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FOR  
HEALTH AFFAIRS COMMITTEE**

**Committee Meeting:** 5/5/2021

**Board Meeting:** 5/6/2021  
Austin, Texas

*Janiece Longoria, Chairman*  
*David J. Beck*  
*Christina Melton Crain*  
*R. Steven Hicks*  
*Jodie Lee Jiles*  
*Nolan Perez*

	<b>Committee Meeting</b>	<b>Board Meeting</b>	<b>Page</b>
<b>Convene</b>	<i>11:30 a.m.</i>		
1. <b>U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration</b>	<b>Discussion</b>	<b>Action</b>	<b>90</b>
2. <b>U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding reaffirmation of the Mission Statement</b>	<b>Action</b> <i>President Pisters</i>	<b>Action</b>	<b>91</b>
3. <b>U. T. Medical Branch - Galveston: Approval to create the School of Public and Population Health</b>	<b>Action</b> <i>Interim President Raimer</i>	<b>Action</b>	<b>92</b>
4. <b>U. T. Health Science Center - San Antonio: Report on the Long Range Financial Plan for The University of Texas Health Science Center at San Antonio</b>	<b>Report/Discussion</b> <i>Dr. Kelley</i> <i>President Henrich</i>	Not on Agenda	<b>105</b>
<b>Adjourn</b>	<i>12:00 p.m.</i>		

1. **U. T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration**

RECOMMENDATION

The proposed Consent Agenda items assigned to this Committee are [Items 19 - 27](#).

2. **U. T. M. D. Anderson Cancer Center: Discussion and appropriate action regarding reaffirmation of the Mission Statement**

**RECOMMENDATION**

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs and the institutional president that the U. T. System Board of Regents approve and reaffirm the Mission Statement for U. T. M. D. Anderson Cancer Center as follows.

**Mission Statement**

The mission of The University of Texas M. D. Anderson Cancer Center is to eliminate cancer in Texas, the nation, and the world through outstanding programs that integrate patient care, research, and prevention, and through education for undergraduate and graduate students, trainees, professionals, employees, and the public.

**BACKGROUND INFORMATION**

Each public institution of higher education is required to have a mission statement under *Texas Education Code* Section 51.359. Section 51.352 of the *Code*, regarding the Responsibility of Governing Boards, requires each governing board to insist on clarity of focus and mission of each institution under its governance.

In addition, Southern Association of Colleges and Schools Commission on Colleges (SACSCOC) accreditation requirements require the periodic review and approval of each institution's mission statement by its governing board.

The U. T. M. D. Anderson Cancer Center Mission Statement was last reviewed and approved by the Board of Regents on April 19, 2004. There are no proposed changes to the existing Mission Statement.

**3. U. T. Medical Branch - Galveston: Approval to create the School of Public and Population Health**

RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Health Affairs, the Vice Chancellor and General Counsel, and the institutional president that approval be granted to create the School of Public and Population Health at U. T. Medical Branch - Galveston.

A PowerPoint presentation is set forth on the following pages.

BACKGROUND INFORMATION

The School of Public and Population Health at U. T. Medical Branch - Galveston (School) will prepare its graduates to assume leadership positions to improve the health status of the state of Texas and the global population, with a specific emphasis on the comprehensive nature of public health. The School's focus will include better integration and enhancement of the unique strengths across the institution by improving the bridge between disparate, but related, research and educational foci, including public health, population health, global health, emerging and infectious disease, and health services. The proposed timeline includes a Fall 2021 proposal to the Council of Education for Public Health, closely followed by a self-study (January 2022 to January 2023), with full accreditation in time for Fall 2024.

The School's new multidisciplinary model will help continue to advance the academic mission of solving major health problems, including emerging pandemics, and will help fill a state-wide gap in capacity to produce highly trained public health professionals.

The creation of the new School has been approved by the Executive Vice Chancellor for Health Affairs and is pending approval by the Board. Upon approval by the Board of Regents, the Office of Health Affairs will notify the Texas Higher Education Coordinating Board of the change so that the U. T. Medical Branch - Galveston administrative unit structure can be updated.

*Texas Education Code* Section 65.11 authorizes the Board of Regents to provide for the "...administration, organization, and 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...".

# The University of Texas Medical Branch at Galveston School of Public and Population Health

U. T. System Board of Regents Meeting  
Health Affairs Committee  
May 2021

**Ben G. Raimer, M.D., M.A., FAAP**  
**President *ad interim***



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## UTMB School of Public and Population Health

A School of Public and Population Health (SPPH) at U. T. Medical Branch - Galveston (UTMB) would fill a **state-wide gap** in capacity to produce highly trained public health professionals, and better integrate and enhance several **unique strengths across UTMB's campus** by improving the bridge between disparate, but related, research and educational foci, including:

- **Public health;**
- **Population health;**
- **Global health;**
- **Emerging and infectious disease; and**
- **Health services.**



## UTMB Program Need

The changing population demographics and the emerging importance of community engagement contribute **to a need for a broadly trained, diverse public health workforce.** It is well established that there is both a current and projected shortage of qualified public health workers in the relevant disciplines. **A wide variety of employers are seeking individuals with training in public health.**

Three additional developments that will increase the need for trained public health workers are:

- **New credentialing requirements for public health workers;**
- **New accreditation requirements for the nation's public health departments** (a process that is rapidly evolving); and
- **Emerging pandemics** (i.e., COVID-19).



## UTMB Program Background

Pre-medical and pre-health (PMPH) programs have recently demonstrated **significant growth**, both in degree program offerings and student population.

- With 112 students, educational programs administered by the Department of Preventive Medicine and Population Health account for **45 percent of the current student population** in the UTMB Graduate School of Biomedical Sciences.
- The Master of Public Health (M.P.H.) alone has grown from 20 students in 2016-2017 to 60 students in 2020-2021, a **200 percent increase**.





## M.P.H. Program History at UTMB

- The M.P.H. Program was pre-accredited by the Council on Education and Public Health (CEPH) in 1999 and admitted its first students (UTMB Preventive Medicine residents) in 2000.
- After receiving full CEPH accreditation in 2002, the program expanded its reach to other student groups.
- In 2005, the program was available to any postgraduate physician at UTMB.
- The M.P.H. was offered to UTMB medical students in 2008 and to Ph.D. students and faculty in 2011.
- In 2017, the program opened to non-UTMB affiliated students, which allowed applicants outside the institution to join the program, including students who had recently finished undergraduate degrees and those who had worked professionally in various settings.



## M.P.H. Program History at UTMB (cont.)

- The most recent change to the M.P.H. Program was the addition of the four-year combined M.D./M.P.H. program in 2019, which allows UTMB medical students to earn their medical degree and the M.P.H. without stepping out for an extra year.
- Currently, the M.P.H. Program has **61 students across four M.P.H. tracks:** Aerospace Medicine (for Aerospace Medicine residents only), Biostatistics, Epidemiology, and Generalist (for four-year M.D./M.P.H. students only).
- As of 2021, there have been **more than 160 graduates** of the M.P.H. Program at UTMB.



## UTMB Program Outline

The **SPPH will integrate the skills and perspectives of the humanities and the quantitative, clinical and social sciences** as we:

- Produce research and scholarship that informs effective health care, health system, and public health practice and policy;
- Provide public health and community-based services that promote individual and population health; and
- Prepare learners who will make similar contributions in their research, practice, and teaching careers.

The **SPPH proposed foci** will include:  
Biostatistics, Epidemiology, Global Health and Emerging Diseases, Data Science and Population Health, Bioethics, Aerospace Medicine, and Environmental Health.

The **SPPH will initially seek to offer** degrees in four areas:

1. Master of Public Health (M.P.H.)
2. Medical Humanities (M.A., Ph.D.)
3. Population Health and Data Sciences (Ph.D.)
4. Doctor of Public Health (Dr.PH.)

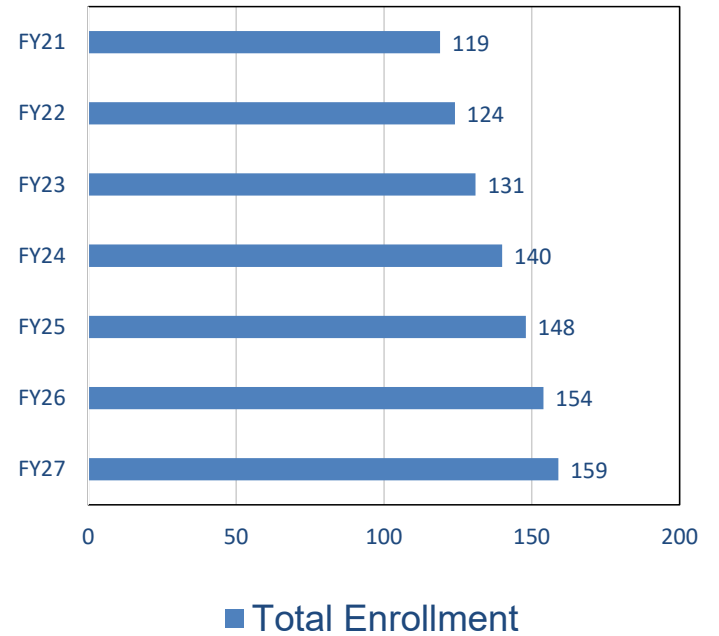
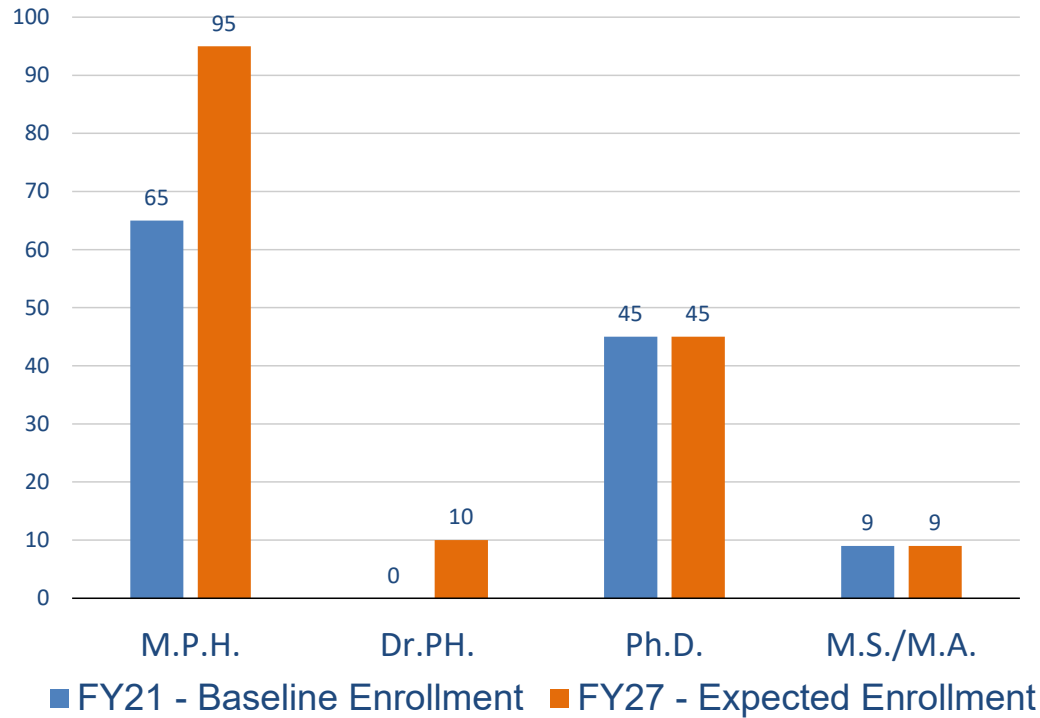


## UTMB Program Proposal

- The SPPH at UTMB will prepare its graduates to **assume leadership positions to improve the health status of the State of Texas and the global population**, with a specific focus on the elimination of racial and ethnic disparities.
- The School and its programs will emphasize the **comprehensive nature of public health through the involvement of a broad range of professional disciplines** united in establishing a new multidisciplinary model for solving major health problems.
- The School's graduates are expected to play a critical role in **coordinating the multidisciplinary teams necessary in meeting emerging public health challenges** in the United States and throughout the world.



# UTMB SPPH Enrollment Projections



## UTMB Collaborative Training Model

**UTMB's comprehensive set of programs supports a collaborative training model to educate students in interdisciplinary approaches to public health.**



- UTMB is the **first institution west of the Mississippi** to combine leadership in health professions training with a health system.
- UTMB is **both a comprehensive research university and full health sciences center**.
- UTMB is in the best position to prepare a cadre of public health professionals committed to **improving the health of underserved communities**.
- UTMB's M.P.H. and infectious disease program enjoys a **favorable reputation at international, national and local levels**.
- UTMB has an **established role in training leaders for many countries** across the Latinx and African Diaspora.

**The SPPH will enhance UTMB's efforts to be a leader in addressing community and global health issues as well as training professionals skilled at addressing the health of America's urban and rural communities.**



# UTMB SPPH Overview

Infectious Disease Strengths with Galveston National Laboratory

Connections to NASA and Antarctic Exploration

Day and Evening Programs

Multidisciplinary and Translational

Innovative SPPH Structure

Accredited M.P.H. Program with Aerospace Concentration

Emerging Connections to Pan American Health Organization  
Emerging Collaboration with National Institutes of Health

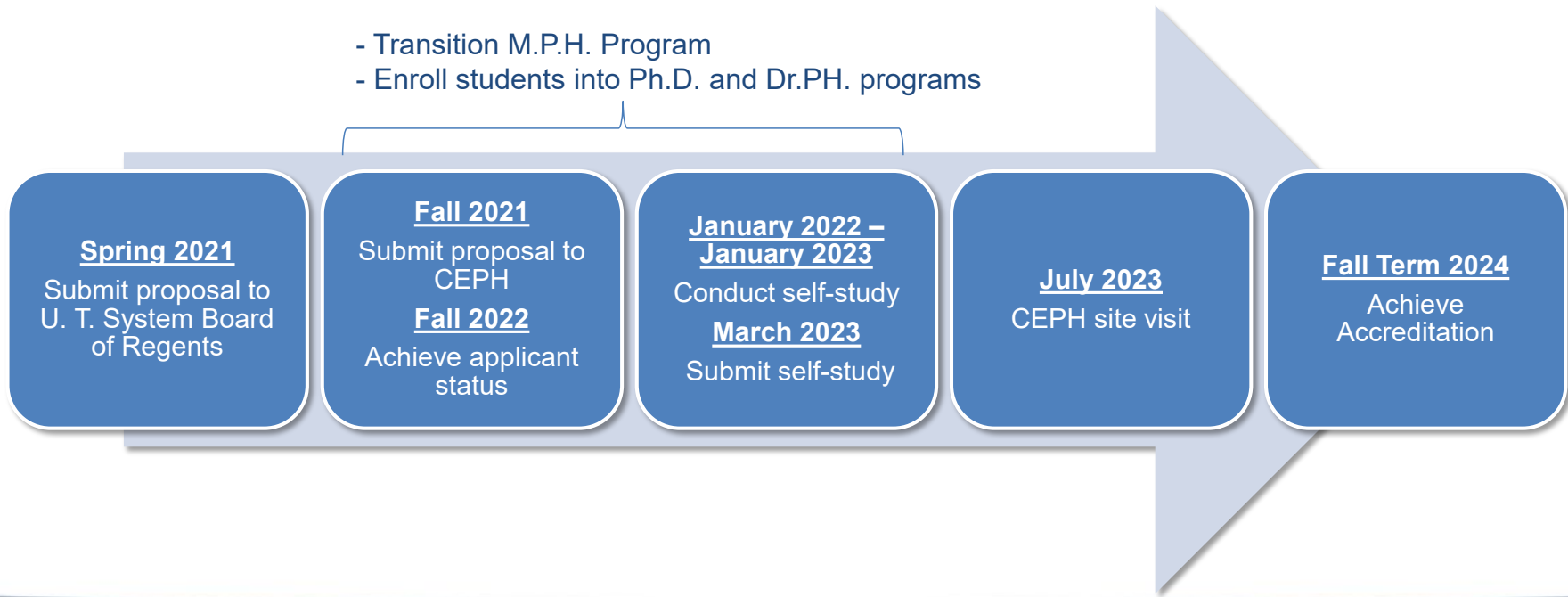
## UTMB School of Public and Population Health

Located in Galveston



# UTMB SPPH Proposed Timeline

GOAL: Obtain full accreditation by the end of the Fall Term 2024





4. **U. T. Health Science Center - San Antonio: Report on the Long Range Financial Plan for The University of Texas Health Science Center at San Antonio**

President Henrich will report on the long-range financial planning at U. T. Health Science Center - San Antonio using the PowerPoint on the following pages.

# The University of Texas Health Science Center at San Antonio **Long-Range Financial Planning** William L. Henrich, MD, MACP President



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U. T. SYSTEM BOARD OF REGENTS MEETING  
Health Affairs Committee  
May 2021





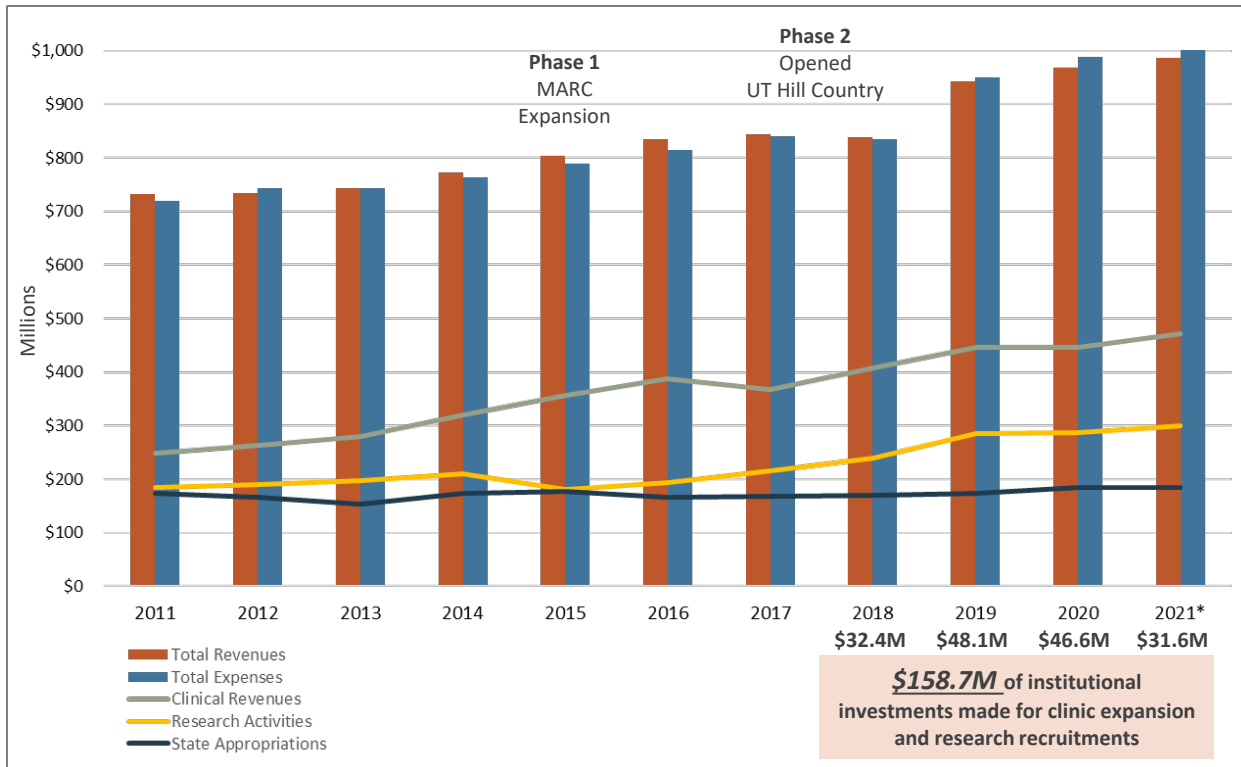
# Strategic Planning

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FOR CLINICAL TRANSFORMATION



# Transformation Plan



**The Goal**  
*To be a top-tier academic medical center in the U.S. ranked in the top 30-40 of academic HRI's in research*

## The Journey

- Steady revenue growth but slim margins
- Flat State revenues that do not fully cover basic instruction and operational costs
- Growing research portfolio
- Greater annual institutional investments needed in order to reach goal (\$70-80M)
- Clinical enterprise is the vehicle to goal**
- Expansion and diversification of clinical operations needed
- Executed Clinical Transformation Plan
  - Phase 1 – Expanded primary outpatient site
  - Phase 2 – Constructed new outpatient facility
  - **Phase 3 – New Outpatient Hub**
  - **Phase 4 – New Inpatient Venue**



# Multispecialty and Research Hospital



## Clinical Transformation Plan PHASE 4

### March 2021

- Virtual Groundbreaking

### Summer 2024

- Doors open
- 144-bed highest acuity hospital
- Specialty care in cancer, orthopedics, urology, and thoracic and bariatric surgery
- Emphasis on clinical trials and clinical research
- 413,502 square feet
- 12 acres
- **\$430 MILLION**



# Financial Planning

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FOR STRATEGIC INVESTMENT



# How Do We Achieve Our Goal?

*Given state revenues are flat and outpatient clinical margins are slim, could we leverage available resources to invest in initiatives that would allow us to achieve our goal of being a top-tier academic medical center?*

Clinical and Research Expansion Initiatives
New Academic Teaching and Research Hospital
Second Ambulatory Outpatient Hub
Mays Cancer Center Renovations and Expansion
Increase annual institutional investments to \$70-\$80M
Renovate existing research labs and other clinical space

Financial Resources Available
\$400M RFS Debt Capacity
80M PUF Allocations for hospital
50M Philanthropy for hospital
470M Unrestricted Cash
<b>\$1 Billion Available</b>



# Financial Forecasting

## The Process

- Developed detailed proformas for each initiative
- Aggregated the proformas into a single long-range ten-year forecast that included projections for current operations
- Reviewed cash and debt financing options with the U. T. System Office of Finance
- Evaluated financial performance ratios to identify periods of operational stress

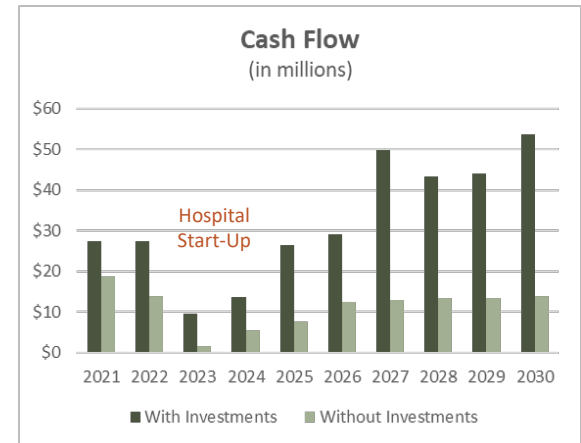
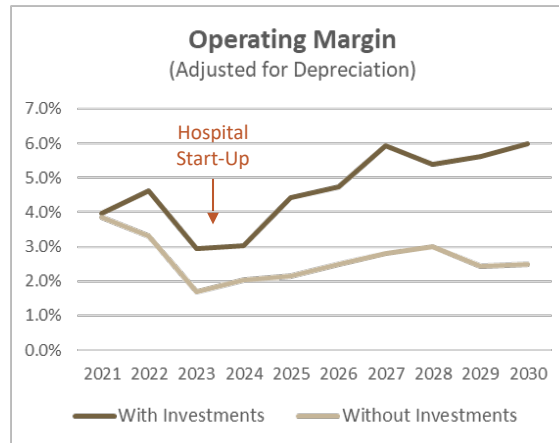
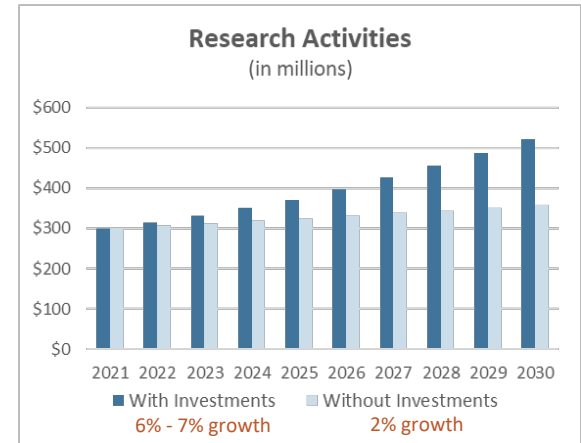
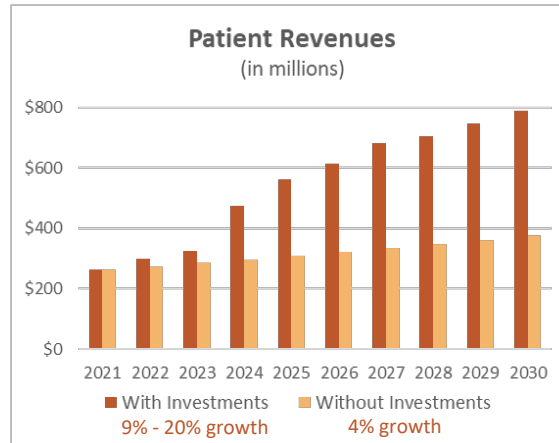




# Ten-Year Outlook

- ❑ Compared our future financial prospects *with* and *without* investments for:
  - Patient Revenue Growth
  - Research Growth
  - Operating Margin
  - Cash Flow
  
- ❑ Determined these investments provide the margin and cash to continue to invest in ourselves
  
- ❑ Confirmed Scorecard Rating (slide 10) stays healthy without bankrupting the institution

*These investments allow for the control of our financial destiny.*

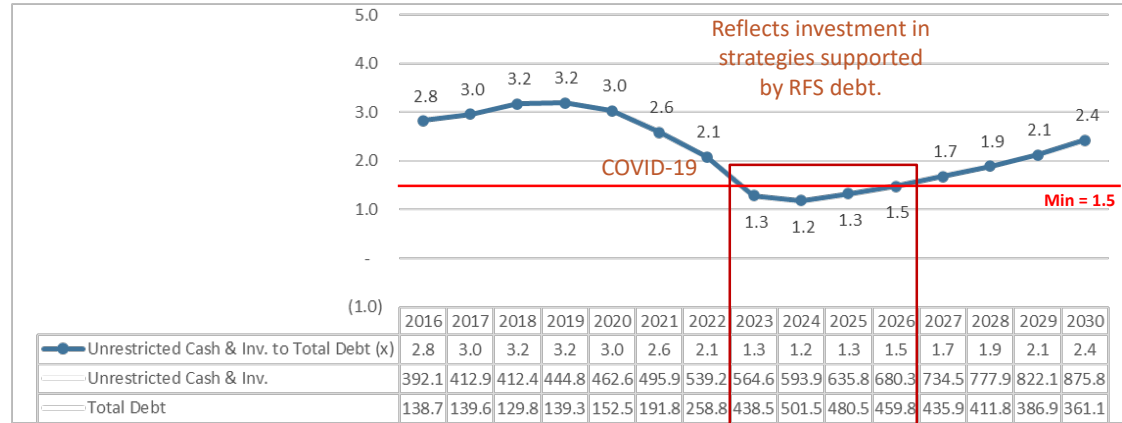




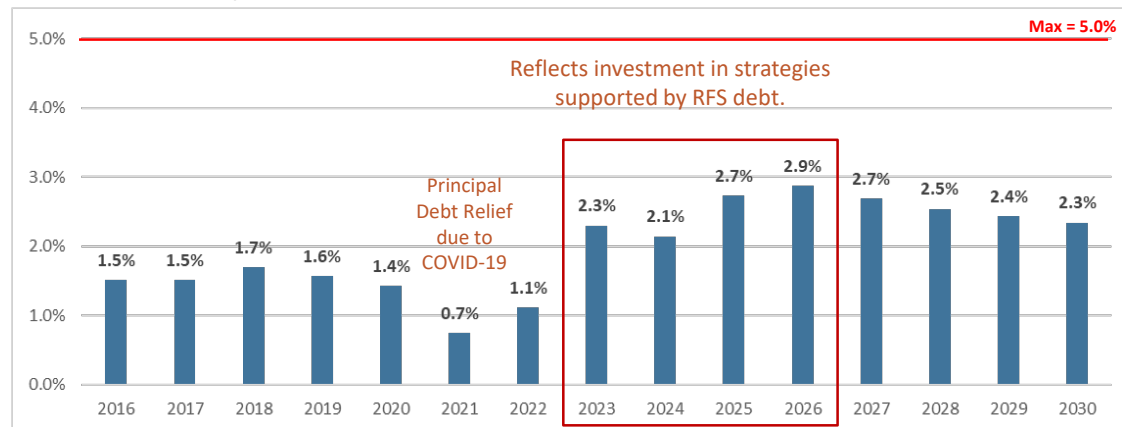
# Financial Health Assessment

- Start-up costs incurred for the new outpatient facility and hospital will affect operations between Fiscal Years 2021 and 2024
- New RFS debt acquired for clinical and research investments will affect debt capacity through Fiscal Year 2026
- Financial stress period is between Fiscal Years 2023 to 2026

**Unrestricted Cash & Investments to Total Debt**



**Debt Service to Operations**

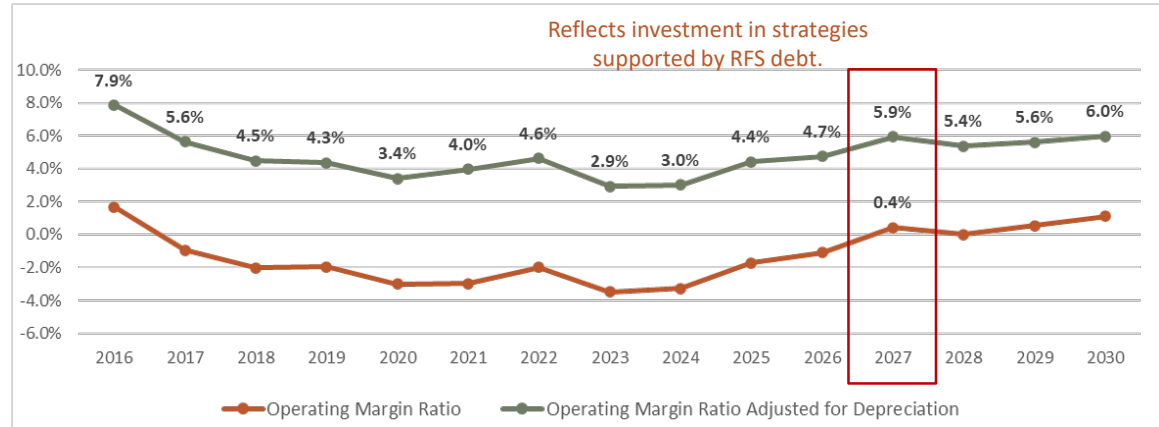




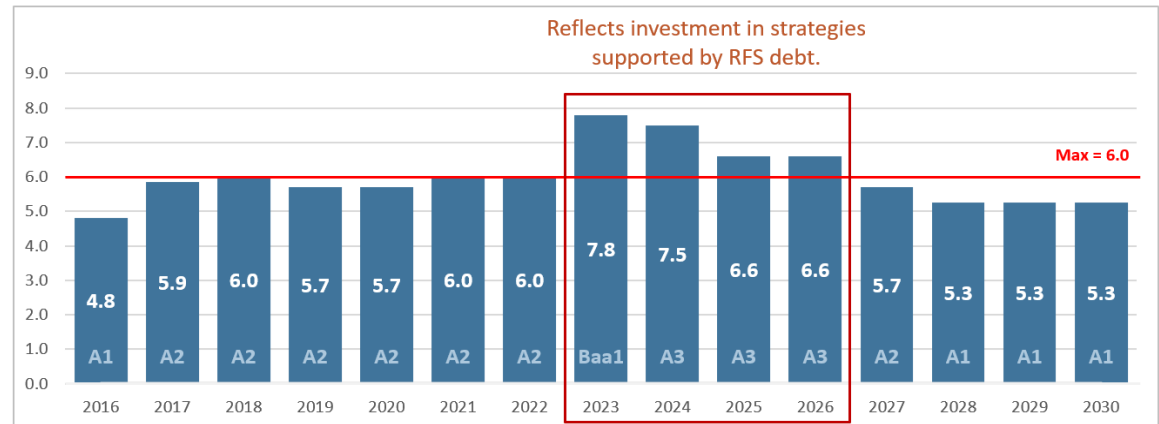
# Financial Health Assessment

- Remain cash positive before, during and after all investments
- Operating margins rebound two years after the hospital opens and allows for subsequent investments
- Investments in these initiatives contribute to our ability to greatly improve future scorecard ratings
- The transformation plan will require careful, meticulous financial monitoring

## Operating Performance



## Overall Scorecard Rating





## Summary and Conclusions

- ❑ UT Health San Antonio is financially healthy but it cannot achieve its goal of becoming a top-tier academic medical center without substantial new investments.
- ❑ Long-range financial planning shows that UT Health SA has the financial resources to make the needed investments to grow its clinical, research and academic enterprises in order to achieve the overarching goal.
- ❑ The long-range financial planning exercise:
  - Illuminated UT Health's financial limits and risks.
  - Confirmed the transformation plan is attainable.
  - Demonstrated new investments are the only option to move UT Health forward; without new investments progress in all missions plateaus.
  - Allowed U. T. System to understand all elements of the financial plan in detail and to facilitate the necessary steps forward.