

TABLE OF CONTENTS FOR HEALTH AFFAIRS COMMITTEE

Committee Meetings: 2/18/2011

Board Meeting: 2/18/2011 Austin, Texas

<u>Friday, February 18, 2011</u>	Committee Meeting	Board Meeting	Page
A. CONVENE MEETING OF THE HEALTH AFFAIRS COMMITTEE	8:30 a.m.		
1. U. T. Southwestern Medical Center – Dallas: Authorization to change the official name of the institution to The University of Texas Southwestern Medical Center	8:30 a.m. Action President Podolsky Dr. Shine	Action	253
2. U. T. M. D. Anderson Cancer Center: Authorization to acquire approximately 1.22 acres of unimproved land adjacent to the northeasterly property line of the institution's Michale E. Keeling Center for Comparative Medicine and Research, located in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, from Griffin Industries, Inc., a Kentucky corporation, in exchange for approximately 1.22 acres of unimproved land bounded on the south side by Farm to Market Road 2336 and located in the north corner of a 373.99-acre tract in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, conveyed to the Board of Regents by deed recorded in Volume 235, Page 799, Deed Records of Bastrop County, Texas, to enable the institution to better manage its campus land	8:35 a.m. Action President Mendelsohn Ms. Mayne	Action	254
3. U. T. Health Science Center – San Antonio: Authorization to accept a gift of the surface estate only of approxi- mately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas, from the City of Laredo for use for future programmed expansion of The University of Texas Health Science Center Regional Campus and as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs (VA); authorization to enter into an option to ground lease and a ground lease of the 3.8305 acres for the proposed VA clinic; and finding of public purpose	8:40 a.m. Action President Henrich Ms. Mayne	Action	257

<u>Friday, February 18, 2011</u>	Committee Meeting	Board Meeting	Page
4. U. T. Medical Branch – Galveston: Authorization to acquire the 50% undivided interest of The Sealy & Smith Foundation, and/or its subsidiary, Magnolia Holding Company, both Texas nonprofit corporations, in and to 0.3697 of an acre, being all of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas, for use as a portion of the site of the planned clinical services building for the John Sealy Hospital	8:45 a.m. Action President Callender Ms. Mayne	Action	262
5. U. T. Medical Branch – Galveston: Approval to establish a Doctor of Nursing Practice (DNP) degree program and submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action	8:50 a.m. Action Dr. Shine President Callender	Action	265
6. U. T. System: Quarterly report on health matters, including accountable care organizations and Cancer Prevention and Research Institute of Texas (CPRIT) awards	9:00 a.m. Report/Discussion Dr. Shine	Not on Agenda	267
B. ADJOURN MEETING OF THE HEALTH AFFAIRS COMMITTEE	9:30 a.m.		
* * * *			
C. CONVENE SPECIAL MEETING OF THE HEALTH AFFAIRS COMMITTEE	9:30 a.m.		
U. T. System: Discussion featuring research opportunities, accomplishments, and challenges at U. T. Southwestern Medical Center – Dallas and U. T. Health Science Center – Tyler	Discussion Dr. Shine President Podolsky President Calhoun	Not on Agenda	269
D. ADJOURN SPECIAL MEETING OF THE HEALTH	10:30 a.m.		

AFFAIRS COMMITTEE

Friday, February 18, 2011

1. <u>U. T. Southwestern Medical Center – Dallas: Authorization to change the official name of the institution to The University of Texas Southwestern Medical Center</u>

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and President Podolsky that

- a. the name of The University of Texas Southwestern Medical Center at Dallas be changed to The University of Texas Southwestern Medical Center; and
- b. the General Counsel to the Board be authorized to make appropriate editorial amendments to the Regents' *Rules and Regulations*, Rule 40601, to reflect the name change.

BACKGROUND INFORMATION

U. T. Southwestern Medical Center – Dallas has extended the scope of its programs in Dallas to encompass substantial graduate medical education activities in Austin, in addition to graduate medical education programs in Fort Worth and other sites in Texas. The proposed official name change is planned to reflect this evolution of extended educational and medical training programs and is commensurate with the institution's international stature.

Texas Education Code Section 65.11 authorizes the Board of Regents to provide for the "names of the institutions and entities in The University of Texas System in such a way as will achieve the maximum operating efficiency of such institutions and entities[.]"

2. U. T. M. D. Anderson Cancer Center: Authorization to acquire approximately 1.22 acres of unimproved land adjacent to the northeasterly property line of the institution's Michale E. Keeling Center for Comparative Medicine and Research, located in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, from Griffin Industries, Inc., a Kentucky corporation, in exchange for approximately 1.22 acres of unimproved land bounded on the south side by Farm to Market Road 2336 and located in the north corner of a 373.99-acre tract in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, conveyed to the Board of Regents by deed recorded in Volume 235, Page 799, Deed Records of Bastrop County, Texas, to enable the institution to better manage its campus land

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and President Mendelsohn that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. M. D. Anderson Cancer Center, to

- a. acquire approximately 1.22 acres of unimproved land adjacent to the northeasterly property line of the institution's Michale E. Keeling Center for Comparative Medicine and Research, located in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, from Griffin Industries, Inc., a Kentucky corporation, in exchange for approximately 1.22 acres of unimproved land bounded on the south side by Farm to Market Road 2336 and located in the north corner of a 373.99-acre tract in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas, conveyed to the Board of Regents by deed recorded in Volume 235, Page 799, Deed Records of Bastrop County, Texas, to enable the institution to better manage its campus land; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments and other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing recommendation.

BACKGROUND INFORMATION

U. T. M. D. Anderson Cancer Center's Michale E. Keeling Center for Comparative Medicine and Research campus in Bastrop, Texas, has approximately 1.22 unimproved acres separated from the remainder of the campus by Farm to Market Road 2336. That 1.22 acres, however, is adjacent to land owned by Griffin Industries, Inc. (Griffin). Conversely, Griffin owns approximately 1.22 unimproved acres adjacent to the institution's Bastrop campus.

The institution proposes to acquire the approximately 1.22 acres owned by Griffin in exchange for conveying to Griffin the institution's approximately 1.22 acres on the other side of Farm to Market Road 2336. This acquisition will allow the institution to improve the contiguity of campus land and enable the institution to better manage its campus land. A transaction summary and map follow.

Transaction Summary

Institution:	U. T. M. D. Anderson Cancer Center
Type of Transaction:	Land exchange
Total Area:	Approximately 1.22 acres in each tract
Location:	Near Farm to Market Road 2336 and the Michale E. Keeling Center for Comparative Medicine and Research in the Isaac Harris Survey, Abstract No. 38, Bastrop County, Texas
Other Party:	Griffin Industries, Inc., a Kentucky corporation
Appraised Value:	\$24,400 for each tract (Edward B. Schulz & Company, September 8, 2010)
Intended Use:	Improve the contiguity of campus land to aid in better land management

MICHALE E. KEELING CENTER FOR COMPARATIVE MEDICINE U.T. M.D. ANDERSON CANCER CENTER AND RESEARCH lexas Ranger

800

CALL CALL I CALLER

95

1.40

To Griffin

To UT

N Gool Water Dr

A AN

Almmerman Av

CAPCOG

COOGIC"

3. U. T. Health Science Center – San Antonio: Authorization to accept a gift of the surface estate only of approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas, from the City of Laredo for use for future programmed expansion of The University of Texas Health Science Center Regional Campus and as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs (VA); authorization to enter into an option to ground lease and a ground lease of the 3.8305 acres for the proposed VA clinic; and finding of public purpose

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and President Henrich that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. Health Science Center – San Antonio, to

- accept a gift of the surface estate only of approximately
 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas, from the City of Laredo for use for future programmed expansion of The University of Texas Health Science Center Regional Campus and as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs (VA);
- b. enter into an option to ground lease and a ground lease of the 3.8305-acre tract with the VA or its assignee as the site of the proposed VA outpatient medical clinic;
- c. determine that the lease of the land to the VA or its assignee for the stated reason serves a public purpose appropriate to the function of U. T. Health Science Center San Antonio and that the consideration for the option and lease of the land is adequate; and
- d. authorize the Executive Director of Real Estate to execute all documents, instruments, or other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing recommendations.

BACKGROUND INFORMATION

The City of Laredo and U. T. Health Science Center – San Antonio have been in discussions for some time with respect to the gift of the subject property for use as the site of a proposed outpatient medical clinic to be operated by the VA. The subject property is immediately north of the existing campus of The University of Texas Health Science Center Regional Campus (the Regional Campus).

The City of Laredo proposes to give the land to the Board of Regents with the restriction that the land be used for providing health care or health care education opportunities or for other educational purposes of The University of Texas System for 30 years from the date of the deed. A similar use restriction appears in the prior two gift deeds from the City by which the Board of Regents acquired the initial 11.994 acres that make up the current Regional Campus.

The VA has expressed interest in locating a clinic on the subject 3.8305 acres utilizing a similar ground lease structure as was used for the VA's ambulatory clinic on approximately 7 acres of the Regional Academic Health Center (RAHC) campus in Harlingen, which the Board of Regents approved on August 14, 2008. Once the property is acquired by the Board of Regents, the VA would be granted an option to ground lease the site. The VA would then solicit offers from private developers, with the goal of assigning the ground lease option to the selected developer for the construction by the developer of an outpatient clinic. Under VA procurement rules, U. T. Health Science Center – San Antonio cannot play a role in selecting the developer. The Health Science Center, however, is to have a role in working with the VA and the VA's architectural and engineering firm in developing the scope of work for the solicitation of offers.

The proposed clinic is anticipated to contain approximately 16,800 net usable square feet and will include a parking lot for no fewer than 120 parking spaces. The VA would lease the completed facilities from the developer for a term not to exceed 20 years, which is the maximum term of a space lease by the VA.

The term of the ground lease will be for an initial period of 20 years, plus the initial design, permitting, and construction period, and plus two 10-year renewal options. As required by the terms of the gift of land from the City of Laredo, there will be no cash rental for the ground lease until the earlier of the expiration of the initial 20-year term or the date on which the VA ceases to use the property for an outpatient medical clinic. Initial consideration for the ground lease will be the construction and operation of a VA outpatient medical clinic. Upon the expiration of the free rent period, rental will be charged at the fair market rental value of the land.

The Texas Attorney General has advised in Opinion No. MW-373 (1981), that, for the use of university property without cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose, appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activity to ensure that the public purpose is achieved.

U. T. Health Science Center – San Antonio has concluded that the location of a VA clinic in close proximity to The University of Texas Health Science Center Regional Campus would serve the public purpose of augmenting opportunities for health professional education, graduate medical education, and clinical research at the institution.

A transaction summary and map depicting the proposed ground lease site follow.

Transaction Summary

<u>Gift</u>	
Institution:	U. T. Health Science Center – San Antonio
Type of Transaction:	Gift of unimproved land at no cost to the institution other than typical due diligence and closing costs
Grantor:	City of Laredo
Total Area:	The surface estate only of approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas
Improvements:	No permanent improvements
Location:	Immediately north of The University of Texas Health Science Center Regional Campus and located at the corners of Foster Avenue, Pappas Street and N. Bartlett Avenue, Laredo, Webb County, Texas (see map on Page 261)
Intended Use:	Initial use as the site of a proposed outpatient medical clinic to be operated by the United States Department of Veterans Affairs and future programmed expansion of The University of Texas Health Science Center Regional Campus
Ground Lease	
Institution:	U. T. Health Science Center – San Antonio
Type of Transaction:	Option to ground lease and ground lease
Lessee:	United States Department of Veterans Affairs or its assigns (VA)
Leased Premises:	Approximately 3.8305 unimproved acres, being Lot 3, Block 23, Laredo Airport, City of Laredo, Webb County, Texas
Permitted Use:	Construction, operation, maintenance, and repair by a developer selected by the VA of an outpatient clinic for specialty outpatient care and/or VA medical care and patient services; initial improvements will consist of a building of approximately 16,800 net usable square feet and a parking lot for no fewer than 120 parking spaces

Ground Lease Term:	Initial term of 20 years, plus two 10-year renewal terms
Consideration:	No cash rental until the earlier of the expiration of the initial 20-year term or the date on which the VA ceases to use the property for an outpatient medical clinic; the initial consideration is the construction and operation of a VA outpatient medical clinic; upon the expiration of the free rent period, rental will be charged at the fair market rental value of the land



4. U. T. Medical Branch – Galveston: Authorization to acquire the 50% undivided interest of The Sealy & Smith Foundation, and/or its subsidiary, Magnolia Holding Company, both Texas nonprofit corporations, in and to 0.3697 of an acre, being all of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas, for use as a portion of the site of the planned clinical services building for the John Sealy Hospital

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and President Callender that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. Medical Branch – Galveston, to

- a. acquire the 50% undivided interest of The Sealy & Smith Foundation, and/or its subsidiary, Magnolia Holding Company, both Texas nonprofit corporations, in and to 0.3697 of an acre, being all of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas, for use as a portion of the site of the planned clinical services building for the John Sealy Hospital; and
- b. authorize the Executive Director of Real Estate to execute all documents, instruments, or other agreements, and to take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing recommendation.

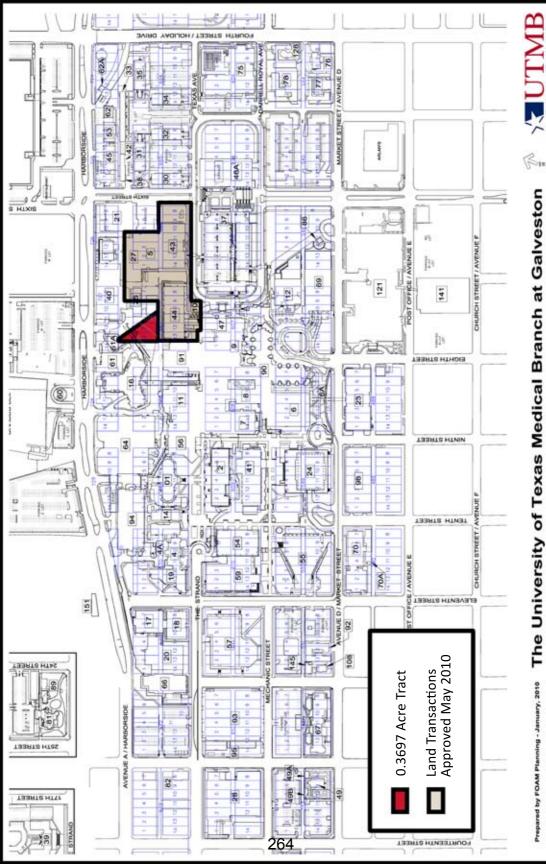
BACKGROUND INFORMATION

On May 13, 2010, the Board of Regents approved a series of land transactions with The Sealy & Smith Foundation or Magnolia Holding Company (collectively, Sealy & Smith) to enable planning to continue for the clinical services building to serve the John Sealy Hospital and for a possible replacement Jennie Sealy Hospital. Additional surveying and title history work following that approval has revealed that an additional parcel for the clinical services wing, which was initially thought to be owned outright by the Board of Regents, is instead owned in 50% undivided interests by the Board of Regents and Sealy & Smith.

To clear up ownership of the entire site on which the clinical services building is to be constructed, Sealy & Smith proposes to transfer its undivided interest in the subject property. The transfer will be at no cost to the Medical Branch other than closing costs and due diligence expenses. A transaction summary and map showing the location of the subject property follow.

Transaction Summary

Institution:	U. T. Medical Branch – Galveston
Type of Transaction:	Conveyance of a 50% undivided interest in the subject property at no cost to the Medical Branch other than typical due diligence and closing costs
Grantor:	The Sealy & Smith Foundation and/or Magnolia Holding Company, both Texas nonprofit corporations
Total Area:	0.3697 of an acre
Improvements:	No permanent improvements
Location:	All of Lot 2 and a portion of Lots 3 through 5, Block 667, and the abandoned right-of-way of Avenue A, Galveston, Galveston County, Texas (see map on the next page)
Intended Use:	Inclusion in the site for the proposed clinical services wing to serve the John Sealy Hospital



5. U. T. Medical Branch – Galveston: Approval to establish a Doctor of Nursing Practice (DNP) degree program and submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and President Callender that authorization, pursuant to the Regents' *Rules and Regulations*, Rule 40307, related to academic program approval standards, be granted to

- a. establish a Doctor of Nursing Practice (DNP) degree program at U. T. Medical Branch Galveston; and
- b. submit the proposal to the Texas Higher Education Coordinating Board for review and appropriate action.

BACKGROUND INFORMATION

Program Description

U. T. Medical Branch – Galveston proposes to implement a DNP program through its School of Nursing, with entry options at both the baccalaureate and post-Master's level, to prepare registered nurses for evidence-based nursing practice, including translating research into practice, evaluating evidence, applying research in decision making, and implementing viable clinical innovations to change practice. The institution's proposed DNP program will include instruction in health care delivery systems, health economics and finance, health policy, research methods, translating evidence into practice, concepts in population health, and nursing leadership.

The proposed DNP program will be bolstered by a planned partnership with the Department of Nursing at U. T. Pan American and Prairie View A&M College of Nursing in Houston. The DNP partnership would include faculty support and distance learning resources to increase access to the program and increase diversity among the pool of program candidates.

Need and Student Demand

Changes in the technology and complexity of health care and growing demands of chronic care associated with aging and changing lifestyles have contributed to the need for doctoral-prepared leaders to improve outcomes of health care through evidence-based clinical practice and system improvement in health care delivery, and have driven the move to establish DNP programs throughout the United States. U. T. Medical

Branch – Galveston's new DNP program is planned to fulfill local, state, and national needs for doctoral advanced practice nurses who can serve as uniquely qualified health care providers prepared to address the needs of evidence-based disease management and cost effectiveness.

Furthermore, through its distance learning approach and partnership with schools with large numbers of minority graduates, U. T. Pan American and Prairie View A&M, the newly proposed DNP program is designed to meet the need for more diversity among students in graduate health programs and the number of well-educated health care professionals in Texas. In an August 2010 survey of nursing students at U. T. Medical Branch – Galveston, over 90% of undergraduate students responded that they have considered continuing with graduate school after obtaining their Bachelor of Science in Nursing degree and over 90% of graduate students responded that they would transfer to a DNP program although such transfer would require additional study.

Program Quality

The planned DNP curriculum follows the essentials developed by the American Association of Colleges of Nursing and the core competencies for nurse practitioners developed by the National Organization of Nurse Practitioner Faculties. The U. T. Medical Branch – Galveston DNP proposal reflects a Bachelor of Science in Nursing (BSN)-DNP curriculum and a post-Master of Science in Nursing (MSN)-DNP curriculum for MSN-prepared nurses who are already prepared as advanced practice nurses. An MSN-exit option will be available for students who do not continue through the entire program. For BSN-DNP students, the curriculum emphasizes a strong clinical component and the basic scientific foundation for an MSN-prepared nurse. The institution plans to limit enrollment in the DNP program for the first two years after implementation, during which time and beyond it will still be graduating MSN-prepared and advanced practice registered nurses.

The U. T. Medical Branch – Galveston School of Nursing employs a wide range of qualified faculty members with credentials commensurate with DNP education needs who are prepared to conduct clinical evaluation of students at distance sites via teleconferencing. With implementation of the planned DNP partnership, U. T. Pan American and Prairie View A&M will each have a designated faculty member to provide leadership and support for schools on their campuses that will provide classroom and distance learning resources.

Program Cost

U. T. Medical Branch – Galveston does not plan to expand facilities and/or equipment specifically to support the newly proposed DNP program. Most of the costs related to the program are reallocated from the existing MSN program, and a portion is related to additional faculty. The institution's School of Nursing has an ongoing program for updating its technology and equipment. The DNP program is not expected to strain resources needed to implement and sustain the program.

6. <u>U. T. System: Quarterly report on health matters, including accountable care organizations and Cancer Prevention and Research Institute of Texas (CPRIT) awards</u>

<u>REPORT</u>

Executive Vice Chancellor Shine will report on health matters of interest to the U. T. System, including an explanation of the concept of accountable care organizations and Cancer Prevention and Research Institute of Texas (CPRIT) awards, using the chart set forth on Page 268.

Cancer Prevention and Research Institute of Texas

Institution	 revention Awards	# of Awards	Co	Research / ommercialization Awards	# of Awards	Т	otal Awards	Total # of Awards
UT Arlington	\$ -	0	\$	200,000	1	\$	200,000	1
UT Austin	\$ -	0	\$	8,929,918	7	\$	8,929,918	7
UT Dallas	\$ -	0	\$	1,913,971	2	\$	1,913,971	2
UT San Antonio	\$ -	0	\$	199,906	1	\$	199,906	1
UT Southwestern	\$ 2,198,537	3	\$	45,872,856	44	\$	48,071,393	47
UTMB	\$ 15,000	1	\$	4,052,471	1	\$	4,067,471	2
UT HSC Houston	\$ 1,099,789	2	\$	12,233,302	10	\$	13,333,091	12
UT HSC San Antonio	\$ 299,310	1	\$	8,955,507	5	\$	9,254,817	6
UT MD Anderson	\$ 1,341,317	5	\$	43,407,255	37	\$	44,748,572	42
Total for UT institutions	\$ 4,953,953	12	\$	125,765,186	108	\$	130,719,139	120
Non-UT entities	\$ 16,746,895	32	\$	108,969,469	55	\$	125,716,364	87
Total Awards	\$ 21,700,848	44	\$	234,734,655	163	\$	256,435,503	207

Award Totals by Institution

Source: "Cumulative Award Totals by Organization, REVISED 11/2/2010" from CPRIT website: *http://www.cprit.state.tx.us/funded-grants/grant-awards*

Prepared by Office of Health Affairs, January 2011

Friday, February 18, 2011

SPECIAL MEETING OF THE HEALTH AFFAIRS COMMITTEE

U. T. System: Discussion featuring research opportunities, accomplishments, and challenges at U. T. Southwestern Medical Center – Dallas and U. T. Health Science Center – Tyler

DISCUSSION

Executive Vice Chancellor Shine will lead a discussion concerning research opportunities, accomplishments, and challenges at U. T. Southwestern Medical Center – Dallas and U. T. Health Science Center – Tyler.