

**VII. STANDING COMMITTEES****A. Academic and Student Affairs**

*in Joint Session with*

**B. Finance, Audit and Facilities**

UW Medicine Board Annual Operations and Governance Report: UW Medicine Strategic Initiatives Overview

For information only.

The UW Medicine health care system has made significant progress in implementing the strategic plan adopted in 2009. The fundamental goal of the UW Medicine strategic plan is to achieve a fully integrated, balanced, and accountable health care delivery system. The strategies articulated in the plan are focused on:

- building key clinical programs through direct investment;
- developing core systems and organizational capabilities that provide the infrastructure for those services in support of our mission to improve health;
- identifying and developing primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities;
- developing strategic affiliations and alliances locally and throughout the region that support our ability to improve health; and
- enhancing our ability to serve as a national leader in responding to changing health care reimbursement through creation of an Accountable Care Organization.

*Attachments*

1. UW Medicine Fact Sheet
2. Executive Summary, UW Medicine Strategic Plan
3. Executive Summary, UW Medicine Major Accomplishments and Activities
4. Proposed Strategic Alliance: Public Hospital District No. 1 dba Valley Medical Center and UW Medicine



### UW Medicine's mission

To improve the health of the public by advancing medical knowledge, providing outstanding primary and specialty care to the people of the region, and preparing tomorrow's physicians, scientists and other health professionals.

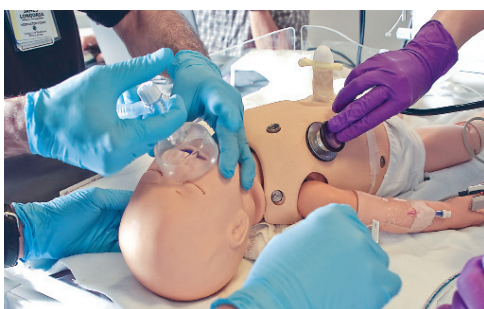
### Components of UW Medicine

#### UW Medicine owns or operates:

- Harborview Medical Center
- University of Washington Medical Center
- Northwest Hospital & Medical Center
- UW Medicine Neighborhood Clinics
- UW School of Medicine
- UW Physicians
- Airlift Northwest

#### UW Medicine shares in the ownership and governance of:

- Children's University Medical Group
- Seattle Cancer Care Alliance



### People

- More than 18,300 employees contribute to the mission of UW Medicine.
- The School of Medicine has approximately 2,000 employed faculty members and more than 4,600 clinical faculty across the WWAMI program who teach medical students, residents and post-doctoral fellows.
- UW Medicine has approximately 4,500 students and trainees across a broad range of undergraduate, professional and post-graduate programs.



### Patient care

- About 51,000 admissions each year to UW Medicine's two core academic medical centers, Harborview Medical Center and UW Medical Center, and Northwest Hospital & Medical Center
- About 1.4 million outpatient and emergency room visits to the hospitals and clinics annually

### Faculty includes:

- Four Nobel Prize winners
- 33 Institute of Medicine members
- 32 National Academy of Sciences members
- 16 Howard Hughes Medical Institute investigators
- 10 Canada Gairdner International Award recipients
- Five National Academy of Engineering members

## RESEARCH

### UW Medicine is a leader in stem-cell research

The UW Institute for Stem Cell and Regenerative Medicine has one of the nation's largest concentrations of researchers studying human embryo cells. UW faculty members are conducting basic research in biology, engineering and medicine to find potential and innovative uses of stem cells to treat various medical conditions, including heart disease and blindness.

### Center for AIDS Research (CFAR)

The UW has been at the forefront of HIV/AIDS research since 1988 and is one of the first AIDS research centers in the United States.

### Pancreatic cancer research

Teri Brentnall, UW professor of medicine in gastroenterology, led an international team of scientists that discovered the link between a genetic mutation and familial pancreatic cancer. The team also developed a screening protocol for the disease using endoscopic ultrasound.

### Tumor Vaccine Group

The UW Tumor Vaccine Group is working on a cancer vaccine to prevent cancer relapse. Despite advances in surgery, chemotherapy and radiation, patients with cancer may ultimately relapse because of residual microscopic disease. Our cancer vaccine program targets that patient population whose disease has been optimally treated with standard therapies but who remain at risk for relapse.

### The Institute for Health Metrics and Evaluation (IHME)

at the UW is an independent research center that is rigorously measuring the effectiveness of responses to the world's most pressing health issues. The institute provides scientific evaluations of health system and health program performance in order to guide health policy and accelerate global health progress.

**The UW School of Medicine is ranked consistently among the top three schools in receipt of National Institutes of Health grant funding in *U.S. News & World Report* surveys.**

#### THE 2011 RANKINGS:

1. Harvard University
2. University of Washington
3. University of Pennsylvania

### UW School of Medicine research provides a significant economic benefit to the community.

UW Medicine generated more than \$800 million in research funds last year. A number of established and start-up biotechnology companies, including Zymogenetics and ICOS, have their roots in UW School of Medicine research.

## EDUCATION

The five-state WWAMI regional medical educational network, serving Washington, Wyoming, Alaska, Montana and Idaho, is widely considered the best academic model for the training and placing of physicians in underserved communities.

**The UW School of Medicine has been ranked as the No. 1 primary-care medical school in the country for 17 consecutive years.** In addition, UW Medicine teaching programs are ranked among the best in the country in the 2011 rankings by *U.S. News & World Report*.

## CLINICAL CARE

### UW Medicine medical centers are ranked among the top medical centers.

Several UW Medicine programs were ranked highly by *U.S. News & World Report*, including rehabilitation medicine and cancer.

**Harborview Medical Center** is the only Level I adult and pediatric trauma and regional burn center serving Washington, Alaska, Montana and Idaho. Harborview was the 2007 recipient of the prestigious Foster G. McGaw prize, which honors excellence in community service and outreach in health care. Harborview is owned by King County and managed by the University of Washington. All staff are UW employees, and all physicians are UW faculty. Harborview and UW School of Medicine faculty physicians based there provide more than \$150 million in charity care per year.

**UW Medical Center** ranked in the top 1 percent out of more than 5,000 major medical centers in the 2009 "Best Hospitals Honor Roll" by *U.S. News & World Report* and was the first medical center in the country to achieve Magnet Hospital certification, the highest honor awarded by the American Nurses Credentialing Center. It is also a leader in solid organ and stem cell transplantation, Regional Heart Center care and high-risk neonatal care.

**Northwest Hospital & Medical Center** is a full-service, nonprofit community hospital offering personalized, technologically advanced medical, surgical and therapeutic services. Its staff of health-care professionals is recognized for promoting wellness through early detection and prevention, minimally invasive interventions and innovative clinical practices. HealthGrades has recognized Northwest Hospital for excellence and has ranked it among the top 5 percent of hospitals in the nation for patient safety for four years.

**UW Neighborhood Clinics** is a network of primary care clinics with seven neighborhood locations throughout the greater Puget Sound area. The clinics offer a complete spectrum of primary-care services for the entire family, from pediatrics to geriatrics. They also offer ancillary services, including on-site laboratory and X-ray facilities and nutrition services.

**Airlift Northwest**, an air medical transport program, was founded by a consortium of hospitals in the Seattle area, including Harborview Medical Center, UW Medical Center and Seattle Children's. Airlift Northwest has provided air medical transport for more than 80,000 patients since 1982.

**Medic One** is an international model for emergency care. It was developed in a collaborative effort among Harborview, the Seattle Fire Department and the UW School of Medicine. The system, one of the first of its kind in the world, is the model most emulated by communities throughout the country.

**UW Medicine**  
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May 1, 2011

## UW MEDICINE STRATEGIC PLAN

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### UW Medicine's mission is to improve the health of the public

The UW Medicine strategic plan supports the three major activities that advance this mission: providing outstanding patient care; advancing medical knowledge through research; and training the next generation of healthcare professionals and scientists.

**STRATEGIC GOALS AND OBJECTIVES** were developed in the 2008 planning process to advance UW Medicine's mission:

- Expand and strengthen centers of excellence and other core clinical programs;
- Deliver consistent, excellent service and improve patient access;
- Expand UW Medicine Health System's strategic outreach to patients and healthcare professionals throughout the WWAMI region;
- Identify or develop primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities;
- Enhance UW Medicine's educational programs to address the region's healthcare workforce needs and to maximize the focus of future healthcare professionals on quality, safety and efficiency;
- Enhance UW Medicine's research programs to promote rapid and effective translation of research from laboratory to clinical settings.

### FIVE PRIORITY AREAS:

- **Build key clinical programs.** Improve existing patient care programs that are central to UW Medicine's ongoing success in improving health and develop new programs suited to UW Medicine's preeminence in specialized tertiary and quaternary care.
- **Build networks and affiliations.** Develop strategic affiliations and alliances locally and throughout the region that support our ability to improve health; broaden clinical programs in primary and secondary care to support the needs of our patients, sustain our referral base, and secure our ability to serve as an Accountable Care Organization.
- **Deliver excellent service.** Enhance UW Medicine's ability to deliver excellent care by ensuring that all care and service provided are outstanding, compassionate, timely, coordinated and complete.
- **Deliver high-quality, safe and effective patient care.** Implement initiatives to maintain the highest quality care and safety standards that support UW Medicine's mission of improving health.
- **Enhance support for research, teaching and patient care.** Increase the efficiency and effectiveness of services that support UW Medicine's core activities of research, teaching and patient care on behalf of improving health through workforce development, human resources, facilities growth and renovation, and information technology advances.

May 1, 2011

## MAJOR ACCOMPLISHMENTS AND ACTIVITIES THROUGH 4/30/11

### Build key clinical programs

- Established three new UW Medicine institutes (eye, pain relief, vascular);
- Construction proceeding well for UW Medical Center Tower to expand NICU and oncology beds;
- Expanded UW Medicine Spine & Sports, including Seattle Sports Concussion Program.

### Build networks and affiliations

- Completed affiliation with Northwest Hospital & Medical Center;
- Launched regional strategic outreach plan with hospitals throughout WWAMI region;
- Expanded behavioral health services with integrated mental health pilot sites;
- Reconfigured Airlift Northwest operations and expanded services;
- Exploring additional opportunities for affiliations;
- Developing and expanding primary care network, including medical home pilots.

### Deliver excellent service

- Launched “Patients First” initiative including Leadership Development Institutes;
- Established and disseminated the “four pillars” among faculty, staff, and trainees: Focus on serving the patient/family; provide highest quality of care; become the employer of choice; practice fiscal responsibility;
- Expanded Transfer Center to serve all three hospitals in UW Medicine Health System;
- Implemented a consolidated UW Medicine Contact Center for clinic appointments.

### Deliver high-quality, safe and effective patient care

- Established quality and safety projects and assessment tools for all UW Medicine sites;
- Launched multiple safety and quality improvement initiatives;
- Expanded simulation training activities and facilities in the Institute for Simulation and Interprofessional Studies (ISIS);
- Established UW Medicine Board Patient Safety and Quality Committee;
- Implemented planning for medical school and residency curricula improvements that expand the focus on training physicians who deliver high-quality, safe, cost-effective, and effective patient care.

### Enhance support for research, teaching and patient care

- Implemented EPIC facility billing and patient registration system for HMC, UWMC, and SCCA;
- Deployed EPIC ambulatory electronic medical record in UW Medicine Eye Institute and nine additional clinics;
- Enhancing services within UW Medicine Health System to support translational research and clinical training programs;
- Integrating clinical data system-wide using AMALGA from Microsoft;
- Advancing UW Medicine strategic research planning, including program plans for South Lake Union Phase III;
- Planning expansion of graduate medical education training programs for the region in high-demand specialties.

# UW Medicine

# **Proposed Strategic Alliance: Public Hospital District No. 1 dba Valley Medical Center and UW Medicine**

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F-8.4/205-11  
5/12/11

# OVERVIEW

- **Mission**
- **Strategic plan and priorities**
- **Key elements of proposed strategic alliance**

# MISSION

**UW Medicine:** To improve the health of the public by advancing medical knowledge, providing outstanding primary and specialty care to the people of the region, and preparing tomorrow's physicians, scientists and other health professionals.

**Valley Medical Center:** Governed by publicly elected commissioners, VMC provides, in collaboration with its medical staff and community agencies, comprehensive quality care and service in a cost-effective and compassionate manner to improve and sustain the overall health of our community.



# UW MEDICINE STRATEGIC PLAN

## Key Goals:

Identify or develop primary and secondary care services in the local market that align with UW Medicine's tertiary and quaternary care activities.

Develop strategic affiliations and alliances locally and throughout the region that support our ability to improve health, broaden clinical programs in primary and secondary care to support the needs of our patients, sustain our referral base and secure our ability to serve as an Accountable Care Organization (ACO).

# VMC STRATEGIC PLAN

Increase access to healthcare services for South King County residents (over 600,000 people) and improve efficiency of care.

Expand clinical, teaching and research programs.

Position Valley Medical Center for future healthcare reform opportunities, such as the creation of an Accountable Care Organization.

# SHARED COMMITMENT

UW Medicine and Valley Medical Center share a commitment to providing outstanding clinical care with an emphasis on patient safety and service and to reducing health disparities in the community.

Valley Medical Center is a public hospital district that includes a full-service acute care hospital on a 44 acre campus, eight primary care clinics, five urgent care clinics and nine medical and surgical specialty clinics. Ranked 5<sup>th</sup> in quality in the first Best Hospitals Metro Area (2011) rankings by *U.S. News & World Report*.

Valley Medical Center provides significant primary, specialty and some tertiary care that complements UW Medicine's tertiary and quaternary services at UW Medical Center and Harborview Medical Center.

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5/12/11

# KEY ELEMENTS OF A STRATEGIC ALLIANCE

The Public Hospital District would continue to exist as a municipal corporation and would own Valley Medical Center, its clinics and urgent care centers and other assets and liabilities. UW would not be responsible for operating losses at Valley Medical Center.

The strategic alliance agreement would create a governance structure to oversee the operation of Valley Medical Center as an integral component entity of UW Medicine.

Valley Medical Center would become a part of UW Medicine as the 8<sup>th</sup> component entity to further our mutual missions to improve the health of the public.

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# NEW GOVERNANCE STRUCTURE

Board oversight would be through a newly created board comprised of five District commissioners, five Community Trustees who reside in the District area appointed by UW Medicine, two current or former members of one of the boards of a component entity of UW Medicine or of the UW Medicine Board appointed by UW Medicine, and the CEO of UW Medicine or designee as an ex officio trustee.

Initial Community Trustees may be nominated by the Mayors of Covington, Kent, Maple Valley, Newcastle and Renton as well as from anyone residing within the District.

Two Community or Commissioner Trustees will be appointed to the UW Medicine Board.

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# MANAGEMENT

Valley Medical Center would be managed as a component entity of UW Medicine and strive to improve quality of care, patient safety, and access to care while controlling costs.

The Valley CEO would report to the UW Medicine CEO and the new Board.

UW Medicine would appoint or remove the CEO subject to the new Board's approval.

Valley Medical Center would continue using an open medical staff model; employees would remain employed by District.

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# KEY DISTRICT RESERVED POWERS

Transfer or encumbrance of any material asset of the District remains with the District.

Exercise of statutory power to raise revenues by levy of property taxes remains with the District.

Sale, transfer or change in bed license or other hospital licenses requires District approval.

Issuance of tax obligated debt requires District approval.

# RISKS AND OPPORTUNITIES

Ongoing healthcare reform is changing reimbursement and key new reimbursement models are still under development (e.g., federal government is seeking comment on proposed rules for Medicare Accountable Care Organizations).

Significant opportunity to integrate and reduce costs.

Alliance between Valley Medical Center and UW Medicine brings additional primary and secondary care capacity to UW Medicine Health System and additional access to tertiary and quaternary services for the Valley community.

Alliance creates opportunity to build key clinical programs, teaching and research opportunities.

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# QUESTIONS

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