



Testimony of:

Jo Wiederhorn, President & CEO

Associated Medical Schools of New York (AMSNY)

At a Joint Hearing of

The New York State Assembly Committee on Economic Development, Job
Creation and Industry ☐

&

The New York State Senate Committee on Commerce, Economic
Development and Small Business ☐ On the Executive Economic
Development Budget

February 1, 2017

10:00 am

Legislative Office Building

Albany, New York

Good afternoon, Chairman Boyle, Chairman Schimminger, Chairman Young, Chairman Farrell and other distinguished members of the State Legislature. Thank you for this opportunity to testify on the proposed Executive Budget for fiscal year 2017-2018.

My name is Jo Wiederhorn, President & CEO of the Associated Medical Schools of New York (AMSNY), the consortium of the 16 public and private medical schools in New York State. AMSNY works in partnership with its members to promote high quality and cost-efficient health care by ensuring that New York State's medical schools provide outstanding medical education, patient care and biomedical research.

I would like to begin my testimony by discussing what I call, the "covenant" between academic medicine and government. The term academic medicine is widely used, and yet its true meaning often gets lost because support for academia and support for medicine are often separated. When combined, the term "academic medicine" has a much greater depth of meaning than its individual parts. The role of academic medicine is not only education nor the advancement of medical science. Rather, it is education and research that ultimately improves the health of individuals and communities.

This is not merely an ivory tower idea – our academic medical institutions admit students who, from their very first day, work in hospitals, clinics and laboratories. These students work alongside teachers and mentors to immediately begin applying their knowledge to help the communities within which they live and work. As Stephen Schroeder noted in an important article in the Journal of the American Medical Association, academic medicine constitutes a public trust, because it "is entrusted by society with the responsibility to undertake several important social missions toward improving the health of the public, including education, patient care and research."

I believe quite strongly that the role of medical education dovetails well with the role of government, which in my view, is to help its citizens and its communities thrive.

I am here today because both the economic and health outcomes of our communities are in need of your assistance. With your help, we can ensure that academic medicine in New York State continues to make a strong contribution to our economy, as well as advancing health within our communities.

We are pleased that several programs were included in the Executive Budget that support academic medicine's role as a public trust, including continued funding for stem cell research, the Spinal Cord Injury Research Program and the Empire Clinical Research Investigator Program. We also welcome the Governor's commitment to make a strong investment in the life sciences by allocating funds to advance biomedical science and research. However, these proposals could be strengthened in ways that would greatly improve the impact on job creation and develop the economy in New York State.

THE NEED FOR SCIENTIFIC TALENT

The past decade has seen an unprecedented investment by many states in biomedical research by recruiting research talent to academic institutions. At first, it was states like California, Massachusetts and Texas appropriating billions of dollars to enable their research institutions to

poach scientists and entire laboratories. These laboratories are effectively small businesses within academic institutions; they typically employ 8-10 people, develop valuable intellectual property and lead to the formation of new bioscience companies. They also strengthen the communities in which they are formed by bringing in high paying jobs and an increased tax base.

More recently, however, the list of states investing heavily in this space has grown exponentially to include Indiana, Iowa, Maryland, Oregon, Virginia, Utah and others. Not insignificantly, these funds in part support recruitment from states like New York with deep reservoirs of scientific talent.

Several of the states I've mentioned have made commitments of \$1 billion or more (California and Texas have each invested \$3 billion; Connecticut \$2.5 billion; Massachusetts \$1.5 billion) and clearly recognize the vital role bioscience plays in their future economies and in the health of their citizenry.

As such, I return to my original premise: there is a covenant between state government and its citizens, and that the role of government is to enable its communities to thrive.

We were thrilled this December that Governor Cuomo announced a \$650 million commitment to the life sciences and believe that this can go a long way towards bolstering New York's competitive advantage in the bioscience sector. In announcing the launch of this initiative, the Governor correctly pointed to the critical need for scientific talent. Of course, as with any program, the devil is very much in the details.

The 2017-2018 Executive Budget allocates \$200 million in State Capital Grants and \$100 million in Investment Capital, but to date there is little specificity as to where these funds will be directed. AMSNY urges the Legislature to ensure that of those funds, \$50 million be dedicated to the recruitment and retention of biomedical research laboratories and scientific talent. AMSNY has proposed a \$50 million program, called the New York Fund for Innovation in Research and Scientific Talent (NY FIRST), that would enable New York's research institutions to compete for world-class talent. Such scientific talent is directly responsible for the basic, clinical and translational research from which the next generations of treatments and cures will be developed. Likewise, these laboratories form the basis for new company formation, as well as the intellectual property that drives existing bioscience companies in the state. **Finally, New York State's 16 medical schools have pledged to match every dollar of State investment in the recruitment and retention of research faculty with an additional two dollars,** further leveraging the State's funds towards cures, job creation and economic growth.

As we have mentioned during past testimony, there was a similar program between 2002-2009: The Foundation for Science, Technology and Innovation (NYSTAR), a division of Empire State Development, sponsored the Faculty Development Program (FDP) in order to assist New York State research institutions in recruiting and retaining high profile and well-funded scientists. This program was extremely successful and New York State's medical schools and others were able to recruit and retain scientists who maintained laboratories, employed many post-doc researchers and brought in millions of dollars of NIH grant funding, resulting in a 7:1 return on the State's initial \$38 million investment.

NY FIRST has clear potential to create and sustain thousands of high skilled, high wage jobs over a 10-year period. A \$1 million investment by the State (again, matched 2:1 by the medical school

recipient) would typically enable the recruitment of one world-class laboratory with approximately 8-10 employees. A \$50 million annual investment by the State, could potentially yield 4,000-5,000 direct jobs over 10 years.

The Associated Medical Schools of New York (AMSNY) urges the State Legislature to strongly support a line item appropriation for the creation of the NY FIRST and fund the program at **\$50 million** in the upcoming FY 2017-2018 budget.

AMSNY'S DIVERSITY IN MEDICINE PROGRAMS

I would also like to discuss AMSNY's Diversity in Medicine programs, for I believe these are also part of the covenant between academic medicine and State government.

These highly successful programs support a diverse physician workforce and positively impact the health of New York State's communities. Unfortunately, the funding for these programs has been pooled with a number of other health programs and funding is targeted for a twenty percent cut. Simply put, this would be devastating for these programs and would force them to shut down.

Attached you will find a fact sheet detailing the success of the program. As you'll note from our outcomes, these programs are highly successful. They enroll students who would not otherwise be accepted to medical school and provide them with a year of academic enrichment, mentoring, research and support. Students who successfully complete the program are guaranteed admission to the medical school that referred them. Three of our programs also provide Master's degrees. Again, I must stress, these are students who would not otherwise have been admitted to medical school. Of all our program alumni, 97 percent enter medical school. By any measure, this is an astounding success rate.

Despite these outcomes, the Diversity in Medicine program has lost 20 percent of our funding 2008 due to recession-related budget cuts. We have been forced to eliminate programs. That funding has never been restored. In the 2018 budget, the Executive has proposed pooling these diversity programs with other State-supported workforce programs which would have to compete for funding; and b) cut funding for these programs by an additional 20 percent.

If we are required to compete through an RFP process for funds, we will be forced to close these programs. Certainly not because of poor outcomes, nor because our management to program funding ratio is poor (our most recent audit revealed that more than 90 percent of AMSNY's total budget directly supports programs), but because we begin enrolling students in our programs in Spring. If we are uncertain whether and how much funding will be available, we simply cannot enroll students.

Moreover, if our funding is cut by an additional 20 percent we will be forced to eliminate programs – AMSNY and its member institutions simply cannot continue to absorb these reductions. We understand that the budget climate is difficult and the future of Federal contribution is uncertain, but now is the best time to focus the State's resources to programs that have proven successful track records and low overhead costs. **Therefore I would argue that the Legislature should include a line item appropriation in the enacted budget for the Diversity in Medicine programs and that our previous \$400,000 reduction should be restored in full.**

For most students, paying for a medical education is a daunting challenge. Across the country, the median level of debt for the class of 2015 was \$183,000 – excluding accrued interest. In 2015, 81 percent of medical school graduates left with student loan debt. AMSNY is also urging the Legislature to consider expanding the Diversity in Medicine Program by establishing a new medical school scholarship initiative to support underrepresented minority (URM) students. At the cost of \$400,000, this initiative would support ten scholarships for prospective medical students who successfully complete one of the NYS-funded Diversity in Medicine Post-baccalaureate programs. The scholarship is to be indexed to the current cost of medical school tuition at the State University of New York. In order to receive a scholarship, the student must agree to work in a medically underserved area of New York State. This scholarship initiative would help support ten URM students through a NYS medical school and in effect, help alleviate the health disparities of some of New York's most underserved communities.

Training physicians who are culturally competent and ethnically and racially representative of all New Yorkers increases the likelihood that our citizens will visit their physicians and comply with treatments. This is a clear and proven way to improve health outcomes and we strongly urge the Legislature to include these programs in the final enacted budget.

I am urging members of the Legislature to continue the current line item allocation in the budget for the Diversity in Medicine program at level funding and to consider reinstating the funds that were reduced during the recession and, supporting. In addition, I ask that you expand the Diversity in Medicine program by creating a scholarship for underrepresented in medicine (URIM) students. Now is the time to invest in a physician workforce that will improve the health and economy of New York State.

Thank you very much for your time and consideration.

Submitted by:

Jo Wiederhorn



AMSNY Member Institutions:

Albany Medical College
Albert Einstein College of Medicine
Columbia University College of Physicians and Surgeons
CUNY School of Medicine
Hofstra Northwell School of Medicine at Hofstra University
Icahn School of Medicine at Mount Sinai
Jacobs School of Medicine and Biomedical Sciences at the University at Buffalo
New York Institute of Technology College of Osteopathic Medicine
New York Medical College
New York University School of Medicine
Stony Brook University School of Medicine
SUNY Downstate Medical Center
SUNY Upstate Medical University
Touro College of Osteopathic Medicine
University of Rochester School of Medicine and Dentistry
Weill Cornell Medicine

The Associated Medical Schools of New York (AMSNY) is the consortium of the sixteen public and private medical schools in the state. The organization's mission is to promote high quality and cost-efficient health care by ensuring that the NYS medical schools can provide outstanding medical education, care and research.

BIOMEDICAL RESEARCH IN NEW YORK STATE



New York State's research institutions have led the nation in major medical discoveries, with **23 Nobel laureates** in Physiology or Medicine, and breakthroughs in the fields of:

23

NOBEL
LAUREATES IN
PHYSIOLOGY
OR MEDICINE

- Cardiac Care
- Oncology
- Diabetes
- Multiple Sclerosis
- Polio
- Lyme Disease
- Genetics
- Cell Physiology
- Virology
- Immunology
- Regenerative Medicine
- Neurophysiology

16

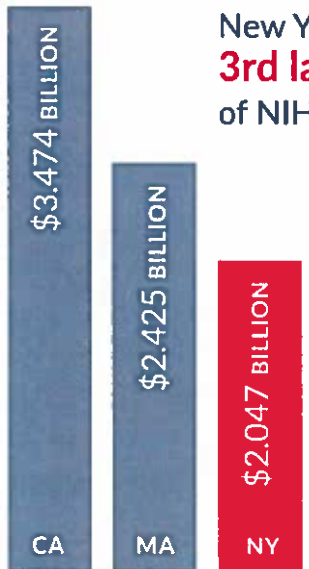
PUBLIC AND PRIVATE MEDICAL
SCHOOLS IN NEW YORK STATE



\$85+ billion
in economic
impact

\$7.5 billion
generated
by research

SOURCE: TRIPP UMBACH 2010



New York is the **3rd largest recipient** of NIH funding.

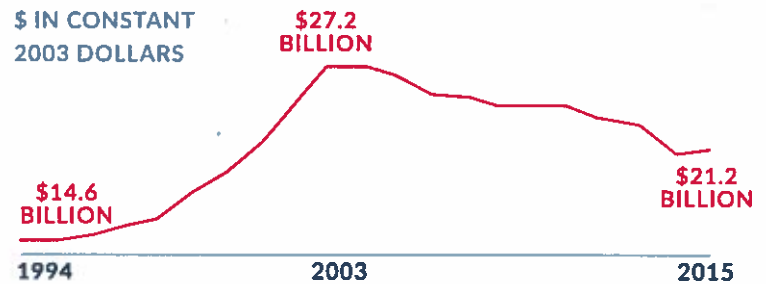
IN 2015:

- NIH awarded over **\$2 billion** to NYS researchers
- 176 NYS institutions were awarded **4,874 NIH grants**
- NIH funding alone supports more than **26,000 jobs** throughout the state

NIH FUNDING IN BILLIONS

SOURCE: NIH FY2015

But in the last decade, NIH's purchasing power has declined by nearly **22%**.

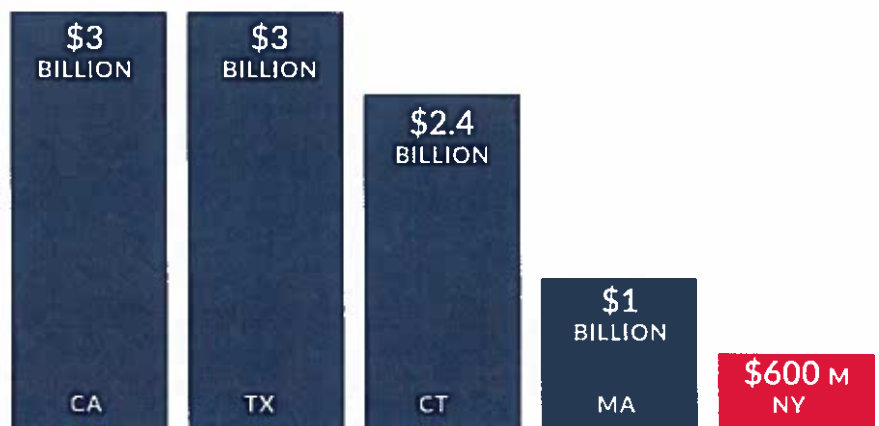


IN 2013:

Sequestration cuts cost New York State roughly **\$100 million** in lost NIH research funds – funding that will not be restored in future NIH budgets.

STATE RESEARCH INVESTMENT

Recently, California, Texas, Connecticut and Massachusetts have led the nation in establishing major biomedical research initiatives to drive economic growth.



SOURCES: CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE, MASSACHUSETTS LIFE SCIENCES CENTER, BIOSCIENCE CONNECTICUT, CANCER PREVENTION RESEARCH INSTITUTE OF TEXAS

DIVERSITY IN MEDICINE

AMSNY supports programs across the educational continuum to expand the pool of students choosing careers in medicine and other health professions. The programs are supported through a grant from the State Department of Health, with additional financial assistance from the medical schools.

POST-BACCALAUREATE & MASTER'S DEGREE PROGRAMS

The programs provide coursework, financial assistance, mentoring and comprehensive support services to students recommended by participating medical schools. Students are referred through wholistic admissions processes and offered conditional acceptance to medical school.



97%

of students who completed the Master's Degree programs have entered medical school
(DATA FROM 2008-2015)

MASTER'S DEGREE PROGRAMS

MS in Interdisciplinary Medical Sciences
New York Medical College

MS in Physiology and Biophysics
Stony Brook University School of Medicine

MS in Medical Technology
SUNY Upstate Medical University

"The preparation and training provided by AMSNY's Medical Scholars Master's Program enabled me to feel confident and handle the rigorous demands of medical school."

DR. SAMANTHA JONES

Assistant Professor of Emergency Medicine, SUNY Upstate Medical University, alumna, SUNY Upstate Medical Scholars Program

POST-BACCALAUREATE PROGRAM

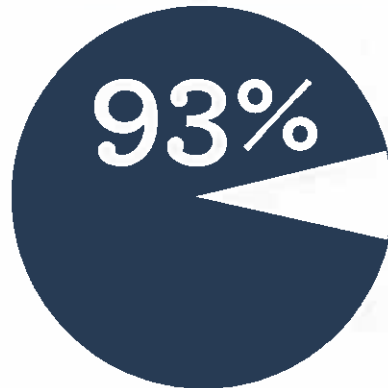
The School of Medicine & Biomedical Sciences,
University at Buffalo, SUNY

Over 25 years, 464 students have participated in the program
(DATA FROM 1991-2015)

"If I didn't have this opportunity, I probably wouldn't be a doctor today. About 90% of my patients are Hispanic. For them to come and see me is a big relief. I speak their language. I know their culture."

DR. JAIME NIETO

Chief of Neurologic Surgery, New York-Presbyterian/Queens, alumna, University at Buffalo Post-Baccalaureate



of students who entered the Post-Baccalaureate Program entered medical school

87% of students who matriculated into medical school graduated

55% of MD graduates went into primary care residencies

54% stayed in New York for residencies

DIVERSITY IN MEDICINE

In addition to the post-baccalaureate programs, AMSNY's diversity in medicine initiative targets students in high school and college.

LEARNING RESOURCE CENTER

CUNY School of Medicine

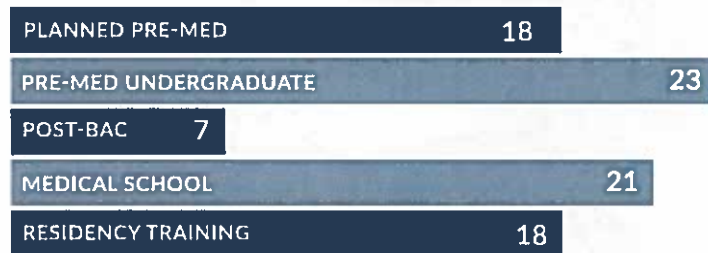
The Learning Resource Center provides academic resources, skills, mentorship and support that assist CUNY medical students in pursuing their joint BS/MD degrees.

PHYSICIAN CAREER PREP PROGRAM

Staten Island University Hospital Northwell Health

The program provides academic support, workshops, clinical shadowing and research opportunities to encourage high school students to pursue careers in medicine and health.

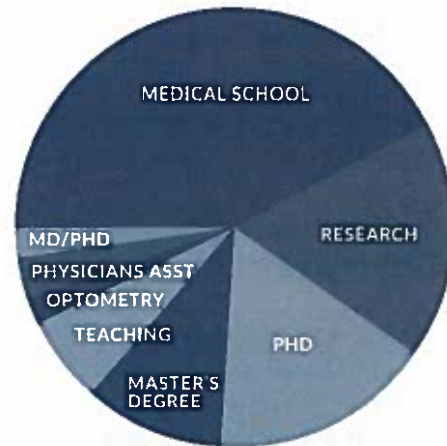
87 students



PATHWAYS TO CAREERS IN MEDICINE AND RESEARCH

City College of New York

Students are mentored by National Institutes of Health (NIH) researchers, who help them develop and conduct independent research projects. At the conclusion of the program, research projects are presented locally and nationally.



97 students

"At different times in my life, when I'd felt unsure of my potential, AMSNY's programs provided enrichment opportunities for me to learn and grow professionally."

DR. MAURICE SELBY

Emergency Medicine Resident, SUNY Downstate Medical Center, alumnus, Physician Career Prep Program at Staten Island University Hospital Northwell Health and Pathways to Careers in Medicine Program at CCNY

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DOH Diversity in Medicine Program Program Funding History, SFY 2009 - Proposed SFY 2018

