

Protecting Urban Academic Medical Centers: An Endangered Species

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Every day millions of Americans turn to academic medical centers – hospitals that are affiliated with a medical school – as destinations for the most complex, comprehensive, and life-saving care. Our most vulnerable populations also turn to urban academic medical centers, which often double as safety-net hospitals. These critical community facilities care for people with limited or no access to treatment. This is also where the sickest and poorest patients, and a disproportionate number of people who are uninsured, receive health care and emergency services.

Less appreciated is the fact that these institutions are centers for pioneering research and biomedical innovation, finding the treatments of tomorrow. Over half of the Nobel Prize winners in medicine over the past 30 years were affiliated with these institutions. Academic medical centers are also the lifelines to tomorrow's medicine, playing an essential role in educating and training physicians.

The dual roles of leading scientific innovation and providing clinical care for complex diseases and for our nation's most impoverished populations puts a demand on these institutions that is reaching a breaking point. This is especially true for our nation's best hospitals, whose affiliated medical schools also rank in the top 20 for National Institutes of Health (NIH) funding.

For 13 of these hospitals, 55 percent of the patients they serve are Medicaid or Medicare enrollees. Medicare pays hospitals on average just 91 cents on the dollar, and Medicaid only 88 cents per dollar; supplemental payments do not cover this gap. Revenues for Medicare and Medicaid, in a good year, rise by 1 to 2

percent, while health care expenses can rise by some 4 to 6 percent. The costs are driven by increased expenses in labor, medical-device technology, pharmaceuticals, and the infrastructure needed to provide primary care and emergency room services, which are in high demand in urban settings. These institutions' expenses are further aggravated by limited alternative care options such as sub-acute facilities and nursing homes, which require patients to remain in the hospital longer.

This is an equation that does not equate. The financial losses in clinical care jeopardize the foundation of the U.S. biomedical research establishment. This puts at risk our government's investments in the future of medicine, as made by huge NIH grants to the scientists and laboratories of these medical centers.

The advances that we see in our labs open up extraordinary possibilities for new therapeutics and diagnostics. This is a time in which medicine has the potential to revolutionize humanity, but there is also a real possibility that our generation will lose this window because our leading academic medical centers lack a sustainable business model that rests on a stable foundation.

The nation needs a comprehensive urban academic medical center survival act that protects these national, indeed international, resources. As a nation we need to protect the institutions that protect so many of us, rich and poor – institutions that can transform the lives of our children and grandchildren through the world-class research they conduct.



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