Honoring trustees who made a difference

Although the C-suite typically commands the spotlight for its actions, behind the scenes, hospital and health system board members do plenty of heavy lifting, particularly when turnover occurs among senior leadership. There is no more critical board responsibility than replacing departing top executives. In their search for successors, board members must find the right match for the hospital's culture and community, often an arduous task. But board challenges don’t end there. Responsibility for confronting—and working to remedy—a hospital or health system’s financial or reputational problems falls to board members, as well as planning for growth. The trustees profiled on the following pages have met these issues head-on.

Modern Healthcare is pleased to present this year’s recipients of the Trustee of the Year Awards, sponsored by executive search firm Witt/Kieffer.

For 2014, Modern Healthcare’s senior editors chose three honorees from more than 60 nominations—one for the category of not-for-profit health systems; one for hospitals with 100 or more staffed beds; and one for hospitals with fewer than 100 staffed beds. Modern Healthcare is not naming a winner in the for-profit system category because of an insufficient number of nominations. Under our editorial policy, award sponsors are not involved in the judging or determination of award recipients.

NOT-FOR-PROFIT SYSTEM

Debbie Dudley Branson BOARD CHAIR | PARKLAND HEALTH & HOSPITAL SYSTEM | DALLAS

Helping Dallas’ public hospital survive a near-death experience

By Jessica Zigmund and Jaimy Lee

When medical malpractice attorney Debbie Dudley Branson was asked to serve on the Board of Managers at Parkland Health & Hospital System in Dallas, she was told the position would require no more than 12 hours a week. But since she accepted the position three years ago, it mushroomed into a 60-hour-a-week job for Branson, who later was elected by her fellow trustees to chair the public hospital’s seven-person board.

She did not foresee the magnitude of the coming crises. Branson became the guiding force leading Dallas County’s all-important safety net system through life-or-death challenges. But Parkland emerged on the other side with significantly improved quality of care and a soon-to-be-opened new central facility. For her achievements, Modern Healthcare has selected her as Trustee of the Year for not-for-profit health systems.

Starting in 2008, the safety net hospital—best known for treating the mortally wounded President John F. Kennedy 50 years ago—faced a series of state and federal investigations into its clinical and financial practices. Those probes culminated in 2011 when the CMS, in a rare move, threatened to exclude the hospital from the Medicare and Medicaid programs, putting at risk $450 million a year in payments. The CMS
action followed investigative articles in the Dallas Morning News in 2010 alleging severe quality-of-care problems; lack of supervision by attending physicians over residents and medical students; and billing fraud. The newspaper accused the hospital of fiercely resisting the release of information about these issues.

But last August, after more than two years of intensive work by Branson and her fellow leaders, the CMS removed the 769-bed hospital from probation and said it was in substantial compliance with federal conditions of participation. During those years of crisis, Branson and the board were instrumental in replacing Parkland's long-standing and nationally known CEO, Dr. Ron Anderson, and in bringing in interim executives to address the system's wide-ranging quality and safety problems.

After more than two years without a permanent president and CEO, Branson and her colleagues recently announced the appointment of Dr. Fred Cerise, who previously served as secretary of Louisiana's state health department.

"It's vastly different," Branson, 59, said of Parkland today versus three years ago. "It's cleaner, it's safer, (and) I think the attitude of the tremendous staff we have is better." The system's working relationship with nearby University of Texas Southwestern Medical Center, which provides most of its physicians, also has improved, she added.

Branson's level of commitment comes as no surprise to her friends and colleagues, who describe her as a natural leader with a tireless work ethic and gift for connecting with people and identifying their strengths. Branson said she is motivated by the opportunity to make a difference. She found that in spades as board chair at the venerable Parkland, which opened its doors in 1894 and came to the brink of being shut down soon after she joined the board.

Parkland, which serves a population of 2.4 million in the Dallas area, faced heavy regulatory scrutiny even before Branson came on. Last year, the hospital announced it would pay $1.42 million and enter into a five-year corporate integrity agreement to resolve a 2010 lawsuit alleging improper Medicare and Medicaid billing.

Branson said this meant the board needed to install an effective interim team and that the entire system had to apply a sharp focus on the 499 to-do items on the corrective action plan. During that period, she and other board members were at Parkland day and night, said Ron Laxton, who became Parkland's chief implementation officer in March 2012 to work on the systems improvement agreement and is now chief operating officer.

Laxton said Branson, who was first elected to a one-year term as board chairman in March 2012, was unwilling to accept defeat on any quality issue. She also maintained a constant presence with both the hospital's leadership and its clinicians. "She just has that calmness under fire that you have confidence in her leadership skills," Laxton said.

Parkland used the corrective action plan as an opportunity to implement systems and performance improvements, create changes within the organization, and secure Parkland's future as a leading healthcare institution, Laxton wrote in his letter nominating Branson as a Trustee of the Year. "Her listening skills and ability to ask cut-to-the-chase questions served Parkland well during each phase of the CAP and beyond," Laxton wrote.

All that work paid off, when the CMS finally determined last summer that Parkland had met the conditions of participation.

But some think Parkland still has more work to do. John Wiley Price, the ranking member of the Dallas County Commissioners Court, which oversees Parkland, remains hesitant to call Parkland a success story. "They are now where they should have been all along," said Price, who has criticized Branson and the Parkland board for its protracted CEO search process and an alleged lack of transparency. "I have hopes for Parkland.

CAREER HIGHLIGHTS

BOARD SERVICE
February 2011: Appointed to board of managers
March 2012: Elected to serve as board chair (one-year term)
February 2013: Re-elected to serve as board chair

PROFESSIONAL BACKGROUND
1980-83: Practice of general law, Arnold, Lavender, Rochelle, Barnette and Franks
1983-present: Personal injury trial practice, Law Offices of Frank Branson
When Billy Ocasio learned that Norwegian American, the hospital where he was born, was in danger of shutting its doors, he knew right away he needed to get involved. As a native of Humboldt Park, a largely Puerto Rican community on Chicago’s northwest side where Norwegian is located, Ocasio says the hospital has always played a critical role in the working-class community. The loss would have been tremendous.

“There are so many families that cannot afford medical care, supplies or food,” he said. “For a community like this, where you have a lot of people uninsured or underinsured, the hospital means a lot.”

After serving 16 years as a city council member representing the Humboldt Park area, in 2009 Ocasio joined the board of Norwegian, a 200-bed, acute care facility originally established in the late 1800s. He was named to the selection committee to search for a new CEO and knew he wanted somebody who really understands and has a passion for public healthcare, and has a vision and ability to create a strategy to take Parkland to a higher level,” Branson said.

And Branson will stick around to oversee this new and better period of Parkland’s history and make sure Cerise’s tenure is successful. Last week, the board elected her as chair for the third time.

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pull the hospital out of dire straits who also connected with the community.

Ocasio’s committee selected Jose Sanchez, who at the time was the senior vice president of Generations+Northern Manhattan Health Network in New York City. “One of the first questions (Ocasio) asked me was about my involvement in New York with the Puerto Rican and Latino communities,” recalls Sanchez, who accepted the position as president and CEO in 2010, moving to Chicago from the Bronx. “Mr. Ocasio wanted to make sure the person elected would bridge the gap between the hospital and the community.”

Last year, Ocasio was elected to serve as chairman of the board of trustees for Norwegian.

Sanchez says he has continued to be impressed by Ocasio’s relentless and proactive efforts to create opportunities to bridge the gap between residents and the hospital, and to engage the community in battling health disparities.

For his accomplishments, Ocasio, 52, is Modern Healthcare’s 2014 Trustee of the Year for large hospitals, those with 100 or more beds.

One of Ocasio’s most noteworthy efforts is his role in Hope Fest, considered to be the largest back-to-school event in Chicago. Started in 2006 by New Life Covenant Church, the end-of-summer festival provides free resources, including school uniforms, notebooks, groceries and haircuts, to ensure children start the school year with everything they need. The church had been holding the event in Humboldt Park. But in 2012 Ocasio saw an opportunity for Norwegian American to get involved. He worked with the hospital and the Rev. Wilfredo DeJesus, pastor of New Life Covenant, to move the event from the park to the hospital grounds. The festival, which already included free medical screenings, dental care and health education, added volunteer aid from the hospital’s physicians, nurses and emergency services staff.

“That provided even more resources for people in the community” DeJesus said. “Whatever the hospital had to offer, from facilities to the parking lot, they allowed us to use, carte blanche, to reach thousands of children.”

Sanchez agrees the integration proved to be a boon for the community. “The effort was to ensure people knew there was an institution here that cares about the community and is helping them, by connecting their spiritual lives with what they need to remain physically healthy,” Sanchez said. “Whatever it takes for the betterment of the community, Mr. Ocasio will just do it, and this reflected his continued focus.”

One of his main concerns has been to address the health disparities that disproportionately affect the neighborhood’s Hispanic community.

Ocasio played a major role in connecting the hospital with a program called Vida/SIDA, a not-for-profit, community-based HIV/AIDS program that provides awareness, sexually transmitted disease testing, counseling and outreach to high-risk individuals. The epidemic has been a major concern among Chicagoans, and especially among the Hispanic population. To address the problem in Humboldt Park, Ocasio offered Vida/SIDA free hospital space where the group could increase its influence, while continuing to educate and support the community.

He was also instrumental in establishing a partnership with the Greater Humboldt Park Community Diabetes Empowerment Center. A 2008 report analyzing the prevalence of obesity among children in six Chicago communities found that rates were disproportionately high; in Humboldt Park, 48% of local children were obese, a huge concern for public health officials. The Diabetes Empowerment Center also sought attention for its Block-By-Block initiative, which offered a community-focused resource for people who either had diabetes or were at risk for developing the disease. Thanks to efforts by Ocasio and others, the group now has office space at the hospital where advocates can distribute information, host cooking demonstrations and provide weight control and meal planning classes.

These community health initiatives help ensure that residents have what they need in an easily accessible manner, Ocasio says. “I have a holistic approach to dealing with healthcare. We don’t just want to deal with illness, we’ve got to deal with the whole person. Because this is a poorer community, people tend to come in when it’s an emergency. And so part of what we want to do is help educate and try to prevent things from happening before they get too serious.”

Even before his commitment to the hospital, Ocasio already had an impressive list of accomplishments.

He served as a housing rehabilitation specialist with Latin United Community Housing Association from 1990-1992. For more than 16 years, from 1993 through 2009, he served as a Democratic alderman in Chicago’s 26th Ward, which includes Humboldt Park. During his four terms, he was instrumental in pushing for affordable housing, construction of a new library and a vocational center.

In June 2009, Ocasio became a senior adviser on social justice issues for Illinois Gov. Pat Quinn’s leadership team. After two years, he became community affairs director for the Illinois Housing Development Authority, continuing his pursuit to increase affordable housing in the city. In 2013, when he retired from government, he chose to give back to the community in a different way, becoming president and CEO of the Institute of Puerto Rican Arts & Culture.

Sanchez says he was impressed with Ocasio’s reasons for leaving government work. “He’ll tell you, ‘The community needs me more. I will be much more valuable as an advocate fighting for the needs of my community in terms of healthcare, economic empowerment and education than I can in government with a narrow focus.’” Sanchez said.
Rebuilding a hospital’s reputation

By Virgil Dickson

For years, 49-bed McDowell Hospital in Marion, N.C., was a facility that people would go out their way to avoid. Residents of the town and surrounding rural area in the far western part of the state would more likely drive 35 miles to 744-bed Mission Hospital in Asheville, N.C.

The reasons McDowell was spurned included long lines for treatment, a shabby facility, outdated equipment, and a well-deserved reputation for subpar quality of care and dismal customer service, says McDowell’s new CEO, Lynn Boggs. The hospital had been operating in the red for years and was on the brink of closure in the mid-2000s. It was saved only through an acquisition in 2004 by Mission Health, the owner of its main rival, Mission Hospital. The health system invested $22 million over seven years to cover operating and capital costs, including new technology.

Even Harold Walker, 60, a member of the not-for-profit hospital’s board from 1998 to 2002 who returned to the board in 2010 and served as chairman until the end of 2013, said he avoided using McDowell when his sons were born in the late 1970s. Walker, a lifelong resident of the community, said he couldn’t trust that the staff would be able to provide the care his wife would need if something went wrong.

Walker’s background is in banking, having held several senior positions during his 28-year tenure at First Citizens Bank in Marion, including his current role as market executive. Before First Citizens, he worked for 10 years at another bank in Marion. Between his banking background and the fact that he had been in the community all of his life, Walker said he believed he knew how to help transform McDowell Hospital into a better healthcare provider.

Walker is widely credited with leading that turnaround. For his accomplishments, he is Modern Healthcare’s 2014 Trustee of the Year for small hospitals.

In 2011, during his tenure as vice chairman of McDowell’s board, Walker joined the CEO search committee that led to the hiring of Boggs, a registered nurse and executive with more than 35 years of experience in healthcare administration. She was brought in to replace Edward Hannon, who had resigned as CEO that year. At the start of 2012, Walker became board chairman; Boggs started her duties in February of 2012.

“We realized together that we faced some uphill battles,” Boggs said. “Our quality scores were abysmal.”

In consultation with the board, she immediately turned her attention to improving customer service through simple steps such as separating the check-in points for ambulatory and inpatient services, reducing prolonged wait times in both departments.

Capitalizing on his close ties with the business community, Walker also focused on developing new services, including having McDowell offer a more comprehensive occupational medicine practice that would provide health and wellness programs to small businesses, corporations and the community at large. Services include workers’ compensation injury management, drug screenings and health fairs.

Another way Walker worked to rebuild trust in the hospital was to begin what he calls fireside chats in the community to keep residents up to date on issues such as healthcare reform. Both he and Boggs participate in the events. “Healthcare is changing and a lot of people don’t know what those changes are,” Walker said. “The hospital has to be the leader in educating the community.”

Walker also has worked to improve the relationship between McDowell and its parent, Mission Health. For years the relationship could be characterized as an “us versus them mentality,” said Dr. Ronald Paulus, president and CEO of the health system. McDowell turned to the system when it needed financial support or a place to refer more complex patients, Paulus said. But there was limited collaboration in other areas.

When the system acquired the hospital, the objective was to bring new resources and services to the community while allowing the hospital to continue operating independently. But relations between the two entities remained strained.

Paulus said the situation began to turn around following a board meeting during which Walker stood up and pointed out to his fellow board members that McDowell and Mission Health “were in this together” trying to navigate the rapidly changing healthcare landscape and that they needed to become more integrated to make the relationship work.

Soon, back-office functions such as marketing and finance were centralized, just one of the changes that helped slash costs. By the end of the hospital’s fiscal 2013, financial and quality initiatives introduced by Walker and Boggs helped the hospital post net income of $900,000, up from $50,000 the year before. Previously, the hospital had been operating in the red for many years. Last year’s margin was the largest the hospital had generated in decades, Boggs said.

CAREER HIGHLIGHTS

BOARD SERVICE
1998-2002: 2010 to present: member
2011: vice chairman, member of CEO search committee
2012-13: chairman

PROFESSIONAL BACKGROUND
1975-85: Northwestern Bank, Marion, N.C., city executive
1985 to present: First Citizens Bank, Marion, N.C., including senior leadership positions; currently market executive
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