



## TABLE OF CONTENTS FOR HEALTH AFFAIRS COMMITTEE

**Committee Meeting:** 8/24/2011

**Board Meeting:** 8/25/2011  
Austin, Texas

Robert L. Stillwell, *Chairman*  
James D. Dannenbaum, *Vice Chairman*  
Paul L. Foster  
Printice L. Gary  
Wallace L. Hall, Jr.

	<b>Committee Meeting</b>	<b>Board Meeting</b>	<b>Page</b>
<b>Convene</b>	2:30 p.m. <i>Chairman Stillwell</i>		
1. <b>U. T. Health Science Center – Houston: Discussion featuring research opportunities, accomplishments, and challenges</b>	2:30 p.m. <b>Discussion</b> <i>Dr. Shine</i> <i>Interim President Colasurdo</i>	Not on Agenda	<b>181</b>
2. <b>U. T. Medical Branch - Galveston: Report on the Jennie Sealy Replacement Hospital Project</b>	3:00 p.m. <b>Report/Discussion</b> <i>President Callender</i>	Not on Agenda	<b>200</b>
3. <b>U. T. Southwestern Medical Center: Approval to a) enter into an affiliation agreement with Children's Health Services of Texas to create the Children's Medical Center Research Institute at U. T. Southwestern, and b) enter into Facility Use and Services Contract with Children's Medical Center Research Institute at U. T. Southwestern</b>	3:15 p.m. <b>Action</b> <i>President Podolsky</i>	<b>Action</b>	<b>200</b>
4. <b>U. T. M. D. Anderson Cancer Center: Approval of a) expenditures of up to \$108,000,000 to fund the overall marketing plan for FY 2012 through FY 2016, b) authority to award marketing-related contracts, and c) appropriation of \$108,000,000 from Local Hospital Revenues</b>	3:25 p.m. <b>Action</b> <i>President Mendelsohn</i> <i>Mr. Leon Leach</i> <i>Dr. Safady</i>	<b>Action</b>	<b>201</b>
5. <b>U. T. System: Approval to a) establish a Doctor of Translational Science degree program proposed jointly by U. T. Health Science Center - San Antonio, U. T. San Antonio, U. T. Austin, and in cooperation with U. T. Health Science Center - Houston, and b) submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action</b>	3:35 p.m. <b>Action</b> <i>Dr. Shine</i> <i>President Henrich</i> <i>President Romo</i> <i>Dr. Michael Lichtenstein,</i> <i>U. T. Health Science Center - San Antonio</i>	<b>Action</b>	<b>210</b>

	<b>Committee Meeting</b>	<b>Board Meeting</b>	<b>Page</b>
6. <b>U. T. System: Approval to a) distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns for Fiscal Year 2012, and b) amend the Plan</b>	<i>3:45 p.m.</i> <b>Action</b> <i>Mr. Burgdorf</i>	<b>Action</b>	<b>213</b>
7. <b>U. T. System: Update on the Transformation in Medical Education (TIME) projects</b>	<i>3:50 p.m.</i> <b>Report/Discussion</b> <i>Dr. Shine</i>	Not on Agenda	<b>218</b>
<b>Adjourn</b>	<i>4:00 p.m.</i>		

1. **U. T. Health Science Center - Houston: Discussion featuring research opportunities, accomplishments, and challenges**

### DISCUSSION

Executive Vice Chancellor Shine and Interim President Colasurdo will lead a discussion concerning research opportunities, accomplishments, and challenges at U. T. Health Science Center - Houston using the PowerPoint presentation on Pages 182 - 199.

# RESEARCH PROGRAMS - UTHealth

## THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

Giuseppe Colasurdo, M.D.

---

The University of Texas System Board of Regents' Meeting  
Health Affairs Committee  
August 2011



**THE UNIVERSITY of TEXAS SYSTEM**

*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

# Agenda

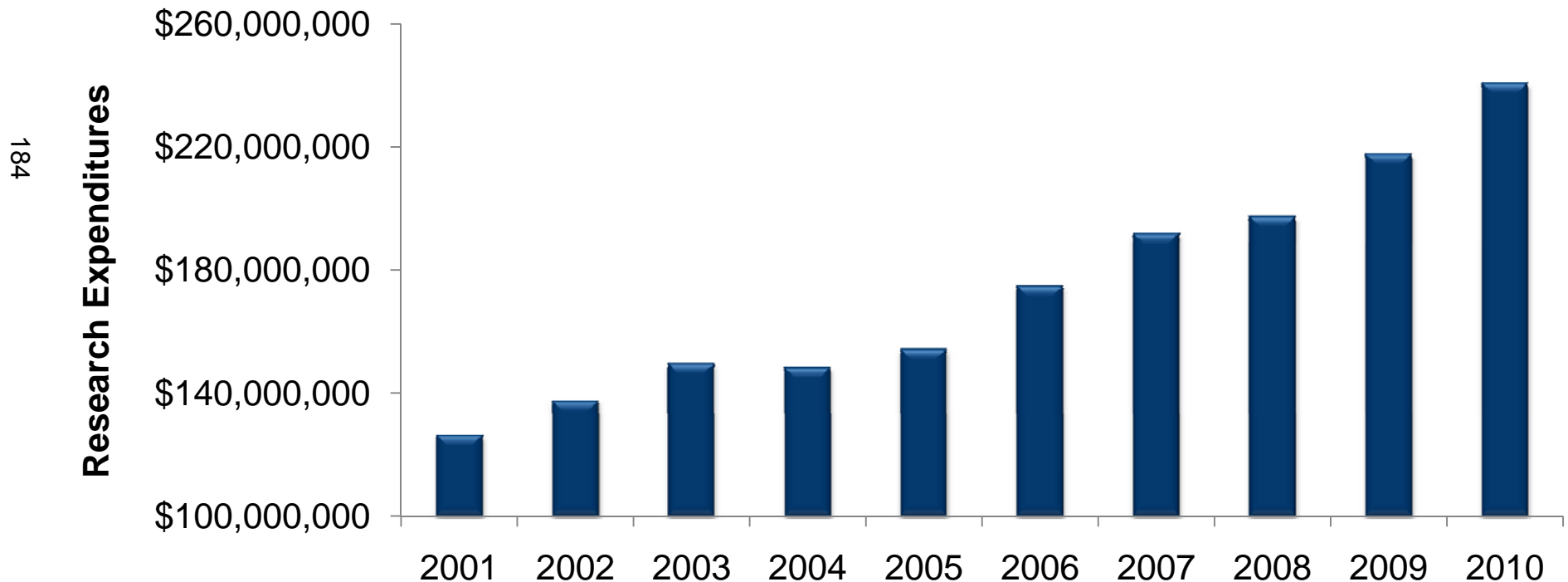
- Research programs overview
  - Faculty, growth, and productivity
  - Facilities and expansion
- Areas of excellence
- Improving outcomes

183



# Growth of Research Programs

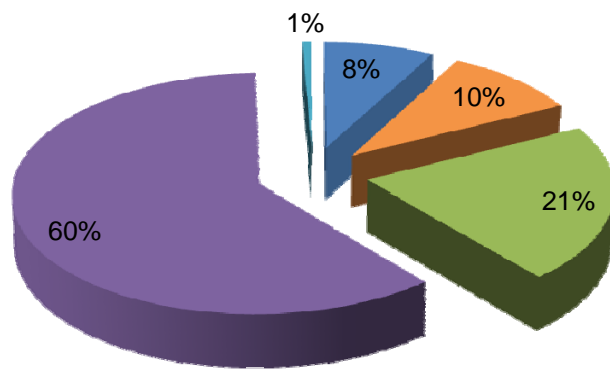
- Research Expenditures: \$240 million (9.1% increase/year)
- NIH Awards: \$131 million (4.4% increase/year)
- Faculty: 1585 full- and part-time (470 total increase since 2001)



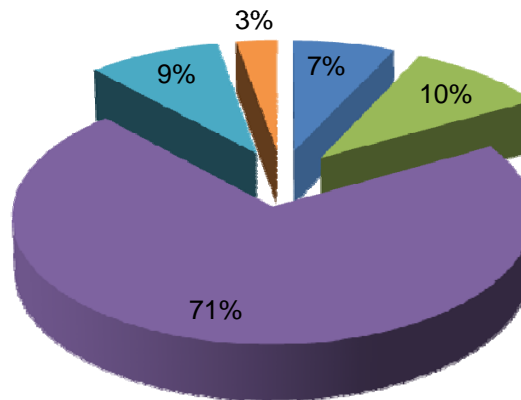
# Research funding by source

## FY 2012 Revenue Budgets by Department

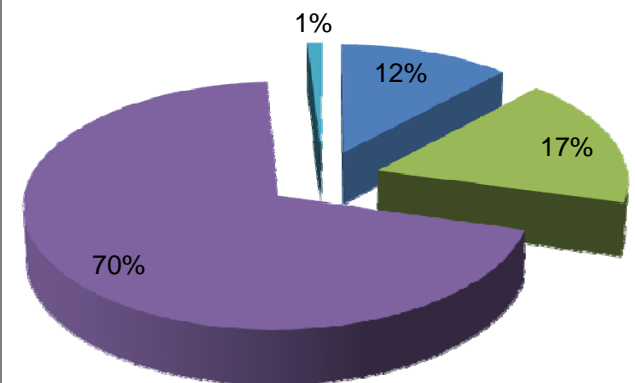
### Integrative Biology and Pharmacology



### The Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases



### Biochemistry



■ Indirects ■ State ■ Contracts and Grants ■ Gifts and Endowments ■ Other Designated



# Texas Medical Center - UTHealth



186






**THE UNIVERSITY OF TEXAS SYSTEM**  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*



# UTHealth facilities

## TMC South Campus

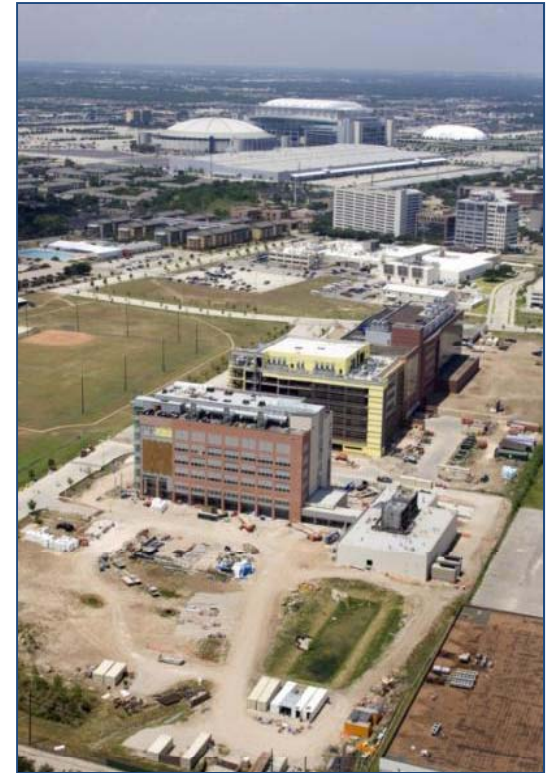
-  The University of Texas Health Science Center at Houston Campus
-  Tuition Revenue Bond  
2009 requested funding for facilities
-  UT Graduate School of Biomedical Sciences resides in a section of UT M. D. Anderson Cancer Center's George and Cynthia Mitchell Basic Sciences Research Building.



# Facility expansion

2.4 million square feet of research space added since 2001

188



# Areas of excellence

- Aging
- Immunology
- Neurosciences
- Patient quality and safety
- Population genetics
- Public health
- Trauma and rehabilitation
- Women and children

## UTHealth gets \$15 million for health information technology research

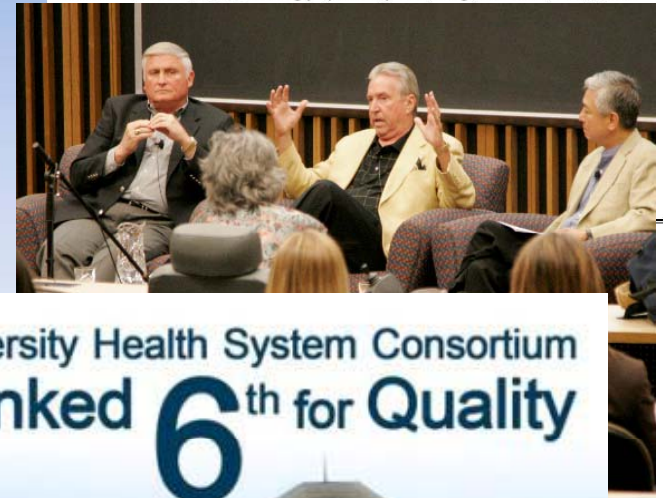
HOUSTON - (April 6, 2010) - Biomedical and health informatics researchers at The University of Texas Health Science Center at Houston (UTHealth) received a \$15 million stimulus grant to establish the National Center for Informatics and Decision Making in Healthcare (NCCD) at UTHealth. Under the grant, faculty will conduct breakthrough research to improve the safety and meaningful use of health information technology.

The center is one of four presented by the Office of the National Coordinator for Health Information Technology (ONC) through the American Recovery and Reinvestment Act of 2009.

## National Research Council Rankings

**Top 5**  
Cell Biology

**Top 25**  
Integrative Biology  
Microbiology  
Genetics



University Health System Consortium  
**Ranked 6<sup>th</sup> for Quality**



# Neurosciences

- One of selected stroke centers in the nation for clinical research
- Full spectrum of research programs - from the developing brain *in utero* to the neurodegenerative diseases of the elderly
- First cellular therapy trials for traumatic brain injury and stroke

190



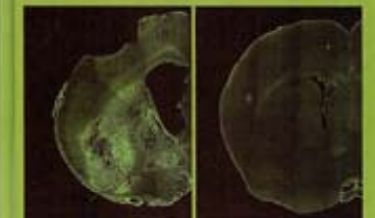
For strokes, closest hospital might not be the best

“We see twice the number of stroke patients as the next hospital in this city.”

- Dr. James Grotta  
Neurology Chair



Stroke Recovery  
with Cellular Therapies



Edited by  
Sean I. Savitz, MD  
Daniel M. Rosenbaum, MD

HOMANA PRESS



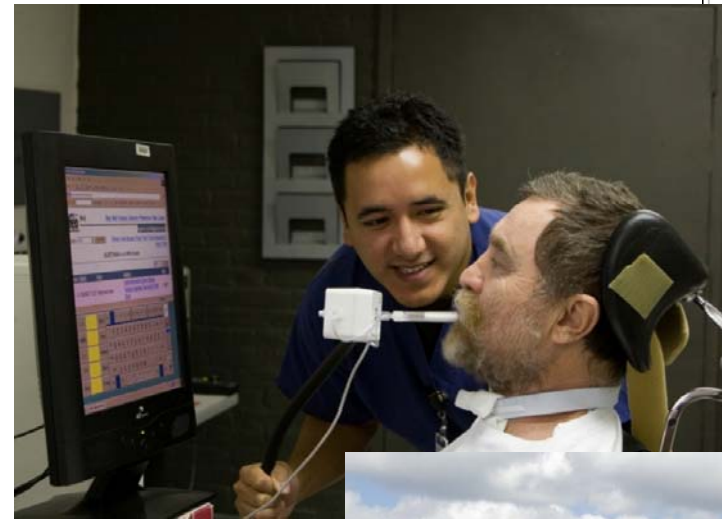
THE UNIVERSITY of TEXAS SYSTEM

Nine Universities. Six Health Institutions. Unlimited Possibilities.

# Trauma, rehabilitation and mental sciences

- Busiest trauma center in the country – center for translational injury research
- Advanced research programs for brain injury, spinal cord injury, amputees, musculoskeletal injuries
- Neurobehavioral research on addiction and center of excellence for mood disorders

191



Recognized for 19 years as one of America's "Best Rehabilitation Hospitals." Ranked #4 in 2008.



TIRR  
MEMORIAL  
HERMANN  
Rehabilitation & Research



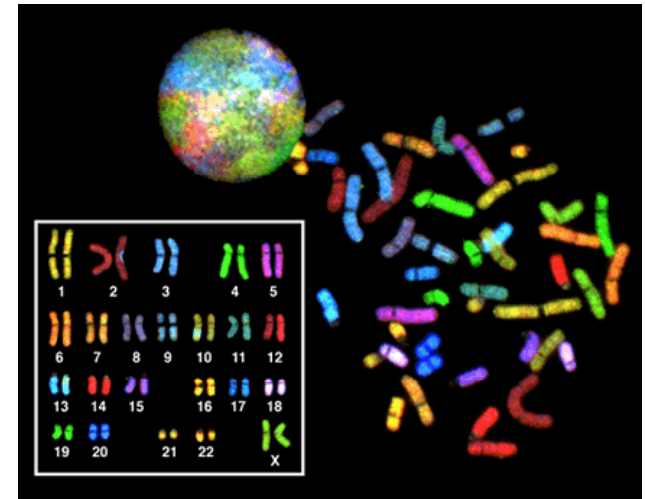
# Caring for the elderly

- Collaborative multidisciplinary programs focused on basic and translational research on aging
- George P. and Cynthia W. Mitchell Center for Research in Alzheimer's Disease and Related Brain Disorders
- Centers for healthy aging – nationally known academic and clinical programs



# Populations studies

- Search for genes linked to diabetes and obesity in South Texas border regions Hispanics
- First clinical research unit with community intervention – emphasis on health disparities
- Genetic mechanisms for aortic diseases and acute aortic dissection
- Only research project in US actively following a large cohort of patients infected with West Nile Virus



# Children's Learning Institute

- Nationally known experts in education, development, and psychology
- Research supports evidence-based medicine for learning, development, autism, ADHD
- Recent recipient of a large leadership education training grant for neurodevelopment and related disorders



194





# Modern health care: quality and effectiveness



195



# Focus on improving outcomes

Improving patient care and outcomes requires evidence-based medicine, quality improvement, and research

**“Pure”  
Practice**

**“Pure”  
Research**



196



# Improving outcomes: NIH Networks

UTHealth is one of only eight institutions part of both the NIH Maternal Fetal Medicine Units (MFMU) and Neonatal Research (NRN) Networks

- Brown University
- Case Western Reserve University
- Duke University
- Ohio State University
- Stanford University
- University of Alabama
- **UTHealth**
- **U.T. Southwestern Medical Center**

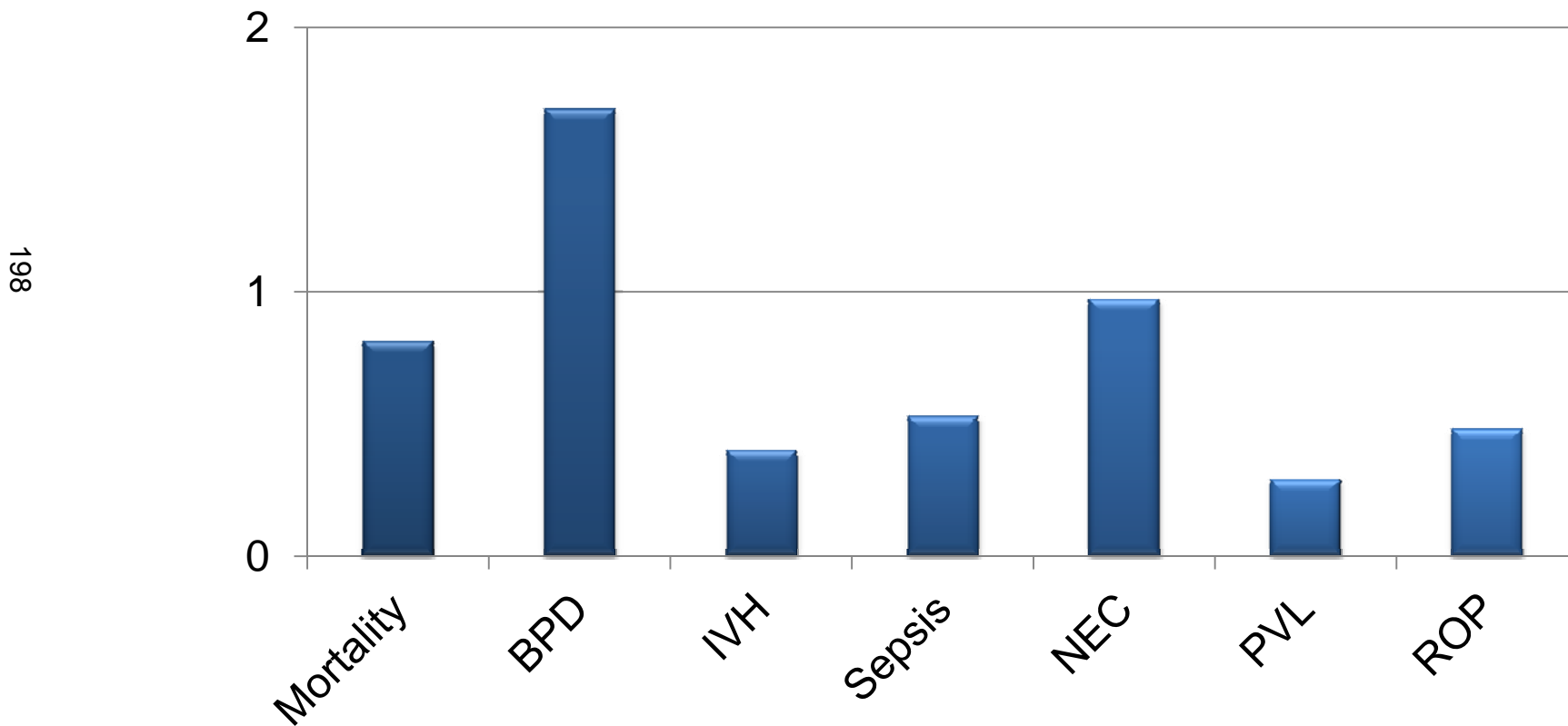


197



# Improving outcomes: NIH Networks

## UTHealth vs Network Centers 2009 Odds Ratios



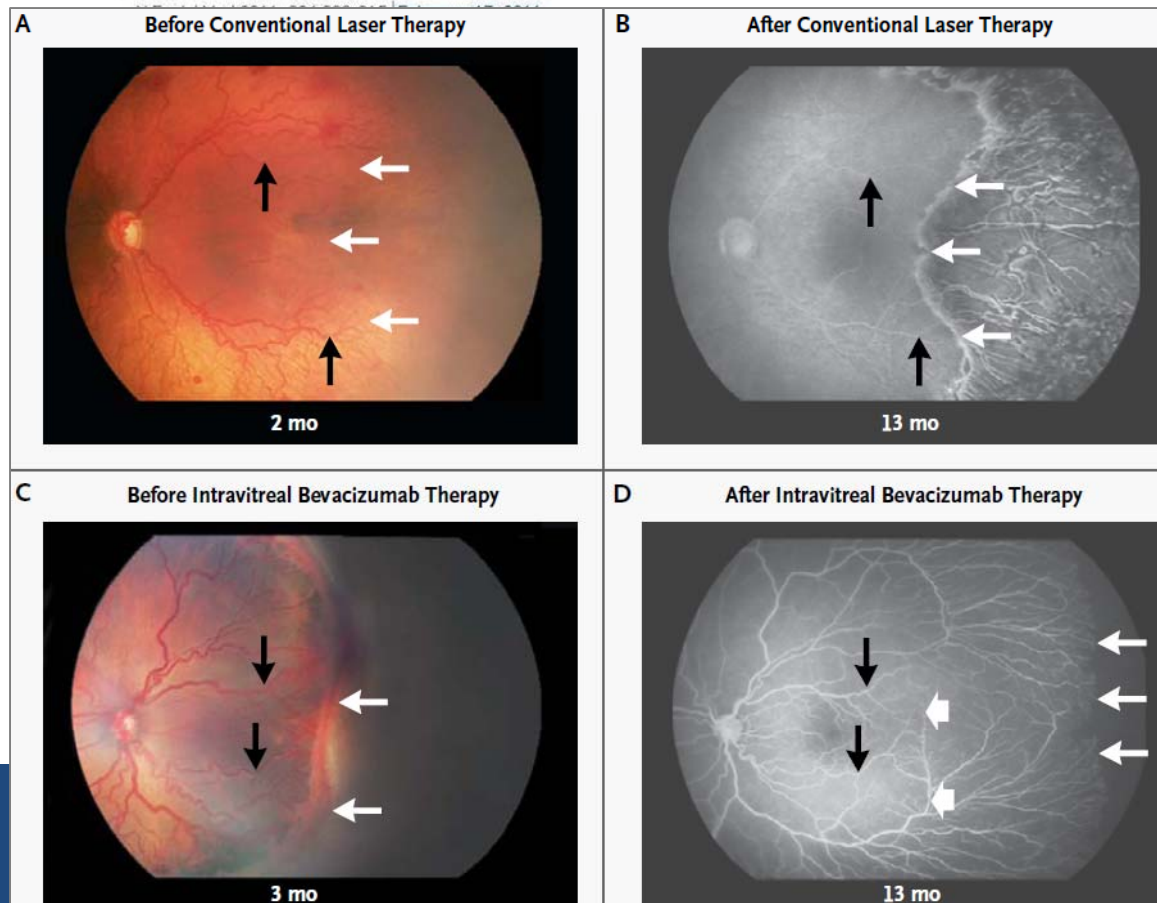
# Improving outcomes: NIH Networks



The NEW ENGLAND  
JOURNAL of MEDICINE

## Efficacy of Intravitreal Bevacizumab for Stage 3+ Retinopathy of Prematurity

Helen A. Mintz-Hittner, M.D., Kathleen A. Kennedy, M.D., M.P.H., and Alice Z. Chuang, Ph.D. for the BEAT-ROP Cooperative Group



2. **U. T. Medical Branch - Galveston: Report on the Jennie Sealy Replacement Hospital project**

REPORT

President Callender will give a presentation on the Jennie Sealy Replacement Hospital project (see related Item 13 on Page 236 of the Facilities Planning and Construction Committee).

3. **U. T. Southwestern Medical Center: Approval to a) enter into an affiliation agreement with Children's Health Services of Texas to create the Children's Medical Center Research Institute at U. T. Southwestern, and b) enter into a Facility Use and Services Contract with Children's Medical Center Research Institute at U. T. Southwestern**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and President Podolsky that authorization be granted to:

- a. enter into an affiliation agreement with Children's Health Services of Texas to create the Children's Medical Center Research Institute at U. T. Southwestern Medical Center; and
- b. enter into a Facility Use and Services Contract with Children's Medical Center Research Institute at U. T. Southwestern Medical Center.

BACKGROUND INFORMATION

Children's Medical Center of Dallas (Children's) and U. T. Southwestern Medical Center are proposing to create the Children's Medical Center Research Institute at U. T. Southwestern (Institute), a world-class pediatric research institute focused on defeating childhood diseases. Children's has grown to become the largest freestanding pediatric hospital in North Texas and among the largest in the country. Children's has built programs of excellence in virtually every field of clinical pediatric care and ranks among the premier pediatric hospitals in the nation. Children's is also home to a sophisticated and well-funded research infrastructure.

The proposed affiliation agreement creating the Institute would be for an initial term of 15 years with a commitment by Children's Health Services of Texas, the parent corporation of Children's, to contribute funds to the Institute of up to \$10 million per

year for 15 years, after which time it is expected that the income from the endowment and grants would sustain the Institute. The parties would agree to set a goal of raising \$200 million in dedicated endowment funds.

The Institute would have a nine-member Board of Directors, which would appoint an Internal Scientific Advisory Board from among U. T. Southwestern's prestigious scientists and an External Advisory Committee to assist in evaluating research programs. The Institute's director would be appointed by the Board of Directors.

The Institute would be licensed to use certain trademarks and names, including the U. T. Southwestern Medical Center name.

The Institute's core basic science programs would be embedded in the new research tower presently being erected on the north campus of U. T. Southwestern Medical Center. The three basic science programs have been identified as: (1) neurobiology and neurobehavioral science, (2) inherited diseases, genetics, and metabolism, and (3) birth defects and developmental abnormalities. The Facility Use and Services Contract (Contract) would permit the Institute to occupy approximately 56,500 square feet of space on the 11th and 12th floors of the North Campus Phase 5 Building at U. T. Southwestern Medical Center for research purposes for a term of 15 years.

The facility use fee for the space would be \$2.4 million annually during the first two years of the Contract. After the first two years and completion of construction, the facility use fee would be adjusted to reflect the institution's actual construction costs of the building and the tenant finish-out. The Institute would also reimburse U. T. Southwestern Medical Center for operating expenses attributable to its space, with periodic adjustments every three years for changes to these costs. U. T. Southwestern Medical Center would be responsible for maintaining the space. Children's would guarantee the financial obligations of the Institute under the Contract.

4. **U. T. M. D. Anderson Cancer Center: Approval of a) expenditures of up to \$108,000,000 to fund the overall marketing plan for FY 2012 through FY 2016, b) authority to award marketing-related contracts, and c) appropriation of \$108,000,000 from Local Hospital Revenues**

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor for External Relations, and the Vice Chancellor and General Counsel, on behalf of U. T. M. D. Anderson Cancer Center, that The University of Texas System Board of Regents approve and/or authorize the following:

- a. expenditures of up to \$108,000,000 to fund the overall marketing plan for FY 2012 through FY 2016;

- b. authority to award individual marketing-related contracts with a maximum aggregate total cost of \$108,000,000 over the FY 2012 through FY 2016 period, with the understanding that existing thresholds for mandatory review by the U. T. System Office of General Counsel remain in effect for these contracts; and
- c. appropriation of \$108,000,000 from Local Hospital Revenues.

### BACKGROUND INFORMATION

Leadership at U. T. M. D. Anderson Cancer Center (M. D. Anderson) has determined that raising the level of public awareness of M. D. Anderson is critical to the fulfillment of all seven of the institution's strategic goals: advancing the mission areas of patient care, research, education and prevention, recruiting and retaining top people, promoting productive collaborations, and stewardship of resources. Securing the increased awareness of sought-after constituencies is accomplished in many ways but is most prominently done by marketing through media and communication channels. M. D. Anderson is often judged as the best place in the nation to receive cancer care and has an obligation to make the public aware that its services are available to them.

Traditional marketing of M. D. Anderson is primarily targeted at new patients. New patients provide the base to conduct innovative clinical trials and educate trainees, in addition to providing the financial resources to support the mission areas of research, education and prevention. While a high-level of prospective patient awareness has always been important, factors related to national health care reform and its implications on the health care financing system make this a vital area of emphasis now more than ever. Marketing also aids in attracting the best faculty, nurses, students, trainees, and employees.

A 2009 study indicated that M. D. Anderson had 6% national awareness and only 4% national preference. As an example, this compared unfavorably to the Mayo Clinic (23% national awareness and 10% national preference), Cancer Treatment Centers of America (18% national awareness and 8% national preference), and Memorial Sloan-Kettering Cancer Center (18% national awareness and 9% national preference). In the local market, the institution's market share is stagnant at approximately 24% in the Houston region and 5% in Texas. Both national and regional competitors have increased advertising, and some national competitors are specifically targeting the Houston region.

M. D. Anderson has developed a marketing plan with the goals of: 1) raising overall brand awareness, 2) increasing national visibility, 3) advancing awareness of the institution's unique capabilities in specific international markets, 4) targeting defined service lines with capacity, and 5) promoting the regional care centers.



These goals are accomplished by targeting specific audiences through a variety of means, including television, radio, print, billboard, cinema, online, paid search online, mobile device and social media advertising; sponsorship and advocacy marketing; and public relations support.

The marketing plan recognizes that sustainability is a critical success factor when raising awareness of a product or service, including cancer care, which may not be needed immediately. The plan includes sustained messaging through multiple means to create spontaneous recall in prospective patients or family members should they require cancer care services in the future. To make this sustained message possible, a multi-year commitment to the marketing plan is required to optimize success.

Also critical to the plan is its measurement of success. The institution proposes to be accountable using prospectively developed methods of measurement, including: individual patient feedback; patient experience mapping; brand awareness, preference and reputation scores from consumers and physicians; media mix performance and optimization; and individual campaign financial return on investment.

To leverage specific expertise and economics of scale, the marketing plan includes the use of a number of external marketing and public relations firms (vendors) to do work in areas in which they have significant experience. A chart showing proposed five-year expenditures, at Page 209, includes a listing of vendors, the type of work they would be contracted to do, and proposed spending over the next five years (Fiscal Years 2012 -2016). Specific vendors may change within the five-year period based on U. T. System and M. D. Anderson procurement requirements. These contracts would include funds used to purchase media through these vendors who have access to the best pricing based on their client volume. In total, five-year expenditures are proposed not to exceed \$108 million. Proposed Fiscal Year 2012 spending is included in the proposed M. D. Anderson Budget to be considered by the Board of Regents on August 25, 2011.

Cause marketing, a category of marketing designed to support a specific cause (e.g., cancer research) through partnerships with other organizations or businesses, is an approach that M. D. Anderson plans to explore in collaboration with U. T. System Administration during the coming year. No cause marketing related activities are currently planned or included in these expenditures.

Mr. Leach will present this item using the PowerPoint presentation on Pages 204 - 210.

# Marketing Expenditures at The University of Texas M. D. Anderson Cancer Center

204



THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

August 2011

Health Affairs  
Committee



THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

## Marketing is Essential to all of UTMDACC's Strategic Goals

- Patient Care: raise national awareness and attract patients
- Research: recruit leading scientists
- Education: enroll the best students
- Prevention: broader reach to educate the public
- People: compete for top employees
- Collaboration: a well-known, successful institution attractive to external groups
- Resources: attracts more diverse, insured patients; better scientists get more grants



THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

# UTMDACC Strategic Landscape

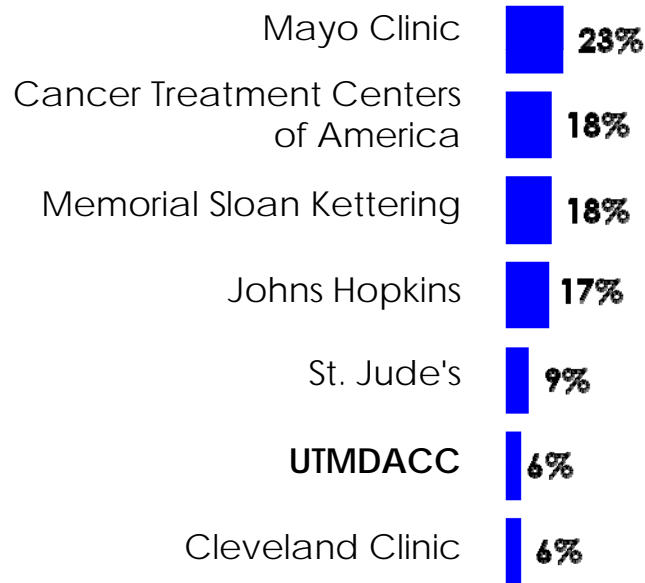
- Revenue:
  - Payor Mix: deteriorating
  - State Funding: reduced by \$29.3M over biennium
  - National Health Care Reform: lower reimbursement per patient
- Expense:
  - Costs are “shifted”
- Response:
  - Understand costs and improve operational efficiency
  - Diversify alternative revenue streams
  - **Increase awareness through proactive marketing**



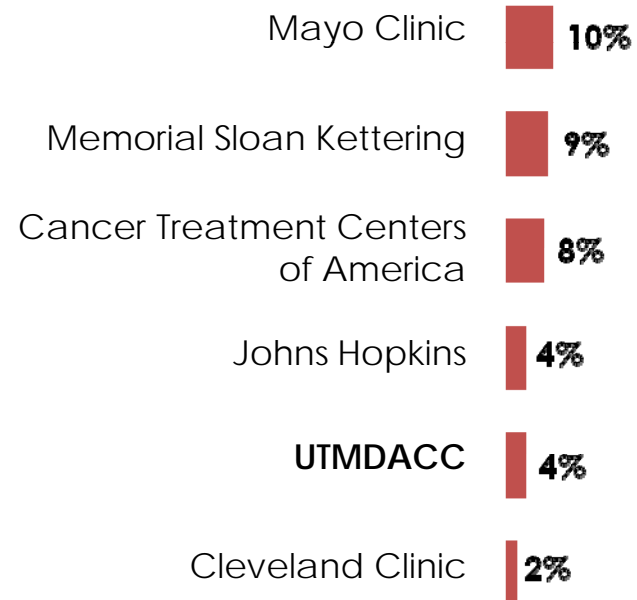
THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

# UTMDACC's National Awareness and Preference are Low

## National Awareness



## National Preference



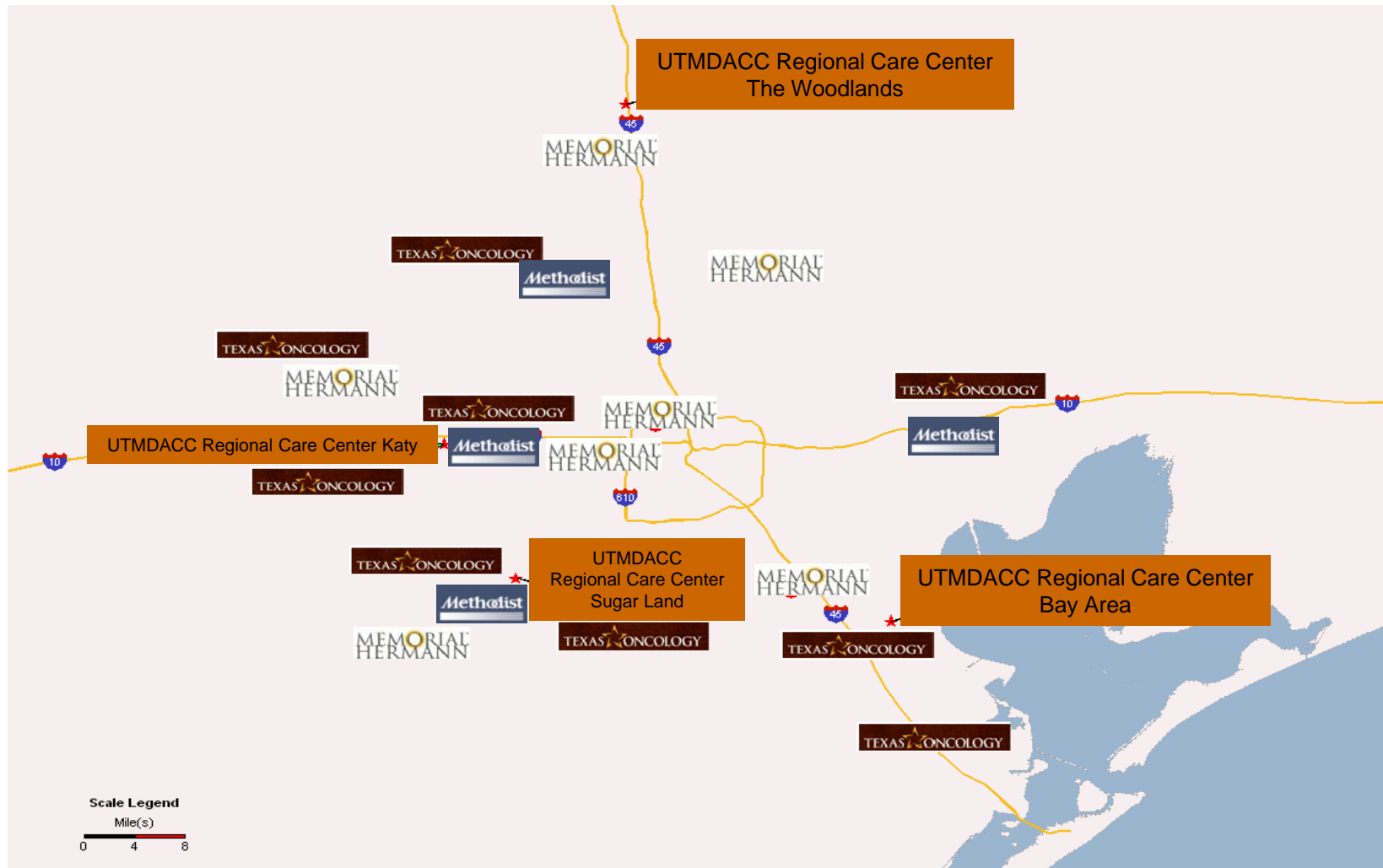
207



THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

# UTMDACC's Local Competition is Increasing

208





THE UNIVERSITY of TEXAS SYSTEM  
*Nine Universities. Six Health Institutions. Unlimited Possibilities.*

# UTMDACC's Proposed 5-Year Expenditures with Major Vendors

209

Vendor	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	5-Year Total
<b>Institutional brand advertising</b> (The Richards Group)	\$8.8M	\$9.3M	\$9.8M	\$10.5M	\$11.3M	<b>\$49.7M</b>
<b>Institutional media relations</b> (Gabbe Group)	0.6M	0.6M	0.7M	0.7M	0.7M	<b>3.3M</b>
<b>Service line &amp; regional care center advertising and media relations</b> (Marion Montgomery)	5.9M	6.2M	6.5M	6.9M	7.4M	<b>32.9M</b>
<b>International advertising</b> (Ogilvy)	1.5M	1.6M	1.7M	1.7M	1.9M	<b>8.4M</b>
<b>International media relations</b> (Edelman)	0.8M	0.8M	0.8M	0.9M	1.0M	<b>4.3M</b>
<b>Customer research</b> (Gelb)	1.0M	1.1M	1.1M	1.2M	1.2M	<b>5.6M</b>
<b>Marketing measurement</b> (Lenskold)	0.1M	0.1M	0.2M	0.2M	0.2M	<b>0.8M</b>
<b>Business/market intelligence</b> (Thomson Reuters)	0.5M	0.6M	0.6M	0.6M	0.7M	<b>3.0M</b>
<b>Total</b>	<b>\$19.2M</b>	<b>\$20.3M</b>	<b>\$21.4M</b>	<b>\$22.7M</b>	<b>\$24.4M</b>	<b>\$108.0M</b>

5. **U. T. System: Approval to a) establish a Doctor of Translational Science degree program proposed jointly by U. T. Health Science Center - San Antonio, U. T. San Antonio, U. T. Austin, and in cooperation with U. T. Health Science Center - Houston, and b) submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action**

### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellors for Academic Affairs and Health Affairs and President Henrich, President Romo, President Powers, and Interim President Colasurdo that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to U. T. Health Science Center - San Antonio, U. T. San Antonio, and U. T. Austin to:

- a. establish a Doctor of Translational Science degree program proposed jointly by U. T. Health Science Center - San Antonio, U. T. San Antonio, U. T. Austin, and in cooperation with U. T. Health Science Center - Houston; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

### BACKGROUND INFORMATION

#### Program Description

The proposed collaborative program is envisioned as a multi-institutional joint degree program, to include four U. T. System components located in San Antonio: The University of Texas Health Science Center at San Antonio (UTHSCSA), The University of Texas at San Antonio (UTSA), The University of Texas at Austin College of Pharmacy (UTCOP) Pharmacotherapy Division, and The University of Texas School of Public Health (UTSPH) Regional Campus at San Antonio. Of these, three components (UTHSCSA, UTSA, and UTCOP) will be full participants in the joint Translational Science Ph.D. (TS Ph.D.) degree. The fourth component (UTSPH) will participate in the program but will not offer the joint degree due to current limitations imposed by its accrediting agency.

The proposed TS Ph.D. Program consists of a 72 credit hour curriculum that includes 24 credit hours in the core curriculum, 18 credit hours in the track and free electives, and 30 credit hours for the research dissertation.



For many years, extensive national resources have been devoted to basic biomedical (bench) and clinical (human subject) research. However, significant barriers continue to exist in moving knowledge bidirectionally between basic research, clinical research, and applications to improve health outcomes in individuals and the community. These barriers make it difficult to efficiently and effectively translate new knowledge into improved patient care. To remedy these problems, Translational Science (TS) is emerging as an academic and scientific discipline. The proposed TS Ph.D. Program is designed to prepare the next generation of scholars to lead the multidisciplinary biomedical research teams of the future in increasingly complex research environments.

### Need and Student Demand

Medical Scientist (which may encompass many health related disciplines) is a comparable job title for which workforce statistics are available, and a degree in TS is one of many degrees that make up the total field of medical scientists. The U.S. Department of Labor, Bureau of Labor Statistics reported that 87,440 Medical Scientists were employed in 2007, and a 20% increase is expected in employment for Medical Scientists from 2006-2016. The Occupational Profile for Medical Scientists from the Texas Workforce Commission reports an expected change in employment from 4,896 in 2004 to 6,802 in 2014, a projected increase of 38.9% for the reported decade. A total of 262 openings are projected each year due to either replacement or new growth in the field - and this is only in Texas.

Currently, there are only two comparable Ph.D. programs in the general field of clinical and/or translational science in the State of Texas, along with five comparable Master's degree programs and one certificate program. The current programs, by themselves, will not be able to meet the future demands for translational researchers. Faculty positions are being posted by institutions at the Assistant, Associate, or Professor level for persons who have training and experience as translational clinical scientists, evidence-based practice, practice-based research networks, and outcomes research. Additionally, hospital-based functional statements performance plans are increasingly including evaluation elements that include "transformational measures." In combination with the projected openings for medical scientists, the market for research and other professionals in translational research will be very strong. With the National Institutes of Health (NIH) providing the impetus, it is expected that more researchers will be encouraged to have, at a minimum, training in the area of translational science. TS researchers with graduate degrees and experience in this discipline will become preferred candidates for research and related positions, both in Texas and nationwide.

San Antonio has a substantial civilian and military medical and biomedical research and health care delivery infrastructure. The best opportunity to retain a leadership role in these fields is to recruit, enroll, train, graduate, and retain professionals with the skills needed to ensure that medical research is conducted in a manner that will best meet the needs of the South Texas population.

Program maturation will occur within five to six years following implementation. Using a scenario with new enrollment that will increase to 11 students per year by year four with attrition of one student per year, by 2016 (program maturity) it is projected that the program will have the capacity to support 30-36 total students (new and continuing students combined) and will graduate students at a rate of five or more per year.

### Program Quality

Four administratively distinct components of the U. T. System are based in San Antonio: UTHSCSA, UTSA, and Regional Campuses of UTCOP, and UTSPH. Faculty from UTSA, UTSPH, and UTCOP already participate as instructors in the UTHSCSA Master of Science in Clinical Investigation (MSCI) program. Each of the participant schools proposed for the Ph.D. program has a cadre of departmental faculty that will contribute to this program. Forty-eight faculty members at the four institutions are currently actively involved in the MSCI, Clinical and Translational Science Award (CTSA), and the development of this Ph.D. program. Using the expertise of faculty at the four San Antonio U. T. System schools will provide flexible multi- and interdisciplinary opportunities for the students and will allow them to expand the depth and breadth of their research opportunities beyond what could be offered at a single site. All faculty members have demonstrated significant contributions to the teaching, scholarly, and service missions of their respective universities, schools, and departments. Additionally, the potential combination of funded research programs conducted by the faculty of each component will provide an excellent environment for student training.

### Program Cost

Because a number of existing courses will be utilized for both required and elective courses, and because these courses will be distributed among the four participating U. T. System components, few additional resources will be required to accommodate the additional students enrolled in the new program. Total projected income at program maturity is \$875,020. Income is expected to be derived from tuition, state formula funding, the CTSA grant and related institutional funds (for some staff), with possible funds from other external sources, which will provide stipend support and some operational funds. Total projected operating costs are \$874,500, which include personnel, student stipends, and operating costs. Expenditure assumptions include: faculty will be used on a full-time equivalent (FTE) basis for course delivery and research/dissertation supervision; new faculty FTE support will be required for new courses; a director-equivalent will be needed on each campus, which will require administrative release time and equivalent partial FTE support; and administrative support will be required on each campus.

No full-time faculty will be used specifically for the TS Ph.D. Program. Expected faculty responsibilities will include taking on an additional student or two in an existing course, possible participation on the TS Committee on Graduate Studies or other graduate committee, participation in the collaborative administration of this program (such as for course evaluation), and, by year two or three, possible supervision of student

dissertation research and/or participation on dissertation committees. Given the small number of students projected during the first few years, combined with the fact that student coursework will be distributed among three to four campuses, it is not anticipated that any single faculty member will take on a measureable amount of additional duties.

The proposed Translational Science Ph.D. Program will prepare the next generation of scholars to lead the multidisciplinary biomedical research teams of the future in increasingly complex research environments. These scientists will advance knowledge in translational research toward the goal of translating basic biomedical scientific discovery into strategies that will improve health care delivery, patient outcomes, and community health.

6. **U. T. System: Approval to a) distribute a portion of The University of Texas System Professional Medical Liability Benefit Plan premium returns for Fiscal Year 2012, b) and amend the Plan**

RECOMMENDATION

The Chancellor concurs in the recommendation of The University of Texas System Professional Medical Liability Benefit Plan (Plan) Management Committee, chaired by the Vice Chancellor and General Counsel and comprised of the Chair, the Executive Vice Chancellor for Health Affairs, and the Executive Vice Chancellor for Business Affairs, after consultation with Milliman, Inc., actuary for the Plan, that

- a. \$28 million be distributed from the Plan as follows for Fiscal Year 2012: \$24 million to the participating U. T. System institutions and \$4 million for the utilization of industrial and systems engineering tools to expand quality improvement efforts at all U. T. System health institutions; and
- b. the Plan be amended to permit 1) flexible coverage options, and 2) coverage exclusion in the event of a conflict between a Plan Participant and U. T. System or its institutions.

The proposed distribution of \$28 million is set forth in Exhibit 1 (Page 218).

BACKGROUND INFORMATION

On March 26, 2008, the Board of Regents endorsed a three-year plan forwarded by the Plan Management Committee to reduce the reserves held in the Plan in accordance with generally accepted industry standards. The Management Committee has simultaneously utilized three approaches to reduce the Plan fund balance: reduction of premium income, regular distributions, and reduction of Plan reserves for

expected claims. In the last three years alone, Plan premiums have been reduced by an average of 22% per year, thus reducing overall Plan premium income by 37.5% based on current projections. In addition, Plan distributions have totaled approximately \$108 million in those three years. While Plan annual premium income and distributions have historically been comparable, if the current recommendations are adopted, the distributions will be three times the amounts projected in premium collections. Finally, the actual amounts held in reserve for expected claims have been reduced by 35% from 2008. In keeping with the three year plan, total Plan assets have declined by \$51 million or 38.6%.

With regard to the distribution of the \$24 million to institutions from the Plan for this year, the net distribution methodology considers the proportion of each institution's payment into the Plan as well as each institution's losses over the previous three-year period. Thus, those institutions that have higher claims receive lower distributions but with consideration to the amount of potential institutional exposure.

In addition to the \$24 million to be distributed to participating institutions, \$4 million is recommended to support the use of industrial and systems engineering tools and methods to enhance and expand quality improvement efforts at all U. T. System health institutions. U. T. System has responded to the need for greater effectiveness and efficiency with a number of Systemwide innovative efforts to improve clinical outcomes and streamline processes. To ensure that these projects become more than the sum of their parts, the Executive Vice Chancellor for Health Affairs has recommended adopting a systems approach to integrate systems engineering methods into the U. T. System health institutions. This approach is consistent with the report by the National Academy of Engineering and the Institute of Medicine, "Building a Better Delivery System: A New Engineering/Health Care Partnership," and the subsequent workshop summary, "Engineering a Learning Healthcare System." These efforts benefit the Plan by improving patient care, thus reducing costly and time-consuming litigation.

The effort to add industrial and systems engineering tools to the quality improvement toolbox will be led by the Chancellor's Health Fellow for Systems Engineering in Healthcare, Victoria Jordan, Ph.D., with the involvement of a Systemwide committee comprised of representatives from the six health institutions as well as U. T. Austin's Cockrell School of Engineering and McCombs School of Business, and U. T. Arlington's and U. T. San Antonio's Colleges of Engineering. With \$1 million over the course of three years, the implementation plan will initially focus on widespread and rapid deployment to the health institutions' frontline staff of "Lean" course material that currently exists at U. T. M. D. Anderson Cancer Center and U. T. San Antonio. "Lean" is based on the Toyota Production System focus on improving quality by reducing waste and has been successfully adapted for health care by the Virginia Mason Medical Center and the ThedaCare Center for Healthcare Value. Dr. Jordan and the committee will convene a meeting of the health institution leadership teams that will feature organizations within and external to healthcare (Mayo Clinic, Virginia Mason Medical Center, Southwest Airlines, and The Walt Disney Company) that have effectively deployed systems engineering tools to create a high-performing, systems-thinking

culture. Dr. Jordan and the committee will organize more specialized training for existing U. T. System quality improvement staff in the application of advanced industrial and systems engineering tools. Examples of such methods include: optimizing scheduling to reduce waiting times, improving facility design layout, improving patient and materials flow, "error-proofing" care processes, and process standardization. In addition, an internship program for U. T. System industrial engineering and business school students will be created at the health institutions.

A systems approach in the context of a value-driven organizational culture, as demonstrated at the Mayo Clinic and Virginia Mason Medical Center, can create the integration and collaboration necessary for a high-performing health care system. To that end, the Executive Vice Chancellor for Health Affairs, with the advice of Dr. Jordan and the committee, will award \$3 million in competitive grants to the health institutions for systems approaches designed to achieve high value in patient care. Grants will be awarded to proposals that demonstrate wide applicability and synergy, sustainability, accountability, and measurable outcomes for evaluation. Grants will be for one-year periods and may be renewed for up to two additional years with demonstrated results.

The proposed Plan amendments, set forth below, would provide flexible coverage by adding physician coverage for quality of care reviews by third parties and by vesting the Plan Administrator with authority to permit flexibility in coverage when warranted. Another proposed amendment permits coverage exclusion following a determination by the Plan Administrator of a potential conflict of interest between an individual Plan Participant and U. T. System or its institutions.

## THE UNIVERSITY OF TEXAS SYSTEM PROFESSIONAL MEDICAL LIABILITY BENEFIT PLAN

### ARTICLE II DEFINITIONS

...

C. ***Disciplinary and Licensing Actions*** means any disciplinary, licensing, or similar administrative proceeding brought against a Participant by ~~the Texas State Board of Medical Examiners or Texas State Board of Dental Examiners~~ a Texas licensing agency for the Participant's profession or a Texas quality review or regulatory body.

...

**ARTICLE V  
COVERAGE OF PARTICIPANTS**

...

Section 4 - Exclusions

The System will not defend or indemnify a Participant for:

...

U. matters before the Texas Medical Board or other Texas regulatory agency, where, in the judgment of the Plan Administrator or a designee, a potential conflict of interest exists between the Participant and The University of Texas System or its institutions with regard to a potential or pending employment or administrative matter.

**ARTICLE VII  
LIMITS OF LIABILITY**

...

**Limits of Liability Schedule**

The following limits shall apply unless lower liability limits are set by law, in which case the lower limits shall apply:

Staff Physician - \$500,000.00 per Liability Claim (up to \$1,500,000.00 for all Liability Claims during any one enrollment period)

Resident and Fellows - \$100,000.00 per Liability Claim (up to \$300,000.00 for all Liability Claims during any one enrollment period)

Medical or Dental Student - \$25,000.00 per Liability Claim (up to \$75,000.00 for all Liability Claims during any one enrollment period); ~~upon approval by the Plan Administrator or a delegate, additional limits up to \$2,000,000.00 per Liability claim (up to \$5,000,000.00 for all Liability Claims during any one enrollment period) may be made available for student participation in externships outside of Texas that meet the conditions of participation set by the Plan Administrator, or a designees, for student externships~~

Annual Aggregate - \$30,000,000.00 for all Liability Claims for all Participants during any one Plan year

Per Claim Limitation - Plan liability shall be limited to \$2,000,000.00 per claim regardless of the number of the claimants or Plan Participants involved in an incident.

The above limits of liability for Plan Participants, as defined in Article II A 1 - 4 only, may be exceeded upon determination of necessity and with the conditions of participation determined by the Plan Administrator or a designee.

Exhibit 1  
**The University of Texas System Professional Medical Liability Benefit Plan**  
Proposed Distribution

<i>Institution</i>	<i>Premium Paid 2008-2010</i>	<i>Claims Expenses 2008-2010</i>	<i>Net Contribution Amount <sup>1</sup></i>	<i>Distribution based on Net Contribution</i>
UTSWMC	\$ 8,440,843	\$ 3,001,704	\$ 5,439,139	\$ 4,664,322
UTMB	9,259,362	1,610,883	7,648,479	6,558,937
UTHSCH	4,933,360	2,097,468	2,835,892	2,431,913
Medical Foundation (UTHSCH)	2,969,315	1,262,435	1,706,880	1,463,732
UTHSCSA	7,053,293	841,902	6,211,391	5,326,565
UTMDACC	4,990,868	1,181,268	3,809,600	3,266,914
UTHSCT	337,660	13,364	324,296	278,100
UT Arlington	5,362	-	5,362	4,598
UT Austin	83,312	94,390	-	-
UT Dallas	365	-	365	313
UT San Antonio	5,371	-	5,371	4,606
<b>Subtotal</b>	<b>\$38,079,111</b>	<b>\$10,103,414</b>	<b>\$27,986,775</b>	<b>\$24,000,000</b>
Systems Engineering for Healthcare				<b>\$ 4,000,000</b>
<b>TOTAL PROPOSED DISTRIBUTION</b>				<b><u>\$28,000,000</u></b>

<sup>1</sup> Institutions with a negative net contribution amount were recorded as 0.

7. **U. T. System: Update on the Transformation in Medical Education (TIME) projects**

REPORT

Executive Vice Chancellor Shine will report on the current status of the Transformation in Medical Education (TIME) program at U. T. System using the attachment on Page 220.



## **TRANSFORMATION IN MEDICAL EDUCATION (TIME)**

*A multi-institutional initiative within The University of Texas System*

The goal of the TIME initiative is to increase the effectiveness and relevance of physician education while shortening its duration. Each of the four UT System medical schools is partnering with one or more undergraduate institutions to develop curricula incorporating four major elements: (1) A **'Pre-Health Professions Program'** for students to work interprofessionally to learn traditional, non-traditional and clinical subjects and to demonstrate teamwork and professionalism. (2) **Competency-based education** (rather than time-based) in which advancement and degree completion is based upon demonstrated ability to apply knowledge and perform clinical skills. (3) **Professional identity formation** and maturation as essential complements to competency-based education and achieved through intentional experiences, reflection, and mentoring. (4) Education in **non-traditional fields**, both medically-related (e.g., clinical safety and effectiveness) and non-medical (e.g., philosophy, economics, management, culture, informatics). Four partnerships have been established:

### **SHAPE: UT-Southwestern, Houston, Austin Professional Education (UT Austin—UTSWMC—UTHSC-H)**

SHAPE is an accelerated medical education program developed as a partnership between The University of Texas at Austin and the UTHSC Houston and UT Southwestern medical campuses. Each year 60 UT Austin freshmen will be selected for early admission to a partnering medical school and will then complete their undergraduate work in three years. The two medical school partners will be integrated into professional identity formation activities and early clinical experiences at UT Austin and will host summer professional development opportunities on their campuses. All three schools will modify their curricula and create assessment tools to allow students to advance to medical school based on demonstrated competencies. An individualized flex year at each medical school will enable SHAPE students to acquire advanced research or professional skills and to grow as future physician-leaders.

### **PACT: Partnership in Advancing Clinical Transition (UTD—UTSWMC)**

The UT Partnership in Advancing Clinical Transition (UT PACT) is a curriculum development and pilot implementation program with the overall goal of achieving better integration of undergraduate and graduate studies in preparation for careers in health care. The University of Texas at Dallas and The University of Texas Southwestern Medical School are the founding partners in the UT PACT. Initial efforts are focused on establishing an accelerated 6- or 7-year training program leading to both B.S. and M.D. degrees. A highly interactive program, with commencement of clinical skills training at the end of the first year and early professional identity formation, is fostered by the proximity of the campuses in the metroplex. Students transition to the medical school in the fourth year, maintaining ties to UTD from which electives in humanities, health care policy, and biomedical engineering will continue to broaden their perspective and skills as health care professionals.

### **FAME: Facilitated Acceptance to Medical Education (UTSA—UTHSC-SA)**

The goal of the FAME Program is to graduate physicians who have acquired exceptional knowledge of the sciences basic to medical practice, in addition to acquiring professional skills, and a keen understanding of the social, cultural, and behavioral aspects of health care. The students in this program will complete all requirements for a Baccalaureate and MD degree in a total of seven (7) years. In addition to a new medical school curriculum, the students will participate in eight new courses, which will be developed and team taught by UTSA and UTHSCSA faculty. These courses will include content that focuses on medically-related topics. The capstones of the FAME program are GATEWAY seminar courses. GATEWAY courses will expose students to the many aspects of patient care and to the unique needs of their community. The GATEWAY courses will focus not only on the biology and pathophysiology of the diseases and clinical issues, but will also incorporate a multidisciplinary approach that emphasizes the importance of communication, leadership, the role of health economics, and the social and cultural aspects of patient care.

### **A-PRIME: Accelerated Professional, Relevant, Integrated Medical Education (UTB—UTEP—UTPA—UTMB—UTHSC-Houston)**

The goal of the A-PRIME TIME partnership is to develop a model of physician education that is widely recognized for its innovative approach, educational effectiveness, and professionalism of its graduates through a curriculum that: is accessible to diverse groups of students and produces competent, compassionate physicians; fosters students to become caring and compassionate physicians by learning about a career in medicine while developing a professional identity early in their academic timetable; enables academic and medical institutions to jointly create a shared and more efficient, coordinated curriculum in a shortened timeframe; educates physicians trained and assessed in a range of cognitive, affective, and psycho-motor traits throughout their undergraduate and medical education, and, ultimately, achieves better health care outcomes for Texas.