

A Message from President Daniel K. Podolsky, M.D.

September 6, 2017

To the UT Southwestern Community:

Now that Labor Day is behind us, I am writing at the beginning of this new academic year, as I have in the past, to highlight some of the many noteworthy events and activities from the last year, as well as key issues for the year ahead. I welcome all those who are new to the UT Southwestern community, with a special welcome to our newly matriculated students.

This will be a milestone year for UT Southwestern. We will be celebrating the Medical Center's 75th anniversary in 2018, and a variety of events to mark our history and our aspirations for the next 75 years are being planned for the coming year.

On a more personal note, this week marks the beginning of my 10th year as President of UT Southwestern. I feel privileged to be part of this special community, and I take great pride in all that we do to improve health here in Texas and worldwide.

Frontiers of Science

In the past year, our faculty members continued to make important advances through research, as they have done throughout the years. The breadth and scope of these recent discoveries are once again exceptional, as evidenced by some notable examples:

- Drs. Jonathan Cohen and Helen Hobbs of the Eugene McDermott Center for Human Growth and Development discovered a "new" gene (TM6SF2) conferring risk for early onset fatty liver disease, the most rapidly increasing form of liver disease.
- Dr. Ganesh Raj of our Urology and Pharmacology Departments and his collaborators developed a novel class of inhibitors that block the activity of the estrogen receptor in breast cancer cells.
- Dr. Lu Le of Dermatology identified the cells and genes that regulate the growth and graying of hair.
- A team of UT Southwestern investigators, working with collaborators at Peloton Therapeutics, reported a new compound based on discoveries made at UT Southwestern with promise for better treatment of kidney cancer.
- Dr. Joseph Takahashi, Chair of the Neuroscience Department, and Dr. Masashi Yanagisawa of Molecular Genetics and their teams identified genes that regulate sleep and dreaming.
- The cryo-electron microscopy facility launched last year has already enabled the delineation of the atomic structures of four membrane-embedded proteins. The application of this technology is transforming our understanding of how cellular proteins function.

The impact of discoveries made at UT Southwestern is in fact global. In a new measure of impact and influence on innovation published last month in the journal *Nature*, UT Southwestern ranked fifth in the world in the number of published research articles cited as a basis for patent applications filed by others.

Planning is underway to support the continued growth of our research programs, especially those comprising the Peter O'Donnell Jr. Brain Institute. We expect to break ground in the next year for a Phase VI facility on the North Campus, which will serve as a site for research being conducted under the auspices of the O'Donnell Brain Institute and for the expansion of clinical services offered by the Harold C. Simmons Comprehensive Cancer Center.

Clinical Transformation

I hope everyone working on campus takes pride in the quality of care and the exceptional hospital experience we provide for our patients and their families. We were pleased to have this recognized by *U.S. News & World Report* in its most recent ranking of UT Southwestern Hospitals as the No. 1 Best Hospital in Dallas-Fort Worth and the No. 2 Best Hospital in Texas. At the same time, I know that rather than rankings, our physicians, nurses, and other caregivers are motivated to provide relief from suffering and the toll of disease, and to return to good health those who come to us for help.

Six of our programs (Urology, Geriatrics, Diabetes and Endocrinology, Neurology and Neurosurgery, Nephrology, and Otolaryngology) were ranked nationally, and eight others were evaluated as "High Performing." In addition to the clinical expertise of our faculty, the professionalism of our nurses in achieving Magnet designation, our improved quality metrics, and our high patient satisfaction scores contributed significantly to these ranking results.

We will be undergoing an important transition in the leadership of our health system this year. With the imminent departure of Dr. Bruce Meyer, our Executive Vice President for Health System Affairs, after many years of outstanding service to UT Southwestern, a national search for a new EVP has been launched. The search will be led by Dr. J. Gregory Fitz, Executive Vice President for Academic Affairs and Provost, and Dean of the Medical School, and I am grateful to Dr. Fitz for taking on this additional major responsibility. In the meantime, Dr. Mack Mitchell, the Vice President for Medical Affairs and a Professor of Internal Medicine, has agreed to serve as the Interim Executive Vice President for Health System Affairs until the search is concluded with a new appointment.

Three months ago, UT Southwestern expanded its community-based facilities with the opening of the UT Southwestern Monty and Tex Moncrief Medical Center at Fort Worth, intended, along with the existing Moncrief Cancer Institute, to facilitate easy access for Tarrant County residents to UT Southwestern physicians in more than 15 specialties.

On campus, the April opening of a new Radiation Oncology building was a milestone in the growth and development of UT Southwestern cancer programs. Beyond offering technology unsurpassed anywhere, it provides care in an environment designed to promote hope and comfort to those being treated for some of the most challenging illnesses.

Our physicians, working side by side with trainees and students within the University Health System or together with our partners Parkland Hospital and Children's Medical Center, were responsible for approximately 2.2 million outpatient visits and more than 100,000 inpatients.

In the coming year, we will also continue the operational development of Southwestern Health Resources, our partnership with Texas Health Resources (THR) to provide increased access to high-quality, cost-effective, primary and specialty care to the communities of North Texas and beyond. We have made steady progress in developing the quality metrics, information technology, and business and financial infrastructure to support and facilitate Southwestern Health Resources as a clinically integrated network.

We are beginning two significant capital projects to accommodate the increasing number of patients seeking care from UT Southwestern physicians and colleagues: the expansion of Clements University Hospital and a joint UTSW/THR facility in Frisco comprising a THR hospital and a UT Southwestern Medical Center at Frisco building.

The formal groundbreaking for the expansion of Clements University Hospital will occur at the end of September, but preparations can already be seen this week. This project, which will be completed in 2020, encompasses the construction of a third tower, expansion of the Emergency Department, an increase in operating rooms, and additional bed capacity. When it is completed, we will move the neuroscience inpatient care currently in Zale Lipshy University Hospital to Clements, consolidating all inpatient care at a single site.

The groundbreaking for the Frisco complex occurred last week, and when construction is completed in 2019, it will offer patients from Frisco and the surrounding area access to facilities and to a coordinated network of faculty and community physicians to meet health care needs ranging from primary care to the most specialized expertise. As appropriate, patients will have the opportunity to go beyond even state-of-the-art treatments to participation in innovative clinical trials.

The new West Campus building will be completed this year, offering ambulatory patient services, as well as much-needed additional faculty offices (and the innovative Simulation Center noted below).

Education and Training

Implementation of Year 3 of the new Medical School curriculum has begun with the return of our students. The new curriculum, with its emphasis on excellence in primary care, a new ambulatory care clerkship, and a distinction track in Community Health, may have played a role in *U.S. News & World Report*'s national ranking of UT Southwestern Medical School as among the top 10 in the country for Primary Care.

By this time next year, the state-of-the-art Simulation Center will be completed. It will include mock operating, ICU, emergency, and obstetrical rooms; mock patient exam rooms; and advanced technology team training rooms; and it will be an important addition to medical education and training for students, residents, and fellows, as well as for nurses and faculty physicians.

Leadership Appointments

Ultimately, institutions and organizations are a reflection of the values, quality, and commitment of the people associated with them. Last fall, following national searches, Drs. Margaret "Meg" Phillips and Lora V. Hooper assumed leadership of the Departments of Biochemistry and Immunology, respectively. Dr. Phillips is internationally known for her work on malaria, and Dr. Hooper was honored in 2015 by election to the National Academy of Sciences.

More recently, Dr. F. David Schneider, a nationally recognized leader in Family Medicine, assumed the position of Chair and Professor of Family and Community Medicine in May, coming from Saint Louis University.

And this week, we welcome Dr. Carlos L. Arteaga, the new Director of the Harold C. Simmons Comprehensive Cancer Center. Dr. Arteaga, who comes to us from Vanderbilt University, is an internationally recognized breast cancer specialist. He will also serve as the Associate Dean for Oncology Programs for UT Southwestern Medical School.

UT Southwestern has also been enhanced by three senior administrative appointments made during FY17. Marc Nivet, Ed.D., M.B.A., has been serving since September 1, 2016, in the newly created position of Executive Vice President for Institutional Advancement. He came to UT Southwestern from a position at the Association of American Medical Colleges (AAMC).

William Daniel, M.D., came in November 2016 to be Vice President and Chief Quality Officer and a Professor of Internal Medicine. Dr. Daniel, a cardiologist, had been at Saint Luke's Health System in Kansas City, Missouri, and he is a graduate of UT Southwestern Medical School and did his cardiology fellowship here.

The newest addition to the senior leadership team is Marc Milstein, M.B.A., who started in August as Vice President of Information Resources and Chief Information Officer, coming to us from Austin, where he was the UT System Associate Vice Chancellor and CIO. He previously was in New York, where he was Vice President for Information Technology and CIO for Yeshiva University/Albert Einstein College of Medicine.

Finally, as announced last week, Cheyenne Currall, Ph.D., will be joining UT Southwestern next week in the newly created position of Vice President and Executive Advisor for Global Advancement for UT Southwestern Medical Center. A business development specialist with nearly 30 years of international business and management consulting experience, Dr. Currall will develop a comprehensive international philanthropy program and also work to position UT Southwestern as a foremost destination for health and wellness services and health care research, especially among strategic partners globally. She will join the Institutional Advancement leadership team, reporting directly to Dr. Nivet.

Employee Engagement

Many new career development and quality of life programs have been developed in recent years for UT Southwestern employees as part of our ongoing commitment to enhancing UT Southwestern as a workplace. To assess employee engagement, we have conducted biennial surveys over the past several years and have used the results to better understand and address issues that need attention.

The last survey was done in June 2016, and while the impressive 75 percent response rate was in itself a sign of engagement and there was some improvement in the organizational health categories, the overall engagement level remained stable compared with 2014, so our focus continues to be on improvement. Every department is charged with developing an action plan to address key issues related to employee engagement in that unit.

We will be doing the survey again in 2018, and we appreciate the multiple ways that the Employee Advisory Council has supported and promoted employee engagement efforts.

Ongoing Strategic Planning

The UT Southwestern Six-Year Plan is the institutional rolling strategic plan that is updated every two years to track major initiatives and establish new priorities. The Six-Year Plan adopted for 2016-2022 was developed by multidisciplinary teams of more than 175 students, faculty, and staff, and it will be reviewed beginning this fall to develop a 2018-2024 version.

Key priorities of the 2016-2022 plan included the continued growth and maturation of the University Health System and its commitment to quality; the development of Southwestern Health Resources as an integrated network; the continued development and expansion of programs in population health research, applied population health management, and medical informatics; the enhancement of diversity and inclusion in UT Southwestern's workforce; and the importance of continuing to implement curriculum reform and to establish innovative educational programs.

This past year, a midterm progress report was completed, and it shows progress across all the priorities identified in the plan. The full progress report with specific updates to Six-Year Plan priorities is available on My UTSW.

As a separate exercise, a Pediatric Strategic Plan was developed last year to create a more cohesive, coordinated, and visible approach to pediatric education, research, and clinical care across all UT Southwestern clinical departments with pediatric divisions.

Peter O'Donnell Jr. Brain Institute

Brain disease, the last frontier of medicine, is a devastating national health problem, and building on UT Southwestern's long-standing strengths in neuroscience, the continued development of research and clinical programs associated with the Peter O'Donnell Jr. Brain Institute is a major strategic priority for FY18. The ongoing goal of the O'Donnell Brain Institute is to focus on both basic discovery and the translation of discoveries into innovative approaches to the diagnosis, treatment, cure, and potential prevention of brain diseases.

<u>Disciplined, Strategic Resource Allocation</u>

Despite indications early in the 2017 legislative session that significant budget cuts were likely, in the end, we were fortunate that the Legislature kept the UT Southwestern appropriation essentially flat. At the same time, the Legislature has mandated a re-evaluation of the various funding mechanisms used to support state institutions of higher education, and we hope to have the opportunity to provide UT Southwestern perspectives to the working group expected to be named shortly. It remains unclear whether the impact of Hurricane Harvey and its devastating aftermath will affect state agency funding.

As a poster about our *U.S. News & World Report* rankings noted, "Our vital signs look good." Thanks to a combination of earned revenue from our University Hospitals and Clinics, gift income from generous friends of UT Southwestern, allocated funds from the state, grant funds awarded to UT Southwestern faculty, and revenue from our portfolio of invested funds, we are fundamentally in sound financial health and have been able to develop new programs and build new facilities. Nonetheless we have achieved this – and will continue to flourish – only because we have been rigorously disciplined in adhering to our strategic priorities and in our dedication to creating a culture of excellence across the campus.

Challenges Facing UT Southwestern

In addition to the challenge of developing a new state funding model, the stability and amount of federal and state funding for research are ongoing challenges for our science faculty, and these issues also affect our goals of recruiting the very best faculty, graduate students, and postdoctoral trainees and of creating and maintaining state-of-the-art research facilities.

Our clinical enterprise is unequivocally committed to clinical excellence and to providing relief from suffering and disease to all who come to us for help, but we face the challenge of achieving these goals in the face of a rapidly changing and unstable external landscape regarding health care insurance coverage and payment models.

Concluding Comment

Thank you for all that you do, each and every day. We are all in a position to make a difference and to contribute to the ongoing vitality and quality of UT Southwestern. It is especially important to remember this and to act on it, as we live through this period of deep divisions in our country that we must manage to heal in the years ahead.

I hope you feel as fortunate as I do to be part of a community dedicated to educating and training the next generations of physicians, scientists, and other clinicians; to scientific discovery and innovation; and to providing outstanding clinical care to all who come to us for help.

Daniel K. Podolsky, M.D. President, UT Southwestern Medical Center