

UT Medical Branch - Galveston Compact for FY 09 – FY 10

Mission: The mission of The University of Texas Medical Branch at Galveston is to provide scholarly teaching, innovative scientific investigation, and state-of-the-art patient care in a learning environment to better the health of society.

UTMB's education programs enable the state's talented individuals to become outstanding practitioners, teachers, and investigators in the health care sciences, thereby meeting the needs of the people of Texas and its national and international neighbors.

UTMB's comprehensive primary, specialty, and sub-specialty care clinical programs support the educational mission and are committed to the health and well-being of all Texans through the delivery of state-of-the-art preventive, diagnostic, and treatment services.

UTMB's research programs are committed to the discovery of new innovative biomedical and health services knowledge leading to increasingly effective and accessible health care for the citizens of Texas.

Top 5 Priorities for FY 09 – FY 10:

1. Attract and retain a world-class workforce and achieve recognition as a preferred employer and workplace.
2. Become known nationally and globally as a leader in health care delivery and biomedical sciences by developing or expanding priority clinical and research programs and facilities
3. Achieve national prominence for innovative and effective educational curricula focused on evidence-based learning and practice across the health professions.
4. Generate financial strength with strategic investments in programs and growth in philanthropic support
5. Achieve and sustain top-quartile performance in clinical outcomes, patient service and employee satisfaction.

I. Performance Summary Table and Analysis

Indicator	Past		Current	Goal	Explanation	
Enrollment Growth	Fall	2003	2006	2007	2010*	
Allied Health		356	464	550	630	SAHS programs are expanding capacity with recruiting and retention efforts.
Biomedical Sciences		321	305	282	305	NIH reductions and foreign student visa restrictions reduced the number of biomedical students.
Medical		819	861	882	920	The goal will be 920 for the 2009-10 academic year assuming continuation of the present level of qualified applicants.
Nursing		562	625	708	718	The modest projected increase for 2010 occurs because of the shortage of faculty; and the limited capacity of clinical agencies to accommodate more pre-licensure students.
* = 2010 "Closing the Gaps" enrollment goals.						
<i>All Sponsored Research Expenditures</i>		\$129,860,903 (2003) \$155,036,202 (2006)	\$159,687,288 (2007)	\$174,494,611 (2010)	Project 3% growth of all sponsored research, based on 2006 actual baseline	
<i>Federal Sponsored Research Expenditures</i>		\$93,039,583 (2003) \$120,407,805 (2006)	\$118,172,604 (2007)	\$130,333,281 (2010)	Increase federal sponsored research by 2% annually.	
Uncompensated Health Care		\$404,238,066 (2003) \$445,110,382 (2006)	\$391,703,429 (2007)	\$435,196,510 (2010)	Upper Payment Limit revenue of \$30.4 million offset uncompensated care in 2007. Also, unsponsored inpatient admissions and outpatient visits declined 1.3% and 11.8%, respectively, in 2007	

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II. Update Strategic Initiatives from 2008 Compact

a. Completed Initiatives:

	Impact (Metrics)	Analysis	Goal	Evaluation of initiative success
1. Use information technology to improve access to health care, and improve patient safety.	Implement integrated Electronic Medical Record System (EMR)	Physician order entry implementation was successfully completed as planned in hospitals, emergency department and pharmacy	Implement physician order component of the EMR	Successful implementation of physician orders and medication administration by pharmacists and nurses now on one electronic system.
2. Successful Southern Association of Schools and Colleges (SACS) reaffirmation site visit.	Compliance with SACS Core Requirements, and Standards	Successful Compliance demonstrated in all aspects of review. Formal vote to reaffirm at Annual SACS COC conference December 2008.	Quality Enhancement Plan accepted	The successful SACS COC re-affirmation site visit was the result of several years of work by UTMB. It represents a successful collaborative effort of the campus community.
3. Implement Studer Group comprehensive service excellence plan for health care system	Improved Patient satisfaction scores	Completion of Clinical leadership development program will hardwire accountability into everyone's performance	Selection of Studer Group by Summer of 2007.	Studer Group selected and contract signed Summer of 2007. Commitment to transformation process by clinical leadership was achieved.

b. Ongoing Initiatives

	Impact (Metrics)	Analysis	Goal	Next Steps
1. Improve financial performance to support the education, health care, and research missions. Enhance case mix	Operating margin	An enhanced Adjusted Margin in order for UTMB to achieve long-term capital plan and financial condition overall.	Improve Adjusted Margin within a 36 month time frame	Implement Clinical Strategic Plan; Maximize performance and return on investment of administrative and finance systems.
	Sponsored patient care revenue	A more diversified payor mix is essential for academic medical center growth	Improve the private (i.e. nongovernmental) admissions by 7% within the next 18 months.	Develop mainland visibility and reputation with updated marketing plan. Increase employee patient base.
2. Ensure a patient focused environment that provides quality care to patients	Press Ganey Patient satisfaction survey	FY 2005-07, 1st quarter improved scores for ED (73.7% to 80%); inpatient (83% to 83.6%); outpatient stayed at 88.2%.	Achieve the top quartile within 3 years	Continue to implement a service excellence plan that addresses convenient access and efficient processes
3 Complete the construction of Galveston National Laboratory (GNL) and make it fully operational	Increase research dollars and space	The GNL will provide a unique state and national resource for infections disease research with an economic impact of \$1.4 billion over 20 years statewide	GNL scheduled for completion in FY 2008	Final commissioning will be followed by a Federal (CDC) inspection, prior to initiation of research within its BSL3 and BSL4 containment laboratories.
4. Complete SACS accreditation process and receive final approval December 2008	Maintain accreditation	The SACS onsite review committee has submitted its final report.	Full university accreditation December 2008	Address the concerns and respond to the two minor recommendations and submit our report to SACS

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III. New Strategic Initiatives

Initiative, Rationale, & Strategy	Expected Impact (Metrics)	Goal	Specific Steps in 08-09, 09-10
1. Grow the clinical enterprise through expansion of operations off the island.	Increased admissions/visits to the specialty practices in Galveston generated by the Specialty Care Center services on the mainland.	Increase annual admissions within 24 months of occupancy	Complete construction and occupy the Specialty Care Center FY09-10 Continued expansion of UTMB's primary care clinic network 2010
2. Initiate the Studer Group Evidence Based Leadership program to improve patient outcomes.	Increase quality of care to exceed benchmarks and ensure market competitiveness	Complete Implementation of evidence based outcomes	1. FY 09: Develop metrics and targets for each operating unit (inpatient, clinic, ED) 2. FY 09 & 10: Completion of Studer initiative
3. Implement the first phase of the Quality Enhancement Plan – "Synergy".	Improve the quality of health care delivered by collaborative interprofessional teams	Identify leadership for "Synergy" project and develop action plans.	Recruit and name "Synergy" Steering Committee 2008 Recruit and name "Synergy" director, 2008 Implement Faculty development workshops 2009-10 Pilot inter-professional experiences, 2009-10

IV. UT System Strategic Plan Initiatives – Health Institutions

a. Establishment of new patient care product lines and capabilities

UTMB will expand five service line centers of excellence that include the Transplant Center, Neurosciences, Cancer Center, Obstetrics and Cardiology. In order to support the planned growth, we will expand our facilities with specialty tower with state of the art clinical facilities. We will continue to expand UTMB's primary care network with a Specialty Care Center on the mainland that will house specialty clinic space, outpatient, surgery, imaging, and Pediatric urgent care.

b. Financial Management Plan

Critical to UTMB financial success is the implementation of the clinical strategic plan. The goals of the clinical strategic plan are to increase sponsored patient volumes and clinical case mix index through focused service line growth, facility expansion and development of community physician relationships. UTMB will also continue to refine our financial management systems to provide the financial services and processes needed to support the University mission.

c. Information Security Plan

In furtherance of our statutory obligation under UT System Policy 165, Texas Administrative Code 202C and other regulatory requirements, UTMB has developed and implemented a comprehensive information security program which has been reviewed and approved by the president. A third party review of our administrative and technical controls was conducted to ensure our information resources are adequately protected. The focus of information security for FY 2008 includes enhancements to the compliance training program, continued improvements to our disaster recovery capabilities and business continuity plan.

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V. System Contributions and Investments

a. Summary of STARS and other PUF investments:

	FY 05	FY 06	FY 07	FY 08	Metrics of Impact
STARS Program	--	\$2,750,000	\$2,350,000	\$700,000	Recruited additional scientists and involve at least 4 departments in collaborative grants and publications.
ENTER Program	--	\$500,000	\$500,000	\$500,000	Expands both faculty and physical space to increase enrollment and further develop interdisciplinary activities.

VI. New Faculty Positions Projected to 2011

Field	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	Total FY 06 – FY 11
STEM	9	16	21	23	18	20	107
Medical/Health	19	14	31	25	25	23	137
Other	0	0	4	2	1	1	8
Total	28	30	56	50	44	44	252

VII. Status of Campus Strategic/Long-Range Plan: Beginning in the fall of 2007 under the direction of a new president, UTMB began to move toward the use of a more rigorous annual planning and evaluation process. Each major entity has established prioritized goals and outcomes measures aligned with institutional strategic priorities. Senior leadership will monitor and assess progress during the strategic review process.

VIII. Campus Consultation to Develop Compact: The campus consultation included a series of six campus town hall meetings (February – March 2008) with presentations by executive leadership that provided students, faculty and staff with information about UTMB's current state and strategic plans for clinical care, research, education and support service areas. The Compact and other key planning documents will be published online.

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IX. Budget

**The University of Texas Medical Branch at Galveston
Operating Budget, Fiscal Year Ending August 31, 2008**

	FY 2006 Actual	FY 2007 Adjusted Budget	FY 2008 Operating Budget	Budget Increases (Decreases) From 2007 to 2008	
				Amount	Percent
Operating Revenues:					
Tuition and Fees	\$ 11,963,386	9,903,755	15,140,329	5,236,574	52.9%
Federal Sponsored Programs	123,613,600	129,215,856	130,268,616	1,052,760	0.8%
State Sponsored Programs	35,299,283	33,672,686	34,942,840	1,270,154	3.8%
Local and Private Sponsored Programs	57,644,191	50,175,269	58,111,593	7,936,324	15.8%
Net Sales and Services of Educational Activities	2,922,629	1,324,800	1,431,299	106,499	8.0%
Net Sales and Services of Hospital and Clinics	686,692,384	698,314,385	692,860,959	(5,453,426)	-0.8%
Net Professional Fees	115,236,258	111,600,000	133,709,477	22,109,477	19.8%
Net Auxiliary Enterprises	8,979,852	9,378,554	9,650,000	271,446	2.9%
Other Operating Revenues	21,168,152	30,776,465	32,731,432	1,954,967	6.4%
Total Operating Revenues	1,063,519,735	1,074,361,770	1,108,846,545	34,484,775	3.2%
Operating Expenses:					
Instruction	292,929,596	289,806,586	308,351,472	18,544,886	6.4%
Academic Support	11,961,971	13,693,895	14,371,268	677,373	4.9%
Research	118,577,871	116,396,113	127,968,221	11,572,108	9.9%
Public Service	3,435,555	3,356,120	3,738,756	382,636	11.4%
Hospitals and Clinics	871,691,962	878,164,074	877,699,994	(464,080)	-0.1%
Institutional Support	27,059,665	18,395,929	18,100,414	(295,515)	-1.6%
Student Services	2,501,676	2,575,362	2,743,765	168,403	6.5%
Operations and Maintenance of Plant	18,451,754	29,704,638	25,808,749	(3,895,889)	-13.1%
Scholarships and Fellowships	3,066,785	1,379,939	1,226,075	(153,864)	-11.2%
Auxiliary Enterprises	11,152,528	6,639,030	9,503,869	2,864,839	43.2%
Depreciation and Amortization	53,481,403	53,455,587	56,258,272	2,802,685	5.2%
Total Operating Expenses	1,414,310,766	1,413,567,273	1,445,770,855	32,203,582	2.3%
Operating Surplus/Deficit	(350,791,031)	(339,205,503)	(336,924,310)	2,281,193	-0.7%
Budgeted Nonoperating Revenues (Expenses):					
State Appropriations & HEAF	289,780,393	291,834,614	303,253,218	11,418,604	3.9%
Gifts in Support of Operations	9,143,423	4,464,451	7,010,565	2,546,114	57.0%
Net Investment Income	44,228,681	30,410,566	33,756,336	3,345,770	11.0%
Other Non-Operating Revenue	199,356	-	-	-	-
Other Non-Operating (Expenses)	(36,514)	-	-	-	-
Net Non-Operating Revenue/(Expenses)	343,315,339	326,709,631	344,020,119	17,310,488	5.3%
Transfers and Other:					
AUF Transfers Received	-	-	-	-	-
AUF Transfers (Made)	-	-	-	-	-
Transfers for Debt Service - Interest	(5,868,388)	(7,048,653)	(6,779,109)	269,544	-3.8%
Total Transfers and Other	(5,868,388)	(7,048,653)	(6,779,109)	269,544	-3.8%
Budget Margin	(13,344,080)	(19,544,525)	316,700	19,861,225	-101.6%
Reconciliation to Change in Net Asset:					
Net Non-Profit Health Corp Activity	-	-	-	-	-
Net Inc./(Dec.) in Fair Value of Investments	13,007,858	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	41,120,817	41,606,000	26,391,000	(15,215,000)	-36.6%
Additions to Permanent Endowments	10,020,769	6,000,000	9,083,205	3,083,205	51.4%
Transfers for Debt Service - Principal	(10,601,209)	(12,009,423)	(16,960,648)	(4,951,225)	41.2%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	25,785,633	51,051,591	31,616,489	(19,435,102)	-38.1%
SRECNA Change in Net Assets	\$ 65,989,788	67,103,643	50,446,746	(16,656,897)	-24.8%
Total Revenues and AUF Transfers	\$ 1,406,871,588	1,401,071,401	1,452,866,664	51,795,263	3.7%
Total Expenses (Including Transfers for Interest)	(1,420,215,668)	(1,420,615,926)	(1,452,549,964)	(31,934,038)	2.2%
Budget Margin	\$ (13,344,080)	(19,544,525)	316,700	19,861,225	
Reconciliation to Use of Prior Year Balances					
Depreciation		53,455,587	56,258,272		
Capital Outlay		(22,000,000)	(15,000,000)		
Transfers for Debt Service - Principal		(12,009,423)	(16,960,648)		
Budgeted Transfers		-	-		
Use of Prior Year Balances		(98,361)	24,614,324		

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X. Data Summary

<i>fall</i>	2000	2001	2002	2003	2004	2005	2006	2007
Undergraduate enrollment	711	622	624	598	581	547	536	609
Allied Health	268	165	136	134	111	129	145	174
Biomedical Sciences	20	27	38	47	38	21	13	13
Nursing	423	430	450	417	432	397	378	422
Graduate/professional	1,216	1,305	1,381	1,461	1,540	1,625	1,719	1,813
Allied Health	73	154	198	222	258	299	319	376
Biomedical Sciences	233	234	256	274	321	283	292	269
Medical School	810	823	813	820	824	830	861	882
Nursing	100	94	114	145	137	213	247	286
Total enrollment	1,927	1,927	2,005	2,059	2,121	2,172	2,255	2,422
<i>academic year</i>	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07
Undergraduate degrees								
Baccalaureate: Allied Health	212	141	95	38	53	39	51	60
Baccalaureate: Nursing	156	171	201	163	187	184	193	161
Graduate/professional degrees								
Allied Health	35	36	37	74	61	81	97	67
Biomedical Sciences	49	51	59	52	57	52	54	79
Medical	184	183	194	181	190	201	183	199
Nursing	31	46	21	37	34	45	50	55
Total grad/prof degrees	299	316	311	344	342	379	384	400
<i>academic year</i>				02-03	03-04	04-05	05-06	06-07
Accredited resident prgs				52	54	54	54	57
Residents in accredited prgs				543	551	553	549	641
<i>fiscal year</i>	2000	2001	2002	2003	2004	2005	2006	2007
Federal research exp	\$61,356,467	\$63,274,494	\$78,100,188	\$93,039,583	\$102,490,775	\$117,235,448	\$120,407,805	\$118,172,604
<i>academic year</i>	2000	2001	2002	2003	2004	2005	2006	2007
Faculty	1,209	1,240	1,255	1,258	1,279	1,304	1,276	1,268
Administrative		609	518	863	892	909	872	871
Other, Non-Faculty		11,534	11,821	10,798	11,244	11,281	10,820	10,452
Student employees		245	400	421	427	446	451	243
<i>fiscal year</i>	1999	2000	2001	2002	2003	2004	2005	2006
Hospital admissions	33,073	32,505	32,927	35,099	37,190	40,452	42,294	41,524
Hospital days	173,136	170,797	175,956	186,975	194,642	199,862	202,544	187,597
Outpatient visits	813,296	754,538	760,765	819,560	852,759	845,210	851,310	700,553
Un-sponsored charity care - physicians only	\$68,702,958	\$61,596,586	\$66,908,903	\$85,982,833	\$97,724,989	\$108,498,329	\$114,686,522	\$107,717,480
<i>as of</i>	8/31/2000	8/31/2001	8/31/2002	8/31/2003	8/31/2004	8/31/2005	8/31/2006	8/31/2007
Endowment total value	\$342,602,000	\$316,291,000	\$295,898,000	\$306,674,000	\$352,268,000	\$397,054,000	\$432,172,000	\$496,876,000