

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Board of Regents Work Session:
Meeting Minnesota's Rural and Native American Health Care Needs
March 23, 2017**

A work session of the Board of Regents of the University of Minnesota was held on Thursday, March 23, 2017 at 2:45 p.m. in the Kirby Student Center Ballroom at the University of Minnesota Duluth.

Regents present: Dean Johnson, presiding; Thomas Anderson, Richard Beeson, Michael Hsu, Peggy Lucas, David McMillian, Abdul Omari, Kendall Powell, Darrin Rosha, and Steven Sviggum.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, and Stephen Lehmkuhle; Interim Chancellor Barbara Keinath; Executive Vice President and Provost Karen Hanson; Senior Vice President Brian Burnett; Vice Presidents Kathy Brown, and Brooks Jackson; Interim Vice President Michael Berthelsen; Executive Director Brian Steeves; Associate Vice President Julie Tonneson.

Student Representatives present: Michael Kenyanya.

Chair Johnson invited Brooks Jackson, Vice President for Health Sciences and Dean of the Medical School, to introduce a discussion on Minnesota's rural and Native American health care needs, as detailed in the docket. Jackson provided an overview of the academic health center (AHC) and discussed affiliate agreements with partners throughout the state. He reported on the rural impact of each AHC school, including education and outreach, community engagement, and impact on Native American populations. Jackson explained several major challenges in health education and reported on AHC accomplishments. He introduced representatives from each school to engage in discussion: Dean Trevor Ames, College of Veterinary Medicine; Interim Dean Gary Anderson, School of Dentistry; Dean Connie Delaney, School of Nursing; Research Associate Carrie Henning-Smith, Rural Health Research Center, School of Public Health; Senior Associate Dean Randall Seifert, College of Pharmacy; and Regional Dean Paula Termuhlen, Medical School, Duluth campus.

Regent Omari asked if students receive training on cultural awareness and practices prior to working with native populations. Termuhlen highlighted several UMD programs that focus on outreach to native populations and schools on local reservations, some beginning as early as elementary school. She added that the Medical School's Duluth campus has created a Native American curriculum to help students learn how best to work with members of those communities.

In response to a question from Regent Powell, Anderson responded that a challenge for dentistry in some rural communities is access to quality care. He reported that many communities rely heavily on dwindling federal funding. Anderson noted an oversupply of dentists nationwide, but a disproportionate dispersal between rural and metro communities. He noted the difficulty of predicting where students will go following graduation.

In response to several questions from Regent Hsu, Ames agreed that while it is difficult to control where students go following graduation, students from rural areas are more likely to return to a similar community after graduation. He noted that student debt and income potential are also factors that influence where a student will settle. Ames suggested that if

there were ways to minimize debt or increase loan forgiveness, students could base their decision on community preference rather than earning potential. Jackson stressed the importance of available health care meeting the needs of the community.

Regent Beeson observed that efforts to develop a more integrated approach to research, teaching, and outreach have focused almost exclusively on the Twin Cities. While partnerships exist with rural clinics and hospitals, he wondered if a more integrated approach might better serve the needs of rural communities. Delaney responded that the School of Nursing has an integrated program that leverages engagement between physicians, nurse practitioners, and the public to provide cardiovascular care to people in their homes. Termuhlen remarked that the Medical School's Duluth campus has campus-based participatory research projects that partner with local and Native American communities. Jackson remarked that a combined health sciences approach, similar to the UMTC Academic Health Center, could be beneficial to rural communities.

Regent McMillan asked about the adequacy of consultation with regional clinics and private providers to understand their needs and perspectives on serving rural communities. Henning-Smith responded that the Rural Health Research Center has a team that works with critical access hospitals across the country to evaluate their needs and track the quality of care patients receive. Delaney added that Nursing works closely with health systems across the state and many are working to expand their team-based care. She noted strong demand in rural areas for inter-care partnerships.

Regent Anderson remarked on the increase in home health nurses in rural areas and asked whether appropriate training is provided for that care model. He inquired about savings associated with people staying in their homes longer. Delaney responded that nurses receive training in all aspects of care, including home health, public health, and case management. She reported a growing demand in rural communities for home and ambulatory care. Henning-Smith confirmed that home care would result in significant savings, with the cost of nursing home care approximately double the cost of home care. She explained that the School of Public Health is monitoring changes in federal policy that could affect programs designed to allow patients to receive home care.

In response to several questions from Regent Sviggum, Jackson noted that the University does not have a physician's assistant (PA) program but agreed PAs could be a resource in serving rural health care needs. He explained that approximately half of the students trained in rural clinics stay in those communities, and clarified that the data do not include regional centers such as Rochester or Saint Cloud. Interim Dean Anderson added that some challenges in rural dental care and outreach programs are attributable to disparities in government reimbursement. He noted that individual providers often shoulder the financial burden, limiting the services they can provide. Siefert explained that federal legislation to allow pharmacies to bill Medicare Part B is under consideration, and that pharmacies are one of the few providers unable to bill that way.

In response to a question from Student Representative Kenya, Termuhlen explained that there are curricular differences in training for rural versus metropolitan communities. In rural areas, the physician is often the sole health care provider for a large area, so students training for rural health participate in an immersive experience, shadowing rural physicians, developing leadership skills, and learning community needs. Kenya asked about the dynamic between the Twin Cities and Duluth medical schools and schools of pharmacy. Seifert responded that a strong partnership exists between the deans on each campus, noting many collaborations, including clinical and training opportunities that help integrate the programs. Termuhlen added that Duluth students and faculty benefit by being part of the larger system.

Regent Hsu asked if UCare support for such programs as the mobile dental clinic is likely to return. Jackson responded that it will take several years before UCare could again be a viable contributor. He suggested it might be unwise to depend so heavily on an insurance company and that the University should seek other funding, including from the state.

Regent Lucas asked if improvements in technology, such as robotics and telemedicine, could help with rural health care needs. Delaney responded that Nursing ensures that all students are proficient in tele-health services. She added that robotics is a growing area of research, both in pharmaceuticals and in health care delivery. Seifert reported that the School of Pharmacy is working to become an ECHO (Extension for Community Healthcare Outcomes) hub, which is a team-based training model that connects rural providers with specialists from across the country.

Regent Omari suggested that the University must continue to address the health care needs of the state. He encouraged collaboration with other providers, but stressed the University's obligation to participate. He agreed that support from the legislature would benefit the state, especially rural communities, in the long term. Omari offered that access to basic services is a public health issue.

In response to a question from Regent Anderson, Delaney responded that the School of Nursing is involved with companies doing research on wearable devices. Termuhlen reported that a faculty member has been working with the grand challenges team on using wearables to catalog depression and depressive symptoms. Ames added that wearables are also being used to monitor service and agricultural animals.

The meeting adjourned at 3:54 p.m.



BRIAN R. STEEVES
Executive Director and
Corporate Secretary

**UNIVERSITY OF MINNESOTA
BOARD OF REGENTS**

**Board of Regents Meeting
March 24, 2017**

A meeting of the Board of Regents of the University of Minnesota was held on Friday, March 24, 2017 at 8:45 a.m. in the Kirby Student Center Ballroom at the University of Minnesota Duluth.

Regents present: Dean Johnson, presiding; Thomas Anderson, Richard Beeson, Michael Hsu, Peggy Lucas, David McMillian, Abdul Omari, Kendall Powell, Darrin Rosha, and Steven Sviggum.

Staff present: President Eric Kaler; Chancellors Michelle Behr, Lendley Black, and Stephen Lehmkuhle; Interim Chancellor Barbara Keinath; Executive Vice President and Provost Karen Hanson; Senior Vice President Brian Burnett; Vice Presidents Kathy Brown and Brooks Jackson; Interim Vice President Michael Berthelsen; Executive Director Brian Steeves; Associate Vice President Julie Tonneson.

OATH OF OFFICE

The Honorable Lawrence B. Stauber, Jr., Minnesota Court of Appeals, administered the oath of office to the following Regents:

Steven A. Sviggum, representing the 2nd Congressional District – six-year term
Darrin M. Rosha, representing the 3rd Congressional District – six-year term
David J. McMillan, representing the 8th Congressional District – six-year term
Kendall J. Powell, representing an at-large position – six-year term

APPROVAL OF MINUTES

A motion was made and seconded, and the Board of Regents voted unanimously to approve the minutes of the following meetings:

Audit & Compliance Committee – February 9, 2017
Litigation Review Committee – February 9, 2017
Facilities, Planning & Operations Committee – February 9, 2017
Faculty & Staff Affairs Committee – February 9, 2017
Board of Regents Work Session – February 9, 2017
Academic & Student Affairs Committee – February 9, 2017
Finance Committee – February 9, 2017
Board of Regents – February 10, 2017
Litigation Review Committee – March 7, 2017

REPORT OF THE PRESIDENT

President Kaler congratulated the newly elected and reelected Regents. He reported on several of UMD's accomplishments, including increased enrollment, the opening of a new math learning facility, and the success of the Bulldogs men's hockey team. He emphasized the University's impact throughout the state and announced the launch of a new scholarship

through CFANS, designed to attract and retain students from greater Minnesota. Kaler reported that funding proposals from the House and Senate fall short of the University's legislative request.

A copy of the Report of the President is on file in the Board Office.

REPORT OF THE CHAIR

Chair Johnson reported on the Board's activities during the past several days. Regents visited the Cloquet Forestry Center, where they learned about forestry research and education programs. Johnson also noted highlights from the Board's visit to the Duluth campus, where Regents heard presentations on collaborative research projects conducted by students and faculty, toured buildings in need of repair or modernization, toured the Medical School, and had dinner with community and business leaders. He stressed the importance of the University's relationship with Duluth and the Northeastern Minnesota region.

A copy of the Report of the Chair is on file in the Board Office.

RECEIVE AND FILE REPORTS

Chair Johnson noted the receipt and filing of the Quarterly Report of Grant and Contract Activity and the University Organizational Chart.

CONSENT REPORT

Chair Johnson presented for review and action the Consent Report as described in the docket materials, including:

- Summary of Gifts through February 28, 2017
- Report of the All-University Honors Committee
- Report of the Naming Committee
- Faculty & Staff Affairs Committee Consent Report
- Finance Committee Consent Report

A motion was made and seconded, and the Board of Regents voted unanimously to approve the Consent Report.

REPORT OF THE STUDENT REPRESENTATIVES TO THE BOARD OF REGENTS

Student Representatives Lauren Mitchell, Chair, and Michael Kenyanya, Vice Chair, presented a report from the student representatives, as detailed in the docket. The report offered perspectives on topics of concern to University students: mental health services, disaggregation of student race data, and free speech at the University.

Regent Powell asked about preventative mental health programs and inquired about the role of counselors in a student's life. Mitchell responded that she has counseled several students and feels it is part of her role as an instructor. She noted that this is a critical time in a student's life and is often when mental health issues first present. Mitchell added that students who are concerned about a friend's mental health need guidance on ways to be supportive. She agreed that prevention is important and reported that some preventative programs exist, but added that the system campuses lack resources.

Regent Rosha remarked that the fall 2018 target for a system-wide policy on free speech is a long timeline. He suggested engaging sooner with the administration to help shape that policy. Kenya explained that the longer timeframe will allow for adequate engagement with different faculty, staff, and student groups. He noted individual efforts to establish free speech guidelines, expressing the hope to bring those groups together. Rosha observed that 18 months is longer than most student leaders' tenure and suggested it might be helpful for the current student leadership to see the issue through.

Regent Anderson suggested there are many ways to measure diversity and shared his belief that there may be too much focus on specific diversity goals. He questioned the report's assertion that white, Native American, and Asian students are proportionally represented at the University, observing that subsequent findings in the report suggest otherwise. Kenya replied that the statement may have been misworded. He clarified the intended point and explained that by looking at smaller subpopulations it is easier to see ways they are misrepresented. Mitchell added that grouping students together in broad categories can mask additional factors of their identity.

In response to a question from Regent Hsu, Mitchell remarked that it would be difficult to determine exactly how much money would be needed to support the suggested programs. She offered that a \$200,000 allocation to the Twin Cities campus did improve services and resources, and suggested similar investments for the system campuses would help address their mental health needs. Hsu asked if it would be helpful for the University to adjust curriculum to alleviate stress on students. Mitchell advised against making dramatic changes to the curriculum, noting that students should face some academic challenges. She emphasized the importance of having available resources to help students deal with those challenges.

Regent Omari agreed that the point of disaggregated student racial data is to help identify specific populations who are struggling or underrepresented, noting that when more is known about a population it is easier to determine what can be done. He emphasized the importance of providing high quality resources to address mental health issues on all campuses. He urged against simply reaching a goal or metric without ensuring the quality of care.

Regent Lucas applauded the students for their work on the disaggregation of student racial data. She explained that she has felt first-hand the impact of being grouped into a large category and appreciates that students are addressing the issue.

Regent Beeson suggested that the issue of free speech is largely cultural and urged students to participate in changing norms. He urged greater tolerance across campus culture.

UPDATE ON SYSTEM-WIDE STRATEGIC PLANNING PROCESS

Chair Johnson invited UMR Chancellor Steven Lehmkuhle and UMTC Vice Provost for Faculty and Academic Affairs Rebecca Ropers-Huilman to provide an update on system-wide strategic planning.

Lehmkuhle reviewed the planning process and progress to date. Lehmkuhle and Ropers-Huilman shared general feedback from listening sessions with campus communities, summarizing challenges, strengths, and opportunities. Lehmkuhle reviewed feedback from external stakeholders, noting that the overall opinion of the University is positive despite some negative perceptions.

Lehmkuhle reported on the University's impact state-wide. He noted that each campus has a unique identity and serves its respective community in different ways. Ropers-Huilman emphasized that the strategic plan will not dictate specific steps for each campus, school, or

unit. Rather, the plan is intended to recognize the strengths of each campus and identify ways to strengthen the system's impact.

Lehmkuhle reported that the University's guiding principles have been key in developing the system-wide plan. He stressed that the purpose of the system should be more than locations on a map; it should be an active entity that adds value to the University's mission. He described action steps that will help guide the plan's goals. Ropers-Huilman explained the plan's strategic intentions.

Regent McMillan asked if enough resources and time have been provided for this phase of planning, and wondered how the strategic plan will help the University allocate resources across the system. Lehmkuhle responded that current resources are sufficient but the plan will require continued attention and future support. He emphasized that these conversations are only the beginning of what will be an ongoing process. Lehmkuhle noted that the plan will identify how each campus contributes to the system, making it easier to determine resource allocation. Kaler added that a designated position to maintain a system perspective is needed, though that position does not yet exist.

Regent Anderson noted many opportunities to establish a stronger system. He mentioned pipeline programs that make for an easier transition between campus majors, and remarked on some of the campus sharing issues. He added that he sees great potential in the plan.

Regent Beeson commented that the campuses are physically distant from one another, but the most critical element to collaboration is building relationships. He stressed the importance of exchanging ideas and developing networks between campuses and disciplines.

Regent Hsu expressed frustration at what he identified as the University's lack of direction. He suggested that it is difficult to invest appropriately in programs and initiatives when clear, long-term goals do not exist. He urged greater involvement by the University's senior vice president for finance and operations in the planning process, emphasizing that the budget should align with the plan.

In response to a question from Regent Powell, Kaler responded that he has served in an advisory role during the planning process. He emphasized that the goal of the plan is to help the system work more effectively. He explained that once the plan is in place, the administration will be able to make smarter decisions about resource allocation.

Regent Rosha stressed the importance of a strategic plan in helping obtain funding from the state and communicating with the legislature. He suggested that the plan be a long-term strategy to guide decisions, notably resource allocation. He acknowledged the initial steps but expressed concern that the timeline may be too limited.

Lehmkuhle emphasized that the presentation is a strategic framework on the steps to a strategic plan. He noted that a framework to direct future steps is expected in June. Ropers-Huilman added that there is more specificity in the plan and that the planning team is open to additional input. She replied that the conversations have helped inform her own practices as a University leader.

COMMUNITY ENGAGEMENT: UMD, DULUTH, AND THE NORTHLAND

Chair Johnson invited UMD Chancellor Lendley Black, Executive Vice Chancellor Fernando Delgado, and Vice Chancellor Lisa Erwin to lead a discussion on community engagement in Duluth and its surrounding communities.

Delgado reported on outreach efforts of the UMD academic community. He explained that much of the faculty's research addresses the needs or issues of the surrounding communities, environment, and economy. He stated that faculty are highly engaged in outreach with other educational programs, such as volunteering their time with K-12 education providers and in community activities throughout the region.

Erwin reported on student engagement. She noted that students participate in internships and co-ops, which benefit student development and help local businesses. She explained that students are involved in programs designed to build positive relationships with their campus neighbors. Erwin added that students have led initiatives to improve transportation options in and around campus, including increased bus lines, a car share program, and a student cab service. She reported that students provide countless volunteer and service hours to the community through organizations, clubs, and Bulldog athletics.

Black remarked on the many partnerships UMD has cultivated with the community, including area colleges. He described collaboration with a local developer in the construction of a near-campus, mixed-use residential complex, which provides housing and retail to both students and the local community. Through its police department, the campus has established relationships with the Duluth police and fire departments, and the St. Louis County sheriff's department. Black emphasized that these partnerships mutually benefit the campus and its community partners.

Regent Omari noted a common misconception about community engagement and community service. He offered that service is often a quick fix or fleeting involvement, without a true understanding of the issues. He added that he is encouraged to see UMD's efforts toward true community engagement and the development of reciprocal relationships.

FY 2018 BUDGET FRAMEWROK

Chair Johnson invited Senior Vice President Brian Burnett and Associate Vice President Julie Tonneson to report on the FY 2018 budget framework, as detailed in the docket.

Tonneson provided an overview of the budget development process and reviewed the University's revenue sources. She discussed recurring expense drivers, including required and variable costs, and strategic costs pools. Tonneson reported that the target compensation pool for FY 2018 is based on a 2 percent salary increase. Burnett noted that this increase is slightly lower than the local market and higher education. Tonneson reviewed variable costs, including facilities repair and replacement, network upgrades, and the Promise Scholarship program. She explained that the strategic cost pools include biennial budget request initiatives and system-wide investments.

Tonneson reviewed the two categories of resource drivers: new and repurposed resources. She reviewed the state appropriation request, noting the critical importance of core mission and student success in keeping tuition increases low. She explained that the goal is to minimize undergraduate tuition increases and freeze tuition rates for the system campuses. She reviewed tuition increases of the past several years and detailed the revenue impact of additional increases. Tonneson noted that estimates are based on assumed stable enrollment. She explained that non-resident, non-reciprocity (NRNR) rates will likely increase more significantly, but increases for current students will be limited to 5.5 percent. She noted that application rates for NRNR students are down significantly, which may affect overall revenue.

Burnett provided an update on the President's reallocation goal of \$90 million over six years.

In response to a question from Regent Lucas, Kaler noted that international applications are down from last year but that more offers have been made. He added that NRNR applications

and offers made are also down from last year but that confirmations are higher; from fewer offers there is a higher yield. He emphasized that it is early in the admissions process and the data are for the Twin Cities campus only; any conclusions should be drawn with caution.

In response to a question from Regent Hsu, Interim Vice President Michael Berthelsen explained that without the new power plant, utility cost increases would have been significantly higher. He estimated that the net utility cost savings will be approximately \$2 million per year. Hsu asked about the feasibility of freezing resident undergraduate tuition and increasing NRNR tuition to compensate, sharing his belief that NRNR increases are not as aggressive as they should be. Tonneson committed to providing data on options for freezing resident tuition.

Regent Beeson reminded the Board of key priorities established in past years, including being a high-value institution. He emphasized that improvements and initiatives require investment. He suggested that modest increases to resident tuition may be needed to maintain the quality of the institution.

In response to several questions from Regent Sviggum, Burnett responded that about 95 percent of gifts are restricted. Tonneson explained that funds are often restricted by unit and not to specific expenditures; a donor can either restrict their funds to specific uses or allow a unit to have discretion over allocation. She clarified that to be counted in the \$90 million, personnel changes must be from administrative support or leadership positions, not from faculty or research. She reported that most personnel changes resulted from attrition, though there were a few layoffs, and affected all employee groups.

Regent Hsu observed that the 2 percent compensation pool does not guarantee that all employees will receive a 2 percent increase. Burnett agreed, noting that salary increases will be merit-based and each unit will determine how to allocate its 2 percent pool. Hsu suggested that if the University is willing to pay market rates, then it should charge market rates for tuition. He observed that the institution's NRNR tuition rates remain well below Big Ten peers. He also urged greater increases to the sticker price.

Regent Omari suggested that the drop in NRNR applications could be the result of last year's tuition increases, and noted he is eager to see additional enrollment data. He stressed the importance of student jobs and urged for careful consideration of these positions when determining unit reallocations.

REPORT OF THE COMMITTEES

Chair Johnson reported that the committees did not meet this month.

Johnson remarked on a recent report of sexual assault involving a student and members of the Gopher football team. He emphasized the severity of these allegations and the importance of learning from the situation. He announced the launch of an independent review to assess the facts and process related to those events and actions; clarify accountability; and identify areas of improvement for addressing similar challenges in the future. Johnson expects the review to be completed by May 2017.

The meeting adjourned at 11:57 a.m.



BRIAN R. STEEVES
Executive Director
and Corporate Secretary