



What Does It Mean To Be An AMC Anymore?

AIAMC/Partner Webinar Series

December 3, 2020

Today's Presenters



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Webinar

Alliance of Independent Academic Medical Centers

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A Siemens Healthineers Company

Speaker Introductions



Chris Collins

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Today's Objectives

1

**Characterize
emerging AMC and
AHS models and the
drivers shaping them**

2

**Recognize resultant
changes in
hospital/health
system and medical
school relationships**

3

**Consider future
impacts on medical
education, health-
related research, and
patient care**

Three in One: How AMCs Came to Be

The University of Michigan (UofM) established the first AMC in 1869.

The school had ample classrooms and laboratories but faculty “loudly advocated” for a way to house the patients needed to educate physicians.

UofM became the first medical school to establish its own hospital – a 20-bed facility in former faculty housing.

The University of Pennsylvania, soon followed suit.

Patients flocked to the new AMC and research increased into the 1920’s.

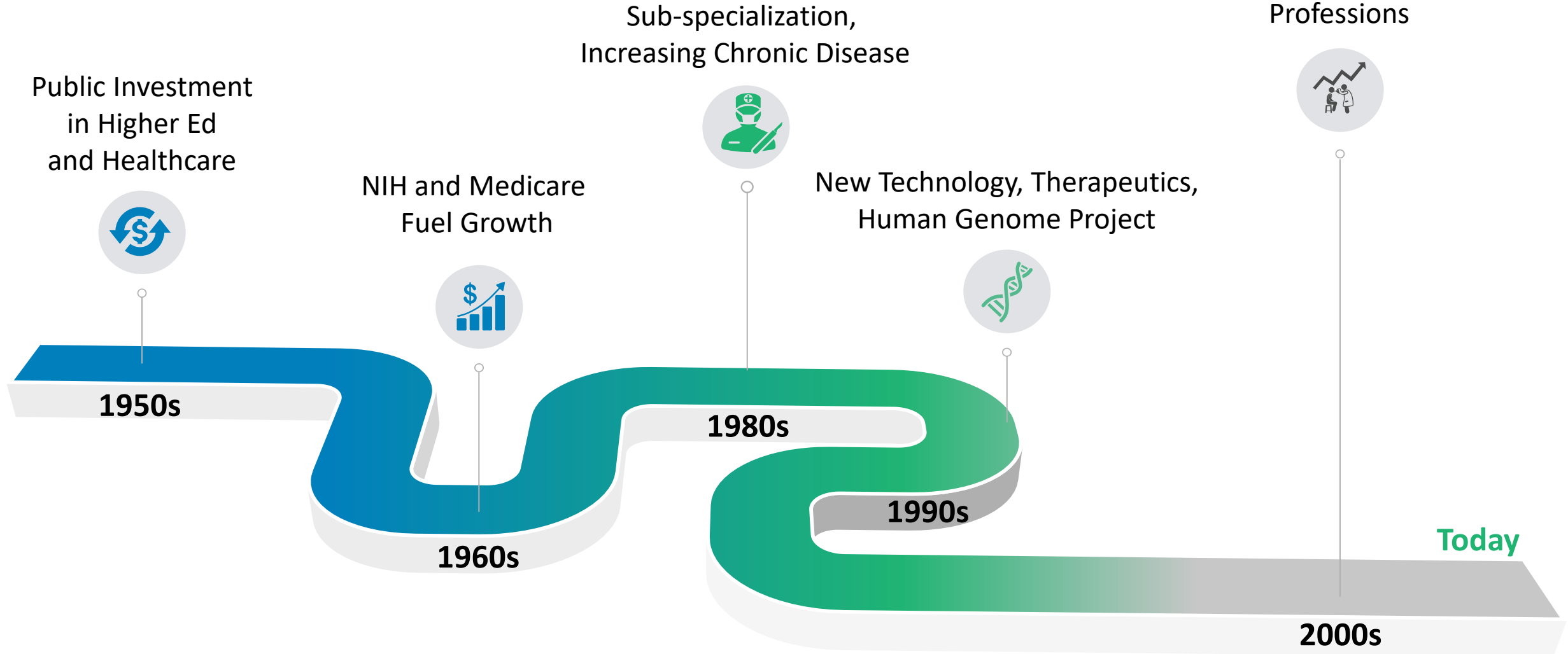
UofM found a way to train physicians, offer specialized patient care, and bring the newest discoveries to their patients first through a three-in-one AMC structure which persists throughout the U.S. to this day.



<https://www.uofmhealth.org/news/archive/202001/three-one-how-academic-medical-centers-came-be#:~:text=But%20where%20did%20the%20idea,tiny%20city%20of%20Ann%20Arbor>

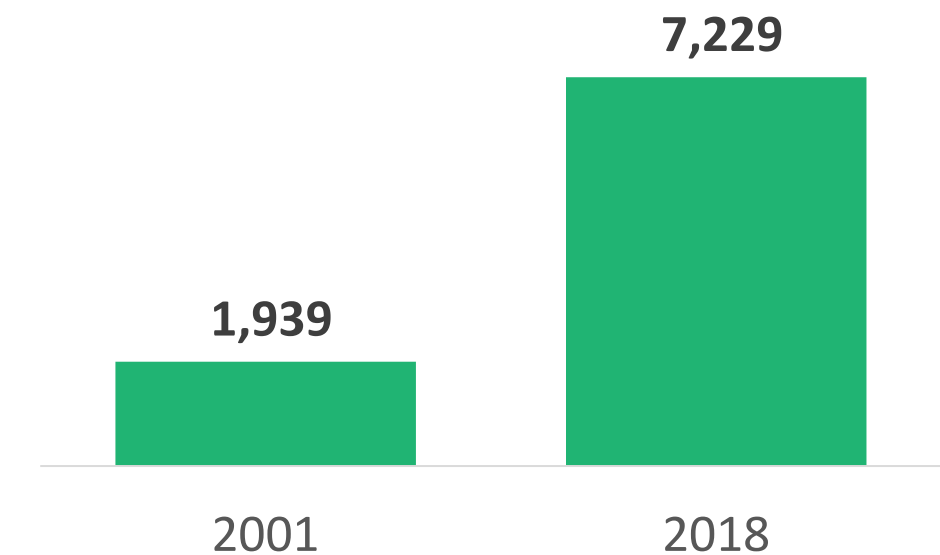
Evolution and Growth of AMCs

Market Consolidation, Hospital / Physician Integration, ACA, Shift to Outpatient, Significant Growth in Healthcare Professions



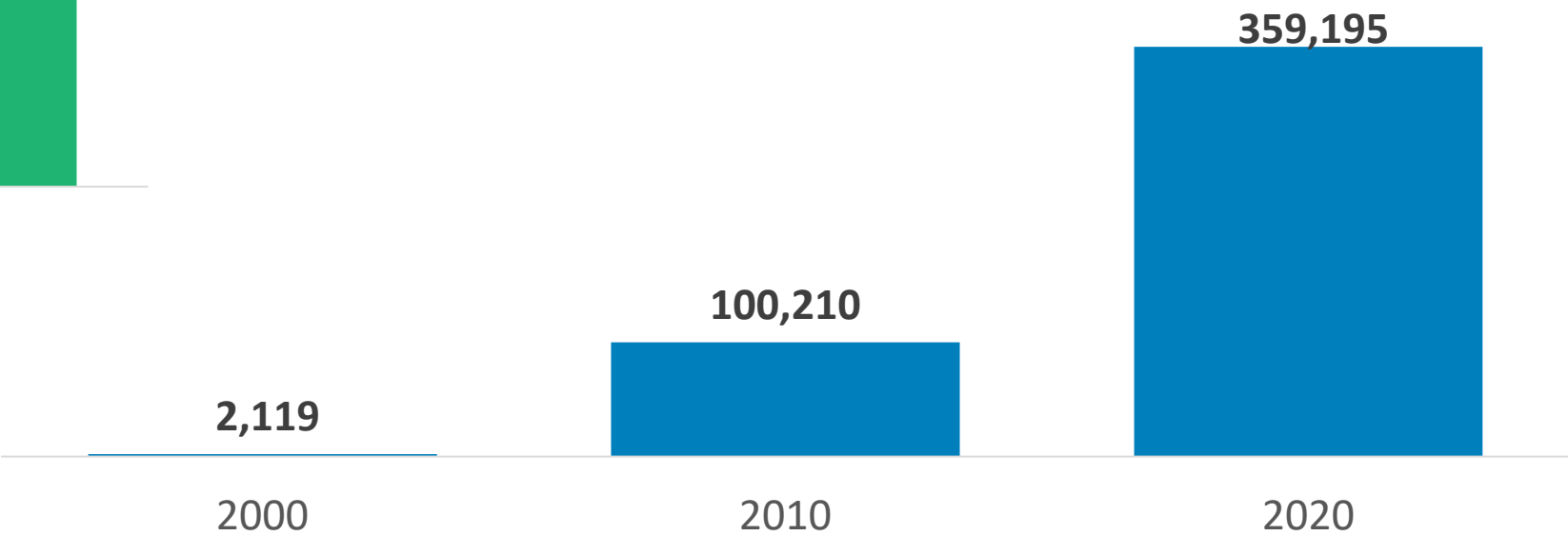
Medical Education and Research Continues to Grow

Number of Unique GME Participating Sites



Source: ACGME Data Book

Number of Registered Clinical Research Studies



Source: <https://clinicaltrials.gov/ct2/resources/trends>

Traditional AMC Definitions



An Academic Medical Center is a **tertiary care hospital** that is organizationally and administratively **integrated with a medical school**. The hospital is the **principal site for the education** of both medical students and postgraduate medical trainees from the affiliated medical school; it **conducts medical, academic, and/or commercial human subjects research** under multiple approved protocols involving patients of the hospital.



An academic health center **encompasses all the health-related components of universities**, including their health professions **schools, patient care operations, and research** enterprise. Thus, an academic health center consists of an allopathic or osteopathic **medical school; one or more other health profession schools** or programs such as Allied Health, Dentistry, Graduate Studies, Nursing, Pharmacy, Public Health, Veterinary Medicine, **and one or more owned or affiliated teaching hospitals or health systems**.

Sources: The Joint Commission, Association of Academic Health Centers

Which of These are AMCs?



Hackensack
Meridian *Health*



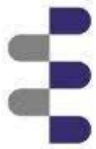
DukeHealth



Penn
Medicine



BaylorScott&White
HEALTH



Einstein
HEALTHCARE NETWORK



Advent Health
Orlando



UNIVERSITY OF IOWA
HEALTH CARE

Northwestern
Medicine®

Ochsner
Health

WELLSPAN®



Main Line Health

MUSC Health
Medical University of South Carolina

HONORHEALTH™



OSF®
SAINT FRANCIS
MEDICAL CENTER



MICHIGAN MEDICINE
UNIVERSITY OF MICHIGAN

Do You Need to Be a Major AMC?

Community Teaching Hospital



- Limited medical education and health professions training
- Minimal research
- Designated physicians as educators
- Multiple university affiliations
- Typically no co-branding

Independent AMC



- Embrace learning and innovation to advance health and healthcare
- Health system-driven strategy for academics
- Partner opportunistically with university(ies)
- Significant UME, GME, and health professions training
- Research, mostly clinical, industry-sponsored, some investigator-initiated, variable extramural funding
- Large cadre of physician clinical educators, often within a health system employed physician group; many, but not all, maintain academic appointment(s)

Traditional AMC



- Principal medical school training site
- Tertiary/quaternary center
- Many large public, safety-net hospitals
- Variety of organizational structures
- Degree of integration differs
- UME, GME and health professions training
- Trainees provide significant clinical coverage
- Investigator-initiated basic and clinical research, extramural funding
- Most/all physicians are clinical educators/researchers and maintain full-time faculty appointment(s)

Patients Continue to Prefer Teaching Hospitals Even at a Higher Cost



“What Americans Think About Medical Schools and Teaching Hospitals”

“Seven out of ten voters...believe that teaching hospitals provide added value for patients over other types.

The top reasons cited are: 1) more people weighing in on diagnoses, 2) their expertise in educating and training new doctors, and 3) providing the latest information and cutting-edge techniques”

- 2018




“Teaching Hospitals Cost More But Could Save Your Life”

“Teaching hospitals cost taxpayers more in part because Medicare pays them more, to compensate them for their education mission. They also tend to command higher prices in the commercial market because the medical school affiliation enhances their brand. **Their higher prices could even cost patients more, if they are paying out of pocket.”**

- 2017

Reputation and Clinical Quality Correlated?

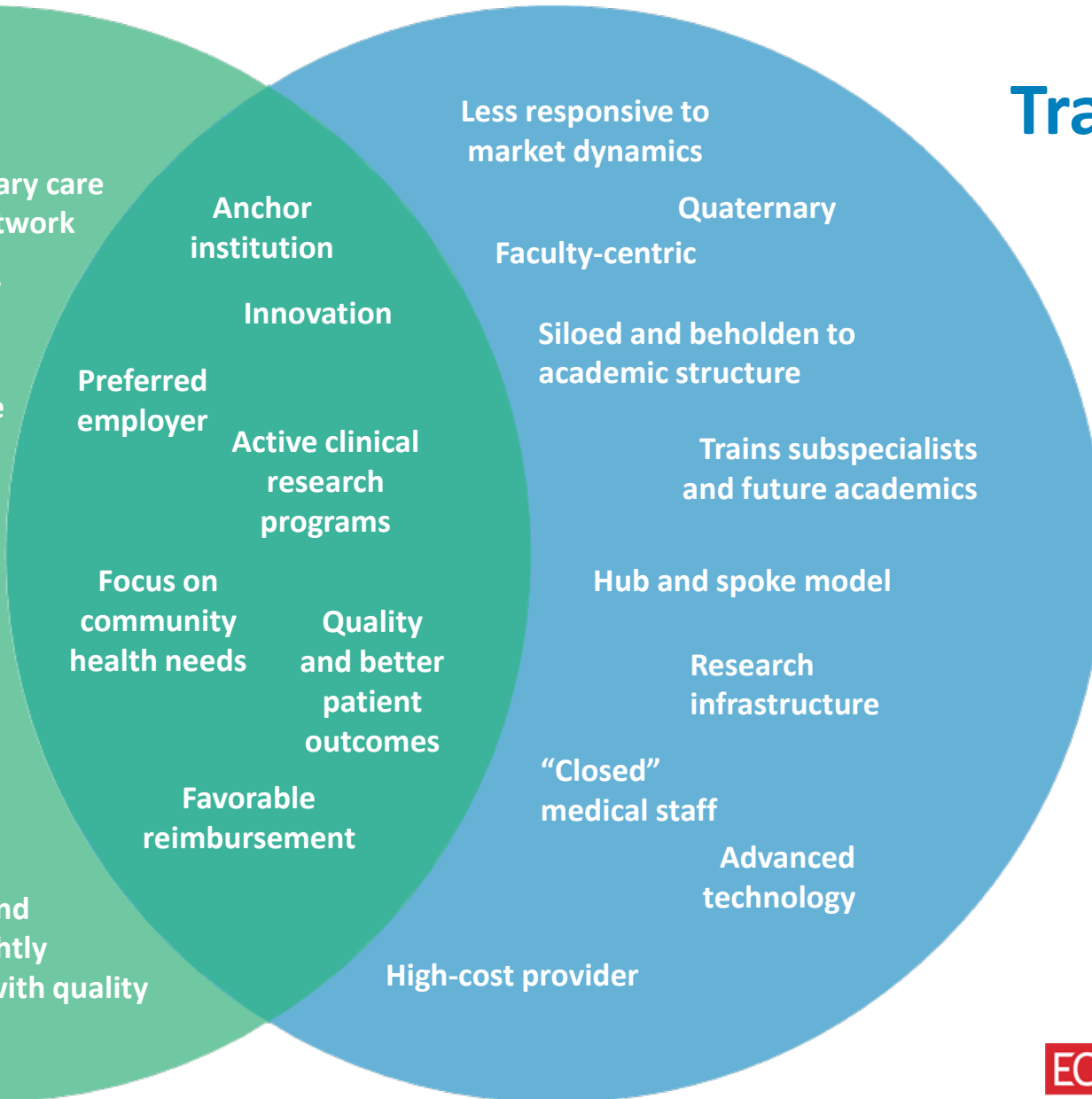
2020 – 2021 USNWR Honor Roll Rank	Organization	2020 Leapfrog Hospital Safety Grade	CMS Overall Star Rating (1 – 5, 5 = high)
1	MAYO CLINIC 	A	★★★★★
2	 Cleveland Clinic	A	★★★★★
3	 JOHNS HOPKINS MEDICINE THE JOHNS HOPKINS HOSPITAL	B	★★★
4 (tie)	 NewYork-Presbyterian The University Hospital of Columbia and Cornell	C	★★★
4 (tie)	 UCLA Health	B	★★★★
6	 MASSACHUSETTS GENERAL HOSPITAL	A	★★★★★
7	 CEDARS-SINAI	C	★★★★★
8	UCSF Medical Center	C	★★★★
9	 NYU Langone MEDICAL CENTER	A	★★★★★
10	 Northwestern Memorial Hospital	B	★★★★

Historical Distinctions / Common Perceptions

Independent AMC

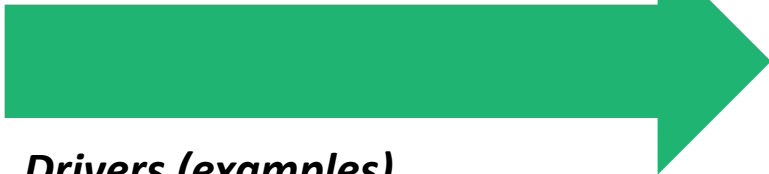


Traditional AMC



Emerging Academic Health Systems

Independent AMC



Drivers (examples)

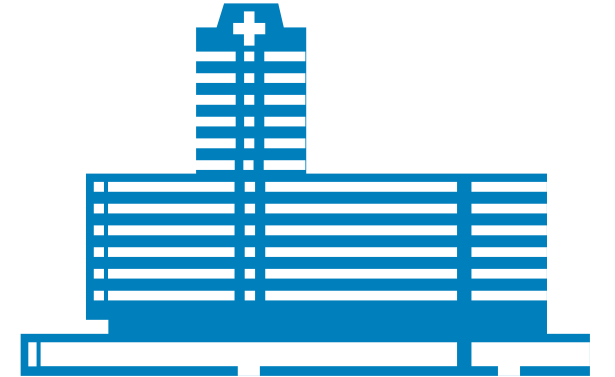
- *Workforce development*
- *Innovation*
- *Specialization/COEs*
- *Market differentiations*

EXAMPLES



Emerging Academic Health Systems

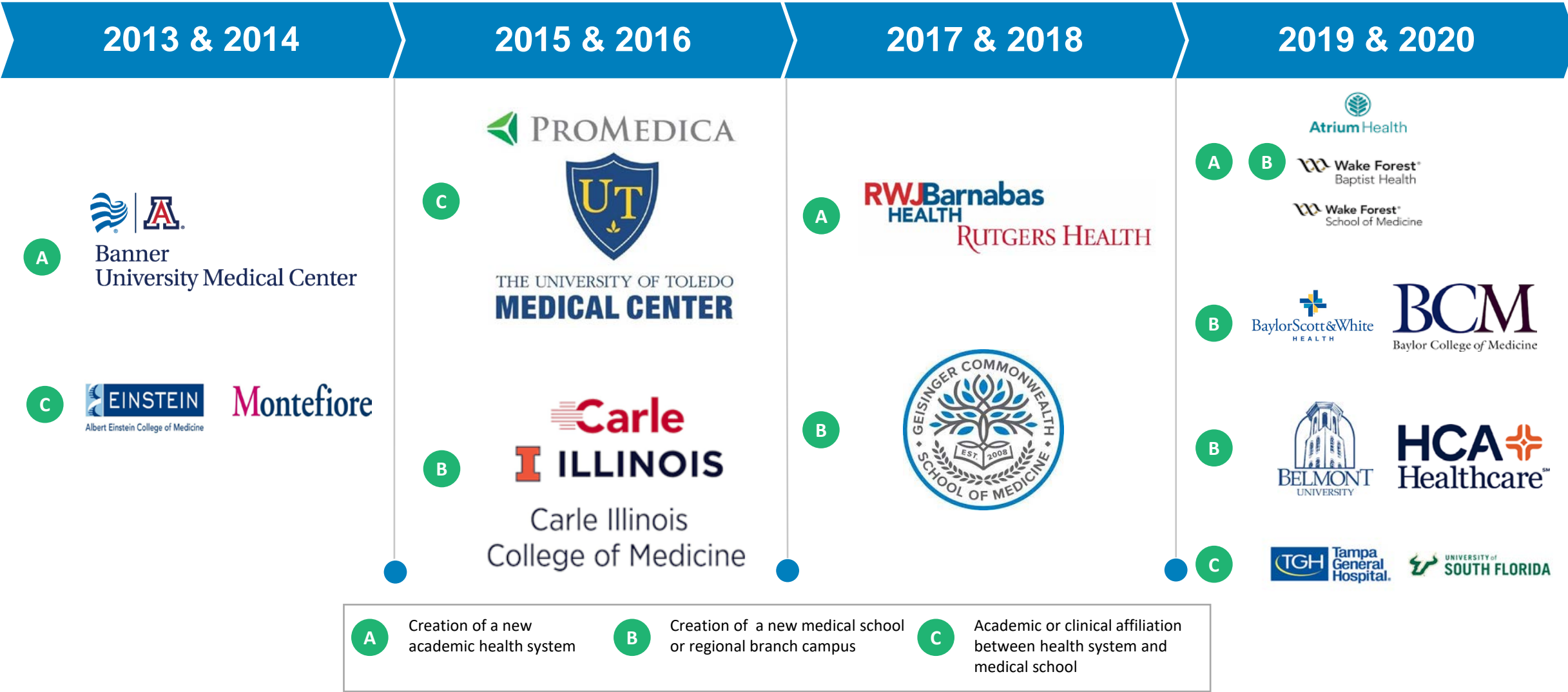
Traditional AMC



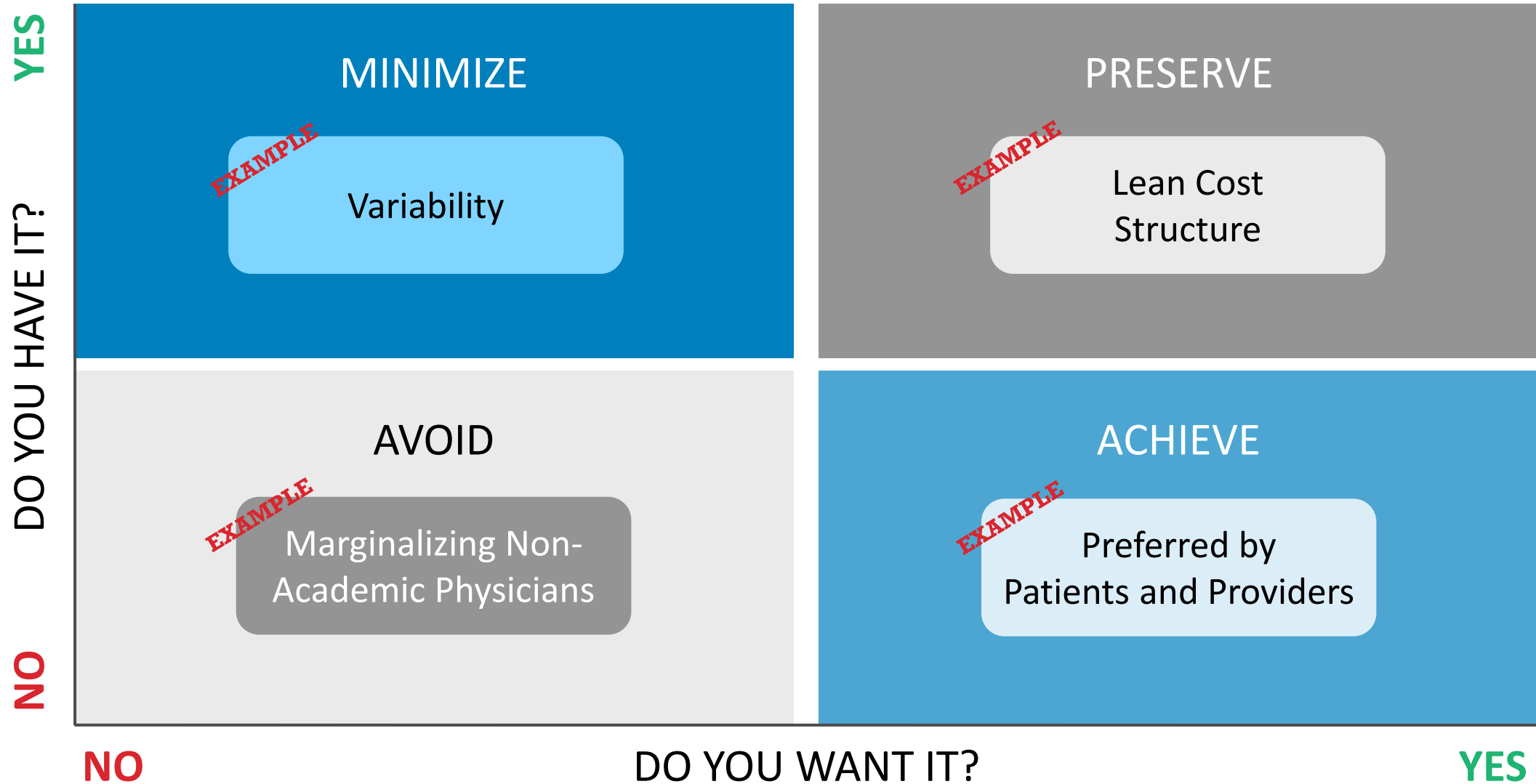
Drivers (examples)

- *M&A – community hospitals*
- *Primary care strategy*
- *Demand for outpatient care*
- *Financial pressures*

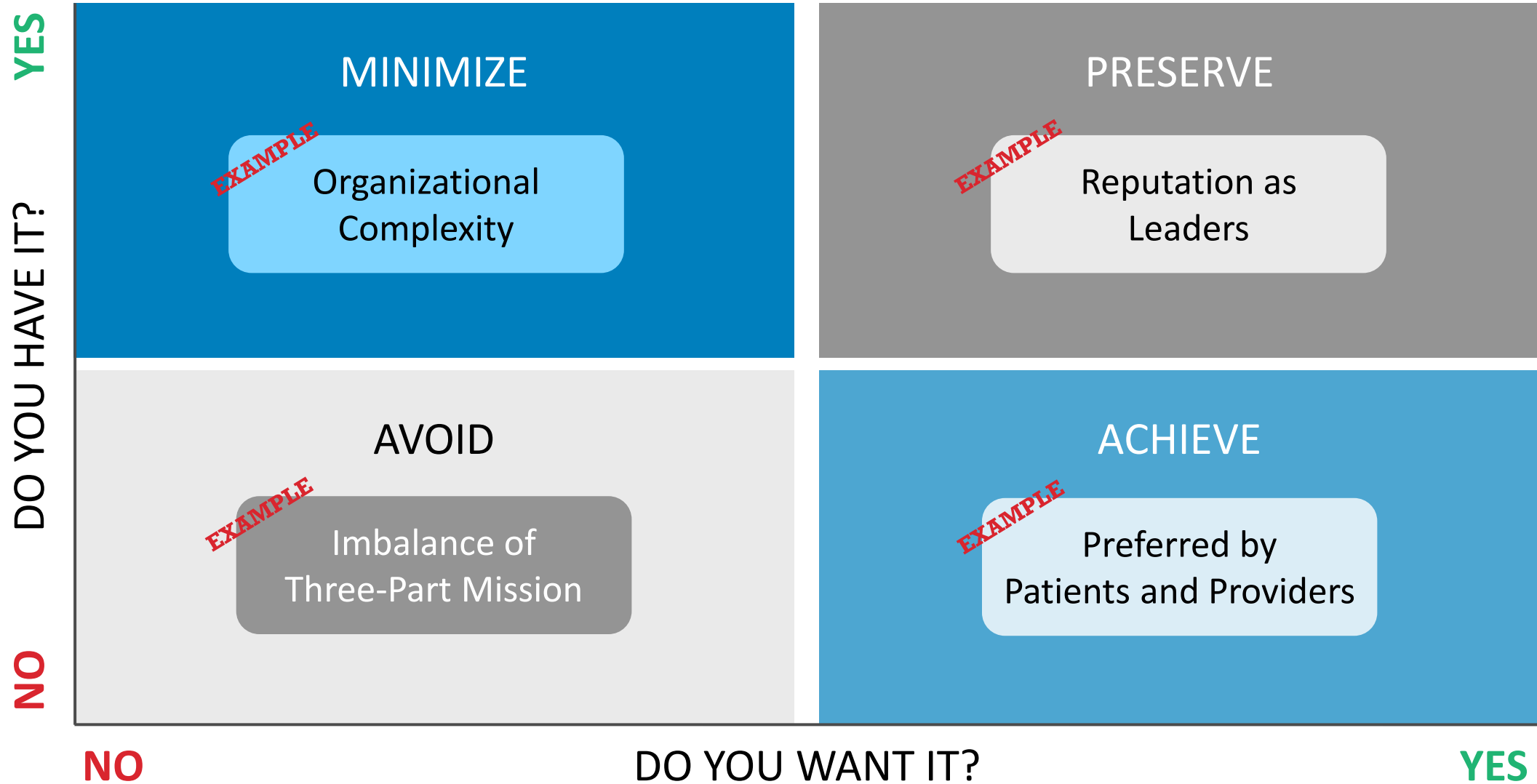
New, Innovative Partnerships & Affiliations Continue to Emerge



Independent AMC



Traditional AMC



Takeaways and Outlook

1. Clinical margin is the economic engine for all AMCs – sustainability hinges on competitive position for patient care services (including routine care in outpatient setting).
2. New, hybrid AMC/AHS models will continue to emerge while characteristics of traditional AMC models fade out over the next 5 to 7 years.
3. Growth of GME programs in historically non-teaching hospitals will continue and will shrink differentiation in the marketplace.
4. Brand equity of universities/medical schools associated with a health system will diminish unless it is backed by improved patient access, lower cost and measurable outcomes.
5. High performing, regional health systems will grow their investments in academic programs on their own terms in partnership with established universities that are willing to explore new models.

Questions & Discussion



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