

# UT Southwestern Medical Center

## A Message from President Daniel K. Podolsky

October 2, 2015

To the UT Southwestern Community

Dear Colleagues:

I am writing to share news about an important new partnership for UT Southwestern that I believe will fundamentally enhance access to health care for the population of North Texas and will be a boon to UT Southwestern in all of our missions.

Over the past months, we have engaged in extensive discussions with Texas Health Resources (THR) about ways that the complementary nature of our organizations might form the basis of a partnership that would facilitate the delivery of high quality, efficient, high value care, at a time when breadth and reach have become critical for the vitality of health systems and their ability to meet the needs of the populations they serve. This has led to a plan to form an innovative, integrated health care network with THR, and I am pleased that this afternoon, at a special meeting of the UT System Board of Regents, our request to proceed with this proposal was approved.

This new network, which will be called Southwestern Health Resources, will have four fundamental components:

- **Integrated Physician Network.** The physician network will coordinate and integrate the efforts of more than 3,000 physicians. It will encompass UTSW faculty physicians, the community-based physicians in our UT Southwestern Clinically Affiliated Physicians (UTSCAP) program, physicians in the Texas Health Physicians Group (THPG), and under certain circumstances, independent physician groups affiliated with either UTSW or THR.
- **Integrated Hospital Network.** The hospital network will focus on delivering coordinated care through UTSW's two university hospitals and THR's 25 community hospitals. A key component of this network will be a new organization (a Joint Operating Company) formed to bring together the three Dallas hospitals – UTSW's William P. Clements Jr. University Hospital and Zale Lipshy University Hospital, and THR's Texas Health Presbyterian Hospital Dallas – under the oversight of a UT Southwestern-appointed leader.
- **Population Health Services Company (PHSC).** This organization will provide the necessary people, technology, and infrastructure to support both the Physician Network and the Hospital Network to achieve universal quality standards, deliver seamless care to patients across the care continuum, and provide the analytics and support necessary to be successful at population health management.
- **Academic Affiliation.** In addition to facilitating access to care and delivering the value

increasingly demanded by patients and other stakeholders, this new network holds significant benefits for our other two missions. The expanded patient population will enhance our opportunities for both clinical and translational research. It will also create additional potential training opportunities for our medical students, residents, and fellows. And, as part of this broad affiliation, THR will be providing significant support to the Dean's Office to enable us to pursue these academic initiatives, including the establishment of a new center dedicated to population health research.

It is important to note that the formation of this network, which we expect to implement in the spring of 2016, will not involve any changes in employment for UTSW faculty or staff.

I also want to assure you that we remain fully committed to our existing partnerships with Parkland Memorial Hospital, Children's Medical Center, and others, as well as to the patients we care for at those hospitals.

We have collectively made remarkable progress in the growth of the UT Southwestern University Healthcare System, and even more important, in our quality and safety programs. I believe that the formation of Southwestern Health Resources will allow us to build on that foundation for the benefit of the UT Southwestern community and the entire population of North Texas.

Recognizing that many of you may have questions about this initiative, we will hold a Town Hall session in the Tom and Lula Gooch Auditorium on Tuesday, October 6 at 10 a.m. Further information about remote access for those unable to attend will be provided on Monday, October 5.

I look forward to discussing these plans with you and hope you will share my enthusiasm and excitement for the future of UT Southwestern in all of our missions.

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

For more information, see the FAQ below and link to additional information on MyUTSW:  
[www.utsouthwestern.net/network](http://www.utsouthwestern.net/network)

## Frequently Asked Questions

### **What is the purpose of forming the new joint network?**

- Together, Texas Health Resources (THR) and UT Southwestern (UTSW) will enhance patient care for the North Texas community by building a comprehensive, integrated health care network that enables each organization to benefit from the strengths of the other.

### **Is this a merger?**

- No. This is not a merger. It's the creation of a new, integrated network that will be governed jointly by the two organizations.

**Who will have oversight and governance authority?**

- UTSW and THR will have joint oversight over the network's activities. The UT System Board of Regents will continue to oversee UTSW, and the THR Board of Trustees will continue to oversee THR.

**What is the time frame for this joint effort?**

- The affiliation agreements establishing this joint network are expected to be finalized by the end of the calendar year, and the network is expected to commence operation in the spring of 2016. Clinically integrating all of our physicians and facilities will be a multi-year effort.

**How does this benefit each organization?**

- UTSW, with its major focus on tertiary and quaternary care, will benefit from clinical integration with THR's large primary care base. Given the changing patterns of the health care landscape, this will allow UTSW to achieve the scale it needs to be successful, without having to make significant independent investments to build a large number of facilities.
- UTSW will also benefit from expanded teaching and clinical research opportunities. We will potentially be able to utilize the entire THR network of 25 hospitals, advancing the practice of medicine through this exposure to a wide range of people and health and wellness issues.
- THR will gain access to a group of nationally and internationally recognized medical specialists, a robust research structure, and the latest technological advances.
- Together, the network will position both organizations to accelerate advanced medical innovations from bench to bedside for the benefit of patients. Researchers will have access to significant amounts of new data for clinical research, and patients will benefit from expanded access to clinical trials.
- Working together, the network will create the necessary breadth and reach to be able to provide care to the entire population – and to be able to do so in a manner that avoids the unnecessary duplication of resources, so that the greatest value is being provided to patients and society.

**Will jobs be lost?**

- No job losses are planned as a result of this network affiliation.

**Will jobs be created?**

- We hope to create jobs as the joint effort grows and achieves its goals of improving health care delivery to the North Texas community.

**What impact will this have on the future of William P. Clements Jr. University Hospital?**

- The network will give more patients access to the specialized care available at Clements University Hospital.

**If you're a current UTSW employee, will you remain a state employee?**

- All employees who work for UTSW and provide services to the network will remain state employees and will retain all of their relevant benefits.

**How will this affect retirement benefits?**

- The network will have no impact on the retirement benefits currently offered by UTSW or THR.

**How will this affect the current resource commitments and allocations within UT Southwestern?**

- This joint effort will not redirect any resources currently committed to budgeted research or educational activities.
- It will also not affect our current community-based clinics or the plans we are developing for new ambulatory facilities in Frisco and Fort Worth.
- We also remain fully committed to our own ACO, which is already collaborative with THR and independent physician affiliations and will serve as a foundation for our new physician network.

**What is the current financial performance of UT Southwestern?**

- UTSW is thriving. We must always maintain discipline to align our resources with our priorities, but our FY15 financial performance was the best in the history of the institution.
- The new William P. Clements Jr. University Hospital, Zale Lipshy University Hospital, and the UT Southwestern Faculty Practice Plan are all ahead of budget in volume and financial performance.

**What does this mean for UTSW physicians? Will they now work for THR?**

- UTSW Faculty Plan physicians will remain state employees and will retain all of their relevant benefits and current reporting structure and relationships within UTSW.

**What does this mean for medical students?**

- The network is expected to provide expanded opportunities for education and training, especially in regard to primary care settings.

**What does this mean for residents?**

- The network is expected to expand opportunities for clinical training.

**What does this mean for researchers?**

- The broader patient base should be powerful for promoting clinical trials and other forms of clinical research, as well as translational research initiatives. It will also facilitate population health research with a new center that will be established as a component of the overall affiliation.