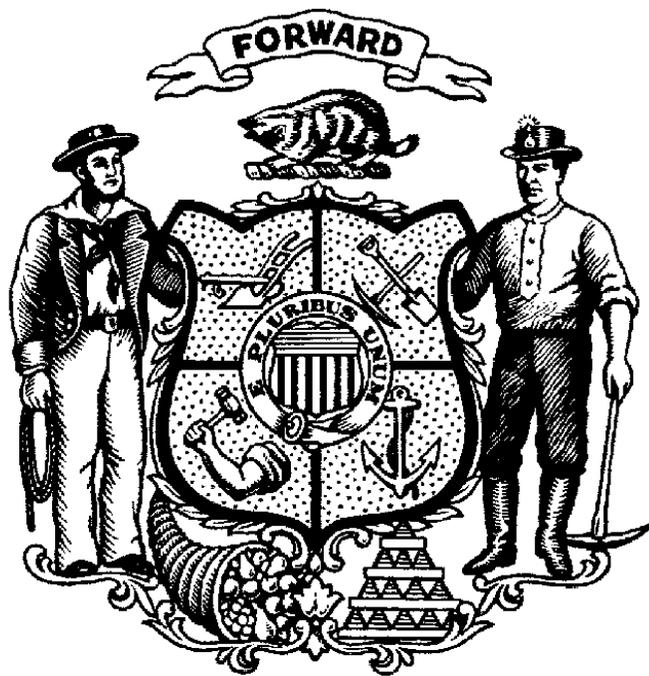


# State of Wisconsin

Medical College of Wisconsin



Agency Budget Request

2015 – 2017 Biennium

September 15, 2014

## Table of Contents

Cover Letter .....	3
Description .....	5
Mission .....	6
Goals .....	7
Performance Measures .....	8
Agency Total by Fund Source.....	9
Agency Total by Program .....	11
Agency Total by Decision Item (DIN).....	14
Decision Items.....	15



Office of Government and  
Community Relations

September 15, 2014

Nathan Schwanz  
Executive Policy & Budget Analyst  
State Budget Office, Wisconsin Department of Administration  
101 E. Wilson, 10<sup>th</sup> Floor  
Madison, WI 53707

Dear Mr. Schwanz:

Enclosed is the Medical College of Wisconsin (MCW) *2015-2017 Biennium Agency Budget Request* for activities from July 1, 2015 – June 30, 2017. The budget includes MCW's *Agency Description, Goals and Objectives, and Performance Measures*. As required by the Department of Administration, our total spending request complies with the budget target of 100% of the FY 2015 base year for both years of the coming biennium.

Finally, MCW respectfully includes a *Supplemental Budget Submission* related to Medical Student Tuition Assistance. Specifically, MCW seeks additional state funding to support the new Wisconsin residents who will be enrolling in MCW's community medical education programs at MCW-Green Bay and MCW-Central Wisconsin. This increase will also allow existing and future Wisconsin residents enrolled at MCW-Milwaukee to maintain current tuition assistance levels.

Thank you for your consideration of the Medical College of Wisconsin *2015-2017 Biennium Agency Budget Request*. Please contact me at 414.955.8217 or email [kkuhn@mcw.edu](mailto:kkuhn@mcw.edu) if you have any questions or would like additional information.

Sincerely,

Kathryn A. Kuhn  
*Vice President of Government and Community Relations*

CC:  
Michael Heifetz, State Budget Director and Administrator, Division of Executive Budget and Finance, Wisconsin Department of Administration  
Sara Hynek, State Budget Office, Wisconsin Department of Administration  
Emily Pope, Fiscal Analyst, Wisconsin Legislative Fiscal Bureau  
John R. Raymond, Sr., MD, President and CEO, MCW

Enclosures:  
Agency Description, Goals and Objectives, and Performance Measures  
2015-2017 Budget Request  
Supplemental Budget Submission

## **AGENCY DESCRIPTION**

### **Overview**

The Medical College of Wisconsin, Inc., (MCW) is a private, nonprofit education institution governed by a board of trustees consisting of 23 members. The Governor, with the advice and consent of the Senate, appoints two members of the board for staggered terms of six years.

MCW offers the following degrees: Doctor of Medicine (M.D.) and residency training in almost all medical specialties and subspecialties; Ph.D. in basic and translational research; biochemistry; biophysics; biostatistics; cell biology, neurobiology and anatomy; microbiology and molecular genetics; pharmacology and toxicology; physiology; public and community health; and functional imaging (joint program with Marquette University); M.S. in bioinformatics (joint degree program with Marquette University); medical informatics (joint degree with Milwaukee School of Engineering); health care technologies management (joint degree with Marquette University) and epidemiology; M.P.H. in public health; and M.A. in bioethics.

### **Community Medical Education Program Expansion**

Three years ago MCW began looking at solutions to mitigate Wisconsin's dramatic physician shortage, which is expected to exceed 2,000 physicians over the next 20 years. After meeting with health system leaders from across the state, MCW made the decision to expand its medical education program into new regions of Wisconsin. Working with health system and academic partners in northeast and central Wisconsin, MCW is developing two new medical school programs in northeast and central Wisconsin to increase the physician workforce in these regions, as well as across the state.

In 2013-15, MCW received grant funding from the Wisconsin State Building Commission to aid in the remodel, development, and renovation of these programs. As a result of this investment, MCW-Green Bay is currently accepting student applications for July 2015 enrollment, and MCW-Central Wisconsin will begin taking student applications in 2015.

The programs will each matriculate approximately 25 students per year. Since MCW-Green Bay and MCW-Central Wisconsin will feature calendar efficient curricula, students will graduate from medical school in three years, versus four years at a traditional institution. By 2018, the programs will each have a full complement of 75 students, for a total of 150 additional medical students in Wisconsin.

### **Medical Student Tuition Assistance (formerly "Capitation")**

More than forty years ago, the state recognized the importance of ensuring an adequate physician supply to care for the state's citizens and the need to develop a strong health care economy. In an effort to encourage as many Wisconsin students as possible to attend medical school in-state, the Governor and the Legislature created the program to help balance tuition for medical students seeking their education at either the University of Wisconsin School of Medicine and Public Health, or at the Medical College of Wisconsin.

To help attract Wisconsin students into medical school, MCW receives an annual sum-certain appropriation from the State of Wisconsin for medical student tuition assistance (formerly known as "capitation"). The funds are appropriated to MCW as general program operations under 20.250 (1)(a), and MCW distributes 100% of this funding directly to Wisconsin residents who are enrolled within the institution as full-time students.

The Legislative Audit Bureau audits the program, and MCW encumbers no fees for administering the tuition assistance. MCW views the assistance from the state as critical to its Wisconsin enrollment.

### **Family Medicine Residency Program**

In addition to the aid that Wisconsin in-state medical students receive for tuition assistance, MCW receives state funds for its family and community medicine residency program. This funding support was created to ensure that the physicians most likely to practice in underserved rural and urban settings are given the opportunity to complete residency training in Wisconsin. MCW is required to fulfill certain statutory reporting

requirements, and the Legislative Audit Bureau conducts biennial audits of the program expenditures under state appropriations.

## MISSION

MCW is a private academic institution dedicated to leadership and excellence in advancing the prevention, diagnosis and treatment of disease and injury through:

- Education: Preparing the physicians and scientists of tomorrow while enhancing the skills of today's health professionals.
- Discovery: Creating new knowledge in basic, translational and patient-based research to improve human health.
- Patient Care: Providing effective, compassionate, expert care for patients.
- Community Engagement: Partnering with public and private organizations to enhance learning, research, patient care and the health of the community.

## **PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES**

### **Program 1: Training of Health Personnel**

Goal: Stabilize and then increase the retention of family physicians within Wisconsin. Family medicine residency programs continue to experience a national decline in student interest. Thus, national recruitment for residents has become far more competitive. Due to these national trends, the total pool of potential candidates for family medicine residency slots has declined each year for the past ten years. In 2012, only 1,322 US Seniors matched in Family Medicine through the National Resident Matching Program, continuing the national decline of 50% over the past 10 years.

Objective/Activity: The Department of Family Medicine is working to differentiate its residency training programs for recruitment purposes and to maintain physician retention. Each of the remaining three training sites is involved in efforts to develop tracks for specialized training in areas such as maternity care, adolescent medicine, urgent care and hospitalist medicine to enhance its efforts to attract students. The Waukesha residency program has been chosen to be one of only 14 programs in the country (out of 450 total programs) to redesign their curriculum and to add an optional fourth year of training. These plans are consistent with the national efforts in "The Future of Family Medicine" to reshape the education and the practices of family physicians. The college's five-year average retention rate continues to be well above the national average of 45 percent. The longer term goal is to maintain and increase the five-year average retention rate above 60 percent. The short term goal is to match or slightly improve historical retention rates. Our ability to achieve these goals is directly linked to the college's ability to maintain stable funding for these programs.

## PERFORMANCE MEASURES

### FY 2013 AND 2014 GOALS AND ACTUALS

Prog. No.	Performance Measure	2013		2014	
		Goal	Actual	Goal	Actual
1.	Percentage of family medicine graduates who enter practice in Wisconsin.	60%	<b>42%</b>	60%	<b>63%</b>
1.	The five-year rolling average percentage of family medicine graduates who enter practice in Wisconsin.	60%	<b>66%</b>	60%	<b>65%</b>

### FY 2015, 2016 AND 2017 GOALS

Prog. No.	Performance Measure	2015	2016	2017
		Goal	Goal	Goal
1.	Percentage of family medicine graduates who enter practice in Wisconsin.	60%	60%	60%
1.	The five-year rolling average percentage of family medicine graduates who enter practice in Wisconsin.	60%	60%	60%

# Agency Total by Fund Source

Medical College of Wisconsin

1517 Biennial Budget

		ANNUAL SUMMARY					BIENNIAL SUMMARY				
Source of Funds		Prior Year Total	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
GPR	A	\$5,273,100	\$6,538,000	\$6,538,000	\$6,538,000	0.00	0.00	\$13,076,000	\$13,076,000	\$0	0.0%
GPR	S	\$3,166,696	\$3,180,700	\$3,180,700	\$3,180,700	0.00	0.00	\$6,361,400	\$6,361,400	\$0	0.0%
<b>Total</b>		\$8,439,796	\$9,718,700	\$9,718,700	\$9,718,700	0.00	0.00	\$19,437,400	\$19,437,400	\$0	0.0%
PR	S	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.0%
<b>Total</b>		\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.0%
<b>Grand Total</b>		\$8,439,796	\$9,966,200	\$9,966,200	\$9,966,200	0.00	0.00	\$19,932,400	\$19,932,400	\$0	0.0%

**Agency Total by Program**

**250 Medical College of Wisconsin**

**1517 Biennial Budget**

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
<b>01 TRAINING OF HEALTH PERSONNEL</b>										
<b>Non Federal</b>										
<b>GPR</b>	<b>\$8,439,796</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,437,400</b>	<b>\$19,437,400</b>	<b>\$0</b>	<b>0.00%</b>
A	\$5,273,100	\$6,538,000	\$6,538,000	\$6,538,000	0.00	0.00	\$13,076,000	\$13,076,000	\$0	0.00%
S	\$3,166,696	\$3,180,700	\$3,180,700	\$3,180,700	0.00	0.00	\$6,361,400	\$6,361,400	\$0	0.00%
<b>Total - Non Federal</b>	<b>\$8,439,796</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,437,400</b>	<b>\$19,437,400</b>	<b>\$0</b>	<b>0.00%</b>
A	\$5,273,100	\$6,538,000	\$6,538,000	\$6,538,000	0.00	0.00	\$13,076,000	\$13,076,000	\$0	0.00%
S	\$3,166,696	\$3,180,700	\$3,180,700	\$3,180,700	0.00	0.00	\$6,361,400	\$6,361,400	\$0	0.00%
<b>PGM 01 Total</b>	<b>\$8,439,796</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,437,400</b>	<b>\$19,437,400</b>	<b>\$0</b>	<b>0.00%</b>

## Agency Total by Program

### 250 Medical College of Wisconsin

### 1517 Biennial Budget

<b>GPR</b>	<b>\$8,439,796</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,437,400</b>	<b>\$19,437,400</b>	<b>\$0</b>	<b>0.00%</b>
A	\$5,273,100	\$6,538,000	\$6,538,000	\$6,538,000	0.00	0.00	\$13,076,000	\$13,076,000	\$0	0.00%
S	\$3,166,696	\$3,180,700	\$3,180,700	\$3,180,700	0.00	0.00	\$6,361,400	\$6,361,400	\$0	0.00%
<b>TOTAL 01</b>	<b>\$8,439,796</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,437,400</b>	<b>\$19,437,400</b>	<b>\$0</b>	<b>0.00%</b>
A	\$5,273,100	\$6,538,000	\$6,538,000	\$6,538,000	0.00	0.00	\$13,076,000	\$13,076,000	\$0	0.00%
S	\$3,166,696	\$3,180,700	\$3,180,700	\$3,180,700	0.00	0.00	\$6,361,400	\$6,361,400	\$0	0.00%

# Agency Total by Program

250 Medical College of Wisconsin

1517 Biennial Budget

Source of Funds	ANNUAL SUMMARY						BIENNIAL SUMMARY			
	Prior Year Actual	Adjusted Base	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE	Base Year Doubled (BYD)	Biennial Request	Change From (BYD)	Change From BYD %
<b>02 RESEARCH</b>										
<b>Non Federal</b>										
PR	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%
S	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%
<b>Total - Non Federal</b>	<b>\$0</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>0.00</b>	<b>0.00</b>	<b>\$495,000</b>	<b>\$495,000</b>	<b>\$0</b>	<b>0.00%</b>
S	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%
<b>PGM 02 Total</b>	<b>\$0</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>0.00</b>	<b>0.00</b>	<b>\$495,000</b>	<b>\$495,000</b>	<b>\$0</b>	<b>0.00%</b>
PR	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%
S	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%

**Agency Total by Program**

**250 Medical College of Wisconsin**

**1517 Biennial Budget**

<b>TOTAL 02</b>	<b>\$0</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>0.00</b>	<b>0.00</b>	<b>\$495,000</b>	<b>\$495,000</b>	<b>\$0</b>	<b>0.00%</b>
S	\$0	\$247,500	\$247,500	\$247,500	0.00	0.00	\$495,000	\$495,000	\$0	0.00%
<b>Agency Total</b>	<b>\$8,439,796</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>	<b>\$19,932,400</b>	<b>\$19,932,400</b>	<b>\$0</b>	<b>0.00%</b>

# Agency Total by Decision Item

Medical College of Wisconsin

1517 Biennial Budget

Decision Item	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
2000 Adjusted Base Funding Level	\$9,966,200	\$9,966,200	0.00	0.00
3011 Minor Transfers Within the Same Alpha Appropriation	\$0	\$0	0.00	0.00
<b>TOTAL</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>

**Decision Item (DIN) - 2000**

**Decision Item (DIN) Title - Adjusted Base Funding Level**

**NARRATIVE**

Adjusted Base Funding Level

# Decision Item by Line

1517 Biennial Budget

	<b>CODES</b>	<b>TITLES</b>
<b>DEPARTMENT</b>	250	Medical College of Wisconsin
	<b>CODES</b>	<b>TITLES</b>
<b>DECISION ITEM</b>	2000	Adjusted Base Funding Level

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	\$163,700	\$163,700
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$6,621,800	\$6,621,800
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$3,176,200	\$3,176,200
13	Special Purpose	\$4,500	\$4,500
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0

<b>17</b>	<b>Total Cost</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

# Decision Item by Numeric

## Medical College of Wisconsin

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>2000</b>	<b>Adjusted Base Funding Level</b>			
<b>01</b>	<b>Training of health personnel</b>				
	01 General program operations	\$1,926,600	\$1,926,600	0.00	0.00
	02 Family medicine education	\$4,611,400	\$4,611,400	0.00	0.00
	03 Principal repay, int & rebates; biomedical research & technology incubator	\$2,986,200	\$2,986,200	0.00	0.00
	05 Principal repayment and interest	\$194,500	\$194,500	0.00	0.00
	<b>Training of health personnel SubTotal</b>	<b>\$9,718,700</b>	<b>\$9,718,700</b>	<b>0.00</b>	<b>0.00</b>
<b>02</b>	<b>Research</b>				
	21 Breast cancer research	\$247,500	\$247,500	0.00	0.00
	<b>Research SubTotal</b>	<b>\$247,500</b>	<b>\$247,500</b>	<b>0.00</b>	<b>0.00</b>
	<b>Adjusted Base Funding Level SubTotal</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

## Medical College of Wisconsin

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>Decision Item</b>	<b>2000</b>	<b>Adjusted Base Funding Level</b>				
	GPR	A	\$6,538,000	\$6,538,000	0.00	0.00
	GPR	S	\$3,180,700	\$3,180,700	0.00	0.00
	PR	S	\$247,500	\$247,500	0.00	0.00
	<b>Total</b>		<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>			<b>\$9,966,200</b>	<b>\$9,966,200</b>	<b>0.00</b>	<b>0.00</b>

**Decision Item (DIN) - 3011**

**Decision Item (DIN) Title - Minor Transfers Within the Same Alpha Appropriation**

**NARRATIVE**

Standard Budget Adjustment - Minor Transfers Within the Same Alpha Appropriation

# Decision Item by Line

1517 Biennial Budget

	<b>CODES</b>	<b>TITLES</b>
<b>DEPARTMENT</b>	250	Medical College of Wisconsin
	<b>CODES</b>	<b>TITLES</b>
<b>DECISION ITEM</b>	3011	Minor Transfers Within the Same Alpha Appropriation

Expenditure items		1st Year Cost	2nd Year Cost
01	Permanent Position Salaries	\$0	\$0
02	Turnover	\$0	\$0
03	Project Position Salaries	\$0	\$0
04	LTE/Misc. Salaries	\$0	\$0
05	Fringe Benefits	\$0	\$0
06	Supplies and Services	(\$163,700)	(\$163,700)
07	Permanent Property	\$0	\$0
08	Unalloted Reserve	\$0	\$0
09	Aids to Individuals Organizations	\$163,700	\$163,700
10	Local Assistance	\$0	\$0
11	One-time Financing	\$0	\$0
12	Debt Service	\$0	\$0
13	Special Purpose	\$0	\$0
14		\$0	\$0
15		\$0	\$0
16		\$0	\$0

17	<b>Total Cost</b>	<b>\$0</b>	<b>\$0</b>
18	Project Positions Authorized	0.00	0.00
19	Classified Positions Authorized	0.00	0.00
20	Unclassified Positions Authorized	0.00	0.00

# Decision Item by Numeric

## Medical College of Wisconsin

Program	Decision Item/Numeric	1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
	<b>3011</b>	<b>Minor Transfers Within the Same Alpha Appropriation</b>			
<b>01</b>	<b>Training of health personnel</b>				
	02 Family medicine education	\$0	\$0	0.00	0.00
	<b>Training of health personnel SubTotal</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Minor Transfers Within the Same Alpha Appropriation SubTotal</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Agency Total</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>

# Decision Item by Fund Source

## Medical College of Wisconsin

	Source of Funds		1st Year Total	2nd Year Total	1st Year FTE	2nd Year FTE
<b>Decision Item</b>	<b>3011</b>	<b>Minor Transfers Within the Same Alpha Appropriation</b>				
	GPR	A	\$0	\$0	0.00	0.00
	<b>Total</b>		<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>
<b>Agency Total</b>			<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>0.00</b>

## **Decision Item (DIN) - 4000**

### **Decision Item (DIN) Title - Medical School Reporting Requirements**

#### **NARRATIVE**

MCW is currently required to submit two medical school reports to the state. Under s. 13.106 (2) and (3), MCW submits a biennial report, due on October 15th of each even-numbered year. This report includes a financial summary of the college, as well as a number of items related to the medical school and MCW's family medicine residency program. Under s. 13.106 (4), MCW is also required to submit a separate annual report, due on October 15th of each year. This report highlights MCW's community medical education programs at MCW-Green Bay and MCW-Central Wisconsin. MCW respectfully requests for this report to be combined with the biennial report under s. 13.106 (2) and (3). Combining the reports would streamline administrative complexity, resulting in a single, biennial report for all aspects of medical school reporting to the state. This requested modification would allow MCW to maintain the same level of reporting required, but reduces administrative burden and aligns the reports together to provide a succinct analysis of MCW. Unifying all medical school reporting data within a single, biennial report will allow legislators, agency staff, and the public to more easily access, review, and analyze the data in an efficient manner, not only as the reports are submitted, but from an historical perspective as well.