Position Specification

PeaceHealth Medical Group
Chief Operating Officer

CONFIDENTIAL
Prepared by
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Mark Andrew
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This Position Specification is intended to provide information about PeaceHealth Medical Group and the position of Chief Operating Officer. It is designed to assist qualified individuals in assessing their interest.
The Organization

PeaceHealth Medical Group – Caring for Many Communities

At PeaceHealth Medical Group, more than 500 experienced doctors and over 300 allied health-care providers from more than 40 medical specialties practice in dozens of PeaceHealth clinics and hospitals across the Pacific Northwest. PeaceHealth Medical Group includes medical doctors, surgeons, nurse practitioners, audiologists, chiropractors, dietitians, hospitalists, optometrists, ophthalmologists, physician assistants, physical and speech therapists, psychiatrists, midwives, nurse anesthetists and licensed clinical social workers. Together, the providers in each community offer a wide spectrum of services, from a routine wellness exam, diabetes management or a major operation to the birth of a new baby, pediatric immunizations or care during a hospital stay. Providers are as diverse as the communities they serve, but they have the most important things in common:

All are dedicated to carrying on the healing mission of Jesus Christ by promoting personal and community health, relieving pain and suffering and treating each person in a loving and caring way. All share the same vision of every PeaceHealth patient receiving exceptional, compassionate evidence-based care, every time, every touch and all strive to live out the values that are at the heart of what make PeaceHealth a special, caring place.

PeaceHealth Medical Group (PHMG) currently consists of six geographically dispersed multispecialty groups operated in five distinct markets aligned with PeaceHealth’s hospitals across Oregon, Washington and Alaska. The health system is currently organized into five regions to include Oregon Region (Eugene/Springfield, OR), Siuslaw Region (Florence, OR), Lower Columbia Region (Longview and Vancouver, WA), Whatcom Region (Bellingham, WA), and Southeast Alaska Region (Ketchikan, AK). The providers in these regions consist of:

<table>
<thead>
<tr>
<th>Region</th>
<th>Primary Care</th>
<th>Specialist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oregon Region</td>
<td>152</td>
<td>90</td>
</tr>
<tr>
<td>Siuslaw Region</td>
<td>23</td>
<td>14</td>
</tr>
<tr>
<td>Lower Columbia Region</td>
<td>106</td>
<td>173</td>
</tr>
<tr>
<td>Whatcom Region</td>
<td>56</td>
<td>84</td>
</tr>
<tr>
<td>Southeast Alaska Region</td>
<td>14</td>
<td>19</td>
</tr>
</tbody>
</table>

PeaceHealth’s Medical Groups in each region are integral to PeaceHealth’s ability to fulfill its mission. The PeaceHealth ministry is dependent upon the delivery of high quality, patient centered, compassionate care. The operational and financial performance of the medical groups varies from region to region, as well as within each region. To optimize clinical, service, safety, operational and financial performance and reliability, PeaceHealth’s medical groups must standardize processes, define and implement best practices, and improve performance.

Structurally, the six medical groups must become one medical group -- with clear, matrix accountabilities for delivery of both system and community networks of care. The proposed changes in PHMG will provide the medical and operational capabilities necessary to support community networks, top decile performance, and bundled reimbursements should they become available.
Creation of a Single Medical Group

The objective of a single medical group is to provide infrastructure, oversight and the leadership needed to ensure consistent levels of performance and outcomes across all PHMG practice sites and regions. The previous siloed reporting structure hindered the organization of care around standardized best practices and has produced great variations in the quality, accountability, service and/or financial performance of the group. In the new model, System PHMG leadership is responsible for developing a single Medical Group strategy and vision, and for establishing standard performance benchmarks, operating procedures and support across all practices. Standards and targets will be based upon industry best practices, PHMG strategic goals, PeaceHealth priorities, and local market dynamics.

The expected outcome is for PeaceHealth Medical Group to be capable of delivering “best practice” professional care and service to its communities through a financially sustainable medical group. A well integrated medical group has the opportunity to serve as the core of PeaceHealth’s strategies for clinical excellence and integrated care delivery.

PeaceHealth

PeaceHealth, a Washington not-for-profit corporation with its System Office located in Bellevue, Washington, is sponsored by the Sisters of St. Joseph of Peace, and is recognized to be a Pontifical Private Juridic Person (PPJP) by the Roman Catholic Church. PeaceHealth was founded in 1976 to consolidate the health care ministries of the western province of the Sisters of St. Joseph of Peace.

Today, PeaceHealth operates five regional health care delivery systems plus a regional laboratory known as PeaceHealth Laboratories. PeaceHealth employs 14,000 caregivers and operates eight hospitals ranging in size from 14 to 450 beds, physician groups, a nursing home, chemical dependency services, various medical complexes and other services. Net operating revenues in fiscal year 2010 (June 30) exceeded $1.4 billion with a positive operating EBITDA. A credit rating of AA- was recently reaffirmed by S&P (AA rating from Fitch). PeaceHealth is a founding shareholder in Premier, Inc. In a recent study conducted by Thomson Reuters, a leading source of health research and information, PeaceHealth was named one of the top 50 health systems in the nation for quality and efficiency.

Mission

We carry on the healing mission of Jesus Christ by promoting personal and community health, relieving pain and suffering, and treating each person in a loving and caring way.
Core Values

- **Respect**: We value and respect the role and voice of the patient and their caregivers. We value and reward leadership, clinical excellence, compassionate patient-centered care, and personal development. We value professional and personal clinician engagement.

- **Stewardship**: We promote fiscal responsibility. We value meaningful, transparent, objective, and succinct performance expectations and incentives that are internally equitable and are anchored to and consistent with external benchmarks. We uphold and incorporate compliance with all external laws and guidelines.

- **Social Justice**: We promote social responsibility. Our doors are open to all people in our communities. We compensate our providers for medically necessary care provided regardless of a patient’s ability to pay. We strive to be fair, reasonable in our compensation policies and practices and review the Compensation Plan regularly to ensure alignment with the external market.

- **Collaboration**: We value collaboration with and engagement of providers in the design and ongoing evolution of our Compensation Plan. As market-driven factors and regional/community needs evolve, so will our Compensation Plan, as long as such evolution is always consistent with our mission and values. We strive to provide a balance between individual performance and group performance.

Vision Elements

*Every PeaceHealth patient will receive safe, evidenced-based, compassionate care; every time, every touch.* As the premiere health care system in the Northwest, consistent with their mission and heritage, PeaceHealth:

- Is known for a healing culture that is patient-centered and family friendly.
- Innovates to achieve superior clinical and operational outcomes.
- Is financially strong.
- Maintains a substantial market presence in its natural market areas.
- Continuously learns and improves as individuals, as teams, and as an organization.
- Continuously improves access to care.
- Promotes health care in its communities that is coordinated and seamless.
- Creates an environment that is highly satisfying for employees and physicians.
- Collaborates with its communities to measure and improve community health.

**PeaceHealth's System Services** office in Bellevue, Washington, is in the process of relocating to Vancouver, Washington over the next 18 months. With 605 caregivers, the system office supports regional operations with a variety of shared services including finance, human resources, IT, legal, strategy, planning and innovation, and supply chain management. Led by Alan Yordy, President and Chief Mission Officer, the PeaceHealth Executive Team (PHET) meets monthly and focuses on strategic issues and management accountability.

PeaceHealth is guided by the PeaceHealth Board of Directors and by regional Governing Boards in each of the five service areas in Oregon, Washington and Alaska. These volunteer board members are community leaders who fully partner with PeaceHealth in making and supporting decisions based
on our Mission and Values as well as our Vision for the organization—that every PeaceHealth patient receives safe, evidence-based, compassionate care: every time, every touch. Regional Governing Boards are also charged with setting policy regarding quality, stewardship, planning, community service and advocacy.

Additional information about PeaceHealth can be obtained by visiting www.peacehealth.org.

Position Summary

This is essentially a start up position due to the recent integration of the previously independent regional medical groups. Working as a dyad with the Chief Executive Officer, the COO holds primary responsibility for all aspects of the operation ensuring the successful integration and operation of PHMG moving forward. Partnering closely with the physician Chief Executive Officer, the Chief Operating Officer will provide overall leadership and strategic direction to PeaceHealth Medical Group operations to insure that practice site management has the focused operations, facilities, operating systems, information systems and resources to achieve optimal health outcomes. Additionally, the COO collaborates closely with the leadership of system-wide support departments to ensure effective operations.

The position provides executive leadership, guidance, coaching, and mentoring for the PHMG leadership in the locations. The COO shall continuously exemplify the PeaceHealth Leadership Model in job performance and in relationship to others.

This key leadership role will insure that practice facilities’ size and number are appropriate to the scope of patient services provided and are maintained in a manner that will achieve positive patient satisfaction. As a key member of the PHMG executive leadership team, the COO will oversee the integration of new physician practices into the organizational structure to meet PHMG’s growth objectives and will facilitate the effective adoption of information technologies to insure safe and effective patient care processes. S/he will effectively manage the overall cost structure of PHMG through the development of effective support management functions and will create efficiencies in systems and processes through utilization of Performance Improvement and LEAN methodologies.

Reporting Relationships

The Chief Operating Officer reports to the PHMG CEO, Howard Graman, M.D. Reporting to the Chief Operating Officer will be multiple Regional Vice Presidents from each of the regions and Director of Performance Excellence and Optimization.

Responsibilities

- **Strategic Planning:** In conjunction with the PHMG CEO and Medical Group Leadership Team (MGLT), the COO participates in and leads annual strategic and operational planning for PHMG in order to ensure the growth and development of Physician Services consistent with the vision and strategy of PeaceHealth and PeaceHealth Medical Group.

- **Patient Safety:** Focuses on continuous quality improvement and patient safety issues such that PHMG performs in the top decile nationally for patient outcomes and safety.
• **Compliance:** In collaboration with other regional leaders and the PHMG CEO, ensures that PHMG is in compliance with all regulatory requirements.

• **Fiscal responsibility:** Works to optimize clinical quality in practices which are aligned with fiscal responsibility. In collaboration with the PHMG CEO, is responsible for achievement of PHMG systemwide financial performance.

• **Liaison:** In conjunction with the PHMG CEO, serves as the senior PHMG liaison between system PHMG and regional leadership. Establishes and maintains collaborative relationships and successful alignment with each hospital service area and support centers management team, other joint venture physician partners, PH Laboratories, Home Health, and other organizational entities with PeaceHealth to insure the success of an integrated physician-hospital platform.

• **Policies:** Participates in the planning, organization, and administration of general and medical policies and procedures in the medical group through membership in a variety of committees. In conjunction with the PHMG CEO, ensures that policies are developed that adequately provide direction and support for superior standardized performance. Ensures that there is adequate medical group leadership for the development of related system initiatives that drive the clinical delivery of care. Along with the PHMG CEO and regional CEOs, is accountable for the implementation and performance of PHMG within those systemwide policies.

• **Spokesperson:** In collaboration with the PHMG CEO, is an executive ‘voice’ for PHMG at the system level.

• **Oversight:** In collaboration with the PHMG CEO, establishes the PHMG executive team who are accountable for leading and achieving the goals and outcomes of the medical group. Members of the executive team will include representation from the following (may not be limited to): clinical practice and regional operations, accounting and finance, culture and people (HR) and business development.

• **Day-to-day operations:** The PHMG CEO and COO are responsible for designing functional teams and care improvement approaches to further PeaceHealth mission with oversight to ensure organizational standards and performance outcomes. Provides overall administrative direction and leadership to senior management, physician management and other professionals and staff within the organization.
Goals and Objectives

It is expected that the Chief Operating Officer will achieve the following in the first 18 months:

- **Integrate effectively** with PeaceHealth and be seen as a business partner to senior leaders within the health system.

- **Create infrastructure** to manage a single, large, fully integrated multispecialty group that is geographically dispersed. Standardize organizational structure, systems and processes across the regions that align with the overall PHMG strategy. Create a management team and staff to support these efforts that will include a centralized referral and call center. Be able to effectively integrate newly acquired groups or individual physicians.

- **Create a culture of accountability** within PHMG based on business analytics to include metrics and dashboards developed collaboratively with the Medical Group Leadership Team. Overall decrease costs and waste in the system by ensuring the right level of caregiver is performing the service.

- **Support the Clinical Agenda** by assessing practice performance and creating reporting tools that will track quality and financial metrics by physician and location. Create specialized plans for each physician to grow his/her practice and maximize productivity. Continue the implementation of the physician compensation plan across all practices, gain the confidence of physicians that the plan is fair and accurate.

- **Improve systems** by implementing a strong ICD-10 coding and capture system as well as the new electronic medical record. Presently the organization uses GE Centricity, but is likely to change to Epic.

- **Develop a primary care medical home base** to improve access, reduce utilization, and improve care delivery in order to be successful in the new era of healthcare reform.
Candidate Qualifications

PeaceHealth Medical Group is seeking an individual with the following qualifications who will be a colleague to the Medical Group Leadership Team (MGLT) and make a long-term commitment to the organization:

Education

- Graduate degree in healthcare/hospital administration or business administration is required.
- Fellow or Certified Medical Practice Executive (CMPE) in American College of Medical Practice Executive is preferred.

Experience/Training

- Ten to fifteen years of progressive leadership and management experience in health care administration, preferably in a medium to large size multi-specialty group practice with multi-site responsibility. Must know the details and metrics of running a successful medical group practice including staffing models, physician compensation models, benefits, quality, utilization and case management, etc.
- Experience working in an integrated delivery environment is preferred.
- Significant ambulatory experience/physician management experience required.
- Familiarity with information systems and regulatory compliance issues, particularly for the business operations of physician groups.
- Solid knowledge of finance, cost control, productivity enhancement, operations and information systems, scheduling and patient flow is essential; must know the details of running a successful medical group practice (both the front and back ends) within an integrated delivery system to successfully lead the integration.

Qualifications and Skills

- Demonstrate an understanding and commitment to the PeaceHealth Mission, Core Values, and Leadership Model and role-model the attributes (see attachments).
- Knowledge of the organization dynamics of physician/hospital organizations.
- Ability to prioritize and simultaneously manage several projects/issues.
- Ability to serve as a team player and team leader and effectively supervise professional and non-professional staff.
- Skillful and proven leader of transformational change.
• Pragmatic, team player that effectively engages providers and staff to achieve exceptional operational outcomes.

• Respected by physicians and non-physician colleagues.

• Outstanding relations with physicians and proven effectiveness in guiding physician’s behavior; a style which emphasizes openness, respect, and communication will meet with the greatest success; must have a successful track record of building physician support and loyalty.

• Ability to work within a highly complex environment with fast paced, ambiguous environment with multiple priorities.

• Personal characteristics associated with an executive including self-confidence, political savvy, intelligence, maturity, commitment, creativity, enthusiasm, sensitivity, patience, flexibility, integrity and tolerance for ambiguity.

• Capable of serving as a spokesperson and leader of PHMG and successfully communicating the vision to others.

• Ability to recognize, balance and facilitate the diverse needs of hospital sites and the medical group to achieve agreed upon organizational objectives.

• Understanding and use of CQI/Lean/CAPFL principles.

• Understanding of Physician Practice law and Stark laws.

Interpersonal Behavior:

• Demonstrates a caring, respectful and compassionate attitude towards all people.

• Takes responsibility for personal growth.

• Takes initiative to meet the challenges within the environment.

• Oriented toward solutions through collaboration.

• Comfortable meeting, listening and communicating in person, on the telephone, and making presentations to groups.

• High energy, action orientation, nimble, innovative, creative and takes initiative. An upbeat people person with superb interpersonal skills, political savvy, and an ability to work in a highly collaborative, complex organizational environment.
The Community

Vancouver, Washington

Vancouver, Washington sits on the north bank of the Columbia River directly across from Portland, Oregon. The Pacific Coast is less than 90 miles to the west. The Cascade Mountain Range rises on the east. Mount St. Helens National Volcanic Monument and Mt. Hood are less than two hours away. The spectacular Columbia River Gorge National Scenic Area lies 30 minutes to the east. Vancouver combines the excitement of a major metropolitan area with small-town charm and abundant recreational opportunities. Incorporated in 1857, it is the fourth largest city in the state with a 2010 census population of 161,791 as of April 1, 2010. Vancouver is the county seat of Clark County and forms part of the Portland-Vancouver metropolitan area, the 23rd-largest metropolitan area in the United States.

For additional information on the Vancouver area, visit the following websites:
http://www.southwestwashington.com  http://www.co.clark.wa.us

Portland, Oregon

Portland, Oregon has a population of 540,000 (approximately 1.95 million in the metropolitan area) and has been ranked as North America's "Best Big City" by Money magazine. Portland has an unmatched natural beauty, an exciting balance of historic and contemporary architecture, a bustling local scene and great dining — all easily accessed by the city’s light-rail and bus system. Portland’s high-tech industry, progressive social services and supportive business environment make Portland a rich center of cultural entertainment. Portland’s unique and thriving festivals, dining spots and abundant natural spaces keep it consistently among the nation’s travel hotspots. Portland has the personality of a small community and the activities and vitality of a large city.

Portland is recognized as one of the most environmentally diverse areas of the U.S. and certainly one of the most environmentally conscious. With moderate temperatures and varied and beautiful terrain, Portland is the quintessential outdoor city. The Pacific Northwest abounds in natural wonders, from rugged ocean coastline to high desert and from mountain peaks to Hells Canyon. Forest Park offers 40 miles of wilderness trails, streams and woods within the city limits. Hiking, biking and exploring opportunities are always close at hand. Smith and Bybee Lakes display stunning wildlife and have great flatwater paddling in America's largest protected wetland within a city.

Whether you travel around Portland by train, bike or on foot, inspiring views are guaranteed. With four ski resorts and North America's longest ski season (including 90 summer days), 11,235-foot Mt. Hood is a mecca for skiers, ice climbers, snowboarders and hikers. The surrounding wilderness boasts spectacular trails for snowshoeing as well as cross-country skiing. All of this is just an hour's drive from Portland's city center. Long recognized as a fisherman's haven, the Pacific Northwest is rich with salmon, steelhead, trout and sturgeon.

For more information about the Portland area, visit the following websites:
Procedure for Candidacy

The search process is currently underway and will continue until the position is filled. Nominations, expressions of interest, and applications including a cover letter and resume should be submitted electronically to Elaina Spitaels Genser or Mark Andrew, the executive search consultants supporting PeaceHealth in this search.

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Fax:  949/851.2412  
Email:  marka@wittkieffer.com

Every employee is a valued member of this team and so PeaceHealth refers to all employees as "caregivers" in order to recognize the important care giving role of everyone in the organization.

PeaceHealth is committed to providing a workplace free from all forms of unlawful discrimination. PeaceHealth is therefore committed to a policy of affirmative action and equal employment opportunity. Any discrimination based on race, color, religion, age, sex, national origin, veteran or marital status, sexual orientation, handicap or disability as well as any other basis protected by local, state or federal law is prohibited.

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## PeaceHealth Leadership Model

<table>
<thead>
<tr>
<th>If you are a PeaceHealth Senior Leader...</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vision</strong></td>
</tr>
<tr>
<td>- Provides strategic, relationship-centered, and spiritual leadership.</td>
</tr>
<tr>
<td>- Commits to inspiring a vision of patient-centered care within the traditions of the Sisters of St. Joseph of Peace, our values, and our mission.</td>
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<tr>
<td>- Ensures we leave a legacy in the communities we serve.</td>
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<tr>
<td><strong>Alignment</strong></td>
</tr>
<tr>
<td>- Creates strategic and operational plans that guarantee organizational viability and sound business practices.</td>
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<tr>
<td>- Demonstrates a thorough understanding of systems thinking in a complex environment.</td>
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<tr>
<td>- Challenges the organization for congruency.</td>
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<tr>
<td>- Strengthens infrastructures, systems, and processes to ensure they are designed to achieve outcomes.</td>
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<tr>
<td>- Engages the right people and ensures they are available to accomplish desired results.</td>
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<tr>
<td>- Operates facilities that create and sustain a healing environment.</td>
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<tr>
<td>- Recognizes the critical importance of relevant data and meaningful information to inform decisions.</td>
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<tr>
<td><strong>Inspiration</strong></td>
</tr>
<tr>
<td>- Serves and strengthens people by giving power away, providing choice, developing competence, assigning critical tasks, and offering visible support.</td>
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<tr>
<td>- Fosters the human spirit to bring a deeper sense of meaning to the workplace.</td>
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<tr>
<td>- Celebrates the unique talents and contributions of individuals and teams.</td>
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<td>- Grows leaders by mentoring, modeling and teaching.</td>
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<tr>
<td>- Holds self and others accountable to the same high standards.</td>
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<tr>
<td><strong>Communication</strong></td>
</tr>
<tr>
<td>- Promotes high-trust relationships through interactive, accessible, timely, relevant, and inclusive communications.</td>
</tr>
<tr>
<td>- Synthesizes and translates complex concepts and information into understandable messages that inspire and inform.</td>
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<tr>
<td>- Speaks authentically, truthfully, and keeps promises.</td>
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<tr>
<td>- Listens respectfully for understanding and meaning.</td>
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<tr>
<td>- Creates and welcomes opportunities for others to provide input.</td>
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<tr>
<td>- Projects credibility, grace and poise even in highly visible, adversarial situations.</td>
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<tr>
<td>- Assumes responsibility for how communications are received.</td>
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<tr>
<td><strong>Continuous Improvement</strong></td>
</tr>
<tr>
<td>- Champions healing and compassionate care and clinical and operational excellence through seamless, integrated, evidence-based and outcomes-focused approaches.</td>
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<tr>
<td>- Advocates for the centrality of patients and their families in all aspects of their care.</td>
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<tr>
<td>- Challenges the status quo and existing assumptions, including public policy.</td>
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<tr>
<td>- Has courage; inspires people to embrace change, take calculated risks, and develop bold and creative solutions. Learns from past mistakes, expects others to do the same.</td>
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PeaceHealth Leadership Model

Attributes:
- Integrity
- Humility
- Compassion
- Relationship-Centered
- Outcomes-Focused
- Passion
- Spirituality

Catholic Health Care Ministry
- Mission, Values & Ethics
- Desired Culture
- Vision Elements

Job Functions:
- Vision
- Alignment
- Inspiration
- Communication
- Continuous Improvement

in service to our patients and our communities

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