



UNIVERSITY OF WASHINGTON

## BOARD OF REGENTS

September 15, 2014

Mike Worthy, Chair  
WSU Board of Regents

Dear Regent Worthy:

On behalf of the University of Washington Board of Regents, I have had the opportunity to read and comprehensively review the recently released MGT-WSU study regarding separate accreditation for a WSU medical school in Spokane.

As stated earlier, we are disappointed by your decision to pursue a second, independent medical school in Spokane outside the existing medical school we have worked hard to build in partnership with WSU and the Spokane community.

Ultimately, a decision to establish and fund a second, public independent medical school in Spokane rests with the Governor and the State of Washington Legislature. This decision has significant financial implications for the state and its taxpayers. The decision also has significant implications for our students and the WWAMI partnership.

As the leadership and fiduciaries of our University, the UW board believes it is vitally important for university and political leadership to have accurate information upon which to base their decisions. Unfortunately, the conclusions in the MGT report are seriously flawed due to several major inaccuracies, questionable assumptions, and at least one critical and highly misleading error that requires immediate attention and consideration.

- 1. The MGT-WSU report inaccurately cites that the University of Washington received \$94,598,483 from the state for 440 medical students, at a cost of \$214,997 per Washington student.**

This is an unfortunate and extremely misleading error in the report.

The \$94,598,483 cited in the MGT-WSU report as "funding from the state" is actually a large mix of UW-generated federal research funds and UW student tuition, as well as some funds received from the state. This funding not only supports the 440 medical students cited in the report, but all 4,500 students and trainees in UW School of Medicine programs, including undergraduate and graduate students in research programs, undergraduate and graduate students in allied health, and nearly 2,000 residents and fellows. Thus, the \$94 million figure does not represent state appropriated dollars. Using the correct number of professional students and trainees in the UW School of Medicine, per student support would effectively be \$21,000 per professional student. This is an extraordinarily cost effective program for training health professional students.

The UW carefully and routinely calculates the average cost for each WWAMI medical student in our partner states. This information is reviewed by legislatures in WWAMI

partner states as they consider the costs associated with maintaining and expanding WWAMI student positions. The legislatures in Wyoming, Alaska, Montana, and Idaho have voted regularly to support and expand the WWAMI program based on their analyses of the cost of WWAMI relative to other approaches, such as an independent medical school. Total cost (state support plus tuition) is currently around \$70,000 per WWAMI student. This figure not only compares very favorably to national averages of \$105,000-\$150,000 per student, but is also ~30% less than MGT's estimated cost of \$98,000 per student required to support an independent WSU medical school.

We regret that MGT did not consult with the UW to confirm the accuracy of their financial analysis concerning the UW School of Medicine during report development. I request that WSU issue an immediate correction to the error to avoid further public dissemination of misinformation.

**2. The MGT-WSU study assumes the re-direction of legislatively directed, public resources and student tuition funding from the WWAMI program to WSU's independent medical school. Re-directing these funds to support an independent WSU medical school has significant implications for our WWAMI partnership and the viability of our program in Spokane.**

Under the leadership of the UW School of Medicine, the WWAMI program has been active in clinical teaching in the third and fourth years of medical school in Spokane for more than 40 years. Since 2004, the University of Washington, Washington State University, and the Spokane community have worked together to advocate for and build a medical school in Spokane through WWAMI by adding classroom teaching for first and second year medical students. Together, we have made steady progress, with plans to expand to 120 students per year. Our universities have been fortunate to receive direct state investment in support of our partnership, including funding in the last biennial budget for WWAMI program expansion in Spokane.

Regarding WSU "readiness" to start an independent medical school, the MGT report explains:

*"due to [WSU's] participation in medical education over the past four decades [WWAMI], WSU already has an ongoing budget for medical education. As seen in Exhibit 5- 2, the continuation of current salaries, benefits and related expenses is a major component with 29 percent of the total budget, and slightly more is planned for salaries, benefits, and start-up packages for new faculty members needed to expand the medical sciences program."*

This is extremely misleading and concerning for three reasons:

- We cannot spend the same public dollar twice. All state funds for medical education currently provided to WSU were advocated for and provided by the legislature in support of training medical students in our WWAMI partnership in Spokane. Re-directing existing funds threatens current enrollment in the WWAMI

program and places the viability of the program in Spokane in jeopardy.

- If existing funds held by Washington State University are available to be re-directed, this suggests that existing funds are not currently being spent to support the WWAMI program and its students. We believe the legislature has a right to expect that public funds provided to our universities for a specific purpose be spent in accordance with legislative intent and authorization.
  - Re-directing existing funds to support an independent WSU medical school also artificially lowers the estimate of public resources required to support a second public medical school in Spokane. As the legislature and Governor consider the financial implications of establishing a second public medical school, financial transparency is essential.
- 3. The MGT-WSU study cites current WWAMI faculty, funded with existing state resources, as “available faculty” for WSU’s independent medical school. Re-directing these faculty resources to support an independent WSU medical school also has significant implications for our WWAMI partnership and the viability of our program in Spokane.**

As mentioned above, all state funds for medical education currently provided to WSU were advocated for and provided by the legislature in support of our WWAMI partnership in Spokane. These funds primarily support faculty teaching in our WWAMI partnership.

Regarding WSU “readiness” to start an independent medical school, the MGT report explains:

*“WSU has a significant number of regular and community faculty actively involved in accredited medical education programs. **Exhibit 4-3** lists the faculty resources (LCME Standard 4) that WSU Spokane can deploy in starting a new medical education program.”*

Re-directing current faculty from WWAMI to support WSU’s independent medical school has the same negative effects as re-directing current state funding. Furthermore, the University of Washington School of Medicine has directed all clinical courses for the past 43 years in Spokane. Washington State University does not have any experience supervising or teaching required courses in the third year of medical school (e.g., internal medicine, surgery, pediatrics, family medicine, obstetrics and gynecology) or elective courses in the fourth year of medical school.

WWAMI faculty are vital to our students’ success, and essential to the ongoing viability of the UW’s WWAMI partnership in Spokane. Faculty positions funded by state resources dedicated to the WWAMI program must remain with the WWAMI program. Re-directing these faculty positions, again, places the viability of the UW’s program in Spokane in jeopardy.

Furthermore, simply assuming that current WWAMI faculty will continue to teach in the WWAMI program *in addition to* new teaching responsibilities in a separate WSU medical school *within existing resources* is not only unrealistic, it also is a disservice to our current faculty and our students.

**4. The MGT-WSU report re-directs classroom space in WSU's Pharmaceutical and Biomedical Sciences Building dedicated to current WWAMI students and future WWAMI program expansion to WSU's independent medical school.**

WSU's Pharmaceutical and Biomedical Sciences Building, funded in part with state capital resources, serves primarily as space for WSU's School of Pharmacy. However, when the building was funded by the state legislature and built by WSU, classroom space was also provided to accommodate expansion of the WWAMI class size up to 120 medical students.

Last September at the GSI Annual Meeting, WSU and UW announced a proposed expansion of the WWAMI program that increases the WWAMI class size in Spokane to 80 and eventually to 120 students. Students were expected to occupy classroom space provided in the Pharmaceutical and Biomedical Sciences Building. The UW remains committed to this expansion and will ask the legislature to support the expansion this legislative session. WSU has indicated that it remains committed to this expansion of WWAMI as well.

The MGT-WSU report cites the Pharmaceutical and Biomedical Sciences Building as the capital facility space necessary to support WSU's independent medical school. The report states:

*"... WSU will not need significant capital funding to establish a new medical school. The \$80 million Pharmaceutical and Biomedical Sciences Building has recently been dedicated and was designed to meet the specific needs of a medical education program."*

The Pharmaceutical and Biomedical Sciences Building was built to accommodate a medical education class size of up to 120 students. It cannot accommodate both a WWAMI class size of 120 students and a WSU medical class size of 120 students. This has one of two concerning consequences:

- There will not be capital facility space in Spokane to accommodate the WWAMI program. This compromises the WWAMI program expansion that the UW and WSU have promised the Spokane community.
- New capital facilities will have to be constructed to accommodate both the WWAMI program and a WSU medical program. This would come at significant additional costs not accounted for in the MGT-WSU study.

**5. The MGT-WSU study implies that the proposed community based model for**

**an independent WSU medical school is substantially different from the University of Washington's model.**

This implication in the MGT report is inaccurate and misleading. The University of Washington WWAMI program is recognized nationally and internationally for pioneering the distributed, community-based medical education model more than 40 years ago. The program was started, in part, to move medical education out of large hospitals in the cities and into rural and underserved communities in physicians' offices and small hospitals across the five-state region. WWAMI partners currently provide medical education and training in hundreds of communities across our state and region.

We were not surprised that the MGT-WSU report recommended that WSU pursue a community-based medical education model. We were, however, very surprised that the MGT-WSU study stated that the UW WWAMI model is substantially different. Florida State University, which serves as the basis for the "case study" in the MGT-WSU report, even cites the WWAMI program as a model for their clinical program development.

WWAMI's distributed, community-based model is a significant reason that the University of Washington is recognized as the #1 primary care medical school in the country and has been rated #1 in family medicine and rural medical education in the country for the last 22 years. To portray the WWAMI program as anything different is not only misleading, it is a strong disservice to the thousands of clinics, hospitals, and more than 4,600 UW clinical faculty members across the WWAMI region working every day to mentor and train our medical students.

While we have other additional areas of significant disagreement with the MGT-UW report (for example, the MGT-WSU evaluation of workforce needs completely ignores the important contributions of Pacific Northwest University in Yakima and expansions of physician assistant and nurse practitioner programs in meeting the workforce needs of our state), we believe the five areas above require immediate attention and consideration by the WSU Board of Regents.

Building and maintaining a second public medical school in the State of Washington is a substantial undertaking, requiring significant investment on behalf of the state and its taxpayers. In the face of daunting financial pressures from basic education to mental health, the Governor, the Legislature and the public deserve to have the most accurate information possible for decision-making.

I appreciate your attention to these issues and concerns.

Sincerely,



Orin Smith  
Regent