

**DATE:** April 14, 2005

**SUBJECT:** Status of Pharmacy Education

**ACTION RECOMMENDED:** Information

**BACKGROUND INFORMATION:** The shortage of pharmacists and the uneven geographical distribution of students engaged in pharmacy education in Tennessee have been of growing concern for a number of years. The austere fiscal condition of the state made difficult the expansion of the University of Tennessee College of Pharmacy.

Over the course of recent years, the UT College of Pharmacy has taken measures to increase the production of pharmacists, despite the lack of state support. A new facility was proposed and class size increases were funded through tuition increases.

At the recommendation of the UT Board of Trustees, the Tennessee Higher Education Commission, and Governor Bredesen, the 2004 session of the General Assembly funded the construction of a new \$42.8 million UT College of Pharmacy facility in Memphis, to enable an increase in class size, as well as contribute to the quality of instruction.

In July of 2004, the leadership of East Tennessee State University forwarded the concept of creating a new, free-standing school of pharmacy at ETSU that would be funded entirely by private support and student tuition. The ETSU initiative was in direct response to the disproportionately low number of individuals in the Northeast Tennessee region participating in pharmacy education, particularly state sponsored pharmacy education, and the shortage of pharmacists in the region. The initiative also spoke to an emphasis on rural and community-based orientation to pharmacy education.

In response to ETSU's announced intent to create a new school of pharmacy, THEC staff stated the need to study pharmacy education in Tennessee from a statewide perspective, and engaged an expert consultant to determine options for addressing the pharmacist shortage and pharmacy education distribution issues.

As a result of that study, intense consideration was given to establishing a collaborative UT-ETSU program on the campus of ETSU, as an alternative to a free-standing school. Discussions among ETSU, UT, and THEC staff regarding a collaborative program were held throughout the Fall of 2004 into early 2005.

Efforts to develop a collaborative program proved not to be successful.

## **Moving Forward**

In early March of 2005, the UT Board of Trust approved expansion of its College of Pharmacy's class size and development of satellites in Knoxville, Chattanooga, Upper East Tennessee, Nashville, and Jackson.

On March 17 Governor Phil Bredesen recommended that the Tennessee Board of Regents and THEC approve the creation of a free-standing school of pharmacy at ETSU. His support was conditioned upon the ability of "ETSU and the northeast Tennessee community to raise the money required to establish and operate the school with 100 percent private funds." The Governor characterized this as an innovative, unprecedented model. The model is premised on no support from the state, with the local community providing initial and sustained support for the new school.

On March 18 TBR adopted the following resolution acknowledging the Governor's recommendation of the free-standing college.

### **RESOLUTION ON PHARMACY SCHOOL AT EAST TENNESSEE STATE UNIVERSITY**

WHEREAS Governor Bredesen has announced his support for the creation of a free-standing pharmacy school at East Tennessee State University with an innovative funding plan to build and operate the school entirely with private funds, and

WHEREAS in order to launch such a school East Tennessee State University must develop a proposal consistent with the policies on program proposals of the Tennessee Board of Regents and of the Tennessee Higher Education Commission, and

WHEREAS special provisions must be made to ensure the integrity of the funding model being proposed for the school of pharmacy, including raising a minimum of \$5 million in the summer of 2005 and a minimum of \$7.5 million before opening the door to ETSU's first pharmacy class,

THEREFORE BE IT RESOLVED THAT THE TENNESSEE BOARD OF REGENTS

--thanks Governor Bredesen for his support of the school of pharmacy at East Tennessee State University, and

--compliments East Tennessee State University for the development of the innovative proposal that requires no state funding, and

--directs the staff of East Tennessee State University and of the Tennessee Board of Regents to work expeditiously and with all dispatch to perform the required tasks and to work with the Tennessee Higher Education Commission on an accelerated schedule so that appropriate actions to create the school of pharmacy may be taken by the Tennessee Board of Regents at its June 2005 meeting and by the Tennessee Higher Education Commission at its July 2005 meeting.

## **THEC Considerations**

As this innovative approach moves forward, it is proposed that the Commission make a statement at its April 14 meeting. The objective of the statement would be to signal the Commission's willingness to consider approval of the college, and a Doctor of Pharmacy degree program, subject to a fully developed proposal that satisfactorily addresses the unusual conditions and policy issues introduced by the innovative nature of the proposal. Such a statement would be consistent with the Regents' March 18 resolution and notation that special provisions must be made to ensure the integrity of the proposed funding model.

### **Proposed Statement by the Commission**

The Tennessee Higher Education Commission acknowledges the recommendation of Governor Bredesen that the Board of Regents and the Commission approve "the creation of a stand-alone pharmacy school at East Tennessee State University." The Commission also acknowledges the March 18 resolution adopted by the Board of Regents in this regard. The Commission stands ready to consider a proposal for the school that:

adheres to the fiscal conditions set forth by Governor Bredesen on March 17;

demonstrates that the college and its program will be established and operated without state support; and

discloses all sources of revenues, expenditures, and financing arrangements for operating and capital purposes.

The Commission staff is directed to work closely with ETSU and the TBR in the development of a proposal for the ETSU College of Pharmacy and the Doctor of Pharmacy degree.

The staff also is directed to work with ETSU, TBR, and UT in determining special provisions to be made to ensure the integrity of the proposed funding model. Such provisions must address:

ramifications of a differential in student tuition and fees for pharmacy education at ETSU and UT;

implications of a self-supporting academic entity, relative to established instructional and administrative policies at the institutional and state levels;

safeguards that must be secured to ensure that the College of Pharmacy and Doctor of Pharmacy do not impact the state support of any existing higher education institution or entity; and

other issues that may emerge in the development of the college or program proposal