

# STANFORD UNIVERSITY SCHOOL OF MEDICINE

PHILIP A. PIZZO, MD

*Carl and Elizabeth Naumann Professor of Pediatrics  
and of Microbiology and Immunology  
Dean of the School of Medicine*

July 30, 2004

Professor Mark Zoback, Chair  
Planning and Policy Board  
Of the Academic Council  
Academic Secretary's Office  
Building 310, Main Quad

Dear Professor Zoback,

Thank you and the other members of the Planning and Policy Board for the opportunity to comment on your report *Perspectives on Growth* and to have this letter included as an appendix to the report. The Board has obviously given this issue considerable thought and has identified factors that may well affect the size of Stanford University in the coming years. I am in broad agreement with many of the points made in the report. The discussion of the constraints on growth, for instance, strikes me as on target and very helpful. I was also pleased to see that we have considerable common ground and shared values among the schools, especially between the School of Medicine and the University. As you know, I too place a very high premium on the unique aspects of Stanford you have identified: its small size, very high quality, and abundant opportunities for interdisciplinary scholarship. I was also pleased to see the Board's recognition that scientifically we are in the era of biology, both in basic biological sciences and in the clinical sciences. The potential for translating discoveries from one to the other, and back again, is enormous. I have every confidence that we are poised at Stanford to make significant scientific and clinical progress that will bring distinction to the University and contribute greatly to the public good. I further believe that the School of Medicine is essential to these efforts and that it will bring significant distinction to Stanford University.

However, I do wish to comment on three aspects of the final report. The first is that there are some factual inaccuracies in the report. These include the following.

- *The Medical School could stop growing entirely – or even disappear – but if the Hospitals continued to grow, the remainder of the University would face extreme pressures (p.14).* The error in this statement is that, by the Articles of Affiliation of the Hospitals and the University, the Hospitals are here to serve the academic mission of the School of Medicine. Should the School disappear, the Hospitals would certainly lose their affiliation with the University. Moreover, both the School and the Hospitals function as separate financial entities. As a “formula school” we are responsible for our own financial functions. Indeed, during the last two years the School has recalibrated its formula relationship with the University and it is clear that the Medical School is covering all of its costs independently. In fact, there is a regular stream of funds that go from the Medical School to help support the University's “tier buffer” funds. Moreover, the Hospitals are

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each financially independent from each other and well as from the Medical School and University.

- *At the present time, the Stanford Medical School is among the top two or three in the basic science, and certainly among the top 15-20 in the clinical sciences (p. 15).* While your assessment of the basic sciences is roughly correct, I question the ranking you cite for the clinical sciences as well as the foundation upon which both comments are based. First, Medical School rankings are done by the NIH and AAMC (American Association of Medical Colleges) based on total NIH funds or funds per faculty member. Because of our small size in comparison to peer research intensive schools (e.g., half the size of UCSF, a third the size of Johns Hopkins, a tenth the size of Harvard), Stanford will never fare well in overall NIH total funding rankings. Indeed we are #12 by that metric. However, when judged by NIH funds per faculty member, which is a better measure of quality than size, Stanford is #1 in the country in basic science and #2 in clinical science. The rankings by US News & World Report offer a different picture. There the School of Medicine ranks #8, but this is largely influenced by the weight given to total NIH funding. The ranking of hospitals is even more complicated and is also impacted by size. Thus, comments regarding rankings, and assumptions about rankings and standings, are fraught with errors, and statements about them require qualification.
  
- *In contrast to the leading East Coast medical schools, which have effective control of the operations of their teaching hospitals, without financial responsibility for those hospitals, Stanford owns both hospitals but does not have complete control of the operation of the Stanford University Hospital or its staffing, because of conditions attached to the initial creation of the hospital in 1959. (These conditions will expire in 2010.)(p. 16).* This statement is far too sweeping and does not recognize the wide variation in “East Coast medical schools.” For example, at Harvard, all the affiliated hospitals are separately incorporated, have their own endowment and operate virtually autonomously. At Yale, the main teaching hospital is also not owned by the University and operates under an affiliation agreement. In contrast, both Johns Hopkins and the University of Pennsylvania own their major teaching hospitals and have a very strong integration at multiple levels. The bottom line is that there is considerable variety among academic medical centers not only on the East Coast but across the 126 medical schools in the USA. Accordingly, facile statements about organization and governance between institutions are also fraught with hazard.

Second, I continue to disagree with the Board’s view that the advances in biology and medicine will require the kind of growth in the School of Medicine envisioned in *Perspectives on Growth*. I note in particular the statement on p. 12 that *the PPB believes Medical School growth is likely to exceed the Dean’s expressed expectations*. Similarly, on p. 17 the report states that, *although the ten-year plans of the Medical School administration demand our careful attention and respect, the PPB believes that these plans for limited growth may not be sustainable through 2025*. And, finally, on p. 21 the report says, *we suspect that the Medical School faculty will grow beyond the current limit of 900 billets, with at least concomitant growth in staff, post-doctoral scholars, and medical fellows*. My concern is that these statements appear to be based on qualitative, not quantitative, assessments and to draw on generally held views of anticipated

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advances in both basic biological research and clinical care. I agree with these views, and hope that they become realities. Nevertheless, in my estimation, they do not provide a basis for disagreeing with my assessment of modest growth.

As I hope you understand, my colleagues and I have spent a great amount of time on the issue of the size of the School of Medicine, and we have engaged the leadership of both the School and the University in strategic planning efforts. As a result, I am in a position to be relatively clear about the School's plans for the next decade or so. On the faculty side we have developed a Faculty Forecast Model that will allow us to manage our number of faculty to a cap of 900. While this will require some challenging priority setting and probably some difficult decisions within the school, we are committed to staying within the cap, and we will do so. The PPB seems to think that, even if we hold the line at 900 faculty through the next ten years, the School will exceed that size in the out years, perhaps substantially. While this is possible, it is certainly not inevitable, and we are not planning for that growth.

Similarly, we have forecast the amount of available space we will have over the next two decades. The planning for the Science, Engineering, and Medicine Campus includes two School of Medicine buildings, one for education and one for research. The educational building will be partly on the footprint of a current building that will be torn down, and, even with our new buildings, the net addition of new space will be relatively modest over a two decade period. This analysis has been extensive and quantitative, and has been vetted at the levels of the School, the University, and the Board of Trustees. I have considerable confidence in the results, which seem to me more persuasive than qualitative projections based on generalized national trends. In addition, as you know, there is a strong system of reviews and approvals for all capital projects, and constraints that naturally set limits on growth.

In light of these constraints, and in the context of clearly growing research and especially clinical needs, we have debated the question of moving to off-site locations a number of times. We believe that we have a plan that will allow us to remain largely on site for at least the next decade or so. Especially with respect to our research and teaching missions, the School is eager to maintain the proximity we have to other schools and departments on campus. The new Department of Bioengineering and the Clark Center are excellent examples of the type of interaction we want to foster. The newly formed Institute for the Environment will also provide exciting opportunities for joint research and educational programs between the School of Medicine and the Schools of Engineering, Earth Sciences, Law, and Humanities and Sciences. We are, however, planning to move some clinical and research activities to off site locations in conjunction with Stanford Hospital & Clinics and the Lucile Packard Children's Hospital. Beyond the ten-year horizon, it is possible that other activities will also move off site.

I am, of course, fully cognizant of the pressures for growth discussed in *Perspectives on Growth*. The situation in both the basic and clinical sciences as well as in patient care is dynamic and is evolving at a rapid pace, and I do not dismiss the possibility that the growth forecasts we have made in the School may need to be adjusted. Nevertheless, I do not conclude that significant, substantial growth of the School of Medicine is the only pathway to success. Indeed, our goal is to turn our necessarily small size into our biggest strength, though interdisciplinary research and training programs in the Institutes of Medicine and increased connections with University-wide

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initiatives. Through these interactions as well as on-going progress in clinical care, we anticipate that the School will continue to make major contributions to the overall success of Stanford University for many years to come. I am also convinced that the School's faculty will be seen as valued colleagues by faculty in the other schools as they play increasingly prominent roles in University-wide initiatives.

This brings me to my third point, which relates to the matter of attitude. In this regard, I was particularly struck by two comments in the report. On page 22, following a discussion of potential growth in the size of the Medical School professoriate, the statement is made that, *it is not clear that there would be anything inherently wrong with having the Medical School represent such a high proportion of the School's faculty [40% or more by 2025]. Nonetheless, the predominance of faculty from any one part of the University could be seen as a threat to the interests of other schools, departments, and individual faculty.* This statement seems to me divisive and gratuitous. Even if the School faculty percentage increases as the PPB predicts, which is far from certain, there is an important distinction to be made between perception and reality. This comment relates to a perception for which, I would argue, there is not a corresponding reality. The reality is that School of Medicine faculty are collaborating with colleagues across the university in research, teaching, and governance roles to an increasing degree. Rather than being seen as a "threat," they are seen as vital to the success of these many activities. I expect that this dynamic will only increase in the coming years.

Finally, I would like to return to the statement on page 14 of the report: *The Medical School could stop growing entirely – or even disappear – but if the Hospitals continued to grow, the remainder of the University would face extreme pressures.* Apart from the factual inaccuracy noted above, this statement misses the obvious and larger point: What would be the pressures the University would face if the Medical School were to disappear? I assure you they would be extreme. The University would face not only the financial pressure of the loss of some \$325Million in sponsored projects contracts and grants (as of 8/31/03) but, more fundamentally, the intellectual pressure to maintain excellence in the face of the loss of a great faculty, top-notch students and leading edge clinical care. To raise this possibility even as a hypothetical case reveals an attitude toward the School of Medicine that I find unhelpful, and, candidly, quite disappointing. It is also anachronistic, given the great strides the School has made in recent years in all dimensions and the increasing interdigitation of the School's activities with those in the other schools. I am hopeful that the attitude that led to this comment will dissipate as these activities continue to yield scientific, educational, and clinical benefits to Stanford University and to the greater society.

Thank you again for the opportunity to comment on *Perspectives on Growth* and for including this letter as an Appendix to the report.

Sincerely,

Philip A. Pizzo, M.D.  
Dean

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PAP/KMG/jb

Cc: John Etchemendy, Provost  
Kathryn Gillam, Special Assistant to the Dean  
Trish Del-Pozzo, Assistant Academic Secretary