

I'm pleased to be here today to discuss the State of the Academic Health Center – as well as the impact of strategic positioning on its focus for the future.

Today's discussion will begin with a framing set of policy questions – then I'll share thoughts on the current state of the AHC and what brought us to this position –

and what we will need to do in order to achieve our role in support of the University's drive to become one of the top three public research universities in the world.

Policy Questions

- ◆ Can we sustain the AHC as Minnesota's major supplier of practicing health professionals?
- ◆ Can we define, nurture and support the growth necessary in research? What areas of research will we be known in?
- ◆ Can we manage the quality and risks of expanded community partnerships?
- ◆ Can we consider new approaches to resourcing the education and research mission?
- ◆ How dependent should we become on clinical revenue?
- ◆ How closely should we align with a single health system in the health marketplace?

We must answer some fundamental questions....

Can we sustain the AHC as Minnesota's major supplier of practicing clinicians?

Can we define, nurture and support the growth necessary in research? What areas of research will we be known in?

Can we manage the quality and risks of expanded community partnerships?

Can we consider new approaches to resourcing the education and research mission?

How dependent should we become on clinical revenue?

How closely should we align with a single health system in the health marketplace?

U of M Academic Health Center

- ◆ 6 Health professional schools and related allied health programs, over 15 interdisciplinary centers, and pivotal community health partners:
 - ◆ School of Dentistry, Medical School, School of Nursing, College of Pharmacy, School of Public Health, College of Veterinary Medicine
 - ◆ Including, Cancer Center, Center for Bioethics, Center for Drug Design, among others
 - ◆ State of Minnesota, Fairview Health Services, Mayo Clinic, and over 1700 other partners

The Academic Health Center is home to the six health sciences schools of the University of Minnesota.

In addition, the AHC delivers programs in the Allied Health professions of Mortuary Science, Medical Technology, Occupational Therapy, Physical Therapy, and Dental Hygiene.

These schools, colleges, and programs offer 62 accredited professional degrees and educate 6,400 students, supplying the majority of these health-care professionals for the State of Minnesota.

We have more than 20 centers and programs that span the AHC along with major collaborations, such as the Minnesota Partnership for Biotechnology and Medical Genomics that involves the University, Mayo Clinic, and the State of Minnesota, and the National Center for Food Defense and Protection, which engages us with a dozen other universities.

Faculty in the AHC...

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

Our students, graduates, and professional serve the state of Minnesota and beyond with our discoveries, our knowledge, and our care.

2/3 of health professional practicing in Minnesota

Discovery of new knowledge – promoting health, treating disease, and building bridges to new ideas.

Touch thousands of communities

Importantly, these faculty attract research dollars – more than half of all federal funding to the U comes to AHC researchers – researchers who are working to transform human and animal health.

Some of you have been here long enough to remember a time when the health sciences were struggling at the University. A bit of that history is contained in the longer report – but suffice it to say – this is no longer true. What we learned from a strategic visioning effort undertaken with the Regents six years ago has positioned us for a strong today – and an ever more promising tomorrow.

AHC Strategic Plan 2000: We have been successful

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

We started down the pathway of strategic planning and alignment with the Board of Regents 7 years ago.

A partnership with **Fairview Health Services** that is a national model.

The establishment of University of Minnesota Physicians, a successful care provider in the Minnesota health marketplace

Focused investments in areas of research strength—Cancer Center, Stem Cell Institute, Center for Magnetic Resonance Research, Center for Bioethics, Diabetes, Institute for Immunology and Transplantation....We have made decisions on where and when to invest!

A near doubling of sponsored project awards over the last five years

Innovative responses to health workforce shortages in Minnesota

College of Pharmacy expanded in Duluth

School of Nursing expanded in Rochester and through its post-baccalaureate program

Tripled enrollment in public health programs

increased class size in veterinary medicine and dentistry; and,

initiated the Center for the Allied Health Programs.

IN ADDITION: Creating **community partnerships for education** through the Area Health Education Centers that include schools in the MnSCU System.

Development of creative interprofessional education programs using learning technology and patient-centered care models,

And – our faculty are garnering national recognition for their accomplishments – including memberships in the National Academy of Sciences, Institute of Medicine, American Academy of Nursing, among others.

It would be a mistake not to point to our growing partnership with Mayo Clinic. The Minnesota Partnership for Biotechnology and Medical Genomics was formed to not only improve human health, but also the economic strengths of our state.

AHC Strategic Imperatives

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

This strategic effort to date has led to five strategic imperatives that remain at the core of our mission:

to prepare the next generation of health professionals who improve the health of communities, discover and deliver new preventions, treatments and cures, and strengthen Minnesota's health economy.

The key to the success of these strategies is partnerships and relationships – the AHC has reached the point where it cannot move ahead on its own through internal investments and relationships! We must grow and enhance the relationships with our colleagues across the U - with the Institute of Technology, the College of Biological Sciences, College of Food, Agriculture, and Natural Sciences, and the Schools of Law and Business, and many of the programs that reside in the College of Liberal Arts and the College of Education. Indeed, this need is part of the essence of University Strategic Repositioning!!

In addition, for biosciences in the State of Minnesota to be successful, the AHC needs to have more and stronger partnerships with the private sector, the health industry, the K-12 education system, and economic development enterprises.

Board of Regent's Discussion

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

Let me lay out what we're working to accomplish today

First – I'll give you a brief picture of what the Academic Health Center success and then highlight some of the challenges of our current environment and show you what's having an impact on our programs.

I'll then ask you to imagine a future – only five years out – in 2011 – when the Academic health Center has accomplished its part in driving the University to a top three position, and we'll then discuss the actions needed to reach that success in 2011.

Finally – we will visit what the key actions are that need to be taken.

AHC 2006: Rebuilding the Faculty and Clinical Sciences

- ◆ We lost faculty in the late 1990's. We have recruited new faculty in strategically defined areas of basic and translational science. (e.g., neuroscience, cancer, pediatrics, infectious disease, stem cell biology, immunology)
- ◆ The essence of an AHC is the clinical sciences—clinical scholarship that connects knowledge to the prevention and treatment of disease.

In the late 1990s we lost faculty – in large part due to the increasing dependence on clinical revenue”

Other reasons include, recruitment to another academic institution, Death, termination of appointment, private practice, personal reason/unknown, took job in government and retirement

Having made large investments in basic and translational science, the next focus is the current investments in clinical science. The clinical scientists make new knowledge into new treatments to prevent on treat disease, apply those treatments and then disseminate that knowledge into the community. The areas of recruitment of clinical scientists connect with the investments in basic and translational science, creating corridors of development that you will hear more about as we move through this presentation.

AHC 2006: Education

Success:

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

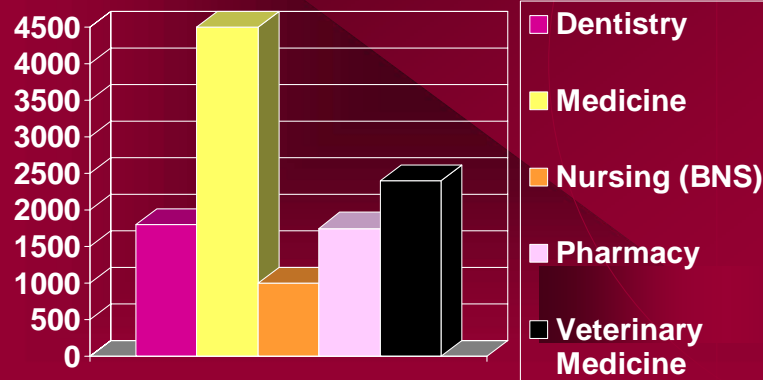
Challenges

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

Health professional education fundamentally requires experiential training – regardless of the model

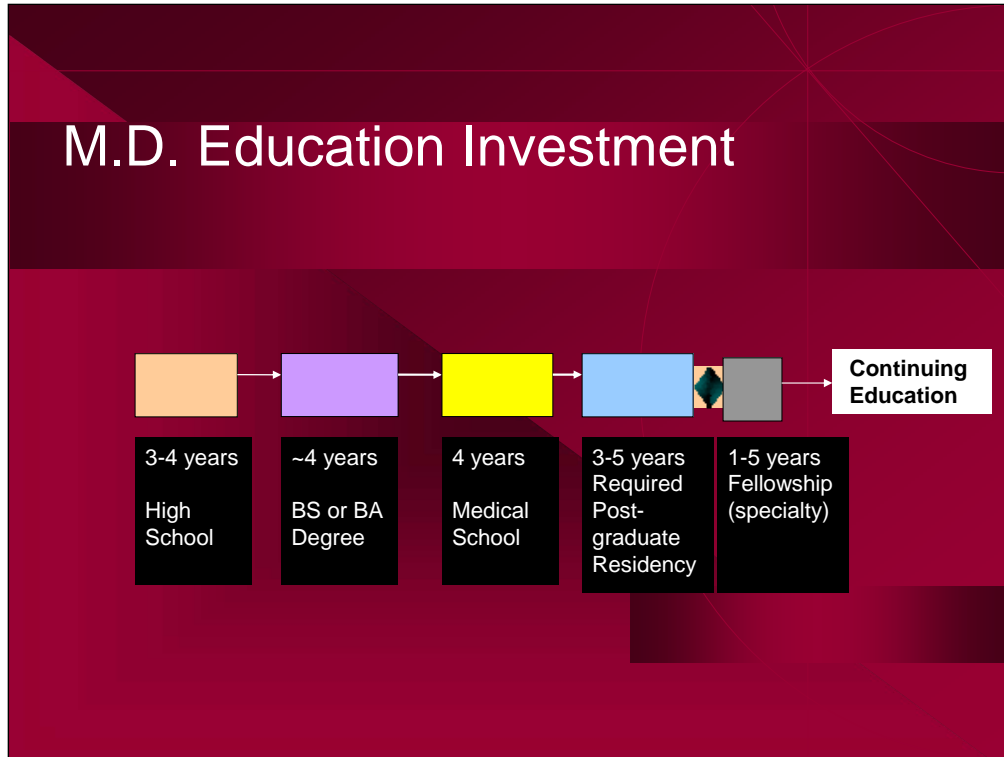
The paradigm is no longer one of memorizing facts achieving competencies in necessary skills. The paradigm now demands clear, demonstrable capability as a physician, nurse, dentist or pharmacist.

Required Clinical Hours per Student



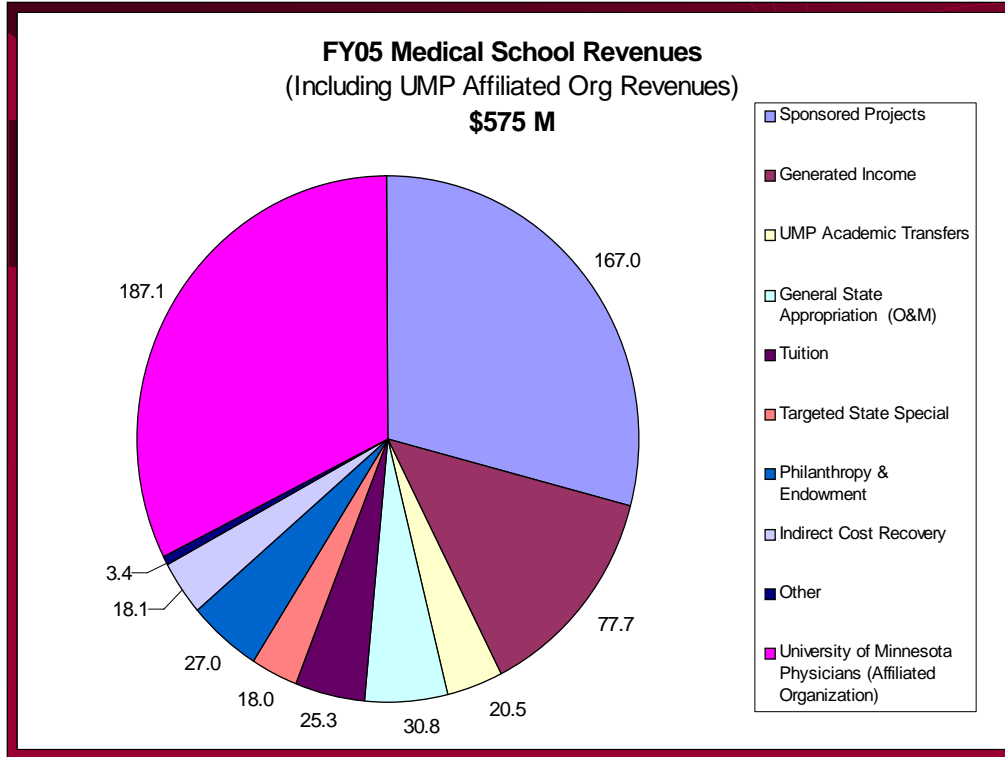
The training represented on this chart shows the number of hours of experiential education required for each of the health care professions within the AHC. **Experiential education happens outside the traditional classroom under the direct supervision of a mentor/teacher. Hence, it is more akin to field training, and is the reason we have affiliation agreements with over 1000 community, clinic and hospital sites in the State of Minnesota. This model also allows us to recruit from communities and train in those communities, increasing the likelihood that the students will then practice in those communities. This model also provides us the opportunity to develop and test various models of care delivery that employ the various providers in different roles.**

This experiential model also makes us interdependent with the communities, clinics, and health systems. Let me illustrate this interdependence a little more with the physician education/training model.

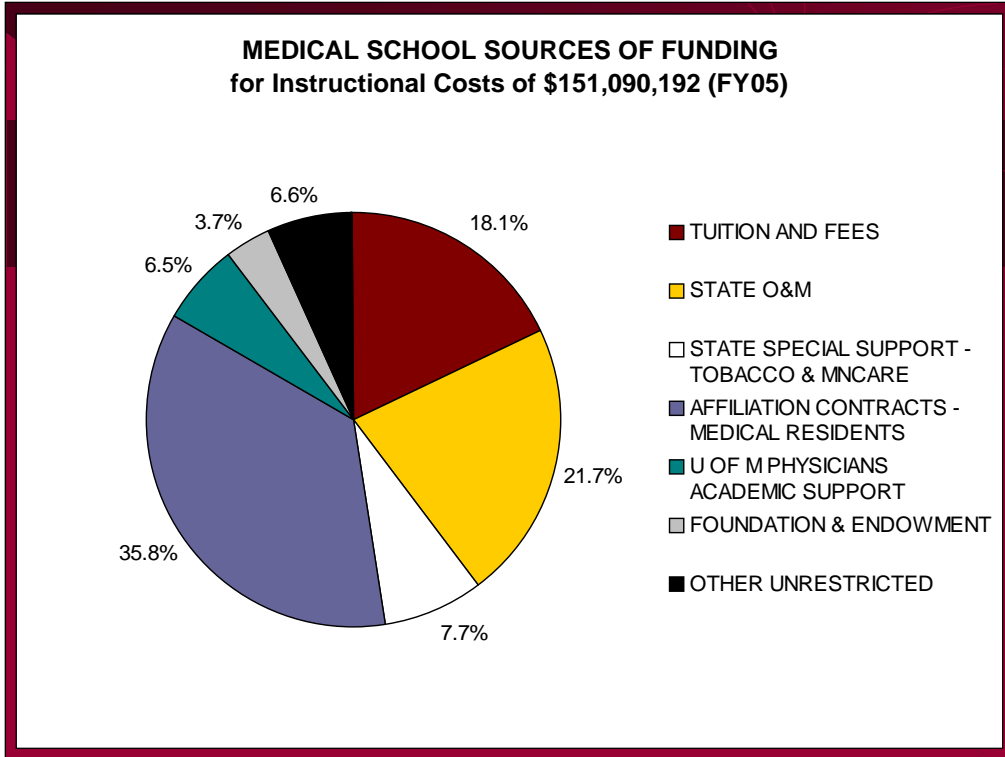


Laid out on this slide is the time invested in a medical education. It takes nearly 20 years to get the education and degree to practice as a physician—especially a specialist. That’s not to mention continuing education.

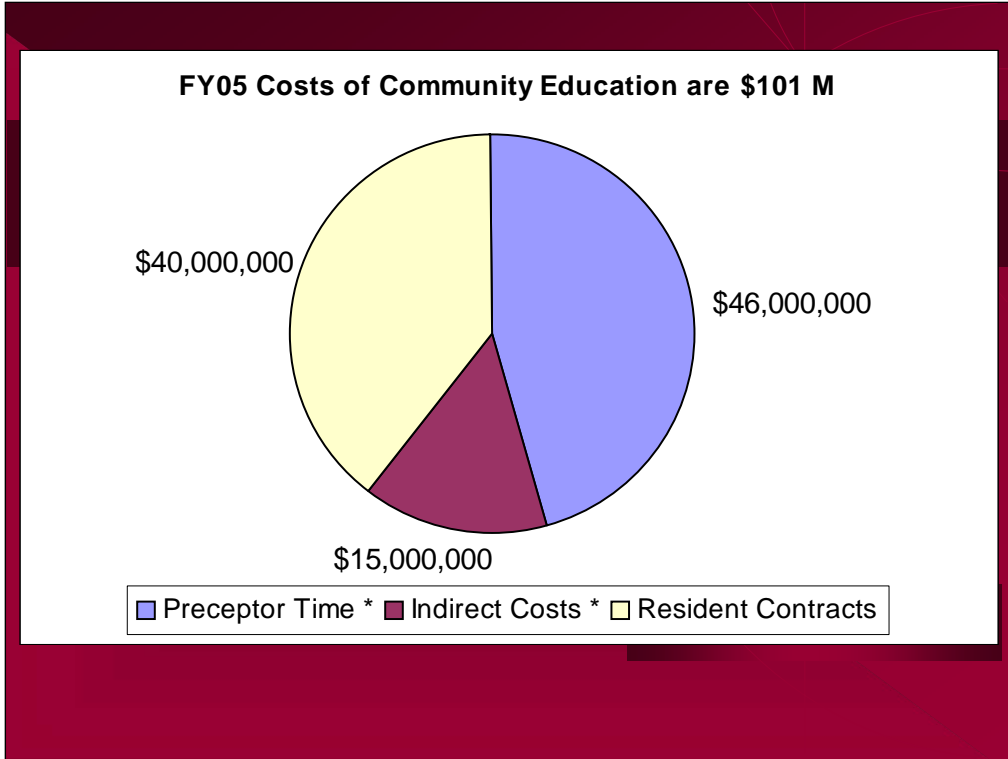
The other health science schools demand similar or greater commitment from the next generation of health professionals. Each school also has high tuition, so students graduate with increasing amounts of debt.



The important point to be made here is that the medical school gets nearly \$200 million a year - or nearly a third of all revenues come from the clinical practice. Thus, the mission is dependent on the revenue generated by UMP, revenue that cross-subsidizes the education and research activity.

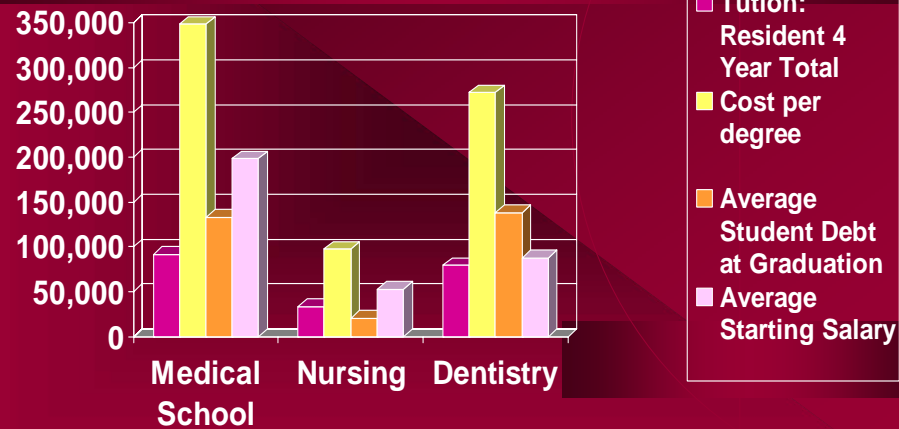


Here you can see that for instructional costs – we are heavily dependent on the generosity and commitment of our community partners and affiliates – to the tune of nearly 36 percent of all instructional costs. We are also financially dependent on our affiliated institutions for the education programs.



Education has real costs for the community affiliates. The Preceptor time here is pro bono to the Medical School. The direct and indirect costs are currently paid by Medicare and MERC, sources or revenue that will be going away over the next several years.

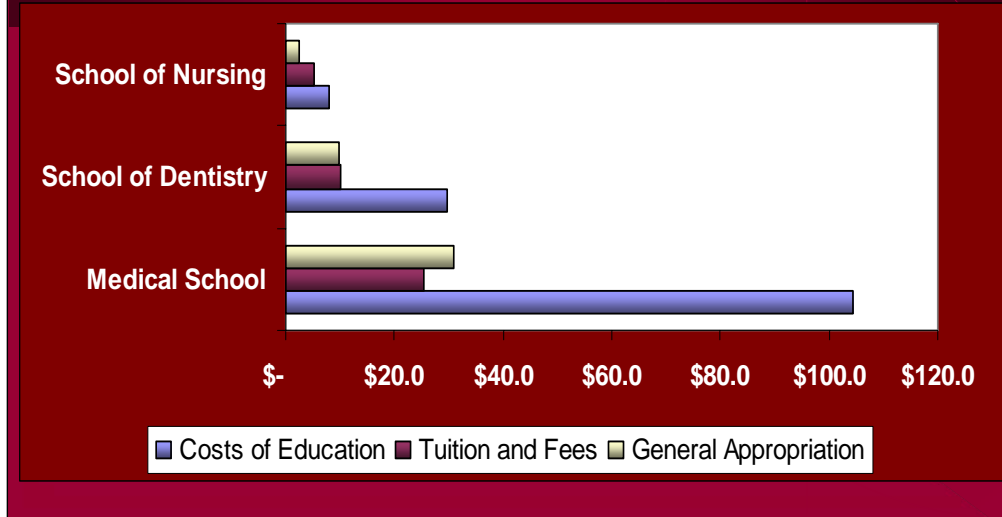
Debt is becoming a major barrier to health professional education



Now lets look at the interplay of the cost of a degree, tuition, debt and starting salary. There is variation by profession. The relationships are affecting the career choices that students are making. For medicine, tuition pays about 24% of the cost of a degree. The debt is causing students to look at the more high paying specialty and subspecialty careers, as opposed to those in primary care and family practice.

Now, lets look at this paradigm another way.

Direct Costs of Education Relative to Tuition, Fees and State Support



In summary – very different models combined with a very an environment that demands more graduates from our programs. We must find a way to educate, faster, cheaper, and deliver the highest quality care possible.

AHC 2006: Research Success

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

NEED TO REVISE NOTES

In health research, also, we have made major investments. These investments encourage interprofessional, interdisciplinary, and interscholastic research within the AHC and between AHC faculty and other University and institutional partners.

We've prioritized our investment to areas of competitive advantage for the university and the state:

genomics, proteomics and bioinformatics; diabetes; the Stem Cell Institute; neurosciences; infectious diseases; immunology; cancer and drug development. We have also partnered with CBS and IT in areas of tissue engineering, device design and development, structural biology and in the chemical and computational sciences. We have also formed interinstitutional relationships in food safety, animal health and in human health.

External funding was leveraged to develop the Minnesota Partnership in Biotechnology and Medical Genomics (U-Mayo Partnership) – to date over \$50 million invested by the State of Minnesota. As well as the National Center for Food Protection and Defense. Many of these investments link basic and translational research. The result has been a steady growth in both National Institutes of Health (NIH) and other sponsored project awards

The AHC is now ranked number 21 in NIH funding – rising over \$200 million in direct awards, up from about \$140 million 5 years ago. In just the last three years, our Cancer Center has moved from number 39 to number 31 in its ranking from the National Cancer Institute.

Total AHC research awards approach \$350 million, also pointing out that non-NIH awards have become an important source of research support.

The new research space that has been brought on-line has more investigators in less square footage of research space doing more work per square foot. This is a credit to the productivity of the faculty.

AHC 2006: Research Challenges

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

Yet, our further growth is challenged by impending limits on traditional sources of funding – federal funding is increasingly competitive and limiting.

And then there's the issue of space – WITHOUT IT, WE CAN'T PLAN and we can't. Although we've replaced a number of buildings - a lack of research space—sufficient and up-to-date, sophisticated space, laboratories, and equipment—hampers our growth in research.

In particular, the lack of top-shelf space hampers our recruiting of outstanding faculty. I'll address this issue later.

To make a difference in human health, this University is poised today – more than most others – to fully leverage all our disciplines to advance medical science. Our challenge will be how we foster those collaborations and provide the right incentives for doing so.

We've done a good job establishing systems for public/private partnerships – the model needs to continuously improve.

For every dollar we receive from the federal government, we need to find nearly a dollar more to support the indirect costs of doing the work.

Staying ahead of the next generation of technology enables our scientist to be world-leaders.

AHC 2006: Clinical Sciences Success & Challenges

Success

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

Challenges

- ◆ Need for recruiting and supporting clinical scientists
- ◆ Recognizing clinical scholarship
- ◆ Outdated clinical facilities that do not support the mission
- ◆ Increased demand that the practice plans cross-subsidize our education and research missions.

Let me turn to the clinical sciences, the core of what an academic health center is about. Clinical sciences have been defined as “the contributions of scientific disciplines to health promotion and the prevention, diagnosis, and treatment of disease through the development (research), communication (teaching), and application (clinical care delivery) of new knowledge.”

Still, we face challenges.

Recruiting excellence takes time – in some cases years

We also need to recognize clinical scholarship with new models of support.

Our clinical facilities do not support the clinical research and the education of the next generation of health professionals. The clinics were designed for a care model that was used 30 years ago and were not designed for the over 300,000 patient visits that now occur. Our primary hospital, UMMC, with its double occupancy rooms, does not support the volume of activity that we really need, whether pediatric or adult services.

AHC 2011 Education: *Mark of Distinction*

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

Enough about where we are at and our challenges – because our goals are achievable. **What has been incorporated into this portion of this talk, in part, comes from the task forces that are part of University Strategic Repositioning.**

Allow me to share with you a vision - What will the AHC look like in 2011? While Education, Research, and Clinical Sciences are intricately woven (especially as we talk about facilities and finances) bear with me as I provide a snapshot for each.

Future health professionals thrive in an patient centered environment of **continuous learning and improvement.**

World-renowned **scholars in clinical sciences**

Recognized for **interdisciplinary models** of education and care delivery

Fully engaged in **community partnership** along the spectrum of health care needs

E-health is real – education platforms, online learning, immediate knowledge.

AHC 2011 Research: *Talent Magnet*

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

In 5 years – this University will be part of the research teams that on the cusp of a cure for Type 1 diabetes through stem cell research; We have pioneered the imaging techniques that has brought a drug for the treatment of early on-set Alzheimer's disease to market, we rank among a handful of destination centers for innovative outreach to stop the advancement of our country's obesity epidemic. We are shaping our area of competitive difference and shaping the new biomedical science economy of the state.

We've done this because we have become a magnet for top talent. And, we've established:

Well-developed **corridors of interdisciplinary research** within the AHC and across the University that connect discovery with application to care delivery and improvement of health in focused areas of excellence. **As examples:**

1. **Neuroscience: cognitive sciences in CLA are connected with translational science in Alzheimers and the clinical scholars are applying new therapies in the clinic.**
2. **Regenerative Medicine: Stem cells can be coached to become heart cells and are in clinical trials for the treatment of heart attacks.**
3. **Transplantation: The immunologists and cell biologists and working with the geneticists to create processes that enable organs to be transplanted with better and longer function and much fewer complications.**
4. **Nanobiology: The engineers have developed a nano-delivery system for a cancer bomb that precisely delivers the bomb to the cancer cells and destroys them.**
5. **Therapeutics: a. basic biology of solid tumors like prostate, lung, breast, and colon, are used to design and synthesize drugs that are targeted and specific that are then manufactured in the GMP facility and put into clinical trials for testing.**
 - b. **Biomedical engineering and medicine are working in the Center for Device Development to bring new delivery systems new therapies, and new ways of managing the affects of paralysis.**

Imagine this example – touching all areas of our university:

A basic scientist in the Cancer Center discovers a receptor on a cell that stops the growth of a cancer; a medicinal chemist then discovers a compound that can activate that receptor and designs and makes the drug; the clinical trials unit proves the drug's efficacy; the technology is licensed into a new company to produce and market the drug.

AHC 2011 Clinical Science: *Destination of Choice*

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

The University of Minnesota is a destination of choice for clinical scholars whose work will improve health care policy and practice.

They see University of Minnesota Physicians in 2011 as an integrated group practice that encompasses medicine, pharmacy, nursing, and dentistry. It incorporates wellness, disease prevention, and chronic care management into an efficient, electronically supported evidence- and best-practice-based system of care delivery.

The University is the destination of choice for patients seeking the leading edge, patient-centered care – offering break-through knowledge for preventing and curing diseases.

Technology – our e-health reality – works to benefit patient privacy, access to the most current medical practice and expertise, ensure the seamless participation in the clinical experience, and provide choice for the patient.

They see a relationship with Fairview Health Services in 2011 that supports the education and research mission of the Academic Health Center and competes effectively in the health marketplace.

AHC 2011 Facilities and Finances

Facilities

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

Finances

- ◆ Expanded sources of revenue – philanthropy, private industry, sale of education enhancing tools
- ◆ Increased partnerships and relationships of investment
- ◆ State of Minnesota has invested in the vision

In our vision for 2011, the Minnesota Biomedical Sciences Research Facilities Authority has been successfully implemented. I want to return to the present for a moment to say that we came a long way at this session of the legislature and I believe we will have an opportunity next year to re-introduce this proposal for five new research buildings over 10 years.

But back to the future: The first building, the Medical Biosciences Building, is now filled with scientists performing **cutting-edge research in cancer, infectious disease, and immunology**. A second biomedical research facility is under construction. It will house interdisciplinary activities in **neuroscience, nanomedical science, and other programs that jointly engage the Institute of Technology and the Academic Health Center**.

We have recently opened our doors to the finest children's hospital in the region – marking Minnesota as a leader in pediatric services

In 2011, our growing revenues rely on philanthropy, partnerships with industry and clinical care, external sales from education programs.

We are partnering with the health systems and communities to determine number of health professionals needed and developing the financial model to produce that workforce.

Based on the return on investment to this state and its citizens, the State of Minnesota invests in the vision with the University.

Getting to 2011: Education

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

How will we get there?

What we've outlined in education can best be described by our friends in the business community as **continuous quality improvement**.

To get there, we are developing leadership models of health professional training and increasing our interprofessional training, because health care now is delivered by teams. We are deepening our partnerships to better respond to local and statewide needs for health professionals and to better reach underserved communities. We are making more profound our mastery of technology and information systems to better teach our students.

We cannot state this enough – it is an education imperative for Minnesota and the country. We must reduce the time and cost of a health professional degree.

Getting to 2011: Research

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

It's an exciting vision but it will take effort, support, and—I told you I'd return to this topic—faculty - and later facilities -- to achieve it.

As we detail in the report, to become a top-three public research university, we will need to **increase our research funding by \$160 to \$250 million. New faculty would number between 470 and 830**, depending on the assumptions. **Costs for each one would be about a half-million dollars**, typically, to equip a lab and pay for work until the grants are written and awarded.

Moving knowledge from the bench to the bedside – we must have corridors of collaboration that enable that work to move more quickly to the patients who demand it. We will build on existing relationships, such as the U-Mayo partnership, as well as finding new ones.

And we will continue to leverage the strengths of this institution in health sciences as well as engineering, chemistry, and other disciplines – enabling this institution to be seen as a unique asset with a unique and unparalleled research mission.

We will make smart research investments and set high expectations for results in research. We will make choices – choices that mean strategic investments faculty and their infrastructure of advance core scientific strengths in the new biology.

Getting to 2011: Clinical Sciences

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

These exciting visions will require:

increased and increasingly effective clinical research

New models of prevention and care delivery

Bringing knowledge management into health care, through health informatics, competencies education, and improved links to information systems. Evidence and best practice with continuous improvement must become the core of decision-making for care delivery.

New facilities to support the new care delivery and to compete effectively in the marketplace. The current inpatient and outpatient facilities now are supporting more than three times the patient visits they were designed to accommodate.

A leadership group from AHC, Fairview, and UMPhysicians has been working for several months on a new model of the relationship with Fairview—and I'm very optimistic for the future.

Getting to 2011: Facilities

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

To realize this future, we need facilities to train tomorrow's clinicians in a patient-centered, service driven model; facilities with technology to enhance efficient and team-based learning

We cannot hope to recruit top talent without first getting us on track for a new research facilities.

I hope you will support our efforts when we go back to the Legislature next session for the facilities authority. We need this investment so that we don't fall behind other states, who are making substantial investments in research.

Our faculty need **space**. As we hire over 500 new faculty, we would need up to 600,000 square feet of lab space, at a cost of some \$370 million. The return on this investment will be fantastic.

To be a destination of choice for care – new models – again, patient-centered models – will advance the institution the pipeline of leading –edge research, and the experience worthy of our patients.

Getting to 2011: Finances

- ◆ Capture increasing market share of federal grants
- ◆ Support growth via the success of the clinical enterprise in the marketplace
- ◆ Expand philanthropic efforts
- ◆ Developing new areas of mission-based revenue, e.g. learning technology
- ◆ Successful technology commercialization

We also need to several financial and administrative goals:

Capture “market share” to increase federal research grants

Refocus and reorganize the clinical enterprise to support growth in mission fulfillment

Develop more effective fundraising and gift activity through the Minnesota Medical Foundation and University of Minnesota Foundation

Achieve internal efficiency and effectiveness in resource use within the AHC ---and doing all this, of course, while coordinating and planning as an integral part of the University.

We can innovate here as well –

tools New areas of revenue in our education enhancing learning

Unique models of feeding the commercialization pipeline.

Streamlining our own core functions – challenge our traditional processes.

Getting to 2011: Strategic Repositioning AHC Task Forces

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

➤ http://www.umn.edu/systemwide/strategic_positioning/

These are the four task forces that the AHC led, out of the 34 University-wide taskforces. The information and actions inherent in all these task forces provide both a platform and a pathway to become a top three public university. President Bruininks will be bringing that to you later this year. Let me just say here that these task forces have already informed much of what is in this presentation you are experiencing today.

Making It Happen

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

In summary:

This University has a unique AHC. Few other institutions in this country can claim to be home to a more comprehensive center of health professionals who can easily reach across streets, campuses and buildings to partner with leaders in the fields of engineering, food and nutrition, agriculture, information technology, law, and public policy. We must leverage this strength to move ahead and achieve the vision that is within our grasp!!

We are not building from scratch – our vision is one built on moving beyond foundation success and toward national excellence.

Leverage the disciplines inside and outside the AHC to compete for research dollars – target our strengths!

Leverage the interprofessional nature of the AHC to develop new education models and to compete in the marketplace

Develop integrated research and service corridors

Recruit the faculty and invest in the facilities

Develop a sustainable financial model to support growth – **Cost of education and doing business must be reduced.**

Drive efficient and effective education paradigms and platforms.

Build strategic alliances in the marketplace

Assume leadership role in transforming health care

Conclusion

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

During this presentation, I have pointed out highlights of the AHC's current situation and future prospects. Compared with the past, today's AHC is operating from a stronger position, with faculty and staff in the institution clearly focused on future opportunities and expanded internal and external relationships.

There is more to be done. There are no top three public research universities without a successful academic health center.

An academic health center is the core of a world class university devoted to human and animal health, and to the breakthroughs that promote health and treat and cure disease. To be successful, we will need the support and understanding of the Regents.

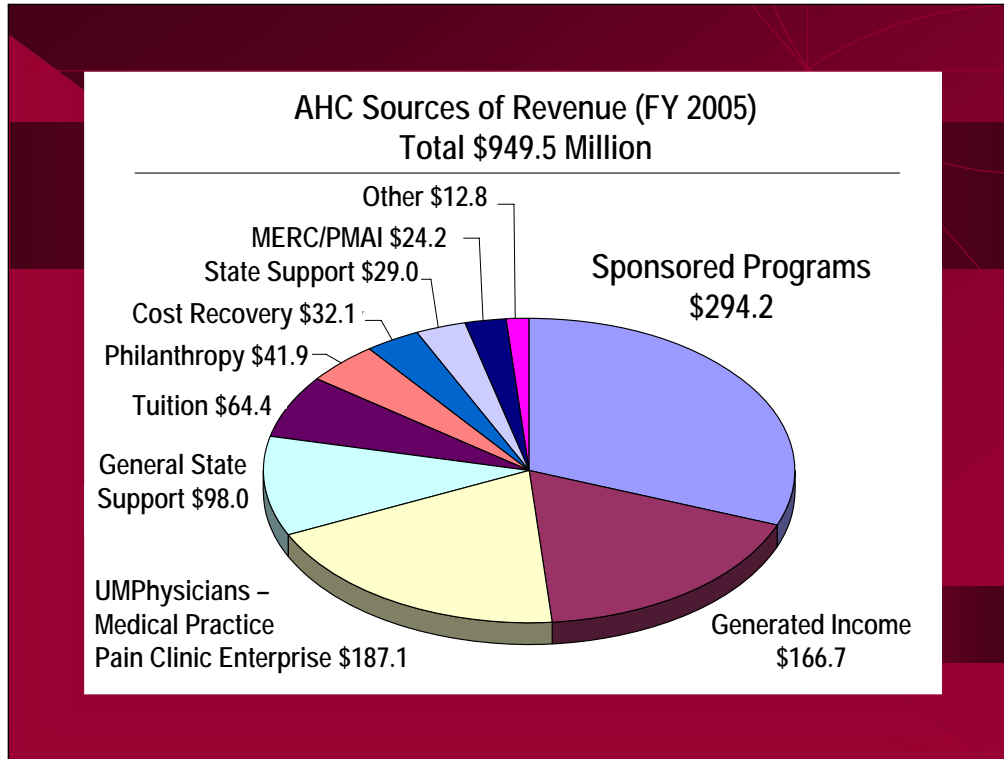
Combining the strengths of this institution will provide the foundation for the University to advance to its aspirational goal of becoming top three among public research universities, and will allow the AHC to advance to its next level of development.

Thank you.

Policy Questions

- ◆ Can we sustain the AHC as Minnesota's major supplier of practicing health professionals?
- ◆ Can we define, nurture and support the growth necessary in research? What areas of research will we be known in?
- ◆ Can we manage the quality and risks of expanded community partnerships?
- ◆ Can we consider new approaches to resourcing the education and research mission?
- ◆ How dependent should we become on clinical revenue?
- ◆ How closely should we align with a single health system in the health marketplace?

We must answer some fundamental questions....

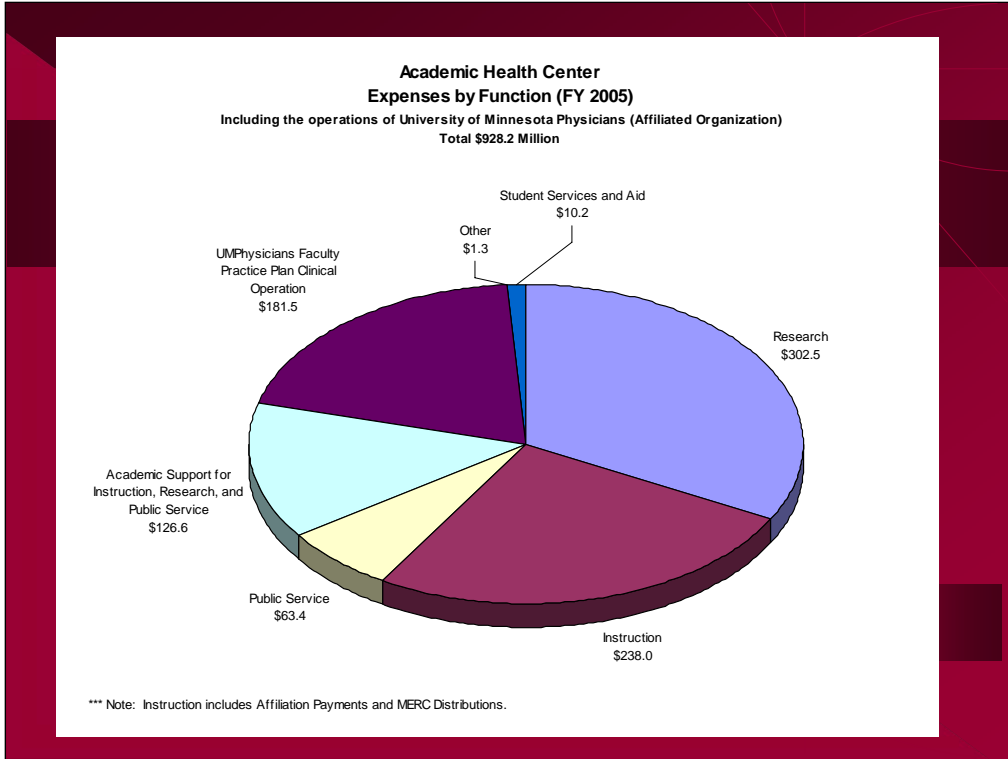


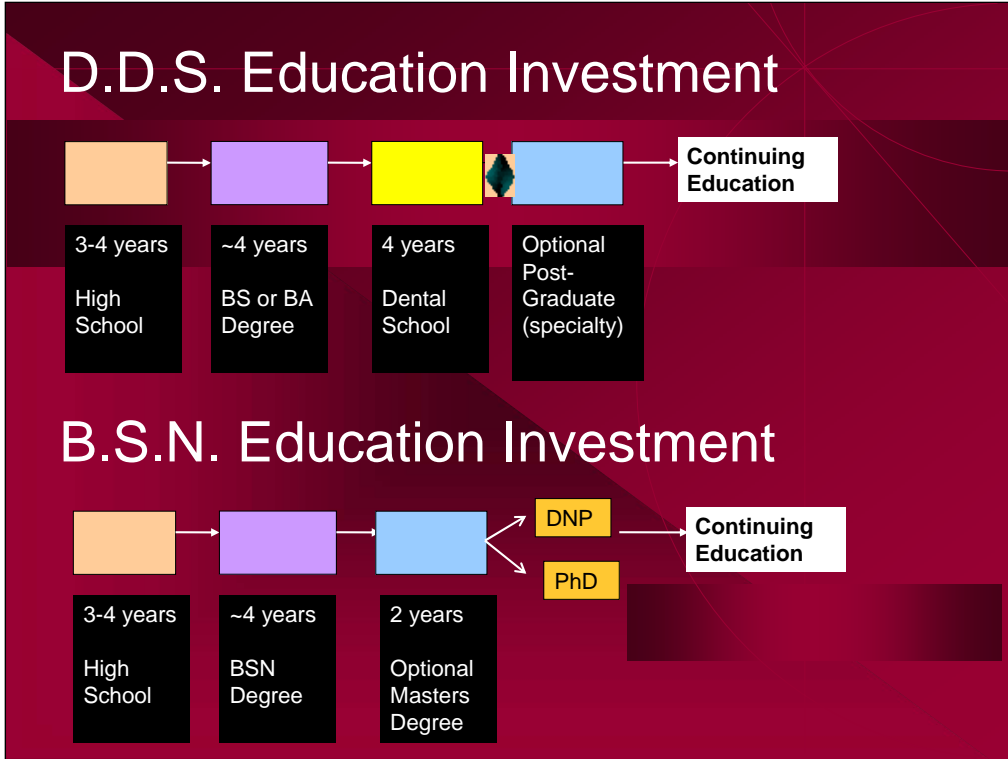
The financial challenges are real. Of our revenues, approximately 7 percent are from tuition, less than 10 percent from the state, more than 31 percent from sponsored projects, about 33 percent from clinical practice, and an increasing amount from philanthropic support.

The detailed pie chart of AHC spending also is in the printed report, on page 19. But these are snapshots. They don't reveal our schools' continuing struggles for funding.

We now are in a fiercely competitive time when the NIH budget has flattened and federal reimbursements for education are dropping.

In addition, state support has decreased over time. Meanwhile, our affiliate sites grapple with how to continue their substantial contributions to our education of the next generation of health professionals. We need to figure out a new financial model.

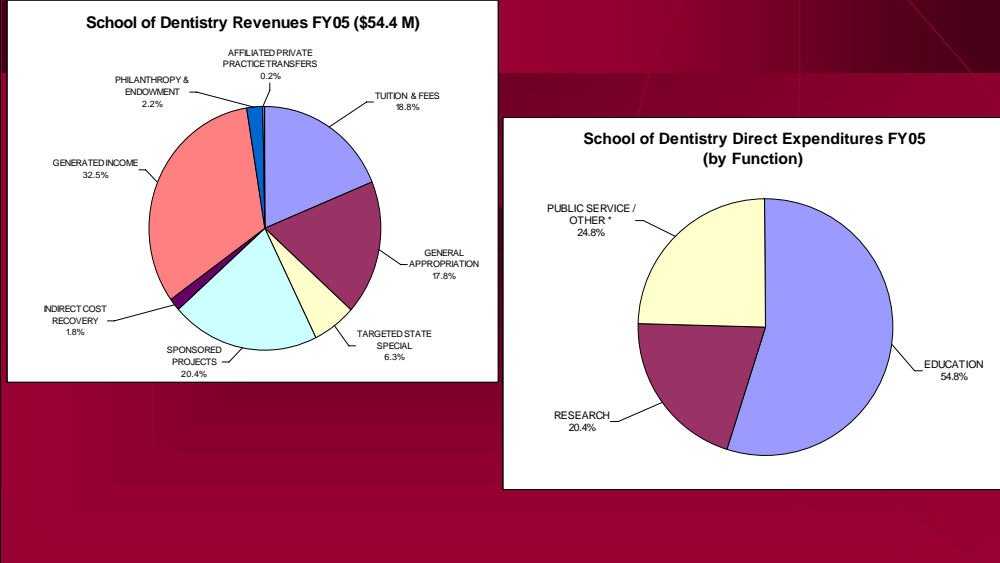




Dentistry

Nursing

Models for the School of Dentistry

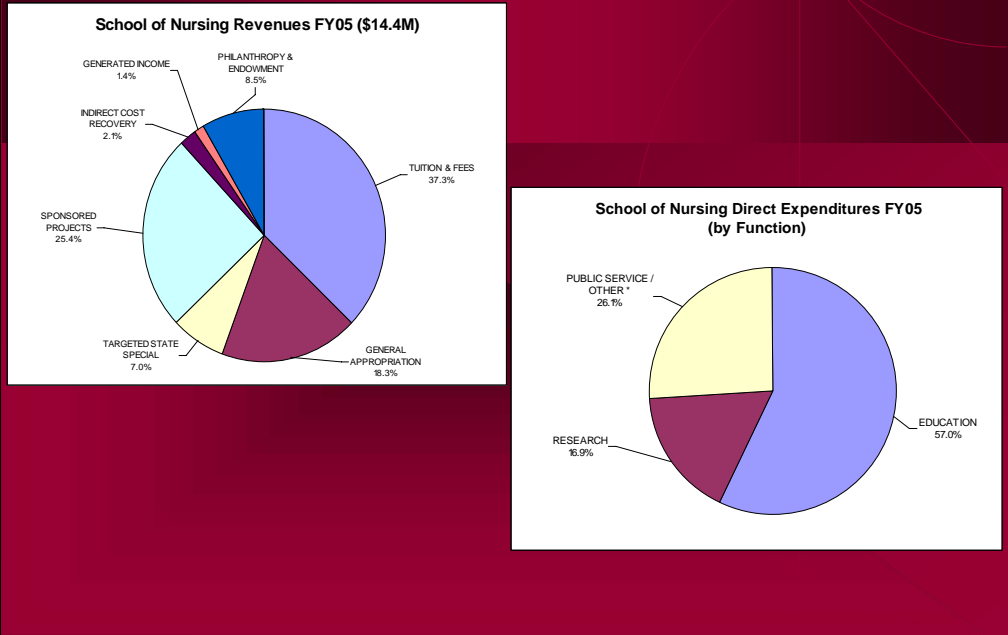


Not all models are the same for our schools.

While the School of Public Health represents a complete anomaly among our schools, others show a more varied picture....

Dentistry – Here education is subsidized by state appropriations, and their clinical practice.

Models for the School of Nursing



In the school of nursing; tuition and state support fully cover the cost of education.