



Special Committee on Academic Medicine

October 2014

October 9, 2014

8:00-9:30 AM

West Committee Room, McNamara Alumni Center

CAM - OCT 2014

1. 2014-2015 Committee Work Plan Discussion

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2. Implementing the Medical School Strategic Plan

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3. Update on Governor's Committee on the Medical School

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4. Impact of Health Care Reform on the Clinical Marketplace

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BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Medicine

October 9, 2014

Agenda Item: 2014-2015 Committee Workplan

Review **Review + Action** **Action** **Discussion**

This is a report required by Board policy.

Presenters: Regent Linda Cohen
Brooks Jackson, Dean of the Medical School and Vice President for Health Sciences

Purpose & Key Points

The purpose of this item is to review and discuss the proposed 2014-15 committee work plan. According to Board of Regents Policy: *Board Operations and Agenda Guidelines, Section II, Subdivision 7: Workplans*, "Each year the Board and its committees develop workplans with the advice of the president or delegate."

Background Information

The Special Committee on Academic Medicine was formed in July 2013 to build knowledge among Regents related to academic medicine, including related research, while also ensuring adequate Board oversight of these areas.

**Special Committee on Academic Medicine Work Plan
2014-2015**

Date	Topics
2014	
September 11-12	No Special Committee Meeting.
October 9-10	<p>Theme: Medical School Strategic Plan</p> <ul style="list-style-type: none"> • Presentation on implementing the Medical School Strategic Plan • Update on the Governor’s Committee on the Medical School <p>Theme: Clinical Services and Operations</p> <ul style="list-style-type: none"> • Update on University of Minnesota Health and future goals <ul style="list-style-type: none"> ○ Note: Full Board Update on University of Minnesota Health also in October • Impact of the Affordable Care Act and Health Care Reform on the Minnesota and National Clinical Marketplace and its implications for UM Health
November	No BOR or Committee Meetings.
December 11-12	<p>Theme: Education</p> <ul style="list-style-type: none"> • Discussion of Institute of Medicine Report: <i>Graduate Medical Education That Meets the Nation’s Health Needs</i>, and the future of GME structure and financing • Trends and impact of the Affordable Care Act on Clinical Education • Update on the Governor’s Committee on the Medical School and other state task forces addressing health work force issues • Presentation on how other states are responding to health work force issues • Discussion of Minnesota’s health care workforce needs and how the University is and should be responding
2015	
January	No BOR or Committee Meetings.
February 12-13	No Special Committee Meeting.
March 26-27	No Committee Meetings.
April	No BOR or Committee Meetings.
May 7-8	<p>Theme: Health Research</p> <ul style="list-style-type: none"> • Report on the first year of the Medical School’s new scholarship and research metrics • Update on federal and state health research funding • Presentation on clinical and translational health research at the University • Presentation and discussion of the University’s global health research programs <p>Fairview & UMP Leadership as Thursday BOR lunch guests.</p>
June 11-12	No Special Committee Meeting.



BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Medicine

October 9, 2014

Agenda Item: Implementing the Medical School Strategic Plan

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Brooks Jackson, Dean of the Medical School and Vice President for Health Sciences

Purpose & Key Points

The purpose of this item is to provide an update of the Medical School's progress in implementing its strategic vision and Jackson's goals and priorities for the Medical School. The strategic plan is included in the docket.

The development of a strategic plan for the Medical School was a recommendation of the AHC External Review committee. The Medical School formed a committee of faculty, led by Dr. Richard King, to put forward a vision and strategies to drive excellence and provide focus for new leadership. It was delivered to President Kaler on July 10, 2013.

A key outcome of this process is the emphasis on culture, to be improved through four core strategies:

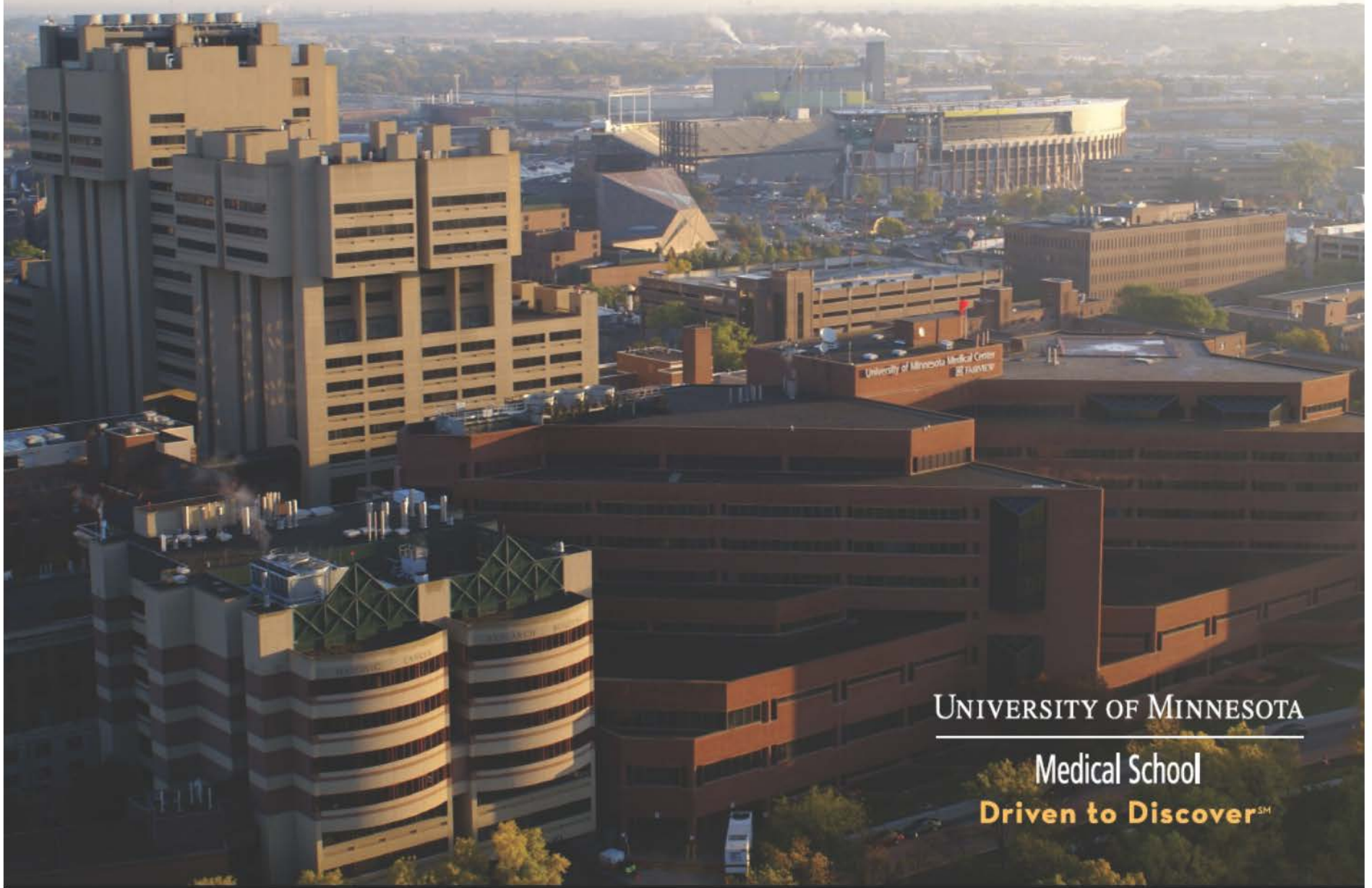
- Leadership that transforms the culture.
- Distinguishing research.
- Forward-thinking education that will set national trends.
- Clinical care that transforms health delivery.

Jackson has used this strategic vision as the basis for his work plan, which focuses on culture, expectations, scholarship and excellence across the three missions. He will describe his goals and priorities.

Background Information

This committee was briefed on the strategic plan by Aaron Friedman during the committee's initial meeting on October 10, 2013.

Strategic Vision 2025



UNIVERSITY OF MINNESOTA

Medical School

Driven to DiscoverSM

Message From the Strategic Planning Committee: We Must Create A Culture of Excellence

The University of Minnesota Medical School educates medical students and graduate physicians, provides patient care, and performs biomedical and clinical research through the hard work of nearly 1700 full-time and affiliate faculty, 2800 adjunct clinical faculty, and 1500 staff. Medical students are accomplished, graduating with an excellent education, high national board scores, and prestigious post-graduate training opportunities. The Medical School has committed to changes in medical education to meet the challenge of the evolving health care environment. Hospital and clinic patient care is highly rated by the patients and the medical community, and the new integrated structure for the University of Minnesota Physicians and the University of Minnesota Medical Center, Fairview, will increase the academic support for the Medical School. Research in many areas is highly funded with national prominence, and supported with new Biomedical Discovery District facilities. The University of Minnesota Medical School consistently ranks in the upper tiers of all medical schools. Our results and impact are impressive, but we aspire to be the best.

The faculty recognizes that significant changes are needed to enhance our research, educational innovation, and clinical impact both statewide and nationally.

RESEARCH: An increase in the research portfolio and NIH funding that is transformative, leading to national and international recognition of centers of excellence and faculty development.

EDUCATION: Innovative educational and research opportunities that prepare medical students for the changing practice of medicine in the future.

PATIENT CARE: Strong clinical programs and reputation that drive patient recruitment, faculty development, research, and education for the academic missions of the Medical School.

The faculty understands THEY are the agents of change. Faculty must drive recruitment, curriculum, promotion and tenure, patient care, and research. A review of high-performing U.S. medical schools, data review, and faculty input during the strategic planning process identified multiple challenges in our industry and environment. In partnership with the Board of Regents, President, University, and Health Systems, the faculty are committed to achieving a new level of excellence in research, clinical care, and education. A culture of excellence is the essential requirement for the Medical School to regain its position of excellence by 2025. The following Strategic Plan for the Medical School provides the platform to accomplish this vision.

OUR VISION:

To be a world-class medical school, advancing health at the forefront of learning and discovery.

OUR STRATEGIC INTENT:

Promote a culture that demands and rewards excellence.

Critical Strategies: Transforming Medical Care

1. Leadership that transforms the culture of the Medical School by demanding and supporting excellence in all aspects of our mission.
2. Research that distinguishes the Medical School through centers of excellence, scholarship, and the development of destination educational and clinical programs that change the practice of medicine.
3. Education that advances all aspects of medicine through innovative teaching and learning practices that set national trends.
4. Clinical Care that transforms the practice of medicine in a valued, patient-centered environment.

STRATEGY - LEADERSHIP: Leadership that transforms the culture of the Medical School by demanding and supporting excellence in all aspects of our mission.

RATIONALE: High-performing medical schools are built on a culture of clear expectations and milestones that demand and reward excellence. The culture of the Medical School must change. Hardwired systems of accountability built on clear metrics of excellence and defined reward and recognition are required. Our leaders – from the University President through the leaders inside each Department – must be held accountable in our pursuit of excellence and our resources must be prioritized to value and incentivize our best performers. Leadership turnover in the Medical School has prevented achievement of long-term planning goals.

METRICS OF EXCELLENCE:

We encourage senior leadership to develop metrics based upon the following:

- Defined, measurable, and clearly communicated expectations of all staff, faculty, and Division/Department/Center/Institute leaders and programs.
- Hardwired accountability systems – including evaluation, rewards, recognition, and consequences for failure – and methods to ensure application of expectations to all faculty, staff, and leaders.
- Consistent measurement and enforcement, with transparency of results.

Key Initiatives	Objective	Timeline
1. Recruit a new Dean who is committed to long-term support for cultural transformation to ensure an environment that demands and rewards excellence.	Leadership focused on and held accountable to long-term excellence.	2014
2. Develop a rigorous and substantial leadership performance review process.	Ensure leadership accountability to excellence.	Begin 2013
3. Create a formal internal leadership development academy for high-potential faculty and staff, preparing our next generation of leaders. This program should be supported with appropriate centralized funding.	Develop our next generation of leaders.	2015
4. Hold all levels of leadership, including Department Heads and Center/Institute Directors, and affiliate leaders, accountable for achieving the metrics of excellence within their units through: <ul style="list-style-type: none"> • A more substantial faculty performance review process; • Better recognition for top performers; • Strategic recruiting; • Diligent long-term planning. 	Accountability to demand excellence.	Begin 2013

5. Develop metrics of excellence to measure Program and Department performance to prioritize investment.	Prioritization to direct resources towards excellence.	2014
6. Align other current sources of academic investment, such as the Dean's Tax, Academic Transfers, and committed Integrated Structure support, towards excellence, supporting the priorities outlined in this plan. As investments are made, outcomes should be transparently tracked over time so that results can be reported.	Align academic resources to support academic success.	Begin 2013
7. Transparently and regularly report Department, Center, and School-wide financial results and hold leadership accountable for sharing with faculty.	Increased transparency.	Begin 2013
8. Expect defined, accountable, and rewarded exemplary mentorship.	Reward and support development of successful faculty.	Begin 2013

STRATEGY - RESEARCH: Research that distinguishes the Medical School through centers of excellence, scholarship, and the development of destination educational and clinical programs that change the practice of medicine.

RATIONALE: High-performing medical schools establish, endorse, and nurture a culture of excellence in research and its dissemination through the allocation and reallocation of resources towards those faculty school-wide who demonstrate a sustained high-impact scholarship program. This generates high-impact research and national recognition.

METRICS OF EXCELLENCE:

1. Sustained high quality/impact scholarship, as determined by:
 - Quality of papers, patents, data sets (these metrics should be discipline specific);
 - Minimum of one paper/year as Senior Author following promotion to Associate or Full Professor, measured on a 5-year average; expectation is that faculty will exceed this minimum requirement;
 - Post-tenure award assessment (rolling 5-year periods, see Key Initiative #3 below).
 - Faculty member to identify best 5 high-impact papers and department to request outside evaluation from experts within the field.
2. Peer reviewed extramural grants or funding, as determined at Department or School level by:
 - Number of individual and interdisciplinary grants per faculty member;
 - External funding dollars per faculty member;
 - 50% of salary recovery on grants over a rolling 5-year period (for tenure track faculty);
 - Multi-grant portfolio at post-tenure award level.
3. Identify 5 aspirational peer institutions to determine appropriate number or ratio of physician-scientists.
4. Identify 5 aspirational peer institutions to determine appropriate number of K grants and career development awards.
5. Increase patient participation in clinical trials:
 - Achieve same participation rate as our 5 aspirational peers.
5. Increase in the number of national awards (HHMI, NAS):
 - Dean to set a target and goal.
6. Increase the number of collaborative research grants.

Key Initiatives	Objective	Timeline
1. Substantial investment for recruitment of a critical mass of early career faculty with a demonstrated potential for excellence in research in targeted areas. This should include: <ul style="list-style-type: none"> • Recruit 6-9 faculty as cluster hires across basic and clinical Departments, with at least 2-3 M.D.-scientists, supported by centralized funding. • Mandate rigor in every faculty recruitment process to ensure strategic use of resources and a diverse applicant pool. 	Develop a diverse pool that will be competitive for and result in HHMI appointment.	2014

<ul style="list-style-type: none"> Development of a “Biomedical Scholars” program, allowing new hires to compete for funding in addition to their start-up packages (non-renewable). 		
<p>2. Recognition and allocation of resources to mid-career faculty. This should include:</p> <ul style="list-style-type: none"> Development of an internal “Distinguished Scholars Program,” allowing current faculty to compete for 5-year awards (in the range of \$250K/year) for research (renewable). Development of a “Dean’s Distinguished Lectureship,” a competitive honor for faculty making seminal research discoveries, accompanied with a monetary one-time award. Development of a “Physician-Scientist Scholars Program,” supporting development and mentoring for a cadre of physician-scientists. Hold leadership (Deans and Heads) accountable to actively preparing and advocating for outstanding faculty to distinguished national awards (i.e., NAS appointment, HHMI investigators). Appoint a <i>standing advisory committee</i> to actively vet and act upon faculty recommendations made by leadership. 	<p>Create competitive internal support for mid-career faculty.</p>	<p>2013</p>
<p>3. Develop a rigorous annual review process for all faculty at the assistant professor level. This should include:</p> <ul style="list-style-type: none"> Developing initial plans for new junior faculty to clearly set expectations for promotion. Using the metrics of excellence for research to measure performance. <p><u>After award of tenure</u>, research faculty must undergo an intensive review every 5 years, to include outside evaluation by peers in their field to measure evidence of a sustained research program and scholarship, and to re-allocate resources as necessary.</p> <p><u>After promotion to associate professor (for non-tenure tracks)</u>, an intensive 5-year review process (similar to that described above) should be developed for non-tenure tracks to measure progress.</p>	<p>More actively measure faculty progress.</p>	<p>Begin 2013</p>
<p>4. Strategically build and leverage technological infrastructure and operational services that facilitate success of faculty and staff.</p> <ul style="list-style-type: none"> Strategically invest in the computational and physical infrastructures for tissue and specimen bio-banking as a resource for all investigators. 	<p>Provide infrastructure support to enhance research outcomes.</p>	<p>Begin 2014</p>

<ul style="list-style-type: none"> • Develop a centralized infrastructure that assists with vetting scientific ideas for translation as well as matching the appropriate ideas, investigators, and resources. The current Office of Discovery and Translation (part of CTSI) could be further developed to meet this goal. • Develop an infrastructure that will assist investigators with identifying and attaining funding sources for their research. • Create high-functioning computational platforms that leverage health information technology to facilitate research. 		
<p>5. Develop metrics for excellence in education and research for basic science graduate programs, to include the appropriate size and funding for the various programs, and to achieve better integration with faculty research.</p>	<p>Create a culture of excellence in basic science graduate education.</p>	<p>Start 2014</p>

STRATEGY - EDUCATION: Education that advances all aspects of medicine through innovative teaching and learning practices that set national trends.

RATIONALE: High-performing and state-supported medical schools are committed to supporting teaching excellence, educational innovation, and diversity to ensure its learners are prepared to be collaborators and leaders in the modern health care environment and meet the needs of the health care workforce for the entire state.

METRICS OF EXCELLENCE:

1. Ongoing success of student learners reported and tracked:
 - Students accepted to top institutions;
 - Students placed in leadership positions;
 - Board scores;
 - # of external fellowships for graduate students;
 - Feedback from clinical partners on trainee and learner preparation.
2. Number of students participating in basic or clinical research and discovery.
3. Percent of alumni donating to UMN.
4. Number of faculty promoted on the teaching track.
5. Number of faculty receiving teaching awards.
6. Student, resident, and fellow evaluations.
7. Educational scholarship (publications and other written scholarship).
8. Peer evaluation of teaching.
9. National leadership positions.

Key Initiatives	Objective	Timeline
1. Create an environment across the Medical School and affiliate sites to support exemplary education practices through a series of certification programs to include: 1) Master Teacher; 2) Program Directors; and 3) Program in Educational Leadership.	Expand the network of exemplary educators and develop educational leaders.	2014
2. Improve relationships with affiliate partners and community stakeholders to ensure a comprehensive learner experience in our community.	Improve and leverage community resources to improve educational experiences and outcomes.	2013

3. Strengthen curriculum changes that prepare our students, residents, and fellows for lifelong learning and the future of health care delivery.	Educate a physician workforce for the future.	Begin 2014
4. Develop metrics of excellence for GME programs that would allow for program stability and learner competency to be measured regularly.	Success and re-accreditation of stable training programs.	2014
5. To promote lifelong learning, medical student research and scholarship should be supported across the continuum, to include: <ul style="list-style-type: none"> – Seed support for and attainment of an institutional T-35 grant to improve medical student scholarship opportunities; – Intentional support to attain additional institutional R-25 grants to improve medical student scholarship opportunities; – Development of a database to match interested students to faculty research opportunities. 	Create a culture that values scholarship for all learners.	Start planning 2014
6. Develop an infrastructure that aids students as learners and faculty as educators.	Infrastructure for educational excellence.	Begin 2014
7. Increase philanthropy efforts to improve scholarship funds available for high performing and diverse medical students, with a deliberate attempt to improve retention of high performers.	Retain excellent and diverse applicants.	2014

STRATEGY – CLINICAL CARE: Clinical care that transforms the practice of medicine in a valued, patient-centered environment.

RATIONALE: High-performing academic medical centers recognize and value a group of physicians who are considered superior, and who are distinguished from their peers, by an exceptional depth of knowledge in their field, by remarkable interpersonal and communication skills, by a commitment to professionalism, by drawing referrals and being sought out for advice and care for difficult cases, by being frequently asked to care for other faculty and family members of this medical community, by being skilled mentors, by creating scholarly work relating to their area of clinical impact and a commitment to acquiring and disseminating new knowledge, and by evidence of impact outside of their specialty area.

METRICS OF EXCELLENCE:

1. Create a culture that values excellence in clinical care, with performance that is:
 - Safe;
 - Timely;
 - Effective;
 - Efficient;
 - Equitable;
 - Patient-centered.
2. Percent of clinical faculty teaching or patients cared for by learners (support education).
3. Participation in clinical research as evidenced by grant support, patient enrollment, and publications.

Key Initiatives	Objective	Timeline
1. Create an internal “Academy of Master Clinicians” within the Academic Health Center to recognize exceptional clinical care.	Visibly value excellence in clinical care.	2014
2. Begin an in-depth review of the Clinical Scholar track to better determine: <ul style="list-style-type: none"> – The type of scholarly activity and metrics for promotion and reward that should be expected in this track; – The type of development and infrastructure needed to support this kind of scholarly activity; – Appropriate ranges of protected time to perform scholarly work that allows for faculty success; – The appropriate background faculty must possess who are hired on to this track; – The appropriate compensation model for clinical scholars across the Medical School. 	Identify keys to success for clinical scholars.	Begin 2013

3. Support the University of Minnesota and Integrated Structure patient care strategies for top decile clinical performance.	Align with current initiatives.	2013
4. Demonstrate integration with UMP Vision 2014 Strategic Plan: a culture of exceptional patient experience, and innovation through translational research, care delivery, and improvement of outcomes.	Align with current initiatives.	Begin 2013

Regents Special Committee on Academic Medicine

Brooks Jackson, M.D., M.B.A.
Dean of the Medical School
Vice President for Health Sciences

October 9, 2014



Medical School Strategic Plan

- A recommendation from the AHC External Review
- Led by Dick King, MD
 - Assembled a broad and committed faculty committee
 - Autonomy
 - Assured plan would be actively supported and implemented

NOT a plan that would sit on a shelf



Medical School Strategic Plan

Vision:

To be a world-class medical school, advancing health at the forefront of learning and discovery.

Strategic Intent:

Promote a culture that demands and rewards excellence.



Medical School Strategic Plan

Core Strategies:

- Leadership that transforms the culture
- Distinguishing research
- Forward-thinking education that will set national trends
- Clinical care that transforms health delivery



Finding the Path Forward

As we all know...
the Healthcare Landscape is
changing



Finding the Path Forward

- Clinical Care
 - Patient and outcome focused rather than fee for service/volume driven
 - More outpatient care
 - Interprofessional/coordinated care models
 - Prevention/population health



Finding the Path Forward

- Education and Training
 - More outpatient/primary care
 - Interprofessional training
 - Online and simulation training
 - Need for opportunities in underserved areas and international settings



Finding the Path Forward

- Research
 - More emphasis on patient outcomes
 - Personalized medicine
 - Big science
 - Multidisciplinary research teams
 - More competition for decreasing NIH resources



Medical School Goals and Priorities

- Builds on Strategic Vision
- A road map – with mileposts
- A long-term vision for excellence
 - Scholarship
 - Research
 - Education
 - Clinical Care
- A shift in our culture
- A challenge for each of us to lead
- Incentives and measurement



Overarching Goal

We will develop and sustain a world-class medical school and academic health system that ranks in the top decile nationally



Goal 1: Scholarship

Increase and reward/recognize excellent scholarship

- Increase the percentage of faculty who annually publish in peer-reviewed publications
- Set expectations for scholarship for tenure and non-tenure track faculty



Goal 2: Research

Increase the level and quality of research

- Increase NIH ranking over the next 5-10 years to 20th (>\$27 million increase in NIH awards)
- Demonstrate continued growth and momentum
 - NIH funding/grant applications
 - Clinical trials
 - Team science projects
 - Patient outcome research
 - Education research
 - Basic science research



Goal 3: Education

Enhance educational programs to support career goals and meet workforce needs

- Minimize debt load
- Close gap between changes in medical practice and medical education
 - Interprofessional training
 - Quality improvement
- Align Continuing Professional Development (formerly CME) with clinical practice improvement
- Expand the capacity for clinical education of medical students



Goal 4: Academic Health System

Integrate and expand the clinical enterprise

- Enhanced patient access
- Affordability of care
- Coordination of care
- Leverage clinical enterprise to support clinical research and education missions
- Improve efficiency and interprofessional practice
- Increase Medical School funding from the clinical enterprise



Goal 5: Financial Sustainability

Improve the financial sustainability of the Medical School to support its academic mission:

- Increase clinical revenues
- Increase grants and contracts
- Increase philanthropy
- Increase licensing and royalty revenues
- Reduce internal costs
- Engage the community in considering increased public investments in the academic mission



Goal 6: Diversity

- Increase proportion of underrepresented-in-medicine (UIM) students, faculty, and staff to reflect at least the diversity of our state
 - Increase number of applications from highly competitive UIM students and faculty
 - Increase number of need-based and merit-based scholarships
- Mentor and prepare junior faculty for leadership roles within our Medical School
- Increase proportion of women and UIM populations in leadership positions



How do we get there?

- Lead by example
- Encourage and support excellence
- Set expectations and hold people accountable
- Reward success
- Engage the Community
- Make strategic investments in infrastructure and faculty recruitments





BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Medicine

October 9, 2014

Agenda Item: Update on the Governor's Committee on the Medical School

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Brooks Jackson, Dean of the Medical School and Vice President for Health Sciences

Purpose & Key Points

The purpose of this item is to inform the committee on the progress of the Governor's Committee on the Medical School and to hear from the committee what outcomes would be valuable.

The committee has met twice. Both meetings have been largely informational for the Governor's committee. The group has:

- Reviewed baseline information.
- Heard Jackson's observations as the new dean.
- Reviewed the different ranking methods for medical schools.
- Learned about the strategic vision process and outcome.
- Discussed the Medical School's research mission.

The committee also plans to hold meetings focused on education and the Medical School's finances. Recommendations are due to the Governor, the Legislature, and the public on December 15, 2014.

Background Information

The Governor issued an Executive Order (included in the docket) establishing the Governor's Committee on the University of Minnesota Medical School on July 30, 2014. The purpose of the committee is to:

- Ensure the Medical School's national preeminence by attracting and retaining world-class faculty, staff, students, and residents.
- Sustain the University's national leadership in health care research, innovation, and service delivery.
- Expand the University's clinical services to strengthen its ability to serve as a statewide health care resource for providers and patients, as a training site for health professional students and residents, and as a site for cutting-edge clinical research.
- Address the state's health workforce needs to serve Minnesota's broad continuum of health care needs, including primary care, a growing aged population, and increased chronic health needs.

The committee includes University of Minnesota faculty, health care leaders, legislators and commissioners (membership list included in docket), and is chaired by Commissioner Larry Pogemiller from the Office of Higher Education.

STATE OF MINNESOTA

EXECUTIVE DEPARTMENT



MARK DAYTON
GOVERNOR

Executive Order 14-13

Establishing the Governor's Committee on the University of Minnesota Medical School

I, Mark Dayton, Governor of the State of Minnesota, by virtue of the authority vested in me by the Constitution and applicable statutes, do hereby issue this Executive Order:

Whereas, the University of Minnesota Medical School plays a crucial role in ensuring Minnesota remains a leader in health care transformation and provides quality health care to its citizens; and

Whereas, the University of Minnesota Medical School's continued success is vital in achieving Minnesota's goals of improving patient and population health, lowering costs, and improving health care experiences.

Now, Therefore, I hereby order that:

1. The Governor's Committee on the University of Minnesota Medical School is created to advise the Governor and Legislature on future strategies, investments, and actions to strengthen the position of the University's Medical School.
2. The Committee will consist of a Blue Ribbon Commission of members appointed by the Governor.
3. The purpose of the Blue Ribbon Commission is to:
 - a. Ensure the Medical School's national preeminence by attracting and retaining world-class faculty, staff, students, and residents.

- b. Sustain the University's national leadership in health care research, innovation, and service delivery, capitalizing on the State's investments in biomedical research and technology.
 - c. Expand the University's clinical services to strengthen its ability to serve as a statewide health care resource for providers and patients, as a training site for health professional students and residents, and as a site for cutting-edge clinical research.
 - d. Address the state's health workforce needs to serve Minnesota's broad continuum of health care needs, including primary care, a growing aged population, and increased chronic health needs.
4. The Blue Ribbon Commission will provide recommendations and convey its findings in a report to the Governor's Office, the Legislature, and the public by December 15, 2014.
 5. The Commissioner of the Office of Higher Education will provide general administrative and technical support to the Blue Ribbon Commission.
 6. The Blue Ribbon Commission will make its meetings open to the public and provide opportunities for public comment.

This Executive Order is effective fifteen days after publication in the State Register and filing with the Secretary of State, and shall remain in effect until rescinded by proper authority or until it expires in accordance with Minnesota Statutes, section 4.035, subdivision 3.

In Testimony Whereof, I have set my hand on this 30th day of July, 2014.



Mark Dayton
Governor

Filed According to Law



Mark Ritchie
Secretary of State



Governor's Committee on the University of Minnesota Medical School

David Abelson, M.D.

Senior Executive Vice President, Health Partners
CEO, Park Nicollet Health Services
Health Partners/Park Nicollet

Claire Bender, M.D.

Professor of Radiology
Mayo Clinic

James Boulger, PhD

Professor
Medical School, Duluth
University of Minnesota

Kathleen Brooks, M.D., M.B.A., M.P.A

Director
Rural Physician Associate Program
Medical School
University of Minnesota

Renee Crichlow, M.D.

Minnesota Association of Family Physicians
Assistant Professor
Medical School
University of Minnesota

Ed Ehlinger, M.D.

Commissioner
Minnesota Department of Health

Cindy Firkins Smith, M.D.

Immediate Past President
Minnesota Medical Association
Adjunct Professor, Medical School
University of Minnesota

Thomas Huntley

Minnesota House of Representatives

Brooks Jackson, M.D., M.B.A.

Dean, Medical School
Vice President of Health Sciences
University of Minnesota

Tara Mack

Minnesota House of Representatives

Mary Maertens

Minnesota Hospital Association
CEO, Avera Health - Marshall

Richard Migliori, M.D.

Executive Vice President, Medical Affairs and
Chief Medical Officer
UnitedHealth Group

Jeremy Miller

Minnesota State Senate

Larry Pogemiller, Chair

Commissioner
Office of Higher Education
State of Minnesota

Jon Pryor, M.D., M.B.A.

CEO
Hennepin County Medical Center

Patrick Rock, M.D.

Minnesota Association of Community Health
Centers
CEO, Indian Health Board, Minneapolis

Elizabeth Seaquist, M.D.

Professor of Medicine
Medical School
University of Minnesota

Rulon Stacey, PhD, FACHE

President and CEO
Fairview Health Services

Leroy Stumpf

Minnesota State Senate



BOARD OF REGENTS DOCKET ITEM SUMMARY

Special Committee on Academic Medicine

October 9, 2014

Agenda Item: Impact of Health Care Reform on the Clinical Marketplace

Review

Review + Action

Action

Discussion

This is a report required by Board policy.

Presenters: Bobbi Daniels, CEO, University of Minnesota Physicians; Vice Dean for Clinical Affairs, Medical School; Co-President, University of Minnesota Health

Purpose & Key Points

This presentation will highlight the impact of health care reform, including the Affordable Care Act, on the clinical marketplace. Changes include new reimbursement trends, fewer uninsured, narrow networks and consolidation in the marketplace.

The presentation will also review:

- Challenges and opportunities for Academic Medical Centers.
- Information about the Twin Cities marketplace.
- Care models for the future.

Background Information

The committee heard an overview of the University's clinical services and operations on October 10, 2013.

Update on the Impact of Health Reform on Clinical Care

Bobbi Daniels, MD
Co-President of University of Minnesota Health
Vice Dean, Medical School and CEO, UMPPhysicians

October 9, 2014



The Affordable Care Act has reshaped the healthcare landscape

- New reimbursement trends are emerging
 - High deductible plans change utilization and increase patient financial burden
- Fewer uninsured so potential increase in patients covered and services provided
- Narrow networks are a strategy to reduce cost
- Health systems are forming large-scale networks to increase the number of “covered lives” and offset risk
- Need access to large patient populations



The Challenge for Academic Medical Centers

- Maintain the tripartite mission of clinical care, research and education
- Sustain referral volumes due to closed networks for historical referral sources
- Mitigate risk to volumes by assuring competitive quality and cost
- Maintain/increase access to insured patients



The Opportunity for Academic Medical Centers

- Develop centers of excellence that attract tertiary/quaternary referrals from health plans and employers
- Leverage research and education to create differentiation and enhance care delivery and outcomes
- Participate in a “population-based” network and grow the number of insured patients
 - University of Minnesota Health needs to access approximately 626,000 patients “in network” to adequately support existing referral service, and 4 to 6 million to support BMT and the lung transplant program



The Twin Cities Healthcare Market

The metro market is highly competitive and relatively oversupplied with acute care beds and physicians

Acute Care Beds per 1,000 population	
Minneapolis/St. Paul	1.9
National Average	1.6

Physicians per 100,000 population		
	Region	Nation
Primary Care Physicians	76.5	64.0
Specialists	125.4	113.8
Total	201.9	177.8

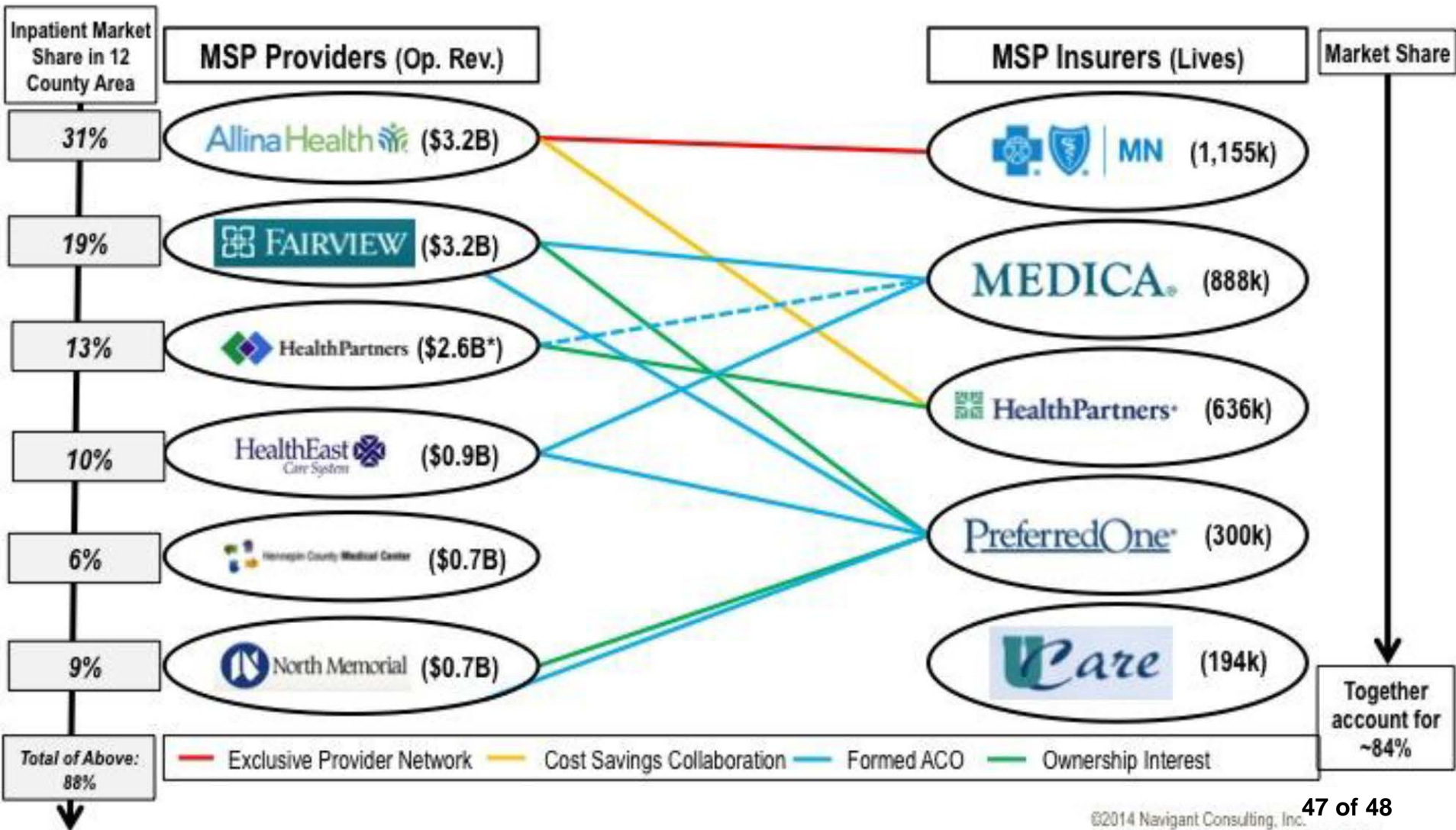


The Twin Cities Healthcare Market



Hospitals	7 hospitals 1,525 staffed beds	5 hospitals 1,016 staffed beds	3 Hospitals 670 staffed beds	2 Hospitals 608 staffed beds	1 Hospital 455 Operating Beds	12 Hospitals 1,812 staffed beds
Patient Volume	75,000 admits 77,000 surgeries	44,000 total admits	38,000 total admits	32,000 admits	23,000 admits 107,000 ED visits 15,000 Surgeries	113,000 admits 105,000 surgeries
Total Revenue	\$3.2 B	\$5.1 B (including health plan)	\$946.2 M	\$773.5 M	\$722.5 M	\$3.9B
Affiliated Physicians	3,300 credentialed MDs 500 employed MDs FPA: 1,300 MDs UMP: 900+ MDs	1,700 employed MDs	375 employed MDs, (Health East Clinics) 1,500 affiliated MDs	900+ affiliated MDs 160+ employed MDs	594 listed on staff, Hennepin Faculty Associates – 324 providers	5,000 associated and employed MDs 1,152 employed M
Lives/ Insurance Affiliations	Pioneer ACO with 18,000 Medicare beneficiaries Co-ownership of Preferred One (209,000 members)	Health Partners has <u>636,000</u> members	Inspiration Health (commercial ACO; <u>102,000</u> members)	Ownership interest in Preferred One (<u>209,000</u> members)	Medicaid ACO pilot for adults. Administered by the Minnesota DHS and the Metropolitan Health Plan. (<u>12,000</u> beneficiaries)	Partnership with BC/BS of Minnesota Pioneer ACO with 250,000 seniors (along with Aspen Medical)
Employees	20,000	22,500	7,300	4,500	4,700	26,000

The Twin Cities Provider & Payer Competitive Landscape



Care Models for the future

- Develop competency with reimbursement model focused on value (cost/quality) and likely capitation
 - Maximize use of interdisciplinary care teams
 - Medicine, pharmacy, nursing, social work, etc.
 - “Retail-like” models that better meet patient service expectations
 - Assure value for care delivered. Not just “visit” but entire episode of care

