

## **DRAFT School of Medicine Faculty Council**

**Tim Kelly, MD, Chair**

### **Notes**

**Tuesday, December 8, 2015**

PRESENT: Tim Kelly (Chair), Renee Binder, Thomas Chi, Catherine Lucey, Reza Vagefi

ABSENT: Lydia Zablotska (Vice Chair), Robert Baron, Marcelle Cedars, Susannah Cornes, Matthew Haight, Robert Hiatt, Cynthia Curry, Jialing Liu, Talmadge King, Dana Rohde, Hope Rugo

GUESTS:

Chair Tim Kelly called the Faculty Council meeting to order at 3:30 p.m. in room CL-215 & 216. A quorum was not present.

### **Chair's Report**

Chair Kelly reported on the following items:

- Chairs and Directors Meeting: Chair Kelly informed the Council that he was not in attendance of the December School of Medicine Clinical Chairs and Directors meeting. Vice Dean Catherine Lucey informed the group that she had attended and that she would be willing to provide a report. She informed the group of the following items:
  - Elizabeth Blackburn will become the new President of the Salk Institute
  - A new Chief Quality Officer has been hired for UCSF Health
  - The Dean's Leadership retreat will be held on January 8
  - There was a presentation on high impact development program for School of Medicine Managers
    - Feedback was very positive
  - There was a presentation on Research Management Services
    - Five proposals were presented on how RMS could be reorganized to reduce costs and maintain a high quality of service.
    - Principles were set and different revenue and expenditure structures were developed and evaluated
    - The group was very grateful for the analysis, but a consensus on which proposal was best was not reached.
  - Evaluation of the Funds Flow Model
    - There was a robust discussion on why do we have a funds flow model. The principle of the model is that it would be communal and fair. There is now a conversation on whether this is the best decision. An alternative may be to adopt an alternative model that is mission based. The question is whether clinical revenue should help to pay for research. Many agree. No decisions were made.

### **Senate Analyst Report**

Senate Analyst Artemio Cardenas informed the Council that the UCSF Coordinating Committee approved of the 2015-2016 Chancellor's Fund budget. Included in the budget is a \$25,000 allocation to the School of Medicine for a Faculty Development Fund.

### **Education Funds Flow**

In June, Vice Dean of Education Catherine Lucey informed the Faculty Council that the School would be investigating new centralized funding models to further support the educational mission. To follow up on the work to date, Vice Dean Lucey attended the Council meeting to provide a report on the proposals that have been developed.

To provide background on the issue, Vice Dean Lucey explained that several decades ago, each department was responsible for courses that directly related to their subject scope. Then, to allow for efficiencies, departments formed agreements with each other to integrate courses that were pedagogically similar. While the system of agreements had functioned well for years, it has run into problems as department leadership has turned over. New department chairs are asking why they are paying for courses they feel another department should have responsibility over. In addition to department issues, the new clinical funds flow model has put more pressure on the entire system as faculty and departments have focused more of their efforts on revenue generation through maximizing RVUs.

Understanding the issues with education funding, the former Deans joined with the SOM Chairs and Directors group, and a taskforce of MSOs to develop a set of proposals. With Talmadge King taking over as the new Dean, he will receive a presentation next week. At the current moment, the proposal is to develop a new centralized education funds flow model that is similar to the clinical and research funds flow models current in use in the school. Vice Dean Lucey explained that undergraduate medical education will be part of Phase 1; Graduate Medical Education will be part of Phase 2; and Graduate Education will be Phase 3. Undergraduate medical education was selected to be part of the first phase because the issues with the system is most acute the system and it requires that most amount of intensive teaching. Distribute the costs of teaching across all departments, not just the departments providing the education. Right now the payments are all over the map.

The idea is to help compensate faculty who perform “high-intensity” teaching. All teaching that takes a faculty member out of the clinic for more than 10% of the year is considered to be high-intensity. Also, if the teaching load takes away from a faculty member’s paycheck, it is considered high-intensity. Normal-intensity teaching is considered to be ad hoc teaching, occasional level, mentoring, or having the student in clinic while you are generating RVUs. There was a decision was made not to target normal-intensity teaching it is too cumbersome to pay for every minute of teaching and it naturally the responsibility of academic faculty to provide some level of teaching and instruction. Vice Dean Lucey said that the school looked at how much it costs to provide instruction. When factoring in faculty and staff costs, it is estimated that the school will need approximately \$4.5 million to compensate faculty for high-intensity teaching.

Along with the teaching proposal, school leadership is still discussing ideas for how to finance a new education funds flow model. To date, three financing models have been discussed. The first is to have a new wealth tax on departments. With the rebound in the stock market and years of savings, many of the Schools departments have significant resources. The concern with using this model is that department finances are complicated and difficult to properly account for taxation. The second funding model idea is to create a per capita assessment on the number of faculty in each department. Based on the current numbers, there would be an assessment of \$2100 per faculty member. The issue with this model is that it would: 1) be hard to determine as the number of faculty in a department is constantly changing 2) discourage departments from hiring new faculty 3) be burdensome for departments with high numbers of faculty, but relatively lower RVU payments. The third funding model, which seems the most viable at the moment, is to use the existing Dean’s Tax as the funding mechanism. If this option is selected, the Dean could decide to use the existing revenue to help pay for the educational support, or he could choose to increase the tax.

Vice Dean Lucey noted that a decision by the school’s leadership will hopefully be made by the first of the year.

### **UC Retirement Plan**

Associate Vice Chancellor of Human Resources David Odatto attended the Council meeting to report on the status of the UC Retirement Plan. In May of 2015, UC President Napolitano and Governor Brown agreed to a budget deal that would provide UC with additional state funding in turn for an undergraduate

tuition freeze and several university policy reforms. One of the components of the deal was a requirement from Governor Brown and the state legislature that UC align its pension plan with the state's pension program. This included a cap on covered compensation at \$117,000. To implement the UC Retirement Plan changes, President Napolitano requested that a task force be formed. AVC Odatto, a UCSF representative on the task force, reported that the task force may recommend that a supplement be offered to those with salaries above the \$117,000 cap. The supplement would most likely take the form of a Defined Contribution plan. The recommendations from the taskforce should be released on January 15 for Academic Senate comment.

**Old Business**

None

**New Business**

None

Chair Kelly adjourned the Council meeting at 5:00pm.

Senate Staff:

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