Dr. Paul Klotman, MD  
Baylor College of Medicine Commencement Address  
Where There Are Challenges, There Is Huge Opportunity

Dr. Paul Klotman began serving as president and CEO of Baylor College of Medicine on Sept. 1, 2010. He received his Bachelor’s degree in 1972 from the University of Michigan and his M.D. from Indiana University in 1976. He completed his medicine and nephrology training at Duke University Medical Center. In 2001, he was selected to be the Chair of the Samuel Bronfman Department of Medicine of the Mount Sinai School of Medicine. The BCM Board of Trustees named him as the school’s new President in July of 2010.

Dr. Klotman’s research has been a blend of both basic and clinical research in molecular virology and AIDS pathogenesis. He developed the first small animal model of HIV-associated nephropathy using transgenic techniques. He is on the editorial boards of journals in both the United States and in Europe and he has served on and chaired numerous study sections including those from the NIH, the American Heart Association, the National Kidney Foundation, and the VA research service.

At Baylor College of Medicine, he oversees the only private health science university in the Greater Southwest, with research funding of nearly $400 million. The medical school is ranked as one of the top 20 for research by U.S. News & World Report and first among all Texas colleges, universities and medical schools in federal funding for research and development.

Graduation signifies entry into your professional career. Some of you will provide direct patient care, while others will enter a research environment where you will be on the front lines of discovery. The world of healthcare and bio-
medical research has changed dramatically over the last 10 years and it will continue to change throughout your careers. And frankly, in my view, it has never been more challenging or confusing than it is now.

Despite having more information than ever, we don’t have the answers to the biggest challenges facing us now. In fact, the ratio of information to knowledge is higher than I have seen in my entire career and probably higher than the last 400 years in medicine when gross anatomy first provided vast amounts of new information with no knowledge of function.

The biggest challenges in American medicine remain without solutions. The first is the method of payment. Moving from volume based reimbursement where the more you do the more you get, to payments based on outcomes, where reimbursement is for providing the right level of care at the right time. Sounds like it makes sense doesn’t it? But what is the right level of care and what is the right time?

How do we measure it and how do we make sure we do the right thing even if it costs more? Needless to say, this is a work in progress. You’ve heard terms like value, population health, prevention over intervention. All this sounds good, but unless we deal with the costs of intervention and the costs of end of life care, we will struggle to bend the cost curve significantly.

The next big challenge is the Affordable Care Act. It was well-intentioned to provide insurance for the uninsured. But the Supreme Court decision protecting the right of states to NOT expand Medicaid has once again left the poor to fend for themselves.

The double negative effect of failing to expand Medicaid at the state level, while the federal government reduces its traditional reimbursements for uncompensated care to hospitals, has left the safety net hospitals like our Ben Taub Hospital at tremendous risk.

The poor and the undocumented residents who were never covered by the Affordable Care Act are bearing the brunt of confusing legislation, misdirected policy, and unfortunate interpretation.

But where there are challenges, there are huge opportunities. And the opportunities in health care have never been greater. Whether it’s new approaches to the discovery of drugs, transformational technologies to expand access to or delivery of care, or novel ways to approach the health of populations, the opportunity to innovate and transform has never been more apparent.

Incremental change will not solve the health care challenges we face in our country. The scientists and physicians graduating today who embrace change and innovation and look for the uncharted path, will be the ones that solve the problems we face.

During your training at Baylor, we have challenged you to be innovative in your approach to patient care and research while always looking for opportunities to link science and research to healthcare delivery. The Baylor College of Medicine approach to education, patient care, and community is to use science and innovation as its foundation.

It’s time to go out and apply these lessons to big problems. And we have really big problems. There has never been more opportunity to meet our challenges through discovery and innovations than now.

To all our graduating physicians and scientists, I challenge you, come up with the solutions. Make a difference.