

Chancellor Ballard

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East Carolina University... Tomorrow starts here.  
*2005 General Assembly Priorities*

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## *2005 General Assembly Priority I*

### ISSUE: ENROLLMENT FUNDING

DESIRED OUTCOMES: Meet the UNC mission of providing access to higher education, help meet the critical need for teachers and nurses in North Carolina, address other workforce development needs, and provide quality education through advanced applications of technology and best use of resource development.

### BACKGROUND:

North Carolina has critical needs in

- Education - 10,000 teachers each year with the rural areas hardest hit
- Healthcare - 3,800 nurses each year
- Economic Development – business and technology graduates needed
- Access to higher education for citizens who are place-bound by work and family obligations

Distance Education (DE) at ECU provides access to programs that meet state and regional needs

- 45% in teacher ed, 25% in economic development, 18% in health care
- DE students: 36 years old, 68% women, 86% have 2 or more children at home, employed
- 55% are in college for work related reasons & 78% choose DE for accessibility
- 66% of DE students are east of I-95 & only 4% of DE students are out of state
- 4000+ DE students in 37 programs enrolled in 700 course sections
- 1300 DE students receiving financial aid – up from 900 last year
- Many modes of delivery from the Internet to satellite location programs

ECU provides quality distance education

- DE programs are the same on-campus programs delivered online.
- DE programs are accredited just as our on-campus programs – graduates achieve the same certifications.
- DE programs are delivered by regular, full time faculty
- On-campus and DE faculty have same profile – 34% fixed term & 65% tenured/track
- Distance education is part of the campus culture at ECU

ECU works with community colleges in degree completion

- 68% of ECU undergrad DE students come from community colleges
- ECU DE programs provide advanced degrees for community college teachers and administrators
- ECU is actively working with OP and NCCC on the master articulation agreement
- ECU's Partnership East is a model that works hand in hand with 6 regional 'hub' CC's

Military Outreach

- The military is a major employer in the East
- DE is ideal for mobile troops on overseas assignments
- ECU is actively bidding DE programs to Fort Bragg and other military bases
- ECU works with the Office of the President to develop system-wide offerings

Distance Education at ECU

- Largest producer of DE in the UNC system
- Leader in quality, technology, and student services

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## *2005 General Assembly Priority 2*

### **ISSUE: REPEAL OF LEGISLATION REQUIRING PAYMENT TO THE STATE BY THE BRODY SCHOOL OF MEDICINE (MEDICARE RESIDENT EDUCATION AND RENT OF FACILITIES)**

**Note:** Financial challenges facing medical schools in the U.S., including the Brody School of Medicine, have significantly changed since the enactment of original legislation establishing the school. Over the last decade, medical malpractice insurance rates have increased 388%, the unfunded mandates imposed by HIPAA and the introduction of Federal COBRA continuation coverage have drained local resources. At the same time, reimbursement for health care from virtually all commercial and public (Medicare/Medicaid) payors have been sharply reduced. Also, the number of underinsured, uninsured, and indigent patients has skyrocketed. The rationale for the original legislation requiring payment to the State is no longer valid.

### **DESIRED OUTCOMES:**

- Repeal legislation requiring the reversion of Medicare Resident Education Funds at BSOM. This would remove restrictions on the use of funds retained at the local level.
  - \$1 million in legislated reversions
  - \$2.5 million in escrow to "State" accounts
- Repeal requirement of payment of rent for use of outpatient facility in a facility built with State appropriations.
  - \$600 K annual in rent for a State facility.
- Allow the Brody School of Medicine to be treated as the other North Carolina public school of medicine and as other public schools of medicine throughout the nation are treated with regard to Medicare Resident Education funds.

### **BACKGROUND:**

In 1993, the General Assembly enacted legislation (Section 15.4 – II6-36.6) that:

- Requires the Brody School of Medicine (BSOM) to return at least \$1 million of the annual formula-based Medicare pass-through funds for physician faculty supervision of resident physicians.
- The legislation also requires funds of approximately \$2.5 million of these funds to be put into "State" accounts on an annual basis and held in escrow for use in capital projects rather than be used as reimbursement for resident supervision.

Also, the BSOM Faculty Practice Plan is required to pay \$600,000 "rent" for use of outpatient facilities for the Brody Radiation Therapy portion of the Cancer Center that was built by State-appropriated funds.

These practices are unique to the BSOM, not only within the State of North Carolina, but also nationally. UNC-Chapel Hill School of Medicine has no statutory mandate governing the retention and use of Medicare Resident Education Funds. The model of how Medicare Resident Education Funds are used at UNC-Chapel Hill is replicated at virtually every other public medical school in the US,

In total, ECU has returned over \$17 million of Medicare Resident Education funds to the State of North Carolina, held an additional \$17 million in escrow for capital projects, and continues to pay the "rent" of \$600 K and the \$1 million return to the State coffers on an annual basis.

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*2005 General Assembly Priority 3*

**ISSUE: IDENTIFY FUNDING FOR A FAMILY MEDICINE CENTER AT THE BRODY SCHOOL OF MEDICINE AT EAST CAROLINA UNIVERSITY**

**DESIRED OUTCOMES:**

Identify \$40 million in State funds to replace the current aging Family Practice facility to support training of rural and family physicians and for improving access to health care for underserved communities.

**BACKGROUND:**

Constructed in 1975, the current Eastern Carolina Family Medicine Center has been the training home for more than 250 family doctors, most of who practice in North Carolina.

- In any accredited residency training program for Family Medicine, the "Center" is the centerpiece. The "Center" is as important to the training of Family Physicians as state-of-the-art operating rooms are to the training of surgeons.
- The Eastern Carolina Family Medicine Center is out-dated and overcrowded. This means that our Department of Family Medicine can no longer effectively compete in the recruitment of residents, fellows, and faculty.

Inadequate facilities represent a challenge to delivery of quality care for our citizenry.

- States with the highest number of "general practitioners" per 1000 patients rank significantly higher, both in terms of quality and cost-effectiveness of healthcare.
- Without a new Family Medicine Center at the Brody School of Medicine, a population of people with some of the worst health indicators in the nation is going to be even more threatened.
- Family physicians receive four years of medical school education followed by a minimum of three years of specialty training. Students who are trained in a state-of-the-art facility, motivated by the full scope and range of responsibilities the challenging discipline demands, and strongly mentored in such an environment are much more likely to become family physicians and remain in North Carolina.

The North Carolina General Assembly founded the Brody School of Medicine at East Carolina University, with a stated mission to train Primary Care (Family Care) Physicians.

- Over 75% of medical school graduates who complete their residency training in Family Medicine at our affiliated major teaching hospital (Pitt County Memorial Hospital in Greenville, under the direct supervision of the medical school faculty) remain in North Carolina to practice medicine.
- The vast majority provides critically needed care in rural and underserved communities.

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## *2005 General Assembly Priority 4*

### ISSUE: A SHARED ACADEMIC BUILDING FOR THE COLLEGES OF BUSINESS AND EDUCATION.

Note: ECU is the fastest growing institution in the University of North Carolina system. Because of significant growth, ECU finds itself facing serious constraints for appropriate academic space. A new academic building will be a critical bridge to our future as we provide quality instruction in an appropriate learning environment.

### DESIRED OUTCOMES:

Joint usage of an academic by these two colleges provides an opportunity for significant cost sharing, and an enhancement of existing distance education, outreach, leadership and economic development activities of both colleges. The budget request is for a 225,000 gross square foot building at a cost of \$64,125,000. The building would be constructed on University property west of and contiguous to the main campus. The new building will free up space for use on the core campus to accommodate growth in other academic programs.

Collaboration between these two colleges is appealing because both groups educate students for professional careers and have considerable leadership, economic development, and community outreach responsibilities and activities. Further, both colleges have significant distance education programs. Collaboration can also save considerable state and private funds. Working together the two colleges can share technical and developmental staff, high-cost technological equipment, and classroom space.

An emphasis for the common areas will be on the leadership and economic development activities of the two colleges. These activities include continuing professional development programs for graduates and the general public. There are considerable operational synergies that can be obtained from such a structural arrangement.

Anticipated facilities for the common areas include:

- Classrooms for both for-credit and continuing education instruction.
- Large auditorium (up to 500 seats) plus several 150-200 seat auditoriums to be used for classes and outreach activities.
- Center for Assistive Technologies.
- A Center for Leadership and Professional Development incorporating the activities of the existing BB&T Leadership Center.
- Shared student gathering areas and study rooms.
- Rooms for delivery of continuing education programs.
- Economic Education facilities.
- Studio for distance education course preparation and presentation.
- Production areas for distance education courses and materials.
- Common rooms for video conferencing.
- Shared technologically enhanced classrooms.
- Food service primarily for the outreach activities.

### BACKGROUND:

East Carolina University has made a capital budget request for the 2005-2007 biennium for an academic building. The building would be jointly occupied by the College of Business and the College of Education. We envision that much of the central common area will be used by both colleges for (a) instruction for distance education and face-to-face graduate and undergraduate classes, (b) instruction for leadership and professional development classes both for-credit and post-college, and (c) instruction and outreach for continuing professional education. We believe that very little of the common area will be for the exclusive use of one college or the other but will, instead, be used collaboratively by both colleges for graduate and undergraduate courses and outreach activities.