

# **Leading Change in the Academic Health Center: Positioning and Planning from 1996 to 2005 May 2005**

The Academic Health Center is well into implementing its strategic turnaround begun more than six years ago as a result of a comprehensive strategic positioning and planning effort. At the time, external forces were driving for change, and there was a clear consensus within the academy that the status quo simply was not working.

## **Process for Change**

By 1997, it was clear that a historic lack of strategic foresight had resulted in a significant and negative impact on the schools of the Academic Health Center. The introduction of managed care and other new health insurance models led to significant reductions in revenue to the clinical enterprise of the Medical School. The breadth of the research enterprise throughout the schools meant that dwindling resources were spread broadly with no focused funding priorities. And, the sale of the University Hospital and Clinics led to the rapid departure of dozens of faculty. It was time for change in the Academic Health Center.

After securing the immediate needs of the schools of the Academic Health Center, the leadership was prepared to convene a strategic visioning process that kicked off in January, 2000 led by Martin Dworkin, Medical School, on behalf of the faculty, and Terry Bock, Associate Vice President for Health Sciences on behalf of the administration. In an e-mail call for participation, Sr. Vice President Cerra stated, "The Academic Health Center is at a turning point in its history. Although we have made changes and solved many problems over the past few years, we need to take a good look at ourselves and the challenges we face to create a clear vision for our future. To do that, we need to hear from all of you."

The effort was advised by the AHC FCC, as well as the Board of Regents committee on the Academic Health Center, chaired by Maureen Reed. At the February, 2000 Faculty Assembly, Dworkin informed the group of the three phase process. In Phase 1, committee chairs for each school were selected in consultation with deans and the AHC FCC. Each leader then selected members through faculty governance, with input from his or her dean. The teams were asked to respond to six defining questions: 1) What is the role of the AHC; 2) What is the vision for the health professionals we educate and train; 3) How can the AHC achieve a top rank in its research performance; 4) How can the AHC be a leader in the delivery of health care; 5) How can the AHC exploit the technology of the electronic age, and 6) How does the AHC develop a culture of service and accountability? Those disciplinary reports were delivered in April, 2000.

In Phase 2, the teams were reorganized so that each reflected all health professional disciplines and the same questions were posed for an interprofessional, or AHC-wide perspective. In addition, Regents heard testimony from 16 key leaders of health systems, professional associations, and community organizations on their view of the AHC mission on behalf of Minnesota.

During Phase 3, the reports and testimony were compiled in a draft report that was circulated for comment and input. The entire process was driven by a July deadline requested by the Regents. By the end of June, a draft of the document was presented to a Regents subcommittee. Entitled, "Shaping and Sustaining Minnesota's Health", it was intended as a strategic guide, not a comprehensive operational manual, according to an all-AHC e-mail in June of 2000.

At its July, 2000 meeting, the University's Board of Regents approved the results of the strategic visioning process, and then requested the AHC move forward with developing the plan that would support achievement of the articulated vision.

The seven principles supporting the vision are:

- Create and prepare the new health professionals for Minnesota
- Sustain the vitality and excellence of Minnesota's health research
- Expedite the dissemination and application of new knowledge into the promotion of health and delivery of health care in Minnesota
- Develop and provide new models of health promotion and care for Minnesota
- Reduce health disparities in Minnesota and address the needs of the state's diverse populations
- Use information technology to transform how we educate, conduct research, and provide service to individuals and communities in Minnesota
- Build a culture of service and accountability to Minnesota

### **From Vision to Plan**

Between July and November 2000, the administrative staff of the AHC developed the initial plan to support the vision and principles of the faculty-led process. Although the team developed a comprehensive plan to address each of the vision principles, the Board of Regents urged that the team develop a tactical six-year action plan focused on achieving the core goals of the vision.

The first area of emphasis was to **balance the operating budget and stabilize the programs and finances of the Medical School**. The Medical School is perhaps the most complex operation within the University, generating a significant share of its revenue within the equally complex health care marketplace and operating within a NIH culture of research competition to sustain its mission.

The second area of emphasis was to **gain legislative and community support for health professional education and research**. Immediately prior to 2000, a majority of headlines or news coverage concerning the Medical School and other University health professional programs had projected a negative image of an unmanageable institution disconnected from the real world. This initiative set out to change that image.

The third area of emphasis was to **increase the implementation of interdisciplinary health professional education opportunities** that both emphasized the core knowledge and skills of each discipline while incorporating skills and knowledge of other disciplines necessary for promoting health. This initiative requires development of experiential opportunities in sites throughout the state, to offer a range of cultural education in diverse settings. This new model of education involves evaluation for effective outcomes.

The fourth area of emphasis was to **develop and implement a plan to meet the health professional workforce needs of Minnesota**, and to adjust enrollment to meet those needs. This initiative involves working with the Minnesota Department of Health, health systems, providers, and others to measure those needs while partnering with other public and private institutions to educate or train other components of the health workforce for the state. This initiative has involved making clear decisions about core programs in the schools of the Academic Health Center.

The fifth area of emphasis is to **improve access to AHC research, information, and new technology** by improving the transfer of intellectual property to the community, and developing needed new IT tools and applications as well as comprehensive databases for AHC faculty, students, working health professionals, and policy makers. This initiative is designed to help speed up the introduction of health promoting knowledge into general usage, reducing the decade-long lag for general practice.

The sixth and final area of emphasis is to **rebuild the health research capacity of the Academic Health Center**. At the time this plan was being developed, the AHC had lost more than 85 faculty members and lagged behind other universities in the construction of new laboratory or research space. This initiative was designed to turn that trend around and rebuild the faculty, staff, and facilities for the health research enterprise.

## Outcomes So Far

Leadership in the AHC saw the six initial areas of emphasis as providing a strategic plan of action for a six year period of time. However, within three and a half years, or by the beginning of 2004, it was apparent that much of the work either was completed, or required a shift in strategy.

For example, we implemented **a program to educate state and federal elected officials of the importance of public funding for health professional education**, leading to the targeting of 6.5 cents of the tax from the sale of a pack of cigarettes to our AHC – a sum of approximately \$22 million per year. Unfortunately, the impact of that funding has been negated by historic state cuts to the University. Regardless, we **have established important coalitions** of patient advocacy groups, biotechnology companies, and health care organizations that ensure leading-edge research and education are understood and supported.

In the area of interdisciplinary education, we've **engaged numerous communities in planning, setting up and evaluating experiential education sites** and established productive sites in Hibbing, Willmar, Minneapolis' Phillips neighborhood, and soon North Minneapolis. We've **expanded programs in Nursing and Pharmacy** by establishing sites in Duluth and Rochester. And we have made substantive progress in bringing our knowledge and programs to the communities of Minnesota in a way that promotes **win-win partnerships, as with the Area Health Education Centers**.

In addition, we have developed **shared resources to support making new educational and information technology tools** available, e.g. Learning Commons, Clarion Program, simulation equipment and programs, and Clinical Skills Center.

And, we've **established a Health Careers Center** with university-wide partners to recruit high potential students for our health professional schools.

The **Medical School has improved its financial status** through rigorous budgeting and targeting efforts to ensure growth in selected areas of research, while **University of Minnesota Physicians has become a highly productive, integrated multi-specialty practice** aligned with the Medical School's plans.

Across the AHC, faculty and staff have worked to **focus research effort in areas of faculty excellence and health care need**, while improving the performance of our translational pipeline and technology transfer services. At the same time, we have seen a substantive increase in research productivity with national and international recognition in several areas; and we have **established the Academy of Excellence in Health Research**.

With our **Fairview Health Services partners** in the clinical enterprise, we've completed the implementation of the education and research financial program and are aggressively **pursuing joint development plans in targeted areas of clinical practice**.

Finally, we've worked to **expand the culture of service and accountability to the state of Minnesota's communities and families** through implementation of this plan, engagement with faculty governance, and development of clear performance expectations for administrators, deans, department and division heads.

## Merging with University Strategic Positioning

The action strategies of the University's positioning effort are remarkably similar to those resulting from the AHC's undertaking six years earlier, suggesting that the core needs of a world-class University and its constituent parts are the same. It's about achieving excellence for students, faculty, and staff; encouraging an entrepreneurial culture unafraid of change; using resources effectively and efficiently; and developing and maintaining relationships with communities throughout the state, region, and nation.

Based on those similarities, yet reflecting the specific needs of the health professional schools, the following recommendations are offered.

**1) The Senior Vice President for Health Sciences in consultation with the President should appoint a task force to develop a report on the analysis of knowledge management technology needs specific to inter-professional, community-based health workforce development that is integrated into the University information technology plans.** Tomorrow's health professionals require a new set of skills and capabilities to deliver health care as demanded by the 21st Century: they need to be competent in knowledge management, to deal with the explosion in breakthrough knowledge, and they need to understand systems that affect the outcomes of care. The task force should address critically important issues related to longer term financing of their plan. The task force report should be submitted by May 1, 2006

**2. The Senior Vice President for Health Sciences in consultation with the President should appoint a task force to develop an analysis for "rightsizing" enrollment in the health professional schools to meet health workforce needs, and of the University's role in supporting future new models in partnership with communities.** The existing model of health professional education is resource intensive and inadequately supports the education needs of the evolving care delivery system. Current model costs make it difficult to increase class size and also places an increasing burden directly on the students. While efficiencies in the model need to be achieved, new sources of revenue also will be necessary. The task force should address critically important issues related to longer term financing of their plan. The task force report should be submitted by May 1 2006.

**3. The Provost and the Senior Vice President for Health Sciences in consultation with the President should appoint a task force including representatives from the Academic Health Center, the Office of the Vice President for Research, the Institute of Technology, the College of Biological Sciences, and other appropriate colleges to ensure the University is positioned to compete in the era of Big Science.** New breakthroughs in biology and health sciences require broad interdisciplinary efforts beyond the boundaries of a single institution. This effort would be designed to speed up the pace of interdisciplinary research currently taking place on campus and to support the inter-institutional relationships that have doubled this University's receipt of NIH awards over the past six years. The task force report should be submitted by May 1, 2006.

**4. The Senior Vice President for Health Sciences in consultation with the Provost and President should appoint a task force focused on developing the clinical science enterprise of the Academic Health Center, and its role in strengthening the University, along with the concomitant resource needs for faculty and capital.** Core to the mission of the health professional schools of the AHC is the development and application of new knowledge to the prevention and treatment of diseases of humans and animals. In addition, core to each of the professions is a sort of apprenticeship program where faculty and students practice side-by-side in the care of patients. Clinical science practice is the endpoint of basic and translational science, and is where it is applied. Success of the clinical science enterprise provides support to the health professional schools, and thereby supports the mission of the University overall. The task force should address critically important issues related to longer term financing of their plan. The task force report should be submitted by May 1, 2006.

**5. The Senior Vice President for Health Sciences in consultation with the President shall appoint a task force to update the Precinct Plan for the Academic Health Center.** This task force will need to include, among others, the Office of the Vice President for University Services, the Office of the Vice President for Finance, and membership from the Academic Health Center, Fairview Health Services, and the practice plans of the health sciences schools. The AHC Precinct Plan was last updated several years ago; the demands for research space, the partnership with Fairview Health Services, and the need for renewal of the support spaces for the clinics and support spaces for women, children and adult health services necessitate that the AHC Precinct Plan be updated and articulated with the University Capital Plan. The task force report should be submitted by January 1, 2006.