

**Health-Related Institutions
Formula Advisory Committee Meeting 11:00 A.M.
Texas Higher Education Coordinating Board
September 25, 2019**

Minutes

Members:

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| Penny Harkey - TTUHSC | Present |
| Jeff Burton - TAMHSC | Present |
| Lauren Sheer - UTMB | Present |
| Michael Tramonte – UTHSCH | Present |
| Ben Melson – M.D. Anderson | Present |
| Ginny Gomez-Leon - UTHSCSA | Present |
| Kris Kavasch – UTHSCT | Present |
| Gregory Anderson - UNTHSC | |
| Angelica Marin-Hill - UTSWMC | Present |
| Dwain Morris – UT-Austin Medical School | Present |
| Richard Lange – TTUHSC-EI Paso | |
| Paula Short – UH-Medical School | Present |
| Rick Anderson – UTRGV Medical School | Present |

Agenda Item I: Call to order

Jeff Burton, Chair, called the second meeting of the HRI FAC, held on September 25th to order.

Agenda Item II: Consideration and approval of the minutes from August 19, 2019, meeting

Angelica Marin-Hill made a motion to approve the minutes, 2nd by Rick Anderson and the minutes were approved by full vote of the committee.

Agenda Item III. Consideration, discussion, and approval of the current I & O formula weights and determination of whether new weights should be requested

There were no recommended changes to the current weights. Michael Tramonte made a motion for the weights to remain at current levels and Penny Harkey seconded. The committee voted unanimously to approve the current weights.

Agenda Item IV. Consideration, discussion and approval of the current I & O programs and determination of whether any specialties need to be assigned separate weights. If so, recommend requested weight(s) as appropriate.

There were no recommended changes regarding specialties and separate weights. Ben Melson moved that there be no changes related to separate weights for specialties. Ginny Gomez-Leon seconded, and the committee voted unanimously to approve the motion.

Agenda Item V. Consideration, discussion and approval of formula funding levels for each of the following formulas:

a. Instruction & Operations

- b. Infrastructure**
- c. Research Enhancement**
- d. Graduate Medical Education**
- e. Mission Specific/General Revenue Operations**

THECB provided an estimate of growth in formula drivers with options for 2/3 and 100% of the 2000-01 rates. It was noted with growth estimates, it would cost \$48 million in additional funding just to maintain current formula rates. The cost of a 2/3 return to the 2000-01 rates would be \$362.9 million and a 100% return would be \$544.8 million.

The committee discussed if inflation should be included. It was noted that the other formula advisory committees typically include inflation in their recommendation. Factoring in inflation (2.35% based on current rates) would ~~cost~~ increase the amount by \$41.2 million.

The committee also discussed the rate options of returning to 2/3 or 100% of the 2000-01 rates. It was noted that the previous HRI FAC recommended 2/3 of the 2000-01 rates and that a 100% return would be in line with the historical plan (1/3, 2/3, 100%).

The Committee voted unanimously (motion by Ben Melson, 2nd by Dwain Morris) in favor of recommending an increase in the I&O, Infrastructure, and Research formula rates to 100% of the 2000-01 formula rates plus growth.

The committee discussed the GME formula and the GME cost report. It was noted the GME cost report is over 10 years old. Members discussed using the full cost report figure (\$15,000) plus inflation as a basis for a recommendation. A motion was made by Lauren Sheer and Angelical Marin-Hill seconded, to increase the GME formula 1/3 of the gap between the current rate and the full cost report figure (\$15,000) plus inflation. The committee voted unanimously to approve. THECB staff will run an analysis and provide committee members the exact rate.

The committee discussed the mission specific formulas. It was noted that UTMB's new mission specific is similar to M.D. Anderson's and UTHSC-Tyler's mission specific formulas and those governors are tied to the average growth of the I & O formula. Penny Harkey made a motion and Ginny Gomez-Leon seconded, to recommend no change to the growth governors that are in M.D. Anderson, UTHSC-Tyler and UTMB's mission specific riders (average growth of I & O). The committee voted unanimously to approve. The new research mission specific formulas were discussed, and it was noted that LBB staff had provided an overview document. Penny Harkey made a motion and Ben Melson seconded, to recommend no change to the growth governors that are in UTSW, UTHSC-Houston and UTHSC-SA's mission specific riders. The committee voted unanimously to approve.

Agenda Item VI. Consideration, discussion and approval of the funding of students pursuing dual degrees

The committee discussed students pursuing a dual degree (i.e. MD and MPH) at the same institution. Currently, since medical and dental students are funded as 1 full time student equivalent (FTSE), the semester credit hours (SCH) for the second degree are excluded. The committee also reviewed how a similar situation exists for students other than medical and dental (i.e. nursing student pursuing a MPH). Michael Tramonte made a motion and Angelica Marin- Hill seconded, for THECB to include all hours reported~~adjust the CB-0001~~ for dual degree students enrolled at the same institution for formula funding purposes. The committee unanimously approved the motion.

Agenda Item VII. Planning for subsequent meetings

The next meeting will be October 16. Jeff Burton and Penny Harkey will work with Ed Buchanan (THECB) on a draft report to be disseminated to the committee.

Agenda Item VIII. Adjourn

With no other discussion, the committee voted to adjourn.