



The University of Texas Medical Branch at Galveston

**Compact with The University of Texas System
FY 2007 through FY 2008**

I. Introduction: Institutional Mission and Goals

The University of Texas Medical Branch (UTMB), the oldest of the six health sciences universities in The University of Texas System, was created as a public trust to safeguard and advance the health of all Texans. Our mission is to provide scholarly teaching, innovative scientific investigation, and state-of-the-art patient care in a learning environment. The university is committed to excelling in the generation, dissemination, and application of knowledge to better the health of society. For more than a century, UTMB has honored this commitment by remaining true to its core values of *service, education, diversity, innovation, and community*.

UTMB is much more than the sum of its four schools, three institutes, extensive clinical care complex of six hospitals, network of campus- and community-based clinics throughout east and southeast Texas, and numerous research facilities. It is a community of professionals dedicated to healing the sick, regardless of their ability to pay; addressing the health needs of special populations; educating tomorrow's health care team; finding answers to biomedical puzzles; and adding value to the communities the university serves. Over 1,300 full-time faculty teach more than 2,100 students and over 560 medical residents and fellows.

Educational programs in UTMB's four schools emphasize the creation of a diverse work force of health professionals and scientists who can work as a team to better the lives of patients and improve the quality of life in their communities. Renowned distance education initiatives, including web-based course offerings and complete online curricula, enable UTMB faculty to reach students and practitioners who, because of their remote location, might otherwise be unable to take part in University courses or continuing education programs.

UTMB is also a health care system that offers patients from the state, nation, and world a comprehensive approach to quality care. Clinical areas of excellence include cardiology and cardiothoracic surgery; diabetes care; behavioral medicine; geriatric services; women's health; gastrointestinal health; telemedicine; trauma and burns; care for special populations, including women and children; and the incarcerated. A pioneer in the field of telemedicine with over 241,000 such consults to its credit, UTMB has established telehealth connections with such diverse groups as special-needs children in East Texas; epilepsy patients; cruise ship passengers; seniors in rural Texas; county, state, and federal inmates; and workers at research bases at the South Pole.

Research programs at UTMB enhance human health by advancing medical knowledge. They are multi-disciplinary, not only to make the best use of available resources, but also to enable scientists and clinicians to delve into a broad range of promising basic and clinical science topics that often have immediate application to patient care. Research areas of excellence include biodefense, infectious diseases, and vaccine development; neurosciences, neurological recovery, and pain management; gastrointestinal health; environmental health and asthma; cancer; molecular medicine; structural biology and proteomics; aging and longevity; burns; diabetes; and NASA – Space Flight Research.

In addition, the university bolsters the health of the regional economy. The last independent study, using fiscal year 2001 data, indicated that UTMB's presence results in nearly \$305 million in business volume in Galveston County, and that more than 19,000 Galveston County jobs are directly or indirectly related to the university. Statewide, UTMB's effect on business volume amounts to nearly \$1.4 billion. More than 31,000 Texas jobs are directly or indirectly related to the university's presence. Additionally, in fiscal year 2005, UTMB provided more than \$476 million in unsponsored care charges to Texans whose needs were great but whose resources were limited.

UTMB is an organization where dedicated, compassionate individuals work together for a common good, where exceptional professionals use their training and their sense of commitment to recognize and meet

pressing needs, and where those in need can seek the best care science can offer. It is a place that prides itself on helping those who cannot help themselves.

As a state agency and in support of its mission, UTMB has established four unique, interdependent goals that build upon its existing strengths and its uniquely synergistic environment. The goals are:

- Educate health professionals for tomorrow's medicine in a way that fosters continuous learning. Provide instruction that prepares students, residents, and fellows in the schools to meet the evolving health needs of all segments of our society while instilling in those students a commitment to lifelong learning, an understanding of and a dedication to the pursuit of scientific knowledge in the service of humankind, an appreciation of underlying human values, and a sensitivity to cultural differences.
- Conduct biomedical research using a multi-disciplinary, collaborative approach with teams of investigators, both within the institution and with other entities that meets the highest standards of scientific inquiry.
- Address the health needs of the medically-underserved using innovative approaches and teams of health care professionals who provide accessible, safe and affordable health care of the highest quality.
- Serve the public at large by applying our experiences to help break down barriers to care and taking a leadership role in developing health policy for the state and nation.

II. Major Ongoing Priorities and Initiatives

By definition, the Compact does not include all of the institution's priorities. There are many outstanding faculty and staff dedicated to numerous institutional initiatives of major importance. However, for the purposes of the Compact, the following are the highest short-term and long-term priorities and initiatives.

Short-Term Priorities (1–2 years)

Priority #1 Improve financial performance to ensure the financial health of the university and support the education, health care, and research missions.

Objectives:

UTMB is committed to enhancing revenue sources and controlling costs in order to ensure the financial health of the university and therefore secure its ability to educate future generations of health professionals, care for patients, and further medical science. UTMB will achieve a positive 3 percent operating margin.

Strategies:

- Improve the case mix index by performing more complex tertiary and quaternary care.
- Increase volume and change payor mix by increasing the percentage of commercial and Medicare patients.
- Develop more effective managed care approaches to ensure that the funding UTMB receives for unsponsored care provides services to as many indigent patients as possible.
- Develop and refine medical management processes. Use new care pathway protocols and information technology such as the Pharmacy Management System and the Electronic Medical Record to effectively manage the medical care of patients, thereby reducing variation in care and improving the quality of medical outcomes.
- Develop partnerships with the community to increase the capacity and performance of the county's health delivery system through coordination, disease management strategies, and use of advanced technologies. Conduct demonstration projects in the areas of health disparities and outcome-oriented programs to find new, better, and more cost-effective ways to provide care to uninsured patients.

- Continue to review and renegotiate county contract terms and reimbursement rates based on performance to recognize the actual cost of provided health care services.
- Increase sponsored basic science research activity using our demonstrated strengths in emerging infectious diseases and biodefense and promoting the BSL4 laboratory to recruit new faculty and secure new research funding.
- Restructure the faculty practice into an integrated practice that focuses on programs of excellence and promulgates quality, access, and affordability.
- Undertake a thorough external review of all university operations to assess performance relative to best practices and benchmarks of successful academic health centers operating at or above the 75th percentile. Implement selected recommendations from the external review process. Develop accountability structure for university leadership to ensure successful outcome of the implementation initiatives.
- Complete the restructuring of the organizational and governance structure.

Resources:

Increased county and state funding for the care of unsponsored patients, reimbursement models that recognize telehealth and other technology-based services, and increased reimbursement will fund the strategies.

Progress Measures:

Results will be measured by operating margin; case mix index; sponsored patient payor mix; increased volume of commercial and Medicare patients; maintaining unsponsored patient cases at funded levels; patient outcomes that meet or exceed median national benchmarks; decreases in cost per case, length of stay, and other patient care benchmark measures; and increased funding from the TDCJ managed care contract.

Progress:

- Reduced average length of stay from 4.9 to 4.8 days.
- Increased sponsored admissions by 8.0 percent while decreasing unsponsored admissions 13.0 percent.
- Total sponsored patient payor mix decreased by less than 1.0 percent.
- Cost per case increased by 2.0 percent after experiencing a decrease of 3.5 percent the previous year.
- Increased off-island presence with the opening of the Women's HealthCare Center in Dickinson.
- Implemented medical screenings in the ER in an effort to cope with the increasing number of non-urgent visits and allow ER staff to focus their resources on those in greatest need.
- Entered into partnership with LifeWings, a patient safety consulting firm, in an effort to improve patient safety, increase efficiency, and enhance team effectiveness.
- Created a multidisciplinary budget committee consisting of members of the Hospital and School of Medicine jointly collaborating on enhancements/reductions necessary to achieve budget target.
- Managed a successful response to the explosion at the BP refinery in Texas City; operating on high alert within five minutes and implementing the External Disaster Plan 20 minutes later.
- On schedule with Electronic Medical Record project: implemented Epic Clinical Data Repository; OpTime went live for Surgery Scheduling; EMR implemented in Island Pediatrics and in Pediatric Community Based Clinics; and implemented Secure Messaging (My Chart).
- Collected \$9.4 million for county contracts, slightly down from the \$9.7 million collected in 2004.
- Over a ten week period Navigant (NCI), a health care consulting firm, "benchmarked" academic, clinical, and support programs at UTMB. Where UTMB was below benchmark, NCI provided savings opportunities, which will serve as a framework for UTMB's operations improvement plan.

Major Obstacles:

Governmental entities and local communities will continue to resist providing increased funding to address care for the uninsured. Access to health care through the ER for non-traumatic injuries will

continue to cause significant strain on hospital operations. The legislature may be reluctant to adequately fund the correctional care system.

Priority #2 Develop inpatient and outpatient infrastructure to support increased commercial patient volume and the development of new patient care product lines.

Objectives:

Increase commercial patient volume by providing patient-centered, patient friendly care facilities and supporting infrastructure.

Strategies:

- In partnership with The Sealy & Smith Foundation, undertake the construction of the new Jennie Sealy Specialty Care Tower/Hospital. Develop plans for renovation of backfill areas in Old John Sealy Hospital to accommodate our priority space needs.
- Develop a multi-specialty consultative practice facility in north Galveston County. Work with local care providers and community leaders to identify current and future market needs. Identify specialty clinic programs of excellence for programming in the facility. Perform community outreach to ensure acceptance of the identified programs with the community physicians and the commercially insured in the area.
- Undertake construction of specialty outpatient clinics.
- Improve the utilization of clinical space.

Resources:

Projects will be financed through philanthropy, bond funds, and income from operations.

Progress Measures:

Progress will be measured by completion of the project schedules, increased commercial patient volume when facilities are operational, and improved case mix index.

Progress:

New priority.

Major Obstacles:

Private providers may view this priority as a threat to their practices.

Priority #3 Continue to develop collaborative educational, research, and outreach programs in the Austin area.

Austin community leaders and alumni have asked the university to enhance and potentially expand existing health sciences education, medical research, and outreach activities in Central Texas. Continue to develop collaborative educational, research, and outreach programs directly with UT Austin and with the Central Texas Institute for Research and Education in Medicine and Bio-technology (CTI – Seton Healthcare Network, Central Texas Veterans Association, UT Austin; UT Health Science Center-Houston School of Public Health, Austin Chamber of Commerce, the St. David's hospital system, and UTMB). Ensure that these collaborations support the community's, UTMB's, UT Austin's, and CTI's mutual interests.

Objectives:

The objectives of program development in Austin include providing additional opportunities for students to receive undergraduate medical education in Central Texas; enhancing UTMB programs in graduate medical education; partnering with UT Austin in a combined M.D./Ph.D. program; reaching out and creating innovative models to care for populations at risk; providing opportunities for collaborative

research projects between UTMB and the other project participants; and providing opportunities for Austin medical community scientists and UTMB scientists to participate in clinical trials.

Strategies:

- Continue to work with leaders in the Seton Healthcare Network, UT Austin, and the Central Texas VA, as well as city and county leaders, the medical community in Travis County, and other potential Central Texas partners to identify long-term needs, potential opportunities for collaborative projects, resource requirements, and timelines.
- Collaborate with AMEP (Seton) to assume sponsorship of other GME programs and look at the feasibility of developing new residency training programs in Austin.
- Support Austin legislative delegation initiatives to approve funding student programs in Austin with supplemental formula funding as a regional campus.
- Expand adjunct professorships, both of UTMB faculty in Austin and UT Austin faculty in Galveston.
- Identify specific research areas of strength and collaboration between UT Austin and UTMB scientists including biodefense and emerging infectious diseases, developmental biology, childhood development, biomedical engineering, imaging, and drug development.
- Expand joint research seminars and workshops between partnering institutions in both Austin and Galveston.
- Utilize the East Texas Area Health Education Centers to expand community outreach in Austin, Travis County, and surrounding counties for health workforce development, community health systems support and community health literacy.
- Work with UT System to develop research and academic infrastructure necessary to support these initiatives.
- Seek joint funding for CTSA grant during the next 18 months with Austin.
- Seek funding for a General Clinical Research Center satellite at Brackenridge Hospital in Austin for use by UTMB Austin faculty and UT Austin faculty.
- Recruit a dean for Austin programs to insure the highest level of educational and clinical instruction with local governance.
- Assist the UT System in achieving the development of an Academic Health Center in Austin.
- ETAHEC coordinated 119 medical student rotations and partnered with the Mexican Consulate and the Austin/Travis County Health Department to provide health and human service resources.

Resources:

Resources from the Seton Healthcare Network, CTI, UTMB, and UT Austin will be required to support the programs.

Progress Measures:

Progress measures will include increases in the number of student and resident opportunities in Austin; in the number of joint research grants; in the amount of philanthropic support to fund collaborative opportunities; and the number of joint seminars, visits, and workshops.

Progress:

- Appointed eight UT Austin faculty to adjunct faculty status at UTMB.
- The first students have been accepted into the UT Austin/UTMB joint M.D./Ph.D. Program.
- UTMB and UT Austin jointly submitted a new Clinical and Translational Research Science Award (CTSA) application to NIH with a major focus to expand joint development efforts, biomedical engineering, outcomes research, and other areas. The institution is partnering with Austin's new Texas Institute for Drug and Diagnostic Development.
- The institution has continued to hold joint workshops or symposia on drug development and clinical application for the new Pickle Campus 3T MRI.
- Worked with the new UT System research office to support research initiatives, including partnership with Sandia and Los Alamos National Labs.

- Set up workshop on IRB, grants and contracts at UTMB Austin Program in Brackenridge Hospital.
- Assumed sponsorship of the Seton/AMEP GME program in Obstetrics and Gynecology.

Major Obstacles:

The development of consensus among the multiple constituencies; the development and funding for new academic programs and subspecialties; and the associated facility requirements.

Priority #4 Use information technology to improve access to quality health care services, improve patient safety, expand educational programs, and support the global research enterprise.

Objectives:

The university will provide a flexible network infrastructure that enables enterprise access to our IT applications. Electronic tools will facilitate communication, information sharing, and information management. State-of-the-art integrated information systems will improve the reliability and effectiveness of our health care delivery, education programs, and administrative processes. Provide improved IT connectivity, software, and hardware for bio-computing research scientists.

Strategies:

- Complete the implementation of the Epic Electronic Medical Record System, which, when fully implemented, will improve patient care, patient safety, and access to medical record information and increase the security of patient information.
- Provide access to high-speed networking across the state and nation to facilitate communication among UTMB researchers and with researchers outside UTMB and enhance our distance education programs. Participate in the National Lambda Rail (NLR) network and regional LEARN network that will provide high-speed networking capabilities to UTMB. Work with the Texas Advanced Computing Center to create a supercomputing environment for drug development and imaging.
- Provide state-of-the-art integrated administrative information systems to improve decision making, efficiency, and cost effectiveness of our business processes.
- Identify and increase specific clinical telemedicine services (new modes of home health services, monitoring heart patients, and gerontology services) with direct influence on revenue streams to enable growth in the program and enhance UTMB's competitive stance in this field. Expand the capabilities of the UTMB Electronic Health Network to increase the number of rural partners in the service population and create at least one new project with a rural partner. Produce evidence-based data to encourage policy makers and insurers to reimburse telehealth consults. Improve seamless integration of telemedicine with present clinical services.
- Secure collaborative research program "Identifying the Value of Telehealth," a collaborative project between the AT&T Center for Telehealth Research and Policy at UTMB, and the Center for Information Technology Leadership, a national outcomes research group.
- Shift focus from grant and endowment funding to commercial efforts, generating continued and sustainable revenue streams. Complete privatization arrangements and formation of private telemedicine company with UTMB participation before 2007.
- Identify and plan for next generation of clinical technologies.
- Continue enhancing IT infrastructure. Develop IT infrastructure necessary to support good laboratory practices, develop strategies to assure research data security and sustainability, and increase network bandwidth capability.
- Identify and increase specific clinical telemedicine services in concert with improving access and new patient care delivery models.
- Partner with technology firms and institutions of higher education to experiment with and deliver new technology applications to research, education, and clinical entities.

Resources:

State funds will continue to be the primary resource for ensuring our information technology platform supports our institutional goals. Grants, contracts, and endowments will be the primary resources for establishing new programs in telemedicine.

Progress Measures:

Progress will be measured by successful completion of the Epic EMR system, increased telemedicine contracts and enhanced reliability of administrative systems.

Progress:

- Continued implementation of the Epic Electronic Medical Record System.
- Worked with commercial computer partner to provide to UTMB a high-end computer cluster and software to implement GRID supercomputing for both drug development and image processing for telehealth.
- Established 14 new contracts for telemedicine services for a total of 34 telemedicine contracts.
- There have been significant discussions and progress regarding telemedicine commercialization with a local Houston investment bank.
- Development of home monitoring hardware in conjunction with Southwest Research Inc. of San Antonio.
- Completion of telemedicine hardware and consulting contract with Cleveland Clinic Foundation, Cleveland, Ohio.
- Award: "Focus on Innovation" from the National Homeland Defense Foundation, for pairing telemedicine with biodefense capabilities. Quoted as having national value.
- Award: "Best of Texas - Best Application Serving a Public Organization's Business Needs" from the Center for Digital Government, for electronic medical record and telemedicine programs supporting the Texas Department of Criminal Justice statewide.
- Award: Texas Higher Education Coordinating Board for 'Bridging the Gap' in research on behalf of the Gulf Coast Consortia/Keck Center.

Major Obstacles:

The foremost obstacle is securing adequate funding for acquiring new technologies and continued innovation, as well as the lack of access to computer scientists and engineers in Galveston. With respect to telemedicine, cross-state licensure issues, although not a factor in the federal setting, present an obstacle for interstate operations. Medicare and Medicaid reimbursement difficulties and the additional fact-finding required to determine eligibility for those seeking treatment via telemedicine are obstacles to overcome.

Priority #5 Create the conditions, structures, models, technology, and systems to ensure the university has a trained and educated workforce to meet both current and future workforce needs.

Objectives:

The health care enterprise which includes health care professionals, nontraditional health care roles (i.e., accounting, information technology, and laboratory technicians), researchers, and the community is critical to the delivery of quality care, health care education, and research. The university must have skilled leadership and workforce and the resources in place to provide development, nurturing, and professional growth.

Strategies:

- Convene a task force to review and analyze the external and internal conditions, current and future trends, labor supply patterns, work place changes, and economic and quality of life issues; develop a critical needs assessment; and identify developmental needs.

- Develop a strategic plan that addresses the institutional workforce requirements through the 2010 period. The strategic plan will include a critical review of health care labor shortages, both current and anticipated, over the next five years and the development of requirements for the future workforce.
- Expand current workforce development programs and initiate new programs to provide education and training support to help individuals identify and build productive careers.

Resources:

Internal resources, grants, partnerships with industry and the community, and philanthropy will be used.

Progress Measures:

A draft Strategic Workforce Development Plan was completed in FY05 and will be vetted in FY06. An implementation plan will be developed in FY06/07.

Progress:

- A draft Strategic Workforce Development Plan was completed in FY05. Strategies are focused on employee pipelines, recruitment, retention, leadership, and staff development.
- A high potential development plan has been implemented for emerging leaders.

Major Obstacles:

Funding for increased training and development activities.

Priority #6 Successfully complete the five-year comprehensive campaign in order to support areas of excellence at UTMB that are critical to achieving institutional priorities.

Objectives:

UTMB has embarked on its *Timeless Values, Pioneering Solutions* comprehensive campaign, an effort aimed at securing \$250 million in philanthropic support, including contributions received from The Sealy & Smith Foundation, between September 1, 2003, and December 31, 2008. The campaign will build upon UTMB's unique and complementary strengths in four broad-based areas that are critical to the health of the state and the nation: infectious disease, biodefense, and vaccine development; telehealth and improving access to care; longevity, chronic diseases, and neurological recovery; and teaching the art and science of health care. Campaign priorities will benefit programs of excellence in all four UTMB schools, as well as university-wide research and clinical care programs.

Strategies:

- Continue to increase involvement of alumni and friends in championing UTMB and its mission by establishing regional committees headed by volunteer leadership. Over the next two years, identify additional opportunities for support throughout Texas to include the Golden Triangle, Deep East Texas, the Rio Grande Valley, and national areas. These committees are composed of community leaders and alumni from each region.
- Internally, continue to improve the constituent database, stewardship, reporting, and recognition functions related to events and alumni relations, grateful patients, and development activities.
- Continue to identify and solicit significant prospective contributors, especially those at \$1 million and above capacity.
- Develop further the Grateful Patients Program.
- Implement reunion giving programs for 50 (1955), 40 (1965) and 25 (1980) class years to include volunteer development, reunion contributions, training, and activities.
- Initiate a campaign within a campaign to build a specialty care facility on campus to better support the practice of patient- and family-centered care.

Resources:

Volunteer resources will be essential to meet the objectives. To date, the number of members on the UTMB Development Board has been increased, and the current board is among the most active and engaged in the University's history. In addition, UTMB has established volunteer relationships through multiple regional activities. This includes nearly 100 Development Board members and the recruitment of more than 60 UTMB campaign volunteers, including 35 UTMB leaders, faculty, and staff who are actively involved with the Campaign Steering Committee and Faculty/Staff Campaign Committee.

Progress Measures:

Progress will be measured by achieving annual commitment goals.

Progress:

- Reached \$118.9 million in commitments, exceeding the goal of \$100 million for the first two years.
- Launched the public phase of the campaign and the reunion giving program.
- Media coverage for UTMB in the state has increased 14 percent as measured by the number of stories in state, national, and international media and the media's circulation.
- Initiated the Dean of the School of Medicine Outreach visits and the Chairman Outreach visits. Each of these events has heightened community awareness of UTMB and built relationships with benefactors and friends.

Major Obstacles:

Not unique to UTMB, obstacles to the success of our campaign have been identified as competition for philanthropy, the national and local economies, and the recruitment and retention of qualified major gift officers. We are competing for gifts with other campaigns underway or planned in Texas, and, even closer to home, in the major medical complex located in Houston. As already experienced, a downturn in the economy or the stock market will have a significant impact on our ability to secure leadership and major gifts.

Long Term Priorities (2 – 4 years)

Priority #1 Support the national call for reengineering the clinical research enterprise by increasing translational research in concert with the National Institutes of Health Roadmap, so that advances discovered in basic and clinical research can be readily developed into new patient care therapies.

Objectives:

A major institutional focus is to strengthen collaborations between UTMB and the other UT System academic and health institutions, and between UTMB and government and commercial entities. UTMB will increase extramural funding for translational research and commercialization support, thereby increasing the pace of discoveries and clinical development in the life sciences.

Strategies:

- Revitalize the research office, support organization and processes. Centralize the operation of the campus research office in the School of Medicine.
- Contribute to the establishment of a high-field MRI Center at UT Austin to support collaborative studies involving UTMB and UT Austin and the Central Texas VA.
- Establish a Center of Excellence in Space Life Sciences through collaboration with Johnson Space Center/NASA.
- Expand the use of genomics, proteomics, and bioinformatics to help identify genes associated with diseases being studied in clinical and translational research at UTMB.
- Reestablish a clinical trials unit within the UTMB Research Office to encourage clinical research activities and to attract multi-site clinical studies, including those in the Central Texas region. Initially

facilitate the development of this clinical trials unit to assist in the management of clinical trials in both Galveston and the Central Texas area; establish business agreements with participating institutions in Central Texas for IRB approvals of clinical trial protocols; create a system for shared core activities for all clinical studies; and establish metrics for clinical trial productivity.

- Work with BioHouston; the Gulf Coast Consortia (GCC-UTMB, Rice, UTHSC-Houston, Baylor, UT M. D. Anderson Cancer Center, and the University of Houston); and regional academic partners to establish a Regional Center for Translational Research in the Houston/Galveston area.
- Work with the six Galveston/Houston GCC institutions to further develop the recently created Alliance for NanoHealth. UTMB will increase its research activities and program focus in nanohealth in order to better leverage the new regional effort.
- Initiate critical review and implementation of recommendations from the Coordinated Strategic Approach for Research Commercialization report, which will enhance the clinical, basic, and translational research opportunities in Galveston and our partnering regions, particularly with regard to the commercialization opportunities created by the Western Regional Center of Excellence (WRCE) and the Galveston National Lab (GNL).
- Secure CTSA funding in the next 18 months and work with the Gulf Coast Consortia and regional academic partners to establish a Regional Center for Translational Research in the Houston/Galveston area.
- UTMB is discussing with Johnson Space Center and NASA additional areas of research in which they might collaborate in the coming years.
- Complete a new strategic plan for research to guide the institution over the next 10 years.

Resources:

Each of the objectives will require committed time for UTMB clinicians and researchers to participate in new clinical and translational research and commercialization partnerships. Additionally, the following resources will be needed: federal, state, and local funding; capital and operational funding to support renovating, maintaining, and developing new critical core facilities, centers, and programs at UTMB; funding from each of the participating institutions; funding from biotech and pharmaceutical companies to support collaborative initiatives; funding from local endowments, venture firms, and angel networks to increase commercialization partnerships and startups; and gap funding to translate basic research intellectual property into products for health care improvement.

Progress Measures:

Outcomes will be evaluated and results will be measured as follows for each of the objectives: number and dollar amount of clinical and translational studies and clinical trial proposals submitted to the clinical research center; number and dollar amount of clinical studies initiated; increase in clinical trial subjects and decrease in time required to recruit subjects for designated trials; increase in the number of space-related research collaborations and successful grant applications for space-related research that translates into new funding; number of patent disclosures, patents, licenses, and startups; increase in the number of collaborations with other regional institutions; and increase in research expenditures.

Progress:

- Research expenditures for FY05 have increased 14.2 percent from FY 04.
- A new associate dean for research administration was recruited to revitalize the research office. The research office has been centralized in the School of Medicine. With the appointment of the dean of medicine as the vice president for academic programs, administration and services, the reporting structure of the research office works now to effectively include all UTMB schools, departments, and centers.
- Participated in jointly-funded new training grants through the Gulf Coast Consortia/Keck Center (UT-HSC-H, Rice, Baylor, M. D. Anderson Cancer Center, the University of Houston, and UTMB) in Nanobiology, pharmacoinformatics, and computational and structural biology in biodefense. Worked to create a new Corporate Liaison Office within the CTD to push development of a state-wide Alliance for Biodefense and Homeland Security. UTMB and UT Austin jointly submitted a new Clinical and

Translational Science Award application to NIH to foster translational and clinical research between the two campuses and the UT Austin clinical training effort.

- A major focus of the CTSA grant application will be to expand the use of genomics, proteomics, and medical informatics to help identify biomarkers associated with diseases being studied in clinical and translational research at UTMB. The SOM has established a new Center for Clinical and Translational Sciences with a plan to request approval from the Regents to make this a new Institute.
- The new high-field MRI Center at UT Austin was established; a workshop between UTMB, UT Austin faculty members, and the Central Texas VA was held to help develop joint collaborative research programs.
- A new recruitment is being finalized as a first step to reestablish a clinical trials unit within the UTMB Research Office to encourage clinical research activities and to attract multi-site clinical studies, including those in the Central Texas region. We continue working with the UTMB Austin faculty to establish protocols and procedures for IRB approval of human subject protocols as well as coordination of grants and contracts between Brackenridge and UTMB.
- Completed a critical review and began implementing recommendations from the Coordinated Strategic Approach for Research Commercialization report, which will enhance the clinical, basic, and translational research opportunities in Galveston and our partnering regions, particularly with regard to the commercialization opportunities created by the Western Regional Center of Excellence (WRCE) and the Galveston National Lab (GNL). This has resulted in the creation of the Corporate Liaison Office.
- The Alliance for NanoHealth (ANH) (UTMB, Rice, UTHSC-Houston, Baylor, M. D. Anderson Cancer Center, and the University of Houston) has recruited a new director, Dr. Mauro Ferrari, an internationally recognized nanobiology researcher from Ohio State. The ANH has received over \$6.0 million in additional federal funding.
- Completed construction of the framing for the first two floors of the GNL.
- A General Clinical Research Center (GCRC) satellite has been created at UTMB's Sealy Hospital with funding from the National Aeronautics Space Administration (NASA). This satellite, the GCRC Analog Flight Unit, is a 10-bed facility to study the physiologic effects of the microgravity of space flight. A short radius (10-foot) human centrifuge has been constructed and installed, and centrifugation on this instrument tested for its ability to counteract the physiological effects of microgravity.

Major Obstacles:

Budgetary shortfalls for Texas and increasing costs to conduct research and clinical studies (i.e., compliance) will continue to be obstacles to achieving all goals. Protected clinical time for UTMB investigators must be addressed. Lack of appropriate systems to expedite research and clinical study communication. Reaching consensus among research center partners on an Institutional Review Board approval process, liability issues, and study costs. Cultural differences between private industry and academic medical centers. Level or declining support for research by the federal government. Houston and Galveston are not leaders in biotech commercialization and lack investment funds and top management and commercial research personnel relative to the top biotech clusters in the U.S.

Priority #2 Continue facility development in conformance with the capital improvement plan to improve our clinical facilities and support our expanding research opportunities.

Objectives:

Implement the capital facilities plan in accordance with the UT System Capital Improvement Plan (CIP), ensuring that all projects are completed within the approved budget and schedule. Ensure that all projects are linked to institutional goals and that the facilities needs of the educational, clinical care, and research missions of the university are met.

Strategies:

- Identify future needs with key stakeholders, including the deliverables and associated timeframes.

- Identify and secure appropriate capital funding for the projects. The capital facilities plan for the period will be funded by appropriate dollars (e.g., grants, gifts, and bonds).
- Contract with industry experts to analyze the scope of projects and ensure that our options are based on objective distinction between desires and true needs.
- Maintain continued support from the Office of Facility Planning and Construction (OFPC) for project management, design, and construction management consultation, as well as facility commissioning.
- Maintain UT System assistance in grant solicitation (federal and private funding) for new projects and infrastructure renewal.
- Complete the conceptual design and the financing plan for the Jennie Sealy Hospital replacement project and incorporate the project into the CIP.
- Maintain the project schedule and budget for the Galveston National Lab.
- Maintain the project schedule and budget for the Research Expansion Project to meet the needs of the School of Medicine research initiatives in the neurosciences and chemistry cores.

Resources:

The resource requirements for this initiative are outlined in the CIP for UTMB, as amended by the UT System Board of Regents at their August 2005 meeting. Over the next four years, funding for the projects in the amount of \$600 million will be financed using the Permanent University Fund, bond funds, philanthropy, federal grants, and income from operations. These resource requirements will be revisited from time to time to ensure that funding sources as outlined in the CIP are on track.

Progress Measures:

Progress will be measured by completion of the projects on the CIP.

Progress:

- The 2006-2011 CIP was submitted and approved by the Board of Regents in August of 2005. This CIP identifies over \$600 million of facility investments for UTMB.
- Initiated needs-assessment activity for the School of Medicine, targeting the research needs for the two-to-five year period.
- Initiated the development of a productivity measure for the research space as a tool in assessing needs and business plans for research activities.
- Completed a federally-funded Transgenic Mouse Production facility on campus.
- Completed construction of a new Endoscopy Procedure Suite in John Sealy Hospital, along with the doubling of the Acute Care for the Elderly inpatient unit and several new modalities of diagnostic imaging.
- The University Plaza Project is on track and will provide improved image, way finding, and parking for the patients arriving at our campus.
- Completed the design of the Galveston National Lab and negotiated a guaranteed maximum price construction contract within the budget.
- Completed construction of the BSL3 Cryo-Electron Microscope W.M. Keck Center for Viral Imaging with philanthropic, federal, and local funds.
- Completed construction of new BSL3 space for biodefense and emerging infectious diseases.

Major Obstacles:

Potential obstacles to success in meeting these objectives include maintaining an adequate skill mix of personnel for project management and delivery of services on campus; resisting internal pressure from other institutional priorities to redirect funding to other priorities; meeting the challenges of compliance with continually evolving codes and standards (e.g., new codes, mandated code changes, and regulations); the impact of severe weather on the cost of construction in our region; and leveling of NIH construction grant funding.

Priority #3 Enhance our environment and programs to improve the recruitment, retention, and development of a diverse workforce of faculty, staff, and administrators, thereby creating a workforce that reflects the diversity of Texas.

Objectives:

Because a culturally diverse workforce can better address the health care needs of a culturally diverse patient population, we recognize our responsibility to educate scientists, physicians, nurses, and allied health professionals who mirror the population they serve. In response, the university has designed and implemented plans for recruiting members from disadvantaged groups as students, faculty and staff, and for encouraging members of these groups to enter the health care professions. Specifically, UTMB has plans in place to enhance pre-college awareness programs; enhance and develop undergraduate awareness programs; enhance admissions processes; increase funding for scholarship programs; enhance academic support systems; and refine evaluation processes for recruitment and retention.

Strategies:

- Expand and enhance recruitment programs to more effectively search nationwide for candidates who are members of underrepresented ethnic groups.
- Enhance retention programs to retain members of underrepresented ethnic groups.
- Provide a supportive environment for underrepresented groups that recognizes and values their cultures and that addresses their career development needs:
 - Increase awareness of the value of cultural and language differences in an ever-changing population;
 - Require continuing education courses that educate employees about cultural and language differences;
 - Expand Spanish language training for faculty and other employees;
 - Establish programs that pair underrepresented minority faculty and/or administrative and professional staff with individuals who can provide career development mentoring; and
 - Provide protected time to minority faculty to support their career development.
- Establish institutional policies to support this priority.
- Establish an institutional service with appropriate expertise to help faculty recruits with housing and relocation assistance and assist their spouses in finding employment.
- Increase employee satisfaction as measured by the You Count employee survey.
- Expand support of East Texas AHEC workforce development activities.

Resources:

Funding will come from the reallocation of existing funds.

Progress Measures:

Progress will be measured by an increased proportion of individuals from underrepresented ethnic groups in faculty and administrative positions; increased retention of employees from underrepresented ethnic groups in faculty and administrative positions; demonstrated career advancement among members of underrepresented ethnic groups in faculty, staff, and administrative positions; and improved employee and faculty satisfaction.

Progress:

- UTMB has increased the number of faculty from underrepresented ethnic groups to 288 or 32 percent of the faculty in 2005.
- The Institutional Diversity Council continues to support the efforts of the existing core committees (Advancement of Women Faculty and Administrators and the Support of Underrepresented Ethnic Groups).
- A four-year implementation plan for supporting the university's diversity goals has been developed and is being implemented.

- Revised search committee guidelines to improve membership and process in search committee activities.
- An online Diversity Vitae Bank was implemented to improve recruitment.
- While overall employee satisfaction remained at 66 percent favorable in 2005, there was increase to 79 percent of respondents agreeing that UTMB values individuals of diverse backgrounds.

Major Obstacles:

Nationally, the pool of minority applicants with appropriate graduate degrees is small, and UTMB has experienced strong competition from other institutions that are recruiting from the same limited applicant pool.

Priority #4 Advance the educational environment by creating structures and innovative programs to enhance teaching and learning for faculty and students.

Objectives:

UTMB will focus resources on improving the practices and skills of the teaching faculty and the learning environment of students. We will increase the number of innovative educational programs that promote multi-disciplinary and team-based health care delivery. We will also increase the extent to which students are satisfied that the educational program has equipped them to perform effectively in a multi-disciplinary team environment when they enter professional practice.

Strategies:

- Strengthen current, and increase the number of, innovative multi-disciplinary education programs, in concert with developing the health care team of the future that works together seamlessly to address the needs of patients and their families.
- Focus program development on student-based needs, organizing educational activities to support their roles in multi-disciplinary teams.
- Enhance and expand sharing of educational resources and faculty, emphasizing more collaboration among schools. Opportunities include encouraging additional faculty to teach courses in other schools, establishing additional joint courses across schools, and conducting additional cross-disciplinary forums.
- Develop approaches to foster and evaluate teaching excellence. Recognition programs will support this endeavor by honoring models of teaching excellence, thereby raising awareness of successful and innovative approaches.
- Continue to develop the multi-disciplinary education philosophy, and model and integrate cultural competency concepts into a model that emphasizes professionalism and ethical, evidenced-based practice.

Resources:

Current institutional resources are in place to support these activities.

Progress Measures:

Success will be attained when a shared definition of the role(s) of a multi-disciplinary team is developed, innovative approaches for fostering and evaluating teaching excellence are developed and teaching award programs are implemented. Ongoing performance measures will include the number of multi-disciplinary educational activities, the level of collaboration among schools and school faculties, and student satisfaction measures regarding their understanding of and ability to apply the future roles of multi-disciplinary teams in the health care environment.

Progress:

- The first ever teaching excellence retreat for faculty from all four schools was conducted in fall 2005.
- A five-year Strategic Plan for Teaching and Learning Resources was completed.

- In the School of Nursing, Interdisciplinary electives and clinical experiences were developed at undergraduate and graduate level: 1) spirituality elective; 2) summer international elective (Nicaragua experience); and 3) acute care nurse practitioner students function as part of team during rotation.
- Nursing students and faculty invited and participate in Team IDEAL activities with the School of Allied Health Sciences.

Major Obstacles:

Differences in educational approach exist among the schools due to the different types of students, variation in course schedules, and the structure of school curricula. There are also concerns that centralized educational activities will erode the discipline-specific areas. An institutional culture with a tradition of disciplinary focus must be transformed to foster collaborative approaches to teaching and faculty development.

III. Future Initiatives of High Strategic Importance

Priority #1 Achieve a more balanced revenue portfolio by diversifying revenue sources in order to maintain financial health despite changes in state and federal funding.

Objectives:

UTMB's funding for fiscal year 2005 came from five main sources: patient care, state appropriations, research grants, gifts/donations/philanthropy and other sources, and tuition and fees. UTMB's objective is to reduce the dependence on state appropriations as a percentage of total revenue and achieve a more balanced revenue portfolio; with a target of 16 percent general revenue, 45 percent patient care, 20 percent research and 19 percent other revenue sources (See Table 1).

Table 1. Current and Projected Revenue Sources

FY 05			FY 14		
Percent of Revenue	Source	\$ in Millions	Percent of Revenue	Source	\$ in Millions
20%	State	\$269.7	16%	State	\$320
60%	Patient Care	817.0	45%	Patient Care	900
14%	Research	199.6	20%	Research	400
1%	Tuition	11.5	1%	Tuition	20
5%	Other	68.2	18%	Other	360
100%	TOTAL	\$1,366.0	100%	TOTAL	\$2,000

Note: "Other" includes dollars from philanthropy, patents, royalties, commercialization, PUF, and funding for capital expenditures.

Strategies:

- State funding: UTMB will continue to maximize state funding opportunities and will put in place strategies to protect against sudden and substantial changes to state budget allocations/revenues. UTMB will clearly articulate and explain our special missions (e.g., addressing the health needs of the medically underserved) and explore developing UTMB as a multi-county hospital district serving Galveston, Harris, Brazoria, Chambers and Jefferson counties.
- Patient care: UTMB serves a large population of indigent and low-income, un- or underinsured patients. Although the amount of coverage provided by Medicare and Medicaid has been declining for the past several years, it is critical that we continue to be diligent in our efforts to maximize these reimbursements in order to continue treating the low-income and elderly patients whose care is largely dependent on these payors. UTMB will enlist UT System support for legislative initiatives such as the Indigent Care Fund. In addition, cost increases and inflation must be negotiated in contracts

with all insurance payors. The contract for providing medical care to the inmates of the Texas Department of Criminal Justice System (TDCJ) needs to be renegotiated to be consistent with the actual cost of this care. UTMB will focus efforts in areas of clinical excellence, such as gastrointestinal disorders, geriatric services, neurologic recovery, diabetes, and asthma.

- Research: The FY05 percent of UTMB's funding from research grants will be increased, as we focus on our research strengths such as infectious diseases, structural biology and multi-institutional clinical trials. The Biosafety Level Four (BSL4) Laboratory and the Galveston National Lab will help attract research funds. UTMB will also focus on fostering multi-disciplinary approaches to research and developing industry collaborations (e.g., Center for Research Translation). Collaborative programs with the Central Texas VA and UT Austin will continue to further our research ties with these entities.
- Tuition: UTMB's objective is for all of its schools to be in the lowest quartile in tuition and fees among comparable institutions in the United States.
- Other: Greater effort will be put into commercializing intellectual property. To facilitate this, we created a Center for Technology Management that will give our efforts in this area more visibility and emphasis. We have several technologies we believe can be commercialized to generate revenue, including our digital medicine systems (telemedicine/electronic medical record/care management) and distance education modules. We will also increase our efforts to generate additional revenues through development initiatives such as the *Timeless Values, Pioneering Solutions* comprehensive fund-raising campaign, which will broaden our philanthropic base.

Resources:

See Table 1. This initiative is interdependent with other institutional priorities.

Progress Measures:

Progress will be measured by tracking the funds received from the state and from patient care, research, philanthropy, and other sources; quantifying the commercialization of our intellectual property and distance education programs; and determining how our tuition rates compare nationally.

Priority #2 Maintain our position of social responsibility by ensuring that each of our schools provides a curriculum that educates and prepares teams of health care professionals to practice health care in the future.

Objectives:

The university will develop a standard set of core competencies in the curriculum of each school that addresses the needs of health care professionals who will enter practice by the 2010 period.

Strategies:

- The faculty will develop a philosophy of health care education that ensures the curriculum in each school addresses the ideals of humanism and compassion.
- UTMB will develop programs similar to the School of Medicine's Oslerian Scholars program in the School of Allied Health Sciences and the School of Nursing.
- Programs similar to the School of Medicine's problem-based learning model, which integrates hands-on patient care experience, small-group discussion, and traditional classroom instruction to better prepare students for how medicine is practiced will be evaluated for adoption in the other schools.
- Implement the plan for the Teaching Academy to advance the education mission by raising the standards and improving the practices of teaching faculty across schools, across learners, and across all types of educational activities.
- Study the possibility of expanding the role of the Office of Educational Development to a university-wide level.
- Design a pilot interdisciplinary learning experience for implementation in 2006.
- Prepare for the ethical implications of new health care and education delivery systems.
- Revise the undergraduate curriculum in the School of Nursing to entail a philosophical and pedagogical shift to student-centered learning approaches. Implement the new curriculum in 2007.

Complete implementation of new master's specialty: Nursing Leadership in Complex Healthcare Organizations; implement new master's specialty program: Nursing Education with Clinical Concentration; and implement new BSN-PhD in Nursing.

Resources:

UTMB will need additional philanthropy to increase the number of Oslerian Scholars and for adopting similar programs in the other schools, establishing problem-based learning models to the other schools, and learning technologies.

Progress Measures:

A framework for curricula will be developed to support the needs of health care practitioners in the 2010 period. Problem-based learning models will be applied to instruction in the other schools. The Teaching Academy will be implemented in 2006.

Priority #3 Become a recognized leader in shaping health policy in the area of addressing the health needs of the medically underserved.

Disadvantaged populations, including children, the elderly, special needs patients, the indigent, and the working uninsured, face unique health problems and difficulty accessing health care and treatment protocols. UTMB is committed to eliminating these health disparities.

Objectives:

UTMB plans to establish a Health Policy Institute to perform research related to eliminating health disparities. UTMB serves a diverse population and is therefore uniquely positioned to inform decision makers about the issues surrounding health care delivery to disadvantaged populations. The Health Policy Institute will provide opportunities for students and faculty to conduct research to understand the nature and extent of health disparities, investigate the impact of such disparities on the health care system, and educate various public constituents about the issues regarding health disparities.

The Health Policy Institute, in collaboration with other UTMB departments and schools, will provide research opportunities to selected scholars in topics such as the effect of insurance on long-term health care outcomes, the needs of the working uninsured, and the effects of health care policy on the health of disadvantaged populations and the health care delivery system.

Strategies:

- Provide funding to support research at UTMB and at other institutions and organizations to study health disparities in underrepresented/disadvantaged populations. Expand our capabilities by seeking additional funding from foundations and state and federal resources to develop more comprehensive programs.
- Establish collaborations with the UT Austin LBJ School of Public Affairs and the James A. Baker III Institute for Public Policy at Rice University, which are both engaged in public policy research.
- Present briefing papers, presentations, and symposia and host conferences to help decision makers understand issues related to health disparities. Continue the Health Disparities Lecture series.
- Attract federal, state, and philanthropic support to promote research related to health care policy and its effect on underrepresented/disadvantaged populations.
- Consider the emerging concept of population health that aims to improve the health of the entire population and reduce health inequities among the population groups.

Resources:

UTMB has established a Program for Eliminating Health Disparities and is engaged in establishing collaboration with the UT Austin LBJ School of Public Affairs and other institutions. UTMB is a member of the Consortium in Health Disparities established by the Center for Research and Minority Health at UT M. D. Anderson Cancer Center. Funding is being sought from several philanthropic sources to support research in health policy issues related to disparities.

Progress Measures:

The success of the Health Policy Institute will be measured by the accomplishment of the following: establishment of funding source(s) of a minimum of \$250,000 by 2007 to support health policy research; development of at least two focused research studies related to health disparities of particular interest to UTMB by 2008; and formalization of a partnership with one institution and establishment of a collaborative research project on a topic related to health disparities by 2008.

IV. Other Critical Issues Related to Institutional Priorities

The priorities and initiatives presented in the previous sections will have a significant impact on our students, faculty, staff, patients, and the multiple communities we serve. They are aligned with our values, mission, vision, and goals and specifically address diversity, community, stewardship, and facility development and renewal issues. Most importantly, their success and the foundation they form will ensure UTMB's ability to improve the health of society for generations to come.

Increasing student access and success is another UTMB initiative. In addition to emphasizing the institution's Strategic Enrollment Management Plan, the Council of Deans, composed of the deans of the four schools, established the Student Affairs Council (SAC), which consists of associate deans for admissions and student affairs from the four schools and the associate vice president for student services. The SAC works collaboratively to increase the efficiency and effectiveness of the student affairs functions and processes across the four schools. We recognize that students are consumers who make their educational choice based on cost, value, financial support, student support services, flexibility of program requirements, course delivery, and name recognition. In response, we have made improvements in our recruitment processes, student information systems, admissions processes, curriculum design, student life, student wellness, counseling, and other areas of student affairs.

Each of the following is a national, state, or local trend that could significantly affect UTMB's key priorities:

General fiscal constraint brought on by escalating health care costs, the impact of providing care to the unsponsored, the increasing cost of technology, and decreased reimbursement for clinical services: The United States spends a larger share of its gross domestic product (GDP) on health care than any other major industrialized country. Expenditures for health care represent nearly one-seventh of the nation's GDP, and they continue to be one of the fastest growing components of the federal budget. In 1960, for example, health care expenditures accounted for about five percent of the GDP; by 2000, that figure had grown to more than 13 percent. Although the rate of growth in health care costs slowed somewhat in 2004/2005, it has once again started to rise at a rate that exceeds other sectors of the economy.

Decreased reimbursement for clinical services will remain a critical issue for UTMB. As states continue to deal with fiscal challenges, teaching hospitals around the country have responded with a wide range of cost-containment strategies. The elimination of programs, service lines, and employee positions is a well-known and nationwide response. Cuts in Medicaid will further constrain our ability to provide health care to people in payor groups who are unable to reimburse our costs for providing the care.

The introduction and use of expensive medical technologies for all age groups is another cost driver. Additionally, the ability to recover costs after the implementation of new technologies is uncertain. The newly gained ability to shift many surgical procedures to the ambulatory delivery system has had an adverse financial effect on hospitals. A combination of lower surgical admissions, which represents the loss of higher reimbursement potential for these cases, and higher admissions among the aging population and its low-reimbursement patterns, will present additional financial strain on providers.

Sustainability of the Correctional Managed Care program: Funding for the Correctional Managed Care program must be increased to cover the cost of providing health care services to the incarcerated population in order for UTMB to continue providing service at the current level.

Workforce shortage: In addition to the nationwide nursing shortage there is a projected shortage of physicians and non-health care professionals (information technologists, laboratory technicians, etc.) on the horizon. Potential students are reluctant to invest significant time and money in a profession that is no longer perceived as offering top salary potential at a time when an aging population will place increasing demands on the health care system for years to come.

Clinical capacity limitations and the increased demand for services from the aging population: The aging of the population represents another significant contributor to the increased demand for clinical services and resulting need for proper facilities in which to provide care for the population. As UTMB's patient population continues to age and expand, the demand for primary care continues to focus on convenience, including geographic proximity, ease of access, and patient-centered care. The definition of what constitutes "primary care" has also expanded to include management of chronic diseases such as diabetes, common gastrointestinal and respiratory diseases, and high blood pressure. All of these increasing and expanding demands will tax clinical capacity.

The rising cost of higher education: Since the late 1990s, the cost of higher education has been rising faster than the rate of inflation due to the need to modernize facilities, keep up with advances in technology, compete to recruit and retain high-quality faculty, and diminished state funding. As the cost of providing high-quality advanced education has increased, increases in tuition and fees, intended as an offset, have become a national concern. By most estimates, at the current rate of increase, the cost of a typical four-year public college education will be nearly \$100,000 in the year 2010. The impact on academic medical centers will be higher, presenting a challenge to UTMB's goal of keeping tuition and fees in the lowest quartile among comparable institutions in the United States.

Facility renewal: The size and age of UTMB facilities ensures that facility renewal will remain a critical issue relative to achieving institutional priorities. Without adequate funding, the value of all fixed assets used for instruction and research will decline significantly during the 2007–2008 planning period. In addition to improving its margins, UTMB will seek Permanent University Fund and special-item funding for these needs. The University will also explore the use of investor financing and other special financing programs in meeting our preservation and renewal needs. Tuition revenue bonds will be applied to fund the Galveston National Lab.

Globalization of health: Globalization is understood as the economic interdependence among nations. Health, as a component of this worldwide trend, will continue to present evolving challenges and opportunities across UTMB mission areas. In just two decades, the epidemic of human immunodeficiency virus (HIV) infection and AIDS has progressed from being a medical curiosity to its current status as a global killer, changing the structure of families, hindering economic development, and even threatening the domestic security of many countries in the developing world. The ease, speed, and volume of international travel combine to create an era of "diseases without borders." Maintaining a global view toward health and the associated implications will remain an issue now and in the future.

Consumerism: The rising cost of health care, at a time of increasingly constrained resources both in the public and private sectors, will only accelerate the demand for proof that consumers are getting real value for the health care dollars they spend. As health care consumerism becomes more prevalent, it will be defined by a demand for a broader range of services across the spectrum of care. Increasingly, patients will travel farther for better quality care that they choose for themselves. Health care consumers will increasingly demand better cost control, quality, innovation, and shared decision making between the provider and the patient.

The survival of academic health centers during the next five years depends on the economics of distinguishing between size and importance. The size of an organization, program or project does not determine customer value or impact. Rather, customer value and impact are determined by the importance of the activity or innovation in positively transforming the health status of the population at large. The ability to correctly determine the important discoveries, innovations, technologies, and partnerships that will best improve human health will be the distinguishing factor for successful academic health centers.

V. System and State Priorities

UTMB's major ongoing priorities and initiatives and future initiatives outlined in this Compact demonstrate our alignment with the UT System and Texas' mission, philosophy, and goals regarding student access and success; development of collaborations among UT System institutions; increasing external research funding; benchmarking excellence in academic and health care education; addressing the needs of the unsponsored; and establishing new patient care product lines.

VI. Compact Development Process

UTMB implemented a strategic planning process in 1982 in accordance with rules established by the UT System Board of Regents. Strategic plans have been reviewed and updated on a continuing basis and have documented the university's direction for the future. UTMB has continued to refine its planning process, increasing participation among faculty and students and improving data collection, analysis, communication, goal setting, budgeting and performance monitoring. Most notably, in 1999 UTMB initiated a broad-based scenario planning process to further enhance strategic planning. In 2005 the second scenario planning process was completed. The scenarios serve as the defining strategic planning document. The scenario planning process creates plausible views of the future environment the institution may find itself having to face, and the supporting strategies for improving institutional flexibility and decision-making in addressing the uncertainties of the future. The institutions planning processes are open and include broad-based participation of administrators, faculty, staff, students, standing committees, and community representatives.

The development of the Compact did not constitute a separate institutional planning process. Existing institutional strategies; entity strategic plans for research, the clinical enterprise, and the schools; and priorities from the institution's comprehensive fund-raising campaign were considered in the selection of the major priorities. The Compact includes a subset of the institution's priorities that have been developed and vetted through ongoing institutional planning processes. The Compact process was led by the President's Council, a multi-disciplinary group consisting of UTMB's top-level administrators who set the direction for the university's future. The council reviewed the status of existing institutional strategies and identified the major priorities that would be included in the Compact. Compact content teams were established, each with a liaison from the President's Council, to draft the priorities in the prescribed format. These teams collaborated with administrators, faculty, and staff to develop the drafts. Presentations were made to institutional constituents including leadership groups, faculty groups, the Faculty Senate, students, and staff as part of the institutional consultation process. A Compact website was created to communicate the draft Compact to the institution and to solicit feedback. Feedback provided during this consultation process was incorporated in the Compact. The draft was reviewed and approved by the President's Council and the President. When finalized, the Compact will be included on the UTMB website.

VII. System Contributions

- Support for fund raising efforts (External Relations).
- Support on legislative issues and appropriations, including TRBs, uninsured health care and correctional care (Governmental Relations).
- Educational collaborations and health policy initiatives (Health Affairs).

VIII. Appendices

Budget Summary

The University of Texas Medical Branch at Galveston
Operating Budget
Fiscal Year Ending August 31, 2006

	FY 2005 Adjusted Budget	FY 2006 Operating Budget	Budget Increases (Decreases) From 2005 to 2006	
			Amount	Percent
Operating Revenues:				
Tuition and Fees	\$ 8,758,148	9,032,500	274,352	3.1%
Federal Sponsored Programs	106,237,560	119,327,204	13,089,644	12.3%
State Sponsored Programs	20,642,361	21,177,355	534,994	2.6%
Local and Private Sponsored Programs	44,333,883	45,923,003	1,589,120	3.6%
Net Sales and Services of Educational Activities	1,100,000	1,510,022	410,022	37.3%
Net Sales and Services of Hospital and Clinics	655,680,811	705,244,153	49,563,342	7.6%
Net Professional Fees	103,066,574	110,638,189	7,571,615	7.3%
Net Auxiliary Enterprises	7,022,013	8,358,740	1,336,727	19.0%
Other Operating Revenues	12,833,627	17,089,418	4,255,791	33.2%
Total Operating Revenues	959,674,977	1,038,300,584	78,625,607	8.2%
Operating Expenses:				
Instruction	217,004,188	234,937,710	17,933,522	8.3%
Academic Support	7,308,682	13,062,995	5,754,313	78.7%
Research	100,753,127	116,174,613	15,421,486	15.3%
Public Service	7,541,836	7,914,674	372,838	4.9%
Hospitals and Clinics	777,183,702	809,518,196	32,334,494	4.2%
Institutional Support	81,888,388	97,390,561	15,502,173	18.9%
Student Services	2,994,268	3,265,108	270,840	9.0%
Operations and Maintenance of Plant	46,331,170	49,709,331	3,378,161	7.3%
Scholarships and Fellowships	2,233,704	3,323,747	1,090,043	48.8%
Auxiliary Enterprises	6,288,041	5,964,889	(323,152)	-5.1%
Total Operating Expenses	1,249,527,106	1,341,261,844	91,734,738	7.3%
Operating Surplus/Deficit	(289,852,129)	(302,961,260)	(13,109,131)	4.5%
Nonoperating Revenues (Expenses):				
State Appropriations & HEAF	274,076,044	288,425,114	14,349,070	5.2%
Gifts in Support of Operations	5,092,974	4,187,477	(905,497)	-17.8%
Net Investment Income	21,697,038	27,781,614	6,084,576	28.0%
Other Non-Operating Revenue	-	-	-	-
Other Non-Operating (Expenses)	-	-	-	-
Net Non-Operating Revenue/(Expenses)	300,866,056	320,394,205	19,528,149	6.5%
Transfers and Other:				
AUF Transfers Received	-	-	-	-
AUF Transfers (Made)	-	-	-	-
Transfers From (To) Unexpended Plant	-	-	-	-
Transfers for Debt Service	(11,414,736)	(16,884,898)	(5,470,162)	47.9%
Other Additions and Transfers	35,237,289	41,226,962	5,989,673	17.0%
Other Deductions and Transfers	(35,237,289)	(41,226,962)	(5,989,673)	17.0%
Total Transfers and Other	(11,414,736)	(16,884,898)	(5,470,162)	47.9%
Surplus/(Deficit)	\$ (400,809)	548,047	948,856	-236.7%
Total Revenues	\$ 1,260,541,033	1,358,694,789	98,153,756	7.8%
Total Expenses and Debt Service Transfers	(1,260,941,842)	(1,358,146,742)	(97,204,900)	7.7%
Excess (Deficiency) of Revenue over Expenses	\$ (400,809)	548,047	948,856	

Note: Operating Budget Highlights with a glossary of terms are included on Page 1.

Statistical Profile

UT Medical Branch

<i>fall</i>	2000	2001	2002	2003	2004	2005
Undergraduate enrollment						
Allied Health	268	165	136	134	111	129
Biomedical Sciences	20	27	38	47	38	21
Nursing	423	430	450	417	432	397
Graduate/professional enrollment						
Allied Health	73	154	198	222	258	299
Biomedical Sciences	233	234	256	274	321	283
Medical School	810	823	813	820	824	830
Nursing	100	94	114	145	137	213
Total enrollment	1,927	1,927	2,005	2,059	2,121	2,172

<i>academic year</i>	99-00	00-01	01-02	02-03	03-04	04-05
Undergraduate degrees						
Baccalaureate: Allied Health	212	141	95	38	53	39
Baccalaureate: Nursing	156	171	201	163	187	184
Graduate/professional degrees						
Allied Health	35	36	37	74	61	81
Biomedical Sciences	49	51	59	52	57	52
Medical	184	183	194	181	190	201
Nursing	31	46	21	37	34	45
Total grad/prof degrees	299	316	311	344	342	379

<i>academic year</i>				02-03	03-04	04-05
Accredited resident programs				52	54	54
Residents in accredited programs				543	551	553

<i>fiscal year</i>	2000	2001	2002	2003	2004	2005
Federal research expenditures	\$61,356,467	\$63,274,494	\$78,100,188	\$93,039,583	\$102,490,775	\$117,235,448

<i>academic year</i>	00-01	01-02	02-03	03-04	04-05	05-06
All instructional staff	1,214	1,244	1,259	1,259	1,281	
Administrative		609	518	863	892	909
Other, Non-Faculty		11,534	11,821	10,803	11,250	11,285
Student employees		245	400	416	421	442

<i>fiscal year</i>	1999	2000	2001	2002	2003	2004
Hospital admissions	33,073	32,505	32,927	35,099	37,190	40,452
Hospital days	173,136	170,797	175,956	186,975	194,642	199,862
Outpatient visits	813,296	754,538	760,765	819,560	852,759	845,210
Unsponsored charity care	\$68,702,958	\$61,596,586	\$66,908,903	\$85,982,833	\$97,724,989	\$108,498,329

<i>as of</i>	8/31/2000	8/31/2001	8/31/2002	8/31/2003	8/31/2004	8/31/2005
Endowment total value	\$342,602,000	\$316,291,000	\$295,898,000	\$306,674,000	\$352,268,000	\$397,054,000

Institution-Specific Information

- Results of surveys of students, patients and employees are included within "Report on Customer Service, Compact with Texans and Customer-Related Performance Measures" (Report on Customer Serv Compact w Texans 2002.pdf).
- UTMB areas of excellence are enumerated within THECB report "Excellence Goal Institution Submissions: Areas of National Recognition & Excellence" (Updated Current & Targeted – ALL UTMB.pdf).
- Descriptions and studies of the School of Medicine curricula are available in peer-reviewed journals, including (but not limited to):
 - Academic Medicine. 2002 Oct;77(10 Suppl):S54-7.
 - Academic Medicine. 2001 Oct;76(10 Suppl):S84-6.
 - Academic Medicine. 2000 Oct;75(10 Suppl):S84-6.
- Library peer comparisons for a variety of measures are available via <http://www.utmb.edu/ia/factbook.asp?which=lib>
- Additional institutional peer comparisons will be available in the soon-to-be-published UT System Accountability Report.
- Descriptions of UTMB's schools' various curricula:
 - School of Medicine: http://meded.utmb.edu/Medical_School_Curriculum_TOC.htm
 - School of Allied Health Sciences: <http://www.sahs.utmb.edu/programs.asp>
 - School of Nursing:
http://www.son.utmb.edu/academic_programs/bulletin/SON_Bulletin_2003-2005.pdf
 - Graduate School of Biomedical Sciences: <http://www.gsbs.utmb.edu/programs.html>
- Information regarding the location of UTMB clinics is available in map format at:
 - http://www.utmb.edu/ia/services.asp?which=atlas&map=cmc_clinics (UTMB Correctional Managed Care Clinics).
 - <http://www.utmb.edu/ia/services.asp?which=atlas&map=clinics> (UTMB Clinics).
- Additional information pertaining to the Texas Department of Criminal Justice Hospital (UTMB-TDCJ) is available via: <http://www.utmb.edu//tdcj/>
- Correctional Managed Care particulars are available via: <http://www.utmb.edu/cmc/>
- Carson RA, Hudson Jones A. School of medicine offerings in medical humanities and ethics. Academic Medicine (Appendices). Oct. 03; 78(1): 1006-1009.

Links to Web Resources

- The UTMB Fact Book: <http://www.utmb.edu/ia/factbook.asp>
- UTMB "Facts & Figures:" <http://www.utmb.edu/ia/facts.asp>
- Descriptions of our gender and diversity initiatives are included in the UT System Annual Reports on Human Resources. The most recent edition of this report is available at: <http://www.utmb.edu/ia/services/HRReport.pdf>
- UTMB Strategic Plan 2001-2005: http://www.utmb.edu/strategic/SASP_2001-2005_FINAL.pdf
- UTMB 2003 Integrated Clinical Enterprise Strategic Plan:
http://www.utmb.edu/avplanning/subweb/strategic/Integrated_Clinical_Enterprise_Plan.pdf

