



**THE FUTURE OF THE UCONN SCHOOL OF MEDICINE:
TRANSFORMING THE REGION'S ECONOMY**

Address to the MetroHartford Alliance

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University of Connecticut

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I'm delighted to be here today to speak about a subject that's much on my mind these days: How do we enhance our medical and dental schools? There are a lot of reasons why this subject would pre-occupy a UConn president. After all, our Health Center in Farmington is one-half of the University – half of our budget, half of our personnel, half of our research funding. To the extent that the Health Center prospers and succeeds, so too will the University, and the region. Improving our Schools of Medicine and Dental Medicine will enhance the quality and accessibility of healthcare for Connecticut citizens and will help grow Connecticut's economy. But as everyone knows, the Health Center has its challenges these days, with ripple effects that spread across the entire University. This fact alone should be of concern to the Metro-Hartford Alliance, because a top-ranked public research and teaching university is essential to the state's quality of life and economic well-being.

For example, as a recent report by the state economist points out, every state dollar allocated to UConn adds over \$5 to the state's GDP. In fact, the University returns 76 million dollars more to the state every year than it actually receives in state appropriations, which by the way, account for only one-fifth of the Health Center budget. In addition, the University's technology commercialization program generated 31 new patents in 2008, and currently manages over 85 active licenses, which produce more than \$1M in revenue each year.

So, coming back to the Health Center, the question is this: How do we turn it around so that our medical and dental schools can prosper and the Health Center, as a whole, can help the University play an even greater role in the state's economic development? It's important to ask this question, because UConn is a land-grant university. It's supposed to harness its resources for the benefit of the state; and right now the state could use all the help it can get.

Between February 2008 and February 2009, Connecticut lost over 50,000 jobs. This equals the population of New London and Farmington combined; it's more than two-times greater than the undergraduate population at UConn and more than five-times our total workforce.

In Connecticut, it seems we are caught in something of an economic tsunami, to borrow a popular phrase. Our state's traditional economic engines are losing jobs and this isn't a new trend. Our state has been losing jobs for a long time. The manufacturing sector has long been in a slow decline. The defense industry is being re-shaped, and it's no secret that the financial sector is undergoing a major restructuring.

Once Connecticut was a great manufacturing powerhouse and when manufacturing declined, the state could still rely on its defense industry and strong position in the financial services sector. But neither of these sectors offers great hope for the future. It will be some time before the financial services sector recovers, if it ever does; and defense spending is likely to level off or decline in the years ahead.

The question is not whether the national economy will recover; it's whether Connecticut is prepared to participate in that recovery along lines that will build a better future for our citizens. If the current recession has taught us anything, it's that we must diversify if we want to prosper over the long-term.

We must identify new avenues of growth, including the health services sector, which, by the way, is the only sector of the state economy to experience job growth in the last year.

That's where the UConn Health Center comes in, with its Schools of Medicine and Dental Medicine. In and of themselves they are already economic drivers. Annually, they generate between \$90 and \$100 million in research funding, and this means new jobs for the Greater Hartford area. Indeed, a recent study showed that every \$1 million in research funding from the National Institutes of Health (NIH) generates approximately 18 jobs.

Many of you may have read about the latest round of State stem cell grants. These grants are awarded through an intensive review process and I'm proud to say that UConn researchers continue to win the majority of funds distributed. What you may not know is that while UConn received \$5.4 million of the nearly \$10 million distributed this year, our scientists actually submitted nearly \$20 million in grant proposals. So there is a lot of good science still chasing appropriate funding. And with the lifting of restrictions on the use of federal funds for human embryonic stem cell research, we are in a good position to do much better than we could do with state funds alone.

What's more, there will be a lot of additional federal funding for scientific discovery beyond the field of stem cell research. The American Recovery & Reinvestment Act (the federal economic stimulus package) is already pumping billions into major federal granting agencies that are central to our research enterprise, including the NIH and the National Science Foundation (NSF). The NIH, for example, is receiving over \$10 billion to expand biomedical research broadly defined, and the NSF's budget for FY09 is receiving a \$3 billion supplement. This is in addition to expectations that the Obama administration will continue to increase funding for biomedical and basic science research.

In short, we should not be satisfied with what we're doing today or what state-supported stem cell research may portend for the immediate future. As the Connecticut Academy of Science and Engineering pointed out in a report to the General Assembly last March, as much as we are doing, we are still under-performing in at least two critical ways.

First, while our Schools of Medicine and Dental Medicine are on the leading edge when it comes to their curricula and the success their students enjoy on the national boards, the current size and configuration of our Health Center will not allow us to meet the imminent shortage of doctors and dentists in the state of Connecticut.

The American Association of Medical Schools has forecasted a shortage of doctors in the coming years and has asked each of the 128 medical schools around the country to increase class size to meet future demand. As the state's only public medical school, I can assure you that we want to heed that call. Already about 60% of the practicing dentists in Connecticut are UConn graduates, as are 35% of the practicing doctors. Our goal is to increase class size by 25% in the medical school and 50% in the dental school. But achieving that goal requires, among other things, a much larger clinical enterprise than we have right now, because only such an enterprise will provide the clinical sites necessary to educate more students and the revenues required to expand faculty resources and research. Without it, the emerging shortage of healthcare professionals will grow worse, with debilitating consequences on both access to quality healthcare and our ability to recruit skilled professionals in other sectors of the economy. Indeed, Battelle studies across the country demonstrate that top-flight health services, like top-flight universities, are essential to attracting skilled professionals to any region.

If the Health Center's present size and configuration limits our ability to train more doctors and dentists, it also limits what we can do in research. This is the second area in which we are under-performing. And this under-performance hampers our ability to achieve top-tier status as a medical center and operate as a major driver of regional economic development.

When we talk about a top-tier medical school, we are not only talking about the quality of its curriculum and teaching; we are also talking about its research activity. To be in the Top 30 medical schools, up from our current 63rd place, will require us to increase our research funding three-fold, to nearly \$300 million. Let's go back to the statistics I used earlier. At \$300 million and 18 jobs per million, that level of research activity will create over 3,500 additional jobs in our region.

And that's only the beginning. The Association of University Technology Managers uses a benchmark of 1 new discovery per million dollars of research. Clearly not every discovery results in a commercial product, but many do; and if the Health Center could generate \$300 million annually in grant revenue, the region could see 150 new biomedical discoveries each year to feed our fledgling biomedical industry. As our legacy industries, such as defense and finance, struggle to maintain their job base, we can be the source of the region's next wave of economic growth and employment.

To make this vision a reality will take strong and selfless partnerships. These partnerships will have to involve faculty at both the Health Center and the Storrs campus as well as associated faculty at area hospitals. These are not academic hospitals per se. But they are training sites for our medical school residents; they do sponsor some research; and they can be helpful partners in any effort to build a major academic medical center, from which they, too, will benefit greatly.

With this in mind, we are just putting the finishing touches on the Connecticut Health Education and Research Collaborative, which we call the Collaborative for short. This is an exciting change in the

way in which business has been conducted between the area hospitals over the years. Building on the model that the School of Medicine already has with Children's Medical Center, we are looking to link all the area hospitals academically through the Collaborative.

I've explained why making this vision a reality is important to UConn and its Schools, but what is often lost is why it is important to the business and community leaders of Greater Hartford. I think I can show this in a few quick examples:

Imagine with me that the Collaborative, under the leadership of our School of Medicine, is able to raise health care standards in the region, in part through common education programs, in part through a unified system of residency training, in part through a joint simulation center (that will provide continuing education to practicing doctors), and in part through a common initiative to make our area hospitals among the safest in the nation. Imagine, if you will, the improved health and the cost savings that can result from such a successful venture.

And speaking more to the union of healthcare and economic development, imagine if the Collaborative is able to get all the hospitals in the region to work together as one clinical trial site. That means bringing the research power and infrastructure of the School of Medicine together with the beds owned by other area hospitals. The result would be a clinical Super Site that will attract both private and governmental clinical trials and millions of dollars in research funding. It would mean that in this region we could offer the most advanced clinical treatments and therapies available. It would mean that you, your family, and your employees would not have to travel to other regions to receive this level of care. In fact, it would mean that we would attract people from around the country and around the world to our region for their care, in effect, making Hartford a medical destination. Today it is only imaginable, but with the work we already have in place this vision is getting closer to reality.

These and other gains, however, depend intrinsically on the strength of our Schools of Medicine and Dental Medicine. These schools are at the heart of the Collaborative. They alone can bring the academic punch, the research and teaching power, needed to drive the Collaborative forward. To the extent that these schools are weak, the Collaborative will be weak. To the extent they are strong, the Collaborative will be strong. And right now, these schools are trapped in a Health Center with a hospital structure that is too old, too dysfunctional, and too small to support a clinical enterprise of the size and scope to be strong, which is why our plan for the Collaborative runs parallel to our plan for a clinical partnership that will give us the size we need without threatening the market share of other hospitals in the region. This is the strategy recommended by the Connecticut Academy of Science & Engineering and it's the strategy we've been pursuing in a process closely monitored by CASE over the last 12 months.

Now, there's not much need to elaborate on the clinical Partnership we've negotiated with Hartford Healthcare, because many of you have seen the details reported in the press. I will simply say that a clinical Partnership is not only part of the vision I've been describing, it's the key to every other part, including our goal of achieving top-tier status by expanding our bed capacity from one of the smallest among academic hospitals, to one of the largest, by growing our research enterprise, immediately and considerably, and by harnessing these gains to the benefit of regional economic development.

The Connecticut Center for Economic Analysis performed an economic impact study of the various options facing us. For the University and the State to simply build a replacement hospital, the return to the State would be just about break even over the long term, but would not generate the size, the revenue, and the research volume to bring our School of Medicine to top-tier status. If you incorporate the Collaborative into the analysis, the return to the State is \$1.50 for every dollar spent, but still not enough to achieve top-tier status and all of the benefits that come with it. But, when the Partnership is layered in, the return climbs to almost \$2 for every dollar spent. Where else are those types of return available?

In addition, it is less widely known that our partnerships include not only Hartford Health Care, but also Connecticut Children's Medical Center and the Hospital of Central Connecticut. I mention these partnerships, but the door is still open to exploring additional partnerships and we continue to talk to other interested parties. Between us, it is likely that in the next few years you will see nearly a billion dollars of construction taking place. That billion dollars can be spent in the same competitive manner that every dollar has been spent for the last hundred years, or it can be the basis for rational clinical planning among the partnering institutions, with the net savings falling to your bottom line in maintaining rather than escalating health care costs for your employees.

To summarize, a world-class academic medical center may be the lifeboat for the perfect economic storm that we are in. As we look to Connecticut's immediate and long-term future, it's clear from multiple sources, including CASE and the state economist, that the healthcare sector, biomedical research, and UConn's Health Center have the potential to be not only a means to economic recovery in the short-term, but also the cornerstone of the state's economic future over the long-term. Currently, Connecticut is not realizing its potential in these areas, although a path to this potential is clear. We can get there with a top-tier medical school; but achieving top-tier status requires a much larger clinical operation, seamlessly integrated with a larger academic center to support the training needs of tomorrow's healthcare professionals and a research enterprise much larger than the UConn Health Center's current portfolio. Over the past year, we've worked hard to put together this infrastructure and it's now there -- in two pieces: An academic collaborative and a clinical partnership. One piece alone will not allow us to succeed; we need them both.

Thank you for giving me the opportunity to speak to you today.