Minutes

UW Medical School Oversight and Advisory Committee

8:00 AM February 14, 2003 – Fluno Center

Members Present:

Margaret MacLeod Brahm
Philip Farrell
Patricia Kokotailo
Mary Lauby
Nancy Miller-Korth
Patrick McBride
Douglas Mormann
Gregory Nycz
Patrick Remington

Guests:

Pat Boyle
Paul DeLuca
Linda Dietrich
Mark Lefebvre
Helen Madsen
Susan Skochelak

Staff:

Tracy Cabot
Carla Eakins
Eileen Smith

The meeting was called to order by Phil Farrell at 8:05 AM.

1. Approval of Minutes of January 29, 2003 meeting

Farrell asked if there were any changes to the draft minutes which had been distributed. There being no changes, Mormann moved to approve the minutes as distributed. The motion was seconded by Miller-Korth and passed by unanimous vote.

2. Announcements

Farrell announced that 5.5 million shares of stock have been sold at $12/share. Fees will be deducted from the proceeds as allowed by the Insurance Commissioner's Order, but the amounts of the fees are not yet known. Another sale must occur before March 2004 since WUHI must hold less than 50% of the stock by that date.

Farrell emphasized the importance of the extra OAC meeting scheduled for April 2 from 5:30-8:30 PM at the Fluno Center. The committee must approve the Plan at that meeting so it can be presented to the Board of Regents Education Committee on April 10 and to the full Board on April 11.

Smith commented that the final draft of the Plan must be completed by March 10 to allow a 2-week period for public comment prior to the OAC's final approval on April 2.

Farrell introduced Byron Crouse, Associate Dean for Rural Health.

3. Conflict of Interest Policy

Farrell introduced Helen Madsen, Associate Director, Office of Administrative Legal Services, who discussed the draft Conflict of Interest Policy which had been distributed to the OAC. She indicated that the OAC is unusual in that its members have been appointed to represent special interests; thus, the policy has been adjusted to reflect that. Committee members discussed several possible situations which may or may not be conflicts, and Madsen indicated that at times, it would be a fine line, and the decision to recuse or not would be at the discretion of the committee member and the committee. Nycz indicated that he likes the disclosure form and Miller-Korth expressed gratitude to Madsen for the helpful explanation of the policy. Remington asked about the effective date of the Policy and Smith indicated that it would be effective immediately upon approval by the committee. A motion by Mormann to accept the Conflict of Interest Policy was seconded by McBride and passed by unanimous vote.

4. Discussion and Approval of the Communications Plan

Farrell introduced Linda Dietrich, who led a discussion about the draft communications plan which had been distributed. The objective of the Communications Plan is to keep internal and external audiences informed of the progress of Blue Cross/Blue Shield plan developments. Farrell commented that the Communications Plan reflects where we are now and may need to be changed as time goes by. Lefebvre suggested adding family foundations to the primary audiences. Remington commented on Key Message #6 and emphasized the importance of communicating how the proceeds will be managed and distributed. Farrell agreed that it will be a challenge and that it will be important to communicate expenditure priorities and plans, a description of leveraging, and a description of stewardship of funds. Smith indicated that the Communications Plan is an internal document for committee and staff use. Nycz suggested that the primary venue for communication should be the website. Miller-Korth commented on the importance of tying communications to the Insurance Commissioner's Order since it is the responsibility of the committee to carry out the Order. Lauby moved that the Communications Plan be approved as a process under the management of Smith, who will call on OAC members for assistance as needed; the motion was seconded by Remington. McBride amended the motion to indicate that inquiries should first be referred to the website and then to Smith. The amended motion passed unanimously.

5. Medical Research Needs, Opportunities and Priorities

Farrell introduced Paul DeLuca, Vice Dean and Associate Dean for Research and Graduate Studies at the Medical School. DeLuca summarized strategic priorities for medical research and education (65%): a) aging and neuroscience, b) cancer, c) cardiovascular and respiratory, d) regenerative medicine, e) systems biology/therapeutics, f) women's health, and g) emerging priorities such as bioinformatics and bioterrorism. He then described five proposed Centers of Excellence which will be created to ensure that the impact on

population health is maximized. The Centers will be: 1) Emerging Opportunities, 2) Systems Biology and Genomics, 3) Molecular Medicine and Bioinformatics, 4) Research Network for a Healthy Wisconsin, and 5) Innovations in Medical Education. He described use of these funds as a unique opportunity unlikely to occur again.

DeLuca indicated that there are two critical issues in strategic and developing areas: 1) leadership to move the program along in a cohesive manner, and 2) connection between discovery and application. The Centers of Excellence will create a "pathway to prominence" that will connect activities of centers and strategic areas, provide resources/infrastructure/continuity, provide oversight and accountability, and ensure impact on population health.

Nycz asked about other funding sources for research such as NIH and scientific conflict of interest if research is funded by industry grants. DeLuca commented that a significant impact of BC/BS funds will be for leveraging. For example, NIH will not fund preliminary research. Their expectation that an investigator already have preliminary results before applying for NIH funds may suppress creativity. McBride commented that NIH is also quite restrictive as to allowable expenditures. Nycz asked about using "indirect costs" for such expenditures, but Farrell indicated that most of the indirect cost allocations support campus expenses and only a very small portion is returned to schools and colleges.

The Centers of Excellence are "pathways to prominence" in translational research which would not be possible without BC/BS funds. Remington commented about the successful recruitment of Javier Nieto because of the opportunity to study and improve population health in Wisconsin. Farrell indicated that the UW Foundation has been doing well in bringing in funds for research programs.

DeLuca discussed mechanisms for governance, oversight and accountability of the Centers. He indicated that an External Advisory Council has been appointed which will review programs and expenditures, generate further resources, and provide guidance. DeLuca indicated that there will also be an internal Executive Council comprised of the Directors of the Centers of Excellence, senior Medical School administration, and selected department chairs and other center directors. Responsibilities of the Executive Council will be to manage resource allocations including RFPs and prepare an annual report.

Lauby asked about the External Advisory Council. Farrell reviewed the membership of the committee and indicated that it is composed of leaders in a number of fields and opinion makers who have been supportive of the Medical School. A list of members will be provided at the next meeting. The External Advisory Council will maximize opportunities and serve as advocates in seeking linkages throughout the state.

DeLuca indicated that one of the Medical School's main problems is lack of appropriate facilities. The School was noted to have deficient facilities in 1971, and the same facilities are still in use. DeLuca likened the situation to "running world class programs using third world tools." He indicated that the HealthStar Interdisciplinary Research Complex (IRC) will not only provide state-of-the-art facilities but will allow scientists to work in

proximity. He stated that prominence in translational research cannot be sustained without new space, and the objectives of the BC/BS program cannot be achieved without better facilities. Farrell commented that during 1997 the Blue Cross/Blue Shield executives and Board of Directors emphasized their expectations of being able to look back after 10 years and clearly see accomplishments that would not have been possible without BC/BS funds.

Miller-Korth indicated her support of DeLuca's comments on facilities. Lefebvre reviewed the typical history of construction of campus facilities, stating that after a major donor is secured, State funds are usually allocated. However, there will be no State dollars available for construction of the IRC and no new State money for any construction projects in the near future. He also commented on the success of the Medical School programmatic fundraising which has increased from $2 million per year in 1995 when Farrell assumed the Deanship to a current level of $20 million/year.

Nycz commented that while he appreciates the importance of infrastructure, he is concerned about the public's perception of use of the funds for construction. It could be a challenge to explain use of funds for construction to the general public. He asked whether programmatic funds raised by the UW Foundation could be used to achieve the objectives of the BC/BS funds; Lefebvre assured the committee that the plan is to do precisely that.

Farrell indicated that authorization to spend funds on bricks and mortar is included on page 32 of the Insurance Commissioner's Order. It states, "A material portion of either the principal or the earnings of the funds may not be directly or indirectly expended for real property, or for purchase, capital lease, or construction of a facility, or committed as collateral, or in any other way, for such a purpose unless the expense or commitment is approved by an affirmative vote of two-thirds of all members of the PCHOAC." Brahm suggested that as part of the Communications Plan, a document be prepared for committee members listing talking points and rationalization for use of funds for construction.

Nycz commented on the importance of replenishing funds spent from the principal to maximize the benefits of resources. Miller-Korth underscored the significance of "replenishment" of the endowment. Lefebvre indicated that BC/BS funds allocated for construction will be matched by gift funds and that money spent on facilities could be replaced. Lauby moved that the Oversight and Advisory Committee authorize the use of up to 50% of the proceeds designed for Research and Education (65%) to be used for the construction of the Interdisciplinary Research Complex (IRC) provided that these resources are: 1) matched dollar-for-dollar, either for construction or programs and 2) that within the five year period of this Plan, the resources spent on facilities will be replenished with dollars designed for endowment to advance the purposes of this Plan. The motion was seconded by McBride and after discussion, the committee voted unanimously to approve the intent of the motion, with a final vote to occur at the next meeting. Brahm asked that the motion be put in writing and circulated to the committee before the February 27 meeting. She indicated the importance of clear and specific language to ensure that members fully understand the intent and purpose of the motion.

Lauby asked about the relationship between the 65% and 35% portions and the OAC's role for the 65%. She commented that it doesn't appear that the External Advisory Council is community oriented. She suggested that it would be desirable to have presentations on population health issues to the External Advisory Council. Several members underscored the need for coordination and communication between the OAC and External Advisory Council.

In response to Lauby's question about the OAC's role for the 65% portion, Remington read a statement from #12 on page 29 of the Insurance Commissioner's Order, "The PCHOAC must at least annually review the expenditure of funds for health care provider and medical research for the purposes of preparing a report. The PCHOAC must prepare an advisory report to the Board of Regents or Board of Trustees, the foundation, and the public concerning the use of funds for health care provider education and medical research, the evaluation of the effectiveness of programs or projects funded, whether the funds are supplanting resources otherwise available, the extent of funding of community based initiatives, whether the funds are expended in accordance with the then current five-year plan and the financial status of the funds." Smith indicated that this role will be included in the Plan.

6. Medical Education Priorities

Farrell introduced Susan Skochelak, Senior Associate Dean for Academic Affairs at the Medical School. Skochelak summarized how innovations in medical education are connected to improving health in Wisconsin. As background, she reviewed the LCME Medical School accreditation site visit, which occurs every 7 years. Areas of strength include the Medical School leadership team, robust and sustained growth in research, and medical students who are qualified, loyal and satisfied. Areas of partial non-compliance include: 1) curriculum needs to be revised to provide more independent learning opportunities; 2) facilities, including the need for additional research space. Farrell commented that the Medical School has been cited for deficient facilities for the last three accreditations, over 21 years.

Skochelak presented four initiatives for the Center for Innovations in Medical Education: a) develop state of the art medical education curriculum including population health, information management skills, problem solving and evidence based skills, cultural competency and women's health and ethics and professionalism, b) develop the Clinical Skills Assessment center, c) support distance education for statewide campus and d) innovations in Medical Education Grant Program.

Nycz asked how these plans fit into the goals of Turning Point and the aims of the Institute of Medicine. He commented on the crisis in terms of ability to deliver health care services on an equitable basis and the cost of health care. He suggested that part of the solution might be to bring teams of health care professionals together. Skochelak commented that the Health Sciences Learning Center is interdisciplinary and will include Pharmacy, Nursing and Medical Technology. Lauby asked how the School of Nursing fits in with the Medical School. Farrell said there are already interdisciplinary education and research

programs in place, and it is expected that the School of Nursing will play a key role in the MPH program; it is also likely that School of Pharmacy faculty will teach in the MPH program. The Health Sciences Learning Center will bring the health sciences schools closer together. Kokotailo commented on the advantages of proximity for collaborations.

7. Discussion and approval of Population Health Priorities

A draft document entitled "BC/BS Program Population Health Priorities Support Community/Academic Partnerships" had been distributed to committee members. This document lists three priority areas: a) contracts with community partners, b) commitment to serving the underserved by developing and supporting academic partners to form linkages to communities, and c) enhancement of community-based public health education and training. Lauby asked for clarification of why education is included in the 35% portion. Skochelak responded that the education program included in the 65% portion is traditional academic education for current medical students, while the education portion of the 35% is community-based, such as continuing education for health care practitioners.

Farrell reminded the committee that in addition to the 35% component, their role includes providing advice on the 65% portion as well as approval of use of the funds for buildings. If the IRC is to be included in the Plan, it would need to have the support of the OAC. Nycz commented that the question is not whether it should be done but how it should be done. Lauby asked whether some proposed expenditures could be moved from the 35% portion to the 65%. Remington responded that the academic portion of the MPH program has already been moved to the 65%; originally the entire program had been included in the 35%. Committee members discussed proposed expenditures for categories A, B, and C. Lauby wondered if a higher percentage of funds could be allocated to category A. Farrell indicated that the OAC has flexibility in allocating funds among the three categories.

McBride moved that for at least the first 2 years of the plan at least 51% of the funds allocated to the UWMS endowment for population health initiatives for community/academic partnerships (35%) be expended to fund the contracts with community partners. The motion was seconded by Lauby and was approved unanimously in principle; it will be reaffirmed at the next meeting.

Farrell reviewed category B of the draft document and indicated that the first bullet relates to support of Donna Friedsam, who works with the Wisconsin Public Health and Health Policy Institute on Native American issues. The Center for Urban Population Health provides an opportunity to reach the underserved throughout the entire state, while emphasizing Milwaukee's underserved minority population. The third bullet is important because the Insurance Commissioner's Order emphasizes the need for rigorous evaluation. Category C was developed as a result of the public hearings in 1999 where community groups repeatedly emphasized the need for continuing public health education. After discussion, Mormann moved that the document. A, B, and C, be approved (without specific dollar amounts). The motion was seconded by Nycz and passed unanimously.

8. Update on drafting assignments for Plan and deadlines

Smith briefly reviewed progress on writing the Plan, indicating that the introduction and overview has been drafted, and considerable progress has been made on the Distribution of the funds section. Available drafts will be reviewed at the February 27 with the goal of approving a draft of the complete plan at the March 10 meeting.

Farrell reminded members that the next meeting will be held at the Fluno Center at 8:00 AM on February 27.

The meeting was adjourned at 12:00 noon.

Douglas Mormann
Secretary