
The Academic Health Center
Student Consultative Committee would like to
thank you for supporting and promoting
Professional student issues during the
1998-99 academic year.

↑ Michael Vollmer
↓ Chair, AHC-SCC

UNIVERSITY OF MINNESOTA

Memo

2/18/99

To _____

From _____

- For your information
- For your approval
- Per your request
- For your attention
- Note and file
- Note and return
- Note and forward
- Please advise
- Please reply
- Send copy
- Please see me

Becky,

The card looks

great! Let me

know when the

rest are ready and

I'll try and come in

sometime next

week.

Date

*Made

some changes!

Thanks again,

Michael

From: Michael Vollmer <voll0049@tc.umn.edu>
Date: Sat, 12 Jun 1999 14:17:17 -0500
To: Rebecca Hippert <hippe003@tc.umn.edu>
Subject: Re: Thank You letters

414-7252

Michael V.

Becky:

I was thinking that each thank you card would have a "THANK YOU" on the outside and open up to have a space to write a short personal note and another side to print a short thank you script. I have attached a copy of the script I want printed on each card. Perhaps I can stop by the office on Wednesday afternoon to take a look at a sample. I think an off-white or "eggshell" color would work out fine. Thanks again for all your help.

-Mike

Rebecca Hippert wrote:

> Michael,
>
> Not a problem. I will be able to print up labels as well as the invites. One
> question before was what you wanted to hand write on the thank-you's. Do you
> just want room for your name or for something else also? Also, I can not find
> Terry Boch in the directory. Do you know his address or department?
>
> As for the paper, the copy center has a rainbow of shades and texture-like
> pieces, as well as different weights. I was thinking of a cardstock weight,
> since it will just be the cards in an envelope. Do you have a preference on
> the
> color? If you want, you could stop by to look at the sample book.
>
> Lastly, when did you want to stop by and sign them? Let me know what works
> for
> you.
>
> Thanks,
>
> Becky
>
>
>> Becky:
>
>> With Anya's departure, I wanted to forward you a list of those persons
>> that I would like to thank for their involvement with the AHC-SCC for
>> 1998-1999. Anya mentioned you might be able to print up some address
>> labels. In addition, if you were to print up the actual thank you cards,
>> what type of paper would be used? I want to make sure that some type of
>> bonded paper is used and that the notes are not simply made onto copy
>> paper. I appreciate your help on this and let me know if you think you
>> could print up the cards for me. I would need about 20 total.
>>
>> 1. Dr. Frank Cerra
>> 2. Kathryn Anderson
>> 3. Terry Boch
>> 4. Bob Elde, Dean of CBS
>> 5. Chris Roberts
>> 6. Jim Woodman
>> 7. Jenny Meslow, C.H.I.P.
>> 8. Kecia Jacobson, C.H.I.P.
>> 9. Cheryl Jorgensen
>> 10. Julie Cole

need address Boch

6.25 x 9

8 1/2 x 11

2.35 x 11

From: Michael Vollmer <voll0049@tc.umn.edu>
Date: Thu, 10 Jun 1999 13:34:17 -0500
To: Rebecca Hippert <hippe003@tc.umn.edu>
Subject: Thank You letters

Becky:

With Anya's departure, I wanted to forward you a list of those persons that I would like to thank for their involvement with the AHC-SCC for 1998-1999. Anya mentioned you might be able to print up some address labels. In addition, if you were to print up the actual thank you cards, what type of paper would be used? I want to make sure that some type of bonded paper is used and that the notes are not simply made onto copy paper. I appreciate your help on this and let me know if you think you could print up the cards for me. I would need about 20 total.

1. Dr. Frank Cerra
2. Kathryn Anderson
3. Terry Boch
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5. Chris Roberts
6. Jim Woodman
7. Jenny Meslow, C.H.I.P.
8. Kecia Jacobson, C.H.I.P.
9. Cheryl Jorgensen
10. Julie Cole
11. Anne Schullo
12. Albert Nakano
13. Resa Jones
14. Philip Wadkins
15. Heather McCurdy
16. Dr. Greg Vercellotti
17. Maureen Andrew

Thanks,
Michael Vollmer

Dr. Frank Cerra
Academic Health Center
Box 501 Mayo
East Bank

Kathy Anderson
Academic Health Center
Box 501 Mayo
East Bank

Robert Elde
College of Biological Sciences
123 Snyder Hall
St. Paul Campus

Chris Roberts
AHC Public Relations
A-395 Mayo
East Bank

Jim Woodman
AHC Public Relations
A-395 Mayo
East Bank

Jenny Meslow
Academic Health Center
1-425 Moos Tower
East Bank

Kecia Jacobson
Academic Health Center
Box 501 Mayo
East Bank

Cheryl Jorgensen
1400 S. 2nd St #B22
Minneapolis, MN 55454

Dr. Greg Vercellotti
Medical School
3-110 Owre Hall
East Bank

Maureen Andrew
Scholarships & Financial Aid
210 Fraser Hall
East Bank

Julie Cole
2000 Sharon Ave SE #21
Minneapolis, MN 55414

Resa Jones
3201 Heritage Dr #306
Edina, MN 55435

Heather McCurdy
2544 Aldrich Ave S #4
Minneapolis, MN 55405

Albert Nakano
Molecular Biology & Genetics
4-135 Jackson Hall
East Bank

Anne Schullo
3319 Emerson Ave S
Minneapolis, MN 55408

Phil Wadkins
923 Dartmouth Ave SE
Minneapolis, MN 55414

Terry Bock
Academic Health Center
410 Child Rehab Center
East Bank

Health center's budget suffers under omnibus

Erin Ghore
Staff Reporter

If a House committee recommendation is any indication, the University will get money for most of its priorities, like boosting faculty pay and enriching undergraduate education. But recommendations for the Academic Health Center fell \$31 million short of administrators' hopes.

The House higher education committee approved the higher education finance omnibus bill on Friday. The bill, which is up for approval by the full House on Friday, allotted the University \$118 million.

The sum is \$80 million less than what University President Mark Yudof requested; the largest gap in funding falls on the health center, which would receive only \$6 million

of a \$37 million request.

"It is really troublesome that the House has not supported the Academic Health Center," said **Richard Pfitzenreuter**, the University's chief financial officer.

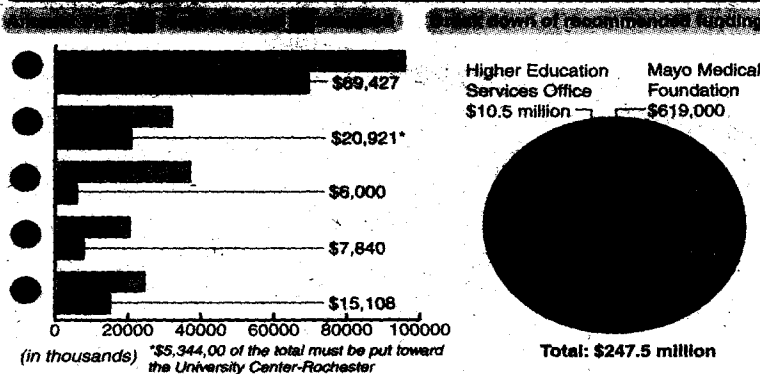
The Senate higher education committee is still in the process of writing its budget recommendation. The University won't see any money until Gov. Jesse Ventura signs a bill approved by



See **OMNIBUS** page 4

— See related story page 4

House higher education finance omnibus bill



(in thousands) *\$5,344,000 of the total must be put toward the University Center-Rochester

President Yudof's Initiatives

- **Increase faculty pay:** To provide for research, undergraduate education and achieve better recognition for the University's programs.
- **Enriching the undergraduate experience:** To enrich the undergraduate experience at the University by providing faculty aid on a smaller level, involving students in creative research and offering more service, internship and mentorship opportunities.
- **Financing health professional education:** To enhance health professionals' education by putting more funds into the Academic Health Center.
- **Connecting to the community at large:** To connect the University to the community around it. To do so, the University would apply the funding to the University Center-Rochester, the Virtual Learning and enhance University Extension Services and work with the University Center-Rochester.
- **Supporting research and outreach:** To promote a climate of quality research and outreach.

Source: Office of Budget and Finance, House of Representatives

Daily graphic/Ian Metzger-Ollewager

OMNIBUS from 1

both chambers, which will likely happen in late May.

Overall, University officials are pleased with the budget proposal, said Robert Bruininks, executive vice president and provost.

"We're pleased with the level and nature of support in the House bill," Bruininks said.

The House recommendation greatly supported two of the University's initiatives: enhancing education for undergraduates and increasing faculty and staff pay.

"There is a strong relation between the priorities in the House bill and the priorities in the University's request," Bruininks said.

But the governor's budget recommendation — which totaled \$121 million for the University — allotted

\$35 million to the Academic Health Center. Of that, \$30 million was slated to come from an endowment funded with money from the tobacco settlement.

Endowments are not part of the House's plan. The Republican majority in the House would rather use the money for rebates to citizens.

But University officials are concerned. "We believe it is absolutely essential to support (the University's) leadership in research and teaching clinics," at the Academic Health Center, Bruininks said.

For the time being, the health center's forecast "doesn't look great," but administrators are still hopeful, said Marty McDonough, Capitol lobbyist for the Academic Health Center.

"Negotiating is a big part of it,"

he said. "We're happy to be involved in discussions with both the House and the Senate."

Although the Senate has not finished its draft of the higher education bill, they are more in line with the governor in terms of endowments.

The friction caused by different priorities in the House, the Senate and the governor's mansion on the tobacco settlement will lead to debate throughout the next five weeks, the last of this legislative session.

This friction will make the last few days of the session interesting, said Peggy Leppik, R-Golden Valley, chairwoman of the House higher education committee.

"The Governor, Senate and House all have different ideas about what to do with the (tobacco settlement)," she said.

Skeptical legislators size up \$37 million Medical School plea

**Coralie Carlson and
Sean Madigan**
Staff Reporters

When legislators asked Bob Zajac, a third-year medical student, how long it will take him to pay off his student loans, he didn't flinch, responding: "It will take forever."

Zajac testified before the House higher education committee on Wednesday, giving committee members a student perspective on the rising cost of a medical education. His appearance capped off the Academic Health Center's 90-minute budget presentation, which requested \$37



CERRA

million to help bridge the gap between inflated costs and diminishing revenue funds.

The higher education committee will draft a spending bill for the University's \$1.2 billion budget request, which will include the health center. A final bill is expected to emerge from the Capitol in April.

During the presentation, legislators questioned the plea to lower tuition costs. The average medical student graduates \$80,000 in the red, said Frank Cerra, senior vice president for health sciences. Cerra said he didn't want drastic tuition hikes to help subsidize the Medical School's financial woes.

Rep. John Tuma, R-Northfield, asked Cerra about the medical students' starting salaries after graduation, which range from \$120,000 to \$250,000.

"If you can get out of medical

See *MEDICAL SCHOOL* page 10

Med School relief embedded in broader budget request

MEDICAL SCHOOL from 1

school, you can afford your debt," Tuma said.

But Cerra argued that increasing tuition would limit the pool of top students who could afford a medical education at the University.

He also noted that students like Zajac need to pay the interest on student loans up front, a burden many students can't carry.

Tuma still wasn't convinced. He said the University is good at rolling many smaller issues into a single large one; he thought the tuition appeal was used to draw sympathy to the larger, \$37 million request.

"They are asking for dollars to recruit the best professors. If you recruit the best professors, the students will come," Tuma said of the access debacle.

He suggested that the health center solve their access problem internally by offering scholarships to students unable to afford higher costs.

But Cerra maintains that tuition is just one of many financial burdens saddled by the health center.

"Even if they gave us grant money for scholarships, we still have a \$20 million problem on our hands," Cerra said.

The health center's multi-million dollar dilemma stems from cutbacks in federal funding and other tradi-

subsidize:

- \$8.6 million for a loss of clinical revenue from University doctors who see patients. Forty percent of the Medical School's budget comes from clinical revenue.

But in recent years, HMOs have been paying industry doctors less for services, forcing University doctors to lower their prices to stay competitive.

"The whole system is squeezing the education and research side under the new regime," Cerra said.

- \$21.4 million to educate students in non-hospital settings, like clinics, and to strengthen preventative medicine programs.

- \$7 million to re-design curriculum and establish new faculty positions.

In a request outside of the University, health center officials also asked legislators to give \$100 million to a trust fund called Minnesota Education and Research Costs. The fund is for graduate health professional education and is managed by the Minnesota Department of Health.

dized funding for medical students' residencies. In 1997, the Balanced Budget Act cut this support, so the Minnesota trust fund would be left to pick up the slack.

This year the University residency students will receive \$45 million in Medicare funding, filtered through the state Department of Health. After five years, that amount will decrease by about one-third, Cerra predicted.

Although University officials asked the higher education committee for an appropriation, Gov. Jesse Ventura proposed creating a medical research

endowment to fund the school from last year's \$7 billion tobacco settlement.

The \$350 million endowment would generate \$39 million in revenue for the health center over the next year, according to Ventura's budget summary.

Yudof said although he would prefer to set up a lasting endowment so the University doesn't have to request funds each year, he wouldn't be disappointed with an appropriation.

"Needless to say, we're flexible," he said.

“Even if they gave us grant money for scholarships, we still have a \$20 million problem on our hands.”

— Frank Cerra,
senior vice president for
health sciences

The Academic Health Center –
Student Consultative Committee would like to
thank you for your involvement in promoting and supporting
professional student issues at the AHC for the
academic year of 1998-1999

Michael Vollmer, Chair

The Academic Health Center –
Student Consultative Committee would like to
thank you for your involvement in promoting and supporting
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academic year of 1998-1999

Michael Vollmer, Chair

Minutes*

ACADEMIC HEALTH CENTER
STUDENT CONSULTATIVE COMMITTEE
(AHC SCC)

Monday, May 24
5:00 - 6:00 P.M.

475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Senior Vice President Frank Cerra, Resa Jones, Bruce Trimble, Phil Wadkins

Absent: Julie Cole, Lara Holland, Albert Nakano, Anne Schullo

Regrets: Heather McCurdy

Guests: None

Other: Associate Provost and Chief of Staff Terry Bock

1. Approval of the Minutes

The minutes from the meeting on April 14, 1999, were approved.

2. Outgoing Chair Report

Michael Vollmer reflected on the positive work that the AHC SCC had done this year. He felt that student participation in the legislative request had been a success. He was also pleased to have had representatives from Vet Med and Dentistry, schools that have in the past been underrepresented on the committee. However, he recognized that participation by some members was lacking, which would be an area for improvement next year.

He reported that plans for the Mini-Med School Project were moving along. The planning committee, which includes Mr. Vollmer and Resa Jones, will continue to meet in preparation for the first lecture to be given in October. The Communications Department is developing a budget for the project. Mr. Vollmer hoped that the "Mini-Med School" label would not be controversial, since the focus is on the AHC as a whole. Dr. Cerra pointed out that the public does not really distinguish the AHC from the Medical School, and that the title of the project was less important than the content. The planning committee aims to have students decide which professors deliver the lectures.

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3. New Chair Elections

Without a quorum, a formal election could not take place. However, Bruce Trimble, a new representative from Dentistry, was nominated to chair the committee. The members in attendance supported his nomination and agreed to hold a vote over e-mail.

4. University of Minnesota at Duluth, School of Medicine

The Chair inquired about the issue of accreditation at the Duluth Medical School. Dr. Cerra explained that the Liaison Committee of Medical Education (LCME) is an accrediting body composed of the American Medical Association and the American Association of Medical Colleges. There are similar committees for the other health professional schools. LCME's authority for accreditation comes mainly from the federal government, specifically the Health Care Finance Association (HCFA) and the Department of Education. Only graduates from accredited medical schools are recognized by HCFA and accepted by residency programs.

The LCME intends for accreditation to function as a quality control and improvement tool. It generally accredits only "complete programs", thus excluding two-year colleges. The Duluth Medical School consists of a two-year program, with students completing their third and fourth years at the Twin Cities campus. This creates a mutual dependency between the two schools, although Duluth still maintains its own identity. The LCME decided that, given the University's accountability systems, there was no need for separate accreditation of the Duluth school. Therefore, the Twin Cities and Duluth Medical Schools will be jointly accredited in 2003. In this process, Dr. Cerra is designated by the President to represent the Board of Regents, which is accountable for everything at the University.

The fear at Duluth is that joint accreditation will mean the loss of Duluth's identity. Dr. Cerra made it clear that the two issues should not be confused, and that Duluth will continue to have its own dean, budget, etc. There is also concern that in the past, students from Duluth did not feel welcome in the Twin Cities. Dr. Cerra felt that this has changed due to the efforts of Greg Vercellotti and Al Michael to coordinate the two programs while supporting their separate cultures. The model for this type of relationship is well developed in other schools around the country with branch campuses. It was pointed out that students from all the Minnesota campuses receive the same diploma.

5. Endowments and the Legislature

The legislature voted to create an endowment of \$370 million to support medical education (not research). The AHC will be guaranteed \$8 million to support students. Funding for MERC to support residents will start at \$3.5 million and increase to \$8-10 million. Since the School of Dentistry is self-supported by student clinics, it will receive MERC funds directly. The endowment will be affected by the market but is aimed at a 5% pay-out. The income stream will be regulated by yearly audits and must go toward the health professional education program.

Although the AHC is receiving less than hoped, Dr. Cerra credited the Governor and the legislature for their innovative approach. The AHC will now have to select the interscholastic programs that will receive funds, giving priority to the primary care program. Some money from the Medical School will be used to pay faculty in the clinical departments. Since the actual funding falls short of the \$37 million requested, one member asked about making up the difference. Dr. Cerra responded that the AHC would simply have to resubmit the request in the next biennium, unless there is a budget supplement in the next session.

Dr. Cerra went on to explain that the tobacco endowment is dispersed through the county public health agencies. After 5 years, funding will continue only if the Commissioner of Health can measure a 30% reduction in smoking under age 18. Only cessation outcomes research will be funded, whereas the public health endowment will fund prevention outcomes research. No basic research will be funded.

7. Adjournment

Minutes*

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC)

Wednesday, April 14
5:00 - 6:00 P.M.
475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Senior Vice President Frank Cerra, Julie Cole, Resa Jones, Heather McCurdy

Absent: Lara Holland, Albert Nakano, Anne Schullo, Phil Wadkins

Regrets: None

Guests: None

Other: Associate Provost and Chief of Staff Terry Bock

1. Approval of the Minutes

The minutes from the meeting on February 18, 1999, were approved with minor corrections.

2. State Budget Request Update

Terry Bock reported that there has been much debate at the legislature about the allocation of money from the tobacco settlement. The University's main competition for the Governor's proposed endowment is from the Republicans in the House, who want that money to go toward tax rebates. The Senate has passed a bill creating various endowments for tobacco prevention, family and children's programs, prescription payments for senior citizens, and finally for medical education and research, one-fourth of which would go to the AHC. Mr. Bock said that legislators are aware of the AHC's needs, but will not decide on the amount of the allocation until late in the legislative session. Meanwhile, negotiations will continue with the Governor, who remains supportive of his proposed endowment for the University. After the House and Senate Committees draft their respective bills, they will go into conference committee to reach a compromise. At that time (probably late April), the AHC will again need students and members of the public to call or write in support of the request.

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Michael Vollmer reported that the letter drive at the AHC was a success, and that many students who participated had received responses from their legislators. Dr. Cerra believed that at this stage, legislators' decisions would be politically based, which makes the role of the constituent bases all the more important. He encouraged students to spend time at the legislature to observe the process and show support for the AHC.

Mr. Bock explained that the AHC's endowment would be decided in the Health and Human Services Bill, rather than the Higher Education Bill. There is some question about whether a compromise can be reached before the last day of the session on May 17. Dr. Cerra hoped to match last year's overwhelming show of support to members of the conference committee.

3. Graduate/Professional Programs

The University's request package includes money for faculty and graduate assistant compensation. Dr. Cerra explained that money for new faculty positions is for the undergraduate tutorial program, which will have an indirect effect on faculty time. Although the State agreed to a 5% raise for faculty, the University will probably only be able to award 3-4%, with the individual schools paying the remainder. This will be particularly difficult for the Medical School, which traditionally has limited funding. Dr. Cerra said that compensation for graduate assistants would depend on the total award amount, which will be known in May. By mid June, the amount of money allocated to each category will be determined. Mr. Vollmer pointed out that the unionization issue, which would be settled before that time, would have major bearing on graduate assistant raises.

4. Study Space for Graduate Students

The Chair observed that most professional students study at other campuses, largely due to lack of adequate space to study here. Dr. Cerra responded that a long term solution to this problem would be the new student space currently in the capital budget and targeted to be built in 3-4 years. He added that work on the Biomedical Library had been pushed back in the capital plan, since the renovation of Walter Library has priority. The committee brainstormed on other short term solutions. Dr. Cerra suggested that the students look into the space at Coffman for use during the evening hours.

5. Campus Reports

Resa Jones reported that last week was National Public Health Week. Events included a Global Health Forum, which Ms. Jones felt had been a success. Heather McCurdy from Vet Med spoke favorably of the new classroom for first year students. However, she felt that the basement classroom allotted to second year students is inadequate. In response to her concerns about the third year classroom, Dr. Cerra assured her that the renovations would be completed this summer. Ms. McCurdy had also spoken with the Dean of Vet Med about creating an alumni/student center to serve as a central meeting space. Dr. Cerra said that the old dairy barn was being considered for this space.

6. Community Education Project

The Chair reported that he and Ms. Jones had met with Dean Vercellotti, Chris Roberts, and several others about the Mini-Med Project. While everyone was enthusiastic about the idea, the project still lacked a faculty sponsor to provide some direction and focus. Mr. Vollmer agreed to email a list of possible sponsors to Dr. Cerra, who offered to help recruit faculty to the project. Dr. Cerra wished to stress that the student organizers were seeking faculty mentorship, rather than service. He felt that faculty would more readily volunteer if some resources were provided to ease their administrative burden. Mr. Vollmer hoped to move the project forward so that the first lecture could take place in early October.

As a final note, Mr. Vollmer announced that his term as Chair would end this year. At the next meeting, the committee would elect a new chair for Fall 1999.

7. Adjournment

**Academic Health Center
Student Consultative Committee**

**February 18, 1999
5:00-6:00 p.m.
475B Children's Rehabilitation Center
Conference Room**

AGENDA

- I. Welcome & Introductions
- II. Approval of the Agenda
- III. Approval of the Minutes from January 7, 1999
- IV. Chair's Report
- V. Legislative Request
 - report from Dr. Frank Cerra... "news from the capitol"
 - letter writing day at AHC, scheduled 3/2
 - AHC's website
- VI. Community Education Project
 - Faculty member involvement???
 - Community interest
 - Minnesota Science Museum
- VII. Professional student financing
 - info. from office of Graduate & Professional Student Financing

Minutes*

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC)

Thursday, February 18, 1999

5:00 - 6:00 P.M.

475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Senior Vice President Frank Cerra, Julie Cole, Resa Jones, Albert Nakano, Phil Wadkins

Absent: None

Regrets: Lara Holland, Heather McCurdy, Anne Schullo

Guests: None

Other: Associate Provost and Chief of Staff Terry Bock

1. Approval of the Agenda

One member mentioned the need to discuss committee recruitment for next year. The Chair said he would address this in his report. Otherwise, the agenda was approved.

2. Approval of the Minutes

The minutes from the meeting on January 7, 1999, were approved as presented.

3. Chair's Report

The Chair was pleased with the attendance at the last meeting and felt that this was crucial to the success of the committee. He encouraged members to serve again next year and to begin thinking about candidates for the Chair's position, since his term would end in May. He stressed that continuity in membership was important if the committee hoped to follow through on projects developed this year.

4. Legislative Request

Just prior to the meeting, Terry Bock had discussed the AHC's budget presentation to the House higher education committee. He felt the legislators' response was generally favorable despite Rep. John Tuma's skepticism about lowering tuition costs. Dr. Cerra pointed out that the average

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medical student graduates \$80,000 in debt. Mr. Bock acknowledged that these legislative committees may be quite unfamiliar with the system for funding health professional education. He said that next week the presentation would be made to the Senate higher education committee.

Albert Nakano, who had participated in the legislative process last year, commented that the higher education subcommittees often have difficulty separating undergraduate from graduate and professional education. He went on to explain the stages in the legislative process, which would culminate in a final vote by the House and Senate. Since it is now only at the beginning stages, student participation is much needed. Michael Vollmer reminded members that the AHC web site has information on writing to legislators. Dr. Cerra added that it only takes five letters from a legislator's constituent base for him/her to consider it a landslide. Mr. Vollmer announced that there would be a letter writing day at the AHC on March 2 to make information and materials available to students. One member asked how students at the St. Paul campus could be involved. Terry Bock suggested working with the Dean's office to set up a letter writing table there as well.

5. Community Education Project

The Chair reported that he had talked to Dr. Stephen Katz about the Mini-Med School idea. While Dr. Katz was supportive of the project, he was concerned about professors' ability to lecture to a lay audience. He was also hesitant to serve as a faculty sponsor for the project but said he would be willing to give a lecture. Dr. Cerra mentioned that Dr. Greg Vercellotti would be able to offer names of potential lecturers. Julie Cole recommended Dr. Schacker and Dr. Bloom.

The Chair had tried to contact the Minnesota Science Museum, which he hoped might donate their space for the lectures. He had also contacted Tim Ebner, director of the University's brain awareness week, who responded that with a project of that scale, one difficulty is maintaining interest among the many faculty and student volunteers who are involved. One member concurred, adding that a large project must be structured appropriately so as not to put too much burden on individuals.

The Chair felt that a faculty sponsor would help legitimize the project. Dr. Cerra proposed the idea of a possible stipend for the sponsor. Resa Jones, who had spoken with Mary Hastings-Kenyon in the Communications Office, said that Ms. Kenyon and Dr. Vercellotti were interested in the project and thought it could tie in with other community outreach programs. Ms. Jones also reported that her media contacts felt that attendance at the lectures would be guaranteed, and that the topics chosen could target certain age groups. Dr. Cerra suggested that, in addition to faculty, health professionals from the community could deliver the lectures. The committee felt that time would be more of an issue than cost, and that perhaps an administrative assistant could help move the project along. Phil Wadkins urged the committee to formalize a structure for the project by specifying the lecture topics and finding ways to involve the other schools of the AHC.

Ms. Jones volunteered to head up a planning subcommittee which could work with CHIP and Mary Hastings-Kenyon to coordinate the project. Interested members should contact her. Mr. Wadkins also agreed to bring in a list of possible lecture topics to the next meeting.

6. Professional Student Financing

Student loans have been an issue of concern in several of the schools. The Chair reported that loan packages are standardized, with a cap at \$18,500. In general, the loans are not tailored to individual needs. For example, the cost of living is considered the same for graduate and undergraduate students. It is apparent that a new analysis is needed to more accurately reflect the financial needs of different types of students. Mr. Wadkins pointed out that students are expected to find private sources of financing, and that hardship results when these private sources never materialize. He said that Dentistry students had raised this issue with Dean Till and that possible solutions to the problem, such as conditional degrees, were being examined.

In light of this, Dr. Cerra pointed out that the success of the legislative request would be especially important to avoid doubling or tripling tuition to make up for decreasing revenues. Given the large debt that students are graduating with, he did not feel that loans and work study programs would be enough to ease the burden of rising tuition costs. At the presentation to the House higher education committee, Rep. Tuma had favored a "high tuition, high aid" approach. However, Dr. Cerra maintained that scholarship resources are limited and would not be enough to solve the problem. Mr. Vollmer commented that student awareness of this issue was increasing, and he asked Dr. Cerra to continue speaking to students as he had at the School of Pharmacy. One member asked about other financing options outside of public assistance. Dr. Cerra responded that in addition to work-study and job options, some scholarships are available through the Minnesota Medical Foundation and the University Foundation.

7. Adjournment

**Academic Health Center
Student Consultative Committee**

**January 7, 1999
5:00-6:00 p.m.
475B Children's Rehabilitation Center
Conference Room**

AGENDA

- I. Welcome & Introductions
- II. Approval of the Agenda
- III. Approval of the Minutes from December 10, 1998
- IV. Letter Writing campaign
- V. "Med School for the Masses"
 - Project ideas
 - Planning & implementation
 - Inclusion of other student groups
- VI. School Reports (5 min each)
- VII. Adjourn

Minutes*

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC)

Thursday, January 7, 1999
5:00 - 6:00 P.M.

475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Julie Cole, Resa Jones, Heather McCurdy, Anne Schullo, Phil Wadkins

Absent: Lara Holland, Albert Nakano

Regrets: None

Guests: None

Other: Associate Provost and Chief of Staff Terry Bock

1. Welcome

2. Approval of the Minutes

The minutes from the meeting on December 10, 1998, were approved as presented.

3. Letter Writing Campaign

Michael Vollmer had spoken with the Student Legislative Coalition and the Communications Department about organizing a letter writing drive in support of the legislative request. This would probably take place in late January or early February. Committee members were encouraged to generate names of students in their respective colleges who would be willing to give interviews and testimonials or to write letters. Terry Bock emphasized that students have a major impact in arguing the case for the request. One member asked how the request money would be broken down among the colleges. Terry Bock responded that \$30 million will be allocated roughly according to the number of students in each college, and that the remaining \$7 million will go toward various initiatives. The Chair explained that the sum being requested from the state is so large because of the loss in federal money resulting from the 1997 Balanced Budget Act.

The Chair felt that e-mail to legislators was less effective than sending letters through the mail. It was suggested that a sample letter be posted on the Web. If a postcard drive were held in

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Airport Lounge (2nd floor of Moos Tower), arrangements would have to be made for including the Vet Med students on the Saint Paul Campus. Committee members were urged to start getting AHC students involved since such a large part of the request is focused on the AHC. The Chair referred members to Jim Woodman in the Communications Office for more information about the issues in the request.

4. "Med School for the Masses"

Michael Vollmer reported that at the last meeting, the committee had decided to undertake the "Mini Med School" project. He felt that faculty involvement would be the key to the project, but students would also have a role in planning and suggesting faculty lecturers. He recommended Dr. Katz, a dynamic lecturer from Physiology, as a potential faculty sponsor. The committee would need to consider such issues as location, parking, and how to interest the public in the lectures. The programs conducted at the NIH and the University of Colorado had received a huge public response by running only one or two ads in the newspaper. The topics would come from the first two years of the Med School curriculum, focusing on the hard sciences rather than clinical topics like "diabetes". For that reason, it would be important to select lecturers who could speak at an appropriate level for the general public. The aim would be to choose topics that are relevant to all the AHC schools.

The committee responded positively to the idea and thought it would help educate the public to become better consumers of health care services. One member pointed out that the lectures could be a learning experience for students as well, since students from different colleges could work together to answer questions after the lectures. A planning committee, with membership beyond that of the AHC SCC, could be assembled to choose the topics. Resa Jones volunteered to contact science writers for the newspapers to help gauge which topics would be of most interest to the public. Terry Bock suggested that Chris Roberts or Terry Charest also be contacted. The committee thought that it would be possible to have the project in place for next fall. Other student groups could eventually get involved after the AHC SCC has developed a framework for the project. Michael Vollmer said he would speak with Dr. Katz and asked that committee members bring in other names of potential faculty lecturers to the next meeting.

5. School Reports

The Chair asked each member to report on any concerns that had arisen in their respective schools. Some students in the Medical School are having financial difficulties due to the caps that the University has put on loans. Older students, who may have a family to support, are especially affected. They feel that if the University is seeking to admit older students, it must provide support for their needs. A similar concern has been voiced by Dental School students, whose loans are capped at the same amount as the Medical School even though they have additional quarterly fees to pay. A plan for students needing day care has also been proposed in the Medical School. The representatives from Vet Med, Pharmacy, and Public Health reported internal problems involving parking, laboratory work, and fostering a sense of community among diverse departments.

6. Adjournment

**Academic Health Center
Student Consultative Committee**

**December 10, 1998
5:00-6:00 p.m.
475B Children's Rehabilitation Center
Conference Room**

AGENDA

- I. Welcome & Introductions
- II. Approval of the Agenda
- III. Approval of the Minutes from November 4, 1998
- IV. Discussion with Dean Elde:
Teaching responsibilities and other effects of Bio Science reorganization
- V. Student Support of Legislative Lobbying
- VI. Ideas for a committee project for 1999
- VII. Adjourn

Minutes*

ACADEMIC HEALTH CENTER STUDENT CONSULTATIVE COMMITTEE (AHC SCC)

Thursday, December 10, 1998
5:00 - 6:00 P.M.

475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Senior Vice President Frank Cerra, Albert Nakano, Anne Schullo

Absent: Julie Cole, Resa Jones

Regrets: Lara Holland

Guests: Dean of the College of Biological Sciences Robert Elde

Other: Associate Provost and Chief of Staff Terry Bock

1. Welcome

2. Approval of the Minutes

The minutes from the meeting on November 4, 1998, were approved as presented.

3. Discussion with Dean Elde

Dean Elde reviewed the shifting departmental responsibilities and other effects of the Biological Sciences reorganization. The creation of new partnership departments will allow more collaboration in teaching and research between the Medical School and College of Biological Sciences. Dean Elde felt that this will allow the University to benefit more fully from the expertise of various faculty members. It will also bring faculty together to address rapidly changing issues in medicine, like genetics.

An area of concern may be that some disciplines, such as anatomy, will no longer fall under the responsibility of a single department. One approach would be to use the system currently in place for some introductory courses in which one faculty member is appointed by the college to direct the course, and each department provides faculty to participate in teaching it. These courses have become forums for innovative multi-media

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instruction and thus have generated much faculty interest. Committee members raised a question about incentives for faculty to teach courses that fall outside of their own department. Dr. Cerra explained that faculty will receive individual credit, in terms of contact hours, for those courses. The course designators are used to determine tuition attribution at the college level, though this system could be modified. Dean Elde also pointed out that neuroscience, for example, has been successfully taught in the past, though it only recently gained a departmental home.

Dr. Cerra inquired about accountability for the teaching of interdisciplinary courses. In the case of neuroscience, there were in fact individual faculty who took charge of the coordination and curriculum development of those courses. Dean Elde assured the students that all courses fall under some department's responsibility, though this may rotate yearly. He added that the College of Biological Sciences has become freshman-admitting, and that a large number of high-ability students matriculated this fall. This has highlighted the need to develop a more substantive physiology curriculum for undergraduates.

4. Student Support of Legislative Lobbying

Michael Vollmer has offered the services of this committee in getting graduate students involved in the legislative lobbying effort. He asked that each committee member generate a list of 10 students from his/her college that would be willing to speak to the legislature about issues in the request package. The Communications Office aims to get students involved in letter-writing and testimonials. The AHC SCC could help organize a letter-writing drive to take place in Airport Lounge during the second or third week in January. Terry Bock added that there will be an AHC Day to garner support for the request. Hearings at the legislature will begin in January and continue until May. Copies of the AHC publication describing the legislative request were distributed to the committee. The AHC SCC will work with the other graduate and professional programs to ensure that those students are represented when the Governor visits the campus in January.

Dr. Cerra reported that the "road shows" continue to receive positive responses. The team, composed of Dr. Cerra and some of the deans, has visited a number of rotaries and has tailored the presentation accordingly. Dr. Cerra felt that grass roots education would be a critical piece of the lobbying effort.

5. Committee Project for 1999

Michael Vollmer presented the committee with several ideas for a committee project. Referring to the article on "Med School for the Masses" (previously distributed to the committee), he described a lecture program designed to inform the patient population about various medical issues. He had e-mailed everyone involved in the article and received many responses as well as a packet from the NIH on "Planning a Mini Med School". Enrollment has been very high at all of the 75 programs that have been implemented across the country. The focus is on 8-10 lectures delivered by professors at

a level appropriate for the lay population. Committee members made suggestions regarding interdisciplinary lectures, involvement of students from the AHC, extending the program to the coordinate campuses, and tailoring it to different populations in the community. Budget needs would range from \$10,000 to \$30,000, which could come from the AHC, the colleges, and possibly corporate sponsors. Faculty and student involvement would be important in gaining support for the project. Community feedback would also be needed in determining the lecture topics.

Another idea for a committee project was to organize lunch-hour meetings in which students present a particular patient's case. This would expand student awareness of how the different disciplines contribute to case management. Other ideas included the universal lunch hour and student notification of tuition increases.

In closing, the Chair reported that a Vet Med representative would soon be joining the committee, and that he will contact Dean Till about finding a representative from the School of Dentistry. It was emphasized that member participation is crucial if the committee is to function as a link between students and administration.

6. Adjournment

--Anya Schwender

**Academic Health Center
Student Consultative Committee**

**November 4, 1998
5:00 – 6:00 p.m.
475B Children's Rehabilitation Center
Conference Room**

Agenda for today's meeting

- I. Welcome & Introduction
- II. Approval/Additions to Agenda
- III. Chair Report
- IV. "Health Professional Education" -- \$40 million budget request
- V. Classroom upgrades
- VI. Quad. demolition/construction
- VII. Vet. Med Dean search committee
- VIII. AHC Web Forum
 - www.student.ahc.umn.edu/cerrabox
 - www.student.ahc.umn.edu/netforum

Minutes*

ACADEMIC HEALTH CENTER
STUDENT CONSULTATIVE COMMITTEE
(AHC SCC)

Wednesday, November 4, 1998
5:00 - 6:00 P.M.
475B Children's Rehabilitation Center

Present: Michael Vollmer (Chair), Senior Vice President Frank Cerra, Julie Cole, Resa Jones, Albert Nakano

Absent: None

Regrets: Lara Holland, Anne Schullo

Guests: None

Other: Associate Provost and Chief of Staff Terry Bock

1. Welcome & Introductions

2. Chair's Report

To avoid redundancy, it was decided that Dr. Cerra would attend all committee meetings for the full hour. The Senate office will set up a list serve so that the student members can discuss certain issues over e-mail prior to their meetings with Dr. Cerra.

An effort will be made to contact the schools about sending a representative to these meetings. Historically, finding a Dental School representative has been the most difficult.

3. Health Professional Education

Dr. Cerra presented an overview of the budget request for improving health professional education. He explained that a gap exists between the community's care delivery system and the University's educational system. The cost of shifting to a more community-based paradigm coupled with decreasing revenues has motivated the request for funding. Over the biennium, the University is asking for substantial sums: \$37 million to the AHC, \$120 million to MERC, and \$20 million from the tobacco settlement for programs in tobacco-related addiction. Dr. Cerra felt that there would be a role for students in the legislative

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process. To provide more details, the case statement from the Regent's meeting will be sent out to committee members.

A question was raised about how the legislature is likely to respond to the University's entire request package, and whether any prioritizing will be done. Dr. Cerra responded that the result will depend largely on the legislature's position on faculty compensation versus health professional education. The presentation has been made to several groups already, and the health professional and student experience pieces have been well received. One member felt that the presentation would need to be simplified for the community at large.

4. Classroom Upgrades

The students spoke positively of the Moos Tower classroom renovations and reported that the system of assigning one student to each room has been working well. Starting in the spring, this committee will again be involved in the renovation process for the next three classrooms.

5. Quad Demolition/Construction

Dr. Cerra reported that the demolition of Owre, Millard, and Lyon Halls was on schedule and on budget. An architect is currently being selected for the new Molecular and Cellular Biology building, and a design will be ready by January. The University has improved the building process by assembling a design/construction team and encouraging input from the building's users.

One member brought up the need for adequate teaching space. Dr. Cerra explained that a faculty group has worked out the space requirements for the courses to be taught in the new building and has concluded that the classroom demands can be met. This may mean reevaluating the way that some courses (e.g. histology) are taught. The AHC SCC will follow this issue closely.

6. Veterinary Medicine Dean Search Committee

Student representatives have been chosen for the search committee. The school is working to get as much input as possible into the selection process. It is important that the various constituent bases of the school be considered. The search committee will hold their first meeting on November 18.

7. AHC Web Forum

Two new web sites have been set up to communicate with the Vice President's office. These will be linked as much as possible to the main AHC site and college student homepages. These sites enable students to log on anonymously and enter comments to the Vice President, which are posted to the forum so that all students can read and

participate in the dialogue. Vickie Courtney suggested that the minutes from AHC SCC meetings could also be posted here.

8. School of Dentistry Dean Search

Dr. Cerra raised the issue of the School of Dentistry Dean Search, of which the student members were not aware. Dr. Cerra had e-mailed a proposal for the search committee to all Dental School faculty, staff, and students, and he received many responses. That committee is now ready to be charged. It was suggested that a student from the search committee could serve as the representative to the AHC SCC. It is difficult for dental students to attend these meetings since their clinics are financed by the patients they see, unlike the medical school. Dr. Cerra offered to pay for the hour loss in revenue that would result if a dental student missed clinic to attend a meeting. He urged the students to contact Dean Till about arranging for representation on the committee.

To conclude the meeting, Dr. Cerra recommended that the committee develop two projects for this year's agenda.

9. Adjournment

UNIVERSITY OF MINNESOTA

University Senate

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100 Church Street S.E.
Minneapolis, MN 55455-0110
612-625-9369
Fax: 612-626-1609
E-mail: senate@mailbox.mail.umn.edu*

November 23, 1998

MEMORANDUM

TO: Academic Health Center Student Consultative Committee Members

FROM: Anya Schwender
University Senate Office

As discussed at the AHC SCC meeting on November 4, I have enclosed a copy of Vice President Cerra's presentation to the Board of Regents. This should provide you with more details on the legislative request for "Health Professional Education".

Also enclosed is the membership roster for your committee. Please notify me of any corrections that need to be made.

UNIVERSITY OF MINNESOTA

University Senate

*427 Morrill Hall
100 Church Street S.E.
Minneapolis, MN 55455-0110
612-625-9369
Fax: 612-626-1609
E-mail: senate@mailbox.mail.umn.edu*

January 15, 1998

MEMORANDUM

TO: Heather McCurdy
Phil Wadkins

FROM: Anya Schwender
University Senate Office

I have enclosed a copy of Vice President Cerra's presentation to the Board of Regents which was sent out to the AHC SCC members in November. This should provide you with more details on the legislative request for "Health Professional Education".

Also enclosed is the membership roster for your committee. Please notify me of any corrections that need to be made.



UNIVERSITY OF MINNESOTA
BOARD OF REGENTS

Educational Planning and Policy Committee

October 8, 1998

Agenda Item: Health Professional Education: New Demand Model

review review/action action discussion

Presenters: Executive Vice President and Provost Bob Bruininks
Dr. Frank Cerra, Senior Vice President for Health Sciences

Purpose:

This Category I discussion and review item is intended to provide background information and to establish a conceptual framework for policy issues the Committee will be addressing during this year related to the mission, goals, and academic initiatives of the Academic Health Center. This is the first of two proposed policy related discussions on this topic.

Outline of Key Points:

Health Professional Education: New Demand Model--This session will focus on the conceptual framework; the scope of the program, including quality and quantity issues; changing roles and responsibilities of the faculty under the new mode; and current and future policy and financial implications, including human resources.

As preparation for this discussion a report developed by the University of Minnesota Academic Health Center addressing the issues outlined above is attached.

Background Information:

This session is a Category I critical discussion and review as identified in the 1998-99 workplan for the Educational Planning and Policy Committee.

**FUNDING HEALTH PROFESSIONAL EDUCATION
at the Academic Health Center**

**A Report to the Regents
of the University of Minnesota**

The University of Minnesota Academic Health Center (AHC) is one of Minnesota's most important resources and among its best investments. Our faculty educate 70 percent of Minnesota's health professionals; conduct world-class research leading to major discoveries and breakthroughs; find cures for diseases and develop new devices and drugs; advocate for and support preventative medicine and complementary care; support agriculture by educating veterinarians and finding solutions to serious animal related problems; provide leadership in research and discussion of major health policy issues; and provide the highest quality patient care both at Fairview-University Medical Center and also in communities across the state.

The breadth and depth of programs make the AHC one of the most comprehensive health research and education centers in the United States. The Academic Health Center comprises the School of Dentistry, the School of Nursing, the Medical School (Twin Cities), the College of Pharmacy, the School of Public Health, the School of Medicine (Duluth), and the College of Veterinary Medicine. The Academic Health Center includes the National Cancer Institute designated University of Minnesota Cancer Center, the Biomedical Engineering Institute, and the Center for Bioethics--important interdisciplinary programs that have distinguished themselves in research and service. The Research Services Office (RSO) also opened in January 1998 to increase the amount of industry-sponsored research in the Academic Health Center.

Each year, the AHC's seven schools and colleges serve 5,000 students, primarily graduate and professional, who are taught and mentored by its 1300 faculty members. The University offers 62 degree options in 36 health science disciplines, including the AHC's allied health sciences with programs in occupational therapy, physical therapy, mortuary science, and medical technology. Of the Medical School faculty, 400 are physicians actively engaged in patient care through the newly created private practice plan, University of Minnesota Physicians.

Although the University is a land-grant institution, state taxpayers contribute only 20 percent of the AHC's \$453 million annual budget. AHC revenues in FY 1998 included \$90 million in state appropriations (20 percent), \$26 million from tuition (6 percent), \$166 million awarded in grants (37 percent), \$28 million from gifts (6 percent), \$100 million in generated revenue, primarily clinical services (22 percent) and \$43 million from a variety of other sources.

Facts about Health Professional Education

Fact 1. Preparing for a career in the practice of medicine requires extended years of study and training. For example, a physician spends a minimum of thirteen from matriculation in an undergraduate program of study to completion of a residency, as shown on Chart 1.

Fact 2. The years of preparation are expensive for both the institution and the student. The average cost of educating and training a physician approaches \$100,000 per year. The average physician enters the medical profession carrying \$75,000 of debt.

Fact 3. The education and training of health professional students requires a partnership of teaching institutions that is unique in higher education. As shown on Chart 2, instructional activities take place in classrooms and laboratories on the university campus and in clinical settings (primarily hospitals) throughout the immediate geographical region.

The Challenge

Changes in the healthcare delivery system, together with the new Medicare legislation (in the Balanced Budget Act of 1997), have created both programmatic and educational challenges for institutions that train health professionals. For the last thirty years, the programmatic environment has been oriented toward in-hospital care delivered one encounter at a time. A substantial part of the cost of training health professionals has been borne by payments to hospitals and physicians for patient care and by the Federal government. Insurance plans and government agencies are now seeking to reduce their responsibility for financing the training of health professionals.

Changes in the way health care is delivered is having a major impact on the education process in the health professions. Care that was once delivered exclusively in hospitals is now moving to out-patient clinic settings. The focus on encounter-based health services is changing to community-based and population-based care models. Health care delivery requires practitioners who are community-based and population-oriented and have skills in non-medical areas such as information systems, finance and contracts, preventive health and wellness, outcomes assessment, Epidemiology, and Continuous Quality Improvement techniques.

Other forces -- the impact of managed care on the marketplace, advancements in scientific knowledge, changing demographics, a changing health care paradigm, and new technologies -- continue to reshape American health care, significantly affecting the ability of universities to offer high quality health professional education. Many of these factors have been outside the control of the University or Minnesota. The University and the state have responded, but a closer look at the issues shows that more needs to be done.

The health care environment is changing.

- Traditional hospital- and clinical-based service remains an essential element of health care. Increasingly, however, care is more population- and community-based with emphasis on illness prevention and health promotion. This means that health professional curricula must change to assure our students will be aware of and ready to participate in this new environment. In addition to the skills required for care of the ill and injured, graduates must understand the new generation of health delivery systems, must be skilled in team care, and must have practical experience in community settings. This new model for care will generate new costs for the Academic Health Center to maintain and enhance the quality of the educational enterprise.
- The setting for educating health professionals is also shifting from the hospital bedside as the dominant site to the clinic, office and home as pressure for cost containment in hospital expenditures mounts and more of the care is delivered outside the traditional hospital. For example, a patient needing a hip replacement in 1980 was in the hospital for 10-12 days-- plenty of time for students and residents to learn about the patient's problems, the giving precious little time for education, or even interface with students.

The expectations for health sciences students and faculty are increasing.

- Students in the health sciences must know more than they did a generation ago. **As professionals**, they must have greater knowledge of the federal and state statutes and

regulations, business practices, managed care, information technology, patient rights, shared decision making, and government programs. *As practitioners*, they must have broader knowledge in ethics, preventative health, wellness, complementary medicine, community-based practices and team care approaches. *As scholars*, they must have greater knowledge of recent scientific discoveries, new products and bio-medical devices, gene therapies, and new drugs and treatments. These educational demands also generate new costs for the Academic Health Center.

- Expectations for faculty are also increasing. As the environment changes, they must develop new skills and knowledge necessary to teach students about new science, managed care practices, technology, health economics, prevention and other topics unheard in health professional curricula even a decade ago.
- Faculty, especially in medicine, are also under growing pressure to increase clinical activity as the revenue stream for patient care decreases as managed care drives down reimbursement. For the past 30 years, the clinical revenue stream of practicing faculty has have contributed significantly to the University's research and education enterprise.

The demand for health professionals is growing.

- The health needs of our citizens have exploded as the baby boomers age and life expectancy increases. Health care consumers are expecting more as well as needing more from the health delivery systems. This places pressure on academic institutions to prepare the appropriate workforce to meet these needs.
- As pressure for primary care providers increases, the health professional surpluses of the 1990s could vanish as communities compete for fewer numbers of graduates and as current providers retire. This is an especially serious issue in rural Minnesota. According to a new report from the American Association of Medical Colleges, the University of Minnesota prepares the greatest number of primary care physicians (290) of any university in the nation. Demand remains high for advanced practice nurses, pharmacists and dentists as well.

The traditional sources of financial support for health professional education are eroding.

- *Federal Revenue.* The Balanced Budget Act of 1997 included changes that reduced payments from the federal government for graduate medical education (GME) to support the training of residents.
- *Clinical Revenue.* As reported in an October 1995 article in Academic Medicine, "The single greatest threat to medical schools today is the expected decline in faculty practice plan revenue brought about by managed care's aggressive cost containment." In 1994, medical schools reported that about 28 cents out of every practice plan dollar went to support medical education and research. The most recent financial data, from the September issue of the Journal of the American Medical Association, shows that 34 percent of the average budget for medical programs comes from private practice revenues. But, many medical schools, including the University of Minnesota, are projecting declines in physician

practice revenue of 3 to 5 percent annually over the next five years. Accordingly, that piece of the funding pie will shrink, leaving a gap of \$9 million for the Academic Health Center.

- *Research Funding.* A critical component of the educational program is the discovery of new knowledge through research. Over the years, AHC researchers have been extraordinarily successful in supplementing state, federal and clinical revenue through funding from industry and government agencies for health research. This source of revenue is also at risk as more time is directed to maintaining clinical revenues.

Actions Already Taken to Address the Financial Issues

Minnesota (along with California and Massachusetts) encountered the problem with declining financial support for health professional education well before most states, because of its early migration to a managed care environment. Accordingly, in many respects, the state and the Academic Health Center have a head start on managing the effects of the changing healthcare delivery system. Both have moved expeditiously to implement actions intended to minimize the impact of changes in the traditional revenue streams for health professional education.

Initiatives of the Academic Health Center

Over the last three years, the Academic Health Center has initiated these actions which were designed to reduce costs while maintaining the highest quality education and research programs:

- Formed a single physician practice group (consolidating 18 former practice groups) to increase efficiency and service
- Merged the teaching hospital with a prominent health system
- Adopted a strategic plan to reshape the education and research organization including:
 - ⇒ The implementation of substantial changes in the curriculum of the seven health professional schools
 - ⇒ Plans to meet relevant work force needs and ensure AHC's leadership role in the health professions through adjustments in the size and mix of enrollments and educational programs. To date, enrollments in the Medical School have been reduced from a high of 3,092 (full-year equivalents) in 1994-95 to 2,857 in 1997-98
 - ⇒ Initiatives to improve the competitive position of clinical/outreach functions for all health professional schools and the AHC
 - ⇒ Activities that enhance the environment to promote faculty and staff creativity, excellence and productivity
 - ⇒ Programs to strengthen financial management and to promote flexibility, investment, and financial stability
 - ⇒ Activities to maintain each profession's identity and excellence as AHC interscholastic programs develop.
- University Senior Vice President for Health Sciences, Dr. Frank B. Cerra, and the CEOs of Minnesota's health systems are working on a report to the legislature and the commissioner of health regarding plans for the strategic direction and vision of the Academic Health Center. The report, which is due on January 15, 1999, will address workforce needs, the ongoing educational needs of health professionals, implications for existing education and training programs, and plans for input from the health community on AHC research and education programs.

Initiatives of the State

- Over the past several years, the Minnesota Legislature and Governor Arne Carlson helped support the University through the reorganization of the Academic Health Center and the sale of the hospital. Special appropriations helped to assure that the interests of the taxpayers and the employees were represented during the transition.
- More importantly, the Legislature and Governor Carlson have responded to the financial crisis by creating the Medical Education and Research Costs Advisory Committee (MERC) to determine a path for assisting clinical sites with the costs. In the Fall of 1997, a major effort was undertaken to collect information about costs incurred in clinic settings for the training of health care professional students. Through the survey, the costs for the training of several different health professional in clinical sites were calculated as shown:

Advanced Practice Nurses	\$20,537
Dental Students	\$105,788
Dental Residents	\$136,052
Medical Students	\$23,489
Medical Residents	\$146,765
Pharmacy Students	\$22,093
Pharmacy Residents	\$60,796

A total of \$301 million was reported as the cost of training these health care professionals in clinical settings. Almost \$18.0 million was distributed to the participating 154 programs, which covered approximately 6 percent of the reported costs. Sites where AHC students are trained received about \$7.4 million or 42 percent of the total. The pool of funding will increase to about \$32 million for the 1998-99 academic year.

The Next Step: Funding the Health Professional Education Initiatives

For the FY 2000-2001 biennium, the University of Minnesota seeks \$37 million in recurring funds to stabilize funding for health professional education and graduate health education. These funds are necessary to ensure an adequate supply of highly skilled health professionals equipped to deal with the changes occurring in America's health marketplace. The University also supports the Minnesota Department of Health's request for \$130 million to stabilize funding for graduate health professional education. An additional \$20 million is requested from the tobacco settlement for University research and programs on chronic and addictive conditions, primarily those related to tobacco. The summary of the request can be found in Chart 3.

Objective 1: To ensure an adequate supply of highly skilled health professionals in Minnesota by

A. Strengthening health professional education: \$ 32 million recurring for the AHC

The cost of educating students for the new health care environment is increasing as education moves from campus into the community. As some patient care moves from individual encounters to population-based approaches, new educational models must be developed. Additional support will also ensure that health professionals--new graduates and long-time practitioners--are prepared to serve an aging and more diverse population. These new

6

programs will also ensure that the right practitioner is at the right place at the right time with the right skills.

B. Stabilizing funding for graduate health education: \$130 million recurring for Dept. of Health to distribute to clinical sites

The University supports the Minnesota Department of Health's request that will end the uncertainty about the future of health professional education. These funds will replace decreased patient care revenue collections and lost federal Medicare support and will flow to the training sites. It is expected that approximately 40 percent of the funds will be allocated to clinical sites where University students and residents are trained. The University currently has over 1,000 residents.

Objective 2: To support and respond to the shift of health professional education and care to a more community-based and population-based system by

A. Developing and expanding successful care and illness prevention models across Minnesota: \$2.5 million recurring

The University of Minnesota will strengthen education, enhance community-based care, and increase attention to underserved populations in rural Minnesota and the Twin Cities. Funds are sought to expand the Rural Health School, the Rural Physician Associates Program and the Community-University Health Care Clinic serving the Twin Cities. The AHC also seeks funding to expand nursing collaborations, to improve access to pharmaceutical care and services, and to establish School of Dentistry training sites in Hibbing and Fergus Falls to educate dental students and also to support underserved citizens. Increasing access to practitioner-oriented graduate programs (pharmacy, public health and nursing) is also a priority for the AHC.

B. Conducting health services and health outcomes research: \$1.5 million recurring

The University of Minnesota will expand its support for community health by creating a new Center for Health Promotion and Disease Prevention in the School of Public Health and a new Center for Chronic Illness Education and Research in the School of Nursing. The University also seeks an increase in the state special for Health Services Research in the School of Public Health to establish a system to measure health workforce needs in rural Minnesota. The increase will also fund a managed health care center to work with providers and consumers to improve the performance of these new forms of health care delivery.

C. Improving access to health information: \$500,000 recurring

The University of Minnesota will improve the health knowledge of citizens and health practitioners by extending the expertise and service of the University Cancer Center to people across Minnesota and expanding the collaborative consumer health information services of the Academic Health Center. In a separate initiative, funding is sought for the University's Bio-Medical Library to assure that students and faculty have access to the most current information.

D. Strengthening the connections between health sciences and agriculture: \$1.5 million recurring

The College of Veterinary Medicine will broaden its support for agriculture and medicine by creating a Center for Food Animal Health, Productivity and Food Safety, enhancing the

integration of veterinary research investigating human disease, and building one of the nation's leading research and technology development programs in animal and animal disease genetics.

E. Conducting research and developing care and prevention models for chronic and addictive conditions, especially those related to tobacco: \$20 million from tobacco proceeds

The University of Minnesota strongly supports the use of funds from the 1998 tobacco settlement for health related purposes, including cancer and smoking-related conditions, and University projects to support smoking prevention, cessation and care initiatives.

The Outcomes

If funded, the University of Minnesota will be able to:

- continue to educate the majority of Minnesota's health care professionals;
- stabilize the finances of the Medical School so it may continue to educate physicians for Minnesota;
- provide for an appropriate number of graduate health education positions;
- ease the transition of care to a population- and community-based model;
- assure that its health professional graduates are properly prepared for new expectations, the applications of new therapies and treatments, the team model of care, technology advancements, and the business of the healthcare marketplace
- contribute to improving the health of Minnesotans through research on health services, health outcomes and chronic and addictive conditions;
- strengthen agriculture and its relationship to health sciences;
- improve access to health information for both consumers and providers; and
- increase the national rankings of the Academic Health Center and its schools, colleges, and programs.

The Benefits

The University of Minnesota Academic Health Center legislative request:

- builds on past investments made by the Minnesota Legislature to stabilize finances and to enhance education and research;
- strives to keep quality health care available in communities across the state;
- expands service to rural Minnesota;
- leverages the existing resources of the University of Minnesota to improve the health of Minnesota communities and to serve and inform their citizens;
- increases attention to urban, underserved populations;
- expands the commitment to agriculture through the College of Veterinary Medicine; and
- will result in new generations of health professional graduates armed with the knowledge, skills and experiences to succeed the contemporary health care environment.

THE EDUCATION OF A PHYSICIAN
AN OVERVIEW

<u>Stage:</u>	Undergraduate	Medical School	Residency	Fellowship	Practice
<u>Time:</u>	4 Years	4 Years	3 - 8 Years	1 - 3 Years	Life
<u>Degrees:</u>	BA/BS	MD	Primary Area; e.g., Family Practice Internal Medicine General Surgery	Specialty Area; e.g., Cardiology Cardiac Surgery	Continuing Medical Education
<u>Revenue Sources:</u>					
Self	XXXX	XX			X
State	XXXX	X	X		
Federal	X	X	XX	X	
Faculty Practice \$'s		XX	XX	XXXX	

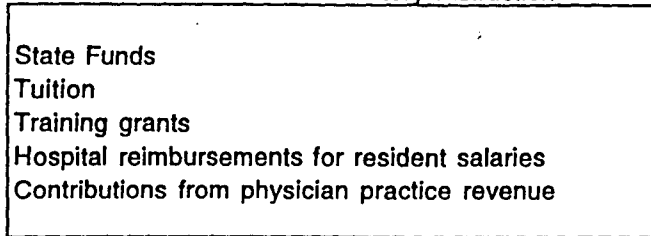
<u>Average From Medical School to Practice:</u> - 8 years - \$80K - \$100K/Year Cost - \$75K Total Debt	<u>Challenges:</u> - Declining revenue sources - New types of knowledge/skills - Shift to interscholastic, interdisciplinary, community-based, population orientation - Reducing costs - Workforce number, type, demand
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X - Relative financial contribution to program cost.

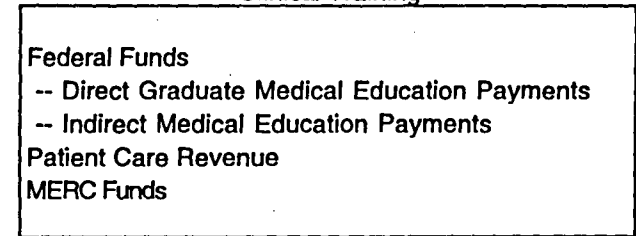
THE ORGANIZATION OF EDUCATION FOR HEALTH PROFESSIONALS
The Academic Health Center of the University of Minnesota

Primary Sources of Revenues

Classroom and Laboratory Instruction



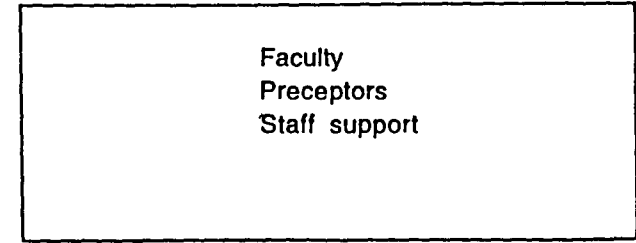
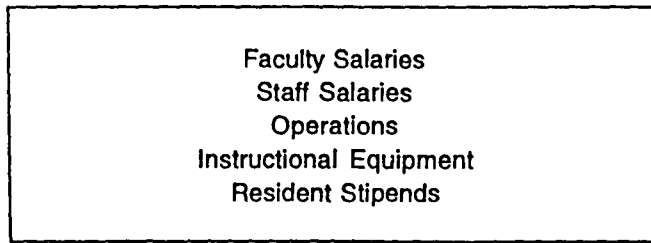
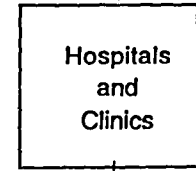
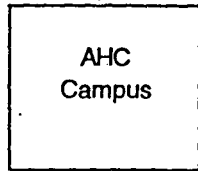
Clinical Training



Students

- Medical Students
- Residents
- Nursing Students
- Dentistry Students
- Pharmacy Students

*Educational
Setting*



Major Categories of Expense

10

University of Minnesota's Academic Health Center
 1999-2001 Biennial Budget Request
 Four-Year Financial Impact
 (\$'s in millions)

	1999-2001 Biennium			2001-2003 Biennium		
	<u>FY 2000</u>	<u>FY 2001</u>	<u>Total</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total</u>
Objective 1:						
<i>Health Professional Education</i>						
Allocation to the Academic Health Center	\$15.00	\$17.00	\$32.00	\$17.85	\$18.74	\$36.59
Increase to MERC Trust Fund	\$65.00	\$65.00	\$130.00	\$65.00	\$65.00	\$130.00
Objective 2:						
<i>Community-based and population-based services</i>						
Allocation to the Academic Health Center						
--Prevention models	\$1.25	\$1.25	\$2.50	\$1.25	\$1.25	\$2.50
--Outcomes research	0.75	0.75	1.50	0.75	0.75	1.50
--Health information access	0.25	0.25	0.50	0.25	0.25	0.50
--Health sciences and agriculture connections	0.25	0.25	0.50	0.25	0.25	0.50
Total	<u>\$2.50</u>	<u>\$2.50</u>	<u>\$5.00</u>	<u>\$2.50</u>	<u>\$2.50</u>	<u>\$5.00</u>
Allocation from Tobacco Settlement Proceeds						
--Care and prevention models for chronic and addictive conditions	\$10.00	\$10.00	\$20.00	\$10.00	\$10.00	\$20.00
<hr/>						
Total for the Academic Health Center	\$17.50	\$19.50	\$37.00	\$20.35	\$21.24	\$41.59
Other Support for Health Programs						
MERC Trust Fund	\$65.00	\$65.00	\$130.00	\$65.00	\$65.00	\$130.00
Tobacco Settlement Proceeds	10.00	10.00	20.00	10.00	10.00	20.00
Biomedical Library	0.30	0.63	0.93	0.63	0.63	1.27
Food Animal Health in Agriculture Initiative	0.50	0.50	1.00	0.50	0.50	1.00
	<u>\$75.80</u>	<u>\$76.13</u>	<u>\$151.93</u>	<u>\$76.13</u>	<u>\$76.13</u>	<u>\$152.27</u>

Funding Health Professional Education

Presentation to the

**University of Minnesota
Board of Regents**

October 8, 1998



AcademicHealthCenter

UNIVERSITY OF MINNESOTA

Overview

- Health professional education is not keeping pace with today's health care delivery:
 - A fundamental change in the skills and non-medical knowledge necessary for health care providers requires a comprehensive revision of the curriculum and how we train our students.
 - An aging population with its high incidence of chronic disease will require more and a different mix of health care providers.
 - Substantial cuts in federal funds and intense competition in the health care market place are significantly reducing funding for health professional education.

National Problem

- This is a national problem affecting all academic health centers.
- We are working with the Association of Academic Health Centers and the American Association of Medical Schools to address the problem on a national level.
- Much of the country is looking to this AHC and state for a solution to the problem.

What Has Changed and Is Changing:

- Medical Education and Training
- Medical Practice and Health Care Delivery

The Education of a Physician

<u>Stage:</u>	Undergraduate	Medical School	Residency	Fellowship	Practice
<u>Time:</u>	4 Years	4 Years	3 - 8 Years	1 - 3 Years	Life
<u>Degrees:</u>	BA/BS	MD	Primary Area;e. Family Practice Internal Medicine General Surgery	Specialty Area;e.g Cardiology Cardiac Surgery	Continuing Medical Education
<u>Site:</u>	University	Univ./Comm.	Community	Community	Community
<u>Revenue Sources:</u>					
Self	XXXX	XX			X
State	XXXX	X	X		
Federal	X	X	XX	X	
Faculty Practice \$'s		XX	XX	XXXX	

X - Relative financial contribution to program cost.

Medical Education and Training

Knowledge: Science, technology, business, and ethics of health care.

Science: Our understanding of the human body, its functions, and disease is now at the cellular, molecular and gene level.

Technology: Practitioners must understand sophisticated technology for rapid, accurate diagnosis and treatment. Health care professionals need to be skilled in medical information systems, sophisticated diagnostic tools, electronic medical records, telemedicine, outcomes-based assessments, and evidence-based medicine.

Prevention and Wellness: There is a new emphasis on prevention and wellness. Practitioners must understand the use of complementary care.

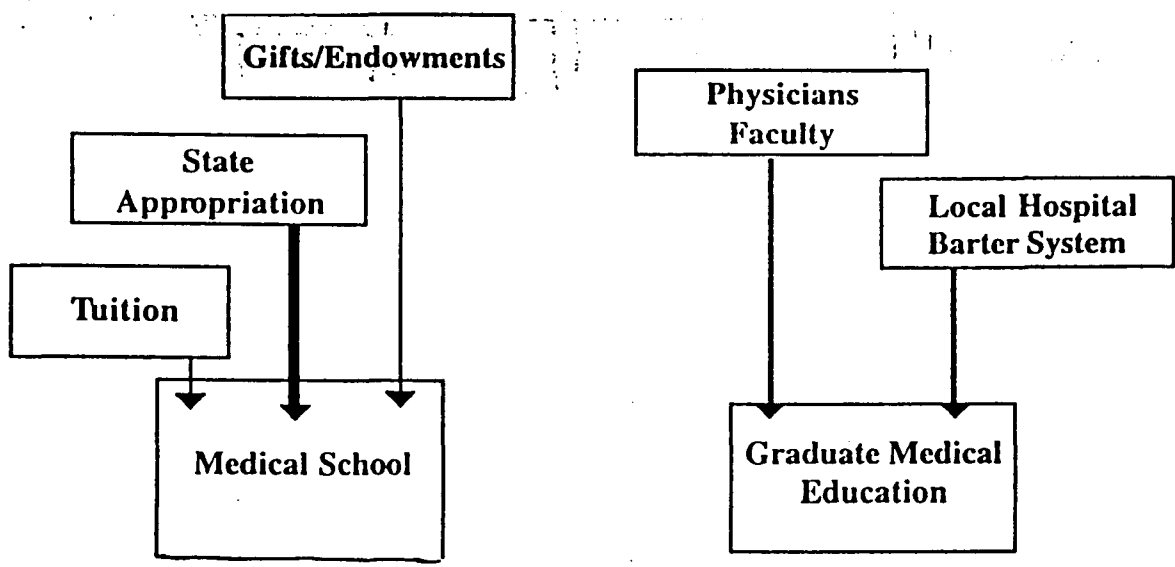
Business: Practitioners are now expected to understand the business side of health care.

Ethics: New medical knowledge and tools have created new ethical issues: end of life care, use of life support systems, gene therapies, genomics, and the consideration of resource use as part of therapeutic decisions.

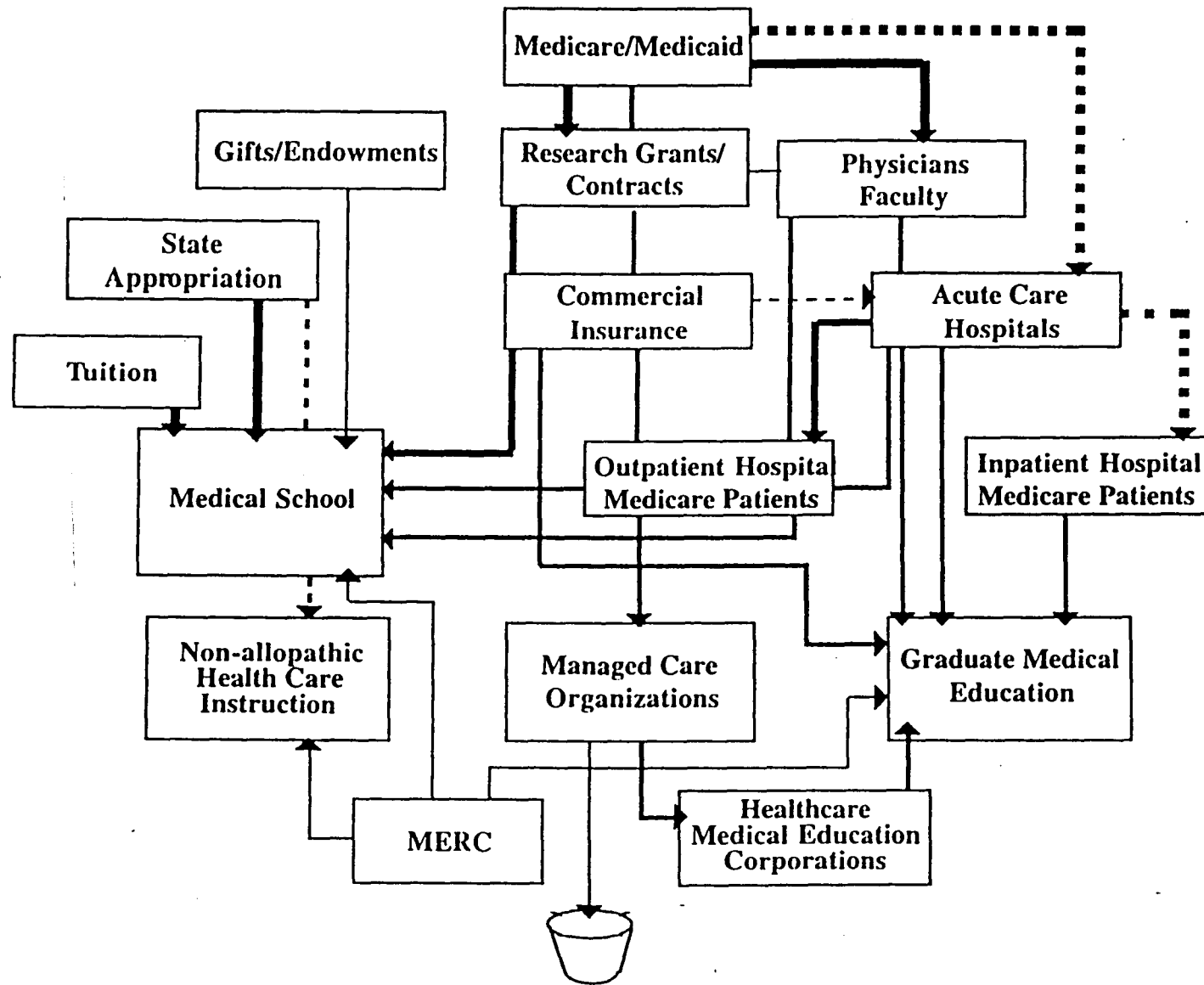
Setting: Training is shifting from hospitals to clinics, patient's homes and other community settings. Tightly scheduled patient appointments reduce time for educating our students.

Finance: Complex system. Insurers and third party payers do not want to pay for education. Decreased federal Medicare funding for education. The current financing system is based on training occurring primarily in hospitals. Student tuition is already high and student debt is large; loans are at commercial rates and must be repaid immediately upon graduation.

Funding for Health Professional Education Prior to 1964 and the Enactment of Medicare



Funding for Health Professional Education Today



Medical Practice and Health Care Delivery

Our education and training of health care professionals must prepare them for the way health care is practiced and delivered today.

Model: Care is provided increasingly in clinics, at home, and in other community settings rather than hospitals. Orientation is on managing “episodes” of disease. Focus is shifting from treatment of disease to prevention and wellness. Focus is moving from treatment of individual patients to groups/populations of patients. Care is being provided by teams of health care professionals rather than individual practitioners. The lines between the professions are blurring.

Practice: Physicians work as employees of health systems or as members of group practices. They are highly scheduled. Workload and compensation are based on performance standards. Access to patients is controlled by third party contracts. Prices are set by third party payers. Insurance coverage and other payment systems are complex.

Delivery Systems: Health care is delivered through large consolidated health care systems in urban areas. Small town hospitals and clinics are disappearing and regional centers are developing. A shortage of physicians and other health care professionals is developing in certain geographic areas and specialties. Care is being provided increasingly in community settings by teams of health care professionals.

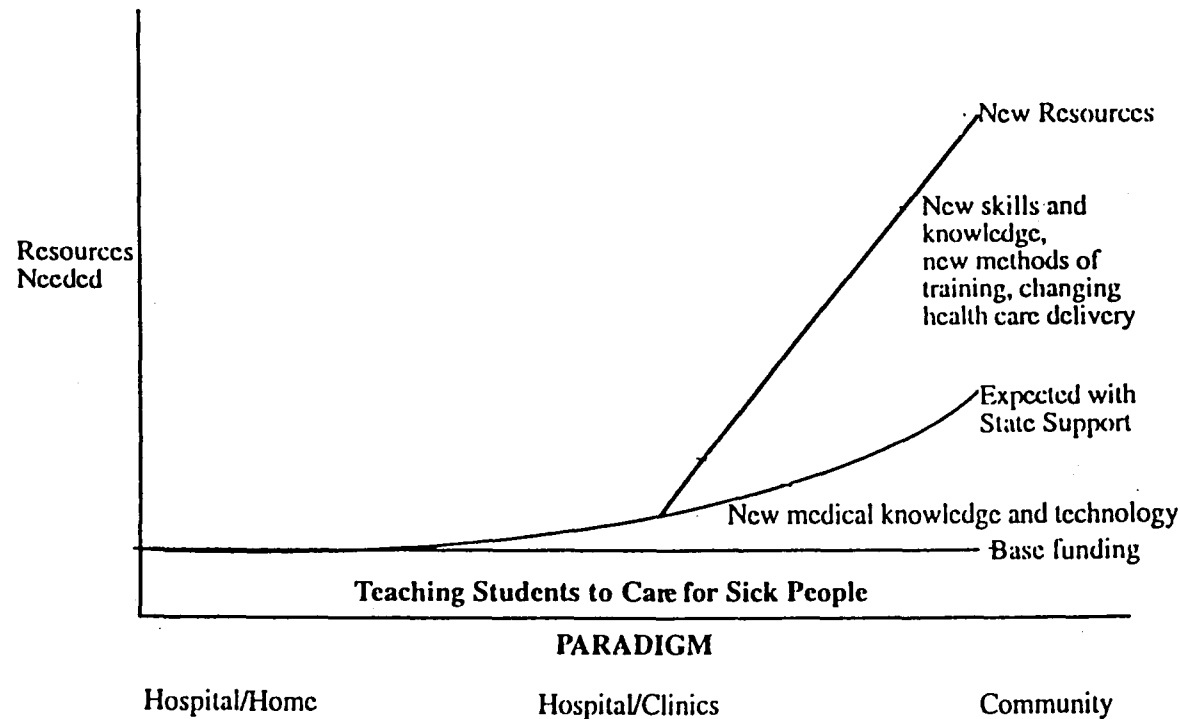
Government Regulation: Regulation has become extraordinarily complex with overwhelming paperwork requirements. “If it’s not documented, it didn’t happen.”

Summary

- Health professional education is not keeping pace with today's health care delivery:
 - A fundamental change in the skills and non-medical knowledge necessary for health care providers requires a comprehensive revision of the curriculum and how we train our students.
 - An aging population with its high incidence of chronic disease will require more and a different mix of health care providers.
 - Substantial cuts in federal funds and intense competition in the health care market place are significantly reducing funding for health professional education.

Why Does the Academic Health Center Need New Resources?

Cost of changes in education and training



Declining revenues from Medicare and clinical practice that have supported education:

- Reductions in graduate medical education funding for residents and fellows mandated by the 1997 Federal Balanced Budget Act
- Reductions in Medical School faculty clinical practice revenues
- Only 14% of the Academic Health Center's and 10% of the Medical School's budgets are supported through state appropriations.

The University is Asking For:

- **The education of health professional students:**
 - \$37 million to the University for its health sciences schools and colleges.
- **Training of residents and fellows:**
 - Increase the MERC Trust Fund by \$65 million annually. Funds go directly to hospitals, clinics, and other training sites across Minnesota to pay the cost of training residents and fellows -- ours, Mayo's and others.
- **Health Systems**
 - Continue to allow our students, residents, and fellows into their facilities and allow their practitioners the time to teach and train them.
 - Work with us on a long-term solution to the funding of health professional education, including the possibility of direct financial contributions by the health systems.
- **Private Practitioners:**
 - Continue to educate and train our health professional students, residents, and fellows.

The Goal

The University of Minnesota, working with the health care community and the federal and state governments, must assure that the state has the right types and numbers of health professionals with the right skills and training practicing in the right locations and serving the right populations of Minnesotans.

