

# **Medical University of South Carolina Medical University Hospital Authority**

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Subcommittee of House Ways and Means Committee  
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Changing What's Possible.



# Research

Ranked in top 90 for all research institutions in the nation for Research Expenditures

**MUSC:**      **\$232M**

USC:          \$220M

Clemson:    \$102M



NIH research funding seriously challenged

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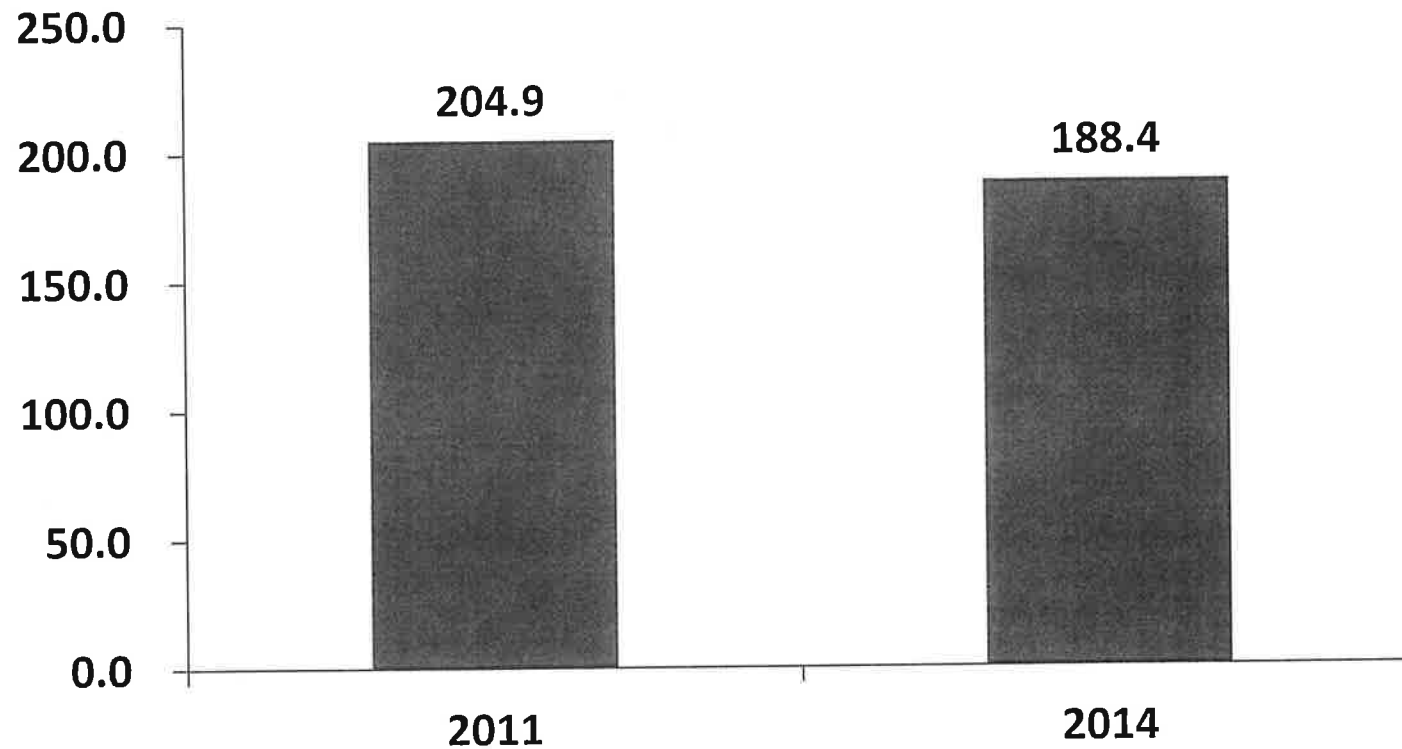
# Keeping Our Eye On The Ball

- 1) Strategic Financial Responsibility Centered Management
- 2) Education
  - Disruption of Online Education
  - New Degree Programs
- 3) Diversifying Research Portfolio
  - Entrepreneurial Initiative
- 4) Clinical Strategic Decision Making



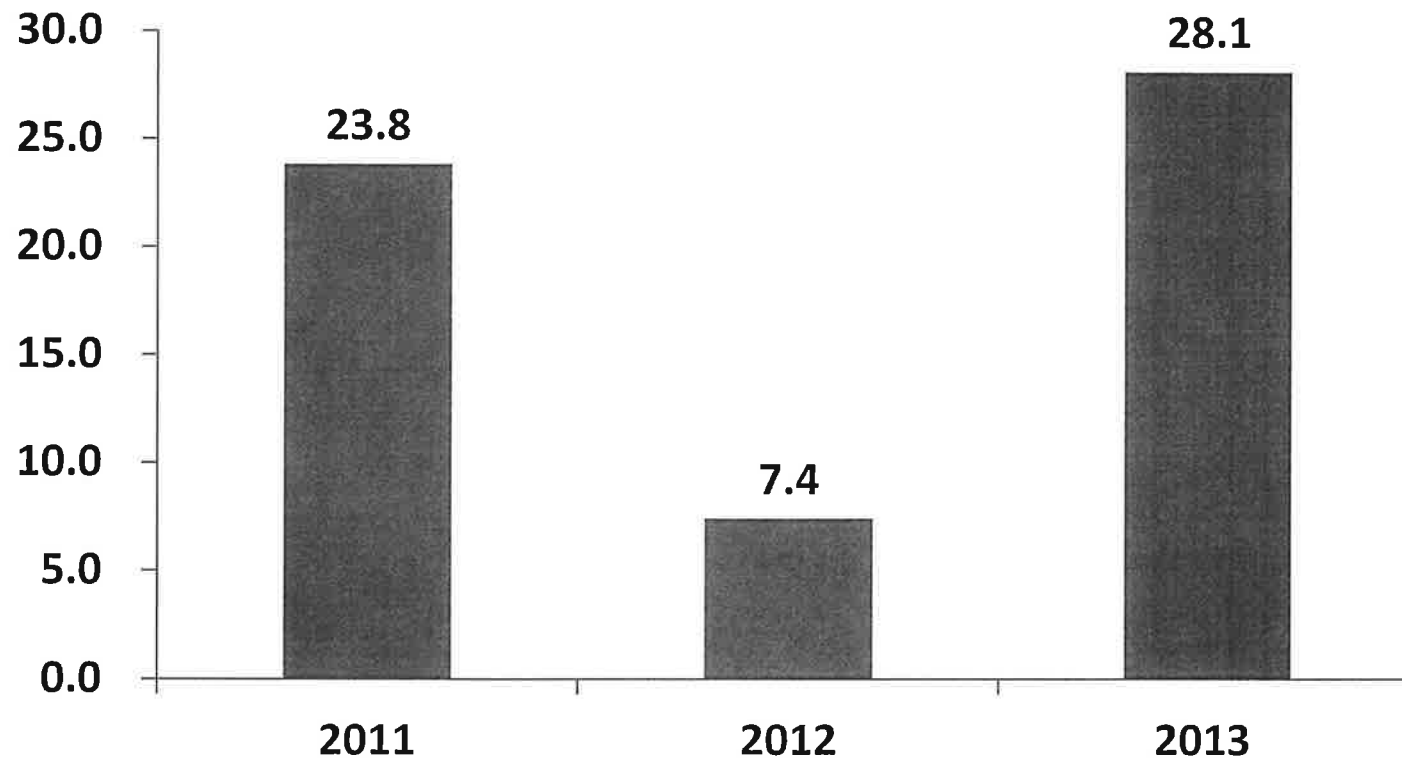
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# Medicaid Payment Reduction



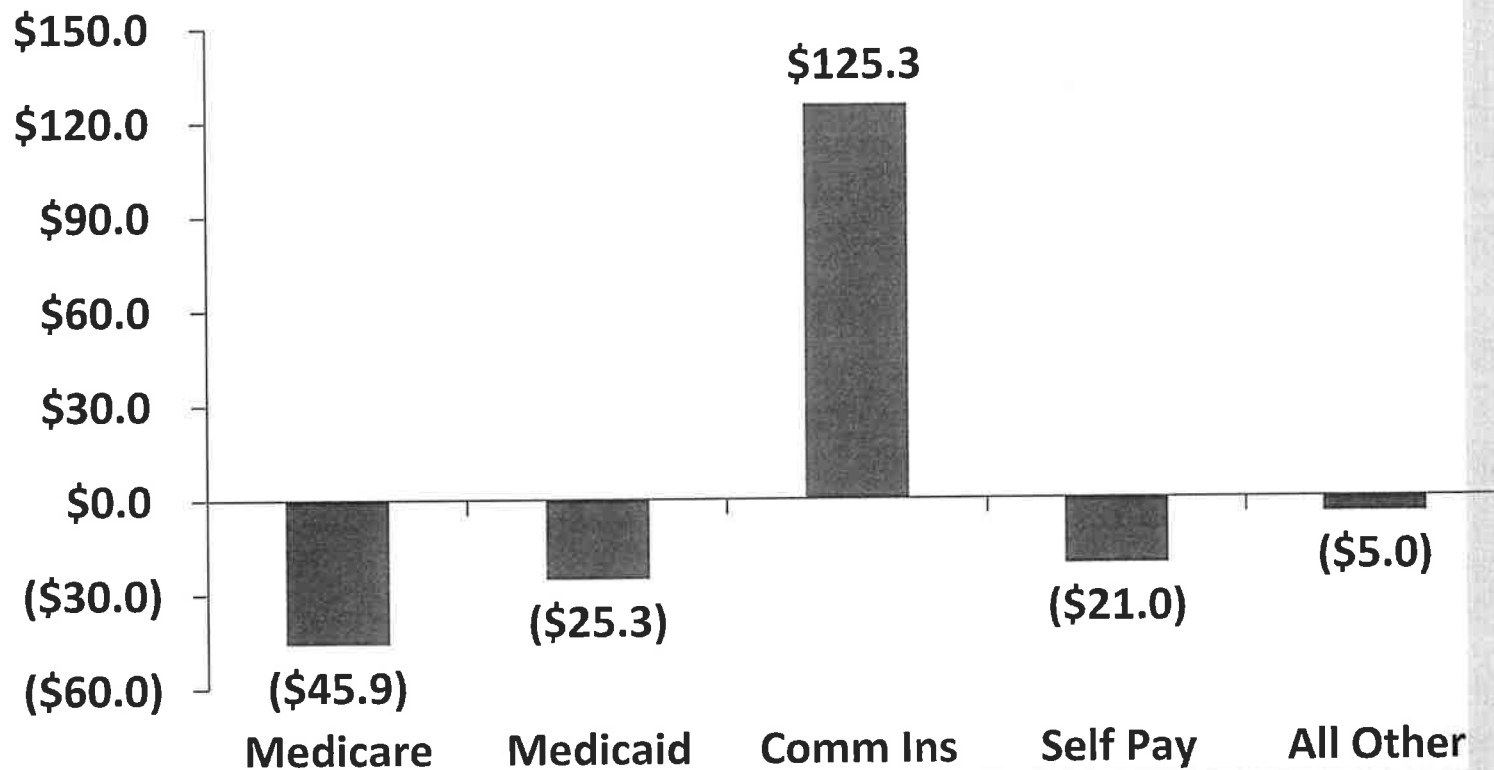
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# Hospital Net Margin Trend



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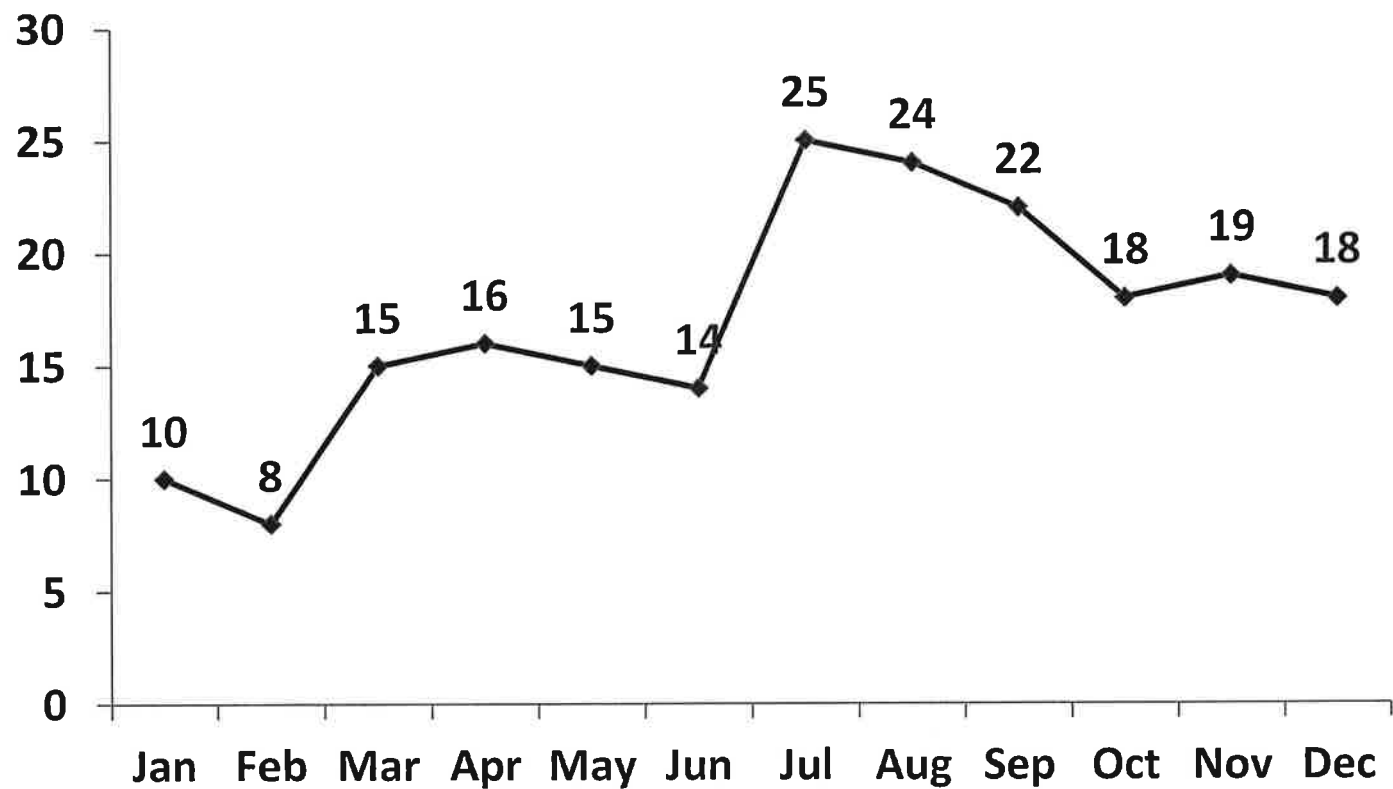
# Hospital Net Margin by Payor FY 2013



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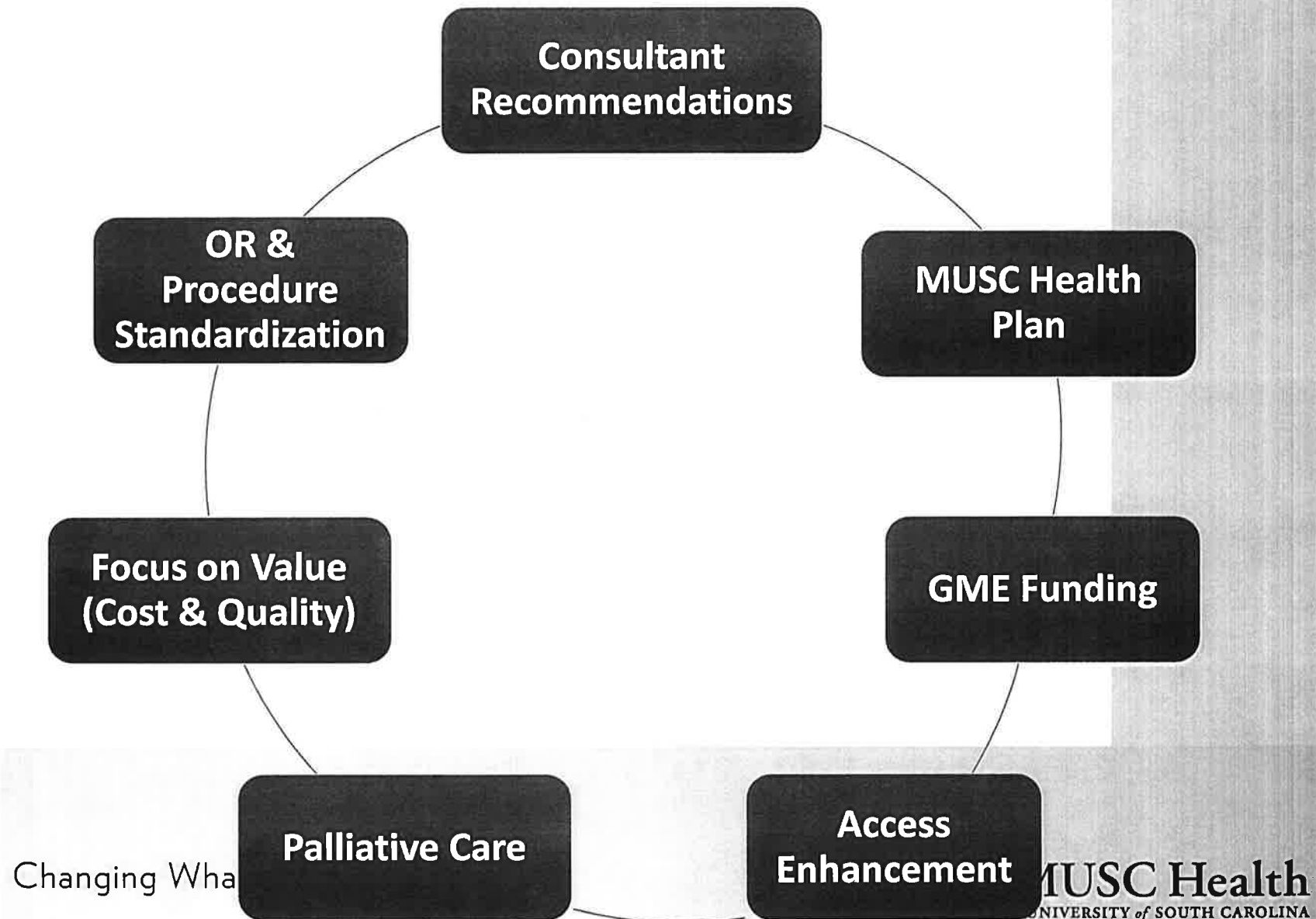
# Days Cash on Hand

## Calendar Year 2013



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# Medical Center Cost Improvement Strategy





# Medical Center Cost Improvement Strategy

Area	Amount
Graduate Medical Education Funding	\$6 million
Access Enhancement	\$5 million
Palliative Care	\$8 million
Focus on Value	\$25 million
OR & Procedure Standardization	\$6 million
MUSC Health Plan	\$6.8 million
Consultant Recommendations	\$57 million

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# Medical Center Cost Improvement Strategy

## Consultant Recommendations

### Strategic Investment

- Electronic Health Record
- Population Health → MUSC Health Plan
- Telehealth
- Strategic Service Lines → Children's Hospital

Changing What

**Palliative Care**

**Access  
Enhancement**

**MUSC Health**  
UNIVERSITY of SOUTH CAROLINA



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# MUSC Children's Hospital

## Overview

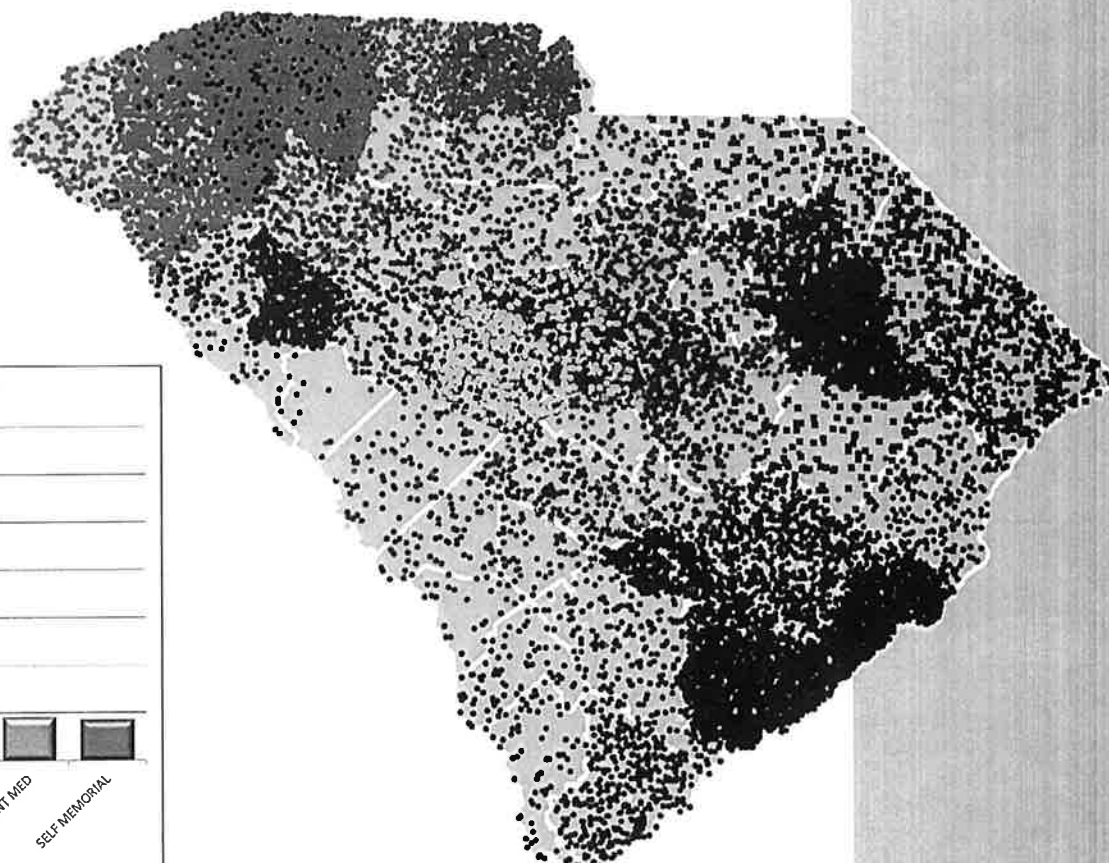
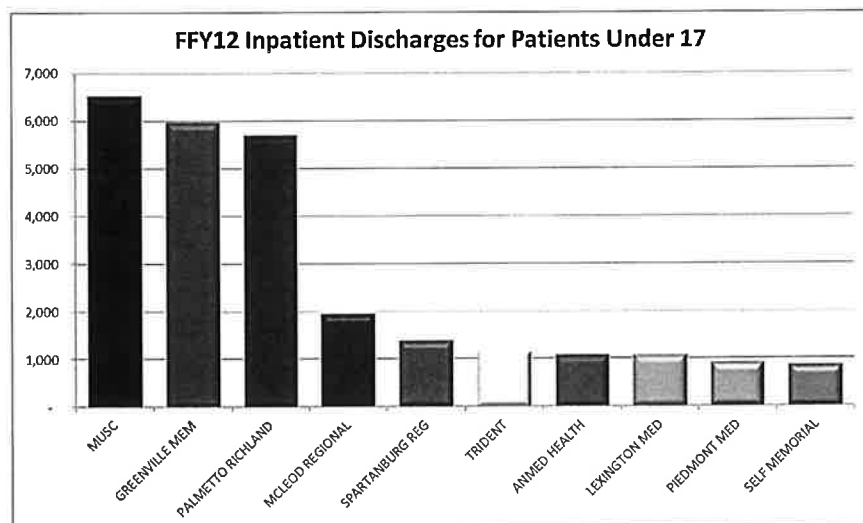
- Built in 1987
- 190,000 sq. ft.
- 186 total beds
- Physicians: 237
- RNs: 458
- Staff: 230
- Research faculty: 44
- Clinical trials: 106



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# Pediatric Patient Origin and Volumes



Source: SCORS

Notes: NACHRI definition used, excluding normal newborns.

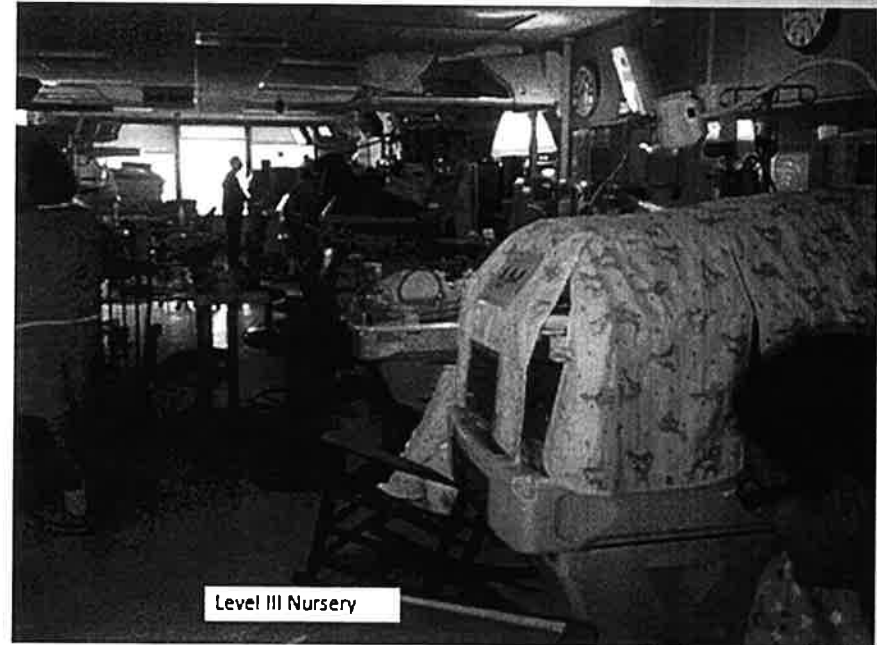
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# MUSC Children's Hospital

## Our Challenge - A Shortage of Space



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# MUSC Children's Hospital / Women's Pavilion

## *New Facility Planning*

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# Project Cost

**Size**

675,000sf

**Total capital cost**

\$325m

**Annual operational cost**

\$65m

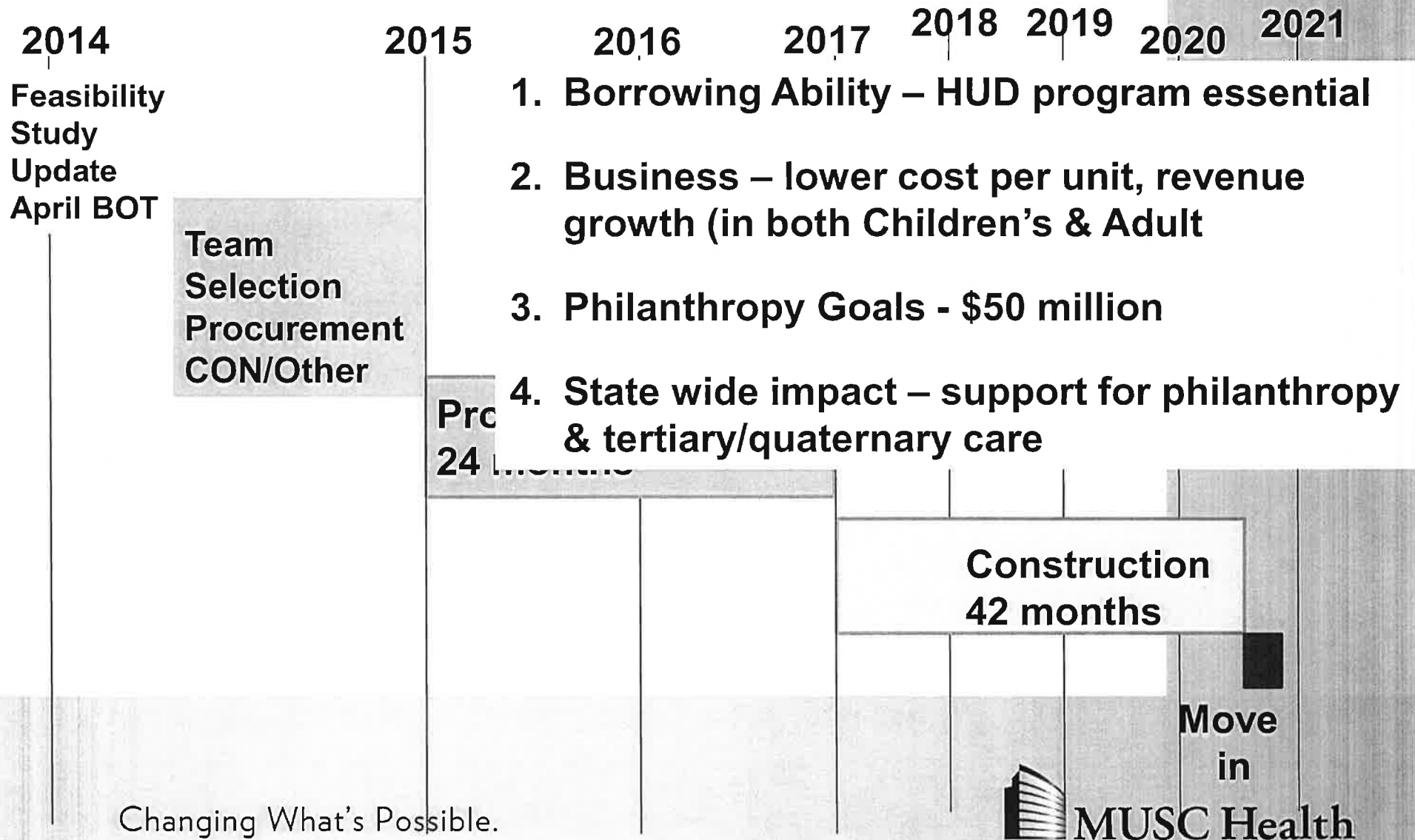
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\* mid point of estimates



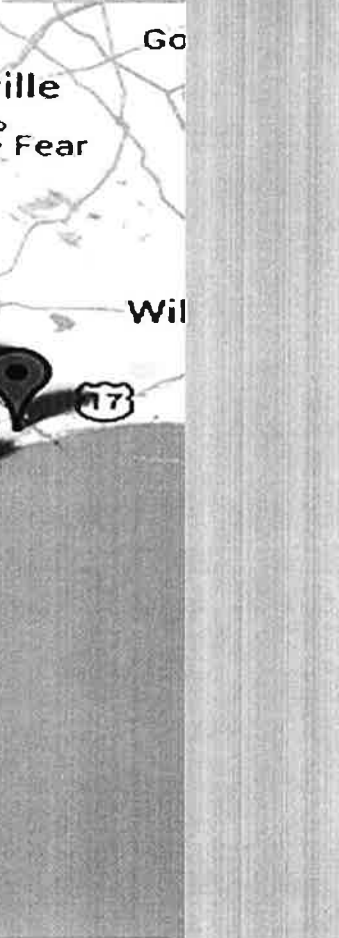
# Children's Hospital and Women's Pavilion

## Project Design and Construction Schedule



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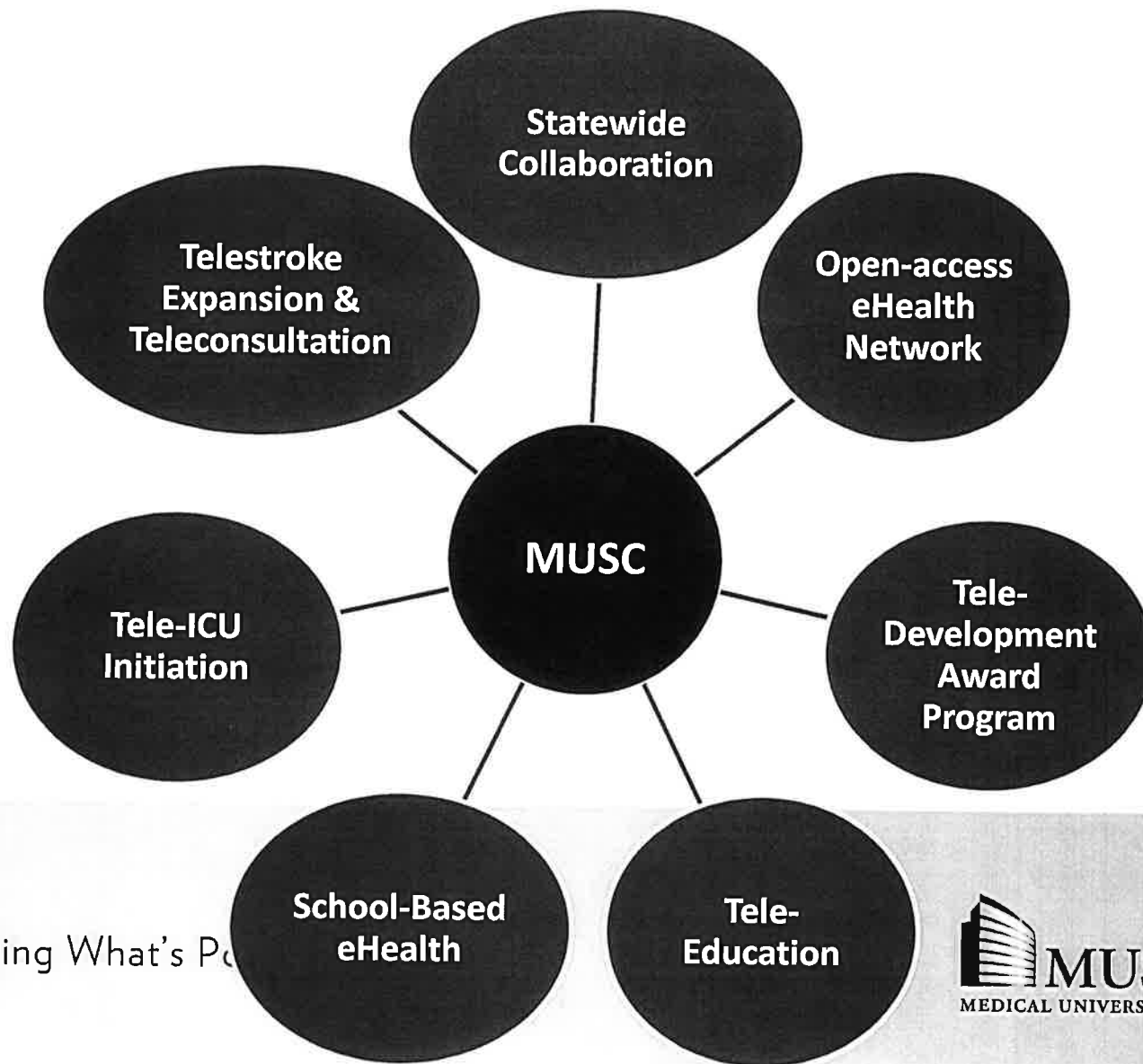




**Red = Existing   Purple= New   Blue = Contract Pending   Yellow = Planned**



# Preliminary State Driving Strategies



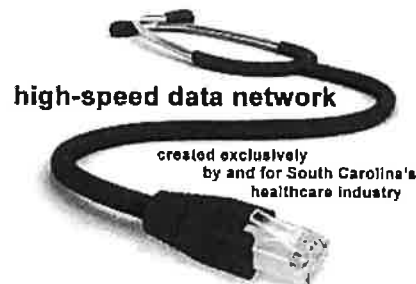
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# Strategy 1: Statewide Collaboration



HEALTH INNOVATIONS

Center for TeleHealth



South Carolina Office of  
Rural Health



GREENVILLE  
HEALTH SYSTEM

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# Preliminary Driving Strategies

1. **Establish Statewide Collaboration** to Enhance the Impact of eHealth Initiatives → State supports Center for eHealth and collaborative organization
2. Create an **Open- access eHealth Network** → State supports technological costs, strategic planning
3. **Telestroke** Expansion → State supports telestroke capital and technology fees to allow even small hospitals to participate
4. **eICU** Initiation → State supports capital expenses to allow regional centers to have access to teleICU monitoring that has previously been too expensive.
5. **School-based eHealth** → State supports capital expenses, school district participation and participating providers
6. **Tele-education** → State supports network infrastructure and operational support for targeted educational programs
7. **eHealth Innovation and Development Awards** → State supports innovative programs that are scalable and strong impact on state health priorities

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