

Special Report: IHF University Hospital Special Interest Group

How university hospitals and aligned universities collaborate to advance goals



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The governance structures of university hospitals and aligned universities are an influential ingredient in how these organizations coordinate strategic decision making in clinical care, education, research and innovation. To better understand governance dynamics, the University Hospital Special Interest Group (UH-SIG) of the International Hospital Federation (IHF) collaborated with the University of Eastern Finland to conduct global research in 2016 on how governance is structured and cooperation is achieved between university hospitals and universities (see Sidebar).

ABSTRACT: As a follow-up to a 2017 global study on governance, interviews with four health care leaders spotlight how university hospitals and aligned universities can bridge different cultures to promote collaboration and advance innovation within their institutions. The leaders describe ideas they use to strengthen alignment across clinical care, research and education as well as create environments that stimulate entrepreneurial performance and results. As their institutions face the impact of national health care reform, a selective portfolio approach featuring centers of excellence is deployed to serve key patient groups, achieve financial goals and withstand competition. These thought leaders share why it is critical to develop the next generation of leaders and provide medical education techniques adapted to new clinical practices and team-based learning styles.

Sidebar:

University Hospital Special Interest Group

The IHF University Hospital Special Interest Group (UH-SIG) was formed in 2013 as a unique platform for peer-to-peer knowledge sharing among university hospitals on global health challenges. In 2014, the UH-SIG completed its first global research with a first-of-its-kind study of international end-of-life care practices. The success of this study spurred the 2016 research initiative: the study of governance practices of university hospitals and aligned universities. The UH-SIG and the University of Eastern Finland developed, fielded, and analyzed an online survey completed by executives from 23 university hospitals located in Europe, Australia, the Middle East, South America and North America. The Vizient University Health System Consortium serves as the secretariat for the UH-SIG.

As a second stage of study, the UH-SIG conducted in-depth interviews in 2017 with four health care leaders to explore governance structures and collaborative initiatives for university hospitals and aligned universities. In addition to two of the article's authors (Risto Miettunen, MD, PhD and Peter Butler, MHSA), interviews were also conducted with Paul Dugdale, BMBS, MA, MPH, PhD, FAFPHM, director of the Centre for Health Stewardship at Australian National University and chair of the Australian Healthcare and Hospitals Association, and Marc Noppen, MD, PhD, chief executive officer of Universitair Ziekenhuis Brussel (UZ Brussel), Belgium.

Profiles were developed to capture highlights from the four interviews which can be found in the second segment of this article.

Pace-setting Themes

Six major themes emerged as distinctive and shared issues from the four interviewees:

1. Achieving alignment
2. Facilitating centers of excellence
3. Fostering environments for innovation
4. Navigating reform
5. Developing new leaders
6. Providing 21st century medical education

1. Achieving alignment

The interviewed leaders agreed that university hospitals and their aligned universities must operate as strong partners to be effective. At Rush University Medical Center (USA), success begins with a shared vision and defined metrics to gauge progress. A strategic scorecard measures achievements in clinical care, research, education and community service and employs a common language to encourage cooperation across the enterprise. In Belgium, although UZ Brussel and the university have different cultures, the two institutions have created a joint committee to spotlight solutions for improved operational coordination, appointments of chiefs of staff and other shared decisions.

Another area of alignment at UZ Brussel is research; patient care is advanced and skills sets are optimized when the university’s fundamental research is successfully bridged into translational research performed at the university hospital. This thought is mirrored at Canberra Hospital in Australia where new ways to engage busy hospital physicians in translational research are being explored to synchronize their talents with the university’s international research facilities.

**Sidebar from research:
2016 Governance Research: Value of Cooperation**

This study illuminated the value of cooperation between university hospitals and universities, with respondents endorsing cooperation as mutually and economically beneficial. Respondents believed that collaboration is based on mutual respect and understanding and they agreed that cooperation with the university is a crucial part of the university hospital’s functions.

2. Facilitating centers of excellence

The interviewed leaders described a portfolio approach to clinical services, where specific areas of expertise have been developed and promoted to serve key populations, achieve revenue goals and position against competition. Epilepsy surgery – performed at only two hospitals in Finland – is a prime example of specialized clinical collaboration between Kuopio University Hospital and the University of Eastern Finland. At UZ Brussel, five signature areas – fertility and genetic techniques, diabetes, cardiovascular cluster, medical imaging and oncology – have been developed and attract patients throughout Belgium and other countries.

3. Fostering environments for innovation

Creating the right environment to stimulate innovative ideas is a major responsibility assumed by these leaders. Often the environment operates outside the university hospital’s hierarchical structure, such as the stand-alone Office of Transformation created by Rush University Medical Center to design a new hospital. In Australia, the National Health Sciences Centre was designed to take nascent inventions through the commercialization stage.

Main Strengths of Cooperation (identified by 2016 survey respondents)

Area	How demonstrated?
Alignment	Coincidence of strategic interests Objectives and outcomes clearly defined Streamlined decision making Congruent philanthropic focus
Clinical excellence	High-quality care and education Offer new therapies for patients with complex medical conditions Opportunities to develop centers of excellence
Shared services	Medical training done at a university hospital Ease of establishing academic programs in specialties Faculty presence in clinical departments Common research laboratories 24/7 availability of residents Operational efficiencies
Research	High-quality research leading to clinical outcomes for patients Clinician-led research opportunities
Finances	Improved revenue when ranked as a university hospital Stronger contracts with payers Improved competitiveness
Recruitment and retention	Leaders want to practice and learn in an integrated organization Professional workforce to meet demand Easier to attract talent
Reputation	Enhanced brand of the university hospital in a regional market Recognized for achievement

Originally begun as an incubator by the university hospital and university, the center is now a self-perpetuating not-for-profit organization that provides commercialization services to a variety of entities. Kuopio University Hospital pursues a formal strategy to drive entrepreneurship and capture funding as a CEO-led hospital/university work group defines intellectual property rights and coordinates different sources of knowledge. Capitalizing on serendipity is part of the innovation strategy at UZ Brussel, where experimentation within loose social networks (not formal structures) is encouraged.

4. Navigating reform

It is impossible to ignore the effects of health care reform on university hospitals. As Finland organizes its decentralized health services into more centralized counties, the university hospital faces increased competition from private providers. Focused on improving value and reducing costs, the Belgian government is planning a national reorganization into 25 hospital networks, requiring new agreements and governance bodies to operate at the network level. Specialized services will become concentrated in fewer hospitals to control quality, outcomes and costs. Rush University Medical Center is increasingly focused on community health and services in response to U.S. reforms linked to population

health and associated reimbursement.

5. Developing new leaders

The search for new leaders is uppermost in the minds of these executives. In Australia, the government established a local medical school to attract senior clinicians who desired teaching appointments at a highly regarded institution. The talent pipeline is also strengthened through the large number of medical students who choose to stay in Canberra after graduation to develop their careers. At UZ Brussel, scouting for new leaders is an ongoing process and young clinicians are encouraged to collaborate and develop new ideas, such as a multidisciplinary clinic to treat Klinefelter syndrome. Today the clinic attracts patients from throughout the country.

6. Providing 21st century medical education

Interviewees reflected on how medical education techniques change to adapt to new clinical practices and learning styles. Rush University redesigned its curriculum for medical students with more emphasis on team-based learning. The chief medical officer at Kuopio University Hospital participates in work groups tasked with meeting the needs of medical students and high enrollments levels. At Australian National University, the medical school's curriculum is structured around small teams and research exercises, not large lectures, placing a heavy demand on physicians' time.

Sidebar from research:

2016 Governance Research: Shared Decision Making

The majority of university hospitals reported having a member or members in university decision-making bodies (e.g., executive board or faculty council). Similarly, most universities have representation in the university hospitals' decision-making bodies (e.g., board of governors, executive board or management committee).

Most university hospitals participate in systematic feedback and evaluation systems with the medical schools, including satisfaction surveys for students and tutors and shared committees. Most respondents reported systematic feedback and evaluation systems done in concert with nursing programs, including evaluations of students and clinical trainers. Respondents also reported that they organize continuous professional education together with universities, including simulation laboratories, tuition support, specialized courses, lectures and rounds.

Profile

Effective Strategies in a Reform Era

Based on a 2017 interview with Risto Miettunen, MD, PhD and CEO of Kuopio University Hospital

University hospital: Kuopio University Hospital is one of five university hospitals in Finland. Operating 550 beds, the hospital is responsible for delivering specialized care to nearly one million inhabitants of eastern and central Finland and is the country's largest trainer of physicians. The hospital enjoys high international rankings and has distinguished itself in several clinical areas, including epilepsy surgery and neuroresearch. The hospital's health

care management and nursing services are also strong.

Aligned university: The University of Eastern Finland is one of the country's largest universities, with 15,000 degree students and 2,800 staff members. The university – established in 2010 as a merger between the University of Joensuu and the University of Kuopio – is ranked among the world's finest in seven subjects by the QS World University Rankings by Subject 2017.

Structure: Kuopio University Hospital is a publicly owned and funded hospital. The hospital and university operate on the same campus (Kuopio Science Park) and the university has representation and voting rights in the hospital's board of directors based on agreement, not ownership.

The impact of reform: Finland is in the midst of a complex health care and social services reform in an effort to better serve the population and curb costs. Dimensions of the reform include moving from a highly decentralized system, where municipalities directed and funded local services, to 18 counties responsible for health and social services (beginning in 2020) and opening up the market to private services.

Hospital leaders are challenged to continue services as they anticipate major changes in a more competitive landscape. While the current health care market is over 90 percent publically managed, reform will create opportunities for private hospitals to enter and compete, especially for primary and secondary care. University hospitals will continue to focus on tertiary care and research.

Reform means that the hospital will become more of a service delivery organization. A patient base is no longer guaranteed within the new regional structure, so it will be critical for the hospital to be extremely competitive and cost effective. From the patients' perspective, they will have more choices and be able to choose private providers where available. In turn, hospitals will need to cater to patient needs and pursue a market share strategy to preserve volume and protect revenue.

Valuable collaboration with university: Both the hospital and university need to be in a strong partnership to be effective. A shared agenda and actively committed board members are key ingredients of success. Board roles and memberships will change with health care reform as responsibilities shift from municipalities to regions.

Epilepsy surgery – performed at only two hospitals in Finland – is a prime example of clinical collaboration between the hospital and university. A strong research base is essential to provide leading practices, and epileptic services have been growing at Kuopio for the past six years. In the midst of reform, it remains essential that university hospitals sustain a strong relationship with an aligned university and a significant research base.

Close presence on a shared campus is a major advantage because students can study and complete their clinical training in nearby locations. Proximity also makes it easier for faculty members to combine their academic and clinical work and be actively involved in patient care.

The university is not impacted by the previously mentioned reform because Finnish academic institutions are directed by a different ministry. However, university leaders are working on curriculum changes with input from the hospital. The hospital's chief medical officer is participating in work groups designed to meet the needs

of students and high enrollment levels. A networking model has been developed where part of the clinical training takes place at other hospitals because Kuopio does not have sufficient capacity.

Building an entrepreneurial culture: The hospital serves as a testing ground for startups in their pre-commercialization phase. For example, technology related to neurostimulation and pharmacy automation has been tested and used in the hospital. Traditionally, these initiatives were pursued opportunistically. To be more effective, the hospital has created a formal strategy to drive competitive entrepreneurship and capture funding for promising projects. A hospital/university work group with CEO members has been formed to fully define intellectual property rights and coordinate different sources of knowledge.

Funding is the greatest challenge in performing research with a university partner. The national contribution to research decreases every year, yet the need for research to accelerate is greater than ever. It is difficult to attract money from multinational pharmaceutical companies and other firms because Finland has strict clinical studies regulations. (Although regulations are the same in all EU countries, national differences do exist.) Work is underway to revise regulations to make Finland a more attractive option for clinical studies.

Advancing national collaboration: Kuopio's innovative cancer services have led to the development of a comprehensive cancer center aligned with other regional cancer centers. Patients from other countries travel to the country for treatment. The five regional cancer centers collaborate with each other and all participate in the country's biobanks for genomics. Since Finland's population and genetic structure are homogenous compared to other parts of the world, the country enjoys a unique opportunity to advance the study of cancer and related drug discoveries with global pharmaceutical partners.

Moving forward, Kuopio's ability to participate in similar national projects while still retaining regional influence is vitally important.

Developing future leaders: Two different leadership roles are needed: clinical excellence and management. Historically, physicians have not been prepared to serve in management roles. Relevant business courses have now been added to the medical school curriculum and high-potential physicians are encouraged to obtain their MBAs. However, physicians report on the difficulties of serving two roles simultaneously (clinical and managerial) and many do not pursue patient care once they go into management.

The younger generation of leaders has arrived and is poised to drive positive changes in the context of health care reform. They are responding to a new emphasis on service delivery and are already comfortable working within diversified teams (representing physicians, nurses, and other key disciplines) to develop robust solutions.

Profile

How Aligned Vision Fuels Innovation

Based on a 2017 interview with Peter Butler, MHSA, Professor and Chair of the Department of Health Systems Management in Rush University's College of Health Sciences and retired president of Rush University Medical Center

University hospital: Rush University Medical Center is a 664-bed hospital in Chicago, IL, USA. The Rush system also includes

two other hospitals and numerous outpatient care facilities.

Aligned university: Rush University serves more than 2,500 students and comprises Rush Medical College, the College of Nursing, the College of Health Sciences and the Graduate College.

Background: Originally known for clinical excellence as Presbyterian-St. Luke's Hospital, the hospital sought to bolster and formalize its academic mission by reactivating a closed medical college and becoming a degree-granting entity for medical, nursing and allied health students. Rush University was established in 1972 and the hospital rebranded itself as Rush University Medical Center in 2003. The integration involved the same board of trustees and management team, helping to ensure consistent alignment in governance, leadership and legal issues. Today Rush's educational model is regarded as highly as its clinical model.

Structure: Rush University Medical Center, including Rush University, is privately owned as a non-profit 501(c)(3) entity operating for the purpose of education, research and patient care. There is a joint ownership model and a joint management structure between the hospital and the university.

Benefits of an integrated model: Decisions can be quickly made and implemented due to a fully aligned hospital/university model (e.g., no extra councils). Hospital management is considered part of the academic enterprise and many leaders serve dual roles (executives as well as teachers) so they can "teach what we practice and practice what we teach." The hospital's physician CEO also serves as a professor of internal medicine and distinguished service chair of Rush University. This integrated model extends beyond the medical school into other academic areas, including graduate medical education. For example, the hospital's chief nursing officer is an associate dean at the university's College of Nursing.

However, this unified structure may make it difficult to detect when a function is underperforming, resulting in missed goals and stalled progress. To safeguard against this possibility, Rush University has strengthened its board of governors (acting as a committee to the parent board) to help ensure that the university is performing well and responding to changing expectations in academic services and student amenities.

Emergence of community health: Historically, the hospital has focused on clinical excellence supported by research and education. A fourth driver (community health and services) has emerged in response to local needs and reform related to population health and reimbursement.

For example, thanks to a \$5 million donation from BMO Harris Bank, the organization helped to create a multi-pronged initiative called *Building Healthier Communities* in collaboration with several diverse stakeholders. The goal of this work is to improve access, care coordination and quality of care in underserved communities. The donation allowed Rush to enhance its collaboration with a local college to create new curriculums and jobs to match the community's emerging health care needs. As Rush extends its "beyond the walls" services, everyone benefits from more effective workforce training.

Involving multiple stakeholders in the initiative creates complexity, but it also encourages participating organizations to stop viewing challenges through their own lens and discover new ways to partner in the face of limited resources.

Reimagining medical education: Traditionally, the enterprise's

clinical component drove innovation, with education serving a supporting role. Now, Rush's educational model is leaping ahead with a redesigned and innovative curriculum that places more emphasis on team-based and experiential learning.

In 2015, the board recruited a renowned Duke University leader and researcher as the new medical school dean. K. Ranga Rama Krishnan, MB, ChB, had served as dean at Duke-National University of Singapore Graduate Medical School, where he helped establish an innovative learning program. Dr. Krishnan was appointed by Rush to revamp and reenergize its curriculum by de-emphasizing lectures and promoting team-based learning supported by innovative technology. Rush's aligned structure helped the organization to embrace a new educational model designed to produce career-ready students and synchronize advancements in education and clinical care.

The new curriculum debuted in the Fall of 2017, a product of intense cooperation with many of the changes suggested by students desiring a different learning experience.

Using a strategic scorecard to drive change: Regardless of structure and governance, most hospitals (like most organizations) find change difficult. Talented professionals can still become entrenched in old practices and enduring silos. Creating and sustaining change requires strong leadership and a staff empowered to develop new solutions.

Success begins with a shared vision and a process to achieve it. To become fully realized, the vision requires metrics to gauge progress. At Rush, a scorecard is used to measure achievements in clinical care, research, education and community service. While some organizations focus primarily on external or image-related metrics, Rush's metrics focus on internal advances, some of which may not directly support external metrics. The scorecard introduces a common language and encourages cooperation across the enterprise to reach mutually shared destination points.

Innovation is not a part-time job: About 10 years ago, plans were underway to build a new hospital. Realizing that traditional structures are good for performance but not innovation, senior leaders created an Office of Transformation to encourage fresh thinking and accelerate decision-making. Representatives of diverse disciplines were deliberately appointed to the office, including a chair of emergency services, a passionate gerontology specialist, a leader in interventional nursing, a senior information technology expert and an experienced hospital operations manager. These senior leaders worked side by side with architects and construction teams to evaluate care processes and how the new building's design could improve outcomes identified by the scorecard, such as patient satisfaction and staff workflow.

The team was empowered to create a fundamentally different structure and make decisions that larger, more traditional groups and structures might resist. Approximately 50 people worked together in the same space, serving as full-time catalysts to construct a distinctive hospital appreciated by patients, staff and the community at large.

One unexpected outcome of the transformational process was the degree to which specialists were willing to adopt new work patterns. For example, the new hospital design replaced multiple locations for imaging services with one space shared by vascular surgeons, interventional radiologists and cardiologists. The

specialists agreed with the concept and supported standardization practices recommended by the transformation team.

A second-generation version of the Office of Transformation still operates at Rush because senior leaders understand that innovation requires a separate structure where individuals can spend significant time in ideation and collaboration.

Profile

New Ideas Flow from Teamwork and Serendipity

Based on a 2017 interview with Marc Noppen, MD, PhD and Chief Executive Officer of Universitair Ziekenhuis Brussel (UZ Brussel)

University hospital: The 729-bed UZ Brussel admits more than 50,000 patients and treats 400,000 national and international outpatients annually. Physicians and staff deliver a comprehensive range of adult and pediatric services and are highly involved in teaching and research.

Aligned university: The Vrije Universiteit Brussel (VUB) operates four campuses in the Brussels Capital Region and delivers quality education to more than 15,800 students (21.5% are international students). Its Brussels Health Campus is home to the faculty of medicine and pharmacy.

Structure: The hospital's governance structure is a direct consequence of legal requirements in Belgium. Out of a total of 100 hospitals in the country, seven are considered university teaching hospitals and each has established a 1:1 relationship with a comprehensive faculty of medicine. The relationships vary, where some universities fully own the hospital and others create affiliations. Universities are accountable to Belgium's Ministry of Education, organized at the defederated (community) level, while hospitals are accountable to the federal Ministry of Social Affairs and Health.

Since its inception, UZ Brussel has been owned by the university. All chiefs of staff serve as faculty for the medical school, and hospital and university staffs work closely together to advance quality in teaching, research and clinical care. However, as stipulated by Belgian law, the hospital has its own governance body with a separate board. The university has representation on this hospital board, but the board operates independently.

The impact of reform: Driven by the need to improve value and reduce costs, the Belgian government is planning a national reorganization into 25 hospital networks, to be fully operational in 2018. This reform will require new agreements and governance bodies to operate at the network level, affecting small community-based hospitals as well as larger university hospitals.

Some low-volume services will become concentrated in fewer hospitals to gain more control over quality, outcomes and costs. For example, major surgeries may be performed in a select group of hospitals while primary care, maternity care and first-line emergency care will remain dispersed throughout network hospitals.

Aligning different cultures: The university and hospital have different cultures. While the university tends to have a more scholarly and stable environment, the hospital operates more as a dynamic enterprise responding with flexibility to a fluid environment.

This difference sometimes causes conflicts, but it points to the vital importance of alignment. With aligned goals and plans, the

two institutions come together and demonstrate real progress. A University Medical Center Committee comprises the chief executives of both institutions and serves as a forum to discuss common interests, such as operational coordination in security, technical installations and maintenance, as well as the appointment of chiefs of staff. The committee spotlights solutions for creating value together.

Another area of alignment is research. When the university's fundamental research is successfully bridged into translational research performed at the hospital, this collaboration optimizes skill sets and advances patient care.

The power of signature areas: From its total portfolio of 41 services, hospital leaders have defined five signature areas: fertility and genetic techniques, diabetes, cardiovascular cluster, medical imaging and oncology (particularly immunotherapy and radiotherapy). These areas signify the hospital's commitment to entrepreneurship and its structural ability to nimbly respond to market opportunities.

The number of signature areas is dynamic, with department heads and other clinicians actively encouraged to be creative and develop plans for new focal areas. For example, a new signature area may evolve as imaging increasingly intersects with cardiovascular and interventional radiology services. Hospital and faculty leaders select projects for development as signature areas. Beginning with internal seed money, the signature teams then go on to attract external (private) funding for their initiatives.

With documented performance and quality outcomes, these signature areas often serve as magnets for patients throughout Belgium and other countries. For example, the hospital's fertility clinic had routinely attracted patients from the Middle East. As demand grew, the concept of offering services in the Middle East evolved and resulted in UZ Brussel clinics opening in Kuwait and Abu Dhabi. This entrepreneurial idea was pursued with three conditions: no upfront investment, must generate revenue back to the hospital and must support the mission and ethics code of the hospital and university. The Middle East clinics had no trouble attracting physicians and staff from Belgium who want to serve several years as expats in a different region of the world.

How serendipity encourages innovation: Serendipity often plays a role in how new ideas evolve. Serendipity is not mere chance, but a state of mind where organizational leaders are open to new opportunities. To be successful, the right innovators must be involved, who are masters in their fields of expertise, have the vision and ambition to drive new initiatives and also have the management skills to direct their teams. Behind the scenes, hospital leaders must have the courage to allow creativity to foster and create the right framework that will prompt new developments.

Ideas do not naturally bloom from a strict hierarchical structure; they often emerge from a loose social network. Experimentation with different formats is important, where sometimes self-steering teams thrive and other situations call for a more formal management structure with a program director and defined key performance indicators. If the early concept is successful, the hospital then contracts with the innovators and defines goals, objectives and accountability to advance to the next stage.

In a complex environment like a hospital, flexibility and agility remain important to accommodate different management

structures and timelines. At first glance, this approach may seem chaotic but it creates an open-ended ecosystem primed to extract value out of serendipity.

The human factor: With a staff of 3,800 individuals, it is challenging to identify and nurture talented leaders and still keep everyone involved and aligned. Recently, the hospital achieved its first-time Joint Commission International (JCI) accreditation as an academic medical center. The JCI exercises were designed to strengthen and document interdepartmental teamwork, a staff-wide initiative that produced momentum and pride in their accomplishments.

Scouting for new leadership talent is an ongoing effort. Sometimes the best ideas emerge from young, energetic clinicians who know each other and collaborate easily. For example, the hospital's fertility clinic sees a large number of male patients with a chromosomal condition called Klinefelter syndrome. Astute clinicians understood that these patients often also have metabolic disorders and other comorbidities that require treatment. They assembled multiple disciplines to create a Klinefelter clinic which now attracts eligible patients from throughout the country.

Initiatives are not limited to vertical silos (departments), and specialists are encouraged to drive their own projects. When talented individuals are inspired to cross boundaries, positive things happen. It is vitally important to share this thinking with the next generation of medical students, encouraging them to examine a problem and ask "Why? And why not?" Lessons in teamwork and humility are as important as skills in medicine and pharmacology.

Profile

Partnering with a University to Attract Talent and Deepen Research

Based on a 2017 interview with Paul Dugdale, BMBS, MA, MPH, PhD, FAFPHM, Director of the Centre for Health Stewardship at Australian National University and Chair of the Australian Healthcare and Hospitals Association

University hospital: Canberra Hospital is a 660-bed acute care teaching hospital and a tertiary referral center that provides specialized services to the people of the Australian Capital Territory (ACT). Located in Garran, Canberra, it is the largest public hospital in the region, supporting a population of around 660,000.

Aligned university: The Australian National University (ANU) is owned by the federal government and ranks first in Australia and among the top 20 globally, according to QS World University Rankings for 2018. However, it operates autonomously, similarly to many universities around the world. ANU has seven academic colleges and the current ANU Medical School was formed in 2002, drawing students with its highly regarded curriculum and internationally recognized medical research program.

Structure: Australia has two mainland territories (ACT and the Northern Territory) with self-governments that oversee health, education, social services and other local matters. Since Canberra is a fast-growing region, producing a high demand for services, the ACT strategy is to hold public funding as low as possible until population growth forces more spending.

The ACT's health department operates hospitals directly without additional boards or governance layers. Canberra Hospital and Calvary Public Hospital (owned by the Little Company of Mary Order) are funded by the ACT through contracts. The ACT

government also has an agreement with the university (renewed every 10 years) to support the medical school.

The medical school's curriculum is structured around small teams and research exercises, not large lectures. Hospital leaders look to the medical school to define the optimal curriculum and desired student experiences. The hospital provides training, facilities and access to support such experiences.

Attracting top talent: ACT leaders wanted to establish a local medical school so that students would bond with the host city and remain there to practice. Similarly, senior teaching clinicians would be motivated to come to Canberra and practice at the local hospital because they would enjoy appointments at a highly regarded medical school.

This symbiotic relationship has produced a fruitful partnership and a conduit to attract high-caliber talent. Today, over 231 senior hospital staff members have been granted academic titles by the university, with time allotted for teaching and research. Clinician academics have agreed to be performance-managed by the university; however, an effective system to ensure this happens has yet to be established.

Many medical students stay in Canberra after graduation to practice and develop their careers. This “bonding” is working to a much higher degree than originally forecasted, with at least 70% of graduates applying for positions at Canberra Hospital.

Building a hub for startups: While approximately one-quarter of the city's workforce is employed by the government, the remainder of the economy has to be driven by the ACT. In response, the ACT government has developed a strategy for supporting innovation in Canberra as a university town, pursuing projects in animation, renewable energy and health care, to name a few.

The National Health Sciences Centre was created to take early-state inventions out of the public hospital crucible and through the commercialization stage, thus attracting equity investors. Originally begun as an incubator by the hospital and university, the center is now a self-perpetuating not-for-profit organization that provides commercialization services to the hospital and university as well as other entities.

The center has attracted experienced board members with diverse backgrounds who understand the pitfalls of over-reaching. Rather than pursue complex pharmaceutical business, the center's innovations focus on system products, educational resources, non-implantable devices and other concepts with low capital requirements and potential licensing opportunities. Since the hospital and university were instrumental in launching the center, this common history helps all stakeholders share goals and referrals.

Another example of productive collaboration is The Health Horizon, a startup that was seed-funded by the National Health Sciences Centre. Its mission is to improve the commercialization process for health innovators worldwide through its social media platform where innovators can publicize their work and attract investors.

The research journey: The hospital has an office (directorate) that oversees the ethics committee, clinical trials, scientific conferences and other research-related work, such as providing epidemiological assistance for studies. The office has evolved over the last 15 years as the hospital has become a much stronger research center.

Today, the office is led by an international cancer researcher and experienced grant developer who hopes to guide the hospital into its next phase of research excellence. While not a clinician or medical school faculty member, this new director of research is also the chair of cancer research at ANU, a position developed as a joint initiative between the ACT government and the university within the John Curtin School of Medical Research, a renowned school with prizes unequalled in the history of medical research in Australia.

The role of physicians in research has also evolved. In the 1950s and 1960s, Canberra physicians ran world-class labs at the John Curtin School. In the 1990s, it became more and more difficult for clinicians to maintain a substantial research portfolio while their clinical and teaching duties increased. There is a heavy demand on physicians' time, especially because the ANU medical school curriculum involves small teams and intense faculty/student interaction in the wards and on research projects. Some clinicians find research and publishing very intimidating and spend limited time in this area.

Moving forward, new ways to engage hospital physicians are being explored as part of the larger research strategy. Focusing on translational research and bringing new ideas to the bedside have helped to synchronize the talents of busy physicians working in tandem with international research facilities.

Biographies

Primary authors

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Peter Butler, MHSA, is a nationally recognized health care executive with almost 40 years of experience in teaching hospitals and health systems. He served as Immediate Past President of Rush University Medical Center and current serves as a Professor and Chairman at Rush University Department of Health Systems Management.

Barbara Anason, MBA, serves as secretariat for the IHF's University Hospital Special Interest Group. As Senior Vice President of Vizient, Inc., she oversees Vizient University Health System Consortium, engaging 7,000+ member representatives in networks and events that advance the success of academic medical centers through knowledge sharing, collaboration and innovation.

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