August 18, 2015

To the MUSC Family:

We have an exciting development that will strengthen MUSC, and I’d like a few minutes of your time to explain why this is important for our future. I’m talking about the creation of a structured, integrated health system that will allow us to reduce redundancies and costs across the enterprise.

**What does it mean to structure an “integrated health system?”**

By implementing this new organizational model, we become more nimble and enhance our ability to decrease the cost of care and increase the level of convenience our patients expect and deserve. Additionally, we vastly improve the alignment of our research innovations with our clinical expertise.

As you can imagine, this is a complex and evidence-based process, and it demonstrates how MUSC is embracing the changes in the health care industry. Academic medical centers currently operate with high costs per unit of service, and with low levels of convenience for our patients. This is unacceptable and those we serve deserve better from us.

Rest assured that we are looking nationally to health systems such as the Cleveland Clinic, Emory Healthcare, and other academic medical center peers for their best ideas and lessons learned. As guiding principles for developing this new integrated health system we are going to:

- embrace partnership/collaboration
- pursue education innovation and discovery as an integral part of our leading-edge care
- continue our commitment to quality and value
- develop integrated leadership,
- work to align common goals/incentives
- drive accountability

We have assembled a leadership team and work groups that are outlining our next steps, and as more information becomes available, it will be shared in upcoming months in a variety of channels.

**What is the potential impact of this new way of doing things?**

Operating as an integrated health system will enable our clinical providers to increase opportunities for outreach partnerships and affiliations, further enhance our strategic alignment and the reduction of siloes across the enterprise, and allow for integrated management of certain functions. This system doesn’t “own” the hospital or existing
MUSC Physicians clinics, nor will it “provide” clinical services. In essence it is a legal structure that makes us more flexible in dealing with an ever-evolving health care delivery system.

In the interest of brevity, I encourage you to visit this new website, mcintranet.musc.edu/mgtco, where you can get more information about what this new system is, and is not.

**Why does MUSC need to do this right now?**
The vision is simple. We must change what’s possible through innovation and forward-thinking that transforms our expertise, learning and discovery into unrivaled, patient-centered care. I firmly believe that our collective dedication to teamwork, coordination and accountability through this new health system will provide the integrated breadth and depth we need to improve the health of those we serve.

Yours in service,

[Signature]

David J. Cole, MD, FACS
President
Medical University of South Carolina