Dean’s Newsletter
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My View on the Importance of the School of Medicine and Medical Center to Stanford University

There is little question that these are challenging times for academic medical centers. But they are also exciting ones, coupling opportunity with risk. There is also little question that the relationship between academic medical centers and their parent universities is also dynamic and, depending on the particular circumstances, is lauded or questioned. Much of this has to do with concerns about the relative size of the medical school or concerns the financial well being of an academic medical center and particularly its hospital affiliates (especially if owned by the university) might represent a perceived threat to the university’s financial well being, including its important credit rating. Add to this the fundamental differences in the missions of an academic medical center and the multifaceted roles that faculty must play.

Certainly there were reasons for concern at Stanford in recent years. Following the merger and then de-merger of Stanford with UCSF a number of distractions and consequences impacted the medical center and created anxiety both within it as well as within the University leadership. But a lot has changed during the past 2-3 years. For example, in FY01, the year of the unwinding of the merger, both Stanford Hospital & Clinics (SHC) and Lucile Packard Children’s Hospital (LPCH) projected significant financial losses, creating considerable concerns about their overall viability. But by FY02 the financial picture for both hospitals had shown evidence of considerable recovery and in FY03 they each demonstrated positive margins, a pattern that continues in the current FY04 fiscal year. While these earnings will be needed to reinvest in equipment and important capital and programmatic needs, they give evidence of considerable financial strength in a still very difficult marketplace. Moreover, both hospitals are filled and each are carrying out state-of-the-art care, including making important new discoveries that bring knowledge from the bench to
the bedside, which we refer to as *Translating Discoveries*, the overarching strategic theme for the School of Medicine (http://medstrategicplan.stanford.edu/).

There is no doubt that the improved financial performance of SHC and LPCH reflect the careful management by the Hospital CEOs and the leadership teams they have assembled. Perhaps even more important is the increased clinical volume at both hospitals that reflects the work of our Stanford clinical faculty. This dedicated cadre of clinicians and clinician-scholars/investigators has significantly increased their productivity – and workloads – seeing more and more patients in both the outpatient and inpatient settings. Moreover, the work of our faculty now comprise the vast majority of overall clinical activity at both hospitals – nearly 100% at LPCH and about 85% at SHC.

In addition, the past 2-3 years have witnessed a number of important clinical recruitments across the School but perhaps most significantly in surgical departments. Indeed, compared to just a couple of years ago, surgical activity and volumes have increased considerably, reflecting new surgical programs. Importantly, each of our clinical programs also opens new portals to our community – locally, regionally and internationally – and provides an additional face to Stanford University.

Of note, at the same time that this increased patient-care activity has occurred, our clinical faculty have also increased the number of NIH grants coming to clinical departments and have been highly productive in both research and education. We owe them thanks and appreciation for their committed and dedicated efforts and contributions.

Further, the School of Medicine as a whole has increased its amount of NIH grant support during the past several years, also reflecting the remarkable contributions of our stellar basic science faculty and constituting the largest area of research growth within the University. This research productivity – especially its very high quality – reflects on both the School of Medicine and the University.

While various members of the community perceived or were suspicious that the School of Medicine was a financial drain on the University, the facts speak otherwise. As a “formula school”, the School of Medicine is on its “own financial bottom”. Equally importantly, during the past year the School redid its decades old formula with the University using a cost-allocation methodology that assures that the School pays for all the costs it incurs by being part of Stanford University. Moreover, the School contributes money to the University through interest income accruing to the “Expendable Funds Pool (aka EFP)”.

Despite this high level of clinical and research productivity of our faculty and the now clearly very improved financial performance of our hospitals, it is surprising that there is still, in some quarters, a range of negative views about the Medical School and Medical Center within our University community. Certainly I understand that perceptions and concerns change slowly, especially given the somewhat tumultuous
past decade. Recognizing that concerns and fears do exist, I have made one of my major goals to more closely align the School of Medicine with the University. While there is much to be done, I feel that we have made progress in this arena. Moreover, it is exquisitely clear to me how very important the School of Medicine and Medical Center are to Stanford University in a number of ways.

That we continue to attract outstanding medical and graduate students as well as residents and fellows helps improve the intellectual lifeflowl of the School and University. It is also notable that a significant proportion of undergraduates come to Stanford with an interest in medicine – and the fact that there is an outstanding medical school as part of the university must contribute to the decision of many to attend Stanford. Our New Stanford Curriculum is also setting a new standard for medical education, and our programs in the Biosciences are among the best in the nation – adding to the University’s outstanding graduate programs – as well as to the University’s ranking as a research-intensive university.

Our new Stanford Institutes of Medicine also serve a unique role in aligning the basic and clinical science faculty within the School of Medicine around important themes: Cancer/Stem Cell Biology, Neurosciences, Cardiovascular Medicine, and Immunity/Transplantation/Infection. Importantly, each of the Stanford Institutes of Medicine also seeks to engage faculty and students from throughout the University who are interested in these important and challenging areas in science and medicine. Equally importantly, the Stanford Institutes of Medicine are designed to enhance and foster translational research and to thus make even more relevant to our communities the dividends of biomedical research.

The new joint department of Bioengineering between the School of Medicine and Engineering also reflects the important relationships between the two schools and is already showing evidence of significant impact by the quality of the faculty recruitments and first applicants to the graduate studies program.

One of the most important initiatives of the University during the past several years has been the faculty-driven initiative referred to as BioX. The relationships between the physical, engineering, computer science, and biomedical sciences serve as the underpinning of this important University-wide initiative. But what will make this unique and of palpable importance to our community is the potential of translating these discoveries into new insights as well as new strategies to better diagnose, treat or prevent human disease.

Similarly, the evolving additional University-wide initiatives in energy and the environment as well as the role of Stanford in the global community also derive benefit from the School of Medicine. For example, there is no question that environmental issues and concerns are of major importance to life on our planet. It is also true that virtually all human disease is the consequence of one’s genetic composition (either simple Mendelian or complex genetic interactions) with the physical or biological environment. Thus an interdisciplinary effort on the
environment derives important benefits from a focus on human health and disease. Similarly, there is no doubt that global health is one of the most important issues facing our world-wide community, especially as the traditional geographic boundaries no longer separate disease demography or distribution. Here too, the work of Stanford faculty on a wide-range of diseases as well as the extant and evolving collaborations that exist throughout the world contribute to the University’s goals.

These interactions between our Schools of Medicine, Engineering, Humanities & Sciences, Law, Education, Earth Sciences and Business offer extraordinary opportunities to improve the world. These interactions are fostered by bringing together a diverse and outstanding faculty and students who collaborate, interact and as a consequence, move the agenda to new and exciting areas. I am convinced that the School of Medicine plays a critical role in this process and thus brings distinction to the University. There is a not-so-funny joke (at least to me) that asks why among the leaders of major universities only the president of Princeton is smiling? And, the answer of course is that Princeton doesn’t have a medical school! There is no question that Princeton is an outstanding university but, at least in my opinion, during the new era of biology and interdisciplinary science, only those universities with a medical school will be able to take full-advantage of the exciting discoveries that are and will take place – and make them relevant to human disease and well being.

Similarly there is no question that Stanford is a great University. But, in my opinion, a significant part of its excellence now – and especially in the future – will be the consequence of having a wonderful medical school and medical center. This is something to celebrate.

And, of course, Stanford also has great basketball teams!

**Comparing Notes: A Visit to Penn**

On January 20-23, I visited the University of Pennsylvania School of Medicine and Medical Center, accompanied by Dr. Norm Rizk, Senior Associate Dean for Clinical Affairs and Professor of Medicine and Mike Hindery, Senior Associate Dean for Finance and Administration. We visited with the leadership of the School and Penn Health System to better understand the relationships and interactions that now exist in the faculty clinical programs and interactions with the hospital and larger health system. Of course Penn, like Stanford, has gone through some challenging times in recent years. Also, like Stanford, they are emerging with a more successful enterprise and in nearly all areas appear to be doing quite well. Of note, the relationship of Penn Medicine to the University seems stronger now – although it was certainly tenuous just a couple of years ago, when the financial status of the health system was so precarious. If you are interested in the events that unfolded at Penn (and that shook the academic medical world) they are well described in a new book by Dr. John Kastor entitled “**Governance of Teaching Hospitals. Turmoil at Penn and Hopkins**” published by The Johns Hopkins University Press in 2004.
Because we have been contemplating changes in the physician practice model at Stanford, we were interested in learning more about what was happening at Penn, where changes were guided by organizational alignment, strong practice plan business management, shared resources and strategies, accountability for performance in each practice based on credible data generated by the practice plan, uniform audit and compliance standards, and the application of market strategy principles to assure the right mix of primary and specialist physicians and the appropriate incentive-base compensation models for physicians. If you are interested, these are reviewed in a recent article by David Longnecker et al entitled “Future directors for Academic Practice Plans: Thoughts on Organization and Management from Johns Hopkins University and the University of Pennsylvania” Academic Medicine 2003; 78: 1130-1143.

During the next several months we will be reviewing the optimal practice models and will report back on our progress. It should be noted that a Pediatrics and Obstetrics Faculty Practice Organization is being established jointly between the hospital and school and can serve as a model for future clinical practice activities in the medical center.

**Upcoming Strategic Planning Leadership Retreat**

From Thursday, January 29 – Saturday, January 31st, we will be holding our Third Annual School of Medicine Strategic Planning Leadership Retreat on Translating Discoveries. Our first Retreat was held in February 2002 and has helped to set the stage for many of the mission-based changes that we have been making across the School of Medicine. As with the prior two Retreats, we will bring together a diverse group of approximately 75 leaders to address where we are now – and where we are going – to make Stanford fulfill its mission ‘to be a premier research-intensive medical school that improves health through leadership and collaborative discoveries and innovation in patient care, education and research’.

As with the two past events, the attendees will represent a wide number of constituencies: The School’s Executive Committee and Department Chairs, Senior Deans, Institute Directors, Hospital CEOs, as well as University leaders including the Provost, Vice President for Development, University Trustees and Hospital Directors and, of course, representatives from our medical and graduate student classes as well a residents and fellows. The goal of course will be to present updates (which I will cover in future Newsletters) as well as to generate critique and new ideas that will help to further improve our plans and goals for the School of Medicine.

The overall agenda for the Retreat “Translating Discoveries” will include:

**Thursday afternoon, January 29th**

- Medical Education: Toward a Medical University
- Biosciences Education and Training
  - Flexible Strength in Graduate Education
Achieving Excellence in Postdoctoral Training

Opportunities for Change in Graduate and Postgraduate Medical Education

The Academic Workforce:
- Academic Affairs: Our Changing Professoriate
- Clinician Educators: Important Workforce for the Success of Stanford’s Clinical Program

Finance and Administration: NOT Lost in Translation

A Special Evening Presentation on the Future of Academic Medicine will be delivered by Dr. Jordan Cohen, President of the Association of American Medical Colleges

Friday, January 30th

Transforming the IT Environment

2004 Collision Course: Defending Science from Politics

Clinical Program Strategic Planning
- Stanford Hospital & Clinics and the Adult Clinical Faculty
- Lucile Packard Children’s Hospital and the Obstetric and Pediatric Faculty.

Enabling Translation (A Panel Discussion)
- Cancer/Stem Cell Institute
- Toward a NCI Comprehensive Cancer Center
- Neuroscience Institute
- Cardiovascular Institute
- Immunity, Transplantation, Infection Institute
- Biodesign Program

Translating Our Vision and Goals into Reality

When the Rubber Meets the Road – Opportunities and Challenges for 2004 (There will be 7 groups each addressing two major questions. The questions will include a number of issues, including the following)

1. Extending Our Programs:
   How can we enable and foster more effective interaction between basic and clinical scientists in order to enhance translational research? How can we promote “economies of scope” within traditional departmental organizations and between faculty with defined roles (e.g. Investigators, Clinician-Scholars/Investigators, Clinician Educators)?

2. Extending Our Campus:
   How can we use off-campus space as a transitional resource to SIM1 (~2009-2010)? How can we use off-campus space as a transitional resource to SIM2 and to SIM3? Should we develop off-campus space as a permanent resource? Can/should our research, clinical and management needs be co-located off-campus? How can we extend our “campus” into local biotechnology industries?

3. Extending Our Faculty and Roles:

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How can we incorporate residents and postdoctoral scholars (PhD and MD) into our scholarly concentrations? How can we change our culture to more effectively incorporate the clinician educators into the medical school’s mission? How can we create more “turnover” billets and more interdisciplinary replacement faculty? How can we reduce/eliminate division/department/school limitations on faculty programmatic objectives?

4. Extending Our Patient Care Mission:
How can SHC preserve an increased focus on specialty care and still survive in the local healthcare market? How can we better integrate our clinical programs at SHC and LPCH into a local/regional healthcare network? How can we rationally differentiate our clinical programs and locations of service? How can we significantly increase our presence as a Pacific Rim healthcare provider?

5. Extending Our Infrastructure:
How can we ensure the delivery of high-quality, responsive and economical management services to faculty in multiple programs and multiple locations that are both departmentally and non-departmentally based? What is needed to develop state-of-the-art infrastructure and platforms to facilitate clinical and translation research? What is needed to ensure our support for basic science research? What is needed to support our missions in education? How can we provide better incentives to generate new funds?

6. Translating our Vision and Goals into Reality: The Importance of Philanthropic Support:
How can we best communicate our vision to our traditional and new donor populations? How can we engage new donor populations in support our plans? How can we create a mutually beneficial “campaign” supporting the needs of the School and both hospitals? How can we best distinguish our plans and needs from those of our peer institutions in the minds of prospective donors? How can we ensure the broadest possible utility from philanthropic support?

Saturday January 31st
- Presentation and Discussion of Breakout Sessions: Further Crafting Our Agenda
- Additional Reactions, Recommendations and Suggestions

As you can see, we have a very ambitious agenda for the Retreat. I will certainly be presenting updates in subsequent Dean’s Newsletters but would also welcome reactions or suggestions even prior to the Retreat if you would like to share them. Naturally it would be great if we could bring everyone to the Retreat but that is not practical. But I still hope you can and will feel part of this planning process – and share your thoughts with us.
Leadership Changes in the Office of Medical Development

In early January Ms. Jackie Brown, Director of the Office of Medical Development, announced her decision to step down and pursue new directions. Ms. Brown has been a part of Stanford for more than a decade and a half and has made major contributions to the School, Medical Center and University. Widely admired by her staff and the School, Ms. Brown helped lead the School through a period of exceptional philanthropic support. She has been an absolutely committed and dedicated professional and always put the School and Medical Center as her highest priorities. I very much enjoyed the opportunity to work with her and want to thank her tremendously for all that she did for Stanford – she will be missed.

In the interim, Ms. Kathleen Gilchrest and Ms. Patricia McLeod will share the responsibilities of co-Directors while we begin the search process for an Executive Director of the Office of Medical Development. Obviously this is a most important position for the School and Medical Center, especially as we get ready to move forward with the next phase of plans for a Capital Campaign.

Graduate Education: Improving Diversity

At its January 16th meeting, the Executive Committee heard a report from Dr. John Boothroyd, Senior Associate Dean for Research, Graduate Education, and Postdoctoral Affairs, and his colleagues Drs. Karla Kirkegaard, Ellen Porzig, and Ms. Kimberly Griffin about the Biosciences Graduate Programs. Currently there are twelve graduate programs in this group: Biochemistry, Biological Sciences, Biophysics, Cancer Biology, Developmental Biology, Genetics, Immunology, Microbiology and Immunology, Molecular and Cellular Physiology, Neurosciences, and Structural Biology. There is a single admissions process, and applicants specify their three top program choices.

The report noted that each student in the Biosciences Graduate Programs is fully funded. A major advantage of our admissions process is its highly personalized nature. Candidates who are invited to campus interview with five or six faculty members, and it is made clear to them that each student is truly valued. Last year, the Biosciences Graduate Programs had 1097 applicants, of whom 213 were admitted. Of those, 100 students matriculated in September 2003.

Dr. Kirkegaard, Co-chair of CGAP (Committee on Graduate Admissions and Policy), reviewed the topics currently under consideration by CGAP this year. These include:

- Ways to remove barriers to interdisciplinary graduate education
- The articulation and enforcement of shared values for graduate education
- The recruitment of the most qualified applicant pool for each program
- Recruitment and retention of under-represented minorities
- Creative interaction with the Scholarly Tracks in the new medical curriculum
Dr. Kirkegaard explained that one of the primary goals of CGAP is to foster both the diversity of the biosciences programs and some degree of coherence across them. The group is interested in getting the graduates students exposed to as many of the laboratories as possible, as well as to clinical programs.

Dr. Ellen Porzig, Associate Dean for Graduate Education, presented the results of a recent survey on graduate education. This survey assessed the overall satisfaction of our graduate students with such aspects of their experience as the quality of their graduate courses, their research experience, access to selecting a dissertation lab in any home program, mentoring, and whether they investigated or pursued rotation with faculty in clinical departments. While the analysis is still in process, the results so far indicate that our students have a high degree of satisfaction with their graduate education. It is anticipated that a written summary of the survey results will be available by July 2004.

Ms. Kimberly Griffin, Director of the Biosciences Diversity Program, provided an update on diversity in graduate education. She reported the sobering statistic that, between the years 1994 and 2003 the University as a whole experienced a 21% growth in graduate school applications but a 41% drop in the number of minority applications. Several of our peer institutions, in contrast, have seen increases of 3-35% in minority applicants. We clearly need to – and want to do better in this area.

Ms. Griffin went on to describe the recruitment strategies she and others are using to improve our success in recruiting underrepresented minority graduate students. These include travel to historically black undergraduate colleges and other minority serving institutions, attendance at national conferences where underrepresented minority students present their scientific work and meet with faculty, the Stanford Summer Research Program, the development of partnerships with other institutions such as the Meyerhoff Connection with the University of Maryland, Baltimore County, Graduate Diversity Admit Weekend, and the Cancer Biology High School Program. Plans for the future include an Initiative for Minority Student Development Grant (IMSD) and increased faculty involvement with recruitment.

Clearly this is a work in progress and we are eager for some of the programs now being put in place to improve diversity to reach fruition – and improved success.

**Thank you from the Lucile Packard Children’s Hospital**

The Dean’s office received the following letter from Colette C. Case, Director of Child and Family Life Services and we would like to share it with you:

“I wanted to personally thank all of you for the wonderful gifts you contributed to the patients at Packard Children’s Hospital. It was amazing how many gifts you were able to donate during the Holidays!!
We had a “full house” on Christmas so Santa was very happy to have so many wonderful gifts to choose from so he could give every child a bag of toys that was just right for their age and wishes. For those children who do not celebrate Christmas, we were able to give them unwrapped gifts that they were able to enjoy.

I hope you all had a wonderful Holiday Season and wish you a Happy New Year!! Hope we hear from you again next year”.

**Honors and Awards**

- **Dr. David Gaba**, Professor of Anesthesia, has been named the 2003 recipient of the VHA’s prestigious David M. Worthen Award for Academic Excellence in recognition of the VA employee who has made a “major contribution of national significance toward education in the health professions.” Please join me in congratulating Dr. Gaba.

- **Fulbright Scholar Grants** have been awarded to three individuals who will either visit Stanford or travel to a foreign country. These include:
  - **Stine Sofia Korreman**, a Scientist from the Department of Radiation Physics from the National University Hospital, Copenhagen, Denmark (who is visiting Stanford from August 2003 – April 2004)
  - **Karin Berit Petersson**, a doctoral candidate in the Department of Molecular Biophysics, Center for Chemistry and Chemical Engineering, University of Lund, Sweden (who is visiting Stanford from August 2003 – July 2004)
  - **Ira Glick**, Professor of Psychiatry and Behavioral Sciences at Stanford who will be visiting the National Institute of Mental Health and Neurosciences, Bangalore, India from January 2004 – July 2004.

- **Dr. Marilyn Winkleby**, Associate Professor (Research) of Medicine at the Stanford Center for Research in Disease Prevention and, by courtesy, of Health Research and Policy and Julia Steele have published a new book entitled *Healing Journeys: Teaching Medicine, Nurturing Journeys* that tells the story of the Stanford Medical Youth Science Program that was founded in 1988.

- **Dr. Irv Weissman**, Karel and Avice Beekhuis Professor of Cancer Biology, Professor of Pathology, Developmental Biology and, by courtesy, of Biological Sciences, has been awarded the 2004 Jessie Stevenson Kovalenko Medal from the National Academy of Sciences “for his seminal studies that define the physical properties, purification, and growth regulation of multipotent hematopoietic stem cells”. He will also receive the Alan Cranston Award from the Alliance for Aging – both adding to his ever-increasing list of major awards!

- **Dr. Daniel Palanker** and his research group from the Department of Ophthalmology, received a prestigious award at the International Society for
Optical Engineering Conference 2004 in San Jose, for their work on the artificial vision chip. Their paper “Attracting Retinal Cells to Electrodes for High Resolution Stimulation” won the first place and the Pascal Rol award for the best paper and presentation on Ophthalmic Technologies Conference. Congratulations to all involved!

Announcements

• **SUMMA: The Stanford University Minority Medical Alliance:** On January 31st Stanford will host the annual SUMMA Conference that will engage 550 college underrepresented minority students and 100 high school students who are interested in pursuing a career in medicine. SUMMA is run entirely by medical students – with several dozen working on the preparations for the upcoming event. The day will consist of presentations, mock interview sessions, information sessions about the MCATs, the application process, etc. It is a wonderful event and has a long history of helping to open the pipeline of interest among minority students to a career in medicine. If you are interested in more details you can view the Website http://med.stanford.edu/osa/summa/.

• **Community Lecture Series:** On Wednesday, February 4th, Mary Lake Polan, M.D., Ph.D., Chair, Department of Obstetrics and Gynecology, will present *Human Sexual Function: Mind-Body Connection* at the next monthly lecture in this very successful series. Dr. Polan will examine how the peripheral sexual response interacts with central nervous system changes. Studies using fMRI to track brain activation seem to show a close tie between genital blood flow and sexual response. Please join us in the Fairchild Auditorium at 7:00 p.m. for this lecture. If you have any questions, please call 650-234-0647.