

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY BOARD OF TRUSTEES MEETING MINUTES
DECEMBER 9, 2022**

The MUHA Board of Trustees convened on December 9, 2022, with the following board members present: Dr. James Lemon, Chair; Charles Schulze, Vice-Chair; Terri Barnes, Jim Battle; Bill Bingham; Dr. Melvin Brown; Dr. Fritz Butehorn; Dr. Guy Castles; Dr. Richard Christian; Dr. Paul Davis; Dr. Don Johnson; Barbara Johnson-Williams; Dr. Murrell Smith; Mr. Michael Stavrinakis, Mr. Tom Stephenson and Dr. Bart Witherspoon. MUSC officials present were Dr. David Cole; Rick Anderson; Kate Azizi, Dr. Patrick Cawley; Annette Drachman; Dr. Terry Steyer; Dr. Lori McMahon; Dr. Lisa Saladin; and Mark Sweatman.

Item 1. Call to Order.

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

Item 2. Roll Call for the MUHA and MUSC Board of Trustees.

Katherine Haltiwanger, Board Secretary, called the roll and announced that “In compliance with FOIA, the notice of meetings and agendas were furnished to all news media and persons requesting notification.”

Item 3. Date of Next Meeting.

Katherine Haltiwanger announced that the date of the next meeting of the MUSC and MUHA Board of Trustees is February 10, 2023.

Item 4. Approval of Minutes.

Chairman Lemon called for a motion to approve the minutes of October 12 and 14, 2022.

Board Action: The motion was made by Mr. Schulze, was seconded, and unanimously carried.

RECOMMENDATIONS AND INFORMATIONAL REPORTS OF THE PRESIDENT

Item 5. General Informational Report of the President.

Dr. David Cole, MUSC President, called on Dr. Pat Cawley who introduced Jay Hinesley, CEO, MUSC Health Florence. Mr. Hinesley shared with the Board the members of “Team Florence” and gave a brief overview of the facilities that make up the MUSC Health Florence Division including Florence Medical Center; Black River Medical Center; Mullins Nursing Center; and, Marion Medical Center. MUSC Health Florence division has 200 primary care and specialist physicians. The MUSC Health Specialty Care Clinic includes GYN/ONC; Bariatrics; Rheumatology; Epilepsy; Peds Development; Endocrinology; and, Lung, Liver, and Kidney Transplants. Rene Cooke, Sterile Processing Supervisor, received the President’s Value in Action Award. He highlighted awards received from U.S. News & World Report; Leapfrog Safety Grade of A (11 consecutive times); and the 2022 Zero Harm Awards. He shared the events being held for the MUSC Health Black River Medical Center opening in January 2023. Mr. Hinesley shared examples of employee engagement and community involvement. Other wins shared were Robotic Assisted Bronchoscopy reaching its first 50 cases; FY21 and FY22 physician recruitment; 25 total clinical trials, and, the plans for GME in FY2024 that were recently approved by the ACGME.

Board Action: Report received as information.

Item 6. **Other Business.** None.

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE: DR. MURRELL SMITH, SR., CHAIR
(Detailed committee minutes attached.)

Item 7. **MUSC Health Status Report.**

Dr. Smith reported that Dr. Cawley gave the MUSC Health Status report and gave an update on the FY2023 organization goal performance and reviewed the consent agenda items.

Board Action: Report received as information.

Item 8. **Requests to Apply for Certificate of Need (CON) Applications.**

Dr. Smith made a motion to approve the request for MUHA to apply for Certificate of Need (CON) Applications for the following:

- MUSC Health Charleston Division: Construction of a replacement ambulatory clinical services building for Rutledge Tower on the northwest area of the MUSC Medical Center Campus. The new replacement building will include ambulatory clinics, an imaging center (X-Ray, US, CT, MRI), and ambulatory surgery with 3 additional operating rooms for a total of 12 operating rooms.
- MUSC Health Charleston Division: 2 additional endoscopy procedure rooms at MUSC Health West Ashley Medical Pavilion.
- MUSC Health Florence Division: 3 additional inpatient behavioral health beds for the Pee Dee region. Dr. Cawley pointed out that this request will be combined with the previous board CON application approval of 25 beds and the current number of inpatient psychiatric beds at MUSC Health Florence of 12 for a full CON application of 40 inpatient psychiatric beds based on the six-county need in the Pee Dee.

Board Action: The motion made by Dr. Smith was seconded, voted on, and unanimously carried.

Item 9. **MUHA Financial Report.**

Dr. Smith reported that Lisa Goodlett, Chief Financial Officer, MUSC Health, reported on financial performance through October 31, 2022, at the system level and by each market.

Board Action: Report received as information.

Item 10. **Capital Reprioritization Requests for Approval.**

Dr. Smith made a motion to approve the following capital reprioritization requests:

- MUSC Health Florence, \$32,000 for 2 GlideScopes; \$102,000 for the replacement of 3 existing generation Hamilton C6 ventilators for Respiratory Care Services; and, \$52,000 for the purchase of a Thompson Cervical retractor. Funding for these requests will from the EUS system.
- MUSC Health Chester a request for fund items from FY22 including \$199,000 for a retail pharmacy; \$190,000 for fan coil units; and \$111,000 for a Carestation 650. Funding for these requests will come from the Founders Grant Fund for the transplant clinic renovations completed in FY22.

Board Action: The motion made by Dr. Smith was seconded, voted on, and unanimously carried.

Item 11. Approval of the Plan of Finance for Charleston Campus Ambulatory Medical Office Building.

Dr. Smith made a motion for approval authorizing the MUHA CEO and CFO to move forward with obtaining financing of \$87 million as a HUD credit enhancement.

Board Action: The motion made by Dr. Smith was seconded, voted on, and unanimously carried.

Item 12. MUSC Governmental Affairs Report. Item deferred.

Item 13. MUSC Physicians Update.

Dr. Smith made a motion to approve MUSC Physicians' capital expenditure request of \$999,888 to support the MUSC Health Park West relocation.

Board Action: The motion made by Dr. Smith was seconded, voted on, and unanimously carried.

Item 14. Other Committee Business.

Dr. Smith reported that the Quality Report was presented to the Board for information.

Received as information.

**MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE: MR. BILL BINGHAM, CHAIR
(Detailed committee minutes attached.)**

Item 15. MUHA Leases for Approval.

Mr. Bingham made a motion to approve the lease renewal of 4,574 square feet of office space at 56 Courtenay Drive in Charleston for the MUSC Engineering and Facilities department. Five-year lease term for a total cost of \$440,000.

Board Action: The motion made by Mr. Bingham was seconded, voted on, and unanimously carried.

Item 16. MUSC Project Scope Changes for Approval: College of Medicine Office and Academic Building.

Mr. Bingham made a motion to approve the project scope changes for the College of Medicine Office and Academic Building. Funding of the \$18.5 million needed for this scope change, will come from redirected funds.

Board Action: The motion made by Mr. Bingham was seconded, voted on, and unanimously carried.

Item 17. Deferred Maintenance Capital Project FY23 Rutledge Tower AHU 2-2 Replacement Budget Adjustment for Approval.

Mr. Bingham made a motion to approve the President Street; Ashley-Rutledge; McClennan Banks, and Jonathan Lucas parking garages Maintenance Repairs Phase 1 project at a total cost of \$2.275M

Board Action: The motion made by Mr. Bingham was seconded, voted on, and unanimously carried.

Item 18. Other Committee Business. None.

MUHA AND MUSC AUDIT COMMITTEE: MR. TOM STEPHENSON, CHAIR
(Detailed committee minutes attached.)

Item 19. KPMG FY2022 Exit Conference.

Mr. Stephenson reported that Jennifer Hall, KPMG Senior Partner, presented the result of the FY2022 financial statements external audit.

Board Action: Received as information.

Item 20. Other Committee Business. None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES

Item 21. Approval of Consent Agenda.

Approval of the consent agenda was requested.

Board Action: Chairman Lemon called for a motion to approve the consent. The motion was made by Mr. Schulze, the motion was seconded and unanimously carried.

Item 22. Executive Session.

A motion was made by Mr. Jim Battle to move into closed session to discuss the following items pursuant to sections 30-4-70(a) of the South Carolina Code for the following:

- the employment, appointment, and compensation of an employee, student, or a person regulated or appointed by a public body;
- negotiations of contracts related to a commencement speaker; the possible expansion of clinical services and other strategic initiatives; and the proposed lease of real property;
- the receipt of legal advice relating to a pending lawsuit and other matters covered by the attorney-client privilege.

Board Action: The motion made by Mr. Battle was seconded, voted on, and unanimously carried. Chairman Lemon announced that the Board of Trustees would move into closed session following the conclusion of the MUSC Board of Trustees Regular Agenda.

Item 23. New Business for the Board of Trustees. None.

Item 24. Report from the Chairman. None.

CONSENT AGENDA FOR APPROVAL AND INFORMATION

AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE: DR. MURRELL SMITH, CHAIR

Item 25. MUSC Health Black River Medical Center Board of Trustee Bylaws for Approval.

The MUSC Health Black River Medical Center Board of Trustee Bylaws were presented for approval.

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

Item 26. MUSC Health Black River Medical Center Medical Staff Bylaws for Approval.

The MUSC Health Black River Medical Center Medical Staff Bylaws were presented for approval.

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

Item 27. MUSC Health Regional Health Network Unified Medical Staff Bylaws for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Bylaws were presented for approval.

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

Item 28. MUSC Health Regional Health Network Unified Medical Staff Credentialing Policy Manual for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Credentialing Policy Manual was presented for approval.

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

Item 29. MUSC Health Regional Health Network Unified Medical Staff Rules and Regulations for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Rules and Regulations were presented for approval.

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

Item 30. MUSC Health Regional Health Network Unified Fair Hearing Plan for Approval.

The MUSC Health Regional Health Network Unified Fair Hearing Plan was presented for approval.

Board Action: The motion made by Dr. Smith was seconded, voted on, and unanimously carried.

Item 31. Revised MUSC Health-Charleston Medical Staff Bylaws for Approval.

The revised MUSC Health-Charleston Medical Staff Bylaws were presented for approval.

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

Item 32. Revised MUSC Health-Charleston Credentialing Policy Manual for Approval.

The revised MUSC Health-Charleston Credentialing Policy Manual was presented for approval.

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

Item 33. Revised MUSC Health-Charleston Rules & Regulations for Approval.

The revised MUSC Health-Charleston Rules & Regulations were presented for approval.

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

Item 34. Appointments, Reappointments, and Delineation of Privileges.

Appointments, reappointments, and delineation of privileges for October and November 2022 were presented for approval.

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

Item 35. MEC Minutes.

MEC minutes from September and October 2022 were presented for information.

Board Action: Received as information.

Item 36. Contracts and Agreements.

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

Board Action: Received as information.

MUHA AND MUSC PHYSICAL FACILITIES COMMITTEE

Item 37. MUSC FY2023 Active Projects >\$250,000.

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

Board Action: Received as information.

Item 38. MUSC Facilities Contracts Awarded.

Facilities contracts awarded were presented for information.

Board Action: Received as information.

There being no further business, the meeting of the MUHA Board of Trustees was adjourned.

Respectfully submitted,

Katherine S. Haltiwanger

Katherine S. Haltiwanger, Board Secretary

**Hospital Operations, Quality, and Finance Committee Minutes
December 8, 2022**

Item 7. MUSC Health Status Report.

Dr. Patrick Cawley, CEO, MUSC Health presented the MUSC Health Status report and gave an update on the FY2023 health system and division goal performance, and gave a brief overview of the committee's consent agenda items.

Committee Action: Received as information.

Item 8. Requests to Apply for Certificate of Need (CON) Applications.

Dr. Patrick Cawley and Lisa Goodlett presented requests for MUHA to apply for Certificate of Need (CON) Applications and I make a motion to approve the following:

- MUSC Health Charleston Division: Construction of a replacement ambulatory clinical services building for Rutledge Tower on the northwest area of the MUSC Medical Center Campus. The new replacement building will include ambulatory clinics, an imaging center (X-Ray, US, CT, MRI), and ambulatory surgery with 3 additional operating rooms for a total of 12 operating rooms.
- MUSC Health Charleston Division: 2 additional endoscopy procedure rooms at MUSC Health West Ashley Medical Pavilion.
- MUSC Health Florence Division: 3 additional inpatient behavioral health beds for the Pee Dee region. Dr. Cawley pointed out that this request will be combined with the previous board CON application approval of 25 beds and the current number of inpatient psychiatric beds at MUSC Health Florence of 12 for a full CON application of 40 inpatient psychiatric beds based on the six-county need in the Pee Dee.

Committee Action: Recommend approval.

Item 9. MUHA Financial Report

Lisa Goodlett, CFO, MUSC Health, presented the MUHA Financials for MUHA Consolidated and each of the markets for the period ending October 31, 2022. For MUHA Consolidated, she reported 61 Days cash on hand; debt service coverage of .80; debt service coverage adjusted for non-cash pension and OPEB of 2.27; operating margin of \$37.3 M favorable to a fixed budget and a total margin of \$31.2 M favorable to a fixed budget. Ms. Goodlett also reported on the financial performance of each of the markets including Charleston, Florence, and Lancaster.

Committee Action: Received as information.

Item 10. Capital Reprioritization Requests for Approval.

Lisa Goodlett presented the following capital reprioritization requests for approval:

- For MUSC Health Florence, \$32,000 for 2 GlideScopes; \$102,000 for the replacement of 3 existing generation Hamilton C6 ventilators for Respiratory Care Services; and, \$52,000 for the purchase of a Thompson Cervical retractor. Funding for these requests will from the EUS system.

- For MUSC Health Chester a request for fund items from FY22 including \$199,000 for a retail pharmacy; \$190,000 for fan coil units; and \$111,000 for a Carestation 650. Funding for these requests will come from the Founders Grant Fund for the transplant clinic renovations completed in FY22.

Committee Action: Recommend approval.

Item 11. Approval of the Plan of Finance for Charleston Campus Ambulatory Medical Office Building

Lisa Goodlett presented for approval the request to authorize the MUHA CEO and CFO to move forward with obtaining financing of \$87 million as a HUD credit enhancement.

Committee Action: Recommend approval.

Item 12. Item deferred.

Item 13. MUSC Physicians Update.

Dr. Gene Hong, Chief Physician Executive, MUSC Physicians, presented for approval, MUSC Physicians' capital expenditure request of \$999,888 to support the MUSC Health Park West relocation.

Committee Action: Recommend approval.

Item 14. Other Committee Business.

The Quality Report was presented and included quality wins; end-of-year statistics, and scorecards. Quality WINS include continued growth in value-based programs (35% from CY21 to CY22); CY23 new REACH ACO model which rewards health equity; and an overall quality scorecard of "3" which outperformed last year. End-of-year statistics on the number of Peer Review cases that went to Medical Staff Review and House Staff Review in Charleston and by each of the divisions; sentinel and serious events (SSEs), and quality rankings system-wide and by each of the divisions were reviewed with the committee.

Committee Action: Received as information.

Consent Agenda for Approval and Information

Item 25. MUSC Health Black River Medical Center Board of Trustee Bylaws for Approval.

The MUSC Health Black River Medical Center Board of Trustee Bylaws were presented for approval.

Committee Action: Recommend approval.

Item 26. MUSC Health Black River Medical Center Medical Staff Bylaws for Approval.

The MUSC Health Black River Medical Center Medical Staff Bylaws were presented for approval.

Committee Action: Recommend approval.

Item 27. MUSC Health Regional Health Network Unified Medical Staff Bylaws for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Bylaws were presented for approval.

Committee Action: Recommend approval.

Item 28. MUSC Health Regional Health Network Unified Medical Staff Credentialing Policy Manual for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Credentialing Policy Manual was presented for approval.

Committee Action: Recommend approval.

Item 29. MUSC Health Regional Health Network Unified Medical Staff Rules and Regulations for Approval.

The MUSC Health Regional Health Network Unified Medical Staff Rules and Regulations were presented for approval.

Committee Action: Recommend approval.

Item 30. MUSC Health Regional Health Network Unified Fair Hearing Plan for Approval.

The MUSC Health Regional Health Network Unified Fair Hearing Plan was presented for approval.

Committee Action: Recommend approval.

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Committee Action: Recommend approval.

Item 32. Revised MUSC Health-Charleston Credentialing Policy Manual for Approval

The revised MUSC Health-Charleston Credentialing Policy Manual was presented for approval.

Committee Action: Recommend approval.

Item 33. Revised MUSC Health-Charleston Rules & Regulations for Approval

The revised MUSC Health-Charleston Rules & Regulations were presented for approval.

Committee Action: Recommend approval.

Item 34. Appointments, Reappointments, and Delineation of Privileges

Appointments, reappointments, and delineation of privileges for October and November 2022 were presented for approval.

Action: Recommend approval.

Item 35. MEC Minutes.

MEC minutes from September and October 2022 were presented for information.

Committee Action: Received as information

Item 36. Contracts and Agreements.

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

Committee Action: Received as information

There being no further business, the committee adjourned.

Jane L. Scull

**MUHA and MUSC Physical Facilities Committee Minutes
December 8, 2022**

Item 15. MUSC Lease Renewal for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the lease renewal of 4,574 square feet of office space at 56 Courtenay Drive in Charleston for the MUSC Engineering and Facilities department. Five-year lease term for a total cost of \$440,000.

Committee Action: Recommend approval.

Item 16. MUSC Project Scope Changes for Approval: College of Medicine Office and Academic Building.

David Attard, Chief Facilities Officer, requested approval of the project scope changes for the College of Medicine Office and Academic Building. Funding of the \$18.5 million needed for this scope change, will come from redirected funds.

Committee Action: Recommend approval.

Item 17. MUSC Established Project for Approval: President St., Ashley Rutledge, McClennan Banks, & Jonathan Lucas Parking Garages Maintenance Repairs, Phase 1.

David Attard requested approval of the President Street; Ashley-Rutledge; McClennan Banks, and Jonathan Lucas parking garages Maintenance Repairs Phase 1 project at a total cost of \$2.275 million.

Committee Action: Recommend approval.

Item 18. Other Committee Business.

None.

Consent Agenda for Information

Item 37. MUSC FY2023 Active Projects >\$250,000.

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

Committee Action: Received as information.

Item 38. MUSC Facilities Contracts Awarded.

Facilities contracts awarded were presented for information.

Committee Action: Received as information.

There being no further business, the committee meeting was adjourned.



MUHA and MUSC Audit Committee Minutes
December 8, 2022

Item 19. KPMG Exit Conference.

Ms. Jennifer Hall, KPMG Senior Partner, presented the results of the FY22 financial statements external audit for MUSC and MUHA. She reviewed the FY22 audit status and deliverables and noted that separate audits were performed for University Medical Associates (UMA) and MUSC Strategic Ventures (MSV), both of which received unmodified opinions. Matters related to those audits are only included to the extent they impact the University's Annual Comprehensive Financial Report in a significant manner. Ms. Hall gave an overview of the client service team and the risk assessment factors considered in the audit and reported that the Midlands hospitals' acquisition was considered a significant unusual transaction. Ms. Hall reviewed the uncorrected and corrected audit misstatements and commented that uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if it was concluded that the uncorrected misstatements are immaterial to the financial statements under audit. There were no material weaknesses reported and one significant deficiency for MUSC which was corrected.

Committee Action: Received as information.

Item 20. Other Committee Business.

None.

With no further business, the meeting was adjourned.

Respectfully submitted,

