

Members in Action: Redesigning the Delivery System

Texas Health CoLab at Dell Medical School – Austin, TX *Co-working Space Is a Catalyst For New Businesses and Products That Improve Health and Reduce Costs*

The AHA's Members in Action series highlights how hospitals and health systems are implementing new value-based strategies to improve health care affordability. This includes work to redesign the delivery system, manage risk and new payment models, improve quality and outcomes, and implement operational solutions.

Overview

The University of Texas at Austin Dell Medical School (Dell Med) opened its doors in 2016 with the goal of redesigning the academic health environment to educate and train physicians who will redefine how people get and stay healthy. This includes a curriculum tied to new models of person-centered, multidisciplinary care that rewards value and improved health.

It also encompasses efforts to accelerate innovation and research. One example is WorkSpaces, a co-working space inside Dell Med's Texas Health CoLab, a program that supports researchers, entrepreneurs, clinicians and other innovators.

Impact

WorkSpaces provide a community for value-focused health entrepreneurs and businesses and is home to large corporations such as Merck & Co., and much smaller startup companies. "We are excited to foster this vibrant ecosystem as it provides the crucial elements necessary for the creative partnerships that will be a key part of the revolution in how people get and stay healthy," said Verena Kallhoff, manager of WorkSpaces.

The WorkSpaces team is already partnering with several companies on collaborative projects with Dell Med faculty and clinicians. The team works with the companies to understand their needs and determines overlapping interest with clinicians and researchers. Once the first contact has been made and mutual interest exists, they continue to facilitate the conversation and bring in the right people at the right time to ensure a smooth process.

"We look critically at every company that approaches us, vet the potential tenant with our team for business viability, take a close look at the leadership team, and confer with clinicians and other subject matter experts to understand the scientific and clinical validity of each applicant," Kallhoff said. "The colleagues at Dell Med are very engaged and forthcoming in their feedback. We provide the feedback to each company along with our decision on whether to offer a co-working space."

WorkSpaces does not take an equity stake in its member companies but tracks carefully the value it provides to Dell Med team members. Engagement is measured through participation in the programs, the number of grant applications, research and clinical trials collaborations and resulting agreements. Through personal introductions, members have found funding, board members, clinical collaborators and the legal insight to shore up their business.

Here, Dell Med rents space to its members: a variety of well-aligned, value-focused startups and entrepreneurs who are developing new technologies and products in areas such as care delivery and care coordination, data and health records, diagnostics and devices, and digital apps and self-monitoring.

WorkSpaces, which opened in October 2017, are designed to encourage interaction and collaboration among entrepreneurs, researchers and clinicians. They are located within the primary research facility at Dell Med, which is adjacent to outpatient clinics and Dell Seton Medical Center, the primary teaching hospital where Dell Med residents and fellows train. This encourages members to work with and learn from academic researchers, clinicians, staff and students as they innovate. The physical design of WorkSpaces inspires interaction and supports partnerships through open wet labs, workstations, conference rooms, event spaces and kitchen and break areas that invite conversation and teamwork.



Photo by Capital City Innovation

In addition to WorkSpaces, Dell Med organizes the Texas Health CoLab Learning Series, which brings together health entrepreneurs, faculty, clinicians and anyone interested in health entrepreneurship to explore topics such as contracting with health care organizations, Food & Drug Administration clearance for software and others. Open to the public, this event has become very popular in the city and is now being broadcast to several partners across Texas, fostering and supporting a vibrant health ecosystem.

Lessons Learned

The Dell Med team acknowledges that it has been successful employing the collaborative culture within the health ecosystem in Austin. It has made it easier to work with others to roll out WorkSpaces, and they have been able to avoid challenges from those that may have been uncomfortable with this co-working space.

However, the team also faced challenges, and building and developing WorkSpaces did not go as quickly as planned. The building was a few months late opening, and due to Dell Med's selective criteria, spaces filled slower than originally anticipated. "In the past, I've had to turn down several applicants based on the feedback of our clinicians," Kallhoff said. "In several instances, the feedback provided significant insight to the startup company, incentivizing them to take a closer look at their approach. Now, 16 months after we opened the co-working space, we have 24 startup companies calling WorkSpaces home. It has been gratifying to engage all stakeholders, but there is much work to be done to build a strong community."

Future Goals

WorkSpaces will continue to focus on its core mission of bringing in health startups that align with the mission and vision of Dell Medical School. The team plans to add additional events for entrepreneurs, faculty and clinicians to increase engagement and will be looking for companies that are interested in partnering for clinical trials and research agreements.

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