by a majority vote of Directors present at any regular or special meeting of the Board of Directors at which there is a quorum present. The list of nominations for Officer positions shall be included with the notice of the meeting at which election is proposed.

**Section 6. President.** The President shall preside at all meetings of the Board of Directors and generally do and perform all acts incident to the Office of President, and shall have such additional powers and duties as may from time to time be assigned to him or her by the Board of Directors. The President shall report on a regular basis to the Vice President for Medical Affairs and Dean of the College of Medicine of the Medical University of South Carolina on activities of the Corporation, who in return shall report to the President of The Medical University of South Carolina.

**Section 7. Vice President.** In the absence (or inability to act) of the President, the Vice President shall exercise the powers and perform the duties of President. The Vice President shall also generally assist the President and shall have such powers and perform such other duties as may from time to time be designated by the President or by the Board ~~of Directors~~.

**Section 8. Treasurer.** The Treasurer shall act under the supervision of the Board ~~of Directors~~ and shall have charge and custody of, and be responsible for, all funds of the Corporation and shall keep or cause to be kept, and shall be responsible for the keeping of, accurate and adequate records of the assets, liabilities, and transactions of the Corporation. He or she shall deposit, or cause to be deposited, all monies and other valuable effects of the Corporation in the name of and to the credit of the Corporation in such banks, trust companies, or other depositories as may be designated from time to time by the Board of Directors. He or she shall disburse or cause to be disbursed, the funds of the Corporation based upon proper vouchers for such disbursement. In general, he or she shall perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him or her by the President or by the Board of Directors.

**Section 9. Secretary.** The Secretary shall act as ~~Secretary~~ secretary of ~~the~~ the Board and shall keep the minutes of all meetings of ~~the~~ the Board ~~of Directors~~ and of the Members in one or more books provided for that purpose and shall see that minutes of meetings of the Board ~~of Directors~~ shall be distributed promptly to all ~~members~~ Directors of the Board ~~of Directors~~. He or she shall see that all notices

are duly given in accordance with these Bylaws and as required by law. He or she shall have charge of the books, records and papers of the Corporation relating to its organization as a corporation and shall see that all reports, statements, and other documents required by law are properly kept or filed, except to the extent that the same are to be kept or filed by the Treasurer and shall be required to authenticate the same. In general, he or she shall perform all the duties incident to the office of Secretary and such other duties as may from time to time be assigned to him or her by the President or by the Board ~~of Directors~~.

**Section 10. Bonding.** Any Officer or employee of the Corporation shall, if required by the Board ~~of Directors~~, give such security for the faithful performance of his or her duties as the Board ~~of Directors~~ may require.

**Section 11. Chief Executive Officer.**

(a) ~~The Corporation shall operate and staff its operation under the leadership of a~~ Chief Executive Officer ~~who shall~~ shall be responsible for the day to day operation of the affairs of the Corporation and shall in concert with the Board be responsible for ~~management~~ the growth and development of the Corporation ~~and its business operations~~. The Chief Executive Officer shall report to the President and the Board of ~~Directors of the~~ Corporation. ~~These~~ The duties of the Chief Executive Officer may be enlarged by the Executive Committee to support the administrative and clinical responsibilities of the ~~clinical department~~ chairs of the clinical departments of the College of Medicine



of The Medical University of South Carolina. Notwithstanding anything to the contrary contained herein, the Chief Executive Officer shall be appointed and may be removed by the Board, and there shall not be any time limit to the period during which an individual may serve as Chief Executive Officer.

~~Chair persons.~~

~~**Section 12. Chief Medical Officer.** The Chief Medical Officer shall be appointed by the President and shall report to the President, with the consent of the Executive Committee and the Board of Directors of the Corporation. The duties of the Chief Medical Officer will be specified and assigned by the Executive Committee to support the administrative and clinical responsibilities of the clinical department chairpersons.~~

(b) **Additional Staff.** Other staff and employees of the Corporation shall be recruited, hired, and terminated by the Chief Executive Officer as warranted.

(c) **Salaries.** The salaries and benefits of the Chief Executive Officer shall be set by the Board. The salaries and benefits of all other staff members and employees shall be fixed by the Chief Executive Officer. Such salaries and benefits shall be reasonable in amount and shall be reviewed periodically by the Board with appropriate data as to comparability and the Board shall document its conclusions as to reasonableness of the compensation.

## ARTICLE IX – INDEMNIFICATION

Every person who is or shall be or shall have been a Director or Officer of the Corporation and his or her personal representatives shall be indemnified by the Corporation against all costs and expenses reasonably incurred by or imposed upon him or her in connection with or resulting from any action, suit, or proceeding to which he or she may be made a party by reason of his or her being or having been a Director or Officer of the Corporation or of any subsidiary or affiliate thereof, except (i) in connection with an action, suit or proceeding by or in the right of the Corporation in which the Director or Officer was adjudged liable to the Corporation, (ii) in any action, suit or proceeding charging improper personal benefit to the Director or Officer, whether or not involving an action in his official capacity, in which the Director or Officer was adjudged liable on the basis that personal benefit was improperly received by the Director or Officer, or (iii) in relation to any other such matters as to which he or she shall finally be adjudicated in such action, suit, or proceeding to have acted in bad faith and to have been liable by reason of willful misconduct in the performance of his or her duty as Director or Officer. Costs and expenses of actions for which this Article provides indemnification shall include, among other things, attorney's fees, damages, and reasonable amounts paid in settlement.

## ARTICLE X - CONFLICTS IN INTEREST

**Section 1. Purpose.** The purpose of this conflicts of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the

Corporation. This policy is intended to supplement but not ~~Replace~~ Sections 33-31-831, 33-31-832 of the South Carolina Code or other applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

**Section 2. Definitions.**

(a) Interested Person. Any Director, ~~principal officer~~ Officer, or member of a committee with Board-delegated powers who has a direct or indirect Financial Interest, as defined below, is an “**Interested Person.**” If a person is an Interested Person with respect to any entity in ~~the~~ The Medical University of South Carolina healthcare system of which the Corporation is a part, he or she is an Interested Person with respect to all entities in the healthcare system.

(b) Financial Interest. A person has a “**Financial Interest**” if the person has, directly or indirectly, through business, investment, or family:

(1) an ownership or investment in any entity with which the Corporation has a transaction or arrangement;

(2) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or

(3) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under Article X, Section 3, Paragraph (b) a person who has a Financial Interest may have a conflict of interest only if the appropriate Board or committee decides that a conflict of interest exists.

**Section 3. Procedures.**

(a) Duty to Disclose. In connection with any actual or possible conflicts of interest, an Interested Person must disclose the existence of his or her Financial Interest and all material facts to the Directors and members of committees with Board-delegated powers considering the proposed transaction or arrangement.

(b) Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he or she shall leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

(c) Procedures for Addressing the Conflict of Interest.

(1) An Interested Person may make a presentation at the Board or committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

(2) The chairperson of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(3) After exercising due diligence, the Board or committee shall determine whether the Corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(4) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

(d) Violations of the Conflicts of Interest Policy.

(1) If the Board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(2) If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**Section 4. Records of Proceedings.**

The minutes of the Board and all committees with Board delegated powers shall contain:

(a) the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed; and

(b) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

**Section 5. Compensation Committees.**

(a) Except as provided below, a voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation; and

(b) Compensation for physicians shall be established by the Vice-President for Medical Affairs and Dean of the College of Medicine of The Medical University of South Carolina after consultation with the Chairmen of the clinical departments of the College of Medicine of The Medical University of South Carolina.

**Section 6. Annual Statements.**

Each Director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms that such person:

- (a) has received a copy of the Conflicts of Interest Policy;
- (b) has read and understands the policy;

- (c) has agreed to comply with the policy; and
- (d) understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

**Section 7. Periodic Reviews.**

To ensure that the Corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining;
- (b) Whether acquisitions of physician practices and other provider services result in inurement or impermissible private benefit;
- (c) Whether partnership and joint venture arrangements and arrangements with management service organizations and physician hospital organizations conform to written policies, are properly recorded, reflect reasonable payments for goods and services, further the Corporation's charitable purposes, and do not result in inurement or impermissible private benefit; and
- (d) Whether agreements to provide healthcare and agreements with other healthcare providers, employees, and third-party payors further the Corporation's charitable purposes and do not result in inurement or impermissible private benefit.

**Section 8. Use of Outside Experts.**

In conducting the periodic reviews provided for in Article X, Section 7, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

## **ARTICLE XI - AMENDMENT OF ARTICLES OF INCORPORATION AND BYLAWS**

**Section 1. Articles of Incorporation.** Except as otherwise required by South Carolina law or the provisions hereinafter contained, the Articles of Incorporation or any part thereof may be amended, ~~deleted, or added to if~~restated, modified, or deleted (“Change in Articles”) as long any such Change in Articles is approved by (i) a majority of the Board ~~of Directors and~~at a duly called meeting where a quorum is present and (ii) a majority of all voting Members ~~at a duly called meeting where a quorum~~ is present. Such vote shall be taken at a meeting held after notice stating the time, place, and purpose thereof, and after sending notice to each Member not less than ten (10) days before the meeting, or in the alternative, upon motion made at such meeting, such vote may be taken by written poll of the voting Members submitted to the voting Members within two days after the close of said meeting. Notice of proposed ~~changes~~Change in Articles shall also be sent to the Chairman of the Board of Trustees of The Medical University of South Carolina at least ninety (90) days prior to the meeting. Such action may be initiated either by:

- (1) The Board ~~of Directors~~; or



(2) Written petition of fifteen (15%) percent or twenty-five (25) Members of the Corporation, whichever is greater.

~~Changes~~Any Change in the ~~Articles of Incorporation,~~ made pursuant to this Section, shall become effective only after approval by the Board of Trustees of The Medical University of South Carolina and upon complete compliance with the South Carolina Code of Laws, 1976, as amended.

**Section 2. Bylaws.** Except as otherwise required by South Carolina Law, these Bylaws may be amended, ~~deleted, or added to if restated, modified, or deleted~~ (“Change in Bylaws”) as long as any such Change in Bylaws is approved by (i) a majority of the Board ~~of Directors and~~ at a duly called meeting where a quorum is present and (ii) a majority of all voting Members ~~at a duly called meeting where a quorum.~~ ~~Amendments to these is present.~~ Any Change in Bylaws, made pursuant to this Section, shall become effective only after approval of the Board of Trustees of The Medical University of South Carolina and upon complete compliance with the South Carolina Code of Laws, 1976, as amended.

## ARTICLE XII - DISSOLUTION

The Corporation may be dissolved upon the written vote of two-thirds of the voting Members of the Corporation. Upon dissolution all assets of the Corporation shall be transferred to The Medical University of South Carolina, if in existence. If The Medical University of South Carolina is not then in existence, such assets shall be transferred to such other nonprofit exempt organization as most similarly serves the same

purpose as the Corporation, ~~as determined by the Board~~. No assets of said Corporation shall inure to or benefit of any Member or individual of the Corporation.

### ARTICLE XIII - MISCELLANEOUS

**Section 1. Fiscal Year.** The fiscal year of the Corporation shall be from July 1, through June 30.

**Section 2. Contracts, Checks, Bank Accounts, Etc.** The Board ~~of~~ ~~Directors~~ is authorized to select such banks or depositories, as it shall deem proper for the funds of the Corporation. The Board shall determine who, if anyone, in addition to the President and Treasurer, shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for the payment of money, acceptances, notes, or other evidences of indebtedness, to enter into contracts or to execute and deliver other documents and instruments.

**Section 3. Corporate Seal.** The seal of the Corporation shall be circular in form and shall bear the name of the Corporation, the name of the State, and the year of incorporation.

**Section 4. ~~Revenue Distribution Policy.~~** ~~The Revenue Distribution Policy adopted by the Board of Directors shall be amended and changed only with the approval of the Board of Trustees of the Medical University of South Carolina.~~ **Section 5. Corporate Budgets.** The Board ~~of~~

~~Directors shall determine a budget for corporate expenses. The Board shall direct a balanced budget.~~

**~~Section 6. Departmental Revenues and Allocation of~~**

**~~Expenses.~~** ~~Each individual clinical department shall be responsible for the revenues from its clinical services and for the expenses associated with the generation of those revenues. The Corporation's Board of Directors shall ensure that accurate expenses associated with the practice of each department are allocated to that department. The Board shall approve all extraordinary expenses as well as corporate expenses, and it shall ensure that these and any extraordinary revenues are allocated to the Departments in an appropriate manner.~~

**~~Section 7. Departmental Balances.~~** ~~Each individual~~

~~clinical department shall solely control the cash balances identified and held in its name within the University Medical Associates accounting system in accordance with the Corporation's policies and procedures. However, the Board of Directors shall have the authority to ensure that the Corporation's policies and procedures incorporate adequate provisions to enable the Corporation to meet all its legal~~

~~and fiduciary responsibilities with respect to bond covenants and such other legal obligations that are impacted by Departmental balances and other fiscal matters. In addition, the Board of Directors shall have the authority to make accounting or other adjustments to the University Medical Associates accounts in the event that it is considered by them necessary to do so. The Board of Directors shall review, at least annually, expenses and other items which may materially alter these accounts.~~ **Section 8.5. Capital Assets.** The UMACorporation shall

receive prior written approval from the Board of Trustees of The Medical University of South Carolina ~~before it acquires any capital assets or auxiliary ownership in equipment or~~ regarding its acquisition of any material medical assets, including but not limited to equipment and facilities. For purposes of the prior sentence, a medical asset shall be deemed material if its acquisition cost exceeds \$50,000.00. In no event shall any of these activities compete with ~~or~~ hinder the mission and activities of The Medical University of South Carolina, and/or the Medical University Hospital Authority.

**Section 9.6. Audits, Books and Records.**

(a) The Financial Statements of the UMACorporation shall be independently audited on an annual basis by a certified public accounting firm. A

complete copy of said audit (to include the financial statements with the auditor's opinion, the management letter and management's discussion and analysis, etc.) shall be sent to each member of the Board of Trustees of The Medical University of South Carolina.

(b) All records, documents, etc., and access to members, staff, employees, associates, consultants, vendors, etc., of the UMACorporation shall be available for review/audit by The Medical University of South Carolina's Internal Auditor or his/her designee.

\* \* \*

The undersigned Secretary of the Corporation hereby certifies that the foregoing Amended & Restated Bylaws have been adopted as the Amended & Restated Bylaws of the Corporation pursuant to the requirements of the South Carolina state law regarding nonprofit and charitable corporations.

Date: \_\_\_\_\_, 2011 \_\_\_\_\_

Document comparison by Workshare Compare on Monday, September 17, 2012  
5:24:58 PM

Input:	
Document 1 ID	file:///U:/UMA General Counsel/Bylaw Revision/Bylaws - original.DOC
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Document 2 ID	file:///U:/UMA General Counsel/Bylaw Revision/Charleston-864775-v1-Bylaws AR - 9-17-12 FINAL(Submission for October 2012 BOT Meeting).doc
Description	Charleston-864775-v1-Bylaws AR - 9-17-12 FINAL(Submission for October 2012 BOT Meeting)
Rendering set	standard

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Moved from	18
Moved to	18
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Format changed	0
Total changes	460

## Board of Trustees Credentialing Subcommittee - August 2012

**The Medical Executive Committee reviewed the following applicants on August 15, 2012 and recommends approval by the Board of Trustees Credentialing Subcommittee effective August 28, 2012**

### Medical Staff Initial Appointment and Privileges

David Gordon Bundy, M.D., M.P.H.	Active Provisional	Pediatrics
Edward William Cheeseman, Jr., M.D.	Active Provisional	Ophthalmology
Allison Marie Dobbie, M.D.	Active Provisional	Otolaryngology
Andrew Steven Eiseman, M.D.	Active Provisional	Ophthalmology
Gregory Alan Hall, M.D.	Active Provisional	Medicine
Jairy Cornelius Hunter, III, M.D., M.B.A.	Active Provisional	Family Medicine
Ram Kalus, M.D.	Provisional Affiliate	Surgery
Elliott E. Levy, M.D.	Affiliate	Psychiatry
Ashli Karin O'Rourke, M.D.	Active Provisional	Otolaryngology
Shelly Dawn Ozark, M.D.	Active Provisional	Neurosciences
Erik Burness Person, M.D., M.S.	Active Provisional	Medicine
Jenny Harizanova Petkova, M.D.	Active Provisional	Medicine
Talat Hayat Raja, M.D.	Active Provisional	Medicine
John Routt Reigart, II, M.D.	Active Provisional	Pediatrics
Michel Joseph Sabbagh, M.D.	Active Provisional	Anesthesiology
Ganga Lakshmi Srinivas, M.B.B.S.	Active Provisional	Pediatrics
Manoucher Lance Tavana, M.D., B.S.	Active Provisional	Surgery
William Michael Walsh, M.D.	Active Provisional	Orthopaedic Surgery
Robert Curtis Waters, M.D.	Active Provisional	Otolaryngology
Rachael Zweigoron, M.D.	Active Provisional	Pediatrics

### Medical Staff Reappointment and Privileges

Michael Bret Anderson, M.D.	Active Provisional	Radiology
Lawrence B. Afrin, M.D.	Active	Medicine
Michael R. Book, M.D.	Affiliate CFC - R&F	Family Medicine
Deborah A. Bowlby, M.D.	Active	Pediatrics
Christina R. Carrick, M.D.	Active	Pathology & Lab. Med.
Salvatore A Chiaramida, M.D.	Active	Medicine
Todd E. Dantzler, M.D.	Active	Medicine
Haytham H. Dimashkieh, M.D.	Active	Pathology & Lab. Med.
Harry A. Drabkin, M.D.	Active	Medicine
James Eugene Edwards, M.D., M.A.ED.	Active	Psychiatry
Nitin Garg, M.B.B.S, M.P.H.	Active Provisional	Surgery
Carl David Geier, Jr., M.D.	Active	Orthopaedic Surgery
Jonathan J. Halford, M.D.	Active	Neurosciences
Jeffrey Keith Harris, M.D.	Active Provisional	Pediatrics
Susan C. Harvey, M.D.	Active	Anesthesiology
Vanessa K. Hinson, M.D., Ph.D.	Active	Neurosciences
Michelle P. Hudspeth, M.D.	Active	Pediatrics
Mark A. Lockett, M.D.	Active Provisional	Surgery
Anbukarasi Maran, M.B.B.S	Active Provisional	Medicine
Pinckney Johnstone Maxwell, IV, M.D.	Active Provisional	Surgery
Julie McSwain, M.D., M.P.H	Active	Anesthesiology
William P. Moran, M.D.	Active	Medicine
Lancer A. Scott, M.D.	Active	Medicine
David E. Soper, M.D.	Active	Obstetrics & Gynecology
David E. Stickler, M.D.	Active	Neurosciences
Laura L. Stickler, M.D.	Active	Obstetrics & Gynecology
Beje Sam Thomas, M.D.	Active Provisional	Medicine
Margaret S. Villers, M.D.	Active	Obstetrics & Gynecology
Isabel L. Vireila-Lowell, M.D.	Active	Pediatrics

Robert Wells Warren, M.D., Ph.D., M.P.H.	Active Provisional	Pediatrics
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**Medical Staff Reappointment and Change in Clinical Privileges**

Emily A Darr, M.D.	Active Provisional	Orthopaedic Surgery	Addition of Comprehensive Pain Management procedures
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**Professional Staff Initial Appointment and Privileges**

Laura Nicole Bamford, M.S.N., A.N.P.	Provisional Allied Health	Neurosciences
Christine Patton Corley, R.N., P.N.P.	Provisional Allied Health	Pediatrics
Kinsey E. Knight, P.A.C.	Provisional Allied Health	Pediatrics
Melissa Ellen Loeffler, P.A.C.	Provisional Allied Health	Dermatology
Shannon Kathleen Magee, F.N.P., M.S.N.	Provisional Allied Health	Surgery
Phyllis Lynn Mitchum, M.S.W.	Provisional Allied Health	Psychiatry
Mary Catherine Park, P.A.C.	Provisional Allied Health	Psychiatry
Tiffany H. Williams, P.N.P., MSN	Provisional Allied Health	Pediatrics

**Professional Staff Reappointment and Privileges**

Ronald E. Acierno, Ph.D.	Allied Health	Psychiatry
Lee Allen Erbe, F.N.P.	Provisional Allied Health	Medicine
Sarah B. Hales, M.S.W.	Provisional Allied Health	Psychiatry
Jennifer M. Jones, C.R.N.A.	Provisional Allied Health	Anesthesiology
Sameer V Tipnis, Ph.D.	Provisional Allied Health	Radiology
Kenneth N. Vanek, B.S., M.S., Ph.D.	Allied Health	Radiation Oncology
Nancy Johnson Warren, Ph.D.	Provisional Allied Health	Psychiatry

**Professional Staff Reappointment and Change in Privileges**

Brittaine Mechelle Hinkson, P.A.C.	Provisional Allied Health	Neurosciences	Switch from NeuroSurgery to Adult Neurology
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**Professional Staff Change in Privileges**

Jeffrey Raymond Acell, C.C.P., B.S., M.S.	Allied Health	Surgery	Addition of LVAD support
Brandi Boyce Aquino, P.A.	Allied Health	Surgery	Addition of First Assist privilege
Sarah Lynn Denham, A.N.P., MSN	Allied Health	Neurosciences	Neurosurgery Focused SOP
Carly M. Freilich, P.A.C., M.M.S.	Allied Health	Neurosciences	Neurosurgery Focused SOP
Megan Ellen Fulton, P.A.C.	Allied Health	Neurosciences	Neurosurgery Focused SOP
Beth Allison Griffin, P.A.C., M.S., B.S.E.	Allied Health	Neurosciences	Neurosurgery Focused SOP
Jennifer Marshall, P.A.C.	Allied Health	Neurosciences	Neurosurgery Focused SOP
Patricia Mathias, P.A.C.	Allied Health	Neurosciences	Neurosurgery Focused SOP
Mary McCall, C.C.P., MSN	Allied Health	Surgery	Addition of LVAD support
Natalie Claire O'Bryan, MSN, A.N.P.	Allied Health	Otolaryngology	Switch from Surgery to Otolaryngology



## Policy Manual

<b>Section</b>	<b>No</b>	<b>Title</b>	
PC-18	C-013	Resuscitation Orders	
<b>Owner:</b>		Quality Department	
<b>Location/File:</b>		I:\EllisT\Data\Word\MUHA Clinical Policies\C-13.Resuscitation	
<b>Date Implemented:</b> 06/97	<b>Reviewed:</b> 10/02, 09/05	<b>Revised:</b> 08/00, 10/07, 09/09, 11/10, 9/12	<b>Legal Review:</b> <u>9/12</u>

### Definitions:

**Cardiac or pulmonary arrest:** acute cardiovascular or respiratory collapse that would result in patient's death or anoxic encephalopathy within several minutes unless cardiopulmonary resuscitation was started.  
Does not apply to other potentially life-threatening clinical events.

**Resuscitative measures:** mechanical ventilation, endotracheal intubation, chest compression, electrical cardioversion, external pacemakers, emergency medications, and/or rapid fluid infusions.

### Policy:

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1. CPR is instituted by trained staff on any patient who suffers a cardiac or respiratory arrest unless an Allow Natural Death/Limited Resuscitation Order has been entered in the patient's medical record.
2. If no such order is present, resuscitation efforts should be aggressive and complete according to the guidelines on Advanced Cardiac Life Support of the American Heart Association.
3. The order to Allow Natural Death simply means that the patient will not receive CPR.
4. A patient with an order to Allow Natural Death or for specific resuscitation measures shall receive appropriate care.
5. If an Allow Natural Death/ Limited resuscitation order is written, the following should be performed:
  - 5.1. A prompt review of management to ensure that the patient is receiving all care from which he or she can benefit, including palliative efforts. These include, but are not limited to:
    - 5.1.1. Basic nursing care (including bodily cleanliness and mouth care)
    - 5.1.2. Adequate analgesia (even if it may hasten death)
    - 5.1.3. Symptom control
    - 5.1.4. Suctioning as required for comfort
    - 5.1.5. Oxygen as required for comfort
    - 5.1.6. Intake for comfort
    - 5.1.7. Facilitated access to family, clergy, and social and psychological personnel.
  - 5.2. Patient with an Allow Natural Death/Limited Resuscitation order may still receive therapeutic interventions for acute, potentially life-threatening problems that do not constitute a full cardiopulmonary arrest. Exclusion of all life-sustaining interventions for any potentially life-threatening condition requires a specific written order and progress note that describe these exclusions in addition to the resuscitation order.

6. Medical and ethical concerns with CPR focus on selecting patients who are likely to benefit from this intervention while maintaining a meaningful role in patient autonomy in the decision making process.
7. Situations for considering an order to allow natural death or limit resuscitation:

- 7.1 Refusal of Resuscitation by Competent Adult Patient
- 7.2 Refusal of Resuscitation through an Advance Directive, Living Will or Durable Power of Attorney for Healthcare
- 7.3 Refusal of Resuscitation by a Surrogate Decision Maker:
  - 7.3.1 Adults
  - 7.3.2 Adults with no surrogate
  - 7.3.3 Minors
- 7.4 Medically Ineffective Resuscitation

**7.1. Refusal of Resuscitation by Competent Adult Patient:**

- 7.1.1. Competent adult patients have the legal right to refuse any medical interventions, including life-saving interventions.
- 7.1.2. Any patient, who understands the nature of his/her illness and can make informed, reasoned choices about treatment, can refuse resuscitation for medical or non-medical reasons.
- 7.1.3. The attending physician makes determination of a patient's capacity for decision making.
- 7.1.4. The patient may refuse resuscitation verbally or through a written advance directive.
- 7.1.5. Any physician who will not honor the capable patient's refusal of resuscitation should ~~withdraw from the case by making a reasonable effort to transfer the patient's care to another physician,~~

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**7.2. Refusal of Resuscitation through an Advance Directive - Living Will or Durable Power of Attorney for Health care:**

- 7.2.1. A competent, capable adult patient may explicitly refuse resuscitation by presenting a **Living Will** document to the attending physician or designee. A Living Will instructs the physician to withhold or withdraw resuscitative interventions when the patient is in a terminal condition or a persistent vegetative state. Incapacitated patients, who made clear, explicit statements of their treatment wishes, including resuscitation, while still a capable decision maker, shall have those statements given priority over any conflicting opinions or desires of family members and must be honored.
- 7.2.2. An adult patient with a Durable Power of Attorney for Health care has legally named an adult as his/her agent for making health care decisions in the event the patient is no longer a capable decision maker. The agent has the legal authority to refuse resuscitative measures. If the surrogate's decision conflicts with the patient's previously expressed wishes, the physician can contact the Ethics Consultation Service for assistance.

**Deleted:** or by making a referral to the Ethics Consultation Service

**7.3. Refusal of Resuscitation by a Surrogate Decision Maker:**

**7.3.1. Adults**

- 7.3.1.1. According to the South Carolina Adult Health Care Consent Act, a patient's inability to consent must be certified by two licensed physicians, each of whom has examined the patient and documented the assessment in the medical record.
- 7.3.1.2. If the patient is unable to understand the nature and consequences of his/her illness or is incapable of making informed choices about treatment, the physician must consult with the patient's surrogate, , to arrive at a substituted judgment for the patient about resuscitation measures.
- 7.3.1.3. The surrogate should make a good faith effort to determine the religious beliefs and basic values of the patient and to inform the patient, to the extent possible, of the proposed treatment and that the surrogate is authorized to make a decision regarding that treatment.
- 7.3.1.4. The surrogate should base his/her decision on the patient's religious beliefs, basic values, and any preferences previously expressed regarding treatment to the extent they are known, and if unknown or unclear, on the patient's best interests.
- 7.3.1.5. According to the South Carolina Adult Health Care Consent Act, the following persons may serve as surrogates, in order of priority unless the health care provider has actual knowledge, before the patient became unable to consent to their own health care, that the patient did not want a specific person making decisions on their behalf:

- A legally appointed guardian if the decision is within the scope of the guardian's authority;
- A person appointed by the patient in a durable power of attorney or healthcare power of attorney if the decision is within the scope of the appointed person's authority;
- A person given priority by another provision of state law;
- The patient's spouse unless the patient and their spouse are separated pursuant to one of the following:
  - Entry of a pendente lite order (order while the litigation is pending) in a divorce or separate maintenance action;
  - A formal, signed, written property or marital settlement agreement;
- Entry of a permanent order of separate maintenance and support or a permanent order approving a property or marital settlement agreement; A parent or adult child of the patient;
- An adult sibling, grandparent, or adult grandchild of the patient
- Any other relative by blood or marriage if the provider reasonably believes the person has a close personal relationship with the patient;

**7.3.2. Adults with no Surrogate**

7.3.2.1. If the patient is incapacitated and has no appropriate surrogate, including next of kin, the attending physician must request an assessment by a second attending physician to confirm the assessment of medically ineffective resuscitation. **Refer to 7.4 Medically Ineffective Resuscitation.**

**7.3.3. Minors**

7.3.3.1. If the patient is an unemancipated minor, the parent or legal guardian must be consulted in working toward a decision in the **best interests** of the child. The minor should be involved in these decisions to the extent of his/her capacity and the wishes of the minor, particularly mature minors, should be given great weight in determining what is in the minor's best interests.

7.3.3.2. If the minor is emancipated (married, enlisted in the armed services, or has a valid declaration of emancipation), he or she has the authority to make a decision about resuscitation.

**7.4. Medically Ineffective Resuscitation:**

7.4.1. Treatment that would be medically ineffective should not be recommended or imposed upon a patient.

7.4.2. If a patient, either directly or through an advance directive, or the patient's surrogate requests resuscitation which the attending physician determines would be medically ineffective and/or outside the standard of care, the attending physician shall discuss fully with the patient or surrogate the medical reasons why resuscitation is inappropriate and the overall goals of the patient's care.

7.4.3 If the patient or surrogate continues to request inappropriate resuscitation, follow the process described in clinical policy C-23 Withholding / Withdrawing Life-Sustaining Treatment on physician- patient / surrogate disagreements

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**8. Honoring Patient Directives**

8.1. If there is evidence of an Advance Directive (e.g. a copy of a written living will or a Healthcare Power of Attorney), documentation of that directive should be in the medical record. An oral declaration by a patient must be made in the presence of a physician and one witness and shall be noted in the medical record.

**9. Communication Between Staff:**

9.1. Communication about a resuscitation order should occur with all healthcare team members involved in care of the patient. Disagreements among clinicians about the appropriateness of a resuscitation order should be resolved, or at least addressed, prior to the writing of that order.

9.2. If there are conflicts among the health care team, the Ethics Consultation Service is available to provide help. Any member of the health care team can call for an ethics consult.

**10. Discussing Resuscitation:**

10.1. Physicians are not required to offer a therapy believed to be medically ineffective or inhumane.

- 10.2. When CPR is considered a medically effective option falling within the standard of care, the physician must provide enough information for patients or surrogates to make an informed choice and to set reasonable goals.
  - 10.3. The physician must explain the nature of resuscitation, the possible outcomes (including survival, persistent unconsciousness, ventilator dependency, neurological compromise, or death), the likelihood of the outcomes, and the therapeutic alternatives.
  - 10.4. The physician should offer explicit recommendations, including the reasons for those recommendations, while giving the patient or surrogate appropriate choices. Explicit agreement must be reached concerning the use of any resuscitation measures, such as cardiac massage, countershock, artificial ventilation, and pharmacological agents. Decisions regarding a resuscitation order should be made only after a thorough discussion of the therapeutic options.
  - 10.5. When multiple attending physicians are participants in a patient's care, good clinical practice dictates that an attending physician be designated to discuss end of life decisions with patients and families and to initiate resuscitation orders, as well as, discuss decision making among the involved physicians.
11. Documenting the Decision:
- 11.1. Documentation in the progress notes of the medical record should record the discussion with the patient or surrogate or others and the views of the patient or surrogate concerning resuscitation measures. The progress notes should include any evidence of advance directives, explanation of the patient's capacity, reflect the reasons for the order, and any efforts made to resolve ethical or communication problems regarding the order.
12. Mandatory Reassessment of Allow Natural Death/Limited Resuscitation Order (AND/LRO) Before Anesthesia, Surgery, or Other Invasive Procedures:
- 12.1. Patients with an AND/LRO may be candidates for anesthesia, surgery, or other procedures intended to facilitate care, or to provide for the relief of pain. These procedures may create life-threatening situations, including cardiopulmonary arrest, which may be readily reversible by measures, such as cardiac massage, countershock, and artificial ventilation.
  - 12.2. For patients with an AND/LRO who will be going into procedural areas or any of the operating rooms, the procedural attending physician, in conjunction with the patient's attending physician must discuss with the patient, surrogate, or legal guardian whether to rewrite or modify the AND/LRO. This will be documented in the medical record.
  - 12.3. If the patient is unable for any reason to participate in this discussion, or surrogate decision makers are not available, including the parent or legal guardian of a pediatric patient, the involved physician shall use his or her discretion about participating in the administration of an anesthetic or performance of a procedure which is not an emergency.
  - 12.4. For patients who have a current AND/LRO, the physician performing the procedure should inform the patient about interventions possible in the event of a cardiopulmonary arrest and document both the discussion and the specific interventions in the medical record. Explicit agreement must be reached concerning resuscitation measures, such as cardiac massage, countershock, artificial ventilation, and pharmacological agents.
  - 12.5. If the patient elects to have the AND/LRO remain in effect, the anesthesiologist, or any other care provider, has the option of declining to participate in that facet of care of the patient. The physician must make every reasonable effort to find a physician with similar training and expertise who is willing to treat the patient. An ethics consultation must be requested if this situation is not able to be resolved.

**Procedure:**

1. An Attending Physician, Following an Assessment of the Patient's Desires, Condition, and Prognosis, May Issue Resuscitation Orders:
  - 1.1. Physicians-in-training may enter resuscitation orders with the concurrence of an attending physician.
  - 1.2. The order will be discussed with an attending physician before entered into the medical record.
  - 1.3. The order must be co-signed by an attending physician within 24 hours.
  - 1.4. The order should be documented on the preprinted order entitled "Allow Natural Death/Limited Resuscitation Order" form.
2. Before Resuscitation Orders Are Entered in the Chart, the Following Information must Be Included in the Progress Notes in the Medical Record:
  - 2.1. A brief statement of the patient's physical and mental condition, including diagnosis and prognosis.
  - 2.2. Reasons for an Allow Natural Death/Limited Resuscitation Order.

- 2.3. A description of the patient's mental status at the time the decision was made and identification of the surrogate, if the patient is incapable of making such decisions.
  - 2.4. A description of the discussion with the patient or surrogate about specific resuscitation measures or forgoing resuscitation. A patient's inability to consent must be certified by two licensed physicians who have examined the patient.
  - 2.5. A statement of the patient's wishes (when known) or the surrogate's wishes (if the patient lacks the capacity to make decisions) and/or documentation of the patient's advance directives regarding resuscitation.
  - 2.6. This narrative should be documented on the preprinted progress note entitled "Allow Natural Death/Limited Resuscitation Progress Note".
3. Orders for Allow Natural Death/Limited Resuscitation Will Not Be Enacted until:
    - 3.1. The physician documents the discussion with the patient and/or applicable others in the medical record
    - 3.2. The physician enters a ALLOW NATURAL DEATH/ LIMITED RESUSCITATION ORDER in the patient's medical record.
    - 3.3. If present with the patient at the time of cardiopulmonary arrest, the physician may personally direct that specific resuscitation measures not be used based upon the patient's wishes as previously expressed..
  4. Order Expiration
    - 4.1. An Allow Natural Death/Limited Resuscitation Order does not expire until the order is terminated by the physician or patient.
    - 4.2. Physicians-in-training may discontinue resuscitation orders with the concurrence of an attending physician.
  5. Reconsideration of Allow Natural Death / Limited Resuscitation Orders:
    - 5.1. An Allow Natural Death/Limited Resuscitation Order may be reconsidered at any time at the request of the patient, the patient's surrogate, or the physician. The patient or patient's surrogate may revoke the Allow Natural Death/Limited Resuscitation Order at any time. A description of the discussion between the patient or surrogate and the physician regarding revocation of the Allow Natural Death/Limited Resuscitation Order should be documented in the medical record and an order must be written to rescind the Allow Natural Death/Limited Resuscitation Order. The attending physician must cosign the order within 24 hours.
    - 5.2. Whenever a patient transfer to a different service or unit, good practice dictates that the Allow Natural Death/Limited Resuscitation Order be reassessed by the care team and attending physician. However, unless the new service terminates the order, the order remains in effect.
  6. Terms:
    - 6.1. A written Allow Natural Death/Limited Resuscitation Order uses the terms **ALLOW NATURAL DEATH**. Terms such as "Stat Page Only in case of cardiopulmonary arrest" are not considered AND orders
  7. Ethics Consultation:
    - 7.1. The Ethics Consultation Service is available 24 hours a day to help clarify ethical issues in clinical situations and resolve conflicts and disagreements (e.g., among family, among staff, or between patients and their family/surrogates and staff) regarding decisions about resuscitation.

#### Related Policies:

- C-2 Informed Consent/Refusal (<http://www.musc.edu/medcenter/policy/Med/C002.pdf>)
- C-8 Ethics Consultation (<http://www.musc.edu/medcenter/policy/Med/C008.pdf>)
- C-12 Advance Directive (<http://www.musc.edu/medcenter/policy/Med/C012.pdf>)
- C-23 Withholding/Withdrawing Life-Sustaining Treatment (<http://www.musc.edu/medcenter/policy/Med/C023.pdf>)
- C-50 Care at the End of Life (<http://www.musc.edu/medcenter/policy/Med/C050.pdf>)
- C-118 Handoff Communication During Patient Transfers (<https://www.musc.edu/medcenter/policy/Med/C118.pdf>)
- C-85 Transfer of Patients within MUSC Complex (<https://www.musc.edu/medcenter/policy/Med/C085.pdf>)

**Appendices:**

See attached. Below are links to Physician Order Forms

[http://www.musc.edu/cce/ORDFRMS/pdf/all\\_all\\_orders\\_dnrorder.pdf](http://www.musc.edu/cce/ORDFRMS/pdf/all_all_orders_dnrorder.pdf)

[http://www.musc.edu/cce/ORDFRMS/pdf/all\\_all\\_docu\\_dnrprog.pdf](http://www.musc.edu/cce/ORDFRMS/pdf/all_all_docu_dnrprog.pdf)

**Approvals:**

<b>As Required</b>	<b>Date</b>
List Hospital Committee(s)	
Ethics Committee	September, 2010
Medical Staff Executive Committee	November, 2010
Administration/Operations	November, 2010
Governing Body	

**Distribution:**

<b>Policy Applies to:</b>	Physicians (Y/N): Y	Nursing (Y/N): Y
	Other Clinical Staff (Specify): Y	Other Staff (Specify):
<b>Educational Plan</b>	Roll Out Committee	
<b>Required Competencies</b>		
<b>Expected Implementation Date</b>	October 11, 2012	

Deleted: December 15, 2010

<b>MUSC</b> MEDICAL UNIVERSITY OF SOUTH CAROLINA BARCODE <b>*PHYSORDER*</b> <b>ALLOW NATURAL DEATH or LIMITED          RESUSCITATION ORDER</b> Page 1 of 1	STAMP PLATE AREA Patient Name _____ MRN _____
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------

Maintain patient's comfort and hygiene, and check one:

	Limited Resuscitation	Allow natural death	Allow Natural Death & NO NEW medical interventions
<b>Situation</b>	Cardiac or pulmonary arrest * (no pulse, not breathing)	Cardiac or pulmonary arrest * (no pulse, not breathing)	Any clinical event, including cardiac or pulmonary arrest*
<b>Responses</b>	Initiate resuscitative measures with following exclusions (check all that apply) No external pacing No cardioversion No chest compressions No endotracheal intubation No bolus epinephrine or vasopressors	<u>Do not</u> provide resuscitative measures* (continue appropriate medical treatment)	<u>Do not</u> provide resuscitative measures* and do not start any new medical interventions

- 1) The attending physician must be consulted prior to writing this order. This order must be co-signed by an attending physician within 24 hours.
- 2) This order must be reviewed prior to anesthesia, surgery, or other invasive procedures.
- 3) Refer to LifePoint if death imminent (see Policy C-17, "Organ and Tissue Donation")
- 4) The Allow Natural Death Progress Note outlining rationale must be written prior to writing an Allow Natural Death order.

Attending/Resident Signature \_\_\_\_\_ Pager ID \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ AM/PM  
 Attending Signature \_\_\_\_\_ Pager ID \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_ AM/PM

**Definitions:**

Cardiac or pulmonary arrest: acute cardiovascular or respiratory collapse that would result in patient's death or anoxic encephalopathy within several minutes unless cardiopulmonary resuscitation was started.

*Does not* apply to other potentially life-threatening clinical events.

Resuscitative measures: mechanical ventilation, endotracheal intubation, chest compression, electrical cardioversion, external pacemakers, emergency medications, and/or rapid fluid infusions.

**Related forms & policies:**

Adult Palliative Care Orders, Allow Natural Death/Limited Resuscitation Progress Note, Care at the End of Life, Ethics Consultations, Organ and Tissue Donation, Withholding and Withdrawing Life-Sustaining Treatment.

**Medical University Hospital Authority  
Physical Facilities Committee  
October 11, 2012  
Minutes**

**Attendees:**

Dr. Thomas C. Rowland, Jr., Chair	Ms. Jennifer Aldrich
Dr. Stanley C. Baker	Dr. Frank Clark
Dr. Cotesworth P. Fishburne, Jr.	Ms. Annette Drachman
Mr. William B. Hewitt	Mr. Dennis Frazier
Dr. Harold W. Jablon	Mr. Jim Fisher
Dr. Donald R. Johnson II	Mr. Joe Good
Dr. E. Conyers O'Bryan, Jr.	Mr. John Malmrose
Dr. Harold Jablon	Ms. Lisa Montgomery
Mr. Charles W. Schulze	Dr. Etta Pisano
Thomas L. Stephenson, Esquire	Dr. Darlene Shaw
The Honorable Robin M. Tallon	Ms. Reece Smith
Dr. Charles B. Thomas, Jr.	Mr. Stuart Smith
Mr. Hugh B. Faulkner	Dr. Mark Sothmann
Dr. Raymond S. Greenberg	Mr. Patrick Wamsley
Ms. Susan Barnhart	

Mr. Bingham's absence, Dr. Rowland chaired the committee and called the meeting to order.

**REGULAR Items**

**Item 17      Procurements/Contracts for Approval.**

Mr. Dennis Frazier presented the following for approval

- Lease Renewal for 2,220 square feet of office space located at 208-B Rutledge Avenue. Total cost of five year lease renewal: \$229,652.

**Recommendation of Committee: A motion was made, seconded and unanimously voted to approve the procurements/contracts as presented.**

**Item 18      Update on Projects.**

No Report.

Recommendation of Committee: Received as information.

**Item 19      Other Committee Business.**

Mr. Bingham was re-elected chair of the committee.

**CONSENT Items for Information:**

**Item 20      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,

A handwritten signature in cursive script, appearing to read 'Celeste Jordan', written in black ink.

Celeste Jordan

**FACILITIES  
HOSPITAL AUTHORITY  
LEASE RENEWAL  
FOR APPROVAL**

**OCTOBER 11, 2012**

DESCRIPTION OF LEASE RENEWAL: This lease renewal is for 2,220 square feet of office space located at 208-B Rutledge Avenue. The purpose of this lease renewal is to continue to provide office space for Therapeutic Services, Department of Speech Pathology until October 2012 when they will relocate to their new North Area office. After this move Meduflex with Therapeutic and Professional Support will occupy the space. The cost per square foot for this renewal is \$24.87. The monthly rental rate will be \$4,600.95, resulting in an annual rent of \$55,211.40. Rent shall increase annually according to the CPI with cap of 3% starting year three.

NEW LEASE AGREEMENT \_\_\_\_\_  
RENEWAL LEASE AGREEMENT   X  

LANDLORD: Green Monster Properties, LLC

LANDLORD CONTACT: Lawrence Kasen, Owner, 224-1450

TENANT NAME AND CONTACT: Therapeutic Services, Sally Potts, Director, 792-4771

SOURCE OF FUNDS: Hospital General Operating Funds

LEASE TERMS:

TERM: Five (5) years [3/1/2013-2/28/2018]

COST PER SQUARE FOOT: \$24.87

ANNUALIZED LEASE COST:

Year 1 \$55,211.40

Year 2 \$55,211.40

Year 3 \$54,634.20

Year 4 \$58,563.60

Year 5 \$60,317.40

TOTAL COST OF RENEWAL: \$229,652.00

EXTENDED TERM(S): To be negotiated.

OPERATING COSTS:

FULL SERVICE \_\_\_\_\_

NET   X

**Medical University Hospital Authority  
Audit Committee  
October 11, 2012  
Minutes**

**Attendees:**

Mr. William B. Hewitt, Chair	Ms. Susan H. Barnhart
Dr. Stanley C. Baker	Dr. Frank Clark
Dr. Cotesworth P. Fishburne, Jr.	Dr. Phil Costello
Dr. Harold Jablon	Ms. Annette Drachman
Dr. Donald R. Johnson II	Mr. Jim Fisher
Dr. E. Conyers O'Bryan, Jr.	Mr. Joe Good
Dr. Thomas C. Rowland, Jr.	Dr. Stephen Lanier
Dr. Harold Jablon	Ms. Lisa Montgomery
Mr. Charles W. Schulze	Dr. Etta Pisano
Thomas L. Stephenson, Esquire	Dr. Darlene Shaw
The Honorable Robin M. Tallon	Mr. Stuart Smith
Dr. Charles B. Thomas, Jr.	Dr. Mark Sothmann
Mr. Hugh B. Faulkner	Mr. Patrick Wamsley
Dr. Raymond S. Greenberg	

Mr. Hewitt called the meeting to order.

**REGULAR Items**

**Item 21. Annual Report on the Activities of the Office of the Chief Information Officer.**

Dr. Frank Clark provided an extensive update on the status of the Information Security Program at MUSC. He reviewed the purpose and treats; current safeguards; challenges and actions in progress. After a discussion about security measures including encryption, the Board was advised that a policy would be brought back to the February board meeting addressing some of their concerns.

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

**Item 22. Report of the Office of Internal Audit.**


Mr. Hewitt stated Susan Barnhart and her staff had been working hard with management to determine appropriate implementation schedules for recommendations from internal audit to management. He commended Internal Audit for trying to improve the recommendations process with management in light of the number of recommendations that had not been implemented in a timely manner.

Ms. Barnhart had provided the board with a written audit report and since there were no questions regarding the report, it was received as information.

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

**Item 23.**     **Other Committee Business.** Mr. Hewitt was re-elected Chair of the committee.

Respectfully Submitted,



Celeste Jordan