

# The Demand for Creative Approaches as We Compete for Our Future: A Fiscal Year-End Wrap Up

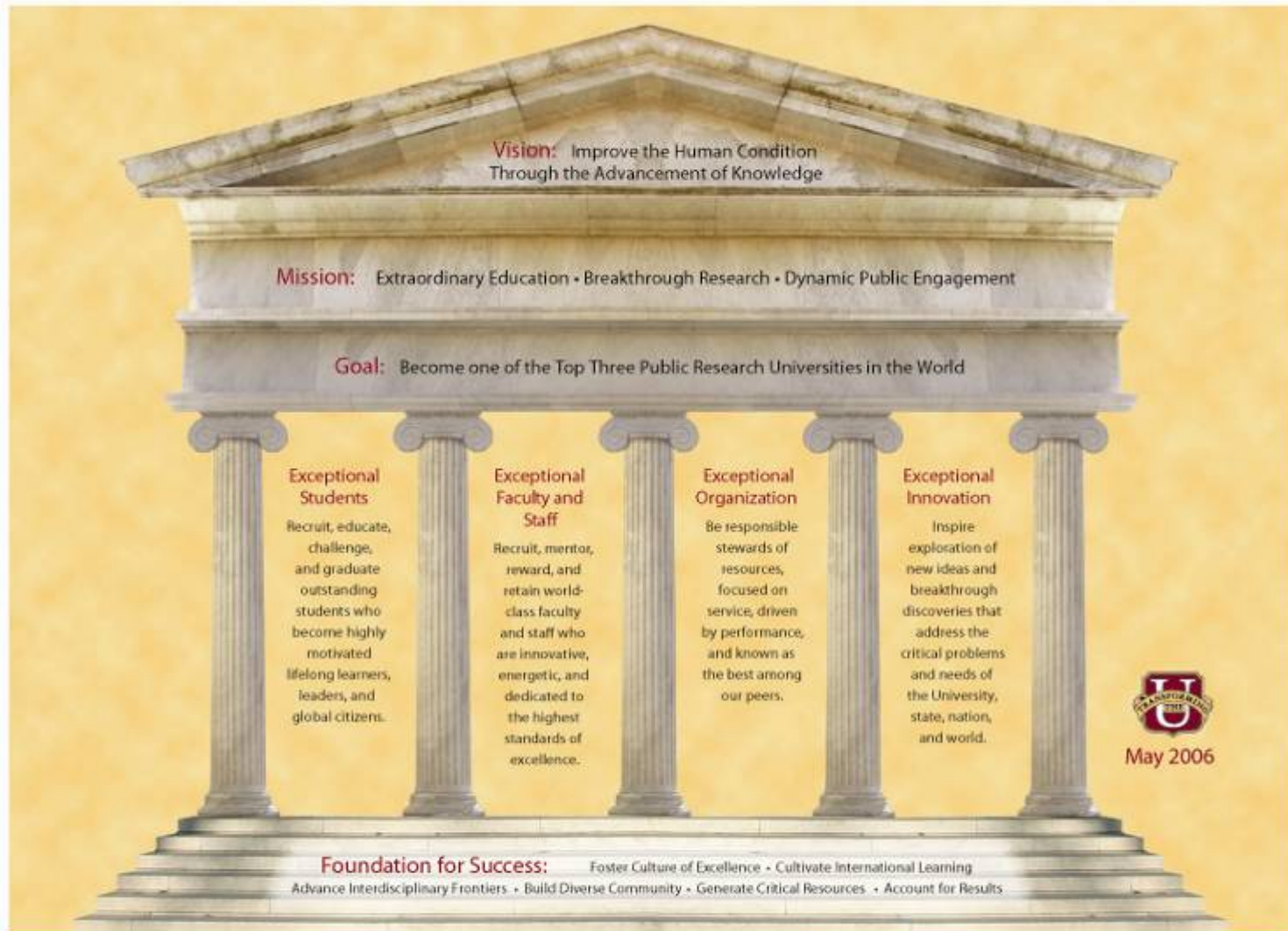
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# Administrative Work Plan

## from January 2008

- Achieve commitment for net annual increase in faculty hires
- Achieve success in the transformation into a learning environment
- Achieve Top 20 status for Medical School
- Strategic alignment among Medical School, University of Minnesota Physicians, and Fairview
- Secure plan for the research building program; CMRR funding
- Secure the plan for the Ambulatory Care Center and the University of Minnesota Children's Hospital, Fairview

# University's Pillars



# How the AHC Applies the Pillars of Excellence

*Exceptional students*  
*Exceptional faculty and staff*  
*Exceptional organization*  
*Exceptional innovation*

## The AHC will become

- **a talent magnet** for faculty, staff, and students, that is
- **distinguished for educational programs** and recognized as a
- **destination of choice** for clinical sciences.

# Take A Moment to Celebrate Successful FY08 Outcomes for AHC

- Public funding for up to four new buildings dedicated to biomedical research
- State investment in SPH expertise regarding mesothelioma threat on the Iron Range
- Legislative recognition of core role for SOD in development of new mid-level dental provider
- Ground breaking scheduled for new Children's Hospital
- Fairview/University investment in new clinic
- Focused internal investment in programs in the Research Corridors

# Impact So Far

- New chair of pediatrics, Aaron Friedman
- Joe Metzger and team from Michigan
- 16-tesla magnet purchased and construction begun on building addition
- New AHC start up companies, Orasi Medical and Vital Medix
- Attracting major capital from outside MN for a life science park near campus
- Major player in catalyzing bioscience development in MN
- Continued success in development of a learning environment and platform
- Continued growth of research programs
- Continued development of clinical sciences programs

# A Moment to Reflect on Impact

- Public confidence led to \$295M for new biomedical science buildings
- Fairview and marketplace confidence led to new facilities and growth of the clinical enterprise
- Faculty productivity and innovation is driving development of our research corridors
- Public and health care community confidence demanding role for U of M in health care reform, mesothelioma program, development of new dental provider.
- Public confidence in our leadership and accountability for addressing health workforce needs for Minnesota

# Looking Forward: The Big Issues

## 1 – Research Corridors Development



**New  
Neuroscience  
Knowledge**

**Institute for Translational  
Neuroscience Corridor**

Neuroengineering

Neurodevelopment  
and Mental Health

Neurodegenerative and  
Neuromuscular Diseases

Memory Research and Care

**Office of  
Clinical  
Research**

**New  
Prevention,  
Treatment,  
and Cures**

**Support System**

Collaborations with  
experts and centers

Support  
Services

Investment  
and funding

Facilities

UNIVERSITY OF MINNESOTA

*Academic Health Center*

# MN Biomedical Sciences Building Initiative

2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
July	January	July	January	July	January	July	January	July	January

Project 1	Design	Construction
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## ***Center for Magnetic Resonance Research***

The leading international center for imaging research in areas such as Alzheimer's disease, cancer, and neurobehavioral research.

56,000 total gross square feet      **\$53.2 million**

Project 2	Design	Construction
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## ***Cancer Biomedical Research Building***

Advancing core cancer research strengths in one of the nation's most comprehensive cancer centers in areas such as breast, lung, colon, and prostate cancer.

120,000 total gross square feet      **\$85.0 million**

Project 3	Design	Construction
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## ***Lillehei Biomedical Research Building***

Interdisciplinary translational space for scientists and clinicians to produce the next generation of ways to prevent and cure heart disease.

120,000 total gross square feet      **\$86.1 million**

Project 4	Design	Construction
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## ***Infectious Disease and Neuroscience Biomedical Research Building***

Interdisciplinary translational space for scientists and clinicians to focus on emerging infections, stroke, and Alzheimer's disease..

90,000 total gross square feet      **\$67.6 million**

# Map of New East Gateway District



# Progress for Biomedical Sciences Program

- Currently under construction with Medical Biosciences Building – 25 percent complete
- CMRR Expansion: architect being hired and entering into final design phase
- Sector Executive Steering Group established
- Hiring project manager – position is posted
- Managing via a master developer model
- Each facility will have its own program and project team, with next facility focused on translational research in cancer

# Clinical and Translational Science Award

- U of M committed to success
- Core faculty work group, led by Bruce Blazer and Andy Nelson
- Deans' Leadership Team
- Faculty Strategic Group
- The critical success factors are:
  - An integrated service platform to support clinical research and the education of people performing clinical research
  - Seamless community partnerships that are multi-directional, transparent and support knowledge dissemination and clinical research
  - Access to users at all levels who wish to engage in clinical research and new knowledge sharing
  - Demonstrably improving the health of communities

# Looking Forward: The Big Issues

- 1 – Research Corridors Development
- 2 – Educational Transformation

# Educational Transformation

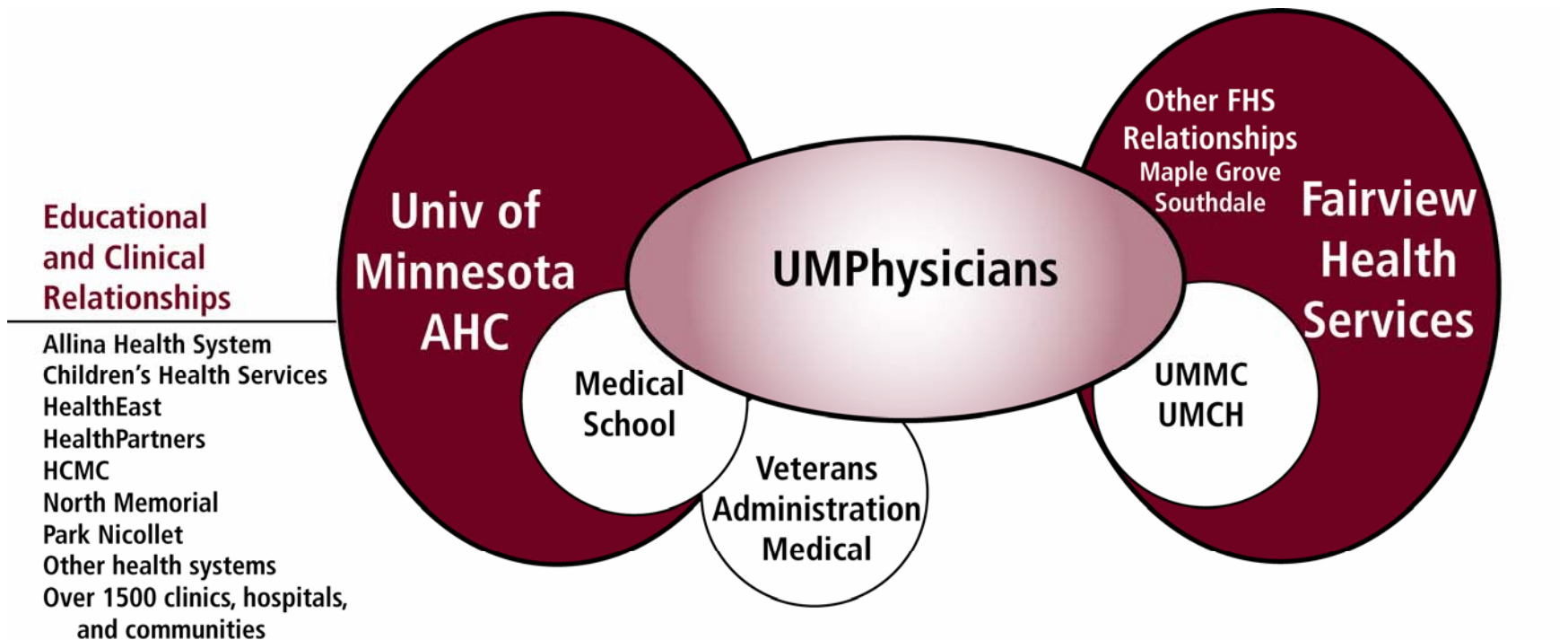
- 24 / 7 / 365 access to achieving professional competencies and capabilities
  - On-line learning platform
- Experiential education with interprofessional focus is supported electronically
- Community clinical partnership sites
- Meeting health workforce needs through planning and community partnerships
- Developing new models of financing

# Looking Forward: The Big Issues

- 1 – Research Corridors Development
- 2 – Educational Transformation
- 3 – Progress on Clinical Alignment



# AHC Partnerships



# New University of Minnesota Children's Hospital, Fairview



# Ambulatory Care Center (New Clinic)

- It is going to happen
  - Phase I program is complete
  - The design process has begun
  - The business and financial model, while not complete, is well along
  - Mid 2009 is the planned starting date for construction

# Impact of Clinical Alignment

- Achieve prominence of the academic enterprise, including moving the Medical School into the Top 20
- Functional convergence among AHC, Fairview, and UMPPhysicians supported by an effective structure
- Grow and enhance the clinical enterprise

# Looking Forward: The Big Issues

- 1 – Research Corridors Development
- 2 – Educational Transformation
- 3 – Progress on Clinical Alignment
- 4 – **Role in Health Care Improvement**

# AHC Role in Health Care Reform

- Designing and developing new providers, e.g. DNP, Oral Health Practitioner
- Engagement in opportunities in the new Health Care Reform legislation
- Developing community partnerships to design and test new models of care delivery and health improvement, e.g. health home model
- Working with health systems and communities in workforce planning and development

# The Big Question

**Are we strategically positioned to capture the potential value that is ours to lose?**

**There are four areas of strategic need:**

- 1. Alignment**
- 2. Culture**
- 3. Community Partnerships**
- 4. Resources**

**Foundation for Success:** Foster Culture of Excellence • Cultivate International Learning  
Advance Interdisciplinary Frontiers • Build Diverse Community • Generate Critical Resources • Account for Results



May 2006

# Addressing the Big Issues: Strategic Needs

1. Alignment of
  - a. Strategic goals and plans of UMPPhysicians, Fairview, and the AHC clinical enterprise
  - b. Discovery, innovation, and clinical practice/outreach
  - c. Capacity, productivity, and resources
  - d. Programs within a sustainable financial framework
2. Culture
  - a. Transition from a teaching to a learning environment
  - b. Transition to cooperative productivity among disciplines, with clear recognition and reward systems
  - c. Transition into an infrastructure of shared resources with efficient/effective services that are quantitatively managed for continuous improvement



# Addressing the Big Issues: Strategic Needs

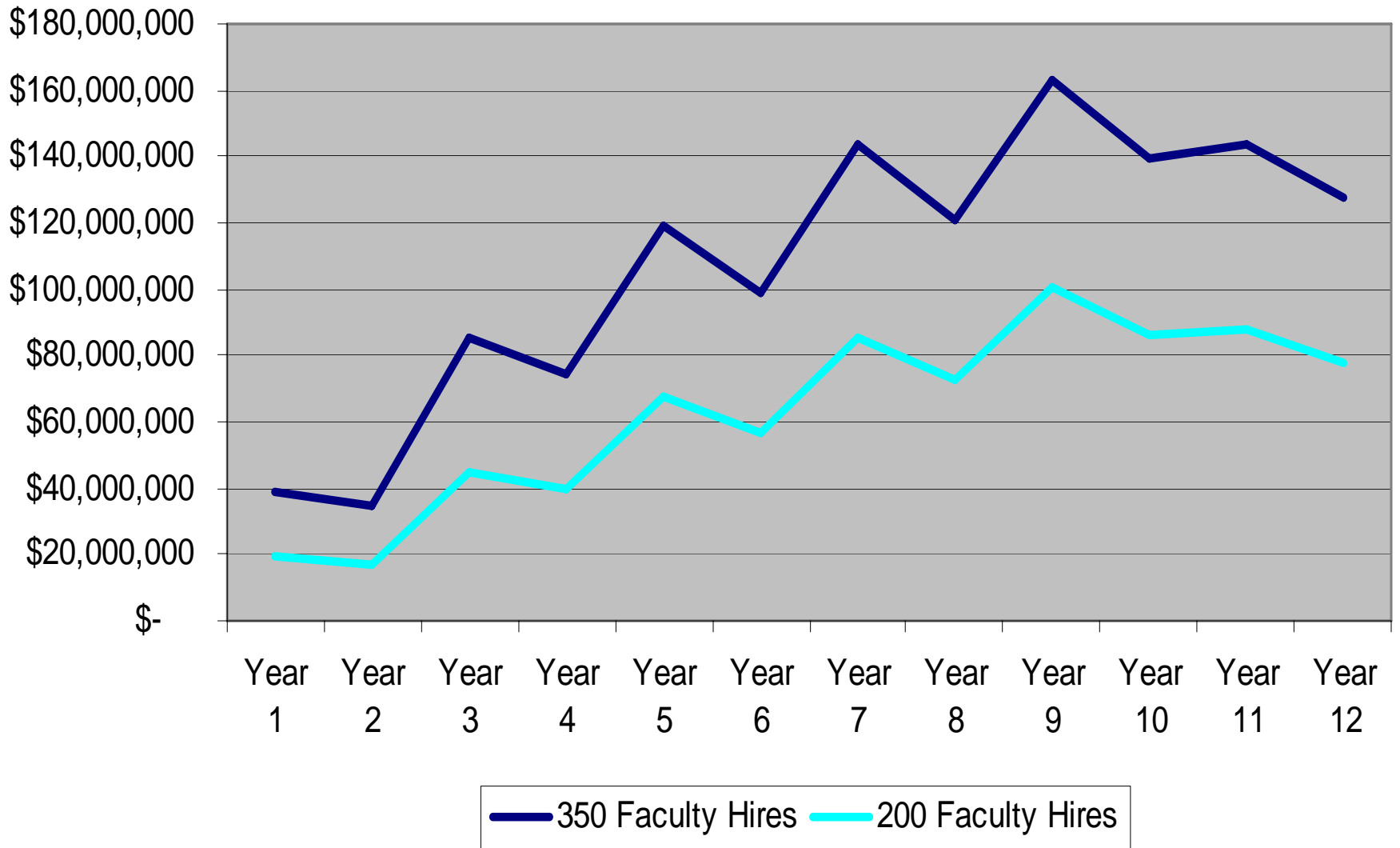
3. Community Partnerships
  - a. Partnerships with health systems in such areas as workforce needs, transformative health care delivery models, and quality outcomes
  - b. Strategic partnerships with the biosciences community
  - c. Continued development of the University-Mayo Partnership
  - d. Enhanced effectiveness in the partnership with Fairview Health Services
  - e. Increased effectiveness of the AHEC platform around the State of Minnesota

# Addressing the Big Issues: Strategic Needs

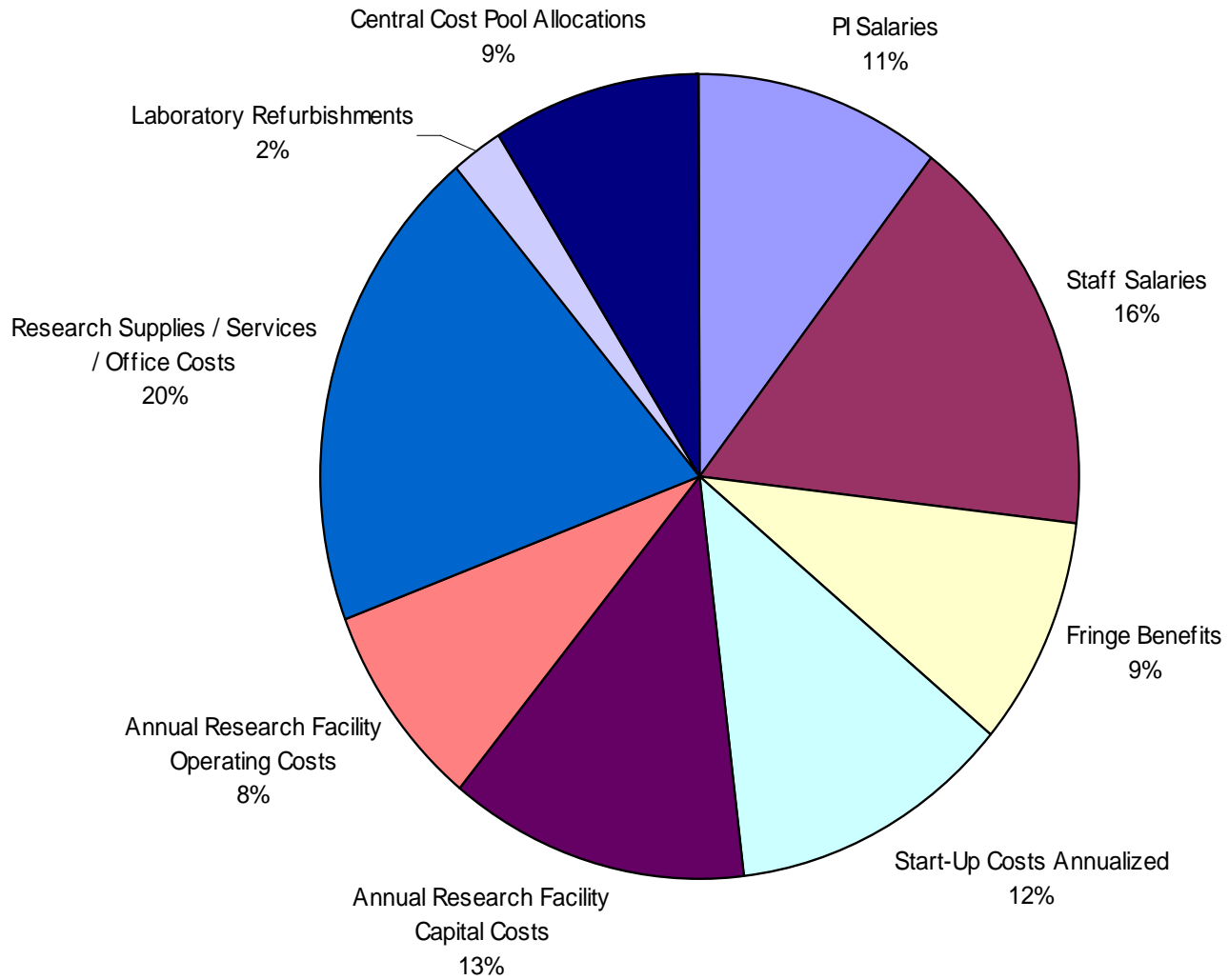
## 4. Resources

- a. Net increase of 350 faculty and associated staff
- b. Increase of 370,000 sq.ft. of new research space and an expansion of Center for Magnetic Resonance Research, CMRR
- c. Increase the average number of active clinical trials to 500
- d. Infrastructure support for the increased research
- e. Technology infrastructure to support research, the learning environment, and management decision making
- f. Appropriate space to support the new learning environment
- g. An all funds, partnership model for resource acquisition among the state, University, Fairview, UMPHysicians, philanthropy, and community

## Annual Estimated Funding Gap Between Incremental Revenue and Expenses



# Incremental Expenditure Categories



# AHC Growth Model – All Schools

- Potential Incremental Funding Strategies
  - University internal reallocation of existing O&M
  - New state special for Medical School
  - Additional annual philanthropy dollars
  - Increased support from the clinical enterprise
  - Internal efficiencies and reallocations
  - Entrepreneurial creativity\*

# Strategic Compact Investments in AHC: New State Dollars (millions)

<b>Investment Category</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>4 Year Total</b>
Research	0.3	2.0	5.9	7.7	15.9
Mayo Partnership	15.0	15.0	10.0	12.0	52.0
Faculty	2.6	5.2	9.3	11.2	28.3
Program Support	2.3	5.3	14.0	17.7	39.3
Infrastructure	1.3	2.4	5.0	9.6	18.3
<b>Cumulative Annual Totals</b>	<b>21.5</b>	<b>29.9</b>	<b>44.2</b>	<b>58.2</b>	
<b>4 Year Total</b>					<b>\$153.8</b>

# AHC Workforce Initiatives

## 5 Year State Funding Summaries

Primary Care	\$10.8M
Pharmacy, Duluth	\$8.6M
Nursing, Rochester & Expansion	\$2.9M
Hibbing, Willmar Dental Clinics	\$1.2M
AHEC	\$1.5M
Center for Allied Health	\$7.2M
Center for Interprofessional Ed	\$1.0M
MERC Program	\$125M*
<b>TOTAL</b>	<b>\$158.2 M</b>

# Facilities Investments of \$315M in the Last Six Years

- Molecular and Cellular Biology \$ 80M
- McGuire Translational Research \$ 37.5M
- 717 Delaware \$ 36.5M
- Medical Biosciences Building \$ 67.5M
- Educational Facilities \$17.0M
- Life Sciences/Pharmacy Duluth \$ 8.0M
- Dental Simulation Lab \$9.0 M
- Public Health Educational Facilities \$2.0M
- Equine Center \$14.0M
- Vet Med Clinical Renovations \$6.0M
- Vet Med Avian BSL3 \$2.5M
- Research Lab and Office Renovations \$10.0M
- CMRR \$16.4M
- Tesla Magnet \$11M



# Role of Philanthropy

- Increased importance in funding the margin of excellence
- Mason's legacy of support results in largest single gift to the University
- "Venture philanthropists" investing in outcomes

# Increased Clinical Support and Internal Efficiencies

- Successful competition in clinical market needed to support growth
  - Dentistry, Nursing, Pharmacy, Vet Med, Medicine
- Drive towards efficiency will require greater collaboration, and clustering of support services
- Need to learn to provide and compete for population based services as well as individual care

# Entrepreneurial Creativity\*

- Must provide an environment where faculty creativity occurs
- Must have public-private relationships in the development of new health technology
- Must develop a conflict of interest model that further ensures separation of financial interest from patient relationships

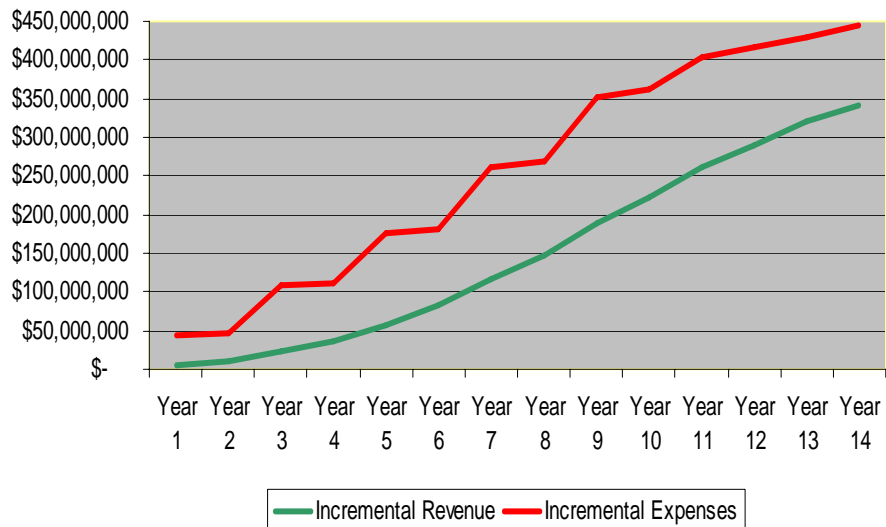
# Getting To The Future

- We need to create the future we envision.
- We must stay true to mission AND continue reaching for tomorrow.
- We must work together for our future to be successful.

# University of Minnesota Academic Health Center



**Gap Analysis: Incremental Research Revenue  
vs. Incremental Expenses  
(350 Faculty Hires)**



**Gap Analysis: Incremental Research Revenue  
vs. Incremental Expenses  
(200 Faculty Hires)**

