

January 8, 2024

**Via Email**

Dear Chair Malcolm, Members of the Governor’s Task Force, Governor Pawlenty, and Governor Dayton,

I want to thank you again for chairing this important task force and to express my appreciation to all the task force members for agreeing to serve. And an additional note of recognition for Governor Pawlenty and Governor Dayton for serving as special advisors to the Task Force.

As you begin to finalize the recommendations of the Task Force, I want to take this opportunity to reinforce the University’s vision and goals for its role in academic health. With the University’s five-point vision in mind, we have refined the University’s recommendations for the establishment of an Academic Health System at the University and the financing requirements around public facilities and UMMC in particular. Those revised recommendations are at the end of this letter.

We recognize that the emergence of our clear ‘ask’ for support of an Academic Health System occurred while the Task Force’s work was underway, and that this has complicated the process for the group’s arrival at consensus recommendations. The timeline to renegotiate the University’s clinical partnership with Fairview - and the recognition that the state’s interests would be best served with University control of UMMC – was unavoidable. The University views the establishment of the Task Force, and the Walz Administration’s willingness to take up these issues in 2024, as essential for the future health of our state. I hope the information below assists the Task Force as it concludes its work. As a reminder, any official requests to the state by the University are subject to Board of Regents approval.

**Establish a True Academic Health System**

“Academic Medicine” or “Academic Health” refers to the combination of research, training, and clinical care to use leading-edge technology, emerging therapies, and academic resources in the delivery of both patient care and the preparation of health professionals. Academic Health means patient-centered care, with multidisciplinary/interprofessional teams working together to advance

the standard of care and our models of care delivery. Academic Health means we attract physicians who are national or international leaders in their fields to teach, innovate, and provide care to Minnesotans.

Patients who come to the University for care experience this difference that academic medicine makes to their care. They and their referring physicians are assured of cutting-edge solutions for complex problems. Patients are cared for by doctors who not only treat the most vexing of medical problems but also investigate their causes and share their knowledge with future doctors who will practice throughout the state. Patients feel that mission. Walk into a University medical facility and you will experience the care and compassion tied to that mission, from valets and front desk clerks to our healthcare professionals. With our Medical School on the rise, Minnesota must seize this unique opportunity to build an academic health system on that foundation of high-quality, caring medicine.

The Academic Health System (AHS) we envision for Minnesota is a broader concept that goes beyond an individual academic medical center, current or future. Yes, it is first and foremost aligned and integrated with the University's Medical School. But our vision of an Academic Health System is also much broader, encompassing a network of healthcare facilities, which can include multiple hospitals, clinics, research institutes, and educational institutions. We envision collaboration among different healthcare entities and health sciences schools within the system.

To create an Academic Health System in Minnesota, we must make several advances. First, we believe that it requires the University to take ownership or control – likely in stages – of the University of Minnesota Medical Center (UMMC), which includes the East and West banks of UMMC, the Masonic Children's Hospital, and the Clinics and Surgery Center on our campus. The majority of the University faculty practice at the UMMC. The ownership and control question is essential because to be an Academic Health System, the University must have the ability to determine the programming and investments in these facilities, based on State priorities for the University's public mission, not based on a clinical partner's decisions alone. Minnesota's future public health needs to be in the care of stewards of a public mission that serves all and invests in what matters most to Minnesotans.

With this foundation, we envision an Academic Health System that has the ability to determine the operations of the hospitals and clinics and to develop new care models and training programs that fully leverage the breadth of health science schools at the University. We know that team care is the best patient care and a strong network of clinicians working together will drive the best outcomes.

Our vision for Minnesota's Academic Health System would also provide the ability to support and strengthen our partnerships with health systems across the state to enhance access to academic medicine, to support physicians and clinicians and to advocate for healthy communities. We depend on all systems in the state to train our health workforce and we know there are significant advantages to working together more closely in research and education, but also in clinical care delivery. This is particularly true with the "public" or mission-aligned systems that also are home to significant amounts of academic work and serve complex and underserved populations.

Notwithstanding the mutual notices that were given regarding the non-renewal of the current set of agreements, the University continues to have current, frequent and meaningful conversations with Fairview, with one of our goals being ownership of UMMC. We understand the timing of this resolution is critical for both the Task Force and state leaders. Resolution is also paramount to continuing to recruit and retain the more than 1,000 world-class faculty whose research and clinical practice takes place at UMMC. We are working diligently to reach an agreement framework with Fairview as soon as possible.

## **Invest in facilities for an Academic Health System**

As we discuss facilities, we must address three different issues.

First, we must address the current condition of the East Bank and West Bank Hospitals as part of the UMMC. Both facilities will require upgrades and expansion in the next few years to meet the current needs of the Minnesotans we serve. One of the University's requests is for the state to provide financial support for such mid-term investments in equipment and facilities. This request obviously requires the University and Fairview to reach an agreement about the UMMC.

Second, we must address the future of health care facilities at the University and with other public health systems. While the path to ownership of the current facilities at UMMC is being resolved, we must also prepare for the future. We want to do that collaboratively with the state and possibly other public partners. As you know, we have proposed a feasibility study to determine what facilities the Twin Cities market will need for generations to come, and how the University could partner with other public institutions to better utilize public funding. By thinking through other public partnerships, we could leverage federal, state, local and philanthropic dollars.

Third, we also propose starting a fund in 2024 that could build toward the next generation of world-class facilities. This could be done through bonding, or by defining a new public health district with local, state and federal partners. By building the fund over time, it will give the University and the state time to determine what parameters need to be reached and how best to fund this important project. In addition to the health benefits of a top-tier Academic Health System, we can expect to continue as an economic engine in partnership with the dynamic private sector ecosystem in our region.

As Governor Dayton has stated, Mayo has set the bar this year with the announcement of a new \$5 billion investment in their Rochester campus, and it makes clear the need to invest significantly to maintain Minnesota's claim to leadership in health. While both Mayo and the University play vital roles in advancing sought-after healthcare, the University's unique responsibility as a land grant institution requires that our mission be aligned with the state's goals to ensure access to equitable care for all. The University has a [five-point plan](#) for its vision of the future that specifically foresees a new hospital as part of the UMMC. We must begin planning for that new facility and how best to integrate it into a new UMMC, owned and operated by the University.

## **An Academic Health System supports the health of all Minnesotans**

We believe we have taken the opportunity you provided us to demonstrate that when the state invests in the University of Minnesota, we deliver. We deliver groundbreaking research that leads to better patient outcomes and we serve all who come to our campus. We are often the last stop for patients who need treatment for chronic conditions, rare diseases, and for complicated diagnoses such as cancer and transplant operations. But we are first to train the providers that will be needed to treat the health care challenges facing Minnesotans today, such as addiction, oral health and access to primary care providers. As I said when I addressed the Task Force last November: we hear, loud and clear, that the state is asking more of the University. We are committed to meeting that call for improving the state's capacity to ensure Minnesotans' health.

The University is requesting direct state support of \$80 million annually to fund the establishment and implementation of this next-generation framework for Minnesotans' access to care. Specific anticipated outcomes include an increased number of highly trained health professionals, with a focus on greater Minnesota; new interprofessional care models to drive outcomes, efficiency, and workforce solutions; a destination for complex/advanced care accessible to all Minnesotans; a focus on access for underserved communities and priority health care areas such as mental health; and collaboration across health systems to support a high-quality health care ecosystem.

Placing the University's Academic Health System on a solid footing goes hand-in-hand with ensuring that the State of Minnesota has a strong partner capable of delivering on the State's public health and workforce priorities. As the healthcare marketplace continues to grapple with misalignments between needs, capacity, and payment models, the State of Minnesota has in the University a partner committed to full alignment of our shared priority: meeting the health and health care needs of Minnesotans.

Thank you for your consideration of the University's vision for the future of health care in Minnesota.

A handwritten signature in black ink, appearing to read "Jeff M. Ettinger". The signature is written in a cursive, flowing style.

Sincerely,  
Jeff Ettinger

## **University of Minnesota Revised Recommendations for an Academic Health System**

The work of the Task Force illuminated the need for the University of Minnesota to serve the future of Minnesotans in powerful and transformative ways. We propose three primary recommendations that focus on recognition that Minnesota must commit to the establishment of an Academic Health System that is driven to ensure our collective capacity to meet the needs of people across the state, now and in the future. That commitment will require ongoing programmatic support and the assurance of facilities adequate to the task of preparing our future healthcare workforce.

**Recommendation #1:** The Task Force supports the University's request for direct state support of \$80 million annually to the University to fund the establishment and implementation of this next-generation framework for Minnesotans' access to care: Minnesota's Academic Health System. The University's request to the Legislature is subject to Board of Regent approval.

**Rationale:** Recognizing that the University of Minnesota's Academic Health System (AHS) must be a statewide asset, the State of Minnesota and the University of Minnesota jointly establish timelines, and financial and governing models in 2024 to ensure the availability and operation of the AHS for generations to come. While clinical partnerships will continue to be a part of the model for preparation of physicians, evolution of the University's current model to a true AHS as a national leader based on both research and academic rank will enable the University to recruit top specialists and retain top trainees - and thereby ensure highly specialized care and supportive services are available across the state.

With increased annual state investment for academic health, the University of Minnesota can expand on its leadership and current successes as the state's only public academic medical center. Anticipated outcomes include: increased number of highly trained health professionals, with a focus on greater Minnesota; new interprofessional care models to drive outcomes, efficiency, and workforce solutions; destination complex/advanced care accessible to Minnesotans; a focus on access for underserved communities and priority health care areas such as mental health; and collaboration across health systems to support a high-quality health care ecosystem.

**Specifically, the University has proposed the following areas of investment:**

*3 to 4 new Medical Discovery teams - \$25 million/year*

Mental health, infectious disease, cancer, cardiovascular programs, population health. This includes faculty/physician/interdisciplinary recruitments in key areas for Minnesota.

- The outcomes of this investment will be new multidisciplinary faculty and discovery in key areas impacting health and health care in Minnesota. The ultimate impact will be new cures and treatments, delivered by world-class providers, and new training and research opportunities for Minnesota students.

*Invest in sustainability and access to underserved communities - \$20 million/year*

Community University Hospital Clinic (CUHCC), mobile health partnership with Hennepin County, University and UMP primary care clinics.

- The outcomes will be more patients served in underserved areas in culturally appropriate ways, more students trained in primary care and health equity.

*Primary care transformation - \$10 million/year*

E-consults (or online medical consultation, typically where a primary care provider seeks a specialist's expert opinion about the appropriate diagnosis or treatment for a patient), transition from primary to specialty and back, build physician networks, continuing medical education, advanced telehealth.

- The outcome is better access to primary care around the state, better support for physicians in rural and underserved communities, access to specialists for more patients.

*Workforce development \$15 million/year*

The University's six science programs can provide unique opportunities to develop and expand workforce development opportunities for additional medical student slots, new programming in high need areas such as mental health, respiratory therapy, advanced dental therapy program, expand addiction fellowship, addiction/mental health "track" in residencies, pathways/partnerships for high need professions such as nursing with Minnesota State and private colleges.

- The outcome will be more physicians and other professionals, specifics developed with the state and Minnesota State to identify high needs and targets.

*New care model design - Center for Learning Health Systems expansion - \$5 million/year*

- The outcomes will be better outcomes, cost efficiencies and the ability to share best practices in health care delivery across health systems.

*All systems innovation opportunities: rural health clinical trials network, pre-hospital care network - \$5 million/year*

- Targeted, collaborative efforts to solve specific health challenges. The outcomes will be innovative approaches to shared challenges.

As these proposals underscore, this is our opportunity to advance these priorities, and Minnesota having a vibrant, mission-driven University health system is what provides the means to allow the State to turn these public priorities into action. Our public health is in the balance. This revised recommendation incorporates all or part of previous TF recommendations:

1,5,6,7,8,9,10,14,21]

**Recommendation #2:** The Task Force endorses an effort commencing in 2024 to ensure that the Minnesota Academic Health System has plans and adequate financial support for facilities and equipment/technology required to meet the current and emerging needs of Minnesotans served by our healthcare ecosystem. The State of Minnesota can acknowledge the University's [Five point plan](#) for its Academic Health System's facilities: (1) implementation of a world-class academic health system at the University; (2) university governance and control of the UMMC; (3) partnerships with health systems throughout Minnesota; (4) new state-of-the-art facilities; and (5) investment in current facilities/equipment of the UMMC.

State support should include immediate advancement of those plans in the following ways:

- *State support* to improve and expand the physical infrastructure and equipment of UMMC and other publicly-funded health care facilities for near-term use. The East Bank and West Bank Hospitals, and the equipment within, as part of the UMMC are overdue for upgrades. A UMMC capital investment fund would begin in 2024 and continue thereafter as needed. This request requires the University and Fairview to reach an agreement about ownership of the UMMC.
- *Implementation of a capacity and feasibility study* in 2024 to be completed by December 31, 2024. The study should assess and determine healthcare facilities needs that will require public funding in the next five years. This includes Task Force support of an effort to encourage heightened levels of public partnerships, with potential to leverage federal, state, local and philanthropic dollars. As the transformation of health care service delivery continues, the public systems can lead the way in ensuring optimal collaborations for facilities.
- *Initiate a future facility fund* in 2024 that will build toward the next generation of world-class facilities. This could be done through bonding, or by defining a new public health district with local, state and federal partners. The future facility fund would begin in 2024 and continue as needed.

[TF recommendations 10,11,12,20]

**Recommendation #3:** The Task Force supports planning for new state-of-the-art academic health facilities that will support interprofessional training and integration of the research mission, as part of the University's [five-point plan for its vision of the future Academic Health System](#). The University will begin planning for that new facility and how best to integrate it into a new UMMC, owned and operated by the University. The long-term plan for a new hospital will be informed by the feasibility study completed in 2024.