

WAYNE STATE UNIVERSITY
ACADEMIC SENATE

PROCEEDINGS OF THE POLICY COMMITTEE
February 7, 2022

Present: D. Aubert; L. Beale; P. Beavers; M. Kornbluh; J. Lewis; N. Rossi; B. Roth; N. Simon; R. Villarosa; A. Wisniewski

Guests: B. Cummings; M. Schweitzer

1. Chair's Report. Provost Mark Kornbluh discussed the possibility of extending the tenure clock for faculty from six years to eight years because of the pandemic. Some professional careers have been delayed. Policy Committee supported the idea of extensions for faculty seeking tenure and for academic staff seeking employment security status (ESS).
2. President's Report.
 - a. Senate Office. Linda Beale updated the committee on the status of the open administrative assistant position and the open student assistant position.
 - b. Relations with BOG. Beale will contact members of the Board of Governors to meet with her and or with several Policy Committee members to discuss issues affecting the university. These would not be formal meetings but a few Policy members meeting with a few Board members each time. Beale also would like to invite a Board member to speak to each of the upcoming Senate plenary sessions.
 - c. BA and BS Language Requirements. The BA degree here requires more language credits than the BS degree. Beale suggested a discussion at a future Policy meeting.
 - d. Math Department Transfer Issues. The Mathematics Department does not allow automatic transfer of pre-requisite courses for transfer students: they are required to take a placement exam. The Provost has indicated that the Math Department's approach is in violation of Wayne State's agreement with community colleges. The Provost also wants to eliminate charges for all placement exams.
 - e. Snow Days and University Closures. Beale noted the uncertainty that ensued about holding classes last Wednesday when the university closed for a snow day. There was confusion whether faculty could hold classes already scheduled as remote over Zoom and whether they could move an in-person class to Zoom. The Provost said that Homeland Security briefed the university on the weather all day Tuesday, Wednesday, and Thursday. Decisions were based on directions from the city of Detroit and police departments in the region. Consideration also should be given to whether exams should be held on days when the university is closed. Members agreed that there are many scenarios that need to be considered. Policy Committee charged the Student Affairs and Faculty Affairs Committees (and later, Curriculum & Instruction Committee) to discuss the issue and make recommendations. Jennifer Lewis saw the problem as one of communication. Contradictory messages were sent out last week. To improve on what happened last week, university closure statements should be very clear on what classes can or cannot take place online.

3. College of Pharmacy and Health Sciences (CPHS). Dean Brian Cummings began his remarks by saying that there are opportunities to involve more units in the college in the budget process. He met with every program director and associate dean and asked what three things he needed to pay attention to. They saw budget, clinical placement sites, and faculty morale being important, linked topics. With ninety-three percent of the budget spent on labor, positions must be cut to achieve budget cuts. Losing positions means faculty-student ratios increase, creating a burden on faculty. The dean views budget transparency as important, so has asked associate deans and chairs to do pre-budgeting, quarterly reports, and post-budgeting to understand our full expenditures and revenues. Cummings thinks the college is in an excellent position when you look at its revenues: it has maintained curriculum choices, credit hour production, and student enrollment even though pharmacy and health sciences are declining in other universities. It will take some time, though, to review the budget and discuss how to effectively align the resources to expectations.

The number of students applying to schools of pharmacy and health sciences has been declining, but CPHS has some leeway to try new things. Cummings wants to work to achieve growth in reputation and quality. The college has included two of its programs in the Good Neighbor tuition policy to attract out-of-state students. The college is looking at credit utilization. Programs in other universities utilize more credits than ours. We established one of the first health sciences programs but never revamped it. As an example, the physician assistant program had 35 fewer credits than the national average. Their accrediting body recently approved adding 25 credits for the upcoming year. This will generate additional revenue and offset some of the budget cuts. The college is looking at other credit-utilizing programs as well before they increase tuition, although faculty believe tuition can be increased for some programs while remaining competitive. It may be possible to create additional revenue from current programs while also creating new programs.

Responding to a question from Beale, Cummings said that there is a boom in the creation of physician assistant programs. There are 11 or 12 programs in Michigan. Additional programs are being created because there is a national shortage of physician assistants. There is not a shortage in Detroit, but there is a shortage in the rural areas of Michigan. There are 7 or 8 programs in Metro Detroit, but our tuition and credit hours are lower.

Pharmacy's students are highly qualified, but the biggest competition/threat relates to access to clinical practice sites. Some programs now suggest payment up front for students trained at practice sites. Dean of Nursing Clabo, Dean Cummings, and VP Health Affairs Mark Schweitzer are working together to defeat that requirement, since it could quickly wipe out college revenues. The group is also developing additional sites with the Veterans Administration in Detroit. Discussions on articulation agreements are underway at other hospitals, at the same time that the group works to maintain the connection with the Detroit Medical Center. Cummings has a lot of respect for the connection with the DMC and our clinical laboratory science and pathology programs. The DMC is going through changes. The college will always be involved with the DMC but it has to diversify to other areas.

The majority of the college's students and faculty live within 90 minutes of the university, including those from Canada. The majority of the 15,000 alumni live in metro Detroit. Most of the pharmacy graduates and the physician assistants work in Michigan. Pharmacy has 27 international students, all from Canada. This is the first time in years that we have a waiting list for pharmacy.

A worry within the college is staffing positions, which have been lost to meet budget targets. Three staff were added in three different programs because the program directors and associate deans were overburdened. Cummings has also been able to get two tenure track lines and is trying to hire faculty. The college has to fulfill accreditation standards. They are assessing the courses part-time faculty teach and the number of credit hours they teach. Some specialties, such as mortuary science, do not have any tenure-track faculty.

The division of pharmacy has two programs. One is pharmacy practice from which students receive the bachelor of pharmacy practice. The other is pharmaceutical sciences where tenure-track faculty train graduate and Ph.D. students. This is the largest graduate program. Health sciences is divided into two programs, applied health sciences and health care sciences. Applied health sciences includes mortuary science, clinical laboratory sciences as well as the pharmacy assistant. The clinical laboratory science and the mortuary science program are undergraduate programs. Wayne State's mortuary science program is the only one in Michigan. It has a large alumni base, support, and very good diversity numbers. Within the health care sciences are occupational therapy, physical therapy, physician assistant, nurse anesthesiology, radiation therapy, and radiation technology. Radiation technology and radiation therapy technology are graduate programs.

Overall diversity is not where the college needs to be. Historically, the lowest diversity has been in the pharmacy program which has a very low number of Black pharmacists. We have strengths in gender diversity and we have many pharmacists from the Middle East. Cummings has set aside funds to hire a diversity coordinator. He is readjusting the organizational structure to include an associate dean for student diversity, equity and inclusion. The college has formed its DEI training committee and developed the job description. The faculty and staff need to drive this.

The college is very strong along gender lines in pharmacy and the health care sciences. It is strong in ethnic diversity but not as strong in Black students. To move forward requires rewarding faculty for their efforts, making sure that we are balancing and giving space for the people we hire to succeed. Sometimes the faculty are given so much work and expectations are so high that they do not have time to grow and they are overwhelmed

The college has had strong enrollment even in the graduate programs. Beale asked Cummings if he thought that would continue. Cummings thinks the college will grow. It always will have the pharmaceutical sciences. The college has a grant formula where faculty grant funding returns their salaries which is used to fund graduate students. They have substantial resources in indirect costs and in working with the Provost and the chief financial officer, Cummings has been able to identify sources of funding for additional graduate students for at least two years to grow the graduate program.

The other reason for their growth is investment in clinical and other tenure-track faculty in the health sciences that are beginning to increase research and take on graduate students. Some of the largest grant growth has been in the health sciences. They have been able to recruit tenure-track faculty that have been able to work with the medical school, the Rehabilitation Institute, and the Veterans Administration Hospital. Their largest grant of \$3M is from the physical therapy group. The college can support that growth by giving them money as well. They are supporting research in all areas. He thinks students are attracted to physical therapy because it is forward facing and clinic facing. They are changing the culture by adding tenure-track faculty and adding resources.

Faculty participation in research varies across programs. All faculty in the physician assistant program have masters degrees as opposed to doctorates. The mortuary science faculty are all teaching a full load, including online teaching, and are listed as clinical because they interact with patients (even though the patients are deceased). Most of the faculty in the pharmaceutical sciences are tenure track.

Ricardo Villarosa noted that a portion of the staff in PAHP are represented by the AAUP-AFT. There are six colleagues who are well known in the Dean of Students office because of their engagement with student organizations and student advising. He asked Cummings if the new staff he is hiring are academic staff. Cummings said that the new staff members are working on clinical placement for students in the health sciences where they did not have a coordinator previously. He thinks there are opportunities to re-assess how the college handles student affairs. Villarosa suggested that there was a lot of flexibility in organizing academic staff in a unit. People in one classification may be doing the same work as people in another classification. He suggested that the Dean should not feel constrained by classifications, such as whether the staff member is an advisor or an academic services officer.

Noreen Rossi noted that students interested in health care often only think of going to medical school and being a doctor. They are not aware of the other opportunities in health care. She suggested that Cummings visit schools in the Detroit area to talk to students about the opportunities in health care. This could address the need to increase diversity in some medical fields. Cummings wants to work with students from middle school to college to let them know about the many different opportunities in the health field.

4. School of Medicine Budget Information. Mark Schweitzer, Vice President for Health Affairs and Dean of the School of Medicine, joined the meeting to talk about the school's financial situation. He compared Wayne State with the University of Stony Brook where the institution received \$180M from the state of New York—most of which went to the hospital and not to the medical school. The hospital had a margin of about \$160M and paid about \$100M to the medical school mostly to pay clinical faculty. In contrast, Michigan includes higher education into their general funding formula, but it is not specifically allocated to the medical schools. Wayne State does not receive the kinds of payments that Stony Brook does from the DMC: formerly, there were significant funds coming from the DMC but now it is only around \$12M to \$13M.

The general allocation is roughly the same comparing FY 2021 with FY 2017. However, the general fund allocation was about \$4M more in FY 2020 than in 2021. Most of the revenue is fairly constant, but there was a \$31 million drop from FY 2017 to FY 2021. The most significant piece was the decrease in GME and reimbursement support from about \$44.4 million in FY2017 to \$12.9 million in FY 2021. Salary reimbursement from the practice plan decreased because the University Pediatricians left, and the University Physician Group bankruptcy resulted in the new Wayne Health practice plan. Faculty salaries dropped in same period by about \$17 million, \$12 million of which related to the change in University Pediatrician affiliation to CMU. The university used \$26 million in one-time PEPPAP funds to cover the UPG debt during this period. The Fund for Medical Research and Education (FMRE) has also gone down significantly from about \$5 million in FY 2019 to \$4 million in FYs 20, 21 and 22 and an expected \$2 million in FY23 and forward because of loss of the emergency services and other sources of revenue.

In most instances, medical school faculty are paid differently than the rest of the university. Research faculty are paid through grants, contracts, and teaching. In most medical schools the teaching part of the salary is between 0 and 50%. Schweitzer is aware of only two medical schools (Tulane University and Case Western Reserve University) where faculty who do a

combination of research and teaching are paid only for teaching. Faculty in most medical schools get 50% of their salary from the university and the other 50% from grants. In every medical school where Schweitzer worked, clinical faculty were paid based only on clinical billing supplemented by clinical billing through the hospitals. About 30% of the clinical faculty's income at Stony Brook came from the hospital. Prior to Wayne, Schweitzer had not worked at a university where the medical school provided basic salaries to clinicians as Wayne State does. Stony Brook worked through a salary reimbursement account. A university hospital can afford to subsidize clinical faculty because having a university hospital and having a medical school allows them to negotiate more favorable rates with insurance companies and the margin at a favorable rate provides fund flow to subsidize clinical faculty.

Beale said that under the previous vice president for health affairs David Hefner a study of productivity and teaching were carried out and she asked if Schweitzer had the data that was collected. He did not.

Schweitzer noted that his focus had been on a few strategic directions, including establishing a balanced budget by 2023 that addresses the structural deficit, looking to more prudent fiscal management, standardizing faculty contracts and attachments, making strategic investments with PEPPAP and FMRE funds, creating more faculty accountability for the delivery of medical education, diversifying clinical placement sites and residency programs, considering increased collaborations with Nursing, and improving revenue opportunities. A school of medicine should be responsible for student teaching and not for resident teaching. All the money that previously came from the DMC is floated back to the departments so the DMC pays a certain amount for resident teaching and the chairs distribute that money to clinicians in their department for resident teaching, as an addition to their School of Medicine salary. Chairs are thus aware of how much the DMC pays, and it is up to them to determine who does more or less teaching and how that money should be divided, rather than asking the dean for money. That money comes to the university to pay for resident teaching, and that is how it should be used. Most of the teaching by faculty are residents and fellows. A minority, but not an insignificant minority, is medical student teaching. A minimum salary was established for all faculty. When Schweitzer came to WSU about one-third of the faculty didn't get that for historical reasons. He thought that was unfair, that everyone was entitled to a salary. Their base salary was fixed at the AAUP-AFT minimum for 50% time so they receive benefits. If any faculty member spends more time with medical students, like being a clerkship director or something equivalent, they get an attachment.

Beale asked Schweitzer if he knows what percentage is average for grants and contracts and sponsored activities for Wayne's research faculty. Schweitzer said that it was about 15% for all Ph.D. faculty. President Wilson said that when he was in Colorado it was 72%.

Rossi asked where clinical faculty fall in this? Schweitzer said that at Stony Brook they were told they should be at the 76 percentile. If someone was at the 76 percentile for RBUs and the clinical revenues did not make the 76 percentile, the hospital funds would go to the department to bring the person up to the 76 percentile. If they were at the 50 percentile the hospital would give them funds at the 50 percentile. They were paid relative to their RBUs, relative to national standards on a somewhat uniform basis.

Beale said that we talk about clinical faculty and clinical research as being important. Even if medical faculty generally are paid as Schweitzer presented, most hospitals have clinical faculty who do research. How is the mix of research and clinical work determined?

Schweitzer gave this example. If a doctor spends one day per week on research, 80% of the salary would be based on the clinical faculty standard and 20% on research. That is how it is often done. The problem is that many clinicians make above the NIH maximum so they may be spending 20% of their time doing research and be fully funded for that, but that funding doesn't cover 20% of their salary. Then the department would take out the clinical revenues to make up the difference so they wouldn't be penalized for being a clinician researcher. We don't have wealthy departments. We have an unusual Medicaid Medicare overwhelmed payment. We essentially subsidize the DMC.

Ricardo Villarosa asked Schweitzer to comment on salaries for the non-academic staff that increased from \$10.5M to \$16.9M. Schweitzer did not know the reason for the increase and said he would provide the information after the meeting when he can talk with the budget director in the School of Medicine. [*Schweitzer provided additional data on February 11, regarding the \$6.8 million increase in non-academic salaries, noting \$2.0 million in General Fund accounts for undergraduate medical education, \$1.4 million in designated funds for emergency medicine, \$1.8 million in grants/contracts for internal medicine, emergency medicine and perinatal research, and \$1.6 million in graduate medical education for clinical staff (internal medicine, neurology, psychiatry, and OB/GYN).*]

Rossi noted that the expenses for faculty have decreased about \$17M between 2017 and 2021. Schweitzer said the school started giving clinical faculty a minimum university salary. About one-third of the faculty did not get that before. The school tried to create more fairness. Clinical faculty who were hired in 1982 were given a salary but those hired in 1982 when money was tight had not been given a salary. He thought that was unfair. Surgery and pathology had almost no faculty on salary although they do a lot of medical school teaching. Schweitzer put them on salary. They tried to differentiate clinical income from contingent income, from resident income, from medical school salary income. This gives an understanding for what individual performs what task and for what percentage of time. He wanted faculty to know how little the DMC pays them. If people don't think their salary from the DMC is enough, and Schweitzer doesn't think it is enough, that is a DMC issue not a Wayne State issue. The salary from the DMC is about one-quarter of what it should be according to national standards, and that, he said, is being generous.

Beale asked if Schweitzer meant to imply that 95% of the decline in expenses between 2017 and 2021 is from subsidy-contingent salaries. Schweitzer said that there are some other things but 95% is the subsidy-contingent salaries.

When Michael Duggan was President and CEO of the DMC, he threw out a lot of Wayne State residencies: urology, family medicine, internal medicine, ENT, dermatology, and anesthesia. Those became orphan programs because you can't have a residency without a hospital. They became sole-sponsored Wayne State programs, and every year Wayne State begs a hospital to cover that cost. Basically, the university covers that cost and nothing more. Some hospitals will not pay for a residency program. The dean then asks another hospital. A hospital may take the residents but will not pay anything to cover the cost. That will add to our deficit. Kornbluh said that Wayne State has 150 residents and doesn't have anywhere to place them. Schweitzer said that we've had the problem about ten years.

As hospital finances get tighter and they become more closely affiliated with other medical schools, they have no desire to sponsor our residents. Duggan took over all the other residencies and he became the sole sponsor. Previously they were sponsored by Wayne State. Schweitzer's interpretation of the DMC's bottom line is that 100% of that is profit off the

residencies, which is the only thing they care about in the DMC discussions. If the DMC loses the residencies, they lose that profit. Tenet probably makes a margin of \$200,000 to \$300,000 per resident from the federal government. That \$100M at Stony Brook is from about one-half the number of residents that Wayne State has. Their funds flow from profits back to support the department that is training the residents. Kornbluh commented that this is why it is important for the university to develop relationships with hospitals other than the DMC. However, Schweitzer said that the situation is untenable the way it is now. We are a poor medical school, and we subsidize the DMC by paying our faculty who teach more residents than they are paid for.

There are also problems with the Henry Ford Health System residencies. The recent contract allows either party to discontinue the relationship with six months notice. The contract needs to be altered if they decrease the number of students, and they are expected to do so in April.

Schweitzer believes the solution to the problem is for the university to have one major academic partner and several other academic partners. We can never have one hospital large enough to place all of our 310 students. We have a contract with Beaumont Oakwood to place 60 students. We are in the process of finalizing a long-term contract with Trinity Health for 30 students. Although we do not need those spots now we would not be fulfilling our fiduciary responsibility if we didn't have 40 to 50 extra slots to plan for potential future needs. The DMC has brought in medical students from Central Michigan University, Meharry Medical College, and Michigan State University to train at the DMC hospitals. This is of concern to Wayne's students who want to be at DMC hospitals, so loss of DMC slots may cause a morale problem for students. Schweitzer was careful that any partners with whom they negotiated had the same socio-economic distribution of patients as at the DMC hospitals. Psychiatry and pediatrics are the hardest sites to get. Oakwood has the only psychiatric hospital in southeast Michigan and St. John's Hospital has a pediatric hospital.

Beale asked if it was possible to make the changes easier for students. They really wanted to be at the DMC. A student told Beale that when students meet with administrators at the medical school they are told that everything is fine. It would be better, she said, if there was the full discussion with students that Policy Committee had so they recognize that the medical school is trying to maintain a similar connection but has to use other hospitals than it would normally use. Schweitzer acknowledged that he had not communicated as effectively as he should have and indicated that he would try to do better. Beale said that is very important because the applications for the medical school could decline if students are disgruntled. The more the change is presented as being similar to what students would have at the DMC, the more students will view the change as a positive experience.

The medical school tried to mitigate the drop in applications with the three-year M.D. program and the dual degree program that have been helpful drawing students who would not have traditionally come to Wayne State. The response to the three-year program was not the 200 students he had expected, but they will come close to filling the class. It will take time for people to hear about the program, which was just approved in November 2021. Having one successful class will help attract more students. The program is a nice way to draw people to the state. Schweitzer added that he meets with state officials almost weekly.

Schweitzer discussed the relationship between the school's revenue and expenses. In FY 2019 the School of Medicine had a \$28M deficit. In FY 2020 that came down to \$18M and in FY 2021 to \$5M. The goal is to reduce the structural deficit altogether. Most of this deficit is not the fault of the faculty or the school but rather the DMC. Twelve or 15 years ago about \$120M flowed from the DMC to Wayne State, whereas now the university gets less than \$40 million to

pay for resident expenses. The school has been covering additional expenses with PEPPAP funds. The FMRE also had a deficit of \$28 million. PEPPAP could be discontinued at any time. Good fiscal management says that one-time money should not be used for ongoing expenses but for strategic investment and start-up funds. We have used very little for investment and for start-up funds because we have used it to cover the deficit. Our relationship with the HFHS, an important source of PEPPAP funds, will change so we are actively seeking more PEPPAP participants, such as MHP, Oakland radiology and an anesthesiology group. One health system transferred their PEPPAP funding to Wayne State.

Clearly, the medical school had to address its structural deficit. The big point was no longer paying widely varying subsidy condition salaries. Transition funds for this were paid out of FMRE. FMRE is out of debt and is now accumulating money that should be used for strategic investment, chair packages, and improving the medical school. We also added many salaries, mostly clinical, that are now paid out of PEPPAP funds because we did not have new general fund money. PEPPAP goes up and goes down, so we are aggressively courting other PEPPAP providers. If we could get one provider that makes up for the loss of Henry Ford and perhaps a few others, we will be back where we were in 2020.

Rossi asked about the revenue from grants. Schweitzer's chart showed that the university's revenue from grants went from \$85M in 2017 to \$78M in FY 2021; however, Vice President Lanier said that for the same period funding went from \$85M to \$100M. Schweitzer suggested that the difference is that Schweitzer counts NIH expenditures and Lanier counts NIH grants awarded. The expenditures may come one to four years after a grant is awarded. Rossi also asked if the awards received by researchers in iBIO were credited to their departments or to Lanier's office. They are, Schweitzer said, credited to the researcher's department, but a disproportionate amount remains allocated centrally.

Schweitzer, Kornbluh, and Beale discussed ways that faculty might be incentivized to submit more grant proposals. This may be discussed at a later meeting.

Approved as amended at the February 28, 2022 Policy Committee meeting