The Dean's Newsletter: April 30, 2001

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Executive Committee: Presentation by Professor James Nelson

At the Executive Committee Meeting on Friday, April 20th, Professor James Nelson, newly appointed Senior Associate Dean for Research, Graduate and Postdoctoral Education outlined some of his thoughts regarding the organization he proposes and some of the research themes he will be suggesting. The important principles outlined by Dr. Nelson include engaging a range of faculty of various ranks and appointments from both the basic and clinical science departments in helping to guide our institutional mission in research and graduate student and postdoctoral education. This will be accomplished through the appointment of a "research group" to both help develop and implement research initiatives; an "education group" to help guide programs in graduate student and postdoctoral fellow education; and a "compliance oversight group" to address conflict of interest, ethics, scientific misconduct, relationships with industry and liaison with the development office. The work of these Groups will be carried out through faculty lead Standing Committees that will work in conjunction with Associate and Assistant Deans.

Dr. Nelson and I are pleased to announce that Dr. Edward S. Mocarski, Professor of Microbiology and Immunology has agreed to serve as the Chair of the Standing Committee on Conflict of Interests and Ethics in Research. Dr. Mocarski will work along with Assistant Deans Mildred K. Cho and Barbara Flynn on this important Standing Committee.

We are also pleased to announce that Dr Karla A. Kirkegaard, Associate Professor of Microbiology & Immunology has agreed to Chair the Standing Committee on Graduate Education and will work in collaboration with Dr. Ellen Porzig, the current Associate Dean for Graduate Education.

Appointments for leadership in other Standing Committees are forthcoming.

Dr. Nelson also discussed with the Executive Committee his plans to establish a number of faculty run research interest groups that will engage both basic and clinical science faculty. These groups will also form appropriate interfaces with other already

committed interdisciplinary efforts (e.g., Bio-X, CCSR, Beckman Center and others). Some of the groups that Dr. Nelson discussed are already functioning or have constituencies that are currently being formed (e.g., Biocomputation, Neuro-X, Stem Cells/Bioengineering, Infectious Disease/Immunology, Genomics). He is also proposing new interest groups (e.g., Protein Networking, Chemicobiology/Synthesis, Post-Genomic Structure, Genetic Epidemiology/Policy, Molecular Machines, Cardiovascular Biology). This is not an exclusive list and Dr. Nelson will be seeking faculty participation and input for additional suggestions or recommendations. He also announced his plans to establish a Web Page "Research Bulletin Board" for the School of Medicine to facilitate information exchange and feedback among and between faculty members.

Feedback from the Executive Committee for Dr. Nelson's plans was enormously positive. I know that he is interested in receiving additional input from faculty as well

Update on Hospital Issues

A considerable amount of attention and concern is understandably directed at the ongoing financial challenges of the Stanford Hospital & Clinics. As noted in the April 16th Newsletter, the Turnaround Committee is working actively to reduce the ongoing losses for the remainder of FY'01 while also working toward a "breakeven" budget for FY'02 (the year beginning September 1, 2001). A number of approaches are being utilized, ranging from operational improvement as well as some of the external forces (i.e., payment for services) that have led to the current fiscal crisis. As you know from the numerous news articles during the past weeks, the projected loss from operations just a couple of months ago was over \$40 million. The various very difficult decisions made in the interval by the Turnaround Committee seem likely to reduce this FY'01 deficit to less than \$20 million, recognizing that there is still considerable work to be done to sustain even these improvements.

As important as the improvements are for FY'01, so too is the planning for FY'02. The impact of the decisions being made now are significant and their implementation will require the unfaltering commitment of physicians, hospital, school and university to work diligently and together. In recognition of these issues, the Faculty Leadership Group (FLG), which consists of all of the Chairs of the School's Clinical Departments, together with six elected representatives of the School of Medicine's faculty at large, offered a signed statement to President John Hennessy to be shared with the University's Board of Trustees. The statement represented a commitment by this important leadership committee to "work in true partnership with the leaders of the School of Medicine, the management of the hospitals, and with President Hennessy and other University leaders to establish a strategic plan that is both fiscally sound and academically responsible". Some of the comments and recommendations excerpted from this statement, which was shared with the University Trustees during their recent Retreat (see below) included the following:

- The nation's Academic Health Centers (AHCs) are in crisis.
- The financial challenges to academic health care are well known to those within the School of Medicine.
- We (the FLG) view as fundamental to any effective plan that the University

- retains ownership of the hospitals.
- We (the FLG) are not aware of another academic medical center in the country in which the organizational and physical infrastructure creates a closer and more productive relationship between clinicians, medical scientists and engineers.
- Given its pre-eminence in research and the strength of its faculty, Stanford can
 continue to be a world leader in the achievement of fundamental progress in
 basic (research), translational (research) and clinical medicine
- Aware of the seriousness of the financial circumstances that confront us, we (the FLG) commit to working closely with the leaders of the School of Medicine, the hospital, and the University to establish a strategic plan for the Medical Center that is both fiscally sound and academically responsible.

This expression of recognition and support is appreciated and important. Indeed, while it is true that AHCs across the country are experiencing significant financial challenges, our attention at this critical juncture must be focused on Stanford, and it is imperative that our faculty be united in helping to address the current and future problems of financial solvency of our Medical Center. It is true that faculty leadership, especially our clinical department chairs, is imperative to this solution. Importantly, the participation of every faculty member, whether in a clinical or basic science department, is needed as well. Although the current loses are largely in SHC, and much less at the Packard Children's Hospital, the stark reality is that the Hospitals, School and University are interconnected. It is not possible to simply isolate a part of the enterprise. Moreover, it is important to recognize that the financial losses in one sector impact all others.

In fact, the Medical Center was one of the four major topics being reviewed by the Board from Monday April 23rd through Wednesday, April 26th. As part of this review, which Dr. Eugene A. Bauer and I participated in, the various flows of funds between the Hospitals, School and University, was a topic of considerable discussion. There is no question that the University leadership values the School of Medicine and its Medical Center. There is also no question that the current fiscal challenges are of concern and will remain a topic of continued review. Even acknowledging that the cause of the crisis emanates from a failed health care finance system, the University leadership as does the School recognizes that physician leadership is an essential part of the solution. Accordingly, the expression of support by the clinical Faculty Leadership Group is important and appreciated.

Translating these expressed intentions into operating outcomes is important. I have asked Dr. Peter B. Gregory, Senior Associate Dean for Clinical Affairs, to work with the FLG and hospital leaders to further develop the best ways to implement physician leadership that is both responsible and accountable to the faculty and hospital as well as the school and university. Given the very significant reductions in service payments to the clinical departments and School for both FY'01 and FY'02, such accountable and responsible leadership will be essential. Equally, such leadership should also help guide creative solutions that transcend expense reductions per se and that offer new programmatic and strategic opportunities for clinical care and related academic programs.

Visit to Palo Alto VA Hospital

On Tuesday April 17th, Dr. Peter Gregory, Senior Associate Dean for Clinical Affairs and I visited with the Administration and a number of the Department Chairs at the Palo Alto Veteran's Administration Hospital. This was an introductory meeting and we are planning additional monthly visits. The VA Hospital is an enormously important and valued affiliation, playing an extremely important role in undergraduate and graduate medical education as well as clinical care and research.

Our discussions with Ms. Elizabeth J. Freeman, Director of the VA Palo Alto Health Care System, Dr. Javaid I. Sheikh, Chief of Staff and Associate Dean for Veterans Affairs, as well as a group of physician leaders at the VA, focused on opportunities for future program development between the faculties at SHC and the Palo Alto VA. It is clear that there are a number of important opportunities for leadership at both sites and for potential synergistic interactions.

During the tour of the impressive facilities at the VA, we also had the opportunity to visit the simulation-learning center, an important and impressive model for training students, residents and faculty as well as for research and medical education.

Stanford Medical Student Research Symposium

On Friday, May 4th, beginning at 1:00 PM, the 18th Annual Stanford Medical Student Research Symposium will be held in the Fairchild Auditorium. Dr. Patricia C. Cross, Associate Dean for Preclinical Advising and Research and Dr. Julie Parsonnet, Associate Professor of Medicine will introduce and moderate the Symposium. An Award Ceremony will be held at 6:00 PM, presided over by Dr. Ross D. Bright, Associate Dean for Alumni Affairs.

When You're Sixty-Four

During an early morning meeting with Dr. Judy Swain, Chair of the Department of Medicine, the wonderfully talented medical student group "The Palpitations" swooped into my office to offer a cappella version (or forecast) of life marked by decreasing body parts and/or functions. Not taking that personally of course, I want to thank "The Palpitations" for a very talented "wake-up" song and the most unique welcome I have experienced to date at Stanford. Truly, they were great!

Founders Celebration

On Thursday evening, April 26th, I had the privilege to attend and speak at the Lucile Salter Packard Children's Hospital Annual Foundation Dinner. This year LPSCH will celebrate its 10th Anniversary. Thanks to the extraordinary support of the Packard Family and Foundation and the remarkable contributions by donors (a number of whom attended this dinner celebration), the Packard Children's Hospital is emerging as one of the centers of excellence in pediatrics in the nation. Its role as a pacesetter for pediatric clinical care, research and education will surely become even more significant and important during the years ahead. This is directly related to the very generous support

that our community continues to provide to the Packard Hospital and its important programs. I am most indebted to all of these wonderful donors and supporters.

Appointments and Promotions

The Advisory Board and Provost's Office has informed the School of Medicine of the following promotions and appointments:

Promotions:

- David A. Relman to Associate Professor Medicine (Infectious Diseases) and of Microbiology and Immunology, with tenure, effective 4/1/01
- Michael Ward to Associate Professor of Medicine (Immunology & Rheumatology), with tenure, effective 4/1/01
- Ingela Schnittger to Professor of Medicine (Cardiovascular Medicine) at SUMC, effective 4/1/01 and for a continuing term.
- Stefanie S. Jeffrey to Associate Professor of Surgery at SUMC for the term 4/1/01-3/31/06

Appointments:

 Charles A. Taylor to Assistant Professor of Mechanical Engineering and of Surgery effective 4/1/01-3/31/05

Congratulations to each.

Congratulations to Dr. Roger D. Kornberg

Dr. Roger D. Kornberg, Professor in the Department of Structural Biology, has been named the 2001 winner of the prestigious Welch Foundation Prize for Chemistry in recognition of his work on transcription.

Dean's Newsletter Goes Live!!

As of today, past and present Newsletters can be accessed via the URL: http://deansnewsletter.stanford.edu/

In addition, there will be a link from the School of Medicine Home page, from the Local Home page, the Medical Center index page, the site map and the school department's page. We will, however, continue to email the Newsletter directly to you.