

**MEDICAL UNIVERSITY HOSPITAL AUTHORITY BOARD OF TRUSTEES MEETING MINUTES
DECEMBER 8, 2023**

The MUHA Board of Trustees convened on December 8, 2023, with the following 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; Ms. Barbara Johnson-Williams; Dr. Murrell Smith; Tom Stephenson, Michael Stavrinakis; and Dr. Bart Witherspoon. MUSC officials present were Dr. David Cole; Rick Anderson; Kate Azizi; Dr. Patrick Cawley; Annette Drachman; Dr. Lori McMahon; Dr. Lisa Saladin; Dr. Terry Steyer; 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 the date of the next meeting of the MUSC and MUHA Board of Trustees is February 9, 2024.

Item 4. Approval of Minutes.

Chairman Lemon called for a motion to approve the minutes of October 13, 2023, and November 9, 2023.

Board Action: Mr. Schulze moved for approval, his motion 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, gave an update to the Board to include the following:

- December 2023 President’s Report Handout
- Award-Winning:
 - U.S. News & World Report “Best Of” rankings for 2023-24 - MUSC Health-Charleston has been ranked #1 in S.C. for nine years running; two MUSC Health specialty areas were ranked among the best in the entire country and 17 MUSC Charleston-based programs are considered High-Performing specialties, procedures, or conditions.
 - U.S. News & World Report – MUSC RHNs: Florence - high Performing in four areas; Lancaster – High Performing in one area and, Columbia – High Performing in two areas.
 - Enterprise Achievements: The National Mass Violence Victimization Resource Center received an \$8.9 million grant from the U.S. Department of Justice; this year’s LOWVELO was the most successful in the event’s five-year history; and Catawba Division celebrated the first anniversary of its kidney transplant program.

- Partnerships:
 - MUSC Health and The Citadel: The year-old partnership between MUSC Health and The Citadel recently entered a new phase. In FY 2023, 7,980 visits were completed. Services expanded to offer on-site physical therapy and access to MUSC Health’s 24/7 Virtual Urgent Care platform. In July MUSC began providing Behavioral Health services and has completed 835 visits to date.
 - Addressing Critical Physician Shortages in Rural Areas: MUSC is launching a new Internal Medicine residency program in Florence that will begin in July 2024. Internal Medicine training slots also starting July 2024 and approved for 4 OB-GYN slots to start July 2025. In February 2024, submitting applications for a new Florence Family Medicine program - 24 residents and a new 30-resident internal medicine residency program in Lancaster- to start July 2025. This represents 100 new Primary care residents being trained in critical shortage areas by 2028.
 - Siemens: August marked the 5th anniversary of our Siemens Healthineers partnership, the goal of which is to transform patient care by leveraging Siemens engineering expertise with MUSC’s health care expertise.
- University – Preparing for the Future
 - College of Medicine - anticipated groundbreaking in late 2024 with projected completion in 2027; College of Health Professions groundbreaking held on December 1 with projected completion in Fall of 2025; and Phase 2 expansion of West Ashley Medical Pavilion.
- President’s Value in Action Award Winners: Collaboration: Mike M. Mallah, M.D., Department of Surgery and Patricia Carter McLeod, R.N., MUSC Health-Pee Dee Division; Compassion: Ren Rountree, Department of Psychiatry and Behavioral Sciences; Impact: Gigi Smith, Ph.D., APRN, Office of the Provost; Innovation: Jennifer Dahne, Ph.D., Department of Psychiatry and Behavioral Sciences; Integrity: Julie Hendrix Anderson, R.N., Department of Transplant Surgery; and, and Respect: Malachi Nelson, Sterile Processing, Ashley River Tower.

Board Action: Received as information.

Item 6. Other Business.

None.

**AUTHORITY OPERATIONS, QUALITY & FINANCE COMMITTEE: DR. FRITZ BUTEHORN, ACTING CHAIR
(Detailed committee minutes attached.)**

Item 7. MUSC Health Status Report.

Dr. Butehorn reported that Dr. Patrick Cawley, Chief Executive Officer, MUSC Health, gave the MUSC Health Status Report focused on zero harm awards; FY2024 goal performance; MUSC Health Midlands OB expansion; and, Orangeburg Epic Go-Live.

Board Action: Received as information.

Item 8. MUHA Consolidated Financial Report.

Dr. Butehorn reported that Dr. Cawley, CEO, MUSC Health, reported on MUHA Consolidated’s financial performance through October 31, 2023.

Board Action: Received as information.

Item 9. Capital Purchase for Approval.

Dr. Butehorn made a motion to approve the following capital expenditure requests:

- MUSC Health Charleston: \$10,000,000
- MUSC Health Pee Dee: \$ 3,034,000
- MUSC Health Catawba: \$ 3,343,000
- MUSC Health Midlands: \$ 7,300,000

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

Item 10. Quality and Patient Safety Report.

Dr. Butehorn reported that Dr. Danielle Scheurer, Chief Quality Officer, MUSC Health, presented a report focused on quality WINS, rankings, and scorecards.

Board Action: Received as information.

Item 11. MUSC Governmental Affairs Report.

Dr. Butehorn reported that Mark Sweatman gave an update on legislative activities at the state and federal levels.

Board Action: Received as information.

Item 12. The agenda item was removed.

Item 13. Other Committee Business.

None.

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

Item 14. Election of Committee Chair.

Dr. Lemon announced that Mr. Stavrinakis has withdrawn his nomination; therefore, Ms. Barnes is the only nomination for Committee Chair.

Board Action: The election was held and by unanimous vote, Terri Barnes was elected as Chair of the Physical Facilities Committee.

Item 15. Conveyance of Real Property from MUSC to MUHA.

Mr. Bingham made a motion to approve the resolution authorizing MUSC to convey real property to MUHA and for MUHA to acquire the real property from MUSC, the negotiation, execution, and delivery of purchase, sale, and contribution agreements, and the application for State approval of the related real property acquisition.

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

Item 16. MUHA Leases for Approval.

Mr. Bingham made a motion to approve the following MUHA leases:

- Lease renewal of 5,515 SF of clinical space located at 4330 Ladson Road in Charleston for Children’s After-Hours Care. Five-year lease term at a total cost of \$965,822.
- Lease renewal of 3,500 SF of clinical space located at 953 South Pamplico Highway in Florence for MUSC Health Primary Care and Family Medicine. Five-year lease term at a total cost of \$355,175.

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

Item 17. MUSC Leases for Approval.

Mr. Bingham made a motion to approve the following MUSC leases:

- The lease renewal of 2,027 square feet of office space located in the Roper Medical Office Building located at 125 Doughty Street, Suite 520, in Charleston for MUSC College of Medicine Pediatrics. Three-year lease term at a total cost of \$214,704.
- The lease renewal of 2,475 square feet of office space located in the Roper Medical Office Building located at 125 Doughty Street, Suite 690, in Charleston for MUSC College of Medicine Pediatrics. Three-year lease term at a total cost of \$262,158.
- The lease-out renewal of 46,857 square feet of office and research space located in the Strom Thurmond Building in Charleston to the Department of Veterans Affairs. Three-year lease term at a total cost to the VA of \$5,004,769.

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

Item 18. MUSC Establish Projects for Approval.

Mr. Bingham made a motion to approve the following projects:

- 30 Bee Street Clinic Renovations for Student Health, Counseling, and Psychological Services with a total estimated budget of \$700,000.
- Hollings Cancer Center 3rd Floor Exterior Window Replacement with a total estimated budget of \$800,000.
- College of Dental Medicine Boyd Lobby Renovation with a total estimated budget of \$320,000.

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

Item 19. MUSC Project Budget Adjustment for Approval.

Mr. Bingham made a motion to approve a \$5 million project budget adjustment to the Children’s Research Building Air Handler #1 and #2 replacement project with a new total estimated budget of \$9.6 million.

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

Item 20. MUHA Professional Services Selections for Approval.

Mr. Bingham made a motion to approve the following professional services selections for MUSC architectural indefinite quantity contracts, Coast Architects, Compass5, Liollo Architecture, and McMillan Pazdan Smith Architecture.

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

Item 21. MUHA Establish Project for Approval.

Mr. Bingham made a motion to the Hollings Cancer Center Pharmacy Upgrade Project with a total estimated budget of \$2,071,313.

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

Item 22. Other Committee Business.

None.

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

Item 23. KPMG Exit Conference.

Mr. Stephenson reported that Jennifer Hall, KPMG Senior Partner, presented the result of the FY2023 financial statements external audit.

Board Action: Received as information.

Item 24. Revised Audit, Compliance, and Risk Committee Charter for Approval.

Mr. Stephenson made a motion to approve the revised Audit, Compliance, and Risk Committee Charter.

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

Item 25. Revised Internal Audit Charter for Approval.

Mr. Stephenson made a motion to approve the revised Internal Audit Charter.

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

Item 26. Other Committee Business.

None.

OTHER BUSINESS FOR THE BOARD OF TRUSTEES

Item 27. Approval of Consent Agenda.

Approval of the consent agenda was requested.

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

Item 28. Executive Session.

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

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 29. New Business for the Board of Trustees.

None.

Item 30. Report from the Chairman.

None.

Item 31. MUSC Health Charleston Division Appointments, Reappointments, and Delineation of Privileges (Consent item)

Appointments, reappointments, and delineation of privileges for October and November 2023 were presented for approval.

Board Action: Dr. Butehorn made a motion to approve, his motion was seconded, voted on, and unanimously carried.

Item 32. MUSC Health Unified RHN Appointments, Reappointments, and Delineation of Privileges (Consent item).

Appointments, reappointments, and delineation of privileges for October and November 2023 were presented for approval.

Board Action: Dr. Smith made a motion to approve, his motion was seconded, voted on, and unanimously carried.

Item 33. MUSC Health Charleston Division MEC Minutes (Consent item).

MEC minutes from September and October 2023 were presented for information.

Board Action: Received as information.

Item 34. Contracts and Agreements (Consent item).

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

Board Action: Received as information.

Item 35. MUSC FY2024 Active Projects >\$250,000 (Consent Item).

Facilities contracts awarded were presented for information.

Board Action: Received as information.

Item 36. MUSC Facilities Contracts Awarded (Consent Item).

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

Board Secretary

**Hospital Operations, Quality, and Finance Committee Minutes
December 7, 2023**

Item 7. MUSC Health Status Report.

Dr. Patrick Cawley, Chief Executive Officer, MUSC Health reported that MUSC Health (all locations) received a total of 71 Zero Harm Awards. Dr. Cawley commented that one of MUSC Health's core goals is to develop a culture of high reliability and reduce harm in all our facilities which is done by implementing robust, evidence-based practices that make a positive impact on patients and the safety and quality of care. Certified Zero Harm Awards begin with a core idea – that zero harm as a goal is possible in a highly reliable system. Dr. Cawley then updated the board on the FY24 goal performance across the system and then by each division. He then gave an update on the Midlands Division Women's health expansion planned for 2024. He also reported that MUSC Health Orangeburg went live on Epic this morning, December 7.

Committee Action: Received as information.

Item 8. MUHA Consolidated Financial Report.

Dr. Patrick Cawley presented the year-to-date financial results for MUHA Consolidated. As of October 31, 2023, days cash on hand were 57; debt service coverage adjusted for pension/OPEB passthrough was 3.81; total margin less pension and OPEB was \$56 million (3.84%) with \$27 million favorable to a fixed budget.

Committee Action: Received as information.

Item 9. Capital Purchase for Approval.

Dr. Patrick Cawley presented for approval the following capital expenditures totaling \$23,677,000.

- MUSC Health Charleston: \$10,000,000
- MUSC Health Pee Dee: \$ 3,034,000
- MUSC Health Catawba: \$ 3,343,000
- MUSC Health Midlands: \$ 7,300,000

Committee Action: Recommend approval.

Item 10. Quality and Patient Safety Report.

Dr. Danielle Scheurer, Chief Quality Officer, MUSC Health, reported on Quality WINS, rankings, and scorecards. Quality WINS included Leapfrog and Zero Harm awards reported earlier by Dr. Cawley. Dr. Scheurer briefed the board on quality-driven hospital and nursing home rankings and gave an update on FY2024 quality scorecards.

Committee Action: Received as information.

Item 11. Legislative Update.

Mark Sweatman, Chief of Governmental Affairs, MUSC, gave an update on legislative activities at the state and federal levels. He also reminded the board about MUSC Health's Legislative Reception being held in Columbia on January 31, 2024.

Committee Action: Received as information.

Item 12. Agenda item was removed.

Item 13. Other Committee Business.

None.

Consent Agenda for Approval

Item 31. MUSC Health Charleston Appointments, Reappointments, and Delineation of Privileges.

Appointments, reappointments, and delineation of privileges for October and November 2023 were presented for approval.

Committee Action: Recommend approval.

Item 32. MUSC Health RHN Appointments, Reappointments, and Delineation of Privileges.

Appointments, reappointments, and delineation of privileges for October and November 2023 were presented for approval.

Committee Action: Recommend approval.

Consent Agenda for Information

Item 33. MUSC Health Charleston Division MEC Minutes.

MEC minutes from September and October 2023 were presented for information.

Committee Action: Received as information.

Item 34. 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 meeting was adjourned.

Jane Scutt

MUHA and MUSC Physical Facilities Committee Minutes
December 7, 2023

Item 14. Election of Committee Chair.

Dr. Lemon announced that Mr. Bingham was stepping down as Facilities Chair and his replacement would need to be elected. Dr. Lemon called for nominations. Mr. Bingham nominated Ms. Terri Barnes and Dr. Johnson nominated Mr. Michael Stavrinakis.

Committee Action: The election was deferred until Friday.

Item 15. Conveyance of Real Property from MUSC to MUHA.

Rick Anderson requested approval of the resolution authorizing MUSC to convey real property to MUHA and for MUHA to acquire the real property from MUSC, the negotiation, execution, and delivery of purchase, sale, and contribution agreements, and the application for State approval of the related real property acquisition.

Committee Action: Recommend approval.

Item 16. MUHA Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following:

- Lease renewal of 5,515 SF of clinical space located at 4330 Ladson Road in Charleston for Children's After-Hours Care. Five-year lease term at a total cost of \$965,822.
- Lease renewal of 3,500 SF of clinical space located at 953 South Pamplico Highway in Florence for MUSC Health Primary Care and Family Medicine. Five-year lease term at a total cost of \$355,175.

Committee Action: Recommend approval.

Item 17. MUSC Leases for Approval.

Jessica Paul, Chief Real Estate Officer, MUSC Health, presented the following:

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Committee Action: Recommend approval.

Item 18. MUSC Establish Projects for Approval.

David Attard, Chief Facilities Officer, presented the following projects for approval:

- 30 Bee Street Clinic Renovations for Student Health, Counseling, and Psychological Services

with a total estimated budget of \$700,000.

- Hollings Cancer Center 3rd Floor Exterior Window Replacement with a total estimated budget of \$800,000.
- College of Dental Medicine Boyd Lobby Renovation with a total estimated budget of \$320,000.

Committee Action: Recommend approval.

Item 19. MUSC Project Budget Adjustment for Approval.

David Attard presented for approval a \$5 million project budget adjustment to the Children's Research Building Air Handler #1 and #2 replacement project with a new total estimated budget of \$9.6 million.

Committee Action: Recommend approval.

Item 20. MUSC Professional Services Selections for Approval.

David Attard, Chief Facilities Officer, presented for approval the following professional services selections for MUSC architectural indefinite quantity contracts, Coast Architects, Compass5, Liollo Architecture, and McMillan Pazdan Smith Architecture.

Committee Action: Recommend approval.

Item 21. MUHA Establish Projects for Approval.

Gopi Omraju, Senior Program Director, EPMO, presented for approval the Hollings Cancer Center Pharmacy Upgrade Project with a total estimated budget of \$2,071,313.

Committee Action: Recommend approval.

Item 22. Other Committee Business.

None.

Item 35. MUSC FY2024 Active Projects >\$250,000 (Consent Item).

MUSC FY2024 Active Projects greater than \$250,000, were presented for information.

Committee Action: Received as information.

Item 36. MUSC Facilities Contracts Awarded (Consent Item).

Facilities contracts awarded were presented for information.

Committee Action: Received as information.

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

Jane Scutt

MUHA and MUSC Audit, Compliance, and Risk Committee Minutes
December 7, 2023

Item 23. KPMG Exit Conference.

Jennifer Hall, KPMG Senior Partner, presented the results of the FY23 financial statement external audit for MUSC and MUHA. She reviewed the FY23 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. Ms. Hall gave an overview of the client service team and reviewed the risk assessment factors considered in the audit. Ms. Hall commented that the Authority assuming the operations of the Regional Medical System in Orangeburg while not as large as other acquisitions, was a complex transaction that was taken into consideration during the audit. Ms. Hall reviewed the significant accounting estimates; 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. Ms. Hall concluded her report by stating that KPMG found no material weaknesses in the audit.

Committee Action: Received as information.

Item 24. Revised Audit, Compliance, and Risk Committee Charter for Approval.

Susan Barnhart, Director of Internal Audit, presented the revised Audit, Compliance, and Risk Committee Charter for approval.

Committee Action: Recommend approval.

Item 25. Revised Internal Audit Charter for Approval.

Susan Barnhart, Director of Internal Audit, presented the revised Internal Audit Charter for approval.

Committee Action: Recommend approval.

Item 26. Other Committee Business.

None.

With no further business, the meeting was adjourned.

Respectfully submitted,

