

To: Peter Neronha, Rhode Island Attorney General

From: Christina Paxson, President, Brown University

Date: September 24, 2021

Re: Brown University's role in the integrated academic health system resulting from the proposed merger of Lifespan and Care New England

Brown University enjoys long-standing affiliations with each of Lifespan and Care New England. Through these currently separate affiliations, Brown plays a major role in recruiting talented physicians to the State of Rhode Island; educating medical students, residents, and fellows, many of whom remain in and contribute to the State long-term; conducting biomedical research that improves the health of people locally and globally; and contributing to the health and economic development of the region.

Although the benefits of these affiliations to the region are significant, they will be much greater if Lifespan and Care New England are permitted to merge into an integrated academic health system with a single affiliation agreement with Brown University. The current bifurcated system—in which the majority of Brown's medical school faculty hold appointments in one of two separate but complementary health systems—prevents the seamless and mutually reinforcing integration of clinical care, medical education and research that drives improvements in health care quality, and instead leads to redundancies and lost opportunities.

In this memo, I further outline Brown's role in achieving the goals of the new integrated academic health system (IAHS) and describe key components of the new affiliation agreement between Brown and the IAHS that will ensure that these goals are realized. This is meant to supplement and elaborate on any prior submissions made by the parties on these and similar points.

Overarching goal

Rhode Islanders need and deserve an integrated academic health system that takes an expansive view of what it means to support the health and wellbeing of the entire community. Care New England and Lifespan have been clear that the integration and transformation of their health systems will support this vision, with a specific focus on a number of desirable outcomes including disease prevention, improvements in the quality of specialty care, improvements in access to health care, reductions in costly care overutilization, and reductions in health disparities across race, ethnic and socioeconomic groups. Improvements in quality and access will stem the flow of Rhode Island patients to more distant and more expensive health care in Massachusetts and other out-of-state locations, generating cost-savings to employers and payors. A closely related benefit of the integration will be an expansion of research that improves health care quality and leads to greater commercial activity in Rhode Island through the development of a biotech sector.

Brown is not a legal party to the merger. However, the University—mainly through the work of the Warren Alpert Medical School and the Brown School of Public Health, and through units like the Carney Institute for Brain Science—can play an important role in achieving the goals of this transformation, as described below.

Brown’s role in the integration

A strong centralized affiliation between Brown and the IAHS will bring five primary benefits to the Rhode Island community. It will:

1. Attract physicians and public health professionals who are leaders in their fields and bring their expertise to improve health and healthcare for Rhode Islanders and the region
2. Support collaborative research that brings cures, treatments and methods of disease prevention more quickly to Rhode Islanders
3. Foster “outcomes-based” public health research that helps the IAHS meet its stated goals for quality improvement, cost reduction and the elimination of health disparities
4. In collaboration with other institutions of higher education in the State, educate a diverse healthcare workforce that advances the health and wellbeing of the Rhode Island community and the region
5. Contribute to Rhode Island’s economic development by attracting federal grants and commercial investments in biomedical and health research and innovation

Although some of these benefits may be partially realized in the existing bifurcated system, they can only be fully realized if there is an integration and transformation of Care New England and Lifespan into a new full-service IAHS, supported by a single affiliation agreement with Brown.

To meet the objectives of the integration, Brown University will enter into a new, comprehensive and much stronger Academic Affiliation Agreement (AAA) with the IAHS. Many of the terms in the new AAA will be similar to terms in the current agreements—for example, how the chairs of academic departments are selected, guidelines for the clinical rotations of medical students, the funding of medical education and research, and the appointment of physicians to the Brown faculty. However, the Care New England/Lifespan integration will enable Brown to engage with the IAHS in new ways that will be enumerated in the AAA. The January 24, 2021 Term Sheet approved by Lifespan, Care New England and Brown will serve as a basis for incorporating new items in the AAA, which is currently in development. These include:

1. Research integration

Currently, Brown, Lifespan and Care New England have three separate research departments, including Institutional Review Boards (IRBs), that administer the research conducted by physician scientists with Brown faculty appointments. These departments and IRBs process new

proposals for federal research funding, oversee grants that are awarded, manage compliance on matters like Human Subjects approvals and conflicts of interest reporting, oversee patent applications and contracts with industry, and manage subcontracts on grants that involve multiple institutions. The fact that there are three separate research administrations, with separate IRBs, creates significant redundancies and bureaucratic barriers to conducting collaborative research across the two health systems and Brown. Because research projects frequently involve collaborations between physician scientists from Brown, Lifespan and Care New England, projects must go through multiple layers of administrative review and require complex subcontracts across institutions. This bureaucratic structure has become increasingly burdensome as the federal government has shifted its support toward larger-scale research projects that involve multiple investigators.

The integration of Lifespan and Care New England will enable the creation of a single unit for all research administration. Together with Brown, this unit will manage all aspects of biomedical and health-related research for the IAHS and Brown, including the Warren Alpert Medical School and the School of Public Health. Not only will this achieve cost-savings due to eliminating redundancy, it will result in better support for Brown's physician scientists, making it easier for them to prepare and win external funding for work that leads to treatments and cures. It will also increase Rhode island's competitiveness in securing funds for large, complex research programs and clinical trials research that, because of the need for scale, involve multiple hospitals (which will be provided by the IAHS) and large patient populations. A unified research unit will also oversee a research innovation fund that supports the commercialization of discovery. (Brown's role in funding innovation is noted below.)

2. Joint strategic planning

A major benefit of an integrated academic health system is that the IAHS will be able to work as one, and, through its affiliation agreement with Brown, coordinate with Brown when conducting strategic planning, to ensure that investments in clinical care, medical education and research are aligned and mutually reinforcing. Brown, Lifespan and Care New England have agreed that, if the new IAHS is formed, they will form a joint strategic planning committee and process. This committee will consider and advise on how investments in specific areas of clinical care, research and education can be coordinated to grow stronger programs in things like the prevention and treatment of cancer, Alzheimer's disease and diabetes, and chronic diseases. This kind of strategic planning will greatly assist the IAHS in attracting nationally-recognized physicians, conducting cutting-edge research that improves the quality of patient care, and regularly assessing whether IAHS initiatives are meeting stated quality and access goals.

3. Joint investments

Creating a new IAHS will be financially challenging. Meeting quality and access goals will necessitate up-front investments in things like electronic medical records and other components of the integration and transformation plan. At the same time, the IAHS will have to

deliver on reducing health care costs, while building a sound and sustainable financial model that will be needed to support the health of Rhode Islanders (and the broader region) into the future.

Brown is fully committed to supporting the goals of the new IAHS. Specifically, the University has pledged to invest at least \$125 million over the first five years after the IAHS is established. By committing these funds, Brown is signaling its belief that the formation of the IAHS is vital to the health and wellbeing of Rhode Islanders, and its recognition that external investment will be needed if the IAHS is to be successful.

Brown's pledge will finance components of the health system integration plan, and is over and above Brown's current spending on medical education and research, and support for things like K-12 education and local community-based organizations.

Three areas of primary focus for Brown's investment have already been identified: (1) the development of a comprehensive cancer center that combines clinical care, research and medical training; (2) support for an innovation fund to support the commercialization of research; and (3) the creation of a unified electronic medical records system for the IAHS which can also interoperate to coordinate care with other health providers in the state.

The establishment of an electronic medical records system that can work to coordinate care with all other providers in the state is important. For one, it will underpin gains in the quality of clinical care and enable research and clinical trials that improve care. In addition, it will support public health research that assesses the effectiveness of quality improvements put in place by the IAHS and providers across the State. The goal is to create a "feedback loop" in which the effectiveness of quality improvement and cost reduction measures are regularly assessed and refined, creating a cycle of continuous improvement.

4. Brown participation in IAHS governance

In most academic health systems, one or more representatives from the affiliated university are members of the governing board of the health care system. This fosters trust between the university and health care system, and facilitates strategic coordination on medical education, research and clinical care.

Unfortunately, the inability of Care New England and Lifespan, as separate organizations, to share information related to their business operations has hampered Brown's participation in governance of either health system. President Ruth Simmons briefly served on the Lifespan board, and I briefly served on the Care New England board, but in both cases conflicts of interest due to Brown's affiliation with the other institution made board membership untenable. Providing for Brown's participation in the IAHS's Board in the manner described in the following paragraph will facilitate strategic coordination on the issues described in this memorandum and better enable the IAHS to fully capitalize on its economic development potential.

To ensure continuous alignment, three Brown representatives will join the IAHS governing board as voting members (provided that Brown membership remains less than 20% of total board membership). In addition, the chair of the IAHS board or their designee will be invited to serve as an *ex-officio* voting Trustee of the Brown University Corporation, Brown's governing body, and three representatives from the IAHS will join the Brown University Medical School Corporation Committee.

The importance of Brown's participation in the integration and transformation between Lifespan and Care New England cannot be overstated. The most successful not-for-profit academic health systems have full alignment between the charitable missions of the health system and its university partner, so that each entity is fully committed to shared goals that are embraced by the broader community. We believe that a Brown affiliation with the IAHS as described in this memorandum will support and enhance the IAHS' and Brown's shared vision of improved health and well-being for Rhode Islanders.