

NEWS

A 10-year vision for a healthier Austin

State Sen. Kirk Watson, Commentary

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Published 12:01 a.m. CT Sept. 1, 2012 | Updated 4:01 a.m. CT Sept. 27, 2018

The best thing we can do for ourselves, our family, our neighborhoods and our future is invest in our health.

Right now, our community can make a profoundly wise investment in our health and economy by achieving "10 Goals in 10 Years." These are priorities and programs that will allow people in Austin and the region to live longer and better for generations to come.

The 10-in-10 goals include a medical school affiliated with the University of Texas, a modern teaching hospital, cutting-edge medical research facilities, badly needed psychiatric care, comprehensive cancer care, facilities that bring our medical discoveries to market and unique health clinics tailored to the needs of our neighborhoods and our people.

The stakes are enormous. By meeting these goals, we can:

‡ Increase the availability of cutting-edge care, creating local alternatives for patients with complicated health conditions so they don't have to travel to places like Houston and Dallas.

‡ Create a pipeline of doctors to fill the shortage we have and know is growing — allowing for additional treatment options, increased access to clinical trials and more specialists, including those dedicated to treating the elderly.

‡ Improve opportunities for uninsured people to get medical care they need.

! Increase the flow of grant funding for research, which can lead to more jobs, new company startups and the local licensing of cutting-edge technology.

Meeting these goals will trigger an economic surge, creating powerful synergies between UT and other health care assets while spinning off lucrative products, technologies and employers.

Over the past few months, I've been working with lots of people in this community on the 10-in-10, and we've made substantial and exciting progress. This article provides answers to some of the important questions that have arisen and been answered through this effort. We're still working — daily and hard — but we're now well past the starting line.

We're also remaining disciplined. That means avoiding the natural tendency to lunge for the conclusion we all want, no matter the pitfalls and uncertainties we face.

The stakes are too great for us to rush into any of this, no matter how promising it is, without knowing where we're going and how we're going to get there.

Thanks for your interest, help and support.

How can we achieve these goals given the constraints on state funding?

State budget problems, poor planning and a general failure to make important long-term investments are hitting everything from our children's schools to the roads we rely on, and we simply can't trust that the Legislature will ever make this lucrative and needed investment.

That means we need an entirely new playbook — a new model for building a medical school in Austin and wherever else Texas needs one.

Our playbook is a community-based one, using primarily seeds we already have. That means inventorying assets in every corner of this community and figuring out ways to leverage them for everyone's benefit.

It means increasing the capacity of our health care resources.

It means getting creative about joint ventures that various public-sector, private-sector, nonprofit and philanthropic partners can launch to create and fund these new resources.

It means tearing down silos, building bridges and turning conflicting interests into communities of interest.

And it means focusing on the sum of our community's resources instead of each component.

What seeds do we have? Consider:

‡ UT Austin, one of a handful of Tier 1 research universities in the country without a medical school;

‡ The Dell Pediatric Research Institute;

‡ The Seton/UT Southwestern Clinical Research Institute;

‡ Central Health, Travis County's health care district;

‡ Excellent St. David's HealthCare and Seton Healthcare Family hospital assets;

‡ Significant cancer and oncology resources;

‡ And much more.

We also have around 200 biotech and biomed companies in the Austin area. And we already have about 100 third- and fourth-year medical students and about 200 medical graduates in 11 residency programs as part of an affiliation agreement between Seton and UT Southwestern Medical Center in Dallas.

I've appointed an organizing committee of some of Austin's health care, community and business leaders to help figure out how to grow these seeds into the 10-in-10 goals. That committee has adopted what I call a "decision tree" to help guide this process. The decision tree is a device to ensure that the hard questions are asked, that we build on the answers instead of just jumping to conclusions (many times those conclusions are

uninformed, emotional or knee-jerk reactions) and that everyone's working from the same set of answers.

This will assure we answer questions about costs, approach and timing in the right way.

Before we can know how much money we need, we've got to be clear about what we need to pay for. We need to assess how things might be phased in and how resources can be shared or leveraged. And we need to drill deeply into the reservoir of community assets we have to see how much money we can save, to make sure cost projections are as conservative and reliable as possible and to work through the plan for covering them.

To see the decision tree — and, more importantly, the hard questions we're asking as we move through this process — go to www.kirkwatson.com/austins-health/decision_tree. Not every answer will be crystal clear, but I anticipate we'll have sufficient answers to make some decisions in the next few months.

What's the economic impact of a medical school and affiliated assets?

It's been projected that a medical school and affiliated assets would translate into 15,000 permanent jobs and \$2 billion in annual economic impact.

Those projections came from TXP, a prominent Austin economics firm.

TXP noted that hospitals, doctors and other medical professionals can constitute thousands of employers and employees in a community while spending millions on equipment, supplies and services. Medical schools compound these effects by employing perhaps thousands of people while also creating economic development, stimulating the creation of new technologies and fueling the life sciences industry.

TXP also noted, "The New York Times recently reinforced this point, stating that 'health care represents nearly 18 percent of the American economy and has been adding jobs even as other industries have laid-off workers or refrained from hiring.' "

TXP Managing Director Jon Hockenyos was recently cited in the American-Statesman emphasizing that the newly created jobs will involve a cross-section of our population.

He noted that while many of the newly created jobs will involve specialized training, not all of them will. And he stressed that our region's current workers will fill some of the jobs, while increased hospital activity from something like a modern teaching hospital would add positions for nurses, lab techs and others who don't have advanced degrees.

Achieving other 10-in-10 goals — including enhanced clinical and preventative care and more psychiatric and mental health treatment — will also require workers with very different backgrounds.

Other studies support these conclusions. Dr. Ray Perryman, an internationally recognized economist, estimates that ongoing operations of a major medical school in Austin would generate some \$2.381 billion in yearly economic activity in the regional economy and 19,307 local jobs (statewide, his estimate is \$2.917 billion in spending and 21,484 jobs).

He notes that economic development effects stand to be much higher if the medical school helps Texas develop a biosciences industry that can compete with states with outstanding medical school and university collaborations.

Perryman also says the enhanced health care outcomes could generate more than \$11 billion annually in net social benefits. (For more on the economic benefits of the 10-in-10, go to www.kirkwatson.com/austins-health/economic-benefits.)

So fulfilling the 10 Goals in 10 Years will build on our area's knowledge-based economy, creating more jobs and growing new economic prosperity.

How will a medical school and teaching hospital increase access to care for everyone, including those without insurance?

To understand what a medical school could mean to the uninsured in Travis County, just look at what medical education has meant in other communities.

In October 2011, the Journal of the American Medical Association reported a study that found public teaching hospitals provide three times more indigent health care than they'd be expected to, given their share of the hospital market. Medical students also serve the uninsured through community service programs, such as free clinics.

And in Florida, the Sun-Sentinel newspaper reported last month that more and more medical schools are providing "free and low-cost services to the public."

Simply put, medical education increases the number of doctors — including doctors in training — providing care, making health care more accessible and affordable.

For Austin and the rest of the state, increasing the number of doctors is critical. It's necessary to creating greater access to health care for more people.

We already have a doctor shortage in Austin and in Texas. It's been documented by the Texas Medical Association, Central Health and the distinguished Task Force for Access to Health Care in Texas. And that shortage will only grow more pronounced as federal health care reform takes place.

This month, a Houston Chronicle editorial pointed out that Texas ranks 42nd in doctors per capita. It stated, "5 million more Texans will enter the health care system by the year 2014" if federal health care reform goes forward.

The state's growing population increases all of these problems. We're behind and headed in the wrong direction.

For the underserved and uninsured, the shortage of doctors is even worse because more and more physicians are deciding not to take patients who rely on Medicaid or Medicare. So even if more people gain access to health insurance under the new federal law, they'll have difficulty finding care unless we increase the number of doctors available to provide these services.

By investing in medical education in Austin, we'll address this vital need in the most efficient, practical way.

But everyone will benefit, including those who can already pay for quality care. Studies show that medical students tend to stay where they do their graduate medical education or residency. And we all know that people who spend time in Austin end up wanting to stay here.

So more medical education means more doctors in Austin. That will mean more specialists, so folks won't need to go elsewhere to find treatment. It will also mean more clinical trials right here at home.

And it means we won't be exporting our smart kids to other states. As the Chronicle editorial said, Texas "loses far too many of its medical school graduates. Almost half of them, educated at an average cost to taxpayers of \$200,000 per student, leave the state for residency training and most of them never return — a situation that will be exacerbated this year when steep cuts in already inadequate funding go into effect."

We'll all benefit from a program that increases the number of doctors in Austin.

Should we have a University of Texas medical school in Austin when we have a Texas A&M one in Round Rock?

Yes. But don't take my word for it.

Ask Dr. Nancy Dickey, president of the A&M Health Science Center and vice chancellor for health affairs for the A&M University System, who in September 2007 said "the UT System shouldn't have any qualms about pursuing a medical school for Austin," according to the Austin American-Statesman.

"Texas A&M believes the population base is adequate such that if the University of Texas wants to do something in Austin proper, our presence in Round Rock presents no barrier to that," Dickey said. "Frankly, we look forward to creating research and educational collaborations."

That statement is as true today as it was then. To understand why, you need to understand that a research-heavy medical school in Austin – operating hand-in-hand with the academic departments at UT – would be fundamentally different from the clinical campus that has been building out in Round Rock. Right now, at the Round Rock campus, – where students who began their training in College Station or Temple can finish their clinical education, although Round Rock hopes to become a four-year medical school.

You also need to understand how much medical education is already taking place in Austin:

| 100 third-year and fourth-year medical students are training here;

| 200 medical graduates, known as residents, are also here.

So there's no need to make this some limiting win-lose, zero-sum game pitting one city against another. Austin was educating doctors when the decision was made to open the Round Rock campus. There always has been a non-adversarial co-existence between the institutions.

This should be a chance to lift the region, its health care systems, its higher education institutions, its economy and the health of its people all at once. UT and A&M won't be playing each other in football over Thanksgiving anymore, but that doesn't mean we can't work together to build two institutions we know we need.

Other places have more than one medical school: Philadelphia has six, Boston has three (plus one in Worcester, just 45 miles away), Nashville has two, and West Virginia, with a population about the size of Central Texas, has three.

Furthermore, when you consider the 128 years of investments that we've made in the University of Texas at Austin, it would actually be a waste of your tax dollars to not take the fullest advantage of those assets.

Think of the synergies, the powerful economic bonds, we could develop by building a medical school in the shadow of UT-Austin's world-class programs in basic sciences, pharmacy, nursing, public health, health care policy, social work, bio-medical engineering and other disciplines.

All of these things complement medical training and research, enhancing the education folks will get, the discoveries they'll make, and the internships and professors that will be available to them.

The last word on the subject goes to former state Rep. Dan Gattis, who represented Williamson County and sponsored the initial effort to find money to start the Round Rock

campus back in 2007. Gattis said in 2008 that a UT medical school not only wouldn't conflict with a Round Rock campus, but it would be a "natural addition" to the health care infrastructure in Central Texas.

Gattis told the Statesman that the two potential medical schools would likely be different, "but you put them together in a collaborative environment, and the strengths are unbelievable."

Editor's note