

The Compelling Value Proposition of Academic Health Centers

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Academic health centers represent a unique combination of teaching, research, and patient care. This blend of academe and clinical care creates a perspective in which these multiple roles are *not* disparate, but rather contribute to a whole that is truly greater than the sum of its parts. But is this idea, which is commonly shared, a form of wishful thinking or naïveté? Or, is it something tangible that can be expressed and codified? In other words, what is the compelling value of academic health centers?

When asked to articulate their value, whether it be with government leaders, policymakers, professional organizations, patient groups, communities, or even their own faculty and staff, academic health center leaders often offer the commonly held view that an academic environment with research and teaching contributes to patient care and vice versa. But this can sound more like a statement of a belief than a concrete set of verifiable achievements. As self-evident as it may appear to those working in leadership positions at these institutions, the significance of this complex, integrated mission is not often clearly apparent to others.

This was noted in a recent report which pointed out that the complex mission and multifaceted relationships that academic health centers maintain “can make the [academic health science centre] value proposition difficult to articulate.”¹

Yet, at a time when the contribution of academic health centers is more important than ever, it is ironic that they may struggle to articulate what makes them such important pillars of society. How *does* one effectively communicate the *value proposition* of the academic health center?

THE DEFINING ACADEMIC HEALTH CENTER VALUE PROPOSITION

What is meant by a value proposition? Looking through the lens of the academic health center,

the value proposition may be characterized as a concise expression as to why individuals and organizations — be they public or private — should support and/or use its services. For instance, the tag line on the AAHC's stationery and web page reads: Leading institutions that serve society. Perhaps this is a bit vague as a value proposition.

The strength of academic health centers results from the intertwining of their three central activities — education, research, and patient care — working in concert to improve health and well-being as they expand the boundaries of knowledge. This combination is doubly powerful: as a vital contributor to health security and as a significant engine of economic growth.

Every day the results of the efforts of academic health centers are apparent, be it the healing of one individual, the education of one health professions student, or the discovery of one bit of new knowledge. Taken together, these core activities improve the lives of many and lead to better health and prosperity for a community and a nation.

Thus, academic health centers are the anchor around which patient care, health professions education, research, and technology support economic success and a healthy population. They are crucial local and regional institutions that are also indispensable as a collective global enterprise. Perhaps the value proposition of academic health centers can be expressed as: *Advancing and Applying Knowledge to Improve Health™*.

DELINEATING THE VALUE PROPOSITION

Advancing and Applying Knowledge to Improve Health™ describes the critical values that academic health centers bring to the table in a manner that no other health-related institution or industry can

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offer or address as comprehensively. While many health-related institutions can claim that they advance knowledge, and others that they apply it, it is only the academic health center that does both in such a synergistic and substantive fashion. The combination of building the knowledge economy through education and research and delivering comprehensive health care provides the foundation for economic growth and health and well-being.

Global Health and Well-Being

A healthy population is essential to a flourishing civilization; without it, progress is limited by daily life struggles. By delivering comprehensive care, from the basic to the most advanced, and by serving as a community's health safety net, academic health centers are often able to return individuals productively to the workforce. The academic health center is there every day for the community. And, in times of disaster and need, whether in Haiti, Chile, New Orleans, or elsewhere, the global academic health center community is there to aid, organize, deliver care, and help re-establish the health infrastructure.

Public Trust

Academic health centers have the great responsibility of earning and keeping the deep connection and trust that so many individuals and organizations have given them. This is, above all, an emotional connection that is clearly implied in the suggested value proposition.

Economic Benefits

The economic growth stimulated by academic health centers is remarkable. During the current recession, jobs in the U.S. health care sector actually *increased*,² demonstrating the sector's robustness. The academic health center creates much of this workforce through its schools, including medicine, nursing, dentistry, public health, graduate studies, pharmacy, veterinary medicine, and other health-related professions. Through research, the academic health center makes ideas and products available for commercialization, catalyzing industrial growth,

including the creation of spin-off companies, business incubators, and research parks. This is in addition to the training of highly qualified researchers who go on to jobs in academe, government, and the private sector.

Social Revitalization

The overall picture is that of a robust organization that constantly renovates and revitalizes the region that it serves. Thus, the academic health center exerts a threefold impact: its delivery of needed and high quality health care improves *health status*; its research addresses pressing *health care problems*; and its educational programs *produce health professionals who serve the community*.

This impact makes a strong case for the value proposition of academic health centers being *Advancing and Applying Knowledge to Improve Health™*.

COLLABORATING TO PROMOTE THE VALUE PROPOSITION

If this value proposition is indeed appropriate, what can be done to promote its wide understanding and acceptance? The process begins with enhancing the public and political perception and knowledge of academic health centers. In doing so, academic health center leaders can move from the reactive side of the equation to the proactive side, and change the dynamic from defending their costs to promoting their value.

Although academic health centers are large, complex institutions by any standard, they are often perceived as local entities, belonging to a city or particular region. As a result of this perception, they do not have the kind of clout or influence on a national or international scale that should be commensurate with their magnitude and impact. In comparison with corporations of similar size, their lack of broader unification results in a diminution of political influence. This is partly the result of decades of localism, the (now fading) ivory tower mentality, and the keen sense of inter-institutional competition.

It is now past time for academic health centers to open up their architecture and realize

that “collaboration is the new competition”³ by rallying around their value proposition and communicating a unified message.

RECALIBRATING INSTITUTIONS TO ONE MISSION

Implicit in the proposed value proposition is a call for institutional recalibration. It is no longer enough to say, as is commonly done, that the academic health center missions are to:

- Educate the next generation of health professionals;
- Conduct cutting edge research; and
- Deliver a broad spectrum of comprehensive care.

Rather, these “missions” must be viewed as *functions* — the *means* by which the true mission is accomplished: improved health and well-being.

By focusing the mission sharply on improved health and well-being, the entire enterprise is given enhanced meaning and direction, not to mention markedly improved political viability. In its most tangible form, this implies that an academic health center takes responsibility for the health and well-being of the community in which it plays a central role. In some instances, this community may be a specific part of a city; in others, it may be a larger region. But instead of simply co-existing, the academic health center and the community develop a viable partnership that brings direction and value to both entities.

This is particularly important in light of studies that have shown that an individual’s health prospects are shaped by five broad factors:

- Genetic and gestational endowments;
- Social circumstances;
- Environmental conditions;
- Behavioral choice; and
- Medical care.⁴

There is, of course, a rather complex interplay amongst these domains, but it is generally estimated that medical care accounts for less than 25% of a population’s health status.⁵ It is essential, therefore, for academic health centers to take a broader view of health.

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Emphasizing the Social Determinants of Health

We know that health is powerfully influenced by education, employment, poverty, housing, crime, income disparities, and social cohesion.⁶ Traditionally, the academic health center has focused — understandably — on the medical care domain, the rationale being that this is what it knows best and that there is little it can do about these other factors. This is in part a reflection of the siloed nature of many of our health professions schools within the academic health center. For example, schools of public health have long recognized the need to put more emphasis on the social determinants of health, but the lack of emphasis on interprofessional education and training has limited their impact on the programs of other schools.

Mounting evidence suggests that health cannot be addressed in isolation, that improvement in health status requires a broader approach. Enhanced alignment and communication between the disciplines at academic health centers can serve to better integrate how an institution approaches the mission of improving health and well-being locally, nationally, and globally. If academic health centers are to be leading organizations of the future, they must be demonstrably effective in achieving this mission and, thereby, fulfilling their value proposition. This suggests that their education, research, and patient care functions must be focused more directly on the communities they serve. As noted in a recent report, “Scrutiny of the community benefit offered by academic health centers is growing. Helping to address the social determinants of health is one way centers can demonstrate their value and sustainability and stay relevant to the communities they serve.”⁷

FULLFILLING THE VALUE PROPOSITION

What are the implications of this *recalibration* for the education, research, patient care, and leadership activities of academic health centers?

Recalibrating Education to Societal needs

In the education realm, there is increasing recognition of the need for substantive curricular change. For example, the new “Genes to Society” curriculum at The Johns Hopkins University School of Medicine has as one of its cardinal tenets that: “[The] basic structure of medical curricula is not suited to the nature and pace of scientific and societal changes.”⁸

This new curriculum includes a special “societal component” that emphasizes how individual patient phenotypes may affect the family or community. Similarly, the increasing emphasis on interprofessional health education speaks to the development of a new paradigm for care delivery. Academic health centers must take the lead in recalibrating their educational programs to target evolving societal and patient needs.

Linking Research to Health

In research, the recalibration of the academic health center will assist the transition from the current very highly leveraged model to one which is more broadly based in scope and function. Indeed, the link between research and improved health needs development and support, including new research tools and infrastructure.⁹ Another important area for recalibration in the research arena is the relationship between academe and industry. A positive, mutually productive relationship will likely prove vital in the years ahead, not only to sustain quality research, but, more importantly, to enhance the commercialization of needed health breakthroughs.

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Transforming Patient Care

Patient care will also undergo transformation and redesign. As noted in a recent paper, academic health centers “need to transcend traditional academic and geographic borders and engage in global public-private partnerships, not only to fill gaps in research domains, but also to build the final essential component of the discovery-care continuum.”¹⁰ The authors envision the evolution of the academic health center into a full-fledged academic health system.

Challenging Leadership to be Visionary

Given the recalibration of teaching, research, and patient care, there is the additional — and perhaps pivotal — administrative challenge of overseeing the overarching alignment of these efforts, for without alignment much of the synergy is lost.¹¹ This effort is ultimately a test of leadership, for the challenge is not easy. There are numerous difficulties and barriers at virtually every level, including leadership, faculty, staff, governance, economics, and political considerations. As one academic health center leader has pointed out, academic health centers are finely tuned to the current environment and therefore not easily changeable. They depend on growth in specific areas to sustain their momentum and allow the needed subsidization of various core aspects of the enterprise. The model that has been embraced to date is so highly leveraged with specific funding streams — streams that are likely to diminish in purchasing power — that its sustainability is in question. It is likely that this delicate ecology will be upset in the future, and strong, visionary leadership will be necessary to move the enterprise ahead successfully.

SUSTAINING THE VALUE PROPOSITION GLOBALLY

As academic health centers adapt and change to the new environment, it is critical that they look outward as well, for the global health environment is increasingly interconnected as diseases, patients, students, and professionals cross international

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borders with greater ease and frequency.

The Association of Academic Health Centers International™ (AAHCI) was established to facilitate academic health centers to become agents of change embodying the ideals of enhancing health and well-being worldwide, through the promotion of best practices and international networking and collaboration.¹²

The AAHCI serves to mobilize and speak on behalf of the collective strengths and resources of academic health centers, to ensure that these institutions have a voice in international matters affecting health, research, and the economy. As an organized group, academic health centers can address pressing needs in public health, patient care, health professions education, and biomedical and clinical research. In addition, AAHCI can work with institutions to develop the organizational and management expertise that captures the power of the combined functions of the academic health center. It can also provide support to leaders needing to demonstrate the value proposition in their own regions.

Building upon the success and momentum generated from meetings in Asia and Europe, as well as from the International Forums held in Washington, AAHCI recently convened an *International Working Group* to address the successful development and sustainability of the academic health center. Participants representing Europe, Asia, Latin America, North America, and Australia discussed the primary issues facing their institutions and common challenges facing academic health centers worldwide. The group suggested some major thematic areas to pursue:

- **Enhancing Strategic Planning and Governance Models**

This stems from the recognition that each academic health center faces unique circumstances, including political and economic contexts. The group stressed the importance of studying organizational,

management, and leadership strategies to create a profile of models and develop guidelines that can be tailored to individual academic health center needs;

- **Adapting to the Changing Research Environment**
As international research and business opportunities continue to expand, academic health centers and AAHCI should look for new ways to reduce and/or eliminate barriers to international collaboration and to facilitate cooperation through international networks;
- **Communicating the Academic Health Center Value Proposition**
Given the continuously changing political environments, academic health centers must remain diligent in communicating their value message, so governments and stakeholders understand and appreciate their educational, economic, and healthcare value;
- **Addressing Population Health**
As leaders in healthcare, academic health centers can set the standard for the provision of care. Their efforts directly enhance the health and well-being of their communities, while also playing an important role in the improvement of population health and health systems; and,
- **Evaluating the Healthcare Workforce**
The unpredictability of healthcare, including new diseases, changing models of care, and shifting demographics within the workforce, make it challenging to evaluate and predict future workforce demands. Academic health centers and the AAHCI are well positioned to evaluate and provide guidelines on health workforce planning.

“...the value proposition can be clearly demonstrated.”

CONCLUSION

Despite significant economic, cultural, and historical differences, the international academic health community has much in common. By working collaboratively, they can make a difference in striving toward the common goal of improving health and well-being around the world for the 21st century.

As academic health centers begin the careful *recalibration* of the enterprise, there are three guiding principles to follow:

- Alignment of the functions of teaching, research, and patient care, so that they work synergistically with each other;
- Tangible commitment to a partnership with the communities they serve that demonstrably improves health and well-being for both individuals and populations; and,
- Collaborative engagement with other academic health centers on a national and international scale to create an open framework for mutual improvement and problem-solving.

By realigning the academic health center enterprise around these principles, the value proposition can be clearly demonstrated. With strong leadership, the academic health center community can work together in *Advancing and Applying Knowledge to Improve Health™*.

Adapted from the presidential address at the 2010 AAHC International Forum.

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VISION

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To mobilize and enhance the strengths and resources of the academic health center enterprise in health professions education, patient care, and research.

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