



Medical University of South Carolina
Office of Public Relations
171 Ashley Avenue, P.O. Box 250401
Charleston, South Carolina 29425
843.792.3621
843.792.6723 fax

April 26, 2004

Hospitals, universities plan statewide research collaborative

With \$80 million investment by partners, total investment in health sciences research in South Carolina could exceed \$160 million over next 10 years

For Information
Ellen Bank
Medical University of South Carolina
843.792.2626
bankelle@musc.edu

CHARLESTON, April 26, 2004 – The leaders of the Medical University of South Carolina (MUSC), Greenville Hospital System, Palmetto Health, and the University of South Carolina (USC) today signed a memorandum of understanding to establish the South Carolina Health Sciences Collaborative (SCHSC). The unprecedented initiative calls for four of the state's largest universities and health systems to invest a total of \$80 million over the next ten years to increase health sciences research, drive economic development, and improve the health status of the citizens of South Carolina.

Making the announcement were MUSC President Dr. Ray Greenberg, Greenville Hospital System CEO Frank Pinckney, Palmetto Health CEO Kester Freeman, and USC President Dr. Andrew Sorensen.

The investment will be structured so that each partner intends to contribute \$2 million per year—a total of \$8 million per year— which is eligible for matching contributions from the South Carolina Research Centers of Economic Excellence Act, also known as the Endowed Chairs Program. This brings the monies available for health sciences research to \$16 million per year, \$160 million for ten years. The Endowed Chairs Program creates incentives for endowments for professors in research areas, which in turn spur economic development for the state of South Carolina.

The total investment in health sciences research has the potential to be significantly higher than \$160 million. The presence of a formal research entity like the SCHSC greatly increases South Carolina's ability to secure funding from other sources such as the State's Life Sciences Act, the federal government, national research foundations and private entities. It also provides the

stimulus for attracting private businesses interested in tapping into the intellectual capital that will result from the endowed chairs' research.

Calling the announcement "historic," MUSC's Greenberg said the unique collaboration between the hospitals and universities represents a "triple play" for South Carolina in terms of increasing health sciences research, accelerating economic development, and improving public health and patient care.

"The investments in health sciences research that will result from this collaboration, give South Carolina the fuel we need to attract more researchers, generate more and better research, secure more national funding, and attract more out-of-state businesses that will want to take advantage of the intellectual powerhouse we create. Equally important, it allows us to develop more effective treatment options, directly enhance quality care and outcomes for patients, thereby improving the health of South Carolinians," he continued.

Greenberg cited the fact that South Carolina is disproportionately affected by stroke, cancer, heart disease, and diabetes when compared to other states. Yet the state has limited resources to fight these problems. "Pooling the financial and intellectual resources of our respective institutions presented us with a once-in-a-lifetime opportunity to change the course of South Carolina's future for the better," he said.

The partners intend to create a research foundation that will provide a structure and the vehicle for research, including clinical trials conducted by the universities and hospitals. The non-profit foundation will be governed by a board of directors composed, in part, of representatives from MUSC, Greenville Hospital System, Palmetto Health, and USC. This will ensure the four entities have decision-making control over how and where the monies will be invested as well as a formula for sharing grant revenues, intellectual property, and indirect costs generated by research initiatives funded by the effort.

Freeman, Pinckney and Sorensen agreed that today's announcement goes far beyond business as usual. "Academics in action benefits communities. The transfer of knowledge from research being done at our hospitals and universities to private business fuels the wellbeing of our communities," said Freeman, "The Health Sciences Collaborative is not just a first for South Carolina, it's the first of its kind in the nation. And it probably couldn't have happened in any other state."

Pinckney concurred, saying, "The stars are aligned for great things. With the Endowed Chairs Program, the Life Sciences Act, the research-related construction at MUSC and USC, and today's announcement, we have the momentum we need to create a true statewide health sciences cluster that can result in world-class research, breakthrough technology, and the creation of high-skilled, high paying jobs."

While certain details of the SCHSC have yet to be determined, all of the parties see the day's announcement as a starting point. "The spirit of cooperation that has brought us to this point will become even more important in the weeks ahead," Sorensen said. "Today we've sent a message to the people of South Carolina, to our elected officials, and to future partners that we get it; we know what we have to do to make South Carolina a leader in health sciences research, job creation, and the health of our citizens."

“This is a perfect example of the kind of long-term commitment we need to see between the private and public sectors in order for South Carolina to make progress in improving the quality of healthcare and outcomes, creating jobs, and seeing average incomes rise,” Sorensen added.