Nov. 5, 2009

TO: UA College of Medicine Faculty and Staff  
FR: Steve Goldschmid, MD, Dean  
RE: Exploring Integration of our Clinical Enterprise

The management teams from University Medical Center, University Physicians Healthcare and the University of Arizona College of Medicine have been engaged in serious discussions for several months to explore how to better align and integrate the patient-care enterprise of our organizations. We are pleased to report that on Oct. 30, the UMC and UPH boards of directors agreed to begin a process to carefully evaluate consolidating UPH and UMC into a single, new organization that would oversee the patient-care enterprise affiliated with the UA College of Medicine. In addition to improved quality, patient satisfaction and greater efficiencies across the system, we believe such integration also would enhance research and medical education efforts at the College of Medicine.

Following the two boards' directives, the organizations' management teams will work together for the next 120 days to develop a potential plan, which will include major hurdles and challenges, as well as suggested solutions to such issues. At the end of that period, the organizations may agree to create a new integrated organization, extend the planning period or decline to create a new organization.

Although attempts to better coordinate and align the three entities have been made in the past, our organizations agree that the time now seems right to seriously explore this proposal. Indeed, the need for a more streamlined, coordinated approach among UMC, UPH and the College of Medicine never has been more essential. Health-care reform, an increasing emphasis on cost containment and the expansion of the electronic medical record are among the many factors driving this effort.

Obviously, much work and many conversations lie ahead, but we are optimistic that this is the right time to seriously explore and plan for such alignment and integration.

We realize that potential integration may cause concern among some employees. However, our ongoing efforts to develop a stronger organization through major growth and expansion means that integration should result in an increase - rather than a decrease - in jobs throughout the enterprise.

Please know, we will continue to keep you informed as this process unfolds, but we wanted to provide this brief overview.