

Dollars in Thousands

| | Current | | Governor Recomm. | | Biennium 2006-07 |
|---|--------------|--------------|------------------|--------------|---------------------|
| | FY2004 | FY2005 | FY2006 | FY2007 | |
| <u>Direct Appropriations by Fund</u> | | | | | |
| General | | | | | |
| Current Appropriation | 1,391 | 1,391 | 1,391 | 1,391 | 2,782 |
| Recommended | 1,391 | 1,391 | 1,391 | 1,391 | 2,782 |
| Change | | 0 | 0 | 0 | 0 |
| % Biennial Change from 2004-05 | | | | | 0% |
| <u>Expenditures by Fund</u> | | | | | |
| Direct Appropriations | | | | | |
| General | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
| Total | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
| <u>Expenditures by Category</u> | | | | | |
| Local Assistance | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
| Total | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
| <u>Expenditures by Program</u> | | | | | |
| Mayo Medical School | 514 | 514 | 514 | 514 | 1,028 |
| Mayo Family & Residency | 472 | 531 | 531 | 531 | 1,062 |
| St Cloud Hospital/Family Med | 346 | 346 | 346 | 346 | 692 |
| Total | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |

Agency Purpose

Mayo Foundation aspires to provide the highest quality, compassionate patient care at a reasonable cost through a physician-led team of diverse people working together in clinical practice, education and research in a unified multi-campus system.

Mayo aims to conduct its interdependent programs of medical care, research, and education in keeping with the highest standards of ethics and quality. Fundamental to this pledge is the need to combine the science and art of medicine and technology with personalized care. Excellence in all endeavors with respect for the individual — both patient and employee — is the primary goal.

Core Functions

Mayo Foundation operates clinics and hospitals in three locations: Jacksonville, Florida; Rochester, Minnesota; and Scottsdale, Arizona. The Mayo Foundation actively engages in competitive, prioritized, coordinated research programs, which enhance the care of the patient and decrease the burden of disease. In addition to patient care and research activities, Mayo Foundation provides education in the medical sciences amidst a scholarly environment. Mayo Foundation's education of future physicians, medical scientists, and allied health staff contributes to the quality of healthcare at Mayo Clinic and in communities throughout the state of Minnesota and worldwide. The educational activities of Mayo Clinic staff are a key component of Mayo's continuing excellence.

Operations

Mayo Foundation clinics and hospitals served more than a half-million patients in 2003. The state of Minnesota has provided Mayo Medical School with financial aid for its Minnesota students in the form of capitation support since the opening of the school in 1972. In the FY 2004–05 biennium each Minnesota student has received \$14,405 per year in state funding to reduce the cost of tuition.

The Mayo School of Graduate Medical Education Family Practice Program was established in 1978. The program prepares the prospective family physician for primary care practice in all settings with a special emphasis on rural and underserved communities. Funding provided by the state of Minnesota offsets by approximately \$22,125 the cost of resident stipends that average \$41,144 per year. Additionally, Mayo Foundation is a sponsor of the Family Practice Residency Program at the St. Cloud Hospital, where 10 – 12 residents have begun training each year since the start of the program in 1996.

Budget

Income from current activities, the best indicator of Mayo Foundation's success in funding its overall mission, was \$132 million in 2003. Mayo Foundation continues to invest in education and research. Total commitment to education increased to \$154 million in 2003, with Mayo funds accounting for \$116 million of this amount. Total expenditure on research reached \$351 million in the same year. Mayo contributed \$133 million to research endeavors.

At A Glance

- ◆ Patient Care – Physicians, scientists, and allied health staff collaboratively providing healthcare.
- ◆ Medical Education – one of the largest graduate education centers in the country, training physicians in more than 100 specialties.
- ◆ Research – Strong biomedical research programs in both basic and patient oriented area.
- ◆ Over half of the 1147 graduates of Mayo Medical School are Minnesotans.
- ◆ The Mayo Family Practice Residency Program has graduated over 150 physicians. Consistently, over half of these doctors choose to practice in Minnesota.

Contact

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 Rochester, Minnesota 55906
 Phone: (507) 284-2511 Website: <http://www.mayo.edu>

Dollars in Thousands

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| Total | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
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| Local Assistance | 1,332 | 1,391 | 1,391 | 1,391 | 2,782 |
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Program Description

The mission of the Mayo Medical School is to enroll outstanding students, and to offer them a curriculum designed to foster their individual strengths and talents, and to take full advantage of the unique integrated research, education, and practice resources of Mayo Foundation. The school seeks to provide access to a medical education to all students regardless of socioeconomic background. The school also strives to promote and eliminate barriers that may inhibit students from entering the historically lower paying primary care specialties. Finally, Mayo Medical School provides students the opportunity to obtain an excellent medical education that is delivered in a cost efficient manner, and allows these students to graduate unencumbered by a large debt-load.

Program at a Glance

As of July 2003:

- ◆ 63% of matriculants to the Mayo Medical School were from Minnesota.
- ◆ 35% of Mayo Medical School graduates are practicing medicine in Minnesota.

Population Served

Graduates of undergraduate colleges and universities who are seeking a high quality, affordable medical education are served by this activity.

Services Provided

Mayo Medical School (MMS) was founded in 1972. The small class size, 42 students per class, facilitates a personalized course of instruction characterized by extensive clinical interaction and the integration of basic and clinical sciences throughout all segments of the curriculum. A balance is sought to produce physicians interested in medical subspecialties as well as the primary care disciplines of general internal medicine, family medicine, pediatrics, and obstetrics/gynecology. As part of their education, each Mayo Medical School student lives with a family practice physician who is in private practice in a rural Minnesota community to experience first-hand the challenges and rewards of primary care medicine.

Historical Perspective

Mayo Medical School has graduated 1,147 physicians since 1976 and of those, 405 (36%) currently practice medicine in Minnesota. Of the 628 graduates who were originally from Minnesota (and received capitation grants), 306 (76%) have stayed to practice in Minnesota. Since 1972, the legislature has provided grants to Minnesota residents. These capitation grants provided by the state are used to offset tuition paid by Minnesota medical school students. All state monies are directly given to Minnesota students to reduce their tuition payment. Tuition for 2004-2005 is \$23,500. The FY 2004 state appropriation provided capitation grants of \$12,850 for up to 40 students.

Key Measures

- ⇒ As of July 2003, 628 (63%) of the total matriculants to Mayo Medical School were Minnesota residents.
- ⇒ 42% is the five-year average for Mayo Medical School graduates entering primary care residency programs.
- ⇒ As of July 2003, 380 (36%) total graduates of Mayo Medical School are practicing medicine in Minnesota

Number of Mayo Medical School Graduates Choosing Primary Care Residency Training Programs

| Graduates of MMS 2000 | Graduates of MMS 2001 | Graduates of MMS 2002 | Graduates of MMS 2003 | Graduates of MMS 2004 |
|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| 14 for 39% | 16 for 41% | 14 for 36% | 19 for 44% | 14 for 35% |

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MAYO FOUNDATION

Program: MAYO MEDICAL SCHOOL

Program Summary

| <i>Dollars in Thousands</i> | | | | | |
|---|----------------|---------------|-------------------------|---------------|-----------------------------|
| | Current | | Governor Recomm. | | Biennium 2006-07 |
| | FY2004 | FY2005 | FY2006 | FY2007 | |
| <u>Direct Appropriations by Fund</u> | | | | | |
| General | | | | | |
| Current Appropriation | 514 | 514 | 514 | 514 | 1,028 |
| Subtotal - Forecast Base | 514 | 514 | 514 | 514 | 1,028 |
| Total | 514 | 514 | 514 | 514 | 1,028 |
| <u>Expenditures by Fund</u> | | | | | |
| Direct Appropriations | | | | | |
| General | 514 | 514 | 514 | 514 | 1,028 |
| Total | 514 | 514 | 514 | 514 | 1,028 |
| <u>Expenditures by Category</u> | | | | | |
| Local Assistance | 514 | 514 | 514 | 514 | 1,028 |
| Total | 514 | 514 | 514 | 514 | 1,028 |
| <u>Expenditures by Activity</u> | | | | | |
| Mayo Medical School | 514 | 514 | 514 | 514 | 1,028 |
| Total | 514 | 514 | 514 | 514 | 1,028 |

Program Description

The Mayo Department of Family Medicine Residency program educates and inspires residents and fellows to pursue careers as family physicians by emphasizing rural primary care augmented by subspecialty training.

Population Served

The program has provided the state of Minnesota with 83 family physicians, with 42% of these practicing in rural communities. The program is located at the Mayo Family Clinic – Kasson, a rural community in Dodge County, serving a population area of close to 18,000.

Services Provided

The residency-training program prepares the prospective family physician for primary care medicine in all settings, with special emphasis on rural or smaller communities. The residents in training spend a major portion of their training providing ambulatory, primary, and continuity care. The residents participate fully in the department's population management initiatives to improve the quality, and decrease the cost of employee/dependent healthcare.

Historical Perspective

The three-year training program was established in 1978, beginning with four residents. It has included a maximum of 25 resident trainees. Over time it has grown in size and success, with all training positions being filled for the past 23 years. The program has graduated 154 family physicians. The Minnesota capitation appropriation has supported residents' training stipends since 1978-79.

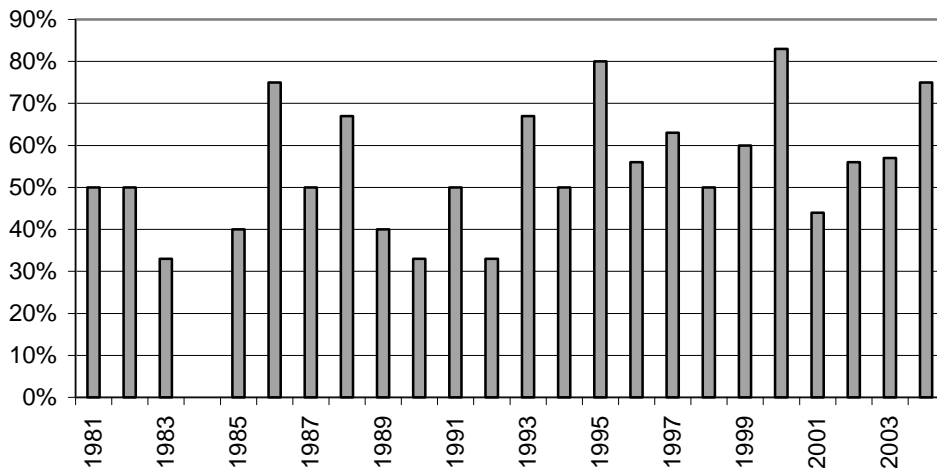
Key Measures

- ⇒ Percent of Family Medicine Graduates Practicing in Minnesota.
- ⇒ Graduates Practicing in Family Medicine Since Program Beginning.

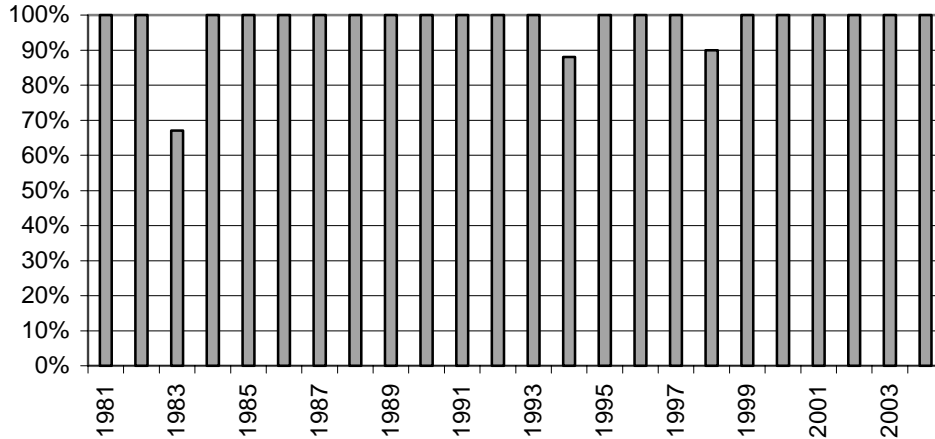
Program at a Glance

- ◆ All positions filled for the last 23 years.
- ◆ 54% of program graduates practicing in Minnesota.
- ◆ 23% practice in rural areas in Minnesota.
- ◆ Graduating residents consistently score above average on board exams with a 99% pass rate on the first attempt.

Family Medicine Graduates Practicing in Minnesota



Graduates Practicing in Family Medicine Since the Beginning of the Program (1981)



Program Funding

The program’s calendar year 2004 operating expense budget is \$2,168,864. (For calendar year 2003, Mayo Clinic supported 74% of the program and the state capitation appropriation of \$529,663 supported 26% of the program cost.) The appropriation for the 2004-2005 biennium is \$531,000 each year. The appropriation supports \$22,125 of the stipend for each of the 24 residents.

Contact

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MAYO FOUNDATION

Program: MAYO FAMILY & RESIDENCY

Program Summary

| <i>Dollars in Thousands</i> | | | | | |
|---|----------------|---------------|-------------------------|---------------|-----------------|
| | Current | | Governor Recomm. | | Biennium |
| | FY2004 | FY2005 | FY2006 | FY2007 | 2006-07 |
| <u>Direct Appropriations by Fund</u> | | | | | |
| General | | | | | |
| Current Appropriation | 531 | 531 | 531 | 531 | 1,062 |
| Subtotal - Forecast Base | 531 | 531 | 531 | 531 | 1,062 |
| Total | 531 | 531 | 531 | 531 | 1,062 |
| <u>Expenditures by Fund</u> | | | | | |
| Direct Appropriations | | | | | |
| General | 472 | 531 | 531 | 531 | 1,062 |
| Total | 472 | 531 | 531 | 531 | 1,062 |
| <u>Expenditures by Category</u> | | | | | |
| Local Assistance | 472 | 531 | 531 | 531 | 1,062 |
| Total | 472 | 531 | 531 | 531 | 1,062 |
| <u>Expenditures by Activity</u> | | | | | |
| Mayo Family & Residency | 472 | 531 | 531 | 531 | 1,062 |
| Total | 472 | 531 | 531 | 531 | 1,062 |

Program Description

Since 1996 the mission of the St. Cloud Hospital/Mayo Family Medicine Residency Program is to train family physicians to practice in rural communities. This 4/4/4 program (four residents in each class of a three-year program) is the only residency at St. Cloud Hospital, and the only residency in central and western Minnesota. The program has been fully accredited by the Accreditation Council for Graduate Medical Education (ACGME).

Program at a Glance

- ◆ First class in 1996; all positions filled since program began.
- ◆ Only residency in central Minnesota.
- ◆ 68% of program graduates practicing in Minnesota.
- ◆ 60% of those practicing in Minnesota practice in rural areas.

Population Served

The program is located at the Mid-Minnesota Family Practice Center in St. Cloud, and serves all patients regardless of their ability to pay. The residency clinic sees 20,000 visits each year and is the safety-net provider for all of central Minnesota. The clinic and faculty have been recognized in their dedication of medical services to the underserved by state and local government agencies. In the short history of this residency, 68% of all graduates are practicing in Minnesota, and 60% of all graduates are practicing in a rural community in Minnesota.

Services Provided

The residency program trains family physicians for primary care medicine in all settings, especially in small and rural communities. The residents train in hospitals and clinics in St. Cloud and throughout central Minnesota. Obstetrical care and procedures needed in smaller communities are emphasized.

Historical Perspective

The program was launched with a \$120,000 state appropriation in 1997. The legislature intends that “the program shall prepare doctors to practice primary care medicine in the rural areas of the state, and will improve healthcare in rural communities, provide affordable access to appropriate medical care, and manage the treatment of patients in a more cost-effective manner.” The state appropriation goes directly to the residency program participants to provide stipend support. The three-year training program has a maximum of 12 residents, with four in class. The program has graduated 22 family physicians and all remain in practice.

Key Measures

- ⇒ Sixty-eight percent of Family Medicine graduates practicing in Minnesota
- ⇒ All 22 graduates practicing in Family Medicine since program beginning
- ⇒ Residents have scored above average on board exams

Program Funding

The program’s current annual operating budget is \$2,062,880. St. Cloud Hospital supports 72% of the program. Eleven percent of the program’s funding came through the medical education and research costs (MERC) fund that is administered by the Minnesota Department of Health, and the state capitation grant supported the remaining 17% of program. The capitation grant appropriation for each year of the FY 2004-05 biennium is \$345,996 (or \$28,833 for each of the 12 residents).

Contact

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MAYO FOUNDATION

Program: ST CLOUD HOSPITAL/FAMILY MED

Program Summary

| <i>Dollars in Thousands</i> | | | | | |
|---|----------------|---------------|-------------------------|---------------|-----------------|
| | Current | | Governor Recomm. | | Biennium |
| | FY2004 | FY2005 | FY2006 | FY2007 | 2006-07 |
| <u>Direct Appropriations by Fund</u> | | | | | |
| General | | | | | |
| Current Appropriation | 346 | 346 | 346 | 346 | 692 |
| Subtotal - Forecast Base | 346 | 346 | 346 | 346 | 692 |
| Total | 346 | 346 | 346 | 346 | 692 |
| <u>Expenditures by Fund</u> | | | | | |
| Direct Appropriations | | | | | |
| General | 346 | 346 | 346 | 346 | 692 |
| Total | 346 | 346 | 346 | 346 | 692 |
| <u>Expenditures by Category</u> | | | | | |
| Local Assistance | 346 | 346 | 346 | 346 | 692 |
| Total | 346 | 346 | 346 | 346 | 692 |
| <u>Expenditures by Activity</u> | | | | | |
| St Cloud Hospital/Family Med | 346 | 346 | 346 | 346 | 692 |
| Total | 346 | 346 | 346 | 346 | 692 |