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University of South Carolina
BOARD OF TRUSTEES

Health Affairs Committee

March 27, 2015

The Health Affairs Committee of the University of South Carolina met at 10:45 a.m. on Friday, March 27, 2015, in the 1600 Hampton Street Board Room.

Members present were: Mr. Hugh Mobley, Chairman; Mr. Chuck Allen; Mr. A. C. "Bubba" Fennell III; Dr. C. Edward Floyd; Mr. Miles Loadholt; Dr. C. Dorn Smith; Mr. Thad H. Westbrook; Mr. Eugene P. Warr, Jr., Board Chairman; and Mr. John C. von Lehe, Jr., Board Vice Chairman. Absent was Mr. J. Egerton Burroughs.

Other Board members present were: Mr. Mark W. Buyck, Jr.; Mr. Thomas C. Cofield; Mr. William W. Jones, Jr.; Mr. Toney J. Lister; Ms. Leah B. Moody; and Mr. Mack I. Whittle, Jr.

Also present was faculty representative James H. Knapp.

Others present were: President Harris Pastides; Secretary Amy E. Stone; Chief Operating Officer Edward L. Walton; Interim Provost Helen Doerpinghaus; General Counsel Walter "Terry" H. Parham; Chief Financial Officer Leslie Brunelli; Vice President for Student Affairs Dennis A. Pruitt; Vice President for Human Resources Chris Byrd; Vice President for Information Technology William F. Hogue; Chief Communications Officer Wes Hickman; Athletic Director Ray Tanner; Senior Vice Provost and Dean for Graduate Studies Lacy Ford; College of Arts and Sciences Dean and Vice Provost for Special Academic Initiatives Mary Anne Fitzpatrick; USC Upstate Chancellor Thomas F. Moore; Executive Dean USC School of Medicine and CEO of Palmetto Health-USC Medical Group Leslie W. Hall; Associate Provost for Health Sciences Meera Narasimhan; Associate Vice President for Administration and Finance and Medical Business Affairs Jeffrey L. Perkins; Associate Dean for Clinical Affairs and Chief Medical Officer, USC School of Medicine, William D. Anderson, III; Associate Dean for Medical Education Joshua Thornhill; Chief of Staff, President's Office, J. Cantey Heath, Jr.; Executive Director for Audit & Advisory Services Pam Doran; Director of Academic Programs, Provost's Office, Kristia Finnigan; Palmetto College Dean of Extended University and Associate Provost Chris Nesmith; Chair of the Department of Pharmacology, Physiology, and Neuroscience, USC School of Medicine, Marlene Wilson; Executive Vice

Chancellor for Academic Affairs, USC Aiken, Jeff Priest; Greenville Health Systems Vice President of Clinical Integration and Chief Medical Officer Angelo Sinopoli; University Technology Services Production Manager Matt Warthen; and Board staff members Terri Saxon and Ina Wilson.

I. Call to Order

Chairman Mobley called the meeting to order, welcomed those present and asked everyone to introduce themselves. He stated that the agenda had been posted and the press notified as required by the Freedom of Information Act; the agenda had been circulated; and a quorum was present to conduct business. Mr. Hickman stated that a member of the media was in attendance: Jamie Self with *The State*.

II. Introduction of Dr. Leslie W. Hall, Executive Dean of USC School of Medicine and CEO of Palmetto Health-USC Medical Group

President Pastides introduced Dean Hall who came forward to briefly address the Board. Dean Hall said it had been a very busy first two months on the job for him and he was delighted with the great team in place at both the USC School of Medicine (USCSOM) as well as Palmetto Health.

III. New and Developing Programs

A. Nurse Anesthesia Doctoral Program

Dean Hall reported that the Master's Program in Nurse Anesthesia is a USC graduate program administered by the USCSOM. It has enjoyed outstanding results, with essentially no attrition of students during the course of study and 93% of graduates achieving employment within six months of graduation. Due to evolving accreditation standards, the program must transition from a master's level program to a doctoral level program. The School of Medicine is partnering with the College of Nursing in order to accomplish this by the next accreditation cycle in 2018.

B. Physician Assistant Program

Dean Hall said that USC is in the process of establishing a Master's Program in Physician Assistant (PA) Education. Establishing this program will help meet the health care workforce needs of the state. South Carolina ranks 40th among states in the number of primary care doctors. The program's proposed start date is January 2017, with an initial class of 20-25 students in Year-One and 30 students in Year-Two.

Dean Hall explained these program updates are provided as information at this point and will be presented to the Board for approval once they reach the appropriate stage of development.

In response to a Trustee question, Dean Hall said that opportunities would be sought for collaboration with USCSOM Greenville whenever possible.

President Pastides asked if the PA Program was expected to be a profitable program. Dean Hall said that the business model showed it would be break-even to slightly profitable. The business model for the Nurse Anesthesia Program also showed it to be sustainable. In order for graduate programs in clinical health professions to remain profitable, Dean Hall said, universities have had to establish fee and tuition schedules that differ from typical graduate studies in the Arts and Sciences. A more thorough discussion of fees and tuition will be scheduled for a future meeting.

President Pastides asked Dean Hall to provide the Board a brief update on how the clinical integration was progressing. Dean Hall said the most complex task to complete over the next year would be the design and implementation of the partnership merging 200 USCSOM clinical faculty with 200 clinical faculty in the Palmetto Health System. He emphasized that the vision for the clinical integration was to become the high-quality provider of choice, not simply the largest multi-specialty physician group in the Midlands. A leadership team was on board and was providing expert support and analysis in this process, he said, noting the wonderful cooperation from both entities.

Chairman Mobley stated that this update was received as information.

IV. Update from the Associate Provost for Health Sciences

President Pastides introduced Dr. Meera Narasimhan saying that in her position as Associate Provost of Health Sciences, she worked to achieve better coordination in education, research and service between the six Health Sciences units at the University (Public Health, Nursing, Pharmacy, Social Work and the Schools of Medicine in Columbia and Greenville). In addition, Dr. Narasimhan represented the University in its activities with external partners such as Greenville Health Systems, Florence and other clinical partners.

Dr. Narasimhan said the University had six great health sciences colleges. She cited the following accolades: The School of Public Health's Exercise Science program was ranked first in the nation; US News & World Report (2015) ranked the College of Nursing third in the nation for Best Graduate Online Nursing Programs; the Communication Sciences and Disorders Graduate Professional Program was ranked top program in the Southeast and the six health sciences units brought in a total of \$110,278,600 in research funding in 2014, which translates to about 50% of the university's total research portfolio.

She reported that the University also was fortunate to have a host of great clinical partners that offered opportunities for student trainees and faculty to deliver care and service. Challenges facing the health sciences schools are insufficient facilities, not being located in proximity of each other, the need for additional training sites and impending health care changes. Dr. Narasimhan said the University's health

sciences units were recognized national leaders in many efforts to successfully navigate the changing healthcare landscape. Among the innovative efforts she cited were the ultrasound program's integrated curricula, the comprehensive medication management collaborative, mobile health apps, and web-based tools.

Chairman Mobley stated that this update was received as information.

V. Greenville Health System (GHS) Care Coordination and Clinical Integration

Chairman Mobley introduced Dr. Angelo Sinopoli for a presentation on Care Coordination and Clinical Integration to illustrate healthcare delivery system changes. Dr. Sinopoli began by saying he had never seen as much change in healthcare as in the past five years. The next five years would bring even more dramatic changes, he said. Dr. Sinopoli reported on the strategic goals of GHS and its belief that the future of healthcare is in population health. He explained how the concept of population health involved providers, medical neighborhoods, community resources and accountable communities. GHS was fortunate in that it owned the full continuum of care from community intervention and office visits to acute care at the hospital and post-acute care services. However, that alone did not guarantee a great integrated delivery system. Also essential were a great programs and services along each step of the care continuum, along with an infrastructure to connect systems for information sharing and care coordination for the management of the patients.

Dr. Sinopoli shared some examples of newly developed programs that started with a Duke Endowment grant. These initiatives resulted in a 26% decrease in emergency room visits and a 55% decrease in inpatient hospital days within one year among the patient group. It also was determined that 10% of the patients in the group resulted in 50% of all the medical cost. Dr. Sinopoli also discussed outcomes of other grant-funded, clinical integration initiatives such as GHS-EMS Partnership, Community Care Outreach, GHS Employee Care, Business Health Services, GHS-BlueChoice Medicaid Partnership, among others.

In closing, he said that GHS was in the process of developing a knowledge bank called the Care Coordination Institute. Modeled after the Kaiser Care Management Institute on the west coast, the institute will support the ongoing activities of a newly formed *MyHealthFirst* Network, which is a physician led, clinically integrated network of physicians and healthcare providers that share a common goal of improving health outcomes, reducing healthcare costs and enhancing the patient experience. Currently, this new network is focused mainly in the Greenville area. GHS is partnering with Palmetto Health (Palmetto

Health Quality Collaborative) as part of its efforts to make this a state-wide network. GHS is looking for a partner like USC to provide training and education in support of these activities.

In response to a Trustee question about cost-savings versus cost-shifting, Dr. Sinopoli said that payment reform was needed along with these other initiatives in order to realize the greatest savings. President Pastides said that he and Dr. Sinopoli had a meeting together earlier in the week to discuss how the University and GHS could increase their future collaboration and that he saw a big role for the Arnold School of Public Health in this initiative.

VI. Report from USC School of Medicine Greenville Joint Board Liaison Committee

Chairman Mobley reported that the Joint Board Liaison Committee (JBLC) of the University of South Carolina School of Medicine (USCSOM) Greenville met on March 6, 2015, in Columbia.

Mr. Derek Payne, USCSOM Greenville Business and Finance Officer, presented the six-month financials saying that revenues were essentially on budget and expenses remained favorable, largely due to the timing of hiring and favorable recruitment and relocation expense. He said that this favorability is expected to 'catch-up' over the course of the year once remaining faculty and staff are recruited as the school reaches its full capacity. He reported that the second quarter results indicated a favorable variance to the budget of about \$2.2 million.

Mr. Payne then addressed the 10-year financials saying these were sent out in November 2014. He mentioned the school was continuing to mature and recruitment was now underway for the first, full-size class of 100 students. Faculty and staff recruitment was continuing with the full complement of biomedical sciences faculty projected by Academic Year (AY) 2015/2016. Administrative and support staff were expected to continue to build through AY 2015/2016. Purchases of clinical teaching services from Greenville Health System (GHS) were projected to increase with the growth in student population. He reported that also included in the long range plan was an inflation rate on salaries and fringe benefits projected at approximately 2% per year. In response to a question about funding for philanthropy and endowments for scholarships, USCSOM Greenville Dean Jerry Youkey said that funds for the short-term were available for this purpose but there was some concern for long-term needs for scholarships as the student body reached full capacity.

Dean Youkey presented the 2015 applicant data pointing out that the number of applications continued to rise each year. For the 2015 class of 100 students, 3111 applications had been received of which 525 came from South Carolina residents. Dean Youkey also reported that USCSOM Greenville had satisfied the one citation it had received from the Liaison Committee on Medical Education (LCME)

during its site visit in July. He noted that the next site visit from the LCME would be the full accreditation visit in October 2015.

The JBLC also heard from GHS Vice President of Clinical Integration and Chief Medical Officer Angelo Sinopoli. Dr. Sinopoli shared a presentation on Care Coordination and Clinical Integration that illustrated changes in the healthcare delivery system that are the drivers behind changes in medical education. The presentation was followed by a report on the concept of a Shared Academic Health Center from Dr. Spence M. Taylor, USCSOM Greenville's Senior Associate Dean for Academic Affairs and Diversity. Dr. Taylor also serves as GHS Vice President of Physician Engagement and President and Chief Academic Officer of the GHS Clinical University.

Dean Youkey closed the meeting with a special tribute to Provost Michael Amiridis who was leaving the University of South Carolina after 20-plus years of service.

After presenting the JBLC report, Chairman Mobley stated that there were proposed contractual matters appropriate for discussion in Executive Session. Mr. Westbrook moved to enter Executive Session. Mr. Loadholt seconded the motion. The vote was taken and the motion carried.

The following persons were invited to remain: President Pastides, Secretary Stone, Interim Provost Doerpinghaus, Mr. Parham, Mr. Walton, Ms. Brunelli, Dean Hall, Mr. Perkins, Dr. Anderson, Dr. Narasimhan, Mr. Hickman, Mr. Heath, Ms. Doran, Mr. Tanner, Chancellor Moore, and Dr. Knapp.

Return to Open Session

VII. Other Matters

Mr. Mobley asked if there was any other business to come before the committee.

VIII. Adjournment

Since there were no other matters to come before the committee, Chairman Mobley declared the meeting adjourned at 1:15 p.m.

Respectfully submitted,

Amy E. Stone
Secretary