



Dec. 17, 2025, Campus Briefing Transcript

Dr. Podolsky:

Good morning. I'm Dr. Daniel Podolsky, President of UT Southwestern Medical Center, and I thank all of you who are joining me for this final Campus Briefing of the calendar year. Before launching into the update, I just want to say that as we approach the end of the year, the campus community has a lot to be proud of in what it has accomplished collectively during 2025. And with that, let me acknowledge again to the campus some great recognitions of colleagues.

I'd like to offer recognition for Dr. Steven McKnight, Professor of Biochemistry, who received the 2025 Albert Lasker Basic Medical Research Award, an award commonly recognized to be the highest distinction and honor in the United States for biomedical research. In receiving the award, that marks the second consecutive year in which a member of our faculty has been so recognized and the fifth time a faculty member has received a Lasker Award.

I would also like to extend my congratulations to Drs. Josh Mendell and DJ Pan on their recent election to the National Academy of Medicine (NAM). With their election, our institution now can be proud of 25 members, which is more than the sum of all other members of the National Academy of Medicine across the state of Texas combined. As many of you appreciate, election to the NAM is one of the highest honors attainable in the fields of health and medicine in the United States.

And having recognized those colleagues for those honors, I'm pleased to also add a leadership update in noting that after a national search, Dr. Stephen Kimatian has been appointed as the permanent Chair of the Department of Anesthesiology & Pain Management effective immediately. He will hold the Margaret Milam McDermott Distinguished Chair in Anesthesiology and Pain Management. Dr. Kimatian joined UT Southwestern in 2017 and has previously served as the Anesthesiologist in Chief for Children's Health. We're grateful for Dr. Kimatian, who has provided outstanding leadership throughout the calendar year serving as the Interim Chair, and congratulate him now in having been appointed to this role on a permanent basis. Dr. Kimatian is a veteran and specialist in aerospace medicine, having served as Lieutenant Colonel in the U.S. Air Force and in numerous areas of operation.

I do expect that with progress in a number of other important leadership role searches, the Dean will soon be sharing the outcomes of those with the campus.

And with that, I'd like to turn to matters of government affairs, and beginning with the federal landscape. As we all know, after a 43-day federal government shutdown, last month Congress passed legislation that funds much of the federal government through the end of January. Additionally, the bill extends key health care waivers and flexibilities, such as telehealth flexibility, until the end of January.

As of now, the House and Senate continue to consider the remaining appropriations before the January 30th deadline, and it is unclear, as anybody who has followed the news will know, how these bills will advance. Good news for the campus and for the country at large is that the NIH (National Institutes of Health) is resuming operations and plans to review all applications submitted for the January 2026 Councils. They're currently scheduling more than 370 peer review meetings that were canceled between October 1st and November 14th. The agency has emphasized its commitment to accomplishing three full rounds of peer reviews this fiscal year. However, it is also grappling with a quite remarkable backlog of grant applications for both the January and May 2026 Advisory Councils. And because of that – what will now necessarily be overlapping review cycles – there will be some temporary changes in the peer review process, including reducing the proportion of applications which will actually be discussed in the review meetings.

In addition to some changes to research funding processes, we are monitoring a handful of legislative issues that affect health care, including the potential extension of the Affordable Care Act tax credits. A vote to extend tax credits was scheduled for last week but has not yet taken place.

Finally, I'd like to note action at the federal level by the administration on evolving policies related to artificial intelligence (AI). Since July, the President has issued America's AI Action Plan, a policy agenda identifying nearly 100 federal actions to accelerate American AI innovation. This plan includes recommended policies for investing in AI-enabled science, including a direction to build world-class datasets. In September, the President signed an executive order harnessing AI innovation to unlock cures for pediatric cancer. And in November, an executive order was issued, designated the Genesis Mission, as a new national effort to use AI to transform how scientific research is conducted and accelerate scientific discovery. All of this obviously has direct relevance to the mission of UT Southwestern.

Also relevant was a very recently issued executive order preempting state-level AI regulations and establishing a single federal standard. This remains an area for further clarification relative to legislation passed at the state level here in Texas as well as in other states across the country. The UT System and our legal teams are still analyzing those for us to be able to understand their impact going forward.

Staying with the theme of artificial intelligence, I hope everybody on the campus has taken note that as of December 1st, we as an institution have launched an enterprise AI tool set establishing a secure and ethical foundation for AI adoption at scale across UT Southwestern. This initiative is designed to advance care, research, education, and operations while safeguarding institutional integrity and patient data. Everyone who wishes to access and use the tool kit must complete training on responsible use, privacy, and compliance, helping us continue to foster a culture of ethical AI adoption and informed decision-making. Requests for an approved AI tool may be submitted through the procurement portal and ServiceNow. A job aid is available on the procurement portal to walk you through the request process.

And finally, in the realm of AI, I will note that among the searches that are currently in process for leadership here at the institution, we are proceeding with the search for an inaugural Chief AI Officer to ensure across the entire campus community we are

identifying the opportunities for AI to advance our mission but to do so, as I've already emphasized, in a manner that's ethical and optimizes the use of our resources.

And with that, I will take just a minute to share our progress to date in this fiscal year that began September 1st in terms of financial performance. I will remind you that the budget for FY26 targeted a goal for revenue at just over \$6.4 billion and an operating margin of 2%. I'm pleased to say that now, after three months of this fiscal year, we remain on budget, indeed actually a little ahead of budget on both revenue and on that margin, meaning we can continue to invest in both the people and the programs that are integral to the vision of UT Southwestern going forward. I will note now, as I have in the past, that all of this is only possible because of the commitment and enormous hard work by the entire campus community. And I will continue to keep you apprised of our progress in terms of our financial performance in future briefings.

And with that, I will now turn to investments that we are making to be able to extend our care to more across this region and in the generations ahead. Anybody who has been on the campus will see progress in the New Pediatric Campus construction. I note that just this week, a seventh tower crane went up, to give you some sense by one metric of the scale of the project. I will add that before the construction is complete, that number will grow to nine. At this juncture, there are about 650 people working on the site every day, and that team is expected to grow to more than 2,000 by this time next year. To date, the construction crews have expended over one million man-hours since we broke ground in October 2024.

We are also continuing, if not on that same scale, with other very large investments to, again, bring our care to those who are seeking our help. While the New Pediatric Campus is certainly our biggest clinical project in terms of scale, we are also experiencing expansion in multiple other areas. We have been growing our Fort Worth presence, including the new Radiation Oncology facility. After breaking ground this past May, we have officially begun construction, which we anticipate will be completed at the end of calendar year 2027.

We've also recently announced plans to offer multidisciplinary surgical care in the Clearfork area of Fort Worth. The Clearfork facility, currently owned and operated by Texas Health, includes a hospital, a medical office building, and a parking garage. In the course of time, UT Southwestern will take over operations of that facility as actually a pavilion of Clements University Hospital, where we will support comprehensive care for patients with complex needs, and including a particular focus on cancer treatment.

I want to emphasize that this facility, like all of our regional clinics, will bring the same high-quality care our patients have come to expect from UT Southwestern here on the main campus. Recruitment will soon begin for faculty interested in practicing full time in Fort Worth, including those already in our UT Southwestern community as well as new faculty who will join to deliver on that commitment to the communities of Fort Worth.

Note, we are also expanding cancer services at our regional medical center in Frisco, designating the entire first floor of our medical office building there for cancer services. The renovations will culminate in up to 15 exam rooms and up to 17 private infusion rooms as well as the addition of a comprehensive breast imaging suite.

Finally, I know that while not actually within the envelope of the University's Health System, there is great interest in the psychiatric hospital that we have been so integrally involved with since it was approved by the state Legislature, including the planning, designing, and overseeing construction. As I have previously shared with the campus, in the last legislative session, that is to say earlier this year, the Legislature initially directed the Health and Human Services Commission (HHSC) to take responsibility for operations but, in parallel, stipulated a process to solicit essentially proposals by others for operating the facility.

UT Southwestern did respond with that request for information in November. And since that time, we know it's been given a close consideration by the policymakers in Austin. And while a final decision has not yet been formalized, we are encouraged by our discussions with those policymakers, and specifically with the leadership of HHSC, that UT Southwestern may, indeed, be designated to take on the important responsibility of operating the facility and delivering the care for those patients it was built to serve. In hearing that feedback, I have asked that our teams direct all possible effort to being prepared should we, in fact, have a final confirmation of that selection to open the hospital just as soon as that can be accomplished.

I'm grateful, first of all, for those who have been so involved in the planning, designing, and oversight of construction. And I will note in particular, Dr. Hicham Ibrahim, Becky McCulley, and Juan Guerra, as well as the leadership of Dr. Jon Efron, our Executive Vice President for Health System Affairs, and all of the scores of people who have rallied now to begin to lay the groundwork, again, should we get final confirmation that UT Southwestern will operate that facility as we had initially hoped and envisioned. Of course, I will be sharing with the campus the outcome of those deliberations and the way forward just as soon as those are finalized.

And with that, I'd like to touch on just a few campus happenings in recent days and looking forward. This past Saturday, our School of Health Professions held its commencement ceremony for 2025, and 128 students received degrees across the six academic programs that are encompassed by that school. The students were launched in their bright future in health care by commencement address from Dr. Jon Efron, as mentioned, our Executive Vice President for Health System Affairs.

And also looking forward, I want to make a note of the coming annual tribute to Martin Luther King Jr., which this year will be held at noon on January 21st. In this very special commemorative celebration, we are excited to be joined by Dr. Clyde Yancy, Vice Dean for Health Equity and Chief of Cardiology at Northwestern's Feinberg School of Medicine. We are actually excited to welcome back Dr. Yancy, back to this campus as not only a graduate of our Medical School, but a member of our faculty in years past.

And finally, before I turn to your questions, I want to highlight some important campus resources. Of course, the holiday season can be – and hopefully is – joyous for everyone, but it can also bring new challenges and added stress for some. Our Human Resources Employee Support team offers a variety of tools, including a monthlong series of activities from Headspace. If you have any questions about accessing these resources as you navigate the potential stresses of the season, please contact our Human Resources team at 214-648-9810 or visit their website.

And with that, I'll take this moment to wish you and your family a happy and healthy holiday season. As I wrote in my holiday letter, which I hope each of you received just before Thanksgiving, I want to express my deep gratitude for your continued service and commitment to UT Southwestern, our mission, our patients, and our communities. Whatever your role, I hope you know that what you do is essential to UT Southwestern's accomplishments, and I'm grateful to see the compassion and kindness and excellence that each of you brings to your work that is living on this campus every day.

And with that, I now turn to Jenny Doren (Vice President for Communications, Marketing, and Public Affairs) to share the questions that you have forwarded for this morning.

Jenny Doren:

Well, good morning, Dr. Podolsky. It's good to be back here. I guess we'll keep with the spirit of the season because we received a very thoughtful question about supporting those in our campus community who may not have family or friends nearby, which, of course, can be extra difficult this time of year. The question specifically asked whether staff may form a social group to organize campus celebrations, and if UT Southwestern resources might be available to help advertise or host these events either on or off campus.

Dr. Podolsky:

I certainly appreciate the question, as it reflects clearly genuine care that makes our UT Southwestern community so special. We, of course, welcome anyone with ideas for bringing our campus together to share them with Human Resources or the Employee Advisory Council, and we'll look into what is possible and permissible within institutional policies. Together, we can ensure that this season is one of connection and belonging for all.

And let me also take the opportunity to remind our listeners of the many ways to connect and find community here at UT Southwestern. Our Business Resource Groups and student organizations offer opportunities to build relationships, share traditions, and support one another. And more information on these, for those who may not be familiar with them, are available on our website.

And at this time of year, I also encourage each of us to reach out to our colleagues and friends. Sometimes a simple invitation or a word of kindness can have a profound impact. Above all, it is our compassion and generosity to we show to each other every day that truly defines UT Southwestern.

And I will digress for a moment to mention an initiative which we will be launching very early in the new year to address those on our campus who may have needs that go otherwise unrecognized and specifically to identify those who may be challenged with food insecurity and financial insecurity. We're going to bring a work group together to

understand the extent of those issues amongst the UT Southwestern community and what we can do to be supportive for those who are affected.

Jenny Doren:

Excellent. I look forward to learning more. And of course, we'll socialize those details in our campus communications.

We did receive quite a bit of interest, understandably, in the Texas Behavioral Health Center. I think you did a wonderful job providing an update on that. If you don't have anything more on that topic, we'll scoot ahead over to some concerns about SB 17, which prohibits citizens from foreign adversary countries from buying or leasing property in Texas. Could you talk a little bit about this law and who would be affected?

Dr. Podolsky:

SB 17 was signed into law by (Texas) Governor (Greg) Abbott in June of this year and does impose some restrictions on home purchases and leasing. However, working together with other institutions, we were able to secure an amendment that clearly permits lawful, present visa holders to purchase or lease property in Texas. Obviously, our efforts in this area were with all of the campus in mind, in having individuals who might otherwise have been impacted by this legislation.

Jenny Doren:

Got it. I know quite a few employees benefit from our tuition assistance program, and there seems to be some talk of updates in 2026. Is there anything you can share now?

Dr. Podolsky:

Yes. We are pleased to announce several upcoming enhancements to our tuition assistance program designed to make the process easier and more accessible for more employees. Beginning in early 2026, we will introduce a new streamlined application process that will significantly simplify participation. Instead of submitting a separate application, each semester employees will complete a single master application for the entire academic year. In addition, we are removing the previous cap on the number of reimbursable courses per semester. Employees will now be able to apply for unlimited courses each semester up to the annual maximum of \$5,250 per calendar year.

Alongside these changes, our updated website will provide clear, comprehensive information and an improved user experience, whether you are a current participant or considering applying in the future. Watch for additional details and announcements early in the new year.

Jenny Doren:

Thank you for that. I want to pivot to an issue that is, of course, always bubbling up, and that is parking. As a follow-up to our last briefing conversation, could you please clarify why parking fees have increased and when we can expect the new lots to open?

Dr. Podolsky:

I know this is a topic that's of ongoing interest and concern, and I will say that parking fees are evaluated annually and help fund the necessary structural repairs and new constructions. This year, those repairs total over \$3 million for our existing garages, and that does not include the significantly higher costs of building the two new lots, which will bring more than 800 new spaces to campus.

Though, in mentioning those two new lots, I'm referring to a new 500-plus-space lot at Forest Park Road and Bomar Avenue, which will support North Campus and serve as a flexible overflow option for the broader campus, and as the second of those two new lots, at Clements University Hospital (CUH), we are constructing a 300-plus-space lot to meet growing demand in that area on the site formerly occupied by the Life Care facility. Both of these lots should be finished in the spring, with the CUH lot finishing first in February and the larger lot on North Campus following in April.

Returning to the question, the policies of the UT System and of the institution are in these ancillary services such as parking. The fees are set to cover their operating costs, not to generate any kind of margin or profit for the institution, but they are covered by, essentially, the users of these ancillary services.

Jenny Doren:

Important point of clarification. Thank you for that. There's also growing interest in the Innovation Hub, but not everyone on campus and at our regional medical centers really understand exactly what that is or where to find more information. Could you provide some clarity?

Dr. Podolsky:

Sure. The Innovation Hub at UT Southwestern is still in its development stage, having been launched with the arrival of the inaugural Chief Innovation Officer, Dr. Dan Hommes, at the beginning of May this year. In one way of thinking about it, you can envision this as a service department that will empower those across the campus – our clinicians, our scientists, our staff – to translate their inventions or creative ideas on how to solve an existing problem, whether it's in our own operations or in the world writ large.

And in being a service center, it's going to bring the capabilities for evaluating the merits of an innovative idea, what would be required to develop that, and to translate that innovative idea actually into a usable product, if you will.

The Innovation Hub includes a suite of services, such as intellectual property strategy, product development plans, venture formation support, and industry matchmaking, to ensure that UT Southwestern discoveries retain their high value throughout the development cycle.

Beyond operational support, the Hub acts as a strategic connector, linking physicians and scientists within the institution to foster cross-disciplinary innovation and bridging these internal teams with external industry partners. The Hub integrates the Office of Technology Development, which has been a long-standing service department here at the campus, by building a structured commercial operating system around each project. Through stage-gated discovery tracks and a centralized management system, the Hub will prioritize and advance assets, that is to say, bright new ideas, ranging from therapeutics to digital health, based on their merit and feasibility. This approach, we believe, reduces administrative burden and accelerates the path from early evidence to real-world impact.

Jenny Doren:

And we'll, of course, have more communications on the Innovation Hub in the months ahead.

Dr. Podolsky:

I might add, Jenny, for those who have further questions or are just intrigued by this brief description, I would encourage them to contact innovation@groups.utsouthwestern.edu for more information.

Jenny Doren:

And knowing the two of them well, they welcome your questions.

Finally, as you already mentioned, we know this time of year can bring additional stressors. How can campus resources like SAFE, recently highlighted in our campus newsletters, help us identify and address concerning behaviors to ensure safety and support for everyone?

Dr. Podolsky:

SAFE offers confidential ways to report concerning behavior, including certainly any of a violent nature, and that reporting can be by anybody in our campus community, including staff, faculty, learners, trainees, contractors, and vendors or just visitors. Reports are reviewed by a multidisciplinary team of mental health professionals, our University Police, administrative leaders, and social support experts for proactive, compassionate intervention.

That team, the SAFE team, is appointed by me, and it meets weekly. It may seem intuitive, but it's worth repeating. During this time of year and always, watch for signs such as confusion, aggression, excessive agitation, certainly any threats, or other concerning behaviors. The SAFE webpage is available on our intranet and provides a helpful guide. Concerns can be raised, as I've mentioned, confidentially, and that can be done online, by email, or by phone.

Of course, SAFE is not a replacement for emergency response. If a violent act is imminent, please call University Police immediately at 214-648-8911.

Please remember that the SAFE team is always available if anyone has concerns about others. Reaching out can help keep our communities safe and supported.

Jenny Doren:

Well, thank you very much, Dr. Podolsky, for your time this morning. I know I speak on behalf of everybody listening when I say we wish you as well a very happy and healthy holiday season.

Dr. Podolsky:

Thank you, Jenny.