Academic Health Center Strategic Positioning

A report to the Board of Regents
June 8, 2006
Policy Questions

- How do we sustain the AHC as Minnesota’s major supplier of practicing health professionals?
- How do we define, nurture and support the growth necessary in research? What areas of research will we be known in?
- How do we manage the quality and risks of expanded community partnerships?
- How do we consider new approaches to resourcing the education and research mission?
- How dependent should we become on clinical revenue?
- How closely should we align with a single health system in the health marketplace?
6 Health professional schools and related allied health programs, over 15 interdisciplinary centers, and pivotal community health partners:

- School of Dentistry, Medical School, School of Nursing, College of Pharmacy, School of Public Health, College of Veterinary Medicine
- Including, Cancer Center, Center for Bioethics, Center for Drug Design, among others
- State of Minnesota, Fairview Health Services, Mayo Clinic, and over 1700 other partners
Faculty in the AHC…

- Prepare **two-thirds** of the health professionals practicing in Minnesota,
- **Discover new knowledge that** deepens understanding and prevention of disease, promotes health, develops better treatments, and discovers connections between animal and human health,
- Provides crucial **outreach and service**, including clinical care to patients, and
- Attract **more than half of all federally funded research dollars** coming into the University
AHC Strategic Plan 2000: We have been successful

- Effective partnership with Fairview Health Services
- Creation of University of Minnesota Physicians
- Investments in areas of research strength
- Near doubling of sponsored project awards
- Innovative responses to health workforce shortages
- Partnership with Minnesota communities through Area Health Education Centers
- Creative interprofessional education programs
- National recognition for faculty
- Mayo –University Partnership
AHC Strategic Imperatives

- To educate health professionals who meet Minnesota’s workforce needs
- To discover new knowledge
- To improve the health of Minnesota
- To support the biomedical sciences economy of the State of Minnesota
- To achieve a sustainable financial framework
Board of Regent’s Discussion

- AHC 2006 – where the AHC is today and the challenges it faces
- AHC 2011 – A vision for the future
- What the AHC needs to achieve the vision
- Summary of key action items
AHC 2006: Rebuilding the Faculty and Clinical Sciences

- We lost faculty in the late 1990’s. We have recruited new faculty in strategically defined areas of basic and translational science. (e.g., neuroscience, cancer, pediatrics, infectious disease, stem cell biology, immunology)

- The essence of an AHC is the clinical sciences—clinical scholarship that connects knowledge to the prevention and treatment of disease.
AHC 2006: Education

Success
- Applicant pool is very competitive
- We are responding to workforce shortages
- We are changing the paradigm

Challenges
- Enrollment pushing capacity boundaries
- Workforce demand is increasing and much of Minnesota remains underserved
- Revenue sources are diminishing – cost model unsustainable
- Demand requires a new, more efficient model for educating – less time, less money, and more team-centered learning

Health professional education fundamentally requires experiential training – regardless of the model
Required Clinical Hours per Student

- Dentistry
- Medicine
- Nursing
- Pharmacy
- Veterinary Medicine
M.D. Education Investment

- 3-4 years High School
- ~4 years BS or BA Degree
- 4 years Medical School
- 3-5 years Required Post-graduate Residency
- 1-5 years Fellowship (specialty)
- Continuing Education
FY05 Medical School Revenues
(Including UMP Affiliated Org Revenues)
$575 M

- Sponsored Projects
- Generated Income
- UMP Academic Transfers
- General State Appropriation (O&M)
- Tuition
- Targeted State Special
- Philanthropy & Endowment
- Indirect Cost Recovery
- Other
- University of Minnesota Physicians (Affiliated Organization)
MEDICAL SCHOOL SOURCES OF FUNDING
for Instructional Costs of $151,090,192 (FY05)

- TUITION AND FEES: 18.1%
- STATE O&M: 21.7%
- STATE SPECIAL SUPPORT - TOBACCO & MNCARE: 6.6%
- AFFILIATION CONTRACTS - MEDICAL RESIDENTS: 3.7%
- U OF M PHYSICIANS ACADEMIC SUPPORT: 6.5%
- FOUNDATION & ENDOWMENT: 35.8%
- OTHER UNRESTRICTED: 7.7%
FY05 Costs of Community Education are $101 M

- Preceptor Time: $46,000,000
- Indirect Costs: $40,000,000
- Resident Contracts: $15,000,000
Debt is becoming a major barrier to health professional education.
Direct Costs of Education Relative to Tuition, Fees and State Support

- School of Nursing
- School of Dentistry
- Medical School

Costs of Education, Tuition and Fees, General Appropriation
AHC 2006: Research Success

- Investments that encourage collaboration across disciplines and professions
- Partnerships with the private sector that are models of interdisciplinary and translational research
- Increase research awards and sponsored projects
- More efficient use of existing and remodeled space
- A number of centers of world-class excellence.
AHC 2006: Research Challenges

- No increases in NIH funding expected from Congress
- Lack of 21st Century ready research space hampers ability to recruit faculty and capture more research dollars marketshare
- Fostering collaboration with disciplines and professions across the University
- Enhanced partnerships with the private sector for the commercialization of new discoveries
- Research requires cross-subsidization
- Maintaining the research infrastructure
AHC 2006: Clinical Sciences Success & Challenges

**Success**
- Clinical research: 150-200 clinical trials per day
- Nationally recognized GMP test article production facility
- Clinical Scientist recruitment and mentoring program
- Established pipeline for recognizing and moving technology into commercialization

**Challenges**
- Need for recruiting and supporting clinical scientists
- Recognizing clinical scholarship
- Outdated clinical facilities that do not support the mission
- Increased demand that the practice plans cross-subsidize our education and research missions.
AHC 2011 Education: *Mark of Distinction*

- Future health professionals thrive in an patient centered environment of continuous learning and improvement.
- World-renowned scholars in clinical sciences
- Recognized for interdisciplinary models of education and care delivery
- Fully engaged in community partnerships along the spectrum of health care needs
- E-health is real
AHC 2011 Research: Talent Magnet

- Established corridors of research, connecting discovery with prevention and treatment of disease
- Environment of innovation and creativity without disciplinary boundaries
- Supporting new business development
- $200 million in new sponsored research revenue
- More than 500 clinical trials; leveraging community clinical trials
- University-Mayo Partnership is meeting its outcome goals for the development of biomedical sciences in Minnesota
AHC 2011 Clinical Science: *Destination of Choice*

- Destination of choice for clinical scholars, whose work informs policy and practice in prevention and treatment of disease.
- University of Minnesota Physicians expansion; encompassing cross-disciplines and the spectrum of health needs.
- Technology – right time, right place, and into the community.
- Fairview partnership competes effectively.
AHC 2011 Facilities and Finances

Facilities
- Minnesota Biomedical Sciences Research Facilities Authority realized and operational
- Facilities and faculty that efficiently and effectively support research
- New clinic, children's hospital and enhanced adult care delivery services that are cutting edge in their practice models

Finances
- Expanded sources of revenue – philanthropy, private industry, sale of education enhancing tools
- Increased partnerships and relationships of investment
- State of Minnesota has invested in the vision
Getting to 2011: Education

- Develop and implement education models that are transformative of care delivery and support prevention
- Implementing effective interprofessional education through all stages of professional development
- Recognizing and rewarding education work and innovation
- Strengthen community-campus partnerships with statewide and international learning platforms
- Mastering learning technology and creating an environment of continuous learning
- Set effective performance expectations for education
- Reducing the time and cost of a health professional degree.
Getting to 2011: Research

- Building effective corridors that integrate discovery with application of knowledge
- Recruiting the most capable faculty
- Enhancing the “translational pipeline” to be more efficient and effective
- Leverage research strengths – make smart investments
- Set research performance expectations
- Continuing the development of the University-Mayo Partnership
Getting to 2011: Clinical Sciences

- Increased efficiency and effectiveness of clinical research
- New prevention and care delivery models
- Bridge knowledge management into health care delivery
- New strategic relationship with Fairview
- Recognize and reward clinical scholarship and practice
Getting to 2011: Facilities

- Educational facilities reflective of patient-centered service
- Enact facilities authority to accomplish research goals
- Build the new facilities that support clinical research and clinical care delivery with the technology of tomorrow
Getting to 2011: Finances

- Capture increasing market share of federal grants
- Support growth via the success of the clinical enterprise in the marketplace
- Expand philanthropic efforts
- Developing new areas of mission-based revenue, e.g. learning technology
- Successful technology commercialization
Getting to 2011: Strategic Repositioning AHC Task Forces

- Health professional workforce
- Knowledge management technology
- Clinical sciences enterprise
- AHC precinct plan

http://www.umn.edu/systemwide/strategic_positioning/
Making It Happen

- Leverage the disciplines inside and outside the AHC to compete for research dollars – target our strengths!
- Leverage the interprofessional nature of the AHC to develop new education models and to compete in the marketplace
- Develop integrated research and service corridors
- Recruit the faculty and invest in the facilities
- Develop a sustainable financial model to support growth
- Drive efficient and effective education paradigms and platforms.
- Build strategic alliances in the marketplace
- Assume leadership role in transforming health care
Conclusion

- Academic isolation is not our future. Success will occur where we cross boundaries.
- An academic health center provides the core of a world class university that is devoted to human and animal health, as well as to the breakthroughs that promote health and treat and cure disease.
- **The AHC needs a strong University to succeed and the University needs a strong AHC. Together we become a top-three public research university.**
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