What is the mission of the Health Sector Advisory Council?

What value does it provide to its members and to the Health Sector Management program at The Fuqua School of Business?

To answer these questions we must briefly look back at the history of management preparation for health care at Duke.

Duke’s commitment to health care leadership preparation

Duke University has been preparing leaders for health care management since 1930. When the Duke University Medical Center opened in 1930 there was the foresight that hospital managers with specialized skills would be needed to lead and manage the hospital.

From 1930 through 1961 that training was one of the most respected certificate programs, and beginning in 1962 became a highly regarded Masters in Health Administration (MHA) degree. Many Duke certificate and MHA graduates lead and have led health systems and care delivery institutions across the U.S. and around the world.

Kevin Schulman lectures at the Weekend Executive HSM seminar series


What is the mission of the Health Sector Advisory Council and what value does it provide to its members?

“The real value of Fuqua’s Health Sector Advisory Council is the unique forum it provides for cutting edge issues to be presented and for thought leaders representing different sectors such as medical device and pharma manufacturers, government, purchasers, payors, academia and practitioners to explore some of the most challenging health care issues facing our nation. It is very much a forward looking group.”

Vince Kerr, Executive Vice President, Uniprise

“I always welcome opportunities to communicate the challenges facing the Congress and learn from the faculty and students at Duke. The Health Sector Advisory Council has proven to be a unique and valuable forum for me. I’m impressed by the mix of faculty, student and external organization insights that emerge regarding the full range of policy challenges in health care.”

David Price
U.S. House of Representatives
Democrat-North Carolina
4th District
While hospitals will always play a significant role in health care delivery, they have been joined by innovative suppliers such as pharmaceutical, biotechnology and devices companies as well as insurers, consulting and investment companies; and government research, reimbursement and policy making into the expanded health sector of today. As the scope and specialization within health care grew and changed, so did Duke’s management preparation program. The MHA became associated with The Fuqua School of Business in the 1980’s and in 1991 became an MBA degree.

In 2000, Kevin Schulman, M.D., MBA came to Fuqua with an exciting and expansive vision for the HSM program. Schulman began by securing a grant to review and re-tool the curriculum. He created new courses and experiences to prepare HSM/MBA graduates for the specialized economic, regulatory, investment and policy demands in a broadly defined health sector.

Schulman also realized that expanded teaching and research in health care could not be successful without a stronger link between the school and external health care firms and organizations. That connection grounds new course work to the realities of the health care market place and hammers them out on the anvil of experience. To that end, he recruited Jeffrey Moe, Ph.D. from the health care industry to lead the effort.

“We are educating the next generation of organizational leaders in health care. We can only be successful in that effort as we develop faculty who have looked deeply and rigorously at the health sector. The council is a highly efficient mechanism for Duke to appreciate the challenges of the sector which is highly regulated, dynamic and constantly striving to balance innovation, access, quality and costs. The influence of the advisory council on the Health Sector Management curriculum, research and teaching is both unique and powerful. Through the generosity of our HSAC members our work at Duke influences policy makers, sector leaders and improves health care both in the U.S. and globally.”

Kevin Schulman
Director,
Health Sector Management
Director, Center for Clinical and Genetic Economics,
Duke Clinical Research Institute
Professor,
Duke University Medical Center,
The Fuqua School of Business

“The council is a forum at the crossroads of science, economics and policy in health care.” – Jeffrey Moe
Students now supplement their general management MBA training with the following HSM required and elective courses (2006):

- Health Care in the 21st Century
- Economics of Health Care
- Seminars in Health Care Series (4 terms)
- Economics and Management of the Pharmaceutical Industry
- Information Technology in Health Care
- Leading Medical Device Innovation to Market
- Managing Drug Discovery
- Management of Health Care Systems and Policy
- Health Care Operations
- New Ventures in Health Technology Practicum
- Marketing Practicum
- Strategic Planning Practicum
- Mentored Study in Entrepreneurship
- Duke New Ventures Clinic
- Health Care Law & Policy

He and Moe envisioned an advisory council which is a special venue for dialogue and through member gifts of time and money would provide the insights and resources to build an expanded curriculum. Since that first HSAC meeting in 2002, elective course offerings have expanded eight-fold.

Arguably, HSM graduates are among the best prepared MBAs to join the health sector. Health care companies, including many of the HSAC members, hire Fuqua/HSM graduates every year. Membership in the HSAC gives the member and his/her organization unique visibility among Fuqua students and access to them. HSAC membership is an additional way that companies strengthen their relationship with the school.

Yet the mission of the HSAC is not simply to be adjunctive to recruiting. Members play a much more central role in the program. Through their contributions they make expansion of the program possible and Duke can in turn provide them with insights and perspectives they may not find elsewhere.

“Kevin Schulman and Jeff Moe have achieved something very rare: a university-based forum that is truly interactive and vibrant. They’ve found the structure and participants for an honest discussion of the major market and policy issues confronting health care businesses. I’m always impressed by the candor and quality of thinking in the room, and greatly enjoy the collegial interactions that occur between speakers and participants.”

Dan Mendelson, President, Avalere Health; Adjunct Professor, The Fuqua School of Business
HSAC members are thoughtful and curious executives who are willing to expose their own self-interests and biases to the broad perspectives represented around the advisory council table.

The unique relationship between advisory council members and the HSM program focuses a business perspective on the health sector

A basic human aspiration is the desire for good health and the eradication of disease and suffering. The Fuqua School of Business is one of a very small handful of business schools offering a health sector concentration. Fuqua believes it is important to the continuing vitality of the health sector that it be analyzed and understood through the business “lens.”

Health systems and health care services are at the nexus of science, policy and economics. For the sector to drive out inefficiencies while embracing innovation in a virtuous cycle of continuous renewal, it must be rigorous and self-sustaining as good science, good policy and good business. HSM/Fuqua works to balance these frequently conflicting goals in the analysis of new quality improvements, patient access, cost efficiency or innovative services and products.

Advisory council members and their organizations benefit from Duke faculty research which informs both the broad public and private understandings of the health system and health care. HSAC members also benefit when MBA graduates bring this learned rigor and insight into their careers upon graduation.

HSAC members are thoughtful and curious executives who are willing to expose their own self-interests and biases to the broad perspectives represented around the advisory council table. These exchanges are frequently sharp, incisive and provide the members with greater insight and deepened appreciation for the increasing complexities in health care.

The members personally benefit from the discussions and HSM/Fuqua realizes greater relevance and broadened perspectives in its courses and research.

“The Health Sector Management program at Fuqua is one of our most successful centers. The advisory council has played a key role in the growth in quality and numbers of student and faculty engaged in that sector. We are deeply grateful to the council members and their organizations for their contributions.”

Douglas T. Breeden
Professor of Finance
Dean, The Fuqua School of Business
Portal into Duke University and the broader university community research on health

While the point of entry is Fuqua/HSM, all of Duke is made available to HSAC members. Duke is a major university making research contributions to health from a variety of departments and disciplines. A scan of the cumulative list of HSAC presentations is emblematic of the range of departments that engage with the HSAC members: Medical Center, Clinical Research Institute, Public Policy, Law, Engineering. HSAC members participate with the faculty from across the campus. Faculty with important research and insights from other universities, government and non-governmental organizations also take part. HSM listens to HSAC members and focuses on the important emerging issues by bringing expert faculty members and thought leaders to engage with them.

HSAC gifts fuel the rapid expansion of the HSM program

The number of Fuqua MBA students choosing the HSM certificate with its specialized electives in health care has grown 400 percent since 2000. Twenty-two percent of the Daytime MBA program is now HSM students (2005). They are also among the most academically talented Fuqua students with average GMAT scores of 703 (2005 admissions). Expanded outreach to potential students and providing greater support to current students is made possible through HSAC gifts.

New cases and examples are continually developed to make courses more relevant and revealing of the current dynamics in the health care environment. Health care data is often expensive and unwieldy to explore the most relevant and interesting questions thoughtful researchers want to answer. Expanded teaching and research are a result of HSAC gifts.

The number of faculty at Fuqua who have specialized expertise in health care has doubled since 1999. Interacting with faculty from other institutions who would be worthy candidates for new Fuqua positions comes as a result of Fuqua’s existing faculty presenting their research, papers and cases. Fuqua faculty members must be highly active in their field. Their participation in research, colloquia and health care focused conferences is made possible, in part, through the availability of additional resources provided by HSAC member gifts.

“...”

Linda Eaves
Vice President,
Strategic Relationships,
Americas Region
Teradata, a division of NCR
“Participation in the Health Sector Advisory Council offers a unique opportunity both to support the growth of a premier health care-focused MBA program, with its focus on the intersect of science, policy and economics, and to exchange insights and views on the complexity, innovation and rigors of our sector. This continues to bring value to Duke and its students as well as Roche and the industry.”

George Abercrombie
President and Chief Executive Officer
Hoffmann-La Roche Inc.

Students hold annual conferences on health care and travel in groups to regions in the U.S. and abroad to learn about health care opportunities. Students write business plans and compete in the annual Start-Up Challenge which now has an arm of the competition exclusively for the life sciences. These student opportunities have expanded over the last four years through the availability of HSAC gifts. The HSM certificate concentration in the health sector has been expanded beyond Daytime students into the Weekend Executive and Global Executive formats. This more flexible offering allows students to continue in their current jobs while advancing their general management

HSM listens to HSAC members and focuses on the important emerging issues by bringing expert faculty members and thought leaders to engage with them.
skills and through HSM courses develop specialized knowledge of the health sector. This expansion was made possible, in part, through the involvement and generosity of the council members.

HSAC member gifts do not exclusively resource any single initiative of the program; they support the overall quality and expansion of HSM. Some HSAC members make only non-financial contributions due to the structure and resourcing of their organization.

In summary, HSAC member gifts help close the gap between HSM’s “reach” to be the best health care-focused MBA program in the world and “grasping” that lofty aspiration.

HSM’s vision continues to evolve and future growth plans include:

- adding health care-focused faculty in service operations, marketing, management and economics
- diverse open enrollment executive education offerings
- supplementing existing courses and new offerings with more non-U.S., global health care experiences, cases and research

These goals will only be met through the continued generosity of HSAC members.

“The council meetings are an excellent blend of research-based inquiry, problem-focused application and peer interaction. I always enjoy participating in the exchange of ideas with Duke faculty and other industry professionals. Also, staying connected with such a high caliber of students is a major benefit of visiting Duke.”

Barry Greene
Chief Operating Officer
Alnylam
With Duke’s long history in health care and with the recent expansion of the HSM program in mind, the HSAC mission is to:

- incite dialogue among leaders with contrasting perspectives in health care
- review leading-edge theoretical and applied research in health care issues
- increase interaction among HSAC members, Fuqua students and faculty
- create new insights for members about the balancing of innovation, economic, policy and scientific perspectives
- continuously renew the relevance and sensitivity of the health sector management teaching to health care market realities and the perspectives of patients, providers, payors and regulators

The value to HSAC members and their companies is both personal and corporate. The company’s financial gifts and non-financial resource contributions, including perhaps the scarcest resource of all – executive time to participate in council activities - are:

- growing the research and teaching capacity of the leading health care-focused MBA program
- enhancing the member organization’s ability to recruit highly qualified young talent to increase the organization’s competitiveness and pool of future senior executive leaders
- deepening and sharpening the insights of executives via personal participation in dialogue and reflection on an increasingly complex health care environment
The Health Sector Advisory Council (HSAC) had its first meeting June 14, 2002. Five health care executives exchanged ideas with each other, Duke faculty presenters and with selected Health Sector Management (HSM) students and staff. These executives also pledged to make annual financial gifts to the HSM program and recruit more members to this innovative council concept.

Since that first meeting the council has met seven more times (two meetings per year), now enjoys 31 members representing 28 organizations and significant contributions of time and money. Tracing back to the initial vision in 2002 and the meetings and members that have followed, we can with four years of experience more objectively answer two core questions.

"I participate in many boards and extramural research relationships in my role at Boston Scientific. Our relationship with Duke and particularly with the Health Sector Advisory Council is one of the most fruitful. A challenge in these exchanges between a university and outside organizations is to harness the talents of both entities and create mutual value. The advisory council structure allows members to make substantive contributions that fill the unique capabilities of their organizations and their individual experiences, knowledge and interests. I believe there is enormous mutual benefit through the research and study of Duke faculty and students, and the contributions, both financial and intellectual, of the council members."

Paul LaViolette
Chief Operating Officer
Boston Scientific
Chair, Health Sector Advisory Council