

# 2014-16 Executive Progress Report

Commonwealth of Virginia  
Secretary of Education

Eastern Virginia Medical School

## At A Glance

Eastern Virginia Medical School is an academic health center dedicated to achieving excellence in medical and health professions education, research and patient care. We value creating and fostering a diverse and cohesive faculty, professional staff and student body as the surest way to achieve our mission. Adhering to the highest ethical standards, we will strive to improve the health of our community and to be recognized as a national center of intellectual and clinical strength in medicine.

**Staffing** 0 Salaried Employees, 0 Contracted Employees, 0 Authorized, and 0 Wage Employees.

**Financials** Budget FY 2015, \$23.50 million, 100.00% from the General Fund.

**Trends** ↑ Medical School Applications

**Key Perf Areas** → USMLE Part 1 Pass Rates

↑ Patient Care Revenue

→ USMLE Part 2 Pass Rates

**Legend** ↑ Increase, ↓ Decrease, → Steady

**Productivity** ↑ Simulators in Education

↑ Patient Care Revenue/Faculty

**Legend** ↑ Improving, ↓ Worsening, → Maintaining

For more information on administrative key, and productivity measures, go to [www.vaperforms.virginia.gov](http://www.vaperforms.virginia.gov)

## Background and History

### Agency Background Statement

Eastern Virginia Medical School (EVMS) is a community-based academic health center dedicated to medical and health professions education, biomedical research, and the enhancement of health care in the Hampton Roads region through the direct provision of health care services. The medical school's primary goal is the education of compassionate, skillful health care professionals to serve in a variety of health care and academic settings. The Medical School currently enrolls almost 600 medical students and over 700 health professions students. The discovery of new biomedical knowledge is accomplished through the over 347 funded research programs with annual funding of over \$44.0 million in aggregate. Affiliated with more than 30 health care facilities across the Hampton Roads area, EVMS provides medical services to more than one-quarter of the Virginia population through its faculty practice plan and through services provided through affiliates.

In the 1960s, the Hampton Roads region did not have enough physicians. Citizens had to travel to other cities to receive advanced or specialized medical treatment. Farsighted community leaders determined that a medical school would attract physicians to Hampton Roads to serve as faculty members while training the physicians of tomorrow, many of whom would stay in the area to practice. In 1964, the Virginia General Assembly authorized the planning for a proposed medical school. In 1973, the medical school accepted its first class and in 1974 the EVMS Office of Graduate Medical Education was established to coordinate residency training in the region.

Eastern Virginia Medical School was established pursuant to Chapter 820 of the 2009 Acts of Assembly, to amend and reenact §2 of Chapter 471 of the 1964 Acts of Assembly, as amended by Chapter 87 of the 2002 Acts of Assembly and Chapter 658 of the 2008 Acts of Assembly, relating to the appointment of members to the Board of Visitors at Eastern Virginia Medical School.

### Major Products and Services

Eastern Virginia Medical School's primary "service" is the education of compassionate, skillful health care professionals to serve in a variety of health care and other academic settings. Excellence in patient care requires a firm foundation in the medical sciences and clinical skills, combined with an empathetic attitude and the ability to apply scientific methods to the solution of medical problems. The educational programs at EVMS include: Doctor of Medicine (M.D.), Doctor of Biomedical Sciences (Ph.D.), Doctor of Psychology, a joint program with Old Dominion University

and Norfolk State University (Psy.D.), Master of Physician Assistant (M.P.A.), Master of Public Health, a joint program with Old Dominion University (M.P.H. and joint M.D./M.P.H ), Master of Science in Art Therapy and Counseling (M.S.), Master of Science in Biomedical Sciences Research (M.S.), Master of Science in Clinical Embryology and Andrology (M.S.), two Medical Master's Programs (M.S.), the Surgical Assistant Master of Science (M.S.), the Master of Science in Biotechnology (M.S.), the Masters in Laboratory Animal Sciences (M.S.) and the Medical and Health Professions Master in Education (M.S.) program.

In addition to the education programs described above, EVMS operates graduate level medical education internship, residency and fellowship programs that collectively train over 350 individuals each year in specialty fields ranging from family medicine to surgery.

A second "service" is the basic biomedical science, clinical and translational, and community-health research conducted which creates new knowledge, new treatment modalities and speeds medical innovations from the research bench to the bedside.

Finally, the key "service" that Eastern Virginia Medical School provides is the provision of patient care services by its faculty, interns, residents and fellows to the population of the greater Hampton Roads area. These personnel collectively have over 401,000 patient encounters per year.

## Customers

### Customer Summary

EVMS anticipates the number of medical and health professions students and residents to continue to increase due to the upcoming shortages in the health workforce and the opportunities to develop new educational programs to respond to the health workforce needs of the Commonwealth. The medical school will work closely with the Virginia Health Workforce Development Authority in crafting responses to Virginia's health workforce needs. It is also anticipated that the patient base served by the medical school will increase as the medical school recruits new faculty and strengthens its clinical ties with teaching hospitals and other facilities in Hampton Roads.

### Customer Table

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Consumer	Patient Encounters	401,772	403,000	Increase
Higher Education Students	Health Professions Students	700	900	Increase
Higher Education Students	Medical Students	577	600	Increase
Higher Education Students	Residents	355	370	Increase

## Finance and Performance Management

### Finance

#### Financial Summary

The budget for Eastern Virginia Medical School for FY 2016 is approximately \$237.3 million. State support is approximately \$23.5 million, or 10 percent of the total budget. Patient care revenue still accounts for the largest proportion of the budget, followed by federal, state, and private grants and contracts.

An important element in the medical school's progress has been the substantial improvement in its financial position. For FY 2012, EVMS secured an additional \$3.6 million from the Commonwealth of Virginia. Eastern Virginia Medical School now receives an almost comparable percentage of the Base Adequacy Guidelines funding to that received by the School of Medicine at the University of Virginia and Virginia Commonwealth University, although it still lags to the percentage of GF support recommended by SCHEV by \$3.2 million. The medical school will continue to pursue the additional capital and financial aid funding that are needed. Achieving long-term financial stability is an important factor for the medical school going forward if it is to continue. In addition to operating support, EVMS needs additional capital support for a new academic building that is slated to come online by 2020.

#### Fund Sources

Fund Code	Fund Name	FY 2015	FY 2016
0100	General Fund	\$23,504,860	\$23,504,860

#### Revenue Summary

Eastern Virginia Medical School revenues are derived from multiple sources: state and local government appropriations, faculty practice plan revenue, contracts with affiliated hospitals, endowment and other charitable income, research and service grants, other contracts, and tuition and fees. There is an appropriate balance among the various revenue sources and the resources needed to support the medical school's educational programs. There has been stability among these revenue sources over the last few years. No major changes in the relative proportions of these revenue sources are forecast during the next few years. Prospects for additional funding from all revenue sources are

reasonable, but will require sustained attention. Specific efforts are underway to produce additional net revenue from practice plan revenues, additional research funding, new educational programs, and increased state support.

## Performance

### Performance Highlights

Eastern Virginia Medical School continues to realize significant progress in achieving excellence in education, research and patient care and is well-positioned for further success. The Board of Visitors adopted a Strategic Plan on April 13, 2010 that included a revised Mission Statement as well as a new Vision Statement, a new Values Statement and seven long-term goals. An update to the plan was completed in 2015 that added support for new programs in health professions education, outreach to community faculty and hospitals supporting EVMS, research initiatives in infrastructure, a new Center for Health Analytics and Discovery, and a revision of the Undergraduate Medical Education (UME) curriculum.

One of the key ways that EVMS measures its educational excellence against other medical schools is by comparing the performance of its medical students on the Step 1 and Step 2 United States Medical Licensing Examinations (USMLE) that all United States medical students must take and pass to advance along the medical education continuum. Each calendar year, the medical school compares the rolling three-year averages of EVMS student pass rates on these examinations to the three-year rolling averages of national pass rates. A value of 100 indicates that EVMS student pass rates are equal to the national pass rate. The Medical School is striving for student pass rates on the national USMLE exams comparable to the national pass rates or higher.

Eastern Virginia Medical School's patient care revenue generated each fiscal year by the clinical faculty is another key quality indicator for the medical school. This figure serves as a proxy for the quality of such services as increasing revenue can indicate that the public perceives EVMS clinical providers as being providers of choice in the Hampton Roads medical marketplace and also that the medical school is growing its clinical services in health care specialties that are relevant to the health care needs of the Hampton Roads population. The measure is the amount of patient care revenue per clinical faculty member. Eastern Virginia Medical School has a target to maintain stability in patient care revenue per clinical science faculty member.

The medical school is involved in several efforts to increase the numbers of health care providers in Hampton Roads both to better provide health care access to the general public and to provide preceptor assistance in the training of the next generation of health care providers through community faculty or full-time faculty positions. EVMS is working closely with the new Virginia Health Workforce Development Authority through the Eastern Virginia Area Health Education Center Program to develop new health workforce pipeline programs that will recruit more Virginians, especially those from underserved minority and economically disadvantaged populations, into health careers programs. EVMS partners with local high schools and Medical Explorer programs to encourage STEM education as such subjects also serve as an excellent foundation for health careers studies.

### Selected Measures

Measure ID	Measure	Alternative Name	Estimated Trend
M274SA12002	Increase the number of class hours students use medical simulators by two percent annually.	Simulators in Education	Improving
M274SA12004	Maintain the three-year averages of Eastern Virginia Medical School student pass rates on the national United States Medical Licensing Exam (USMLE) Part I exam compared to three-year averages of national pass rates.	USMLE Part 1 Pass Rates	Maintaining
M274SA12006	Maintain the three-year averages of Eastern Virginia Medical School student pass rates on the national United States Medical Licensing Exam (USMLE) Part II exam compared to three-year averages of national pass rates.	USMLE Part 2 Pass Rates	Maintaining
M274SA12007	Maintain the amount of patient care revenue generated annually by the Eastern Virginia Medical School clinical faculty.	Patient Care Revenue/Faculty	Improving

### Key Risk Factors

Several factors will have a significant impact on Eastern Virginia Medical School over the next few years:

**Facilities:** EVMS remains confident about its future; however there are factors that could severely constrain the medical school. The new Harry T. Lester Hall has addressed one of the medical school's two key infrastructure needs by providing new educational and research space. There are other ongoing needs for enhancing the academic information management infrastructure and for additional educational administrative and faculty office space and additional small group learning space. Planning for an additional educational building to address these needs has been included in the six-year capital funding request. Bringing a new academic building online by 2020 is critical to EVMS' continued academic development.

**Revenues:** Growth in medical, health professions, and residency programs is necessary to meet the Commonwealth's looming workforce shortage among physicians and other health professionals.

**Indigent Care:** In addition, the indigent care burden remains large. While the medical school is committed to providing this public service, it must continue to grow its clinical enterprise to absorb these significant and on-going losses.

## Agency Statistics

### Statistics Summary

The following statistics provide a comprehensive snapshot of the magnitude of EVMS operations during FY 2014.

#### Statistics Table

Description	Value
Medical School Applications	6,585
Medical Students	557
Residents and Fellows (ACGME Approved)	355
Other Graduate Health Professions Students	700
Graduates Choosing Primary Care (percentage)	39
Number of Grant Funded Projects	347
Basic Science Full Time Faculty	54
Clinical Science Full Time Faculty	372
Charitable Funds Raised (millions)	13
Net Square Feet of Space (thousands)	781

## Management Discussion

### General Information About Ongoing Status of Agency

Eastern Virginia Medical School's highest priorities are to maintain its educational excellence and to expand its research and patient care programs. The primary means of fulfilling these priorities are increasing faculty salaries to retain highly productive faculty and recruiting new faculty with funded research and/or superb clinical skills. An important element in the medical school's progress has been the substantial improvement in its funding position. In addition to improved reimbursement from teaching hospitals in recent years, beginning in FY 2012 the medical school secured an additional \$3.6 million from the Commonwealth. EVMS now receives a percentage of the Base Adequacy Guidelines funding that is roughly comparable to that received by the medical schools at the University of Virginia and Virginia Commonwealth University, although the levels remain lower and falls \$3.2M below the SCHEV recommendation.

The medical school will continue to pursue the additional capital and financial aid funding that is needed to support its medical education programs. Achieving long-term fiscal stability is an important factor moving forward because demographic and market trends are accelerating the urgent need for this nation to produce more physicians. To meet this end, EVMS will require additional resources to educate more doctors and physician assistants. Full funding of the Base Adequacy Guidelines and other infrastructure support is essential to achieving this goal in an era of uncertain patient care revenues due to the implementation of the Patient Protection and Affordable Care Act over the next several years and the uncertain nature of the nation's economy. In addition, student loan indebtedness continues to increase at an unsustainable rate as grant resources remain constrained and public policy decisions such as the elimination of subsidized loans for graduate students become effective. This trend may limit the ability of institutions such as EVMS to increase tuition revenue in the years ahead.

### Information Technology

A major upgrade to Internet services, quadrupling existing bandwidth, was completed in 2010 and has not been upgraded since then. EVMS maintains an agreement for Internet Services through Network Virginia. The network has very high capacity and can deliver simultaneous transmission of fully interactive voice, data and video services. Gateways currently deployed to the Internet, to the U.S. Department of Energy's ESnet network, and to the Internet2 Abilene network extend the reach of this powerful information resource beyond the bounds of the Commonwealth.

Recent significant upgrades to our email services allowed both faculty and students unlimited storage and both wireless and campus access to their email via computer or smart device.

In addition, direct network connections between EVMS, Sentara Norfolk General Hospital, the Children's Hospital of The King's Daughters and other partnered hospitals exist to facilitate communications in support of shared staff, projects, utilities, and facilities and to support student and resident resource requirements related to library and educational support.

EVMS implemented a virtual web conferencing application allowing for the recording and streaming of classes and other events from our venues. The system is designed to make these activities available to faculty, students and residents, regardless of location or device, both on- or off-campus.

Information technology staff planned for upgrades and oversaw new installations as part of the recent campus renovation and new building efforts. Extensive planning and implementation created a state-of-the-art learning environment for students, faculty and residents.

EVMS' recent information technology focus has been in planning, programming and implementation. Staff continues to develop a student portal that will enable access to a variety of learning resources from a single site. Planning is ongoing for the purchase and implementation of an integrated student information system.

### **Workforce Development**

EVMS has a lean administrative structure that has proven appropriate for effective medical school administration. The limited turnover that has occurred has not hindered medical school planning and operations. Senior Management includes the President and Provost/Dean of the Medical School, the Vice President and Dean for the School of Health Professions (SOHP), two other Vice Presidents (Administration and Finance, and Diversity and Inclusion) and the General Counsel. The President and Provost/Dean of the Medical School took office in April 2013, the VP and Dean for SOHP in July 1985, the VP for Administration and Finance in March 2002, the VP for Diversity and Inclusion in February 2013, and the General Counsel in June 2006. The Associate/Assistant Deans were appointed at various times, but most have at least ten years tenure. There is substantial tenure among the department Chairs as well, with the average tenure in these positions exceeding eight years.

### **Physical Plant**

Modern facilities are essential to achieving EVMS' mission in the education of new health care providers, the conduct of research and the provision of patient care services. The medical school utilizes 12 key buildings with approximately 781,781 gross square feet of space. Most facilities are located on and near the Eastern Virginia Medical Center campus in downtown Norfolk which also includes Sentara Norfolk General Hospital, the Children's Hospital of The King's Daughters and the Norfolk Department of Public Health.

Eastern Virginia Medical School's newest facility is the Harry T. Lester Hall, dedicated in September 2011. EVMS received \$63.0 million in state bond funding and combined with corporate and individual contributions covered the facility's \$80.0 million cost and related renovations to two nearby structures. The four-story, 100,000 square-foot building is constructed to LEED Silver standards. A highlight of the building is the Sentara Center for Simulation and Immersive Learning, which covers an entire floor and brings together task trainers, computerized mannequins, virtual environments and standardized patients (people trained to portray patients for training purposes) to create more realistic training scenarios. The fourth floor houses a Cancer Research Center, where EVMS scientists are focused on developing new cancer diagnostics, with particular emphasis on the forms of the disease most prevalent in Hampton Roads.

Lester Hall has addressed one of the medical school's two key infrastructure needs by providing new educational and research space to support enrollment increases in the medical education and physician assistant programs. There are other ongoing needs for additional administrative and faculty office space and additional small group learning space. An \$80.0 million request for a new education/administration building has been included in EVMS' six-year capital funding request to the Commonwealth and the building needs to come online by 2020 to support EVMS' academic plans.

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