

Community Benefit Report

2016

How Central Health and the Dell Medical School began the transformation of Travis County's health care ecosystem in 2016

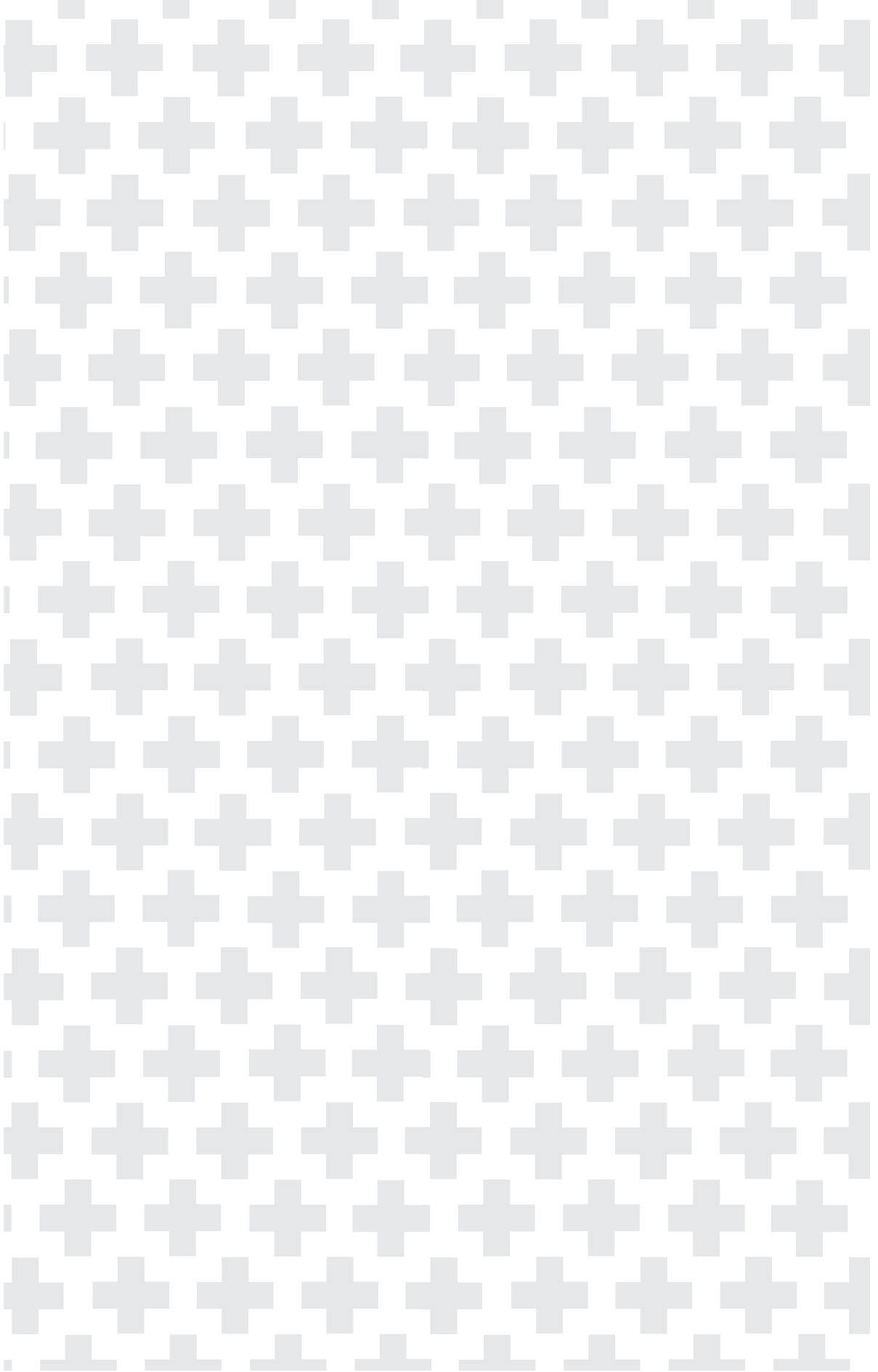
SEPTEMBER 7, 2016



CENTRAL HEALTH



The University of Texas at Austin
Dell Medical School



Introduction



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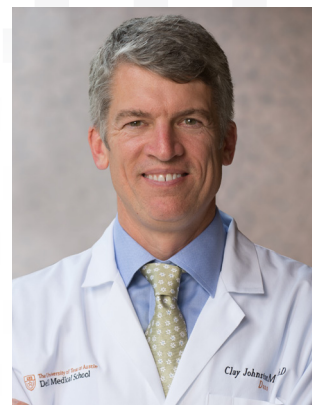
On June 27, 50 students — comprising the Dell Medical School’s inaugural class — arrived on The University of Texas at Austin campus for orientation. The day marked a profound milestone not just for the school and students themselves, but also for Travis County and its generational effort to support and improve the health and wellbeing of every resident, regardless of economic status.

In 2012, our community passed a unique ballot referendum to invest additional funds in a health system transformation that would better meet the needs of our rapidly growing and aging, low-income and uninsured neighbors. Less than four years later, the central catalyst for that transformation — a community-founded medical school at UT Austin — has validated the public’s vision by opening its doors, welcoming its first students, and beginning the work of real transformation:

- Redefining how health care is delivered in orthopedics and obstetrical and women’s health services;
- Creating the next generation of Travis County doctors and putting them in the community as quickly as possible;
- Increasing the number of medical residents providing care in our community; and
- Demonstrating a commitment to increased equity and reduced social disparities through community work that addresses the social determinants of health and health equity.



Patricia Young Brown
President and CEO, Central Health



Dr. Clay Johnston
Dean, Dell Medical School at
The University of Texas at Austin

These significant accomplishments represent just the start of the work to transform our local health care system. In coming years, the Dell Medical School—in conjunction with Central Health, Seton Healthcare Family and their Community Care Collaborative (CCC) partnership —aims to:

- Reinvent how health care providers communicate and interact with patients;
- Create payment models based on the quality of outcomes—while increasing the number of patients served and procedures provided; and
- Develop a learning environment that requires medical students to work in teams as they immerse themselves in the community and understand individuals’ unique needs.

Both Central Health and the Dell Medical School are committed to ensuring these innovations improve health throughout Travis County, especially the low-income and uninsured communities Central Health serves. This also delivers on the promise made to voters in 2012, who elected to fund the medical school as part of a referendum supporting Central Health.

This report summarizes significant milestones achieved in 2016 and important initiatives underway at the Dell Medical School today. It also demonstrates how the medical school will continue benefiting Travis County into the future — helping ensure we can care for our rapidly changing community and become a model for what a healthy community can be.



The Dell Medical School has received national media attention for its focus on redesigning medical education.

Dell Med is redefining how health care is delivered.

The leadership, faculty and students of the Dell Medical School have been charged with disrupting the broken legacy health care system by developing new delivery models with better health outcomes through more efficient, person-centered, less costly care. Working with Central Health, Seton and the CCC, Dell Medical School leaders are introducing transformative strategies and initiatives across the community, including new clinical models in orthopedics, and women’s health. These efforts are already making a difference, reducing the number of underserved patients waiting for specialist orthopedic care.

Orthopedics— Central Health and the CCC identified orthopedics—the treatment of injuries or disorders related to the musculoskeletal system—as one of the highest-need areas for low-income

and uninsured residents. These patients faced a waiting list for appointments that sometimes exceeded a year.

In June, the partners began expanding access to musculoskeletal care for low-income and uninsured residents, using a model jointly designed by the CCC, Dell Medical School, and community physicians. In addition to providing better access to appropriate musculoskeletal care, this approach utilizes a multidisciplinary “Team” that treats the patient’s condition while educating the patient on how to optimize health, reduce pain, and improve function and quality-of-life.

This partnership also is helping to reduce wait times through greater communication and coordination with primary care providers. One innovation ensures an orthopedic specialist is



Faculty of the Dell Medical School is working to improve musculoskeletal care for residents of Travis County.

available for telephone or email consultations with primary care physicians and nurses, helping patients get the appropriate level of self-care, primary care, and specialty care much more efficiently. And by emphasizing clinical expertise in the referral and triage process, the partnership:

- Reduced the wait list by more than 400 patients in the first few weeks;
- Referred patients waiting in the wrong queue to the proper clinic to expedite their care; and
- Ensured patients facing the greatest need or worst pain received attention from a specialist as quickly as possible.

Obstetrics redesign and women’s health care services — In April, Central Health, Dell Medical School, Seton, CommUnityCare and the CCC teamed up to launch a redesigned system of enhanced perinatal care that especially benefits low-income and uninsured women in Travis County who become pregnant.

The new system provides every woman with the opportunity to see an obstetrician at the beginning of her pregnancy — allowing her to learn about specific health issues they might face and receive the right level of prenatal care at the right time. Based on the level of care needed, mothers-to-be are referred to medical homes located in neighborhood clinics most convenient to them or regional centers providing specific services the patients need.

The redesign also established a Perinatal Center of Excellence at Seton Medical Center Austin to manage the majority of deliveries and ensure mothers and babies have access to high-quality care and medical resources, consistent with current evidence that suggests centers performing a high volume of deliveries have better outcomes. Preplanned delivery services are also available at Seton Northwest Hospital, as well as St. David’s Medical Center for mothers requesting sterilization services at the time of delivery. In coordination with CommUnityCare, Central Health, the CCC and other partners, the medical school also launched an awareness campaign about the program initially centered around bus advertisements.



The inaugural class of 50 Dell Medical School students was introduced to the public June 26.

Dell Med is creating our next generation of doctors.

Dell Medical School – the First Class - On June 26, Travis County residents and community leaders gathered at the medical school's new Health Learning Building to welcome its inaugural class. Selected from a pool of more than 4,500 applicants, these 50 students are learning through a new model of medical education – one that trains them to challenge traditional care delivery models that can frustrate doctors and patients alike. The students represent a wide range of backgrounds and education:

- Many come from untraditional and diverse backgrounds.
- They span in age from 20 to 39.
- Nearly a quarter identify with a race or ethnicity that's under-represented in medicine (the national average is 13 percent).

The medical school's selection of this extraordinary assortment of life experiences and perspectives creates an environment where new ideas and innovations are the standard, not the exception. And the school's community and preventive medicine clerkship will have students providing care in neighborhood practices, such as CommUnityCare health centers.

The inaugural class of 50 Dell Medical School students represents just the beginning of a pipeline of physicians who will serve the people of Travis County. To learn more about some members of the first class, please see the end of this report or <http://firstclass.dellmedschool.utexas.edu/>.

Graduate Medical Education (GME)

— The Dell Medical School and Seton have increased the number of graduate medical residents caring for patients in the community. Increasing the number of these residencies, or graduate medi-

cal education training positions, is vital to our community's future health care workforce in a range of specialties.

In 2012, there were approximately 209 residents and eight fellows practicing in Travis County. Thanks to the Seton/Dell Medical School partnership, by the end of 2016, there will be 249 residents and 26 fellows studying and providing care in Travis County. Further, it is projected that by 2020, there will be at least 317 GME training positions in Travis County, nearly doubling the total from 2009. These new residency positions are being tailored to align with local areas of need, such as orthopedics and women's health.

The Dell Medical School is working with Central Health and its partners to find additional opportunities for residents and faculty to help low-income and uninsured residents get well and stay healthy.

Dell Med has demonstrated a commitment to our community.

The Dell Medical School is helping Central Health, public health agencies, hospitals and other stakeholders find new ways to promote health and prevent disease throughout our population.

To help achieve this goal, the school created the Department of Population Health, which has adopted the mission of enhancing the health and wellbeing of the people of Austin, Travis County and Central Texas, especially those who are most vulnerable or suffer from health disparities. Led by Dr. William Tierney, the Department of Population Health is creating new models for how

people get and stay healthy, both within the health care system and at home.

To achieve its vision and goals, the department has turned to the community for guidance, using ongoing two-way communication with people throughout Travis County to uncover workable solutions to health challenges. Central to this effort is the medical school's creation of the Community Strategy Team, a group of nine grassroots leaders dedicated to meeting the health needs of our local underserved populations. The team includes Lilliana Cardona-Martinez, Program Coordinator for CommunityCare's David Powell health center;

Alejandro Caceres, a local advocate for immigrant communities; and Kellee Coleman, co-founder of the Vibrant Woman/Mama Sana prenatal clinic for African-American and Latina women.

The Dell Medical School is one of roughly six medical schools in the country that has a Department of Population Health. It will play a key role in helping Travis County become a worldwide model for influencing health for the benefit of our entire community.



The Dell Medical School annually hosts a Health Sciences Summer Camp to introduce Austin ISD students to various health professions.

Dell Med is demonstrating stewardship of public dollars.

In 2012, voters approved an increase in property taxes paid to Central Health, mandating support for the medical school to fund transformative care improvements for low-income and uninsured residents. The creation of a medical school on The University of Texas at Austin campus—driven in part by State Sen. Kirk Watson’s 10 Goals in 10 Years initiative—was seen as central to transforming the local health care safety net in Austin and Travis County.

Since 2014, Central Health has guaranteed a \$35 million annual payment

to the Dell Medical School through the CCC. This substantial investment is limited to permitted public purposes such as student and faculty costs, recruitment of key leaders, and programs that will lead to a range of health improvements across Travis County.

The school is still in startup mode, and as planned, much of the funding has been used to get faculty and staff in place. The vice deans, department chairs and other leaders are in the process of putting together service lines, strategies and initiatives that will

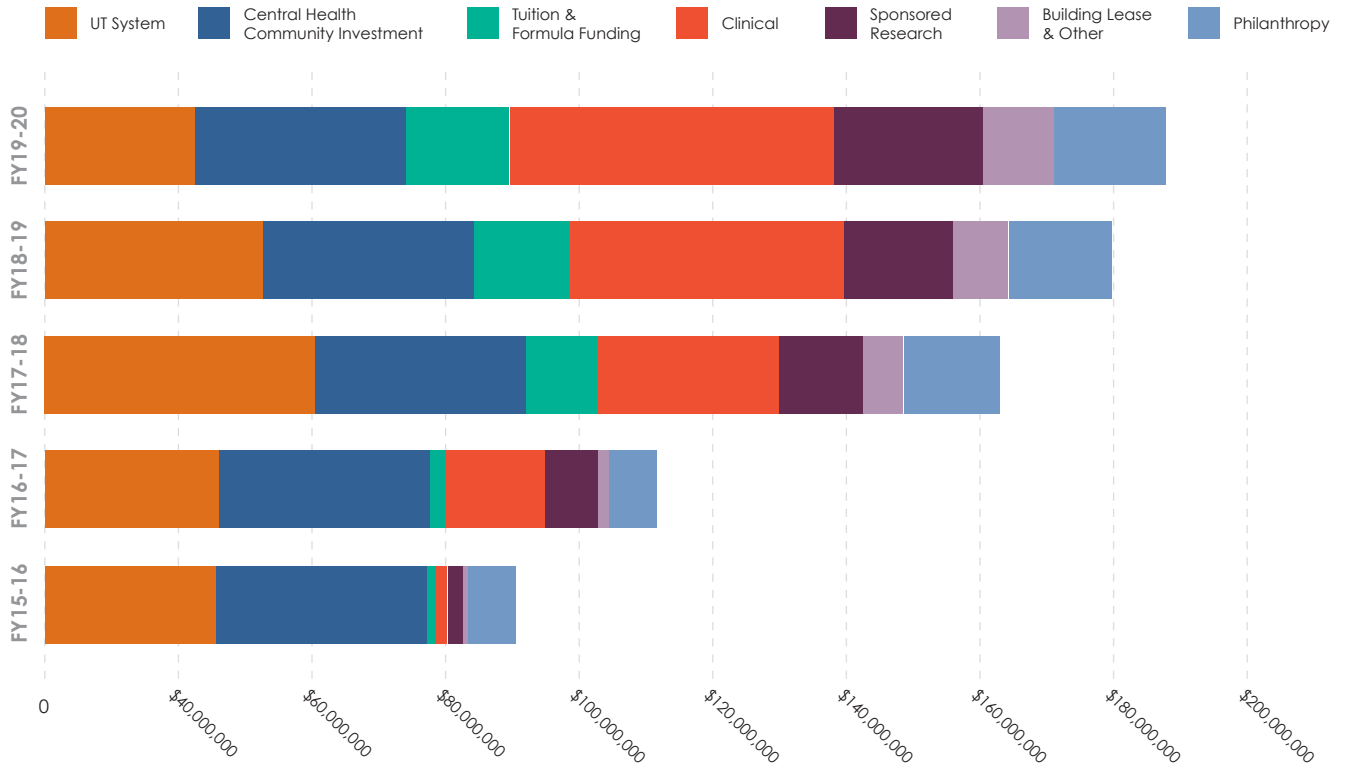
move the needle on health across the community. These include the new clinical models described above that are already transforming orthopedics and women’s health. The public funding guaranteed by Central Health has allowed the medical school to kick-start these initiatives by supporting staff compensation.

As of the most recent financial reporting in June 2016, the Dell Medical School had received two payments of \$35 million each—\$70 million in total available funds, with \$42.4 million of the available

*Revenue Components

As the Dell Medical School grows over the next five years, it will build clinical service programs, establish sponsored research initiatives, benefit from tuition and formula funding due to a growing student body, and continue to seek philanthropic support. All of these areas will diversify the funding sources of the school, which shifts the reliance on Central Health funding from over 40% of annual revenue to just under 20%.

*THESE REVENUE PROJECTIONS ARE FOUNDED ON PRELIMINARY PLANNING AND DATA, AND ARE SUBJECT TO FUTURE REVISION



balance remaining unspent. A third \$35 million payment was paid to Dell Medical School in August. As of June 30, 2016, funds had been spent as followed:

- \$21 million expended on compensation:
 - o \$9 million on faculty salaries,
 - o \$8.5 million on staff salaries,
 - o \$3.5 million on benefits;
- Dell Med had an additional \$6.6 million in compensation/ payroll expense encumbered for the remainder of the year;

and

- Dell Med has also spent roughly \$36,000 on other employment related costs – such as background checks on new employees and malpractice insurance for doctors.

It was anticipated — and articulated in the affiliation agreement between Central Health and the medical school signed in 2014 — that to optimize the use of these vital funds, the school will gradually spend down the balance as it

brings on a full complement of faculty and staff, launches new health programs that will tangibly improve health in communities across Travis County, and creates new revenue streams.

In the current fiscal year, the \$35 million taxpayer investment accounts for approximately 45 percent of the school’s annual revenue. However, as expenditures and revenue change and plans continue to evolve, local Central Health funding will represent a progressively smaller percentage of the school’s total revenue.

Central Health Funding Balance Projection

Funding from Travis County voters primarily supports faculty effort in designing, overseeing, and directly providing under-compensated care and is not directed toward research or compensated clinical care.

	FISCAL YEAR (\$M)				
	FY15-16 ¹	FY16-17	FY17-18	FY18-19	FY19-20
Balance Forward	\$64.3	\$74.4	\$65.5	\$42.3	\$17.5
Current Year Central Health Funds	\$35.0	\$35.0	\$35.0	\$35.0	\$35.0
	\$99.3	\$109.4	\$100.5	\$77.3	\$52.5
Compensation*	\$23.8	\$40.8	\$55.9	\$57.5	\$50.1
Recruiting and turnover	\$0.6	\$1.5	\$0.5	\$0.5	\$0.5
Library and Information Technology	\$0.5	\$1.7	\$1.8	\$1.8	\$1.9
Utilities and Operating Expense	-	-	-	-	-
Total Expenses	\$24.9	\$44.0	\$58.2	\$59.8	\$52.5
Remaining Balance	\$74.4	\$65.5	\$42.3	\$17.5	\$0.0
Headcount	160	311	320	330	340

*EXCLUDED REIMBURSED COMPENSATION FROM SPONSORED RESEARCH AND CLINICAL CARE ACTIVITIES



The Dell Medical School is recruiting many of the nation's leading physicians to train Central Texas' next generation of doctors.

Dell Med is recruiting top leadership and faculty to serve our community.

One of the Dell Medical School's most important contributions to this community has been the **experience, vision and leadership** of its department chairs, vice deans and other faculty. The creation of a new medical school on a top-tier research campus is a once-in-a-generation opportunity, and the school has devoted significant time and energy toward recruiting the best

possible candidates for these vital positions at this critical moment. Likewise, dozens of the top medical thinkers and pioneers have come to Austin to seize this unique chance to reinvent how health care is practiced and taught.

Read more about some of the leaders who in the last year have joined the Dell Medical School at the end of this report.

What's next?

Over the next year, the school's landmark Health Transformation Building will open, hosting a variety of specialists dedicated to serving low-income and uninsured residents and the population at-large through innovative care models and leading-edge technology. The Health Transformation Building will introduce integrated practice units (IPUs)—multidisciplinary teams dedicated to treating specific medical conditions, regardless of payer—to our local health ecosystem.

Realizing the Dell Medical School's full benefits to our community and our health safety net will take years. With the arrival of the first class, implementation of new models of care for low-income and uninsured residents, and a network of partnerships across the community to improve health equity for Travis County's vulnerable populations, the Dell Medical School is making great strides toward the fulfillment of its promise to our community.



Once complete, the first phase of the Dell Medical School campus will include (clockwise from bottom) the Health Learning Building (A), the Dell Seton Medical Center at The University of Texas (B), the Health Transformation Building (C), and the Health Discovery Building (D).

Meet the Faculty

Here are some of the visionary leaders whom the Dell Medical School has recruited in the past year:

Dr. Stephen Strakowski, *Chair of Psychiatry*

Prior to joining the Dell Medical School team, Dr. Stephen Strakowski served as the Senior Vice President and Chief Strategy officer in UC Health (the academic health system associated with University of Cincinnati), and a Professor of Psychiatry and Behavioral Neuroscience, Psychology and Biomedical Engineering at UC.

Prior to that role, Strakowski served as Chair of the Department of Psychiatry and Behavioral Neuroscience for eight years. Today, the UC Department of Psychiatry is regarded internationally as a leading research center in mental health, as well as a top provider of clinical care and medical education.

Strakowski is an educator and mentor, teaching medical students, psychiatry residents, and graduate students in biomedical engineering, psychology and neuroscience. He maintains an active practice within the Department of Psychiatry and provides consultations for difficult-to-treat patients (primarily with bipolar disorder), both regionally and nationally. He has been recognized as a "Best Doctor" by several national organizations.

Dr. William Tierney, *Chair of Population Health*

Dr. William Tierney is a general internist and medical informaticist

who came to the Dell Medical School after serving as President and CEO of Regenstrief Institute, Inc., the country's oldest research institution dedicated to improving health systems. The Regenstrief Institute is a nonprofit organization that supports the research and service missions of the Indiana University School of Medicine. Tierney also served as Associate Dean for Clinical Effectiveness Research and practiced general internal medicine at Eskenazi Health in Indianapolis, where he was Chief of Internal Medicine from 2009 to 2014.

Tierney's prior research focused on improving health care delivery and its outcomes through developing and implementing electronic health record systems in hospital and outpatient venues in Indiana and in East Africa. He has received the lifetime achievement awards from the nation's leading organizations in three disciplines: academic general internal medicine, biomedical informatics, and translational science. Tierney has received more than \$30 million in grants and contracts and has published 290 peer-reviewed medical journal articles. His publications have been cited more than 20,000 times.

Dr. Richard Freeman, *Vice Dean of Clinical Affairs*

Dr. Richard Freeman comes to the Dell Medical School from Dartmouth Medical School, where he served as Chair of the Department of Surgery. As Vice

Dean for Clinical Affairs, he leads the Dell Medical School's pursuit of strategies that seek to redesign health care delivery and create excellence in health care research, transdisciplinary programs and interprofessional education.

Specifically, Freeman provides strategic leadership, oversight and management in the effort to integrate the local network of physicians and practices with the Dell Medical School's efforts to create a model healthy city and community. He is a prime point of contact with physicians and other care providers, and he works closely on delivery model transformation with Central Health, Seton Healthcare Family, and the CCC.

As surgery chair at Dartmouth, Dr. Freeman oversaw a department offering training and treatment in 11 surgical specialties and seven graduate medical education training programs. He also led both the Tufts-New England Medical Center transplant fellowship program and the Surgical Research Laboratories at the Tufts University School of Medicine.

Elizabeth Teisberg, *Executive Director of a planned value-based care institute*

Elizabeth Teisberg is co-creator of the idea of value-based health care strategy and an internationally recognized author and professor.

Teisberg has won the Wachovia Award for outstanding research, the Frederick S. Morton Award for Leadership, and the Book of the Year Award from the American College of Health Care Executives. She comes to Dell Medical School from Dartmouth College's Geisel School of Medicine and was previously on the faculty of the University of Virginia's Graduate School of Business and the Harvard Business School.

Scott Wallace,
*Managing Director of a
planned value-based care
institute*

Scott Wallace plays an influential part in the transformation of America's health delivery. He works around the world with employers, health care providers, health plans, governments and others to develop new health benefit and care models to improve health, stop the progression of chronic diseases and effectively treat patients' medical conditions.

Wallace has served on the faculty for Harvard Business School's executive education program on health care strategy and was previously a Distinguished Fellow at the Geisel School of Medicine at Dartmouth, where he helped create Dartmouth's masters in health care delivery science program.

Prior to his university affiliations, Wallace was the first president and

CEO of the National Alliance for Health Information Technology, an organization committed to creating a safer, more efficient and unified health care system through IT. He was appointed by President George W. Bush to chair the Commission on Systemic Interoperability – a Federal Commission created to advise the White House and Congress on health transformation through IT.

Dr. Michael Pignone,
Chair of Internal Medicine

Prior to joining the Dell Medical School, Dr. Michael Pignone was Professor of Medicine, Chief of the Division of General Internal Medicine, and Director of the Institute for Healthcare Quality Improvement at UNC-Chapel Hill.

Pignone's research is focused on chronic disease screening, prevention and treatment, and on improving medical decision-making. His main areas of interest include heart disease prevention, colorectal cancer screening, and management of common chronic conditions such as diabetes and heart failure. He has published over 225 peer-reviewed journal articles.

In 2013, he was appointed as a member of the U.S. Preventive Services Task Force. He has served on a number of national guideline and quality improvement panels, including work for the American Diabetes Association, American Heart Association, and the National

Committee on Quality Assurance in Healthcare.

Dr. Chris Moriates,
*Assistant Dean for Healthcare
Value*

Dr. Chris Moriates is responsible for creating an innovative curriculum for value-based health care for undergraduate, graduate, and continuing medical education, as well as building a robust value improvement program that engages providers across the health care community in Travis County.

He previously worked with the American College of Physicians on their national High-Value Care curriculum. He speaks internationally on topics related to educating clinicians about health care value and how to implement high-value care programs.

Prior to joining Dell Medical School, Moriates was an Assistant Professor in the Division of Hospital Medicine at the University of California-San Francisco, where he led the UCSF Center for Healthcare Value's Caring Wisely program; the Division of Hospital Medicine High-Value Care Committee; and the internal medicine residency's Cost Awareness curriculum.



Classes began July 5 at the Dell Medical School's Health Learning Building.

Meet the First Class

Here are some of the visionary, talented students who comprise the inaugural class at the Dell Medical School:

AYDIN ZAHEDIVASH

Hometown: Austin, Texas

Education: The University of Texas at Austin | BS, Biomedical Engineering

As the son of Iranian immigrants living in America, Aydin Zahedivash learned early on to navigate different cultures. He also began to identify international role models who worked to advance social justice. These role models led Aydin to an education in bioengineering with a focus on improving and saving lives. He is already working with a team of researchers to help automate diagnostic decisions, providing physicians with tools for better management of cardiovascular disease. He also saw ways he could help during student observations at Dell Children's Medical Center. He met doctors who expressed frustration with technology.

"I've used this as my motivation to merge technology and medicine," he says.

In Dell Medical School, he sees a similar dedication to rethinking the way doctors work and to bridging gaps — which in Aydin's estimation, is what attending the school is all about.

BROOKE WAGEN

Hometown: Austin, Texas

Education: Wofford College | BS, Biology & Spanish

Brooke Wagen applied to just one medical school — Dell Medical School, in her adopted hometown of Austin. With her oldest child preparing to enter college, and her youngest entering the first grade, she decided the timing was perfect for her to follow her longtime passion of becoming a physician.



Local middle school and high school students are offered an early glimpse of what it means to be a part of the Dell Medical School.

A regular around her East Austin neighborhood, she advocates and translates for her Spanish-speaking neighbors. She also volunteers for Meals on Wheels and at Kealing Middle School, where one of her sons is a student. As a doctor, she intends to grow her connection with the city.

“I hope to serve the community in which I live, particularly the geriatric population and the homebound in public housing,” she says.

WOODY GREEN

Hometown: Austin, Texas

Education: The University of Texas at Austin | BA, Art

During his undergraduate years, Woody Green recorded soundscapes from his Texas Crew rowing practice.

His efforts translated the coordinated clicks of eight oars powering through the waters of Lady Bird Lake into a kind of art — his major.

A wife, a daughter and nearly a decade as a paramedic for Austin-Travis County EMS later, Woody is again leveraging one set of experiences to shape another. This time, he’s bringing his background in emergency response to the Dell Medical School’s inaugural class.

As a paramedic, Woody witnessed firsthand how underserved families are forced to use emergency services rather than primary care physicians. The experience drives his desire to focus on “those with the least” as a physician, and to pursue person-centered care and community-driven initiatives.

JUAN VALENTE RESENDEZ

Hometown: Laredo, Texas

Education: The University of Texas at Austin | BS, Public Health

Lupus is a chronic inflammatory disease that causes the body’s immune system to attack its own tissues and organs. Juan Valente Resendez’s mother was diagnosed with it at his birth; it’s what made waiting rooms “a huge part” of his childhood.

Juan is passionate about increasing awareness of social determinants of health, and his experiences have inspired him to change what he sees as a fragmented health care system.

“I want to develop effective delivery models that are mindful of the needs of our most at-risk patients,” he says.

Visions, Missions and Values



CENTRAL HEALTH

OUR VISION

Central Texas is a model healthy community

OUR MISSION

Central Health creates access to health care for those who need it most.

OUR VALUES

Central Health will achieve excellence through:

Stewardship—We maintain public trust through fiscal discipline and open and transparent communication.

Innovation—We create solutions to improve health care access.

Respect—We honor our relationship with those we serve and those with whom we work.

Collaboration—We partner with others to improve the health of our community.



The University of Texas at Austin Dell Medical School

OUR VISION

A vital, inclusive health ecosystem

Vital: Vigorous, animated, full of life and energy, dynamic.

Inclusive: Open to everyone.

Ecosystem: The complex of a community and its environment functioning as a system.

OUR MISSION

Revolutionize how people get and stay healthy by:

Educating leaders who transform health care

Evolving new models of person-centered, multidisciplinary care that reward value

Advancing innovation from discovery to outcomes

Improving health in our community as a model for the nation

Redesigning the academic health environment to better serve society