Minutes of the Faculty Senate of the University of Colorado School of Medicine

January 10, 2012

I. Welcome: The meeting was called to order by President Ron Gill, Ph.D at 4:31 PM. Dr. Gill asked any guests and/or members of the media to introduce themselves. There were no guests.

II. Approval of the Minutes: The minutes of the December 13, 2011 meeting were discussed. Dean Krugman commented that they were, again, excellent. They were approved without further comments or corrections.

III. Dean’s Comments:
Prior to the Dean’s comments President Gill took the floor. First, he reminded the faculty senators of the presentation from the chair of the Faculty Assembly (FA) to the Faculty Senate asking the Senate to muster representatives from the School of Medicine (SOM) to that body. The sticking point, particularly for clinical faculty, has been that the meeting time was difficult, 11:30 AM – 1:30 PM. The meeting time will be changed to 4 to 6 PM in the hope of getting more representation from the School of Medicine. The meeting is held monthly, on a Tuesday. Dr. Gill asked that senators please go to their Departments and Divisions to muster six individuals to bring the SOM representation in the FA to eleven. If not, our allocation of representatives will be cut; we have not been near our allotment of representatives in the FA for a long time.

Dr. Gill then stated that he wanted to let everyone know that his e-mail is always open and his phone is always “on the hook.” He requested that Faculty Senators let him know about issues to discuss at the Faculty Senate. He wants to bring issues from the “bottom up” rather than the” top down”. If there are issues the only way that they will get on the agenda of the Faculty Senate is by request. He asked that faculty please bring issues forward.

a. Dean Krugman then provided an update regarding current chair searches and affiliate institutions.
   • He stated that he expected Dr. Richard Schulick to have signed, or to be signing, his letter of offer. He will be the new Chair of the Department of Surgery effective May 1, 2012. He will be here for the new Chair, Section Head, and Division Head retreat on February 16th and 17th. He was the search committee’s top choice. Dr. Schulick views this as a wonderful opportunity to contribute to the growth and development of this department.
   • Dean Krugman reiterated that he does not plan to recruit another chair at this time, as his priority is the re-organization that he has discussed. He has invited four consulting firms to present how that might help us with our strategic planning for the SOM, they will be on campus on January 31st and February 8th and 9th. He stated that money was set aside from the sale of the Givens Institute this summer for this re-
organization. He will interact with all four firms, and will pick one to help us over 9 – 18 months.

- Dean Krugman then provided an update regarding the UCH bid for Memorial Hospital. He stated that at 1:30 PM the City Council of Colorado Springs had voted unanimously (9-0) that Memorial Hospital be leased to UCH, or the UC Health system - the joint venture that is not yet complete. They accepted the recommendation of the task force, which had also been unanimous. Regarding the joint venture, this will be voted on by the Poudre Valley Board on January 23rd, and on January 24th by the UCH Board. Dean Krugman expects that this will be complete soon. Regarding the Board of the joint venture there will be four members appointed by Poudre Valley, four appointed by the UCH Board, and another member to be selected from the President of the CU system, Bruce Benson; the highest ranking executive official on the Anschutz Medical Campus, Lilly Marks; and the Dean of the SOM, Dr. Krugman. Children’s will be part of the Memorial Hospital lease, and there will be a sub-lease to operate pediatric services as a hospital within a hospital. This has to do with the fact the children’s hospitals have different reimbursement issues. Dean Krugman cautioned that the above is all dependent on negotiations, and on the terms of offer. In addition, likely in June 2012, the people of Colorado Springs will have to vote to approve this lease. This is all proceeding well, but nothing is final until it’s final.

- Dean Krugman stated that there had been a meeting today to discuss the proposed SOM branch campus in Colorado Springs. UC Colorado Springs has received a four million dollar gift to build a four story building on the east end of their campus. They have made the fourth floor available for administrative offices of the UC SOM branch campus. We will start this, but slowly, as the people of Colorado Springs could vote yes or no on this. On July 1st we expect the three million dollars per year for forty years to begin. Celia Kaye, MD, PhD, Senior Associate Dean for Education, and Brenda Bucklin, MD, Assistant Dean, Clinical Core Curriculum, will recruit core faculty from the local physicians in order to develop the core blocks there. Also, Centura Health Systems will put up 1.5 million dollars per year more to be a part of the branch campus. This will allow our students to be at all three hospitals there, and having them contribute to funding would aid accreditation. We would expect to accept students who would attend the branch campus for their clinical years for the graduating class of 2017; that is, they would start their third year in May 2015. In the meantime we will be recruiting students to do volunteer rotations. We will probably have to do informed consent, though our experience with off-site rotations is positive. This gives us one and a half years to create a two year long longitudinal curriculum for students in Colorado Springs. We want to ensure that they have the competencies they need. We will identify faculty and develop rotations. This is a huge opportunity.
• Dean Krugman then stated that in the last week the NIH salary cap dropped; that will cost us 2 million dollars as their cap is now $20,000 less. This will be made up from the clinical revenues of the departments. He then said that in the last decade some have done more with more; we have done more with less here. We may be coming in to a decade where we have to do less with less. This will take cross-subsidization of the academic enterprise with the clinical enterprise.

Question, President Gill: Will students at the branch campus come from the 160, our current enrollment number, or will we take more students? Dean Krugman: Initially 24 of the 160 students will do their clinical rotations in Colorado Springs. However, we do want to increase the class size and take more students from outside the state. We had 132 students, 90% were in-state; now we have 160 students, and 70% are in-state. We have 5,400 student applicants, we won’t lose quality. However, we will stay at an enrollment of 160 until we know that we are accredited. We discussed last time that Lilly Marks is working on an overall master plan for the campus. The plan for this campus was started in 1997, prior to knowing that Children’s and the VA would be here. We have three times the number of people and cars that we expected. We are limited in space for the medical students to a class size of 200.

Comment: At 160 students there is fierce competition for small group rooms in the Education buildings. Dean Krugman: That is because all of the schools have grown: Dental, Pharmacy, Nursing, and the School of Public Health.

There were no other questions or comments.

IV. Discussion Items:
A. Faculty Updates – Steve Zweck-Bronner, Senior Associate University Council; and Steve Lowenstein, Associate Dean for Faculty Affairs discussed a. Non-compete agreements, and b. A proposed retirement incentive plan. Mr. Zweck-Bronner began by explaining that the goal is to modify the non-compete agreement to better fit clinical faculty. This will be used going forward with new recruits, not backward. The current agreement does not fit everyone’s need; this will make it easier to recruit, as the non-compete agreement has been a barrier to recruitment. Regarding the new retirement plan, several years ago a plan was created to allow tenured faculty to retire and take two years of their salary over five years. The drawback was that his was an IRS plan, and was sheltered from taxes. As a result, faculty could not work at the university for five years; some faculty wanted to come back to work at some percentage, and could not. Now with changes in legislation, the school is working on a similar plan, but one that is not a tax shelter. The hope is that it will be offered this spring, throughout UCD, both at the Anschutz Medical Campus, and the Downtown campus. The goal is to create flexibility for
Departments and for the Deans. Steve Lowenstein (SL): The previous retirement incentive plan was hard to follow; there was a moving target of retirement plans. Also, it had been at the discretion of the Chancellor with respect to resources, so it was unclear if it would be available. Several people took advantage of it, and then it disappeared. The Deans and the Provost have asked for more options. This plan will still be at the discretion of the Chancellor. Steve Zweck-Bronner (SZ): This will be fine-tuned in the next week and available for disclosure in 6 weeks. We do want to avoid a financial crisis. The University of California did this and too many people took it. SL: The question will be: Does this have to be offered to everyone? The Department has to show that they can afford it; we don’t want to jeopardize the school. This could be used for SOM faculty who can no longer cover their salaries on grants, but who did not want to give up their tenured position. A change in legislation allows us to modify the retirement plan so that they could do this, and still be able to work at the University part-time.

Question: Related to the non-compete agreement, there is a discrepancy between MDs and PhDs who are doing research. SZ: The MDs have a non-compete agreement, the PhDs do not. That is because the law says that non-compete agreements are illegal, except in limited circumstances, and that includes MDs. Comment: But this is included for MDs who are doing research, and it adds a lot of money to the start-up costs. SZ: The department puts a lot of money in start-up packages for PhDs. If they leave, this is difficult for the department. One way to address this is, if the department is putting in $100,000, say this in the letter of offer, and negotiate on a case-by-case basis any payback if the faculty member leaves. If there are unique recruitment costs this can be put in the letter of offer. SL: This is already being done; payback is pro-rated if the faculty member leaves in their 2nd, 3rd or 4th year. Dean Krugman: We have had a non-compete agreement for 14 years; this is not to tie anyone here. It is a business principle. If you are trying to leave, the recruitment package of the other institution needs to include payback to the department here. SL: This cannot be punitive; it is just recovery of reasonable damages. Comment: But this is discriminatory toward MDs. PhDs can leave without the department recouping the cost. SL: The letter of offer allows this to be equalized.

Comment: This need to be crystal clear, that start-up funds can be gotten back. Dean Krugman: If there is going to be another medical school in the area we will need to protect ourselves; it makes it more difficult for a school to recruit away someone. Non-competes are controlled by state statutes, but the letter of offer is not subject to state statutes. In the future this may all go into the letter of offer. The non-compete addresses recouping the loss if a clinician moves across the street. SL: Geography is important here. The question is, what will you repay if you leave after one, two, or three years.

SZ: Steve Zweck-Bronner asked if anyone had questions related to the issue of not requesting photos for resident applicants. Question: Where does that issue come from? SZ: That’s the law. You use photos to remember who
people are, but according to federal and state law it is illegal to require or encourage someone to submit a photo with an application. This has been used to discriminate in hiring. Comment: But resident applicants send photos through ERAS. SZ: It is the other group that we can’t ask for photos, those that don’t send them through ERAS.

Question from President Gill: Regarding the new retirement incentive, will it also be two years of salary? SZ: It is not an IRS plan; it may be up to two years of salary. The question will be, do we have enough money? President Gill: Where does the money come from? SZ: The department. Dean Krugman: Often the School is asked to be a bank. For small departments, we will bank them, with no interest. President Gill: It would be a shame if the department can’t recruit because they are paying these funds out. Yes, we don’t want everyone to take this and bankrupt the department. Question: Why can’t you take a job across the country and retire? SZ: If you are greater than 55 years of age and your years of service plus your age add up to 70, you can retire. The goal is to provide as many tools as we can. SL: This is one of the few tools around to manage tenure. SZ: This is not a right; it is at someone’s discretion. Question: Is this two years of their tenured salary? SZ: It is two years of their base salary. If this isn’t enough they can work and draw salary. Comment: So tenure is worth two years of extra salary? Dean Krugman: Before, when a faculty member was offered two years of salary over five years, under IRS rules the faculty member could not come back to work. Some wanted to come back at 20 – 30%. SL: A faculty member should not be able to come back at 60 – 80 %. SZ: This could allow someone not ready to retire to have a nest egg. President Gill: What is the incentive for the department? SZ: This is for the situation in which the department can’t come up with the salary of someone who can’t pay their own salary through grants. But is this on base salary? The previous plan one was two years base plus supplement. Dean Krugman: This is an administrative tool that could be helpful for some. We may do this differently in the coming years. There was no further discussion.

The meeting was concluded at 5:25 PM.

Respectfully submitted, Renata C. Gallagher, MD, PhD.