

MASTER OF SCIENCE IN HEALTHCARE LEADERSHIP

UNIVERSITY OF HOUSTON

Congruence with System Goals and University Mission

The mission of the University of Houston is to offer nationally competitive and internationally recognized opportunities for learning, discovery, and engagement to a diverse population of students in real-world settings, and the University's goals include student success, community advancement, and local and national recognition.

In recent years, the University of Houston has engaged in a systematic effort to increase its graduate-level enrollments and its graduation rates. In response to these efforts, the C.T. Bauer College of Business has created several M.S. degrees as complements to the MBA program to increase graduate enrollment. More importantly, they are designed to facilitate the placement of students in meaningful careers. The M.S. in Healthcare Leadership will contribute to these goals and will improve the marketability of graduate students who have chosen a career in leading healthcare organizations.

The M.S. in Healthcare Leadership is consistent with a primary goal of the C.T. Bauer College of Business' 2020-2025 Strategic Plan which recognizes that Houston is home to the world's largest medical center with over 100,000 healthcare practitioners. The proposed program will build on synergies with the Tilman J. Fertitta Family College of Medicine and UH Law Center and leverage nationally recognized leaders in leadership, data analytics, artificial intelligence, entrepreneurship, medicine, and health.

Program Description

The proposed M.S. in Healthcare Leadership is a two-year program with 36 semester credit hours and will be delivered face-to-face at the University of Houston at Sugar Land. It is designed as an executive program for active clinicians and healthcare leaders wanting to advance their education in the field of healthcare leadership with an emphasis on leading change in the rapidly evolving industry, along with integration of strategic leadership thought and healthcare administrative skills. The degree was created to align with the standards set by the Commission on Accreditation on Healthcare Management Education (CAHME), which is the accreditation body for master's level healthcare management programs.

Student and Job Market Demand

The market for graduate business education is thriving. The Graduate Management Admissions Council reports that global demand for graduate management level has sustained the elevated levels reported in 2020. The share of Master's in Management programs reporting growth in application volume doubled from 42% in 2019 to 80% in 2020.

Healthcare spending in the U.S. is expected to grow at an average annual rate of 5.4% from 2019 to 2028, and to represent 19.7% of GDP by the end of the period. Employment in healthcare occupations is projected to grow 16% from 2020 to 2030, much faster than the average for all occupations, and adding 2.6 million jobs.

For graduates of the proposed M.S. in Healthcare Leadership program, the outlook for Medical and Health Service Managers is particularly robust. The 2021 median pay for healthcare managers (who plan, direct and coordinate the business of healthcare providers) is \$101,340 per year with over 429,800 jobs in this field in 2020 forecast to grow at a 32% rate (much faster than

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average) over the next decade with the addition of 139,600 jobs. U.S. News and World Report ranks Medical and Health Services Managers as the #1 Best Business Job with an unemployment rate of 2.2%, #4 in Best Jobs overall, and #4 in best STEM Jobs. While an undergraduate degree is the usual minimum requirement to enter healthcare administration, most executive and upper-level management positions require a graduate degree.

Program Duplication

Healthcare Administration degrees generally deliver the broad knowledge base required for entry level healthcare administrative roles, whereas the M.S. in Healthcare Leadership is focused primarily on providing experienced administrators and practicing clinicians advanced theories and skillsets to attain more advanced healthcare leadership positions. Courses are dedicated to addressing the major challenges facing the U.S. healthcare system; change management in healthcare leadership; applying advanced data analytics incorporating AI to healthcare; healthcare innovation and entrepreneurship; healthcare technology; and focus on healthcare strategy.

There are ten related programs in Texas that have achieved CAHME accreditation:

- University of North Texas
- Texas State University
- Texas A&M
- Texas Woman's University
- Trinity University
- Baylor University
- University of Incarnate Word
- UT Arlington
- UT Dallas
- UT Health Science Center Houston

The proposed M.S. in Healthcare Leadership will not negatively impact the existing Master's in Healthcare Administration offered by the University of Houston-Clear Lake due to programmatic differences, sufficient student demand, workplace need, and the geographical separation of the programs with the M.S. in Healthcare Leadership being offered face-to-face at the University of Houston at Sugar Land campus.

Faculty Resources

Faculty for the program will be drawn from the existing faculty of the Department of Management and Leadership with contributions from other departments with domain expertise, as well as adjunct faculty with industry experience. Leaders from the Tilman J. Fertitta Family College of Medicine and from the University of Houston Law Center have expressed interest in teaching or co-teaching appropriate classes in the degree program.

State or National Need

The U.S. Bureau of Labor Statistics identifies Texas as having 36,510 people employed as medical and health service managers as of May 2021 (second only to California) with an annual mean wage of \$116,690. The Houston Metropolitan area has over 20,000 healthcare and social

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assistance establishments, including 240 hospitals, and employs 8,890 healthcare managers with an average salary of \$120,300. Typical positions and mean salaries for healthcare managers include general medical and surgical hospitals (\$129,410), skilled nursing facilities (\$97,360), specialty hospitals (\$130,420), home healthcare services (\$102,450) pharmaceutical and medicine manufacturing (\$204,380), and scientific research and development services (\$188,580). Top employers include Memorial Hermann, CHI St. Luke's, HCA, Harris Health System, Houston Methodist, MD Anderson Cancer Center, Texas Children's Hospital, Michael E. DeBakey Veterans Affairs Medical Center, UTMB Health, and many others.

Master of Science in Healthcare Leadership Proposal - ADDENDUM

MS in Healthcare Leadership and the UH Sugar Land Campus

The University of Houston (UH) at Sugar Land is an ideal site to launch the Master of Science in Healthcare Leadership (MHCL) degree. UH at Sugar Land has significant experience with offering healthcare programs, such as the MSN degree programs offered by the Andy & Barbara Gessner College of Nursing, and state of the art classrooms ideal for offering in-person and HyFlex courses to professional degree seekers. Sugar Land also has a vibrant healthcare ecosystem.

The largest city in Fort Bend County, Texas, Sugar Land, is located about 19 miles southwest of downtown Houston. Sugar Land is one of the fastest-growing cities in Texas. Its population increased more than 158% between 2000 and 2007 with a 46% increase in jobs. Healthcare and Social Assistance are the largest employers by industry with 14.3% of jobs in Fort Bend County. The fast-growing population of Fort Bend County has surpassed 650,000, attracting a large number of physicians, nurses, specialists and other medical experts, many of them affiliated with its roster of top-notch acute-care hospitals. These healthcare practitioners are expected to make up the majority of the applicants to the MHCL degree.

Distinguishing Features of the Proposed MS in Healthcare Leadership Program

1. The proposed program in Healthcare Leadership is designed as an executive program for active clinicians and healthcare leaders wanting to advance their education. Many other master's programs in Healthcare Administration (MHA) are primarily designed for first-time healthcare administrators rather than clinicians.
2. The C.T. Bauer College of Business degree plan will build on synergies with the Tilman J. Fertitta Family College of Medicine and UH Law Center. The degree plan will leverage nationally recognized leaders in leadership, data analytics, artificial intelligence, entrepreneurship, medicine, and health law.
3. There are significant differences in the curriculum for the proposed program compared to other regional MHA programs such as a focus on teaching more senior and experienced healthcare leaders, and courses dedicated to: addressing the major challenges facing the US healthcare system; change management in healthcare leadership; applying advanced data analytics incorporating AI to healthcare; healthcare innovation and entrepreneurship; healthcare technology; and focus on healthcare strategy.
4. The Commission on Accreditation on Healthcare Management Education (CAMHE) accredits master's level healthcare management programs. The MS in Healthcare Leadership is designed to meet CAHME accreditation requirements and will begin the accreditation process as soon as it graduates its first class (the soonest possible). There are ten related programs in Texas which have achieved accreditation: Univ. of N. Texas, Texas State, Texas A&M, Texas Woman's U., Trinity University, Baylor University, U. of Incarnate Word, UT Arlington, UT Dallas, and UT Health Science Center Houston.

Support from Sugar Land Community:

- 1) Elizabeth Huff, Director of The Economic Development Department, Sugar Land
- 2) Matt Kelly, MHA, Vice President for Operations, Memorial Herman Sugar Land
- 3) Eliud Faz, Chief Operating Officer, Houston Methodist Sugar Land

4) Michael Dotson, Chief Executive Officer, Access Health

PRO FORMA FOR Master of Science in Healthcare Leadership

FY2024		▼	11	Operating Years						
			Year 0	FY2024	FY2025	FY2026	FY2027	FY2028		
				Fall23	Fall24	Fall25	Fall26	Fall27		
Enrollments										
Cohort 1				5	5					
Cohort 2					5	5				
Cohort 3						15	15			
Cohort 4							15	15		
Cohort 5								25		
Cohort 6										
Total				5	10	20	30	40		
Expenses										
Faculty (9 month)			Salary	% effort	Year 0	FY2024	FY2025	FY2026	FY2027	FY2028
Edward Kroger	105,000	100%			105,000	107,100	109,242	111,427	113,655	
Overloads for Year 1 Courses (6 total @ \$8,000 each)		6%			48,000	48,000	48,000	48,000	48,000	
Overloads for Year 2 Courses (6 total @\$8,000 each)		6%			-	48,000	48,000	48,000	48,000	
Position 4					-	-	-	-	-	
Position 5					-	-	-	-	-	
Position 6					-	-	-	-	-	
Adjuncts					-	-	-	-	-	
Subtotal	105,000	112%		-	153,000	203,100	205,242	207,427	209,655	
Faculty FTE					0.16	0.22	0.22	0.22	0.22	
Staff (12 month)										
No additional staff support needed					-	-	-	-	-	
Position 2					-	-	-	-	-	
Position 3					-	-	-	-	-	
Position 4					-	-	-	-	-	
Position 5					-	-	-	-	-	
Position 6					-	-	-	-	-	
Graduate Students					-	-	-	-	-	
Subtotal	-	0%		-	-	-	-	-	-	
Staff FTE					0.00	0.00	0.00	0.00	0.00	
Total Salaries				-	153,000	203,100	205,242	207,427	209,655	
Benefits @ 20.5%				-	31,365	41,636	42,075	42,523	42,979	
Total Personnel				-	184,365	244,736	247,317	249,949	252,635	
Non-Personnel										
Marketing/Recruiting					-	-	-	-	-	
Scholarships & Tuition Assistantships					-	-	-	-	-	
Annual maintenance & operations					-	-	-	-	-	
Library and Information Technology					-	-	-	-	-	
Accreditation					-	-	-	-	-	
Facilities					-	-	-	-	-	
Laboratory and other equipment					-	-	-	-	-	
Other					-	-	-	-	-	
Total Non-Personnel					-	-	-	-	-	
Allocated to university operations	10%				7,284	14,567	31,522	46,089	65,431	
Total Annual Expense				\$ -	\$ 191,649	\$ 259,303	\$ 278,838	\$ 296,038	\$ 318,066	
Revenue										
Formula Funding Generated					-	-	32,873	32,873	98,620	
Statutory Tuition Applied to Formula					-	-	(9,000)	(9,000)	(27,000)	
Subtotal: State General Revenue					-	-	23,873	23,873	71,620	
UH Tuition and Fees					77,948	155,896	311,792	467,689	623,585	
Allocated to set aside per student					(5,112)	(10,224)	(20,448)	(30,672)	(40,896)	
Total Revenue from Enrollment					72,836	145,672	315,218	460,890	654,308	
Philanthropy and other External Revenue					-	-	-	-	-	
Net Revenue					72,836	145,672	315,218	460,890	654,308	
Net Annual Gain/(Loss)				-	\$ (118,813)	\$ (113,631)	\$ 36,379	\$ 164,851	\$ 336,243	
Cumulative Gain/(Loss)				-	\$ (118,813)	\$ (232,443)	\$ (196,064)	\$ (31,213)	\$ 305,030	

College Business Administrator Signature: _____ Date: _____
 Daniel Chang, Program Director, Office of the Provost Signature: _____ Date: _____
 Vivianne Do, Executive Director, Office of the Provost Signature: _____ Date: _____