



Testimony of:

Jo Wiederhorn

President & CEO, Associated Medical Schools of New York (AMSNY)

At a Joint Hearing of the New York State Assembly Committee on Ways and Means
& the New York State Senate Committee on Finance
On the Executive Health Care Budget

January 30, 2013

10:00 am

Legislative Office Building

Albany, New York

Good afternoon Chairman DeFrancisco, Chairman Farrell, Chairman Hannon, Chairman Gottfried and other distinguished members of the State Legislature. Thank you for this opportunity to testify on the Executive proposed budget for fiscal year 2013-2014.

My name is Jo Wiederhorn, President & CEO of the Associated Medical Schools of New York (AMSNY), a consortium of the sixteen public and private medical schools in New York State. AMSNY works in partnership with its members to promote high quality and cost-efficient health care by assuring that New York State's medical schools provide outstanding medical education, patient care and biomedical research.

In a 1989 article in the Journal of the American Medical Association, Stephen Schroeder and colleagues referred to academic medicine as a 'public trust', ..."because it) is entrusted by society with the responsibility to undertake several important social missions toward improving the health of the public, including education, patient care and research." New York State's medical schools take this trust very seriously by: 1) producing the future physician workforce; 2) promoting biomedical research and strengthening local economies; and 3) improving the physical and economic health of the communities we serve.

We are grateful for the programs that were included in the Executive budget, including continued funding for stem cell research and the Centers of Excellence. In addition, AMSNY supports the State's strategy to expand economic development. The growing research infrastructure in the State is an important piece of that strategy. However, we are very concerned about the Executive's proposed changes to the health budget, specifically as it relates to the proposals that lump funding together for multiple programs; eliminates the certainty of the level of funding; and leaves unanswered which programs will be funded. We are particularly concerned about the \$36m assigned to the workforce pool, in which we believe AMSNY's Diversity in Medicine programs fit.

Health Care Workforce

AMSNY strongly believes in the importance of a multi-faceted strategy to meet the growing demand for primary care and specialty physicians, while simultaneously tackling the current need to decrease access issues in underserved areas. AMSNY's Diversity in Medicine programs, in large part funded through the NYS Department of Health, was developed with these two visions in mind.

Between 2002 and 2011, enrollment in New York State's medical schools increased 14%. We now educate approximately 10,000 students a year—15% of the total number of medical students trained in the United States. The increase was accomplished by the expansion of class sizes at existing schools and

the opening of two new schools, one in Harlem (Touro College of Osteopathic Medicine) and one on Long Island (the Hofstra NorthShore-LIJ School of Medicine).

The changing healthcare environment demands more than increasing class sizes or opening new schools. The provision of healthcare services is changing. The Affordable Care Act is supporting new delivery models—from accountable care organizations to patient-centered primary care homes. The knowledge and skills physicians will need to practice in these new systems call for new curricula. As such, the curricula at all of our schools has greatly evolved to include the importance of outcomes-driven patient care; inter-professional team-based models; cultural competency; and training in basic and translational research to further knowledge acquisition. New educational models are also being developed: NYU has begun a 3 year (rather than 4 year) track for completing undergraduate medical education; Hofstra trains students to become EMTs and staff ambulances in their first semester; and Columbia has a rural health program at Bassett Hospital Center.

AMSNY's Diversity in Medicine Program

Minority physicians play a critical role in this strategy. While underrepresented¹ in medicine populations (URM) make up 32.9% of the New York State population, they account for approximately 13% of the State's medical students and approximately 9.5% of New York State physicians. As such, increasing the number of URMs in New York State is vital for the state's health.

Since 1985, AMSNY has supported an array of pipeline programs across the state with the intent of expanding the pool of students choosing careers in health and medicine. The goal of these programs is to provide academic enrichment and support to students from educationally and/or economically underserved backgrounds. These programs provide an opportunity that a majority of participants would not have had due to cultural and financial barriers.

For many years the Senate and Assembly have been very supportive of these programs—and I am truly grateful for that. Now, however, I have come to ask for your help. The *AMSNY Diversity in Medicine Program* has been `bundled' with 11 other programs funded through the State Department of Health. Funding for these programs will be determined by the Department of Health and the Office of the Budget. However without a clear allocation in the budget, our programs at risk.

¹ "Underrepresented in medicine means those racial and ethnic populations that are underrepresented in the medical profession relative to their numbers in the general population." AAMC's Executive Council, June 2003

AMSNY oversees seven core programs as part of its *Diversity in Medicine* grant that ultimately leads students into medical school, including a post baccalaureate program at the School of Medicine & Biomedical Sciences, University at Buffalo; and three Masters degree programs at SUNY Upstate, Stony Brook School of Medicine and New York Medical College. These programs are unique in that the student must be vetted through a medical school's admissions process and believed to be suitable to enter the school, provided the student takes additional coursework and demonstrates academic improvement. If, upon completion of the post baccalaureate program, the student meets the program and the referring school's requirements, he/she will automatically be accepted into the referring medical school. 85% of students that participate in AMSNY's post baccalaureate programs enter medical school, and 95% graduate. **Attached to this testimony are charts/graphs that demonstrate the success of our programs.** We are currently in the process of updating these figures to include 2012.

The other three core programs are offered along the educational continuum: support for high school students at Staten Island University Hospital; support of an academic learning center at Sophie Davis College of Biomedical Education at City University of New York (CUNY)-- a six year BS/MD program that students enter directly from high school; and a program at the City College of New York that links junior and senior baccalaureate students with NIH-funded researchers to prepare them for careers in medical school or the basic sciences.

We are concerned with the new allocation process in the Executive's budget proposal because the programs will not be able to conduct their programs without some certainty of how much funding is available. All of the programs begin July 1 and the recruitment process begins much earlier when students are making decisions about where to go to school. Students often make these decisions based upon the financial support that is available to them. Without a designated allocation in funding, it will be impossible for programs to run effectively.

We urge the Legislature to reinstate AMSNY's line item in the budget at last year's level of \$1.7 million in the FY 2013-14.

Economic Development

The NYS medical schools continue to devote a large part of their mission to the promotion of biomedical research and, to the strengthening of local economies. AMSNY commissioned a health economic analysis in 2008 that found the state receives a return of \$7.50 for every \$1 invested in research at the medical schools. In total, academic medical centers have a statewide economic impact of more than \$85.6 billion in the aggregate, accounting for eight percent of the state's total economy, and nearly \$4.2 billion in tax

revenue. Academic medical centers collectively support nearly 700,000 full-time equivalent jobs as a result of their operations.

The medical schools also have an enormous impact on their local and regional economies through new construction projects. Across the State there are new buildings going up and numerous renovation plans, including state-of-the-art clinical facilities, medical education buildings and research laboratories. These projects initially bring construction jobs, but ultimately bring high-paying professional, scientific and technical jobs.

In addition, the research enterprises of New York's academic medical centers stimulate the state's economy by producing start-up companies, licensing agreements and patents. A small sampling of these institutions shows over 1215 patents issued, 644 license agreements signed and 37 start up companies founded.

Research

Research is a critical educational component of NYS' medical schools, as well as a catalyst for economic development across the state. Each of our schools is engaged in a variety of initiatives to expand knowledge and improve the health of the State's population. AMSNY is particularly grateful for the State's continued support of the Empire State Stem Cell Program (NYSTEM).

NYSTEM

NYSTEM has proven extremely successful and continues to drive medical innovation and job creation. Funding for this Program positions the state as a national and global leader in stem cell research, and brings hope to millions of people suffering from a range of debilitating diseases. Scientists say that in the future, stem cells may be used to replace or repair damaged cells and have the potential to drastically change the treatment of conditions like Alzheimer's disease, amyotrophic lateral sclerosis (i.e. ALS or Lou Gehrig's disease), burns, macular degeneration, cancers, spinal cord injury, Parkinson's disease, juvenile diabetes and other conditions. The infusion of state funds for stem cell research has been the mechanism by which institutions have been able to leverage the state's investment to obtain significant amounts of external funding through federal grants and philanthropic sources.

The state's investment in stem cell research has created new jobs and is attracting top researchers from around the world. Leading scientists and medical professionals are coming to New York because they are able to conduct cutting-edge research in the state. In doing so, these scientists are often bringing their NIH grants and post-doctoral students. Furthermore, medical schools and research laboratories are hiring new researchers to compliment the stem cell programs. The growing research infrastructure

brings increased revenue for research facilities and staff and the ability to train new graduate students, develop new drug therapies, and spin off clinical businesses throughout the region.

Unlike awards from the National Institutes of Health (NIH), NYSTEM funding can be used for capital expenditures and to test new hypotheses through the collection of preliminary data. This data can then form the basis to apply for NIH grants. Having NYSTEM funds available to meet these needs puts New York at a great advantage

We ask the Legislature to support the Executive Budget proposal maintaining funding for NYSTEM at last year's level of \$44.8 million in FY 2013-14.

The Foundation for Science, Technology and Innovation (NYSTAR)

NYSTAR, through its *Faculty Development Program*, has been instrumental in recruiting and retaining scientific talent from outside of NYS. The program, which unfortunately lost funding in recent years, enabled institutions to attract up and coming researchers, foster university-industry collaborations, and harness technologies that emerged from basic research into real-world application. AMSNY estimates that for every \$1 in NYSTAR funding for the *Faculty Development Program*, there was a return of \$7 to the state. Since the program's inception in 2003, the faculty that were recruited as a result of this program have leveraged over \$245 million in federal funding from agencies such as the NIH, the National Science Foundation (NSF), as well as from private and philanthropic sources. This research funding has directly and indirectly supported over 1,700 jobs in New York State.

New York has an established and rich resource in academic medicine. AMSNY encourages the state to look at academic medicine as a means for future economic development. Currently, regions of the state (Buffalo, Rochester, Syracuse, Albany, LI and NYC) that have academic medical centers understand the importance of continued investment and growth; however, the state has yet to make this connection and recognize the importance and potential economic growth opportunities that exist.

We respectfully request that you restore funding for this program in FY 2013-14.

Patient Care

State University of New York (SUNY) Hospitals

New York State's public medical education system is one of the best in the country. Their affiliated hospitals are the safety-net hospitals within their communities and as such treat some of the most complicated (and often rarest) medical conditions. And yet, this medical education system is facing

decimation after years of draconian budget cuts to both the medical schools and their affiliated hospitals. This is a foremost concern to all members of AMSNY.

The SUNY medical schools and their affiliated hospitals are inextricably linked. They share major administrative resources i.e. human resources, physical plant, payroll, information technology, security, as well as faculty and education costs. In FY 10-11 the hospitals transferred \$225 million to their academic campuses to maintain operations:

- Downstate: \$94 million
- Upstate: \$59 million
- Stony Brook: \$72 million

The Governor maintained \$60 million in funding for the SUNY hospitals in the FY 2013-14 budget. However, this is a decrease from the \$88 million that was actually allocated in FY 2012-13, amounting to a 30 percent cut from last year. The three SUNY hospitals (Downstate, Stony Brook and Upstate) have their hands tied: the State negotiates the personnel contracts with the hospital employees and then passes those costs on to the hospitals. Then the State decreases the funding to the hospitals—in essence, causing them to be unable to pay their bills.

AMSNY requests that the Legislature restore funding for SUNY hospitals at a level that will fully fund the collective bargaining contracts of which they have no ability to control.

Closing

Thank you for the opportunity to testify today and for your continued support of medical education. I welcome any questions you may have.

Respectively Submitted:

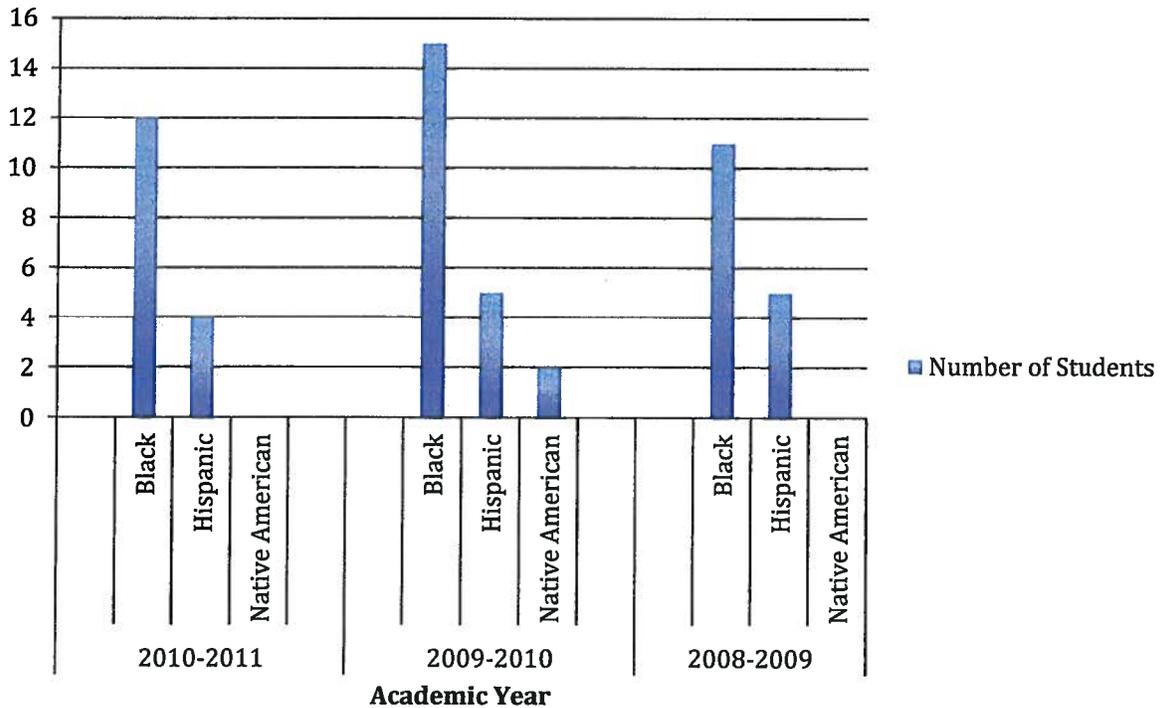
Jo Wiederhorn

The Associated Medical Schools of New York (AMSNY) is a consortium of the sixteen public and private medical schools in the state. The organization's mission is to promote high quality and cost-efficient health care by assuring that the NYS medical schools can provide outstanding medical education, care and research.

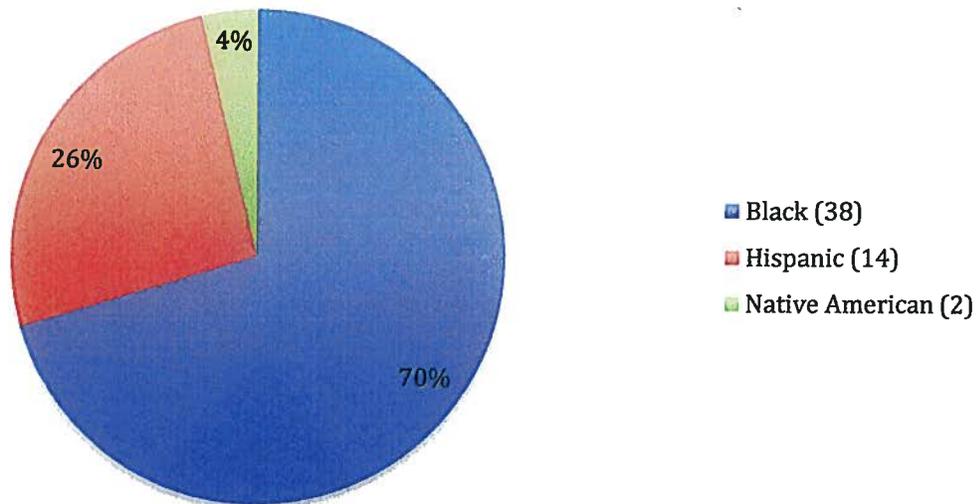
AMSNY Member Institutions

- Albany Medical College
- Albert Einstein College of Medicine of Yeshiva University
- Columbia University College of Physicians & Surgeons
- Hofstra North Shore-LIJ School of Medicine of Hofstra University
- Icahn School of Medicine at Mount Sinai
- New York Institute of Technology College of Osteopathic Medicine
- New York Medical College
- New York University School of Medicine
- School of Medicine & Biomedical Sciences at the University at Buffalo, SUNY
- Sophie Davis School of Biomedical Education at CCNY
- Stony Brook School of Medicine
- SUNY Downstate Medical Center
- SUNY Upstate Medical University
- Touro College of Osteopathic Medicine
- University of Rochester School of Medicine & Dentistry
- Weill Cornell Medical College

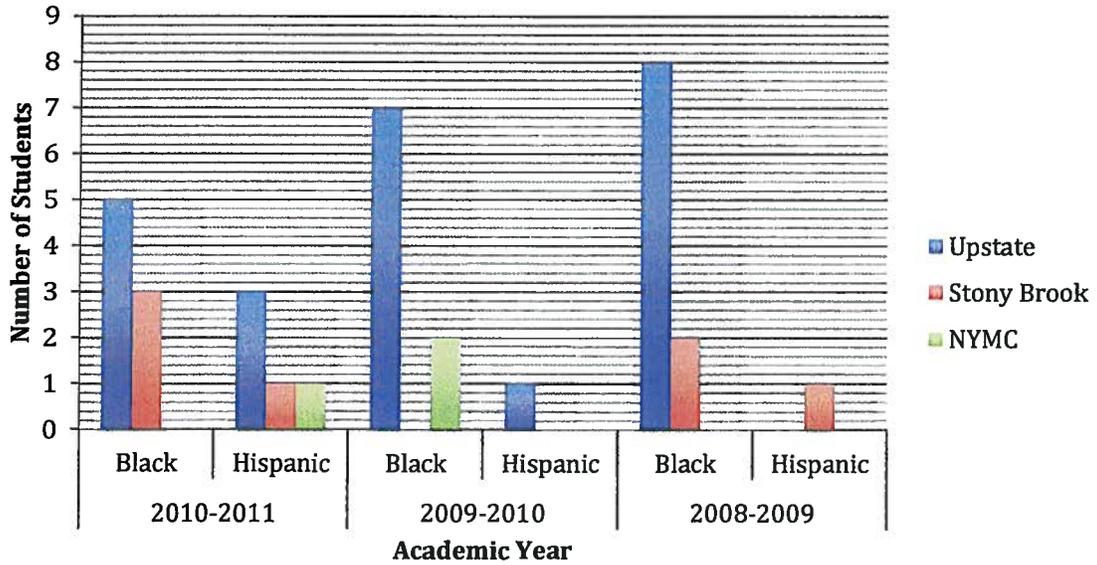
Race/Ethnicity of AMS-SUNY Buffalo Post-Baccalaureate Students 2008-2011



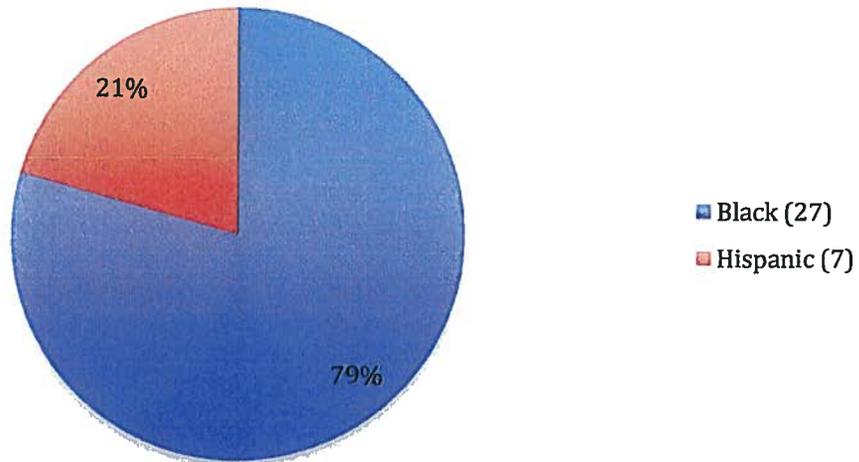
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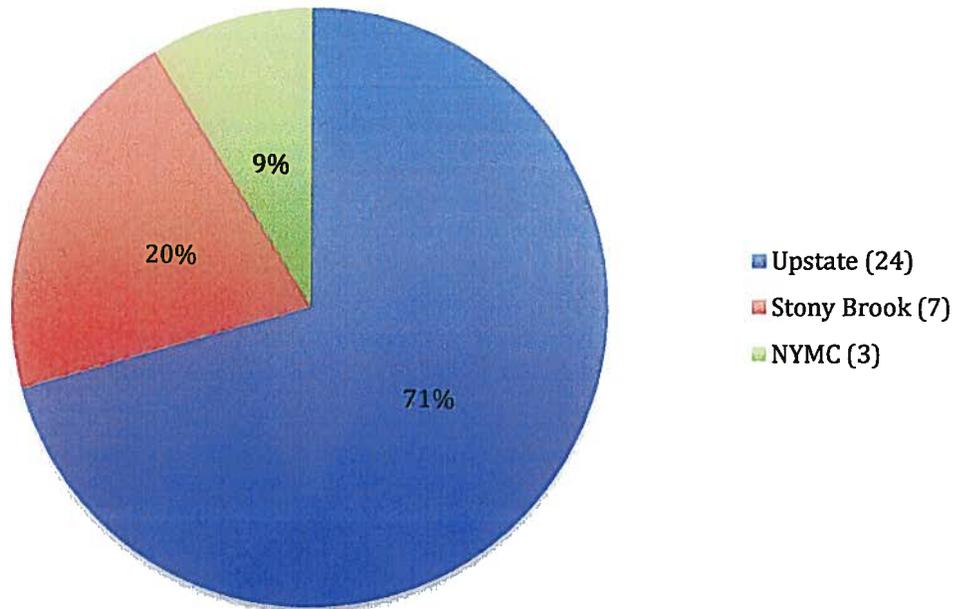
Race/Ethnicity of AMSNY Master Degree Students 2008-2011



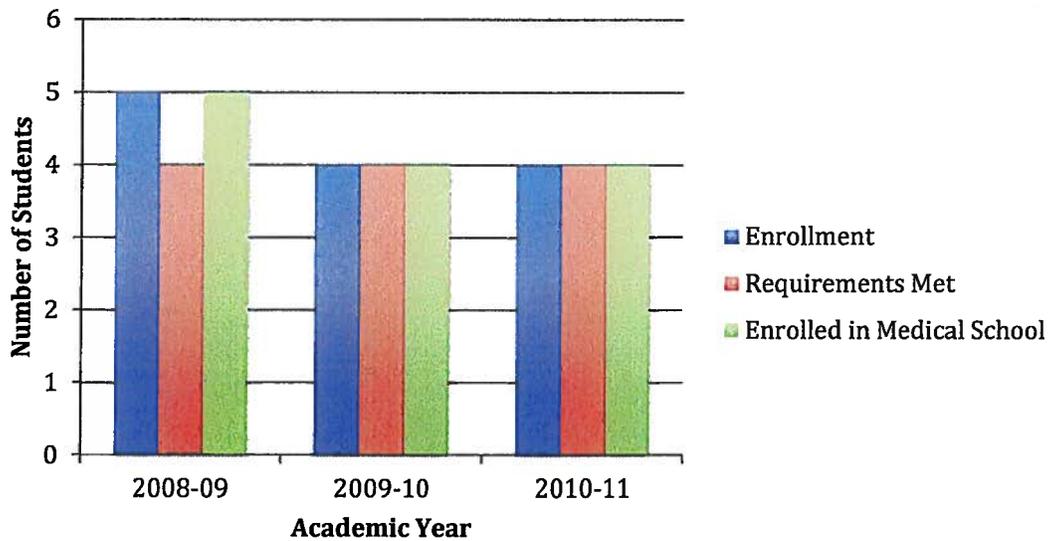
Race/Ethnicity of AMS Master Degree Students 2008-2011



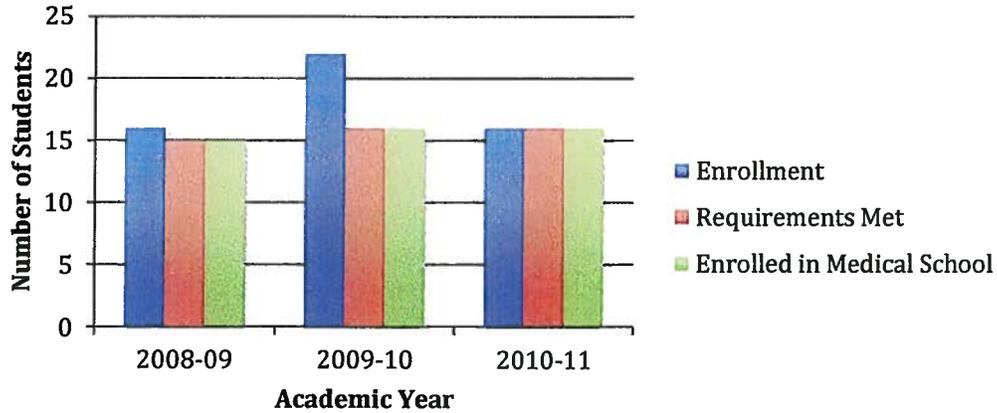
AMS Master Degree Student Placement 2008-2011



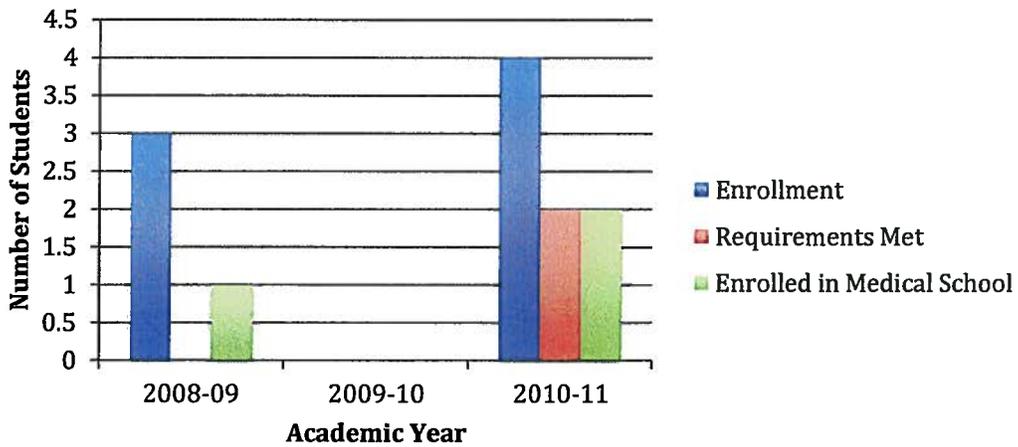
SUNY Upstate Medical Scholars Program Outcomes 2008-2011



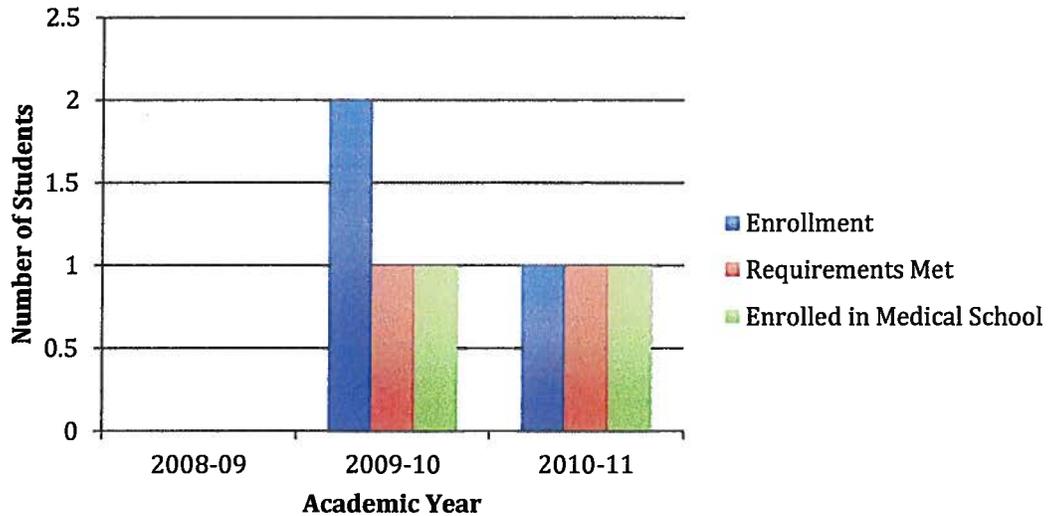
AMS- SUNY Buffalo Post-Baccalaureate Program Outcomes 2008-2011



Stony Brook MS Degree Program Outcomes 2008-2011



New York Medical College MS Degree Program Outcomes 2008-2011





**Associated Medical Schools
of New York**

January 30, 2013

Albany Medical College

Albert Einstein
College of Medicine of
Yeshiva University

Columbia University
College of Physicians and
Surgeons

Hofstra North Shore-LIJ
School of Medicine
at Hofstra University

Icahn School of Medicine at
Mount Sinai

New York Institute of
Technology College of
Osteopathic Medicine

New York Medical College

New York University
School of Medicine

School of Medicine and
Biomedical Sciences at the
University at Buffalo, SUNY

Sophie Davis School of
Biomedical Education
At CCNY

Stony Brook University
Medical Center

SUNY Downstate
Medical Center

SUNY Upstate
Medical University

Touro College of
Osteopathic Medicine

University of Rochester
School of Medicine
And Dentistry

Weill Cornell
Medical College

Dear Members of the NYS Assembly Committee on Ways and Means
& the NYS Senate Committee on Finance:

On behalf of the Associated Medical Schools of New York (AMSNY), a consortium of the sixteen public and private medical schools in the state, we urge you reject a portion of the FY 2013-14 Executive budget proposal that lumps funding for the AMSNY Diversity in Medicine Programs together with other health programs, and eliminates the certainty of the level of funding for such programs in the future. Specifically, we request that you continue to fund the AMSNY Diversity in Medicine Programs at last year's level of \$1.7 million.

With support from the NYS Department of Health, AMSNY has developed an array of programs across the state, the intent of which is to expand the pool of underrepresented students choosing careers in health and medicine. These programs provide a unique opportunity for participants with cultural and financial barriers. All students in the programs receive academic enrichment and formal mentoring, and advising; and many also receive a tailored curriculum to enhance and cultivate each student's potential and address areas of need. The AMSNY Diversity in Medicine Programs are extremely effective and are a key component if we are to have a culturally competent health workforce in the State.

Please restore clarity to the budget process and maintain funding for the AMSNY Diversity in Medicine Programs.

Sincerely yours,

Lee Goldman, MD

Chair, AMSNY

Executive Vice President, Columbia University

Dean of the Faculties of Health Sciences and Medicine, Columbia University Medical Center