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# University of California Office of the President

UC HEALTH DIVISION  
2017-2022 STRATEGIC PLAN  
Updated February 2019

UNIVERSITY  
OF  
CALIFORNIA

# Introduction

The following is the strategic plan for the Division of UC Health in the Office of the President. Initially completed in December 2017, it was the culmination of over five months of stakeholder feedback – Chancellors, Medical Center CEOs, Deans of all 18 UC Health’s Health Professional Schools, and others with whom we partner - and hard work by UC Health managers and staff. At the outset, we want to note with gratitude and affection the hard work and leadership of our facilitator, Kathy Eftekhari, from UCOP’s Strategy and Program Management Office.

The plan outlines 12 goals to set the direction of the UC Health Division through 2022. These are neither the only things this office may do nor do they constitute the strategic goals for UC Health writ large. Instead, this plan serves as a guide to what our office will do to advance the agenda of the health systems and health professionals schools for whom we work; of course with the concurrence of the UC President.

In January of 2018, President Napolitano launched a comprehensive restructuring of the Office of the President. As part of this, she appointed an advisory committee to determine a set of recommendations for the restructuring of the UC Health Division. In October 2018, the Committee proposed 13 recommendations which were endorsed by the President. These have been incorporated into this 2019 update of the UC Health Strategic Plan. Following are the three most notable changes:

1. A new sub-division will be created within the UC Health Budget for all activities funded solely by the health systems. Resources within this new sub-division will be allowed to grow in alignment with this strategic plan and with annual approval.
2. Communication will be strengthened between UC Health and the Health Services Committee, the Chancellors of the 6 schools with health systems, and UCOP’s Executive Budget Committee. Updates regarding progress on the goals within this Plan will be provided regularly to these groups.
3. UC Health oversight of the student medical centers will involve stakeholders from Student Affairs in UCOP’s Office of the Provost and representatives from the Student Health and Counselling Programs on the campuses.

We hope you will find the document helpful in understanding the UC Health Division’s priorities.

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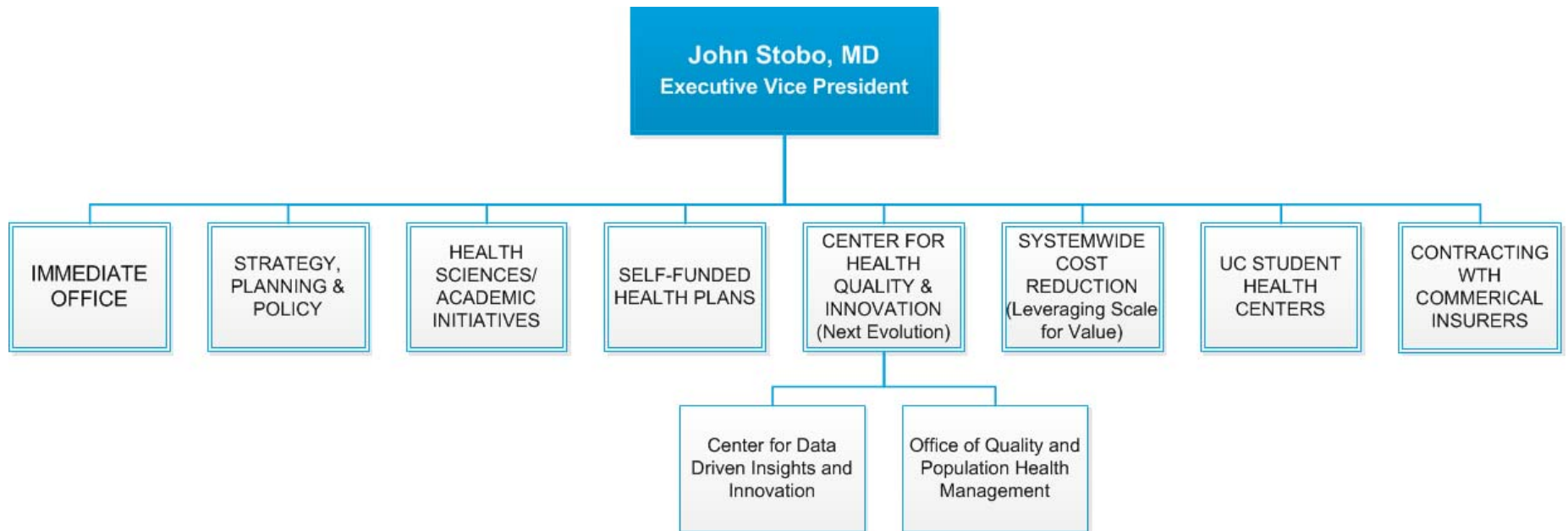
# 2018 UC Health Division Strategic Planning Team

The UC Health Division Strategic Plan was updated by the following individuals who met from November 2018 through January 2019.

NAME	DEPARTMENT	TITLE
John Stobo, MD	UC Health Immediate Office	Executive Vice President
Elizabeth Engel	Strategy and Planning	Chief Strategy Officer
Cathryn Nation, MD	Health Sciences/Academic Initiatives	Associate Vice President
George Louie, MD	Self-Funded Health Plans	Associate Vice President, UC Health CMO
Laura Tauber	Self-Funded Health Plans	Executive Director
Brad Buchman, MD	UC Student Health Insurance Plan	Chief Medical Officer– Student Health & Counseling
Mark Williard	Leveraging Scale for Value	Interim Chief Transformation Officer
Juri Firth	UC Health Immediate Office	Systemwide Budget Analyst

Facilitator: Kathy Eftekhari, Senior Organizational Consultant, UCOP Strategy & Program Management Office

# UC Health Organization by Function



# Strategic Plan Purpose

This strategic plan was developed to guide the UC Health Division (UC Health) in focusing its energy and resources on actions that will best position the University of California's health enterprise to achieve its academic, research and clinical care missions.

The strategic plan establishes a multi-year framework that allows the division to prioritize programs and resources, effectively communicate, and promote collaboration with key stakeholders within UC and across the state and nation. We recognize that the success of the academic, research, and clinical missions are inherently interdependent; a core theme within this plan is therefore to leverage the collective scientific acumen and learnings across the UC system to develop the clinical care of the future. That said, since research is largely within the purview of another department within UCOP, this plan focuses predominantly on UC Health's clinical and educational missions.

At the President's request, UC Health was the fifth division of the University of California, Office of the President (UCOP) to embark on a standardized strategic planning process. The UC Health plan is compatible in format and approach with those of the Chief Financial Officer, Chief Operating Officer, Agriculture and Natural Resources and Academic Affairs divisions.

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# Strategic Planning Decision Drivers

# Strategic Planning Decision Drivers

The following decision factors were considered as the UC Health mission, vision, values, strategic objectives, and goals were developed:

1. The academic, research and clinical missions of the UC Health enterprise
2. Market conditions
  - Financial realities
  - Changing demographics of California
  - Changing landscape of healthcare, including new business practices, digitization and political influences
3. The role of UC Health relative to the five academic medical centers and 18 health professional schools
4. Division strengths, weaknesses, opportunities, and threats (SWOT)
5. Input from UC Health academic and clinical stakeholders regarding specific service needs

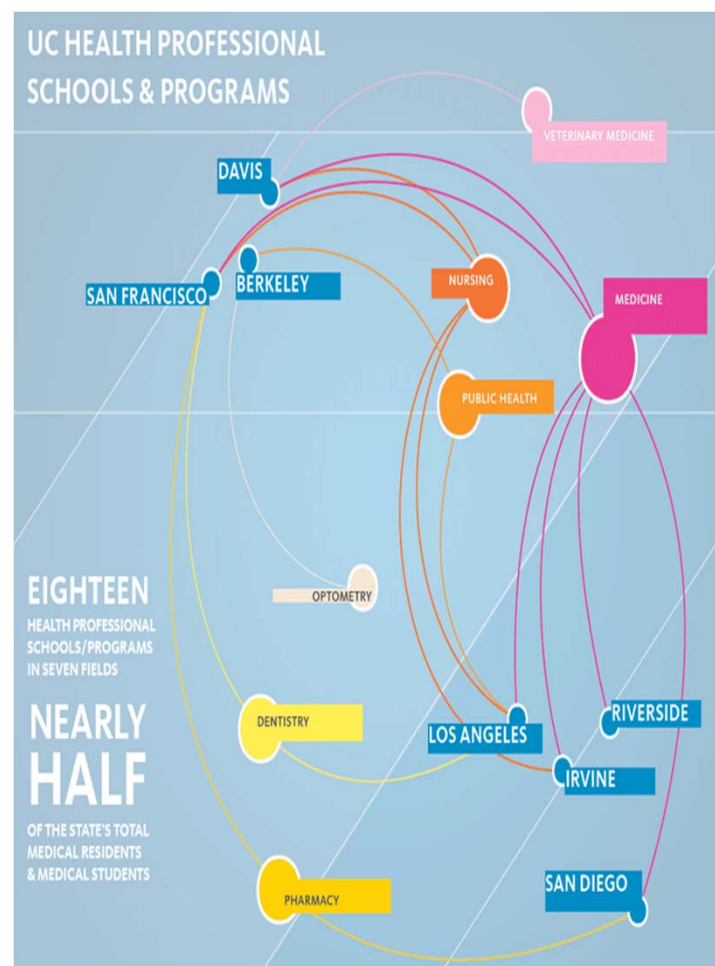


# Supporting a World-Class Health Enterprise

The UC Health strategic plan reflects our commitment to cultivating a solid and sustainable systemwide model to maintain and enhance the University's world-class teaching, research, and clinical care enterprise, including:

- **The nation's largest health sciences instructional program**
  - Over 14,000 students
  - 18 health professional schools on 7 different campuses
    - Medicine
    - Nursing
    - Veterinary Medicine
    - Optometry
    - Dentistry
    - Pharmacy
    - Public Health
- **4<sup>th</sup> largest health care delivery system in California**
  - 5 nationally ranked academic medical centers, including two in top 10: UCLA (#5), UCSF (#7)\*\*
  - 12 hospitals
  - 5,000 faculty physicians
  - 12,000 nurses
- **Health plans where UC is at financial risk covering 280,000 employees, retirees, students and faculty**

\*\* U.S. News & World Report, 2016-17



# Responding to a Changing Environment

Goals within UC Health strategic plan were developed to address current realities and challenges within the changing health care environment:

## Market Realities

- Year-over-year increases in costs are outpacing increases in revenue
- Deterioration of commercial reimbursement rates
- Growing competition; also, UC is expensive and our prices for many services are often not competitive
- 40% of UC patients are uninsured or covered by Medi-Cal – where our costs are not fully covered
- Managing health of our population challenges the traditional approach of UC and other AMCs of treating individuals; continued movement towards value-based care increases pressure on AMCs to lower costs
- Challenges in providing timely access to some UC services
- Data analytics have become a core tool to improve quality, manage the health of populations and reduce costs; advanced analytics are also core to much of today's groundbreaking medical research
- To succeed in the changing health care environment, AMCs are forming systems – to achieve the scale necessary to provide services at a competitive cost
- The share of UC employees choosing Kaiser over UC health plans is growing every year

## Health Workforce Realities

- Health workforce shortages expected to grow substantially in the years ahead, impacting access to care and health outcomes for Californians; exacerbated by maldistribution of providers in the State and unmet demand in certain sectors/practice types
- Interdisciplinary training/teams shown to decrease costs, improve patient satisfaction, and reduce morbidity and mortality through patient safety and error reduction, while improving overall healthcare worker satisfaction and professional relationships
- Underrepresented minorities comprise less than 14% of physicians, 17 % of nurses, 12% of pharmacists, and 11% of dentists while they represent more than one-fourth of the US population. California is home to the most diverse population in the nation, yet this diversity is not reflected in its health professions workforce

## Health Policy Realities

- Ongoing threats to reimbursement (e.g., 340b, DSH cuts; Medicaid caps and cuts)
- Lack of appreciation in Sacramento for UC Health's contribution to serving the Medicaid population; ongoing concern about difficulties in accessing primary care and outpatient specialty services

# Responding To Campus Input

- Prior to commencing the strategic planning process, a needs survey was sent to 51 UC Health stakeholders eliciting:
  1. The top priorities their units will be focusing on over the next 3-5 years
  2. 3-5 things the office of UC Health could do to specifically help each unit advance those priorities (see most frequent campus requests on next page)
    - 27 people responded (53%) representing all 10 campuses
      - Health Sciences School Deans (13)
      - Chancellors (5)
      - Medical Center Chief Executive Officers (4)
      - Chief Medical Officers (2)
      - Chief Nursing Officers (2)
      - Chief Financial Officers (1)
- Draft goals were also sent to all deans and Medical Center CEOs plus a number of other key stakeholders for feedback prior to plan completion
- 11 of the 12 UC Health goals directly address one or more of the specific campus requests

# Opportunities from Campus Pre-Survey

The following requests for possible UC Health support were those most frequently mentioned on the stakeholder survey. Each of these areas was addressed in one or more UC Health goals.

1. Facilitate Collaboration
  - Academic to Clinic/Medical Center Partnerships
  - Education Partnerships (across campuses/disciplines)
  - Multi-Campus Research Initiatives
2. Support Systemwide Buying and Contract Negotiations
  - Scale for Value
3. Share/Scale Best Practices
  - Convene
  - Benchmark, Publish, Distribute
  - Develop and Distribute System Dashboards
4. Advocacy
  - State & Federal Government
  - Philanthropic/Donors
  - UCOP
5. Leverage Data/Technology to Support Initiatives in Care
  - Health Data
  - Business Intelligence
  - Telemedicine
6. Growth of a Viable UC Employee Health Plan

# Reflecting SWOT Analysis

In order to ensure the plan's responsiveness to current organization and environmental conditions, the following considerations were outlined through SWOT analysis (updated 2018):

## Strengths

- Strong, talented workforce
- Expertise
- Desire to be successful
- Staff collaboration/cohesion
- Expectation and drive for quality
- Collaboration with stakeholders
- Strategic planning
- Financial stability
- Commitment to the mission/meaningful work
- Strong reputation
- Trust of the people we serve
- Transition in UC Health Leadership

## Opportunities

- Philanthropy and alumni engagement
- UCOP and community health and wellness
- Potential through size and strength of UC Health
- Advocacy, build good-will
- Technological advances
- Growing health care needs of population
- Strengthen organizational structure/processes
- Generate alternative revenue
- Health Benefits Portfolio Deep Dive
- Approval of UC Health Care Collaborative
- New Administration in Sacramento

## Weaknesses

- Organizational structure
- Some leadership and accountability issues
- Communication and transparency
- Training and professional development lacking
- Collaboration within UC Health and with UCOP
- Reactive; lack of strategic vision
- Processes and technology outdated
- Limited innovation
- Morale issues
- HR/staffing Issues; loss of key personnel
- Poor brand Image
- Transition in UC Health Leadership

## Threats

- Audit and erosion of State support
- Uncertainty of policy changes that can influence UC and the market
- Financial constraints
- Growing competition
- Silos; lack of engagement with outside stakeholders
- UCOP culture/structure is restrictive
- Lack of diversity in faculty, staff and senior personnel
- Reputation for exclusivity/elitism
- Declining Commercial Payers
- New Administration in Sacramento

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# UC Health Mission, Vision, and Values

# UC Health Division Mission

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## *Our Mission:*

Together with the UC community, we provide leadership and strategic direction, foster systemwide collaboration and catalyze innovation within the UC Health enterprise to better educate and train the workforce of tomorrow; discover life-changing cures; and deliver care that improves the health and well-being of California, the nation and the world.

# UC Health Division Vision

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## *Our Vision:*

UC Health's collaborative approach is recognized as the foundation for building the pre-eminent data-driven learning healthcare system that improves the human condition

### *❖ Vivid Description:*

*The UC Health enterprise will be the pre-eminent educator, clinical care provider, and biomedical research organization in the world with students, faculty, and staff that reflect the rich diversity of our state. Our UC community will be proud to learn and work here and will choose to receive care within the UC enterprise - an environment which fosters compassion, inclusion, innovation, and excellence.*

*We will be a market leader in driving data analytics to inform health-related research and to improve patient outcomes and care. Our new health plan will be California employers' plan of choice. Our services will be easily accessible and we will consistently receive the highest quality and patient satisfaction ratings. Our professional schools will be recognized for effectively addressing health workforce shortages within the State.*

*UC Health will pride itself on being a world-class health care system whose total is greater than the sum of its parts. Our unified model will be replicated by other national healthcare organizations – our expertise and advice will be sought by health care leaders both within and outside the UC system. We will regularly be invited to keynote speaking engagements, to author papers, and to participate in case studies on the development and operation of an effective health care system. Our experts will participate in and influence all state and national healthcare policy debates.*

*As a result, we will exponentially improve the health and well-being of the people of California and beyond; California will become the healthiest state in the nation.*



# UC Health Division Core Values

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## DIVERSITY & INCLUSION

We embrace diversity, equity and inclusion in all forms. We believe our workforce should mirror California's diverse communities. We aim for equal economic, political and social rights and opportunities for all.

## SOCIAL RESPONSIBILITY

We strive to serve and advocate for the health needs of all Californians. We hold ourselves accountable for providing public service and call on others to do the same.

## INTEGRITY

We set high ethical standards and lead by example. We are honest and trustworthy in our interactions with others.

## COLLABORATION

We believe collective insight and action produces greater results than that of any individual or organization. We facilitate the exchange of information, expertise and skills to optimize resources and generate the highest quality outcomes.

## EXCELLENCE

We strive for outcomes and results that exceed expectations. We apply rigor and diligence and embrace the highest standards in our work.

## RESPECT

We treat all people with dignity and fairness. We promote self-respect, mutual respect and work to earn the trust of all.

## INNOVATION

By establishing an environment which supports creative and diverse thinking, we consistently evaluate perspectives, re-define problems and seek opportunities to identify, test, and implement new solutions that produce desired outcomes.



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# UC Health Strategic Objectives and Goals

# UC Health Division Strategic Objectives

- The following 6 strategic objectives are broad-based, long-term aims that will move the division towards actualizing its vision. All UC Health goals support multiple strategic objectives.

<b>Systemness</b>	<p>Cultivate a systemwide approach to optimize decision-making and to implement the highest quality health sciences education, research and clinical care toward the improvement of health for all Californians and beyond</p>
<b>Innovation</b>	<p>Develop, catalyze and disseminate new ideas, methods, and technologies to advance and continuously improve health sciences education, research, clinical care and health plans</p>
<b>Operational Excellence</b>	<p>Optimize delivery of programs and services through systemwide implementation of best practices that promote efficiency, effectiveness and quality</p>
<b>Financial Stability</b>	<p>Ensure financial stability of the UC Health enterprise through efficient and effective financial management practices to support teaching, research and clinical care</p>
<b>People</b>	<p>Attract, develop and retain diverse, highly productive, talented, and motivated people who exemplify our core values and thrive in a culture of service, innovation and change</p>
<b>Policy &amp; Advocacy</b>	<p>Advance UC Health's mission by championing a strong health-related perspective within UCOP and by marshalling campus expertise and external partners to effectively advocate on key health policy issues</p>

# UC Health Division Goal Snapshot

Goal #	Owner	Goal Topic	Strategic Objective					
			Systemness	Innovation	Operational Excellence	Financial Stability	People	Policy & Advocacy
1	Williard	Drive Savings and Efficiencies Through LSfV	■		■	■		
2	Engel	Develop and Launch Systemwide Strategic Initiatives	■	■	■	■	■	■
3	Engel	Create Quality / Population Health Management Function	■	■	■	■		
4	Stobo	Improve Systemwide Financial Analysis	■		■	■		
5	Engel	Establish Center to Leverage Systemwide Data	■	■	■	■		
6	Tauber	Offer Competitive & Compelling UC-Branded Health Plans	■	■	■	■		■
7	Engel	Strengthen UC Health Internal Effectiveness			■		■	
8	Nation	Develop Systemwide Enrollment Plan & Strategy	■		■			
9	Nation	Advance Progress in Promoting Diversity & Inclusion	■		■		■	
10	Nation	Advance Interprofessional Health Sciences Education	■	■	■			
11	Engel	More Effectively Influence Public Policy as a System	■		■			■
12	Buchman	Expand Critical Student Health Partnerships	■		■	■	■	

# UCH Goal 1

# Drive Savings and Efficiencies Through LSfV

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Lead Department: CTO/Williard

**Goal: Achieve at least \$500 million/year in value through cost reduction/revenue generation starting in FY21-22 through improved system operational effectiveness by implementing new Leveraging Scale for Value (LSfV) initiatives and a new organization/governance**

### **Opportunity:**

UC Health has had great success from its Leveraging Scale for Value (LSfV) program. There is an opportunity to expand the number and types of initiatives based on learnings to date that will greatly increase the value to UC Health in the form of additional cost savings and revenue enhancements.

### **Proposed Solution:**

To date, LSfV initiatives have been led by key leaders throughout the UC Health system. There is an opportunity to institutionalize the program and expand it through centralized support structures and continued engagement and participation from key leaders of the Medical Centers. A governance structure will be created that is led by a key executive from one of the Medical Centers. Initiatives would have 3-5 year strategic plans supported by annual plans that are measureable with detailed project plans for execution. UC Health will commit to fund the staffing infrastructure consisting of analytical, project management and administrative staff required to support the initiatives. The entire LSfV program will become fully self-funded through savings and revenue generation realized through its initiatives and return additional value through cost savings or revenue generation back to the organization. Included in potential opportunities are insourcing of functions such as Reference Labs, Specialty Pharmacies, etc.

In addition, a major issue for UC Medical centers is the future of the workforce – having the right personnel for needed functions at the right time in order to best serve our patients. The core challenges include recruiting in an increasingly competitive market place; improving our relationships with represented employees on each campus; addressing significant year-over-year increase in costs; and increasing productivity as the broader health system moves more towards value-based care. As part of the LSfV initiative, we plan to examine how we can best address these and other workforce challenges from a systemwide perspective, understanding that such an approach must complement and enhance campus-specific activities.

### **Benefits:**

1. Greater value through cost savings and revenue generation by coordinating operations and services across the entire UC Health System
2. Greater engagement and cooperation between leaders of the individual medical centers and UC Health Leadership
3. Operational efficiencies, savings and revenue streams that are sustainable and ongoing

### **Assumptions:**

1. LSfV Strategic Plan and Governance Structure will be approved by UC Health and Medical Center Leadership
2. Infrastructure as identified in the detailed Financial Plan will be implemented to support execution of initiatives
3. Each UC Health Medical Center commits to full participation in the LSfV Program including all initiatives

# UCH Goal 1

# Drive Savings and Efficiencies Through LSfV

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
1	<b>Achieve at least \$500 million/year in value through cost reduction/revenue generation starting in FY21-22 through improved system operational effectiveness by implementing new Leveraging Scale for Value (LSfV) initiatives and a new organization/governance for LSfV</b>					
1a	Create and approve new governance structure for LSfV by January 2018	<i>Completed</i>				
1b	Create 3-year Strategic Plan for the overall LSfV Program (including multiple initiatives) by March 2019					
1c	Create detailed financial plan to include self funding mechanism, infrastructure/staffing requirements and all other expenses plus expected return to UC Health by March 2019					
1d	Engage an independent third-party expert to conduct an analysis of UC Health's medical center workforce / labor issues and their potential solutions by June 2019					
1e	Complete staffing infrastructure build by end of FY19-20					
1f	Develop and execute annual plans for each LSfV initiative to meet strategic goals and annual value targets set for the LSfV Program beginning in FY19-20?					

### Metrics and Targets:

1. Specific value targets for the LSfV Program will be set on an annual basis; minimum value target for FY21 – FY22 will be \$500M. Targets for Fiscal years prior will include a ramp to reach the \$500M target
  - o Each Initiative will have targets and metrics to include cost savings / revenue generation as well as infrastructure expense management and net value returned to UC Health that in aggregate will meet the Program Goals.

### 2017 Activity Update:

#### Key Accomplishments:

1. LSfV continues to bring efficiencies in supply chain, revenue cycle, and information technology, saving \$182.5 million in FY 2015, \$261 million in FY 2016, and \$286 million in FY 2017 for cumulative savings of more than \$729 million
2. Focus expanded by including Labor Productivity, Pharmacy, Laboratory and Capital Equipment
3. Governance structure was approved
  - Utilizing Supply Chain Governance for all of LSfV
  - Utilizing UC Health Operational team as Advisory Board
4. Key Hires were made (Chief Procurement Officer, Pharmacy Lead, Laboratory Lead and Capital Equipment Lead)

#### Roadblocks:

1. Overall Hiring has been slow. Still many unfilled infrastructure roles. Chief Transformation Officer recruitment is underway.
2. Value is coming in slower than original plan, largely due to speed of hiring.

## UCH Goal 2

# Develop and Launch Systemwide Strategic Initiatives

S I OE FS P PA

Lead Department: S&P/Engel

**Goal: To inform and enhance strategic decision making and avoid conflicting and/or redundant efforts, UC Health will provide leadership and support for campuses to collectively prioritize and advance targeted systemwide and regional transactions and initiatives beginning in January 2019**

### Opportunity:

While the goals in the UC Health strategic plan seek to foster systemwide collaboration, including integration between the clinical enterprise and health professional schools, there are many activities that do not fall under these goals. Our various efforts to achieve “systemness” are often not coordinated and integrated. Although UC Health has implemented several successful system-level initiatives, our work is often led by individuals working in silos, and decisions to undertake new projects and initiatives are sometimes ad hoc. Strategic decisions regarding large-scale contracting, affiliations, and other clinical and operational initiatives are often made at the campus level without consideration of the advantages that might ensue from a multi-campus approach. There is a need for more proactive systemwide strategic decision-making to promote ongoing coordination, integration and more effective use of limited resources.

### Proposed Solution:

Establish a coordinated, resourced mechanism to examine the full UC Health landscape (including existing initiatives) to identify and evaluate new opportunities; spot and remedy inconsistencies and redundancies; and drive and facilitate coordination among the campuses to prioritize activities and take action. A devoted strategic planning function (including market analysis, business development and project management capabilities) will enable UC Health to support the health sciences campuses in aligning with each other, and in advancing mutually-agreed-upon regional and system-wide initiatives and transactions – and in particular to advance initiatives where a multi-campus approach is necessary or beneficial. Convening and coordinating with campus leadership, UC Health will seek to reach consensus on areas of future collaboration, and to support execution of agreed-upon projects and transactions, including opportunities to improve synergies between the clinical enterprise and health professional schools.

### Benefits:

1. System-wide decisions will take into account the needs of all constituencies and existing undertakings – leading to optimal partnerships and initiatives that will drive greater operational efficiencies and maximize value derived from our efforts and resources
2. Leverage size, expertise and reputation of multiple medical centers for clinical excellence, lower cost of care, improved patient access, and marketing power
3. Avoid duplicative and inconsistent efforts and competition among medical centers; obtain more favorable contract terms

### Assumptions:

1. Buy-in from and engagement by medical center leadership for this effort
2. Cooperation by Chief Strategy Officers and other relevant campus-level leaders and stakeholders
3. Funding – for positions in UC health to carry out this function; funding for third-party facilitator for Spring retreat
4. Head count – ability to hire 2-3 positions in UC Health

## UCH Goal 2

## Develop and Launch Systemwide Strategic Initiatives

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
<b>2</b>	<b>To inform and enhance strategic decision making and avoid conflicting and/or redundant efforts, UC Health will provide leadership and support for campuses to collectively prioritize and advance targeted systemwide and regional transactions and initiatives beginning in January 2019</b>					
2a	In the first quarter of 2019, conduct a landscape analysis to inventory current multi-campus and system-level initiatives – to identify gaps, redundancies, as well as opportunities for future coordination.					
2b	Appoint leadership and secure project management support to advance already-identified initiatives not included in strategic planning goals (e.g., Cancer Center Consortium, telehealth, Medicaid public affairs and primary care strategy) by April 2019					
2c	In the first quarter of 2019, engage a skilled facilitator to lead a detailed conversation with campus leadership at a spring retreat to determine system-wide and regional priorities, including, e.g., for clinical integration; growth, partnerships and affiliations; improving payor mix; collaborating re innovation / disruptive technology and actors; addressing multi-campus research initiatives; and branding.					
2d	Assemble a team with the necessary business and operational capabilities (including market analyses, business development and project management capabilities) by June 2019					
2e	Based on input from the facilitated leadership discussions, drive and support a system-wide strategic planning process beginning in October 2019 to be completed by March 2020					
2f	Convene regular discussions with stakeholders on campuses to revisit priorities and identify new ones; strategic plan to be revisited and updated annually beginning Fall 2020					
<p><b>Metrics and Targets:</b></p> <ol style="list-style-type: none"> <li>1. Initial analysis / output from Spring retreat used to inform / guide new EVP</li> <li>2. Strategic plan completed and being used to guide decisions, actions, and resource allocation beginning April 2020</li> <li>3. Ongoing mechanisms put in place to identify, vet and prioritize future activities and investment by October 2020</li> </ol> <p><b>2018 Activity Update:</b></p> <p>With much of this year focused on activity related to the UCOP Restructuring / the President's Advisory Committee on the Future of UC Health, we were not able to hire or make significant progress on this goal in accordance with the timeline originally contemplated. By the end of 2018, we did secure project management support for the telehealth initiative, and dedicated project management for the Cancer Consortium, and the Strategy and Policy function. As of January 2019, we will also be poised to engage a consultant to conduct an internal assessment and market analysis to lay the groundwork for a business strategy for the cancer consortium, and to hire an Executive Director to manage it. In addition, the medical center leadership has agreed to a facilitated strategic planning discussion for our April 2019 retreat.</p>						



# UCH Goal 3      Create Quality / Population Health Management Function

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Strategic Planning: S&P/Engel

**Goal: Advance the quality and efficiency of care delivery, improve patient outcomes, and reduce costs by providing leadership and support on the development and implementation of a data-driven system-wide quality and population health management function beginning in January 2018**

## **Opportunity:**

Each of the five medical centers and their respective faculty practices have different approaches and levels of ability to measure and improve quality, take risk and manage their patient populations to achieve positive outcomes while controlling cost. By comparing standards of care, outcomes and other data, our medical centers and health plans will be able to identify best practices within the system to make decisions about care management that will improve patients' health, prevent disease and injury before it occurs, lead to lower and more appropriate utilization and reduce cost, including by providing patients the right level of care in the most appropriate setting. Building upon the work of CHQI in the quality arena, additional clinical leadership and support is required in order to identify and implement effective system-wide approaches. With increasing pressure on providers' reimbursements and growth in number of patients with low paying Medicare and Medi-Cal, these efforts will be critical to continued financial success of the UC medical centers and UC as an employer taking on risk with its self-funded health plans.

## **Proposed Solution:**

Create the organizational infrastructure (leadership, relevant expertise and project management) to enable UC providers and the UC self-funded health plans to develop and implement a data-driven quality and population health management strategy. Building upon the current population health working groups, the medical centers will each appoint, and UC Health will convene, subject matter experts (including from our nursing and public health schools) who will work closely with UC Health leadership to develop and execute quality and population health initiatives together. They will partner with the UC Health Managed Care Contracting team to develop successful execution strategies for existing and new at-risk arrangement with health plans. The existing Quality Dashboard will be expanded to be a useful reference tool for everyone involved in this effort. Using our UC Health Data Warehouse, we propose to integrate and analyze the currently-disparate clinical and claims data sets to unlock the answers to achieving higher quality and lower cost. A key part of this effort will also be to support and ensure appropriate coordination among existing system-wide initiatives (e.g. telemedicine, CT Surgeons, Primary Care Collaborative). In the longer term, a key component of this initiative will be communication and coordination with researchers (e.g. via UC BRAID).

## **Benefits:**

1. Improved patient outcomes
2. Lower costs in the longer term, for our medical centers and health plans
3. Better ability to measure and influence the health of targeted populations, including improved prevention and, ultimately, consideration of environment / social determinants of health
4. Improved / appropriate patient access to care; higher patient / member satisfaction

## **Assumptions:**

1. Development and staffing of the health data warehouse as detailed in Goal #9—all software analytic expense included in that goal
2. Buy-in from medical center leadership for this effort and active, sustained engagement among system-level subject-matter appointees
3. Funding – for initial limited consulting services, recruiting, positions in UC Health; being able to recruit CCO while UC Health leadership in transition
4. Head count – ability to hire initial 2-3 positions in UC Health
5. Medical Center working group participants assumed to already be employed and part of the cost structure

## UCH Goal 3      Create Quality / Population Health Management Function

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
<b>3</b>	<b>Advance the quality and efficiency of care delivery, improve patient outcomes, and reduce costs by providing leadership and support on the development and implementation of a data-driven system-wide quality and population health management function beginning in January 2019</b>					
3a	By May 2019, hire a Chief Clinical Officer -- a physician leader, who will assemble a small team made up of subject matter experts in quality and/or population health management by September 2019					
3b	The physician leader will develop the scope of this function, an initial high-level initial work plan, and relevant job descriptions by July 2019					
3c	Working with a consultant, the leader will establish a detailed budget and work plan for establishment of the infrastructure and initiatives to tackle in the first year and longer-term goals for years two and three by December 2019					
3d	Begin plan implementation by January 2020					

### Metrics and Targets:

1. Medical Center Accountable Care Organizations within budgets by 2022
2. Reducing cost trend in UC provider services for UC employee PPO plans 1% per year
3. Meeting 90% of UC Health established quality metrics by the end of 2021, 95% by 2022

### 2018 Activity Update:

With much of this year focused on activity related to the UCOP Restructuring Effort / the President's Advisory Committee on the Future of UC Health, we were not able to hire and make a significant progress according to the originally-contemplated time line. We did appoint interim leadership for this function (part-time pop health leaders from the campuses) and have developed a near-term, targeted work plan that the medical center CEOs have approved. We have also received Regental approval for the Chief Clinical Officer Position, and are in the process of recruiting.

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Lead Dept: UCH IO/Stobo

**Goal: Develop the expertise and standardized infrastructure necessary to make accurate financial decisions and enhance regional and systemwide financial analysis of the health systems to optimize revenue, control expenditures and conserve assets starting in FY 2018-2019**

**Opportunity:**

Presently, the only systemwide data available to look at the financial performance of individual medical centers is the monthly financial report which UC Health Office compiles manually based on data submitted by receives from each medical center. The level of data currently collected does not allow precise “apples to apples” comparison of expense and revenue “buckets” among the medical centers. More importantly there is no “centralized” mechanism or person dedicated to work with all the medical centers on issues like the impact of changes in payer mix, ways to maximize revenues or decrease expenses. Finally, there is no central approach to the financial underpinnings of regional or systemwide issues such as recent strikes, access to capital, the impact of proposed transactions, or maximization of assets in general.

**Proposed Solution:**

The proposed solution is to recruit a Director of Finance, who will reside in the UC Health Divisional Office, and who will work in coordination and collaboration with the CFOs and other leadership of the medical centers and health professional schools on the following core activities:

- Creation of automated financial reporting systems and dashboards
- Development of additional cost reduction strategies
- Financial analysis and support for all major system-wide or multi-campus purchases, lease agreements and affiliations; establishment of financial criteria for, and assistance, decision support in the negotiation and implementation UC Health contracts, joint ventures and strategic alliances.
- Financial analysis and support for system-wide / regional strategic planning efforts -- including financial decision support in the identification and evaluation of new business ventures, affiliations and partnerships consistent with the UC Health short-and long-term strategic goals and objectives.
- Analysis of short and long term financial position of the UC academic health centers collectively, and development of recommendations regarding the on-going organization, integration and effectiveness of system-wide financial analyses.

**Benefits:**

1. Will ensure transparency and compliance for external and internal financial reporting requirements, including (in coordination with the UCOP Controller) the annual financial audit – and standardization of the financial reports so that they can be used comparatively to identify best practices and opportunities for improvement
2. Will help the entities within UC Health adapt to the new healthcare environment in response to changing payment models and value based reimbursement
3. Ability to better inform strategy development as well as affiliations and other transactions

**Assumptions:**

1. Standardized financial reports will be perceived as useful by medical center CEOs, CFOs and other leadership.
2. More sophisticated and strategic financial analysis capabilities within the UC Health Division will facilitate regional and systemwide collaboration and ultimately identify areas for increased efficiencies and reduced costs.
3. UC Health can recruit a Director of Finance within the current fiscal year.

# UCH Goal 4

# Improve Systemwide Financial Analysis

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
4	<b>Develop the expertise and standardized infrastructure necessary to make accurate financial decisions and enhance regional and systemwide financial analysis of the health systems to optimize revenue, control expenditures and conserve assets starting in FY 2018-2019</b>					
4a	Hire Director of Finance by June 2019; hire decision support and financial analysts by September 2019					
4b	Implement first phase of UC Health system-wide financial data warehouse, which will standardize and automate the Medical Centers' monthly financial statements so that there can be an "apples to apples" comparison on revenues and expenses from medical center to medical center by September 2019					
4c	Using the financial data warehouse, the Director of Finance – working with the med center CFOs will develop a work plan by September 2019 to conduct systemwide and/or regional analysis in support of the strategic goals and priorities of UC Health.					
4e	In collaboration with CFOs and financial data warehouse steering committee, develop a scope and work plan for phase 2 of financial data warehouse by December 2019					

**Metrics and Targets:**

1. More detailed and automated standardized financial reports will be used in all locations by 12/2019
2. The Finance team is an important resource in support of other strategic goals and UC Health teams (e.g. strategy, pop health LSFV) by 12/2019

**2018 Activity Update:**

- Systemwide agreement reached as of 11/2018 on first phase of establishing financial data warehouse (among med center CEOs, CFOs, controllers, and CIOs); agreed upon scope and work plan; established steering committee
- Job Description for Director of Finance approved and recruiting in process as of 12/2018

# UCH Goal 5

# Establish Center to Leverage Systemwide Data

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Lead Department: S&P/Engel

**Goal: Support research, inform and improve business and clinical operations, and generate efficiencies through economies of scale by establishing a new center within UC Health for system-level data-driven insights, innovation and transformation starting in March 2018**

### Opportunity:

While there are robust analytics capabilities and activities at the campus level, we often don't have or use data-rich, system-level data to (i) provide insights locally; (ii) drive new insights across the system; (iii) help the professional schools and medical centers do what we are already doing better, faster, and cheaper; (iv) facilitate scientific research (v) help us determine what initiatives to prioritize, accelerate, and (vi) define where we do better as a system. We've also been looking at data largely from a siloed perspective. UC Health's use of data is ad hoc and inefficient; we use it to inform some projects and not others. And there is no repeatable business process to leverage data quickly and accurately. While we have established a clinical data warehouse, there is currently no devoted focus or resources; no clear strategy for system-level use; and no organized way to drive insights from the data into action. And while there is currently some analytics capability within UCOP with IRAP, current efforts and expertise are not geared towards the health / clinical context. And combining clinical and plan data with the structured financial data to be generated via Goal #4 will yield even more powerful insights to more efficiently drive medical center operations.

### Proposed Solution:

Establish and staff a center within UC health to address these gaps and further develop our newly-established UC Health Data Warehouse. The Center would establish four main functions (i) building and maintaining technical infrastructure (ii) developing data analytics capabilities; (iii) data governance; and (iv) strategy and support / project management services to advance internal activities and collaborations with third parties. Notably, the data analytics and technical infrastructure – while supported by UC Health – would reside at the campus level, building upon the existing IT infrastructure and expertise in place for the clinical data warehouse. This center would convene and work closely with research thought leaders and subject matter experts and stakeholders on the campuses, including in our health professional schools and non-health departments. This center (and the UC Health Data warehouse) will inform and support several of the other goals in our strategic plan-- particularly, goals #1 #2, #3, and #6.

### Benefits:

1. Supports goal number 3 -- Identifying and sharing best clinical and operational practices to improve the quality and efficiency of care delivery, improve outcomes, and reduce cost
2. Generate efficiencies by eliminating the need for campus-level personnel and infrastructure (e.g. for mandatory reporting)
3. Inform strategic business planning, as well as planning in our professional schools, including for workforce and curriculum needs
4. Support research efforts, including multi-campus initiatives
5. Inform and support regulatory compliance efforts
6. Provide the leadership and project management support to facilitate innovative multi-campus projects and partnerships involving UC Health data

### Assumptions:

1. Investments for infrastructure and staffing are approved by medical centers and UCOP
2. Each campus within UC Health commits to participating in data-driven initiatives – as outlined in the strategy for the center.

# UCH Goal 5

# Establish Center to Leverage Systemwide Data

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
5	<b>Support research, inform and improve business and clinical operations, and generate efficiencies through economies of scale by establishing a new center within UC Health for system-level data-driven insights, innovation and transformation starting in March 2018</b>					
5a	Develop an initial high-level work plan to establish this center, including functions, staffing needed, resources, and near-term goals and obtain buy-in from internal stakeholders by January 2018	<i>Completed</i>				
5b	Establish and convene system-wide governing committee by April 2019					
5c	Produce Report of First Year's Activity by April 2019					
5d	Hire / appoint Chief Health Data Officer and Director positions by April 2019					
5e	Working with internal stakeholders on the campuses, and with input from medical school deans and med center CEOs, develop a detailed strategic plan for FY 19-20 and longer-term goals for years 2 and 3 by June 2019					
5f	Complete implementation first phase of strategic plan by June 2020					

**Metrics and Targets:**

The detailed strategy will set targets for the center's initial initiatives that will include supporting the other functions in meeting clinical quality goals, improving patient outcomes and generating savings.

**2018 Activity Update:**

The Center received initial funding in January 2018 and Atul Butte was appointed to serve as Chief Data Scientist in March 2018. With much of this year focused on activity related to the UCOP Restructuring Effort / the President's Advisory Committee on the Future of UC Health – and given the uncertainty surrounding the path forward for UC Health, we were not able to hire a team in accordance with the timeline originally contemplated. Nonetheless, the Center made significant progress in collecting and standardizing data (including our self-funded plans claims data) and developing the analytics infrastructure necessary to support various UC Health functions and executed on several targeted campus-wide initiatives (e.g., QIP, LSFV projects), with several more in the works (e.g., quality work for the UCCC and analytics support for our Diabetes and Hypertension L-TIP goals).

# UCH Goal 6 Offer Competitive & Compelling UC-Branded Health Plans

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Lead Department: SFHP/Tauber

**Goal: Make UC branded health plans the clear choice for our employees, retirees and their families beginning with open enrollment in 2020 by offering innovative, differentiated, compelling, affordable and comprehensive health plans with outstanding member experience; build on the plans' success with the UC community by offering them to other employers in 2022 as a way to bolster commercial revenues for UC providers.**

## **Opportunity:**

Today, UC provides health benefits to over 250,000 employees, retirees and their families, and 7,000 medical residents and fellows. The share of employees choosing Kaiser over the other health benefit plans is growing every year. Premium dollars spent with Kaiser leave the system and UC providers do not benefit from providing services to our employees. UC also loses the opportunity for research and teaching with these services being provided elsewhere. Just as our UC medical providers are on the cutting edge for providing the latest advances in medical services, the UC health plans can be leaders in financing and facilitating health care for our members. If we are successful, UC will also have plans to sell to other employers in the geographic areas surrounding the UC medical centers that will provide a source of revenue.

## **Proposed Solution:**

Re-invent health plans that employees, retirees and students will want to choose that are affordable. Successfully compete with the Kaiser plan that will continue to be offered to employees and retirees by developing the UC brand and delivering on that promise. We need to leverage our size to get the best network contracts and attract the best partners. We will use data and analytics to anticipate our members' needs and learn how to proactively manage their health and wellness. Building on what we have learned from our employee plans, we will further consider the creation of a health plan to offer to other employers. We may choose to get a Knox Keene license to be able to offer HMO plans and take capitated risk as required by the State of California for this go-to-market plan option. We will need an additional three new staff to support new activities and plans to be hired over the next year.

## **Benefits:**

1. UC health plan premium dollars stay in the system to help fund teaching and research mission and provide revenues to medical centers
2. Additional volume of patients provides additional teaching and research opportunities
3. More control over benefits offered and the employee experience with health care system
4. Better member management to control cost
5. More satisfied members due to enhanced experience for them
6. Opportunity to be innovative, impact the provision of healthcare in California and be a leader in health plan development and operations

## **Assumptions:**

1. Executive support for portfolio changes and brand strategy approach
2. Additional staffing, marketing, consulting and overhead to support new activities and plans will be funded through plan premiums—only upfront costs are included
3. Money for re-branding and other marketing can be funded through plan premiums and allowances from plan administrators
4. Market/employer interest
5. Ability to secure a Knox Keene license if we decide to offer an HMO, including funding for legal and application fees.
6. Reserves required for Knox Keene will be from available existing funds
7. Additional expense will be funded through core allocation OR included in premium calculation to be shared by campuses and employees, retirees and students

# UCH Goal 6 Offer Competitive & Compelling UC-Branded Health Plans

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
6	<b>Make UC branded health plans the clear choice for our employees, retirees and their families beginning with open enrollment in 2020 by offering innovative, differentiated, compelling, affordable and comprehensive health plans with outstanding member experience; build on the plans' success with the UC community by offering them to other employers in 2022 as a way to bolster commercial revenues for UC providers.</b>					
6a	Revisit portfolio of offerings to UC employees, retirees and medical residents to make sure that they are differentiated, have unique value propositions and represent compelling choices to potential members, incorporating findings of the Advisory Group on Health Benefits expected in December 2019 in the first quarter annually thereafter.					
6b	Create a brand strategy for all UC health plans, including focus group testing and other primary market research, including institution of member satisfaction metrics by October 2019					
6c	Make adjustments in plan design and network annually in first quarter beginning in 2019					
6d	RFP for Medicare plans and implementation of MA PPO administrator for 2020 plan year					
6e	RFP for PPO plans and implementation of administrator, if required for 2021 plan year					
6f	Work with population health team to identify opportunities for cost savings in medical and pharmacy spend beginning January 2019 for the duration of the strategic plan period					
6g	Update member communications, websites and tools to support brand and improve member experience beginning Q1 2019 and annually thereafter					
6h	Apply for a Knox Keene license in first quarter 2020 to be able to offer fully insured plans to non-UC employers if desired to take capitated risk					

### Metrics and Targets:

1. Percent increase in membership in UC employee plans (not Kaiser); target = 10% by February 2021
2. Cost trend improvement; target =2% with annual increases no more than 4% for the HMO's and 5% for PPO's beginning in January 2019
3. Percent improvement in member satisfaction scores; target = 2% each year beginning in 2019

### 2018 Activity Update:

#### Key Accomplishments:

1. Implemented flex-funding arrangement with Health Net for UC Blue & Gold, effective January 1, 2019. Integrated behavioral health and pharmacy into the contract.
2. Created a survey instrument to collect market research on employee members. Expect to be in the field Q1 2019.
3. Inaugurated first self-funded system-wide health plan offerings for medical residents and fellows, effective July 1, 2018.
4. Delivered 5% increase for UC Care and 2.6% increase for UC Blue & Gold for 2019. UC providers agreed to a rate pass for the PPO plans to help make the UC Care increase possible. UC providers were given 4.5% increases in unit cost and 4.5% increase in their budgets for UC Blue & Gold after several years of rate passes. The low premium increase was a result of an RFP process and moving to flex-funding that realized some cost savings.

#### Roadblocks:

1. Difficulty in recruiting staff. Open position for much of fiscal 2017-2018. May be difficult to find good applicants for proposed new positions.



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Lead Department: S&P/Engel

**Goal: To optimize our operational effectiveness and drive achievement of our strategic planning goals, conduct an independent organizational review of our office and implement resulting plan of action by December 2019.**

**Opportunity:**

In the current environment, UC Health, along with other divisions within UCOP will, more than ever, need to operate efficiently and effectively. In light of the current environment and to drive the effective execution of the goals in our strategic plan, it would be beneficial for us to consider our internal structure, roles, and operational dynamics to facilitate a productive implementation of our plan and achievement of our division goals. In addition, while there have been repeated attempts to address staff concerns about how aspects of our division function, our latest staff surveys show that several concerns remain. Our most recent SWOT analysis shows that members of our team still perceive the following categories of problems within our division: (i) leadership and accountability; (ii) communication and transparency; and (iii) lack of collaboration/silos among different groups. We need a mechanism to better identify the scope and source of the problematic dynamics and remedy them.

**Proposed Solution:**

Engage an independent third party to assess our division, with an eye towards resolving expressed staff concerns, to determine areas for improvement in our operations and recommend changes to our structure and work processes. This effort will also include a review of the proposed staffing under our new strategic plan; assess how best to utilize our current staff to implement our goals, as well as identify gaps in current expertise and manpower that need to be filled. This review will include interviews and/or focus groups with all UC Health team members, as well as the partners within the University with whom we work. Notably, this review will differ from previous efforts in that it will be designed to yield specific actionable information.

**Benefits:**

1. Ability to examine thoughtfully (and with input from an objective third-party) how best to marshal our existing resources to advance UC Health's priorities and to identify gaps in staffing and expertise
2. Ability to gain a better understanding of the potential problematic dynamics within our division, and specific insight regarding possible actions that could remedy them.
3. Opportunity to improve collaboration, create efficiencies and operate more as a group advancing shared goals.

**Assumptions:**

1. The UC Health team and our partners engage productively in the process and take the time to provide thoughtful, truthful, meaningful input
2. Leadership / managers are willing to sincerely consider the input and take action based upon the recommendations of the reviewers

# UCH Goal 7

# Strengthen UC Health Internal Effectiveness

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
7	<b>To optimize our operational effectiveness and drive achievement of our strategic planning goals, conduct an independent organizational review of our office and implement resulting plan of action by December 2019</b>					
7a	By December 2017; engage a third party consultant (internal to UC or external) to conduct an organizational review of our division; including defining the scope / tactics of the review	<i>Completed</i>				
7b	Complete organizational review with a summary of findings and recommendations to be delivered to the EVP of UC Health by February 2019					
7c	By June 30, 2019, develop a plan of action to address the recommendations from the report					
7d	By December 31, 2019, implement plan of action to address report's recommendations					

**Metrics and Targets:**

1. Successful Implementation of a plan of action by 12/31/2019
2. Improvement in staff morale as measured by the perceived change in staff concerns to be assessed via follow-up survey and/or informational interviews by June 2020

**2018 Activity Update:**

UCOP's Strategy and Program Management Office (SPMO) was engaged to conduct a review of the UC Health Office in order to provide a detailed and fact-based assessment of its current state along with recommendations for staffing and structure to best ensure successful implementation of the strategic plan. Staff interviews were completed by March 2018 and the review was then temporarily suspended by UCOP leadership. Permission was given to recommence in the fall of 2018. UCOP colleagues and campus stakeholders were interviewed in September and October. It is anticipated that a final report will be delivered to division leadership by the end of January 2019. As indicated in the key strategies outlined above, the division will then develop and implement actions to address the report's recommendations.

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Lead Department: AI/Nation

**Goal: Improve alignment of the future size and scope of UC health sciences programs with state workforce/ emerging health needs by developing a new system-wide health professions enrollment plan and strategy by April 2020.**

**Opportunity:**

California’s population is growing, aging, and increasing in diversity. Health workforce shortages currently exist statewide and are expected to grow substantially in the years ahead, impacting access to care and health outcomes statewide. It has been a decade since UC developed a comprehensive system-wide health sciences enrollment plan. This prior plan provided the system-wide rationale that helped pave the way for three new health sciences schools at UC and that helped garner millions of dollars in philanthropic support. Since then, California demographics have changed, and state fiscal challenges have affected UC’s ability to increase enrollments as recommended a decade ago. It is time to re-assess UC priorities, better align them with future workforce needs (including capacity of our workforce to address current and emerging needs like mental health and substance abuse), and develop actionable recommendations and strategies for implementing enrollment increases in those professions where there is a rationale for growth.

**Proposed Solution:**

UC Health will convene the deans of UC’s health professional schools operating educational programs in seven major professions (dentistry, nursing, medicine, optometry, pharmacy, public health, veterinary medicine) to collaborate on this effort (that will require one additional FTE in 2019-20) that will include review of current and projected state workforce needs (including diversity) in these professions. Based upon findings, UC Health will work with UCOP colleagues involved in enrollment planning and health science deans to assess interest in growth (in alignment with UC-wide plans for enrollment management), and to determine whether growth can be accommodated within existing infrastructure. The desired outcome moves beyond a UC enrollment plan, to the development of a UC health sciences enrollment strategy by profession and campus (to 2030) that considers types of future health care teams needed, with growth contingent upon adequate resource support.

**Benefits:**

1. Identification of actionable steps/strategies for how enrollment growth in UC’s 18 health professional schools should occur
2. Convening of deans to collaborate across health professional schools and creation of opportunity for new and innovative programs
3. Increased clarity to philanthropic organizations regarding contribution opportunities within UC

**Assumptions:**

1. All UC leadership will be engaged and available (time, information, and expertise)
2. Current and adequate workforce data (UC/state/national) is available for each of the seven health professions
3. Sufficient staffing and funding exists to support this planning effort (including additional staff FTE for 14 months)
4. Resources will be provided to fully implement strategies to achieve enrollment growth as outlined in plans
5. Work on this goal is linked to the success of the UC Health goal regarding diversity and inclusion, so that new enrollment growth better reflects the diversity needs of the state
6. Growth proposed in the health sciences is aligned with UC-wide plans for enrollment management (i.e., growth may not be possible if a campus is already at its maximum enrollment allowed. Additional growth would require adjustment of other student populations).

# UCH Goal 8

# Develop Systemwide Enrollment Plan & Strategy

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
8	<b>Improve alignment of the future size and scope of UC health sciences programs with state workforce /emerging health needs by developing a new system-wide health professions enrollment plan and strategy by April 2020</b>					
8a	By February 2018, compile baseline (2016-17) and current (2017-18) student enrollment data for each school, by type of health professional degree	<i>Completed</i>				
8b	Secure approval/funding to hire 1 contract FTE by March 2019 (estimated need is at least 14 months)					
8c	Align this effort with work of the CA Future Health Workforce Commission, co-chaired by UC President Napolitano, by January 2019					
8d	Consult with UC health sciences deans to determine which existing schools have the interest and capacity for growth by June 2019					
8e	By September 2019, review/document current state/national health sciences educational supply, and projected areas of workforce need by 2030 for the seven major health professions where UC operates health sciences schools					
8f	Prepare draft recommendations of actionable strategies to implement proposed enrollment increases envisioned to UC health sciences deans for review by February 2020					
8g	Facilitate discussions with OP and campus leaders and finalize plan/strategy by April 2020					

**Metrics and Targets:**

1. UC health professional schools utilize strategies identified in new system-wide enrollment plan to inform enrollment decisions by Fall 2019
2. Evidence of increased UC enrollments in identified areas of state health workforce needs (over UC baseline 2016-17 levels) by Fall 2020

**2018 Activity Update:**

Key accomplishments: Compiled baseline (2016-17) and current (2017-18) student enrollment data for 18 UC health sciences schools, by type of health professional degree. Conducted preliminary research on current state/national educational supply and workforce needs in two health professions (dentistry and public health). This initial scan was accomplished by two interns in Summer 2018.

Roadblocks: The main challenge has been the lack of financial resources to make significant progress on this goal. As initially envisioned, temporary financial resources were required from the Division’s budget (to hire 1 contract FTE for an estimated 14 months) in order to complete key strategies for this goal. Approval has not yet been secured for this FTE position.

## UCH Goal 9

# Advance Progress in Promoting Diversity & Inclusion

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Lead Department: AI/Nation

**Goal: Support each UC health professional school in its efforts to improve diversity and campus climate for all UC health professional students, faculty, residents/fellows, staff, and administrative leaders by sharing strategies that have proven effective in the health sciences by June 2020**

### **Opportunity:**

Underrepresented minorities comprise less than 14% of physicians, 17% of registered nurses, 12% of pharmacists, and 11% of dentists while they represent more than one-fourth of the US population. California is home to the most diverse population in the nation, yet this diversity is not reflected in its health professions workforce. During the November 2016 meeting of all UC health sciences deans, diversity & inclusion was identified as a top priority. Many deans expressed interest in having UC Health convening the campus health diversity leaders as a strategy for advancing progress. The imperative for increasing diversity in health care has been well documented and frames the importance of these efforts as a means to increase access to care for underserved communities, reduce health disparities, shape a more inclusive research agenda, and enhance the cultural competence of providers. It also recognizes that unequal educational opportunities and other forms of exclusion and discrimination persist and must be addressed. Understanding measures of success that extend beyond compositional diversity, yet contribute to institutional excellence in UC's teaching, research, and service missions are becoming increasingly important for driving change using evidence-based, data-driven approaches for improving diversity and inclusion.

### **Proposed Solution:**

Over the next 18 months, UC Health will convene the diversity leaders of UC health professional schools (which has not occurred before) through a series of at least three expertise-sharing forums on diversity-building themes to identify the most effective policies, practices, and/or assessments that improve campus climate, increase accountability, and create opportunities to share best practices across the system. UC Health will also work with Academic Affairs to link UC leaders through education, training, and professional development to create and maintain a supportive work and learning environment that attracts the best faculty, staff, clinicians, and students that are prepared to meet the future needs of the UC system, the health professions, and the broader society.

### **Benefits:**

1. Increases the knowledge and expertise of UC health science leaders and staff working to advance diversity, inclusion, and community engagement
2. Strengthens the quality and effectiveness of diversity efforts; fosters accountability for monitoring climate and improvements
3. Supports investment in diversity and inclusion with evidence of its value to organizational performance
4. Builds a professional network of thought leaders and opportunities for greater collaboration/alignment among UC Health leaders of diversity, equity, and inclusion across the system.

### **Assumptions:**

1. UC leadership will be engaged and available (time, information, and expertise).
2. Current and adequate data (UC/state/national) is available for each of the seven health professions.
3. Sufficient staffing and funding at UCOP and on campus will be available to support the effort to implement this goal.
4. Work on this goal is linked to the success of UC goal (7) for new enrollment plan, so that diversity is reflected in the UC enrollment strategy.

# UCH Goal 9

# Advance Progress in Promoting Diversity & Inclusion

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
<b>9</b>	<b>Support each UC health professional school in its efforts to improve diversity and campus climate for all UC health professional students, faculty, residents/fellows, staff, and administrative leaders by sharing strategies that have proven effective in the health sciences by June 2020</b>					
9a	By May 2018, appoint the UC Health Diversity & Inclusion Task Force; membership will consist of diversity leaders (identified by campus leaders) from each UC health professional school	<i>Completed</i>				
9b	Convene task force leadership meetings and education/training opportunities to share best practices for improving climate, equity, and inclusion to be underway and ongoing by December 2018	<i>Completed</i>				
9c	Seek agreement on a shared understanding of diversity as an essential driver of achieving excellence and on two metrics/indicators of campus climate and method of reporting identified no later than June 2019					
9d	Work with other Office of the President units to improve demographic data collection for health sciences students, residents, and faculty by June 2019					
9e	Host the UC Diversity Pipeline Initiative and conference to promote academic careers among women of color students in UC Health schools by April 2020					
9f	Publish a summary documenting systemwide best practices that focus on pre-health students, professional students, residents, faculty, staff, and administrative leadership, with systemwide recommendations/implementation strategies for improving diversity and inclusion by June 2020					

**Metrics and Targets:**

1. Agendas, proceedings documents, and survey evaluations from meetings/forums to demonstrate action, satisfaction, and sharing of best practices
2. Availability of common metrics for climate across campuses
3. Accurate and accessible demographic data in UCOP's corporate database for UC Health students, residents, and faculty by December 2019
4. Conference evaluation feedback and alumni survey for the UC Diversity Pipeline Initiative
5. Increase in underrepresented minorities in the health sciences (faculty, administrative leaders, students) over data from 2016-17 by 2025

**2018 Activity Update:**

Key Accomplishments: Appointed the UC Health Diversity & Inclusion Task Force; membership consist of diversity leaders (identified by Deans) from each UC health professional school. Scheduled four systemwide meetings to convene Task Force leadership meetings and education/training opportunities to share best practices for improving climate, equity, and inclusion to be underway and ongoing. Held meetings with IRAP to improve demographic data collection for health sciences students, residents, and faculty. This work is ongoing and in progress.

Roadblocks: The primary challenge has been timing. This Task Force is the largest group that we will be convening since it is made up of representatives from all 18 schools. Getting the group appointed and meetings scheduled took longer than expected. The other challenge is that the problems that we have with the accuracy of IRAP data persists despite several conversations with them about how to resolve them. We may have to conduct our own collection directly from the deans offices moving forward which will have implications for staffing.

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Lead Department: AI/Nation

**Goal: In partnership with campuses, facilitate discussion and information-sharing to leverage and advance health sciences professional education programs, and by December 2020, help campuses identify actionable, forward-looking goals that support campus-led partnerships to enhance interprofessional health sciences education across the system**

**Opportunity:**

Collaboration among health professionals is essential for positive health outcomes. Effective interprofessional teams decrease costs, improve patient satisfaction, and reduce morbidity and mortality through patient safety and error reduction. According to the Institute of Medicine (IOM) report, *Crossing the Quality Chasm: A New Healthcare System for the 21<sup>st</sup> Century*, the best place to initiate such transformations in healthcare is in the education of its students. As the largest health sciences education and training system in the nation, UC is well positioned to utilize the breadth of top-tiered health education programs to develop new partnerships to expand interprofessional education (IPE), emphasizing collaborative care across the health sciences. Feedback from several health sciences deans (including dentistry, medicine, nursing, pharmacy, veterinary medicine) identified IPE as a top priority. UC has 18 health professional schools with some campuses focusing on interprofessional health sciences education. It is currently unclear, however, how IPE is organized and delivered at each campus.

**Proposed Solution:**

Over the course of 21-months, UC Health will work and coordinate with health sciences deans and faculty leaders to identify opportunities, priorities, obstacles, and goals for enhancing IPE across UC health professional schools. As health sciences schools and campuses identify priorities and barriers, UC Health will compile an inventory of current programs and initiatives to provide desired benchmarking information. A taskforce of IPE experts will be charged to provide recommendations for consideration by campus leadership, including an assessment of whether growth in IPE can be accommodated within existing resources, and examine joint responsibilities stretching from the Schools to the Health System, with the potential to reach beyond the health sciences (e.g., business, computer science). Priorities for possible pilot programs will be identified.

**Benefits:**

1. UC's health professional students will have increased access to an expanded range of educational resources, colleagues, and experiences.
2. UC's health professional programs can better share cost of instruction and educational resources.
3. UC's health professional students will be better prepared to increase patient safety and satisfaction, reduce errors, and improve health workforce relationships across disciplines.

**Assumptions:**

1. Assume health sciences leadership (across campuses and OP) will be interested, engaged and willing to commit time, information, and expertise.
2. Campus leadership willing to support and help guide changes to advance IPE.
3. Sufficient staffing available at OP and campuses to support this effort.
4. No policy limitations/barriers by accrediting organizations to share curriculum across disciplines.

# UCH Goal 10

# Advance Interprofessional Health Sciences Education

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
10	<b>In partnership with campuses, facilitate discussion and information-sharing to leverage and advance health sciences professional education programs, and by December 2020, help campuses identify actionable, forward-looking goals that support campus-led partnerships to enhance interprofessional health sciences education across the system</b>					
10a	By April 2019, in consultation with UC health science deans, create a taskforce to identify opportunities for development and expansion of IPE.					
10b	By June 2019, appoint taskforce and schedule IPE Taskforce meetings (minimum of 3)					
10c	Convene campus experts to participate in a systemwide IPE Taskforce by September 2019 to explore how future collaboration(s) should occur and next steps.					
10d	By December 2020, finalize and distribute findings and recommendations for enhancing IPE across UC health science professional education programs.					

**Metrics and Targets:**

1. Increase in IPE programs across UC health professional schools (over baseline data from 2018-19) by Fall of 2025.
2. Increase in student participation with interdisciplinary learning and patient care (over baseline data from 2018-19) by Fall of 2025

**2018 Activity Update:**

Roadblock: unable to compile IPE list without contacting all the schools and programs directly – not listed on their websites. Search across campuses was limited. Need to get information from deans/campuses.



# UCH Goal 11

# More Effectively Influence Public Policy as a System

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Lead Department: S&P/Engel

**Goal: Engage proactively and strategically regarding important health-related legislative and regulatory activity, and systematically inform the campuses of pending activity and engage them in development of policy positions via a public policy function to be established within UC Health by July 2019**

### **Opportunity:**

Currently, UC Health has substantive expertise and engages actively on a discrete set of policy issues impacting the health sciences, but there is not a dedicated policy function to analyze and engage in the broad array of legislative and regulatory issues that impact UC Health. UC has only a single lobbyist in DC and Sacramento devoted to health issues. Government Relations staff at the campus level do not have expertise on health issues, and the existing policy team at UCOP, IMPAC, specifically does not handle health issues. Due to resource and staffing limitations, our approach is generally to react to threats on priority issues without the ability to engage proactively and strategically. UC tends to rely heavily on trade associations, which are important but should not be a substitute for our own policy development and strategy. At best, this approach means that we are missing opportunities to shape policies in our favor; at worst, this means that our campuses are sometimes not even informed of evolving policies that can impact their operations and finances. We have also not developed relationships with many of the key federal and state policymakers and regulators with jurisdiction over our activities; accordingly, we do not have many allies to turn to when problems arise. Without resources to effectively coordinate our efforts, we also have campuses approaching policymakers with inconsistent messaging and competing positions. In addition, our approach to addressing attacks is often ad hoc and reactive – versus coordinated and proactive; (e.g. there is a longstanding negative narrative in Sacramento that UC does not adequately serve the Medicaid population; we have not effectively combatted this narrative). Notably, other academic health centers and other health organizations of comparable size and influence have much more robust policy operations.

### **Proposed Solution:**

Develop and institutionalize a public policy function (similar to IMPAC) for UC Health that will collaborate with state and federal government relations to (i) identify threats and opportunities to inform our business operations and strategy; (ii) analyze proposed regulations and legislation and coordinate the development of system-level positions; (iii) develop and implement processes to share information with appropriate internal audiences and seek their input (currently this is done on an ad-hoc, reactive basis when we are faced with threats); (iv) develop plans for government relations to strategically and proactively engage with policymakers and influentials, including in coordination with partners institutions, trade associations, as well as UC's own subject matter experts.

### **Benefits:**

1. Supports UC Health's playing a leadership role in ongoing discussions at the state and federal level regarding health reform and other relevant issues
2. Paves a path to further our mission and business priorities; working as a system offers greater leverage, prominence, impact
3. Establishes / deepens relationships with policymakers and influentials to call on in times of need
4. Helps avoid inconsistent messaging / positions that undermine our credibility and effectiveness
5. Facilitates better communication and coordination among the medical centers and health professional schools

### **Assumptions:**

1. Funding and headcount for additional staff is approved by medical centers and UCOP
2. SGR, FGR, UCOP and medical center leadership agree that health legislative / regulatory strategy and policy analysis should be driven at the system level

# UCH Goal 11

# More Effectively Influence Public Policy as a System

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
11	<b>Engage proactively and strategically regarding important health-related legislative and regulatory activity, and systematically inform the campuses of pending activity and engage them in development of policy positions via a public policy function to be established within UC Health by December of 2019</b>					
11a	Develop and obtain buy-in from internal stakeholders on a plan to establish a policy function, including its scope of activities, staffing, and needed resources by January 2019					
11b	Hire / appoint individuals to serve in leadership positions and supporting roles by June 2019 (State) and July 2020 (federal)					
11c	In partnership with Government Relations, campus stakeholders and leadership, develop by February 2019 key policy priorities and near-term goals for the remainder of FY 18-19, with a focus on engaging on the State level with the new Administration.					
11d	In partnership with campus stakeholders and leadership, develop a strategic plan for FY19-20 state-level engagement by July 2019					
11e	Implement the plan during the course of FY 19-20; revisit process annually, and revise as discrete issues arise and evolve.					
11f	In partnership with campus stakeholders and leadership, develop a strategic plan for engagement at the federal level with a new Congress and Administration by December 2020					
11g	Implement the federal engagement plan beginning in January 2021; revisit process annually, and revise plan as discrete issues arise and evolve					

**Metrics and Targets:**

1. TBD: the initial strategy will identify specific near and long term policy goals
2. TBD: the initial strategy will also include targets regarding the engagement of policymakers, regulators and advocates

**2018 Activity Update:**

With much of this year focused on activity related to the UCOP Restructuring Effort / the President’s Advisory Committee on the Future of UC Health and given the uncertainty surrounding the path forward for UC Health, we were not able to hire staff and execute on this goal in accordance with the timeline originally contemplated. As of January, 2019, we have hired a Director of State Health Policy, and anticipate bringing on a policy analyst shortly.



Lead Department: SH/Buchman

**Goal: Expand critical partnerships between Student Affairs, UC Health, Risk Services and campus-based leadership by December 2019 to optimize guidance and support for Student Health and Counseling**

**Opportunity:**

In the past 6 years, UC Health has successfully established systemwide quality assurance and clinical risk management standards within UC Student Health and Counseling centers to ensure the provision of safe, high-quality care to our students. UC Health and Risk Services have also successfully partnered in the joint management of the self-insured UC Student Health Insurance Program (UC SHIP). National, State, and UC data continue to demonstrate upward trends in the frequency and severity of medical and mental health conditions affecting university students. The escalating demand for medical and mental health services within UC requires novel approaches to prevention, clinical care delivery, healthcare financing, and clinical risk management. The unique needs of our student population furthermore require a student-centric approach to optimize the scope of services provided and delivery methods therein. Stronger and more effective partnerships between UCOP and campus leadership are required to best achieve these goals.

**Proposed Solution:**

Expanded partnerships will be created by identifying and engaging with key UCOP and campus-level leadership positions who have direct or indirect oversight responsibility for Student Health and Counseling units, or an vested interest in the services these units provide. The integration of the ideas, experience, and expertise within these partners is essential to meet the ongoing challenges faced by the Student Health and Counseling centers. Initial meetings will be held to review historical influences that have affected sense of ownership and control over Student Health and Counseling and provide brief overviews of the scope and scale of services provided by UC Health, Risk Services, and other UCOP units. Subsequent meetings will be used to identify areas of expertise within these and campus-based units, and use this data to re-define and clarify roles and responsibilities of UCOP and campus-based oversight units. Following completion of this process, participants will be asked to identify and present issues and concerns within Student Health and Counseling to UCOP and campus-based leadership. UCOP and campus leadership will then be responsible to develop a coordinated action plan to address these to the extent possible. The final phase is to develop an ongoing schedule of regular follow-up meetings/conference calls to 1) assess progress on identified issues, 2) develop strategic planning processes to meet emerging challenges and threats, identify responsible parties for implementing strategies and management of agreed-upon initiatives, and 3) periodically assess leadership and constituent satisfaction with the oversight and guidance provided to these units and the student services these units provide.

**Benefits:**

1. Creation of high-level engagement, collaboration, communication and trust between responsible leadership at UCOP and the campuses to improve decision-making and strategic planning
2. Establishment of a true sense of joint ownership and management responsibility among Student Affairs, Risk Services, and UC Health at UCOP, with the leadership of Student Health and Counseling, Student Affairs, and central campus administration at the campuses
3. Optimized distribution of strategic and tactical tasks to the entities best equipped to effectively execute these
4. Enhanced sharing of information to key University leaders to best support the delivery of targeted, effective, and essential student services, while managing costs and clinical risks

**Assumptions:**

1. Senior Leadership at UCOP will fully endorse collaborative partnerships as the primary vehicle for providing joint management and guidance to Student Health and Counseling. (e.g. no individual department at UCOP has guidance oversight over all aspects of Student Health and Counseling, but each provides specific guidance relative to its expertise)
2. Participating departments and individual participants will agree to actively seek common ground and to engage in collaborative decision-making
3. UCOP and campus departments will commit sufficient joint resources to achieve the goals set out by the collaborative partnership
4. Participants will have sufficient authority to act on behalf of their department or ready access to intra-departmental approval for actions proposed by the partnership
5. UCOP leadership's endorsement of this structure will be effectively communicated to Chancellors, VCPBs, VCSAs, Student Health and Counseling Directors, etc.

# UCH Goal 12

# Expand Critical Student Health Partnerships

#	Goal/Key Strategies & Timeline	17-18	18-19	19-20	20-21	21-22
12	<b>Expand critical partnerships between Student Affairs, UC Health, Risk Services and campus-based leadership by December 2019 to optimize guidance and support for Student Health and Counseling</b>					
12a	Identify key UCOP and campus-based leaders with guidance or oversight responsibility for Student Health and counseling by January 31, 2019					
12b	Hold initial key stakeholder meetings with senior leadership from UCOP, VCSA group, Student Mental Health oversight and CAPS Directors by March 31, 2019					
12c	Create document outlining areas of departmental expertise, roles and responsibilities at UCOP and campus levels by May 31, 2019					
12d	List issues and concerns raised by UCOP or campus leadership responsible for guidance or oversight to Student Health and Counseling by July 31, 2019					
12e	Draft and submit Coordinated Action Plan to address identified issues by October 31, 2019					
12f	Create and launch UCOP Communications Plan by November 30, 2019					
12g	Begin joint preparation and/or presentation of periodic updates to the UC Regents and the Regents' Health Services by December 20, 2019					
12h	Initiate UCOP and Campus Leadership Satisfaction Surveys by January 2020					

**Metrics and Targets:**

1. Increase in the sense of shared ownership, partnership, and joint oversight of campus-based Student Health and Counseling Services, as measured by survey responses from UCOP-based leadership in Academic Affairs, Student Affairs, Risk Services, and UC Health, as well as campus-based leadership in Student Health and Counseling, Student Affairs, Academic Affairs, and central administration by January 31, 2020

**2018 Activity Update:** *(Note: this is a new goal added December 2018; but 2018 activity related to this goal is listed below)*

1. Weekly conference calls with Student Health Services (SHS) and Counseling and Psychological Services (CAPS) Directors' group chairs
2. Weekly Mental Health calls with UCOP Student Affairs Mental Health/Community Health Program Manager, CAPS Directors' Chair, and UC Health Systemwide Mental Health Data Analyst
3. Monthly calls with SHS/CAPS Directors' group
4. Monthly in-person meeting with VP Student Affairs
5. Periodic meetings with campus VCSAs and other constituents as needed

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# Communication & Monitoring Plan

# 2019 Communication Plan

Communication of the UC Health Strategic Plan will include:

## *Stakeholder Communication*

- By end of January 2019, the EVP will present an overview of the Strategic Plan with budget and FTE for proposed health system funding to the 6 chancellors of campuses with health systems. The EVP will provide quarterly updates to these same Chancellors and the Medical Center CEOs.
- The EVP will provide annual briefings regarding the UC Health Division Strategic Plan and operating budget (including sources and uses of funds) to the Health Services Committee and the Executive Budget Committee starting February 2019.
- The updated Plan will be distributed to other key stakeholders along with a letter from the EVP in February 2019
- The Plan will be posted on the UC Health website

## *UC Health Staff Communication*

- The updated Strategic Plan will be sent to each staff member along with a cover memo from EVP and will be reviewed at the March 2019 division all-staff meeting

# Monitoring Plan

Progress on the goals within the UC Health Division Strategic Plan will be monitored as follows:

- Progress will be reviewed by the Leadership Team on a quarterly basis starting in April 2019
  - The Smartsheet action plan will be updated for each goal
  - Goal owners will insert/update specific actions under each key strategy and assign respective owners by February 2019
  - Goal owners will set individual staff performance goals for FY18/19 or later linked, as appropriate, to the goals and key strategies within the plan
  - The first Smartsheet progress updates will be due March 31, 2019
  - Progress will also be reviewed each quarter with staff
- Progress updates will be provided quarterly to the 6 chancellors of campuses with health systems and the Medical Center CEOs
- Progress updates will be provided annually to the President, the Health Services Committee, and the Executive Budget Committee, or more frequently, if/as requested
- The Strategic Planning Group will convene annually to review progress and update the Plan

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# Appendix A: Goal Summary Components



# Goal Summary Components

Each goal within the plan has a corresponding 3-page summary that outlines the following:

COMPONENT	DEFINITION
Lead Department/Owner	Lists department and person who will be accountable for progress on this goal
Goal Statement	Specific, quantifiable, realistic targets that will move the division towards accomplishing a strategic objective over a specified period of time
Opportunity	Describes the problem/purpose/motivation behind achieving the goal
Proposed Solution	Defines scope and objectives
Benefits	Outlines the benefits that will be derived from achieving this goal
Key Strategies	Key activities/steps required to achieve the goal
Assumptions	Defines processes/events that must happen/ “go right” (usually outside the department’s direct control) in order for this goal to be successfully achieved
Metrics & Targets	Outlines how success will be measured with associated desired targets
Financials	Details on next page

# Goal Summary Financials

**1. All figures listed are high-level estimates**

- In many instances, full business cases will need to be developed to determine exact amounts.
- Amounts often vary over time and by location.

**2. Resource Assumptions:**

- Feasibility is based upon the assumption of financial resource stability; goal adjustments may need to be made to accommodate changing financial realities over the timeframe of this plan.
- Where campus/location resources will be needed, implementation is based upon the assumption that locations will have the resources and ability to fully implement and achieve the respective goal.

**3. UCOP Division Impact (goals 6, 8-10 and 12 only):**

- Numbers reflect expenses that will be funded by either UCOP core funds or premiums derived from the self-funded health plans.

**4. Health Systems Impact (goals 1-5 and 11 only):**

- Numbers reflect expenses and revenue/savings expected to come directly from/to the Health Systems
- Amounts listed are for all Health Systems combined
- All Health System-funded activity will be reported and tracked separately in the UCOP UC Health budget.

**3. Campus Impact (goals 8-10 only):**

- Numbers reflect expenses primarily for travel or incidentals that will need to be paid directly by the participating locations.
- These expenses are not included in the “Health Systems” funding described above.
- Amounts listed are for all impacted UC locations combined.

**5. One-time Project Costs:**

- Total estimated (temporary) project implementation costs (staff, technology, consulting, etc.) that will be incurred from July 2017 through June 2022. Previously incurred project costs are not included.

**6. Annual Costs:**

- Numbers represent anticipated steady-state (permanent) operational costs that will be incurred each year over and above the existing budget as a result of realizing this goal.

**7. Annual Revenue/Savings:**

- Numbers represent the anticipated annual increase in new revenue and/or savings through cost containment as a result of realizing this goal.

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# Appendix B: Health Systems Funding & FTE Summaries

# Health Systems Annual Goal Funding

		FY17-18 Actual	FY18-19 Forecast as of Feb'19	FY19-20 Proposed Budget	FY20-21 Projection	FY21-22 Projection
<b>ESTIMATED AGGREGATED HEALTH SYSTEMS COSTS FOR STRATEGIC PLAN GOALS</b>						
Goal #	Goal Topic					
1	Drive Savings & Efficiencies Through LSFV	2,501,369	4,625,742	7,425,507	8,356,466	8,605,818
2	Develop & Launch Systemwide Strategic Initiatives	-	1,636,688	3,307,889	3,634,797	4,050,826
3	Create Quality / Pop Health Management Function	-	838,407	2,201,388	2,031,799	2,104,275
4	Improve Systemwide Financial Analysis	-	579,867	1,073,014	1,146,563	1,184,383
5	Establish Center to Leverage Systemwide Data	2,406,243	3,903,059	6,911,459	7,727,672	8,349,190
11	More Effectively Influence Public Policy as a System	-	178,626	729,402	1,167,080	1,175,183
<b>Annual Cost Totals</b>		<b>4,907,612</b>	<b>11,762,388</b>	<b>21,648,659</b>	<b>24,064,377</b>	<b>25,469,675</b>
Already Committed CHQI Funding		1,150,000	-	400,000	-	-
Already Committed LSFV Funding		2,209,353	3,429,039	-	-	-
Already Committed United Funding		1,548,259	8,333,349	11,118,392	-	-
<b>Additional/New Health Systems Funding Needed</b>		<b>-</b>	<b>-</b>	<b>10,130,267</b>	<b>24,064,377</b>	<b>25,469,675</b>

<b>ESTIMATED AGGREGATED HEALTH SYSTEMS SAVINGS / NEW REVENUE THROUGH STRATEGIC PLAN GOALS<sup>1</sup></b>						
Goal #	Goal Topic	FY17-18 Actual	FY18-19	FY19-20	FY20-21	FY21-22
1	Drive Savings & Efficiencies Through LSFV	286,000,000	325,000,000	400,000,000	450,000,000	500,000,000
3	Create Quality / Pop Health Management Function	-	-	1,000,000	2,000,000	5,000,000
5	Establish Center to Leverage Systemwide Data	-	500,000	2,000,000	5,000,000	10,000,000
6	Offer Competitive and Compelling UC-Branded Health Plans	-	-	5,000,000	5,000,000	5,000,000
<b>Annual Estimated Savings Totals</b>		<b>286,000,000</b>	<b>325,500,000</b>	<b>408,000,000</b>	<b>462,000,000</b>	<b>520,000,000</b>

<sup>1</sup>Does not include savings associated with managed care contracting or systemwide Medi-Cal work

Note: Annual budgets listed above include an estimated benefits expense which may change once the UCOP Budget Office finalizes the Composite Benefit Rate (CBR)

# Health Systems Annual Funded FTE

		FISCAL YEARS									
		FY17-18 Actual		FY18-19 Forecast as of Feb'19		FY19-20 Proposed Budget		FY20-21 Projection		FY21-22 Projection	
Goal #	Goal Topic	UCOP	Campus	UCOP	Campus	UCOP	Campus	UCOP	Campus	UCOP	Campus
1	Drive Savings & Efficiencies Through LSFV	4	4.3	11	8.8	11	9.4 <sup>1</sup>	11	11.4	11	11.4
2	Develop & Launch Systemwide Strategic Initiatives	1.8	-	4.7	1	6.8	1	7.8	1	8.8	1
3	Create Quality / Pop Health Management Function	-	-	2	0.4	5	0.2	5	-	5	-
4	Improve Systemwide Financial Analysis	-	-	1	-	4	-	4	-	4	-
5	Establish Center to Leverage Systemwide Data	-	7.3	5	16.7	5	20.4 <sup>2</sup>	7	21.4	7	22.4
11	More Effectively Influence Public Policy as a System	-	-	2	-	3	-	5	-	5	-
<b>Total Annual FTE Funded by Health Systems</b>		<b>5.8</b>	<b>11.6</b>	<b>25.7</b>	<b>26.9</b>	<b>34.8</b>	<b>31.0</b>	<b>39.8</b>	<b>33.8</b>	<b>40.8</b>	<b>34.8</b>

Note: All FTE numbers listed reflect count at fiscal year-end (i.e., June 30)

<sup>1</sup>FY19-20 Campus Allocation of staff for Goal #1: Approximately 2 people per campus. Annual FTE increases generally represent new people/hires.

<sup>2</sup>FY19-20 Campus Allocation of Staff for Goal #5: 20 FTE (39 people); **UCI** - 10 FTE (10 people); **UCSF** - 3.6 FTE (13 people); **UCLA** - 4.4 FTE (10 people); **UCD** - 1 FTE (3 people); **UCSD** - 1 FTE (3 people). Note that many of the FTE within this goal represent the allocation of a percentage of time of existing personnel (e.g., data scientists, infrastructure engineers, data engineers) who contribute to the initiatives under the goal - - not new hires.

# FY17-18 LSfV Savings / Revenue by Campus

The table below lists FY17-18 campus-specific incremental savings and/or revenue associated with some Leveraging Scale for Value activities:

Systemwide Activity (in \$M)				
Campus	Revenue Cycle <sup>1</sup>	Procurement <sup>2</sup>	Contracting <sup>3</sup>	Medi-Cal <sup>4</sup>
UCD	109	29	74	38
UCSF	126	29	182	129
UCLA	106	29	129	37
UCI	56	29	34	27
UCSD	86	29	69	85

<sup>1</sup> Indicates sustained, yearly financial impact (either increased revenue or cost reduction).

<sup>2</sup> Total savings associated with system-wide procurement for Fiscal Year 2018 divided equally among 5 campuses

<sup>3</sup> Incremental revenue for Fiscal Year 2018 for 6 PPO contracts only

<sup>4</sup> Projected incremental dollars to be distributed in the summer for Calendar Year 2019