

## FINANCIAL AND DEVELOPMENT STRATEGIES

### RBHS ADMINISTRATIVE CHALLENGES AND FINANCIAL IMPROVEMENT STRATEGIES

Although the integration of UMDNJ and Rutgers occurred on July 1, 2013, many outstanding operational, programmatic, and financial challenges and opportunities remain. While many programs have been well managed, uniform and standardized administrative and financial policies are needed to address fundamental administrative challenges, ineffective research administrative infrastructure, a lack of policies RBHS-wide, and poor financial performance. More specifically, these include:

- developing a new approach to leadership accountability across RBHS;
- evaluating tenure and non-tenure faculty tracks and redesigning them with appropriate criteria for appointment and promotion;
- revising the appointment and promotion process;
- renegotiating many expired and expiring union contracts;
- creating collaboration among researchers across disciplines and sites;
- increasing below average or low faculty productivity, a result, in part, of a lack of financial or other incentives and inadequate administrative, research, and clinical support structure to enable and promote productivity;
- resolving lack of faculty pay increases for many years, resulting in, among other issues, low faculty morale;
- improving efficiency of workspace;
- improving the logistics of programs within RBHS that are geographically scattered and the technology to foster more efficient meetings;
- improving financial reporting and the ability to obtain data, evaluate new systems, and expedite implementation;
- addressing the different financial systems used by legacy UMDNJ and legacy Rutgers entities;
- removing the inadequacy of patient access and enabling systems;
- improving the substantial structural deficit at RWJMS and the less than break-even performance of NJMS;
- clearing the significant deficits in some fund balances which cannot compliantly be supported with surpluses in other fund balances, though the RBHS fund balance (restricted and unrestricted) is positive at a high level, and addressing the funds shortages for facility renewal and repairs to many buildings and infrastructure;
- renegotiating the relationship between the medical schools and affiliate hospitals, especially in the context of the substantial investments to be made;
- strengthening investment in the academic enterprise and in recruitment of world renowned faculty leaders; and
- continuing to transition certain functional administrative units (human resources, financial reporting, information technology, facility, and real estate services) from the former UMDNJ central administration to the central Rutgers administration.

A series of strategies, some of which have been noted earlier, have been and will be implemented RBHS-wide to address these financial and administrative challenges and improve financial performance within schools/units and across RBHS. They include:

- measuring faculty productivity transparently across RBHS and across missions;
- issuing non-renewal appointments where appropriate, and designing a new faculty compensation plan to reward productivity;
- developing and implementing new promotion rules;
- evaluating non-faculty staffing levels and required key competencies;
- improving research administrative infrastructure;

- exploring new hospital partnerships/affiliations and negotiating new contracts with affiliate hospitals to ensure adequate payment for services;
- investigating new multi-professional and interschool faculty clinical practice models;
- leveraging existing state funding for fringe benefits more effectively;
- studying via task force whether to restructure basic science departments across medical schools and non-RBHS schools;
- developing financial statements for each department within schools, with department chairs and division directors being held accountable for improving financial performance;
- recruiting to fill interim dean, chair, chief, and other leadership positions where appropriate;
- developing and maintaining a position control approval policy within the RBHS chancellor's office;
- continuing to improve patient access;
- analyzing revenue-cycle and collection rates for cost savings;
- rolling out the RCM system in fiscal year 2016;
- increasing the number of sponsored program proposals and awards, especially in the areas of the signature programs and complementary areas, described above;
- conducting a more thorough analysis of the administrative infrastructure; and
- allocating controllable expenses to departments based on utilization (e.g., use of nurse practitioners and physician assistants); recruiting new chairs for key departments; leveraging synergies between NJMS and RWJMS; and working with department chairs on innovative revenue enhancement strategies.