

Minutes are intended to note (a) the date, time and place of the meeting; (b) those members of the public body who were present and those who were absent; and (c) the substance of all matters proposed, discussed and/or action was taken on. Minutes are not intended to be a verbatim report of a meeting. An audiotape recording of the meeting is available for inspection by any member of the public interested in a verbatim report of the meeting. These minutes are not final until approved by the Board of Regents at the December 2013 meeting.

**BOARD OF REGENTS* and its
HEALTH SCIENCES SYSTEM COMMITTEE
NEVADA SYSTEM OF HIGHER EDUCATION**

Great Basin College
GBC Theater
1500 College Parkway, Elko
Friday, September 6, 2013

Members Present: Mr. James Dean Leavitt, Chair
Dr. Mark W. Doubrava, Vice Chair
Dr. Jason Geddes
Mr. Kevin C. Melcher
Ms. Allison Stephens

Other Regents Present: Mr. Kevin J. Page
Mr. Rick Trachok

Others Present: Mr. Daniel J. Klaich, Chancellor
Dr. Marcia Turner, Vice Chancellor, Health Sciences
Ms. Brooke Nielsen, Vice Chancellor, Legal Affairs
Mr. Nicholas Vaskov, System Counsel and Director
of Real Estate Planning
Mr. Vic Redding, Vice Chancellor, Finance and Administration
Mr. Scott Wasserman, Chief of Staff and Special
Counsel to the Board of Regents
Mr. Scott Young, Deputy Chief of Staff to the Board of Regents
Dr. Constance Brooks, Assistant Vice Chancellor
Dr. Neal J. Smatresk, President, UNLV
Dr. Marc Johnson, President, UNR
Dr. Thomas L. Schwenk, UNSOM-UNR

Faculty senate chairs in attendance were Dr. Alan McKay, DRI; Mr. Thomas Reagan, GBC; Dr. Paul Werth, UNLV; Dr. Swatee Naik, UNR; and Ms. Holly O'Toole, WNC. Student body president in attendance was Mr. Michael Gordon, UNLV.

For others present, please see the attendance roster on file in the Board office.

Chair James Dean Leavitt called the meeting to order at 8:08 a.m. with all members present.

1. Information Only-Public Comment – None.

2. Approved-Minutes – The Committee recommended approval of the minutes from the June 7, 2013, meeting (*Ref. HSS-2 on file in the Board office*).

Regent Geddes moved approval of the minutes from the June 7, 2013, meeting. Regent Doubrava seconded. Motion carried.

3. Information Only-Chair's Report – Chair Leavitt provided general remarks and updated the Committee regarding the history of the Regents' involvement in the NSHE Health Sciences System planning and development efforts (*Ref. HSS-3 on file in the Board office*).

Chair Leavitt offered a synopsis of the Regents' involvement with a brief history of Health Sciences since it began in 2004 by Mr. James E. Rogers, former Chancellor of the Nevada System of Higher Education.

Chair Leavitt stressed the importance of a united front in order to accomplish what is necessary for Health Sciences.

4. Information Only-University of Nevada School of Medicine (UNSOM) (Agenda Item #5) – Dr. Thomas L. Schwenk, Dean, UNSOM and Vice President, Division of Health Sciences, UNR, updated the Committee on UNSOM activities and initiatives and the strategic planning and operating relationship between UNSOM and the University Medical Center of Southern Nevada (UMC) (*Ref. HSS-5 on file in the Board office*).

Dean Schwenk said the outline was provided in three developments: Reno, Las Vegas and statewide. There has been progress in Las Vegas identifying a tentative donor to develop a strong educational presence and major educational facility. Dr. Marc Johnson, President, UNR, has made a generous commitment to provide additional funds that could be committed in 2014. Funds of \$2.5 million need to be identified for the next step which is a major architectural/engineering study.

Dean Schwenk continued UNSOM is well along in planning for a major outpatient facility, multi-specialty primary care and specialty facility in Henderson, which requires a bit more detail, financial planning and business plan.

Dean Schwenk stated there is considerable activity regarding UNSOM representation in the development of a new UMC governance model. The Clark County Commission hired a consultant to see what can be done to develop models to create a new governing board for UMC under the supervision of the County Commission. A nominating committee is being formed with discussion of having an ex officio, non-voting position for the Dean of the School of Medicine.

Dean Schwenk reported that work continues to develop the process for joint management of UMC clinical contracts, but it is not a simple process. There are financial, political and other complications. Pulmonary critical care services and the management of the intensive units at UMC have gone extremely well in a hybrid model, thanks to very

4. Information Only-University of Nevada School of Medicine (UNSON) (Agenda Item #5)
– (continued)

strong academic faculty physicians at the School of Medicine, including an exceptional leader in the Division of Pulmonary and Critical Care, Dr. Hidenobu Shigemitsu. Organizing a group of academic physicians, and bringing in top community physicians to provide an entirely different model of Intensive Care Unit care at UMC, has been met with very positive reviews by physicians and surgeons and serves as a model for other areas.

Dean Schwenk said there has historically been a satisfactory Graduate Medical Education (GME) affiliation with Renown Health in Reno for many years with residency training in family medicine and internal medicine. There has been a major change in leadership and strategy at Renown Health that has caused the relationship with UNSOM to become an extremely high priority for Renown's future success. The turn-around has been dramatic. Consequently, on Monday, September 9, 2013, there will be a press conference announcing the development of a high-level task force with Renown, UNSOM and NSHE leaders, specifically Chancellor Klaich and Board Chairman Page, which will come together to explore a major partnership and affiliation. If this occurs, it will provide the substrate by which the School of Medicine can grow the full clinical teaching capacity to develop a complete campus.

Dean Schwenk continued the Chair of Pediatrics in Reno will be moving as Chair to Las Vegas, which reduces the amount of pediatricians in Reno. There will be a hold on rebuilding the department because Renown is reviewing the Children's Hospital with a consultant. When the assessment is complete the School of Medicine will have a better idea of how to construct the Department of Pediatrics in collaboration with Renown.

Dean Schwenk stated part of the issue with the School's participation in the Renown Health Physician Collaboration Committee is Renown's relationship with community physicians. He sits on the committee and presently there is a very intense engagement process taking place between the physicians and Renown.

Dean Schwenk continues to have active discussions with St. Mary's Medical Center for Family Medicine with regard to GME affiliations and the possibility of new or expanded residency training.

Dean Schwenk reported the new curriculum for first year students was well received last year. The new second year curriculum is in place for those students admitted a year ago. The first phase of the new IT system was launched in Las Vegas the week of September 2, 2013, for the practice management system.

Dean Schwenk said there is an ad hoc group of Medical School and hospital leaders coming together to discuss collaborative approaches to GME expansion. The School has developed a very detailed plan for both Reno and Las Vegas that could be developed or

4. Information Only-University of Nevada School of Medicine (UNSOM) (Agenda Item #5)
– (continued)

expanded. The GME expansion is hugely important to all of the discussions, and it is GME expansion that will increase the workforce in Nevada.

Regarding clinical research, Dean Schwenk explained it continues to be developed both in the north and south with donor money. Hopefully the National Institutes of Health (NIH) clinical research grant will be forthcoming. It will be based in Las Vegas, with collaboration between UNLV as the primary stakeholder, and the School of Medicine.

Dean Schwenk stated, although the budget is limited, there is a lot of activity expanding and strengthening statewide tele-health/tele-medicine capabilities. Payoff comes in the way of primary care physicians, nurse practitioners and physician assistants. He said there has been quite a bit of progress in planning for a new physician assistant program. A leading physician assistant visited UNSOM and was enormously helpful pointing the School in the right direction. The budget and financial plan are being worked on, but this is a multi-year process becoming more complicated because the program is requiring a move towards a master's degree base.

Regent Stephens asked about the relationship with UMC and the new governance structure. She wondered if Dean Schwenk's part as a non-voting voice would be sufficient. Dean Schwenk thought it was appropriate because, with a community based School and UMC as its major partner, there is in a sense, a conflict of interest. The School not only has certain interests in how UMC is run, there is also competition for contracts and potential program support. If the Dean of the School of Medicine was to have a voting membership on the board supervising UMC's CEO, it would be awkward. He is comfortable in a non-voting position.

Regent Stephens wondered if Dean Schwenk could represent the full perspective of the Health Sciences System because, by doing so, all of the NSHE institutions could participate. Dean Schwenk said he embodies the representation. His membership needs to be pure because of the broad range of health sciences and academic medicine issues it speaks for.

Regent Stephens would like more detail regarding the physician assistant training programs. She does not have a sense of the timeline. Dean Schwenk felt it would be three to four years before the program would be available due to funding sources, tuition proposals, differential tuition and differential fees. There are no state or incremental funds to support the program.

Regent Doubrava expressed interest in how the north and south performed over the last year compared to the previous year. Dean Schwenk said the practice plan as a whole had a very good year. He felt there would be a positive margin of \$1.0 million. Las Vegas did extremely well, pharmacy did extremely well, and Reno lost money.

4. Information Only-University of Nevada School of Medicine (UNSOM) (Agenda Item #5)
– (continued)

Regent Doubrava asked about developing clerkships or potential residencies in surgery or obstetrics and gynecology. Dean Schwenk is already exploring the development of clerkships and medical student teaching, which could happen within two years.

Regent Doubrava added residency issues are much more complicated because the requirements are huge in terms of the infrastructure and teaching requirements. Dean Schwenk stated it has been a problem in Reno since the beginning. The competition between the School and developing a group of academic surgeons to develop a residency program would inevitably run into competition with community surgeons. He felt rebuilding the connection is a help.

5. Information Only-UNSOM Vision Statement for Public Medical Education in Nevada (Agenda Item #6) – Dean Schwenk discussed a vision statement for public medical education in Nevada (Ref. HSS-6 on file in the Board office).

Dean Schwenk said the vision statement was revised. It is a living document that will continuously go through revisions. This is a moment of great importance for public medical education in this state and the discussion is overdue by years. There is a sense of urgency and need, especially by the Board of Regents. Decisions will soon be made that will influence the state of public medical education for decades to come. It is a critical time.

Dean Schwenk clarified the vision statement is not “his” plan in the possessive sense, but is an offering of his best advice. The critical issue is looking at the fundamental role of public medical education, which is to provide opportunities mainly to residents of the state, and some others from out of state, a vehicle to pursue careers in medicine that will hopefully lead to an enhanced workforce, new approaches to clinical care, new research, and new teaching models. Medical education is the vehicle where the state meets its healthcare needs.

Dean Schwenk reported that two fundamental missing pieces are physician teaching in Las Vegas and a large portion of clinical teaching in Reno. He thought a huge cohort of Las Vegas students leave the state for undergraduate college education and do not return because of the split schools and the bother of going to the Medical School in Reno for two years and possibly back to Las Vegas for two years, and then leaving the state for residency education. It is not an attractive model. He felt students looked to have full medical education experiences in one location or the other. Be that as it may, the School will continue under the current model to work on a facility, teaching capacity and try to fill out those pieces as best as possible.

Dean Schwenk stated the School budget is \$160.0 million with \$30.0 million provided by the state. The School earns \$130.0 million through research grants, contracts, hospital contracts, practice plan revenue and philanthropy. The other end of the spectrum is to

5. Information Only-UNSOM Vision Statement for Public Medical Education in Nevada (Agenda Item #6) – (continued)

develop two fully separate accredited medical schools; UNR and UNLV. This would require full accreditation, leadership and administrative structure, and teaching to go with the clinical teaching capacity in Las Vegas. By virtue of splitting, the clinical teaching capacity currently in Las Vegas would have to completely be recreated in Reno and the funding would need to be appropriate. Dean Schwenk said \$12.0 to \$14.0 million of the state funds to UNSOM currently go to Las Vegas. To create a new medical school would require approximately \$30.0 to \$40.0 million of state support. If it is not supported properly then there will be two very poorly supported schools. Dean Schwenk indicated a variation would be to take UNSOM out of the UNR structure and create a separate, freestanding school of medicine within NSHE which would result in accreditation problems. It is more expensive than splitting the schools. He felt those options were imperfect. Dean Schwenk believed the state will have two schools in 10 to 12 years, but the question is how to get there. He recommended the continuation of UNSOM, but to aggressively, purposely and vigorously construct two full campuses and take advantage of the ability for collaboration. Keeping the two campuses together offers great synergism in terms of training purposes, primary care, rural medicine, outreach, urban trauma and big city hospital medicine in Las Vegas. A fundamental feature is to have an entirely new approach to collaboration with UNLV, which would necessitate purposeful discussions, planning and a new approach. It would require consolidated executive leadership. His caveat is that the Regents need to make critical decisions. He is interested in having a clear decision, commitment, direction and a coming together with as many constituents, in all arenas, to get behind a clear plan and direction. The School has suffered significantly over the years because of the divisiveness and the political difficulties. Now is the time to resolve these issues and do what is needed to set this School on a path to contribute to the state.

Chair Leavitt thought the caveat was important enough to read: “This ideal governance and organizational structure will be successful only if there is clear resolution of the north-south tensions regarding the School of Medicine that have plagued the School and significantly detracted from its success since its creation. Whatever vision is chosen will require a unified commitment and support from the governor, the state Legislature, the Board of Regents, local political leaders and donors. This unified vision could be accomplished with a sequence of presentations and discussions leading to formal support and associated funding commitments in the 2015 legislative session. We have a critical window of opportunity to set public medical education and workforce development on a new and vigorous path of success. To squander that opportunity could have permanent and devastating consequences for the health and health care of Nevada.” Chair Leavitt felt strongly about the statement. He believed it will be the only way to succeed and move forward. His tentative plan at this time is hopefully, by March, 2014, to have the discussion progress to a stage where a vision plan can be endorsed.

5. Information Only-UNSOM Vision Statement for Public Medical Education in Nevada (Agenda Item #6) – (continued)

Regent Melcher felt the caveat contained his sentiment. The plan makes sense. He thought medical education in Nevada can be one of the most significant issues for reducing tension between the north and south and coming together as a union in the state. He would like to use this to push the agenda with the governor, Legislature and the Board.

Regent Melcher asked about the rural area being serviced from Reno, Las Vegas, or equally by both. Dean Schwenk thought there needs to be an explicit and recurring commitment that both campuses would have outreach programs to rural Nevada.

Regent Stephens is inclined to believe what is needed is a single medical school with two campuses. She noted if there is one medical school, the dollars are funneled through UNR. She was unsure if there was an impact to UNLV's ability to expand, or if it is a part of a larger model, or what the coordination would be between the institutions. The north-south divide has been an undercurrent throughout the conversation. Dean Schwenk stated an entirely new type of working relationship between UNSOM and UNLV needs to be developed, including the money flow. Nearly half of the state appropriation is directed through UNSOM to the Las Vegas teaching and clinical programs. Incremental support is needed, with a good piece of it for basic science teaching and research in Las Vegas with UNLV. The question is how funds would be directed, which is yet to be determined.

Regent Doubrava asked about difficulty separating research grant money. Dean Schwenk thought separating the funds could be done. He noted it is not a matter of dividing the money differently – it is a matter of having more money. The way to have more money is more of what has been done with the clinical and translational research grant, more grants that originate with UNLV – UNLV is the principal investigator and contractor, with collaboration by the School of Medicine. It is not grants going through UNR, through UNSOM, to UNLV – it is grants going directly to UNLV to enhance the relationship.

Chair Leavitt wondered if building out two four-year campuses was a necessary precursor to two separate medical schools, north and south. Dean Schwenk agreed and added the state is not big enough demographically and economically today to support two schools. He fears if the process is not done correctly there will be two poorly funded schools with no public medical education in the state. If two full campuses are built in a cost efficient way, it produces physical and tangible entities so the next step of separate schools can be discussed.

Regent Geddes felt the plan reflected the Board's theme of collaboration to have two, four-year campuses, developing it with the reality of available resources. The School of Medicine has never been funded as it needed to be, as promised by the Legislature, since the beginning. His fear is to rely on funding that will never come and never will unless it

5. Information Only-UNSOM Vision Statement for Public Medical Education in Nevada (Agenda Item #6) – (continued)

is done economically and with the best vision possible. Regent Geddes stated the Board is a unified system and can make the decision for the campuses to work together. He thought everything was heading in the right direction.

Regent Doubrava is in favor of a majority of the vision statement. The status quo is not working and time is critical to do something in the political and educational arenas. He agreed with the conclusion that a separate entity to remove the School of Medicine from UNR and have a free-standing school is probably not the way to go, nor is it a way to have a separate NSHE institution. He is in favor of participation, communication and remaining in its respective parent institution.

Regent Doubrava suggested defining what a campus is, a branch campus, a four-year campus, and a regional campus. He does not understand what a regional campus is. Dean Schwenk said there are awkward semantics. He believed there will be two medical schools completely formed, fully developed and functional because of the unique nature of the geography, history and politics.

Regent Doubrava recommended UNLV have a physician or medical educator as a representative at the discussions. Mr. Daniel J. Klaich, Chancellor, felt Dr. Neal Smatresk, President, UNLV, will decide who to fully engage in the planning process. Chancellor Klaich believed this discussion was remarkable and was pleased to hear it. He thought the leadership of Dr. Schwenk was critical.

Regent Geddes thought everyone realized the urgent need for health care professionals in Nevada. He would like to hear what everything will cost. The Legislature has to understand the cost and realize its part in the funding because there is a health care crisis in Nevada.

President Smatresk thanked Dean Schwenk for his comments. He felt the Dean's vision and tone were utterly appropriate. There will be many steps in this process. President Smatresk believed a strong collaborative approach initially will ultimately have to be augmented with a partnership – and there is a difference between collaboration and partnership. UNLV fully endorses a vision eventually creating a UNLV medical school. It is understood intermediate steps involving the kinds of collaborative efforts that Dean Schwenk outlined will be critical. President Smatresk believed a formally endorsed program should be thought out carefully and methodically and then presented to the Board for endorsement. This conversation is a component of what Nevada wants and needs to be a prosperous, thriving, healthy state and what type of commitments should be made to advance the regions and overall quality of both institutions and most importantly, the health care of Nevada's citizens. President Smatresk felt this could be the beginning of a beautiful relationship.

6. Information Only-Potential Need for Expansion of Public Medical Education in Northern, Southern and Rural Nevada (Agenda Item #7) – Chair Leavitt led a discussion regarding the potential need for the expansion of public medical education in northern, southern and rural Nevada, and related operational and policy considerations (*Ref. HSS-7 on file in the Board office*).

Chair Leavitt noted the title of this item states “potential need for expansion of public medical education in northern, southern and rural Nevada.” He did not want anyone to feel there are not unmet needs in the north and rural Nevada. There may be more in the south, but most important is meeting those needs throughout the entire state. Chair Leavitt reported the Lincy Institute, in concert with Tripp Umbach, is involved with an economic impact study to have a Las Vegas based medical school at UNLV. The study will include recommending the most feasible size school, which may help to support Dean Schwenk’s vision. Another larger 12-month study will commence in November 2013, to explore similar medical enhancement issues in Las Vegas.

Chair Leavitt expressed interest regarding the philanthropy/fundraising endeavors. Dean Schwenk replied there was approximately \$15.0 million per year in incremental appropriation in terms of operating, which does not include GME expansion. A difficulty in this discussion is none of it speaks to how bereft the School is of GME programs and support – at a time when the Federal Government is not going to be the answer. Consequently, assistance has to come from the state, or other hospitals. Taking everything into consideration at least \$150.0 million has to be raised from private sources. It just keeps coming back to money.

Regent Geddes asked about the dollar amount for GME. Dean Schwenk said, to be done correctly, there would be a 50 percent increase in the size of the total GME effort, or approximately \$30.0 million total, of which maybe half would come from hospital, Medicare, or other support. The state loses 60.0 percent of the School’s investment because the students leave the state in order to do residencies and fellowships.

Regent Melcher said it is critical for everyone’s mindset to be working together and starting to process. We must all be the messengers.

Chair Leavitt thanked Chancellor Klaich, Regent Wixom and Vice Chancellor Turner for their contributions leading to this historic moment. He expressed appreciation to Regent Doubrava for caring enough to force the issue. Chair Leavitt recognized the work of Dean Schwenk.

7. New Business (Agenda Item #8) – Vice Chancellor Turner thought it might be helpful for Chair Leavitt to give a formal direction for the institutions to move forward.
8. Information Only-Public Comment (Agenda Item #9) – None.
9. Deferred-Update on Health Sciences Activities and Initiatives (Agenda Item #4)

The meeting adjourned at 9: 49 a.m.

Prepared by:

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