

UNIVERSITY of WASHINGTON
FY2022 Annual Review Narrative Survey

Unit: School of Medicine

Section 1: Programmatic & Academic Vitality Narratives

- 1) Have you made any changes to your unit's strategic plan and/or budget process in the past year? If yes, what are 3-5 key elements of your unit's new/revised strategic plan and/or budget process? If no, please comment on the progress you've made in 3-5 key areas of your strategic plan.**

No changes to strategic plan and/or budget process

The School of Medicine (SoM) is one of seven entities within UW Medicine with an overall mission to improve the health of the public. The key strategic elements in support of our overall mission include:

1. Participation in key initiatives in UW Medicine's strategic plan including FIT (Financial Innovation and Transformation), strategic planning and growth initiatives , and improving healthcare equity.
2. Continued improvement in the teaching and training programs of the SoM including the medical student program, residency and fellowship programs (GME), other professional training programs (MEDEX / Lab Medicine Tech program / OT-PT programs), graduate programs and undergraduate programs. This work includes the evolution of approaches to improve the learning environment and active learning relevant to the specific disciplines.
3. Work to improve the overall training and research environment for the SoM faculty, staff and trainees including providing sufficient and high-quality research space to support our research and teaching programs as well as a focus on philanthropy to support investment in student scholarships, trainee activities and new and ongoing strategic research initiatives.
4. Work on equity, diversity, inclusion efforts across our entire organization including our faculty, staff and trainees.

Progress Report on Four Initiatives

FIT Initiative – The SoM continues to work on the goal of achieving and maintaining financial stability and has ongoing initiatives to promote financial sustainability which are incorporated into the SoM plan. The SoM made financial progress through FY19: however, for FY20 and FY21, the global pandemic has created challenges that have negatively impacted the SoM due to disrupted clinical activities and reductions in state funding.

The largest challenges over the next four years for the SoM include:

1. State funding reductions in FY21 which are captured in the plan
2. Potential supplement re-allocation that would be further state funding reductions and is not reflected in the plan
3. ABB budget model which is structured such that the SoM cannot fund merit increases that will annually reduce teaching funds by an estimated \$500k/year
4. New UW Financial Transformation project cost allocations starting in FY23 estimated at \$6.7M/year; and
5. Projected ground lease increases at SLU in FY25 estimated at over \$7M/year. The SoM's deficit is projected to be (\$3.6M) in FY25

Teaching Programs -- Key accomplishments for last year include the development and launching of an action plan in follow-up to findings made by the LCME as part of the accreditation of the medical education program. The action plan incorporates planned activities and overall institutional strategies to address each of the accreditation elements. The SoM and Provost have also committed additional resources to address these issues. In October 2020, the SoM received a letter from the LCME approving full accreditation for the remainder of the eight-year term with an updated status report due in August 2021.

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The GME program continues to work on the ACGME Clinical Environment Learning Review (CLER) site visit action plan, as well as plans to address resident wellness. During FY20, following an 18 month negotiation, the SoM completed a new Collective Bargaining Agreement with our resident house staff union.

Education space has taken two positive steps forward; first with the successful state funding for the new Health Sciences Education Building. The project has moved forward and the SoM looks forward to the new educational space being brought online in FY23. Additionally, the UW and SoM committed to new Medical School program space in Spokane on the GU campus which will set the program up for success for the next 20 years.

Research and Facilities -- Philanthropy continues to be critical in support of existing and development of new programs. The SoM increased its overall FY 20 gifts and endowment funding to \$203M (vs \$98M in FY19) and \$173M for private grants/contracts (per UW Medicine Summary of Philanthropic Support Report). A few of the key successes for FY20 include: the Emergency Response Fund for COVID19 which brought in over \$27M in FY21; the Population Health Building gift of \$62.5M attributed to the SoM; and ongoing annual support in excess of \$10M for the Brotman Baty Institute, Institute for Protein Design and the Brain Institute.

In terms of research programs and facilities, SLU3.2 8th floor build-out was completed and the SoM continues to work to remediate the HMC R&T facility to bring back online in late FY21 or early FY22. The SoM will continue to work to fully occupy and maximize utilization of our facilities in support of research. The SoM research programs have remained strong throughout the COVID19 challenges and have also generated new opportunities for funding and new lines of research. However, the future challenge will be whether there will be sufficient quality research space as the HSB continues to age and the maintenance costs continue to grow.

The Provost reallocated the third floor of Harrison Hydraulics and allocated to the SoM additional space in E and F Wings with the relocation of Global Health and Public Health to the Population Health building. The SoM completed in Fall and Winter of 2020 and 2021 the relocation of programs into Harris Hydraulics and the E and F Wings, primarily bringing programs off-campus back onto campus and creating synergies with main campus activities. This has resulted in reduced rent for several departments, increased on-campus ICR to the University over time, and promoted the student and trainee experience for departments and programs including Cardiology, Radiology, Emergency Medicine, Psychiatry, Healthcare Equity, Faculty Affairs and our Medical School program.

Equity, Diversity, and Inclusion – In July 2020, UW Medicine launched the Office of Healthcare Equity, an integrated system-wide program to support our mission to improve the health of the public and promote equity, diversity and inclusion across all aspects of our healthcare system, research and educational programs. We launched a new “Anti-Racism” training program in FY20 amongst senior leadership that will be provided to all SoM departments and unit leadership in FY21 to further advance and build on our efforts over the last 5 years. UW Medicine aspires to be a national leader in healthcare equity for all patients; creating a diverse and inclusive workplace; and improving the learning environment in the clinical, classroom and research settings.

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Section 7: Tuition Based Program Rate Recommendations - Narrative Section

- 1) **Please explain why each proposed change is needed and how your unit/campus will use new incremental tuition revenue increases or absorb incremental tuition revenue losses.**

The School tuition under ABB is split into the following categories

	2020 actual	
Undergrad	\$ 8,622,135	27%
Grad	\$ 4,772,320	15%
MD	\$ 18,589,506	58%
Total	\$ 31,983,961	

This is ABB revenue (Autumn to Spring) – excludes Summer Tuition for the SoM.

SoM is requesting a tuition increase for the medical student program of 3% for residents and 2% for non-residents. SoM is supportive of a 2% increase for graduate Tier II which is 60% School activity. The tuition increases are requested to cover inflation in program costs and under ABB to partially fund merit, promotion and benefit changes for the state funded positions. The increase is limited by factors such as comparable tuition rates (we are at 108% of peers) and the average student debt for medical students (average increased by over 9% compared to last year) .

Based on our financial modeling, assuming a 2% merit increase and assuming a .5% benefit rate increase, under ABB, we will not be able to fund our ABB merit, promotion and benefit increase estimated at \$1.5M , as the requested tuition increases would yield approximately \$1M in incremental revenue, leaving a \$500K gap. This is expected to be an annual problem for all future years.

- 2) **Explain whether and how each proposed change will affect peer comparisons and/or whether a market analysis was conducted.**

As noted above – the medical student program is at 110% of peer institutions and we anticipate the 3% will keep us at roughly the same level. We have been at 107% for the last 4 years while annually increasing tuition 3%.

- 3) **Tuition and fee increases have a disproportionate impact on low-income students. Please comment on how each fee change will affect student debt loads, and specifically how the program will offset this impact.**

Any increase in tuition will increase student debt load, accordingly we are cautious in our tuition increases. Our medical school graduates are experiencing an annual increase in the average debt of approximately \$5k/year for the last five years (debt was \$25k higher on average for FY19 graduates vs. FY14 graduates) . It should be noted, we have added a 3rd year of summer school tuition which has contributed to the increased tuition over the last 5 years and the increased debt.

- 4) **Describe whether you expect the proposed tuition rate(s) to result in any substantial changes to enrollment (including a change in the resident/nonresident composition) or to the volume of waivers awarded.**

Proposed tuition increase will not impact enrollment.

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- 5) For each proposed change, please explain what would happen if the change were not implemented (e.g. deficit, loss of staff positions, etc.). If a proposed change is part of a plan to eliminate a current deficit, please indicate that.**

If the tuition increase was not implemented, we would need to offset the estimated cost increase of \$1.5M. That would be the equivalent of eliminating 4-5 faculty positions or 15 staff positions to offset the lost revenue to support merit/inflationary costs.

- 6) For each tuition category that you have proposed changing, please discuss your unit/campus's overall tuition rate strategy for the next 3-5 years. In your response, please explain whether and how your long-term strategy connects to "market" rates (e.g. where do you want to be, rate wise, compared to peers?)**

We will continue to monitor our tuition rates vs peer institutions as well as the student debt. At this time, we believe we will need to increase tuition at 2-3% annually over the long-term to offset some of the increased costs for merit and promotion under the ABB funding model. We do not believe we have capacity to increase above inflation as our tuition is already at 110% of our peer averages and we are concerned about the increasing burden of student debt.

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Section 8: Communication with Faculty & Student Stakeholders

- 1) Please select the date that FACULTY leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise. If, due to scheduling difficulty, you are unable to consult with faculty leadership before the February 1, 2021 submission deadline, please select the date you are scheduled to consult with FACULTY leadership and, immediately after that date, please provide an update to Jed Bradley.**

Thursday, January 28, 2021

- 2) Please list a point of contact for your FACULTY leadership (name and UW email address).**

Jeremy Hess, Professor, Department of Emergency Medicine
jjhess@uw.edu

- 3) Please select the date that STUDENT leadership within your unit/campus was consulted and provided the opportunity to provide input as part of this budget planning exercise. If, due to scheduling difficulty, you are unable to consult with student leadership before the February 1, 2021 submission deadline, please select the date you are scheduled to consult with STUDENT leadership and, immediately after that date, please provide an update to Jed Bradley.**

Wednesday, November 25, 2020

- 4) Please list a point of contact for your STUDENT leadership (name and UW email address).**

Dr. Allen met with Medical Student Association Co-Chairs. Lily Jeong and Parker Blekknek

- jeong9@uw.edu
- pblek@uw.edu

- 5) Enrolled students affected by tuition rate increases should be consulted on proposed increases before proposals are finalized. Please describe when and how students were consulted and summarize the feedback they provided regarding EACH of your tuition recommendations.**