Shaping the Future of Academic Medicine in Tucson and Across Arizona

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The stage was set for a new paradigm in academic medicine last February when Banner Health bought University of Arizona Health Network (UAHN) and became the exclusive clinical partner for the University of Arizona (UA) Colleges of Medicine in Tucson and Phoenix.

It’s no secret that academic medical centers have been on shaky financial ground across the U.S., and UAHN was no exception. While UAHN had been modestly successful with a vibrant academic portfolio and relatively stable finances for many years, the combination of reduced state funding, reduced care contract reimbursements and increasing cost for information systems and technologies began to take their toll. By 2013 UAHN was consistently seeing annual deficits.

Around that same time Phoenix-based Banner Health was interested in forming an academic partnership to enhance innovation and recruit high-quality providers. Banner Health is comprised of 29 hospitals located across seven states and has a reputation as a leader in healthcare delivery innovation, including being identified as the leader in cost savings – while maintaining quality and performance – in the CMS Pioneer Accountable Care program of the Centers for Medicated and Medicare. The UA recognized the organization’s successes and strengths and realized that partnering with Banner Health cuts our risk and allows us to focus on our mission of education, research and patient care.

With many months of work happening behind the scenes, the UA and Banner Health signed a 30-year Academic Affiliation Agreement on February 28, 2015. The intended outcome of this commitment is the creation of a state-wide system that reliably and compassionately provides high quality health care throughout all Banner Health providers and facilities and supports the state of Arizona’s position as a first-tier research and training destination with world-class physicians. Additionally, Banner University Medicine will become a nationally leading organization that transforms health care by delivering better care, enhanced service and lower costs through new, wellness-focused approaches; eventually the educational, research and care innovations developed through Banner University will be implemented into the entire Banner Health System.

A Common Core

It’s our shared values on substantive issues in academic medicine that has allowed this partnership to move forward. For example, we value the need for:
• rapid evolution in health care delivery and what that means for education, training and research.
• fiscal responsibility.
• evolution of medical training for the future health care workforce.

The UA College of Medicine benefits from:
• increased visibility and brand enhancement.
• new and unique competencies in patient care.
• new health systems competencies.
• new health care systems strategies.
• new education and training paradigms.
• new physician compensation and faculty development programs.
• new competencies and resources in population health.
• catalyst for business acquisitions and mergers.

A Commitment to Success

Within the first year of this partnership, the Academic Management Council – which serves as the governing body of the Banner University Medicine physician faculty practice plan – approved more than 200 additional faculty positions for the Colleges in Tucson and Phoenix and five new residency and fellowship programs.

Banner Health has invested in director positions for Clinical Trials and Phase I studies and a new Clinic Research Nurse program for acute and critical care. It is providing critical capital and resources to improve facilities in Tucson and Phoenix, including a $500-million investment in a new hospital and clinic in Tucson. And the Academic Enhancement Fund supports the development of University of Arizona Health Sciences centers, the UA Comprehensive Cancer Center and recruitment and retention at the Colleges of Medicine.

Looking ahead

As we move forward, we will address how to provide comprehensive clinical strategy and incorporation of narrow networks in Tucson and Phoenix. We’re also exploring new approaches to integrate educational, research and care innovations into the Colleges of Medicine, Banner University Medicine and the entire Banner system. You can expect to see new educational strategies; enhanced clinical research strategies to optimize the integration of clinical and translational research outcomes across Arizona and the Banner Health system; and new innovations in quality, performance and population health management.

The UA-Banner partnership addresses the need for a rapid evolution in health care delivery with far-reaching implications for education, training and research. We are creating a new, fiscally responsible, innovative paradigm in academic medicine here in Tucson, and medical schools across the country are watching. We look forward to working with physicians on behalf of our students, residents, fellows and faculty in helping us shape the future of academic medicine in Tucson and across the state of Arizona.