

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY (MUHA) BOARD OF TRUSTEES**

**August 14, 2020 MEETING MINUTES**

The MUHA Board of Trustees convened Friday, August 14, 2020, with the following members present either in person or via Webex, Mr. Charles Schulze, Chair; Dr. James Lemon, Vice Chair, Ms. Terri Barnes; Mr. Jim Battle; Mr. Bill Bingham; Dr. Melvin Brown; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; Mr. Michael Stavrinakis; Mr. Tom Stephenson; Dr. Bart Witherspoon. MUSC administrative officials in attendance either in person or via Webex: Dr. David Cole; Dr. Patrick Cawley; Annette Drachman; Lisa Montgomery; Dr. Raymond DuBois; Dr. Lisa Saladin; Mark Sweatman.

**Item 1. Call to Order.**

There being a quorum present, Chairman Schulze called the meeting to order.

**Item 2. Roll Call.**

Ms. Jane Scutt called the roll and announced the following, *"In compliance with the Freedom of Information Act, notice of meetings and agendas were furnished to all news media and persons requesting notification."* Ms. Scutt also announced that today's presentations will be available on the MUSC Board of Trustees website for the duration of the meeting.

**Item 3. Date of Next Meeting of the MUHA/MUSC Board of Trustees.**

The date of the next regular meeting of the MUHA/MUSC Board of Trustees is October 9, 2020.

**Item 4. Approval of Meeting Minutes of May 15, 2020 and June 26, 2020.**

Board Action: Mr. Schulze called for a motion to approve the minutes. Dr. Lemon moved for approval; the motion was seconded, voted on and unanimously carried.

**Item 5. Election of Chair and Vice Chair of the Board of Trustees of the Medical University Hospital Authority and Medical University of South Carolina.**

Chairman Schulze announced that the election for the Chair and Vice Chair of the Medical University Hospital Authority and the Medical University of South Carolina Board of Trustees will now take place.

Board Action: Chairman Schulze moved to nominate Dr. James Lemon as Chair, the motion was seconded and unanimously passed.

Board Action: Dr. Johnson moved for a roll call vote be taken for the Chair and Vice Chair elections, the motion was seconded and unanimously passed.

Following the motions, the roll call vote for Chair was conducted and Mark Sweatman, Board Secretary, announced that Dr. James Lemon was elected Chair by unanimous vote.

Board Action: Dr. Christian moved to nominate Charles Schule as Vice Chair, the motion was seconded and unanimously passed.

The roll call vote for Vice Chair conducted in the same manner as the Chair and Mark Sweatman announced that Mr. Charles Schulze was elected by unanimous vote.

Board Action: Dr. James Lemon elected Chair and Charles Schulze elected Vice Chair.

Following the election, Mr. Sweatman read the following statement, “In accordance with the Board of Trustees Bylaws, the chair and vice-chair of the Medical University of South Carolina (MUSC) Board of Trustees shall also serve as the chair and vice-chair of the Authority Board of Trustees. The vote that took place was for the chair and vice-chair positions of both the MUSC Board of Trustees and the Authority Board of Trustees.”

## **RECOMMENDATIONS AND INFORMATIONAL REPORT OF THE PRESIDENT**

### **Item 6. General Information Report of the President.**

Dr. David Cole, MUSC President, presented his FY2020 Annual Report with a presentation themed around innovation, impact and influence. He also provided a document highlighting key accomplishments made over the past year.

Dr. Cole discussed the transformative impact of the Regional Health Network including the impact on who we are; how it established a culture of clinical innovation, enhanced research collaborations and secured new educational/rotation opportunities at 4 new hospitals; the new framework for MUSC’s statewide clinical presence; and the new levels of teamwork and integration achieved. He highlighted new innovative facilities including the Shawn Jenkins and Pearl Tourville Women’s Pavilion; West Ashley Medical Pavilion and the Consolidated Services Center. He also discussed how MUSC is meeting students’ needs through innovation in Education and the impact of scholarships. MUSC became the only institution in the country to house both a Digestive Disease Research Core Center and a Center for Biomedical Research Excellence in Digestive and Liver Disease Center. MUSC is now one of only 17 DDRCCs in the nation.

He discussed MUSC’s response to COVID-19 including transitioning students to on-line education; MUSC Health using innovative solutions to balance the care of COVID-19 patients and provide healthcare for the region/state; MUSC’s Increase in research and clinical efforts to increase COVID-19 testing; interdisciplinary teams who managed hospital capacity, staffing and supplies; and the philanthropic support. In the community, MUSC is supporting reopening plans and testing strategies for some universities in South Carolina and has served as a primary resource for the tri-county. MUSC has provided data support through its Epidemiology Intelligence Project and initiated the MUSC COVID-19 Back to Business/Schools program. Across the state/region, MUSC participated in AccelerateSC and supported 15+ hospital systems with diagnostic testing. To date MUSC has over 200 rural community testing sites and received \$25M from the General Assembly to support this statewide testing focused on rural and underserved areas. Dr. Cole summarized that the highlights shared today demonstrate that MUSC has established firmly its statewide presence as THE academic health sciences center for our state and has transformed how we view ourselves and how others view us. These accomplishments have changed who we are, particularly our leadership role during the COVID-19 pandemic. Dr. Cole concluded his presentation with an overview of ONEMUSC which is MUSC’s Strategic Plan 2020 that was scheduled to launch in June 2020; however, with COVID plans are now to launch in fall 2020.

Board Action: Received as information.

### **Item 7. Other Committee Business.**

None.

**AUTHORITY OPERATIONS, QUALITY AND FINANCE COMMITTEE. CHAIR: DR. MURRELL SMITH, SR.**

**Item 8.            MUHA Status Report.**

Dr. Patrick Cawley, CEO MUSC Health, gave a report that included new leader introductions; health system goal performance for FY20 and new goals for FY21.

Dr. Cawley introduced Dr. David Zaas, CEO, MUSC Health Charleston and Chief Clinical Officer, MUSC Health, who joined MUSC in June. Dr. Zaas received his MD from Northwestern, did his internship and residency at Hopkins, and a fellowship in pulmonary critical care at Duke. He stayed on at Duke as faculty and held several leadership roles including his most recent role of CEO of the Duke Raleigh Community Hospital. He is a pulmonary and critical care physician and has research interest in lung transplant. Dr. Cawley introduced Mark McMath, Chief Information Officer. Mark is from Rochester, New York, and received his undergraduate degree and MBA from Purdue. He worked for IBM, throughout the Midwest for a while and then moved into healthcare in a series of CIO roles in bigger organizations over several years. Mark came from Memphis, Tennessee, just prior to this, where he was the Chief Information Officer at Methodist healthcare. Dr. Cawley then reviewed FY20 health systems goal performance by each of the divisions and gave an overview of the FY21 goals that will be finalized soon.

Board Action: Received as information.

**Item 9.            MUHA Financial Report.**

Ms. Lisa Goodlett, Chief Financial Officer, MUSC, gave an update on the financial performance as of June 30, 2020, for MUHA Consolidated and the Charleston, Lancaster and Florence markets. Ms. Goodlett reported FY20 year end of 64 days. The debt service coverage ratio at 2.48 and HUD requires us to be at 1.4. The operating margin was unfavorable at \$48.4M or (2.28%). The operating revenue was favorable at \$20.3 million; however, expenses were unfavorable at \$68.7M. MUSC did receive stimulus money; however, GASB required stimulus money be moved down below the line, which equates to a favorable total margin of \$12.5M and a favorable non-operating revenue at \$70.9M. Ms. Goodlett then reviewed FY20 year-end financial performance by each market.

Board Action: Received as information.

**Item 10.           Fiscal Year 2021 Budget for the Medical University Hospital Authority (MUHA).**

Ms. Lisa Goodlett requested approval of the MUHA FY 2021 budget.

Board Action: Dr. Smith moved for approval, motion was seconded and unanimously carried.

**Item 11.           Annual Quality and Patient Safety Report.**

Dr. Danielle Scheurer, Chief Quality Officer, MUSC Health, updated the Board on quality wins, scorecards and an update on Baldrige. Dr. Scheurer reported that MUSC Health is yielding savings in its ACO and bundles programs and announced a new narrow network exchange with Blue Cross/Blue Shield that will be starting in 2021. She reiterated the recent rankings in *US News and World Report* including MUSC's being ranked #1 in South Carolina again this year; ENT, Gynecology and Cancer ranking in the Top 50; and GI, Nephrology, Neuro, Ortho, Rheumatology; and Urology ranking in the Top 100.

Dr. Scheurer reported that the Baldrige federal application has been submitted and next steps include the Charleston federal site visit in 2020 which anticipates to be done virtually, not live. Her team will be working RHN organizational profile and coordinating with magnet efforts going forward.

Board Action: Received as information.

**Item 12.**      **Legislative Update.**

Report deferred until October.

**Item 13.**      **Other Committee Business.**

None.

**MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE. CHAIR: MR. BILL BINGHAM**

**Item 14.**      **MUHA Facilities Procurements/Contracts for Approval.**

Mr. Greg Weigle, Chief Facilities Officer, requested approval of the following MUHA facilities procurements/contracts.

- Lease of 6,548 SF of clinical space at 1014 St. Andrews Boulevard, Charleston, for the MUSC Neuro Rehabilitation Institute to include DPT, OTD and SLP programs; neuro-rehab research; wellness for adults with neurologic disabilities; and, general outpatient rehabilitation including physical, occupational, speech and neurological. This is a 7-year lease with a total annual initial lease amount of \$217,721 that will increase 3% annually.

Board Action: Mr. Bingham moved for approval; motion was seconded, voted on and unanimously carried.

**Item 15.**      **MUSC Facilities Procurements/Contracts for Approval.**

Mr. Greg Weigle, Chief Facilities Officer, requested approval of the following:

- Hollings Cancer Center Compounding Pharmacy Supplemental HVAC Installation. The existing building HVAC system serving the pharmacy is not capable of maintaining the temperature and humidity requirements during the summer months. A supplemental HVAC unit installation is required maintain the temperature/humidity guidelines for producing chemotherapy drugs. This pharmacy is critical to the treatment of cancer patients. Total estimated budget is \$275,000.
- Least renewal of 140 parking spaces located at the intersection of Line Street and Hagood Avenue for parking for MUSC students and employees. Annual lease amount of \$198,240.00.

Board Action: Mr. Bingham moved for approval; motion was seconded, voted on and unanimously carried.

**Item 16.**      **Other Committee Business.**

Ms. Lisa Montgomery, Executive Vice President for Finance and Operations, announced that Greg Weigle is retiring, and his last board meeting will be in October. Brad Taylor will be joining MUSC on August 24 as the new Chief Facilities Officer. Brad is currently at Fairview Health Services, an academic health system associated with the University of Minnesota School of Medicine. He has a BS in mechanical engineering and a master's in business administration. He has 30 years of experience in construction and engineering and worked for the Joint Commission as a surveyor in life and safety. He and Greg are working very closely to ensure a smooth transition.

Board Action: Received as information.

**AUDIT COMMITTEE. CHAIR: THOMAS L. STEPHENSON, ESQ.**

**Item 17.      Report of the Office of Internal Audit.**

Mr. Stephenson reported that Ms. Susan Barnhart, Director of Internal Audit, shared with the Board results of recent audits conducted by the Office of Internal Audit. Stephenson applauded the work of Ms. Barnhart and her team and reported that Internal Audit investigates and reports to the Board on four or five things at every meeting and gives great recommendations on how to improve things at MUSC.

Board Action: Received as information.

**Item 18.      Other Committee Business.**

None.

**OTHER BUSINESS FOR THE BOARD OF TRUSTEES:**

**Item 19.      Approval of Consent Agenda.**

Approval of the Consent Agenda was requested.

Board Action: Chairman Schulze moved for approval. The motion was seconded, voted on and unanimously be approved.

**Item 20.      Executive Session.**

Dr. Fritz Butehorn moved that the Board of Trustees go into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code:

- Discussion of pending contractual matters related to the appointment of a person or persons and educational services, proposed clinical affiliations and expansion of clinical services; and
- Receipt of legal advice related to pending litigation and contracts covered by the attorney/client privilege.

Board Action: The motion made by Dr. Butehorn was seconded, voted on and unanimously carried. Chairman Schulze stated that the board would move into closed session immediately following the end of the MUSC agenda.

**Item 21.      New Business for the Board of Trustees.**

None.

**Item 22.      Report from the Chairman.**

None.

**Item 23.      Appointments, Reappointments and Delineation of Privileges (Consent Item).**

An updated list of appointments, reappointments and delineation of privileges to the medical staff was presented for approval.

Board Action: Dr. Smith moved for approval. The motion was seconded, voted on and unanimously carried.

**Item 24.**      **Medical Executive Committee (MEC) Minutes (Consent Item).**

The June 2020 MEC minutes were presented for information.

Board Action: Received as information.

**Item 25.**      **Medical Center Contracts and Agreements (Consent Item).**

Contracts and Agreements signed since the May Board meeting were presented for information.

Board Action: Received as information.

**Item 26.**      **MUHA and MUSC FY2020 Active Projects >\$250,000 (Consent item).**

MUHA active projects exceeding \$250,000 were presented for information.

Board Action: Received as information.

**Item 27.**      **MUSC Facilities Contracts Awarded (Consent item).**

MUSC Facilities contracts awarded were presented for information.

Board Action: Received as information.

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

Respectfully submitted,

Mark C. Sweatman, Secretary