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Testimony of:

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Associated Medical Schools of New York (AMSNY)

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The New York State Assembly Committee on Health

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The New York State Senate Committee on Health

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Good afternoon Chairwoman Young, Chairmen Farrell, Hannon, Gottfried and other distinguished members of the State Legislature. Thank you for this opportunity to testify on the Executive budget proposal 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 advance high-quality and cost-efficient health care, and ensure that New York State's medical schools can provide outstanding medical education and patient care, and conduct cutting-edge biomedical research.

In an article in the Journal of the American Medical Association, Stephen Schroeder and colleagues referred to academic medicine as 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." New York State's medical schools take this trust very seriously by: 1) producing the future physician workforce; 2) promoting biomedical research and strengthening local economies; and 3) improving the physical and economic health of the communities we serve.

We are grateful for the programs that were included in the Executive budget, including continued funding for stem cell research and the Spinal Cord Injury Research Program. In addition, AMSNY supports the State's strategy to expand its economic base through the Life Sciences Initiative, and believe that growing the State's research infrastructure is important to our economy and to the health of all New Yorkers. We are, however, very concerned about the Executive's proposed changes to the health budget, specifically as it relates to the proposal to aggregate funding for multiple health workforce programs. This proposal eliminates any certainty about whether and how these programs will be funded, making it very difficult to plan for programs tied to the academic calendar. We are particularly concerned about the \$36 million assigned to the workforce pool, which we believe includes AMSNY's Diversity in Medicine programs.

### **Health Care Workforce**

**AMSNY strongly believes in the importance of a multifaceted strategy to meet the growing demand for primary care and specialty physicians, while simultaneously tackling the current need to decrease access issues in underserved areas. AMSNY's Diversity in Medicine programs, in large part funded through the NYS Department of Health, were developed with these two visions in mind.**

The provision of health care services is in a state of flux. It is unclear what the proposed repeal and replacement of the Affordable Care Act might mean for the new delivery models implemented over the past few years. Will Accountable Care Organizations, Patient-centered Medical Homes and multi-specialty clinical practices continue to be viable? Will the number of patients who rely on emergency rooms for their primary medical services increase?

What we can be certain of is that the number of New Yorkers requiring health care services will not decline; in fact, with the aging baby boomer population, the need will very likely increase significantly. To meet this demand, New York State's medical schools have increased enrollment by 19% between 2006 and 2016. We now educate more than 10,000 students each year—15% of the total number of medical students trained in the United States. This increase was accomplished by the expansion of class sizes at existing schools and the opening of two new schools: Touro College of Osteopathic Medicine, with a campus in Harlem and another in Middletown, and Hofstra Northwell School of Medicine on Long Island.

**However, the changing health care environment demands more than increasing class sizes or opening new schools, it also necessitates a diverse workforce that mirrors the diversity of the communities it serves.**

### **AMSNY's Diversity in Medicine Programs**

While underrepresented<sup>1</sup> in medicine populations (URIM) make up 32.9% of the New York State population, they account for approximately 13% of the state's medical students and approximately 9.5% of the state's physicians.

Increasing racial and ethnic diversity among health professionals is important because evidence indicates that diversity is associated with improved access to care for racial and ethnic minority patients, greater patient choice and satisfaction, and better educational experiences for health professions students, among many other benefits. As such, increasing the number of URIMs in New York State is vital for the state's health.

Since 1985, AMSNY has supported an array of pipeline programs across the state with the intent of expanding the pool of students choosing careers in health and medicine. The goal of these programs is to provide academic enrichment and support to students from educationally

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<sup>1</sup> "Underrepresented in medicine means those racial and ethnic populations that are underrepresented in the medical profession relative to their numbers in the general population." AAMC's Executive Council, June 2003

and/or economically underserved backgrounds. These programs provide an opportunity that a majority of participants would not have had due to cultural and financial barriers.

Attached you will find a fact sheet detailing the many success and growth of the program in the years since its inception. The programs 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 in health sciences. Again, I must stress, these are students who would not otherwise have been admitted to medical school, and are therefore by definition future physicians we would not otherwise have had. Of all our program alumni, 97 percent enter medical school. By any measure, this is an astounding success rate.

#### Core Diversity Programs

AMSNY oversees seven core programs as part of its Diversity in Medicine grant that ultimately leads students into medical school, including a post-baccalaureate program at the Jacob's School of Medicine and Biomedical Sciences at the University at Buffalo; and three Master's degree post-baccalaureate programs at SUNY Upstate Medical University, Stony Brook School of Medicine and New York Medical College. These programs are unique in that students are thoroughly vetted by medical school's admissions processes. Those identified as good candidates for the school – provided they complete additional coursework and demonstrate academic improvement – are referred to the post-baccalaureate programs. Upon successful completion of the programs, students are automatically accepted to the referring medical school.

Of the students that enroll in AMSNY's University at Buffalo post-baccalaureate program, 93% enter medical school and 87% graduate. Similarly, 97% of the students in our Master's degree post-baccalaureate programs enter medical school. **Attached to this testimony is an infographic that demonstrate the success of these programs.**

The other three core programs are offered along the educational continuum: support for high school students at Staten Island University Hospital, support of an academic learning center at the CUNY School of Medicine – a six-year BS/MD program that students enter directly from high school – and a program at the City College of New York that links junior and senior baccalaureate students with NIH-funded researchers to prepare them for careers in medical school or the basic sciences.

As the attached data show, the Diversity in Medicine program is highly successful, but it is also cost effective. Our most recent audit revealed that our cost to management ration was excellent, as more than 90 percent of AMSNY's total budget directly supports programs.

#### Diversity in Medicine Program Threatened

For many years the Senate and Assembly have been very supportive of these programs—and I am truly grateful for that. Now, however, I have come to ask for your help. The 2017-2018 Executive Budget aggregates a number of workforce program –including the Diversity in Medicine Program—into a single pool and proposes a 20% reduction. If the program remains in the workforce pool and is forced to take a substantial reduction, it will be devastating to the program that has already been reduced by nearly 20 percent since 2009.

#### **Without a clear allocation in the budget, our programs are at risk.**

In the proposed Executive Budget, funding will still be provided for the pooled workforce programs, but the allocation for each will be determined by the Department of Health and the Division of the Budget. If we are required to compete through an RFP process for funds, we will effectively be forced to close these programs. Our programs are tied to the academic calendar, and begin enrolling students in early spring. If we are uncertain about whether and how much funding will be available during the RFP process, we simply cannot enroll students.

Further, AMSNY and its member institutions simply cannot absorb additional reductions. If funding is cut by an additional 20%, we will be forced to eliminate programs. We understand that the budget climate is difficult and the future of federal contribution is uncertain; but now is precisely the time to focus the State's resources on programs with proven records of success.

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.

**We urge the Legislature to restore the budget line item for AMSNY's Diversity in Medicine Programs, and to restore funding to its 2009 level – \$2 million – to enable full implementation of these highly successful programs.**

### DOH Scholarship in Medicine Program

Paying for medical school is a daunting challenge. A majority of medical school graduates complete their education with the assistance of student loan financing. In the graduating class of 2015, 81 percent of medical students reported finishing school with student loan debt. That year, the median level of principal debt was \$183,000. Including interest accrued during residencies, median student debt level is \$200,000-\$225,000. **AMSNY proposed expanding the Diversity in Medicine Program by establishing a new medical school scholarship initiative to support URIM students.** This initiative would support 10 scholarships for prospective medical students who successfully complete one of the NYS-funded Diversity in Medicine post-baccalaureate programs. The scholarship will 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 in New York State.

**We urge the Legislature to expand the AMSNY Diversity in Medicine program by adding \$400,000 for SFY 2017-2018 to include a medical school scholarship program.**

### The New York Fund for Innovation in Research and Scientific Talent (NY FIRST)

One of the core features of academic medicine is the commitment to biomedical research and education. As other states have been making large investments into the research communities, New York has lagged behind. Therefore, 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.

From 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 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.**

