

Hennepin Healthcare System, Inc.
Annual Board Meeting Transcript
April 24, 2013

Michael Opat
Chair, Hennepin County Board
Member, Hennepin Healthcare System, Inc. Board

Good afternoon. I'm Mike Opat, Chair of the Hennepin County Board and Member of the Hennepin Healthcare System Board of Directors. And I'm pleased to welcome all of you here to the annual meeting of the Hennepin Healthcare System. On behalf of the county board, I especially want to thank the citizens who have volunteered to serve on the health system board during this past year. I also want to thank the talented staff of HHS in whatever their capacity.

Overall, Hennepin County is a very large organization. And though not always very visible, we do many things that touch thousands of lives directly or indirectly every day. For instance, we build and run libraries. There are 41 of them in our system today, including this one, that are visited close to 6 million times a year. We are responsible for more than 2,000 lane miles of roads, 146 bridges, and we plan and help manage transit within the county. We manage a recycling program that recycles 570,000 tons of garbage each year and processes another 365,000 tons to generate energy.

We maintain public safety through our corrections department, our sheriff's office, and operate 4 correctional institutions and supervise nearly 30,000 offenders. We assure that all people's basic needs are met through a comprehensive delivery of human services and public health programs which make up 45% of our annual budget. And since Hennepin County took over General Hospital from the City of Minneapolis in 1964, we own the largest public teaching hospital in the state in Hennepin County Medical Center and are the state's largest provider of care to indigent and vulnerable populations.

In the full history of HCMC since it opened, I doubt there has ever been a quiet time or one of little change and no challenges. Certainly today we face strong headwinds serving a significant proportion of patients whose care is paid for by public programs that reimburse us less than it costs to deliver the care. You'll hear more about our challenges and our successes from other speakers today, so I'll close by noting that no one in America has healthcare figured out. Every aspect of healthcare, from what kind of provider you as a patient will see, to where and how you will have that encounter, to how much it will cost, to the division of responsibility for payment, is under debate and consideration. We at HHS and at the County are actively working to figure it out our way and will continue to do so.

I'm pleased now to introduce the chair of the Hennepin Healthcare System Board and former mayor of Minneapolis, Sharon Sayles Belton.

Sharon Sayles Belton
Chair, Hennepin Healthcare System, Inc. Board

Thank you Michael for your commitment, and I want to thank the Hennepin County Board for your enduring commitment to Hennepin County Medical Center.

Thank you to the members of the Hennepin Healthcare System board for the work that you do. I invite you to stand and be recognized.

I also want to take this opportunity to thank the members of the Hennepin Health Foundation board, and the Minneapolis Medical Research Foundation board. Please stand and be recognized.

And a special thanks to the medical center physicians and staff who are here today. The board recognizes your dedication and commitment to your patients, first and foremost, and we thank you for all that you do to serve our community. We understand the challenges that public teaching hospitals like HCMC face. They are many. In spite of these challenges, we are inspired by the potential in the human resources – the intelligence and the passion that propels you to do what you do, each and every day, for each and every patient who comes through the door.

This has been a year of change for HCMC with the transition in leadership. In a few minutes, you will hear from our new Chief Executive Officer Dr. Jon Pryor. As you get to know Dr. Pryor, I know you will be as impressed as I am with his vision, his intelligence, and his genuine enthusiasm for this place that he first got to know as a resident in the Department of Surgery more than thirty years ago.

I believe his enthusiasm for Hennepin County Medical Center is as strong today as it was 30 years ago, and I share that enthusiasm for this outstanding institution.

Think about it. The main campus is in a neighborhood that is fast becoming the epicenter for development in the Twin Cities. When we were here a year ago we didn't know what was going to happen next, and now we know we're about to see more housing, more offices, and a new football stadium for the Vikings, commonly referred to as "the people's stadium". A people's stadium right across the street from the people's medical center. Wow – I'm excited about that.

HCMC is owned by the people it serves in Minneapolis and the people we reach out to in Brooklyn Park, and Brooklyn Center, and Richfield, and Bloomington, and St. Anthony Village, and Chaska...and this fall when we open new neighborhood clinic... in Golden Valley.

We are expanding our outreach to the residents of Hennepin County and I'm pleased to report that while we held our share of the market in 2012, we increased the number of people served in the hospital and the number of people seen in our clinics.

This is growth in a time when some other hospitals and healthcare systems aren't growing and it tells me that we have what it takes to face the future with confidence.

And now I'd like to take a moment to acknowledge an individual who played a key role in the past six years of our journey. In our audience today is a man who helped HCMC make the transition to a new governance model in 2007 as a member of our first hospital board. He brought a wealth of health care experience to the board, and put it to good use as chair of the HHS board.

Last summer, when CEO Art Gonzalez announced that he was leaving and the board needed to find an interim CEO, we were fortunate to be able to convince David Jones to walk away from retirement and back into that leadership role - and from August of 2012 to April of 2013, David served HCMC very well. He brought a no-nonsense, let's-be-clear-about-our-priorities, style of leadership that had an almost immediate impact on our quality and safety results.

David left the board to become interim CEO, and he won't be returning to the board, so today we want to say thank you David, for your extraordinary service. David....

David Jones, former interim CEO

I really do appreciate this. Quite frankly, people go to work for all kinds of reasons, and the most important is the psychic gratification. And I will tell you that this job has provided me with more psychic gratification than any money in the world could provide.

It is a wonderful, wonderful institution, it has got a great future, and I am very, very pleased and proud to have been part of it. And quite frankly, this whole thing is a capstone to my career, so I thank you Sharon, I thank you the Board, my colleagues, and all my friends, and I hope to remain in contact even though not formally on the Board. So I really do appreciate it, thank you.

Sharon Sayles Belton

Thanks David – now I’m pleased to be able to welcome our medical director Dr. Michael Belzer to share more about this past year.

Michael Belzer, MD Chief Medical Officer Hennepin County Medical Center

Good Afternoon. My name is Michael Belzer, and I am the Chief Medical Officer of Hennepin County Medical Center a position that I have held since 1990. It is a pleasure to welcome all of you here today for our annual meeting, to learn about important accomplishments and achievements of the past year, and hear about our vision for the future.

Last year I had the opportunity in my presentation to look forward and discuss our ongoing journey while emphasizing “the art of medicine” ...including modeling humanism for our trainees --and patient and family centered care. Today my task is not to look forward – but rather to peer thru the rear view mirror to talk about a couple of major achievements since the last annual meeting and, in light of the impending physician shortage Minnesota will soon face, to highlight a few features of our MD Medical education program.

Hennepin County Medical Center is 126 years old this year. Every day we touch more than 2000 lives with an impressive legacy of serving the community, state and region as a critical resource for all who seek our services. From many potential topics- I chose two items to highlight for you that have occurred this past year:

1. the Installation of our new state of the art Hyperbaric Oxygen Chamber
2. the opening of the Hennepin Interdisciplinary Simulation Education Center

1. The Hyperbaric Oxygen Chamber

The hyperbaric oxygen chamber opened in the spring of 2012. The 48 foot, 120,000 lb. chamber was manufactured in Australia, and carried by ship and semi across half the continent before it was finally unloaded and placed inside the 10,000 sq. ft. addition to HCMC’s Purple building, on 7th Street, near the corner of Park Avenue. It replaced a 48-year old chamber that was located an inconvenient 2 blocks from the downtown campus. Our new chamber is state-of-the-art, used 24/7, 365 for emergency treatment of critically ill patients, focusing on victims of carbon monoxide exposure, radiation injury, diabetic ulcers, chronic wound healing and air embolism. Additionally the chamber will also be used for research that shows promise for improving the outcome of patients with traumatic brain injury.

2. Opening of the Hennepin Interdisciplinary Simulation Education Center

After five years of vigorous fund raising, public and private grants, the \$3.5 million dollar, 10,000 square foot Hennepin Interdisciplinary Simulation and Education Center opened in January of 2013. Using state-of-the-art simulation equipment, participants learn proper techniques, refine interpersonal skills and build confidence in their abilities as future providers in our medical center. As a multi-disciplinary training center, the Center conducts education programs for Nurses, Physicians, pre-hospital providers and other allied health professionals from HCMC, as well as community groups from across the region.

Located on the lower level of the HCMC Parking Ramp, the center uses a full range of learning modalities to provide the most realistic hands-on education possible, including high fidelity mannequins, which are computer operated life-size mannequins, standardized patients or actors who play the role of a patient. It is staffed by procedural task trainers who are designed to teach technical skills for a wide array of procedures.

As I mentioned, this center was made possible, in part, by charitable contributions. It is an example of how community generosity can enhance our patient experience, population health and, in this case, medical education efforts. Our young Foundation is growing, and with your support, continues to make an important impact.

The popular press as well as academic health policy and health service researchers is in agreement that our country is facing a future serious projected doctor shortage. The shortage is being addressed at a number of levels including our US medical schools and hospital based residency programs. The Association of American Medical Colleges (AAMC) has called for and implemented a 30% increase in the number of medical school matriculants and graduates. As a result -we have seen increasing class sizes at existing medical schools as well as over a dozen new US medical schools open their doors in the past 7 years.

What is Hennepin County Medical Center doing to locally fashion a solution to that worrisome national dilemma that will occur due to an aging population and aging physician workforce and expanded insurance under the Accountable Care Act? →Let me briefly outline our important role in training doctors for Hennepin County, the 7 county metro area.. and for our state

Hennepin County Medical Center has had a long rich history of contributions to graduate and undergraduate medical education. The original city hospital founded in 1887 was largely dependent upon student interns for much of the patient care during the initial years. The original staff consisted of four nurses, two interns, a matron and a general handyman. The internship first became a requirement for the degree of Dr. of medicine at the University of Minnesota in 1911. With the official act, the University of Minnesota became the first medical school in the United States to require an intern year prior to granting of a degree.

The original buildings of the University of Minnesota Medical School were located across the street from Minneapolis City Hospital, and the official relationship with the University of Minnesota was cemented in 1909 when the superintendent of Minneapolis City Hospital preferentially assigned University Faculty as attending Physicians during the winter months. Medical education is mission pillar for our medical center.

Flash forward 100 years to 2013. At any one time, we have approximately 315 MD residents training in dozens of varied specialties and subspecialties.... and over 100 medical students from the University. Put another way **in any given year** we train over 900 individual residents and 450 different medical students.

In addition, Hennepin has nationally known residency training programs in general dentistry and Podiatry and Hennepin-based programs in Emergency Medicine, Family Medicine, Internal Medicine,

General Surgery and a transitional year residency. Additionally, we sponsor a 24-resident program with Region's Hospital in Psychiatry. Accredited fellowship subspecialty programs include Critical Care Medicine, Geriatric Medicine, Hyperbaric Medicine, Sleep Medicine and Cardiology. Our training programs are nationally recognized as evidenced that 100% of our open positions filled in the recent NRPMP match- a known marker of quality and excellence.

In addition to the 215 residents that train in programs sponsored by HCMC, we are also the training site for many specialties, and subspecialties for the University of Minnesota. This graduate medical education program includes approximately 100 University residents and fellows training in a myriad of specialties ranging from Anesthesiology to Radiology.

Why is this important? Along with the nation, Minnesota is facing a serious doctor shortage. Within 10 years Minnesota will be more than 2,000 Doctors short for projected needs. Today there are 12,000 Physicians licensed and practicing in Minnesota and almost half of them are 56 years of age and older. An average of 500 active Physicians per year will reach the age of 65 in the next 10 years, and training programs in Minnesota place only about half of those, or 250 Physicians, in practice each year. **The best way to keep Doctors in Minnesota, is to train Doctors in Minnesota**

We do that at the medical center. Approximately 65% of all Physicians trained at HCMC remain in Minnesota to practice. An estimated 1,200 physicians currently living in Hennepin County trained at HCMC. More than 1,000 physicians currently practicing/residing in 63 different Minnesota counties were trained, either part or whole, at HCMC.

Training physicians is costly and supported largely by federal and state funding which is threatened by budget shortages.

Our commitment to ambitious nationally-recognized medical education programs will continue to serve the community and state well. We appreciate that our HHS Board and the County Board provide ongoing support for this important pillar of our mission.

As you are hearing today, the past year was a mix of success and serious challenges. I believe that the spirit and commitment that propels us to have specialties recognized as "top performers" by US News and World Report this year – the 16 consecutive year that we have been cited - requires all 5000 employees pulling in the same direction for the same goals and knowing their individual role to promote patient and family centered care and "exceptional care without exception."

I'd like to introduce our Chief Nursing Officer, Kathy Wilde, to talk about our quality journey this past year.

Kathy Wilde, RN, MA
Chief Nursing Officer
Hennepin County Medical Center

On behalf of all of the caregivers - and the people who support them - I want to thank you for your interest in Hennepin County Medical Center. I'm here to share a couple of stories about how our staff and patients are helping to improve the care that we deliver each and every day.

Like all hospitals, we are on a quality journey. Last fall when David Jones became interim CEO he challenged us to look closely at all of the data that we collect about the quality and safety of the care that we provide at HCMC and he asked us to compare ourselves with others on this same journey. We did, and we saw that - despite our best efforts - we had room to improve both quality of care and access to our care and services.

With quality, we focused on essentials like hospital acquired infections – these are things like central line associated infections and surgical site infections. And we focused on pressure ulcers and falls. We looked at whether we were providing good access to our care and services, by measuring the total time people spent in our emergency department, moving them to the right level, discharging them when they are ready, and assuring that patient can get into our clinics when they need care. And underlying all of this work is our commitment to providing patient and family centered care – which we can measure through a likelihood to recommend score for our clinics, and inpatient units, and emergency department.

So how are we doing? The data shows improvement in the measures, but it is slow and not across our system. We have pockets of excellence, like the Surgical Intensive Care Unit – the unit in which so many of our central lines are placed – where they put names and faces to the numbers and the caregivers at the bedside said “we draw the line here” and started to make real changes. As a result they have seen a significant drop in central line and urinary catheter infection rates.

Pockets of excellence are ok, but we’ll only be successful when we develop a systemic approach to making required improvements that we then deploy across our system. Then we need to evaluate what we’ve done, learn from it, and integrate the improved processes into our work. We need to support the patient’s entire journey through our system – as they make their transitions of care from emergency department, to inpatient, across our hospital, and out to their clinic or outpatient services. This is patient centered care, which contributes to healing by providing a seamless journey through our healthcare system.

Not only is it important that we work together as caregivers, but we need to have that same partnership with our patients and their families to provide safe, quality care. For the past several years we’ve been inviting patients to the table to be part of excellence councils and patient advisory groups as we have focused on providing patient-and-family centered care – we call it being “Centered Around You”. More than 3000 employees and 500 patients have attended a patient experience rally in the past 3 years. We ask staff to step away from the exam room, lab, clinic, EMS rig or operating room to learn from each other – including our patients – as we refine the practice of providing truly patient and family-centered care.

And patients don’t just come to the rallies, they have become valuable voices on our improvement teams.

So when the department of Radiology was remodeling the patient waiting area, patients were involved in creating a waiting room where they would be comfortable. And when Dr. Chip Truwit, the chief of Radiology was hiring a new radiologist patients met with the two finalists, and their voice was heard in the final selection.

And in January, when CEO candidates were here, the candidates met with leadership, with employees from many areas of our health care system, and with patients – and then we asked the patients to share their impressions and recommendations.

One of the patients who was involved in that process is Cheryl Maloney. Cheryl first got to know us when she supported her mother on her journey through HCMC. Little did she know then that she’d be back as a patient herself. And now, we look to Cheryl, as we do so many other patients, as an important voice at the table when we are making decisions. I’d like to invite Cheryl to share her story, and introduce our final speaker. Cheryl....

Cheryl A. Maloney, DMin.
Family Member of a Patient & later a patient

Thank you Kathy!

I am honored to be here this evening to celebrate the many accomplishments HCMC has achieved this year. I am one of the patient representatives that Kathy referred to that is participating from time-to-time in discussions with HCMC professionals to explore ideas of how to improve services and patient experiences.

My initial experience with HCMC is grounded in a call that no child wants to receive from a parent late one night. I was busy working at my computer when my Mother called at about 9:30 PM. In a calm manner she asked me if I could take time to drive her down to HCMC. When I asked why - she explained she had been coughing up large volumes of blood for several hours. Of course, I dropped what I was doing and rushed to my parent's home 1.5 miles from me. When I arrived she was standing with a bath towel nearly soaked in blood. My flight or fight response kicked in. I escorted my Mom to my car to rush her to the hospital. When I asked her why HCMC and not Fairview Southdale she said she had researched the best hospital to go to for a medical emergency and that was HCMC. We were lucky to be placed in an emergency room right away. After X-rays they determined that Mom had terminal lung cancer with a large tumor to investigate. She was admitted to the hospital. The next day we met her Oncologist who said our Mother's tumor was not operable because of its size & entanglement with her arteries and blood vessels. In fact, the Dr said that she *could go* at any time. When I asked for clarification the Doctor explained that if her tumor has a growth spurt, like it did to cause the bleeding, it will rupture the main artery to her heart and she will die instantly. Shocking information to fully comprehend during a crisis.

The Doctor gave our Mom two weeks to live. However, we prepared to put up a good fight; we started a regimen of Radiation treatment. Because everyone at HCMC was so compassionate and the environment so welcoming, soon my family members & I negotiated who would get to take our mom to her treatment. It was a time of important, and perhaps, more conscious than ever, of bonding with our beloved Mother. With our faith-filled efforts we enjoyed eight months of living life to the fullest with our Mom who passed away in September 2008.

If we jump ahead to January 2012, my experience with HCMC becomes very personal. One evening, suddenly, out-of-the-blue, I had a violent headache erupt from the top right side of my head. It came on so fast and hurt so bad that I literally thought someone had hit me with a Baseball bat. I took two baby aspirins and sat down on my bed. I thought perhaps I was getting a Migraine like I have heard others talk about & perhaps I needed to sleep it off. When I woke up the next day I had some vision problems, I could not interpret certain letter combinations like L and I, M or W, I had a hard time reading and writing emails. That night a friend happen to call me and identified that I did not sound like myself and that she thought I needed to get to a Doctor ASAP. First thing, in the morning, I called my medical provider Nurses Hotline, I was told to hang-up and call for an Ambulance and get to the nearest hospital ASAP.

I called 911 but hung up out of fear. They called right back. The responder talked calmly to me until the Ambulance arrived. The EMT's assured me they would take me anywhere just name the hospital.

I told him I wanted to go to HCMC but I was afraid I would not make it in time, he reminded me - that is why I am in an Ambulance equipped to handle medical emergencies. He then said in a slow and methodical manner: "I WILL TAKE YOU WHERE EVER YOU WANT TO GO!" I blurted out HCMC and off we went. I was taken directly to an emergency room and hooked up to an IV and other equipment. The Emergency Room Doctor on duty, Dr. Mahoney, introduced himself and shared with me how amazing it was that I secured an Ambulance for myself as my condition was moving in the direction of a major medical emergency that he felt would have been catastrophic, at any moment, going forward, as I had ruptured a blood vessel that was bleeding in my brain, my vision was impaired, and my blood pressure was now off the charts dangerously high and close to a life changing event most likely leading to death. Dr. Mahoney, shared with me how all too often 98% of the time people ignore the exact same symptoms that I had by going to bed, and often they do not wake up. It is a somber realization to learn how close I really came.

I spent three days in Critical Care with a myriad of doctors and nurses. I had CT Scans, X-rays, blood tests & follow-up. Thankfully, I did not have cancer, a tumor or any physical reason why I would suddenly have a brain bleed. Finally, one of the doctors asked me about the level of stress in my life, as stress is a known factor. At that time my stress was off the charts with a recent high stress executive position, three family deaths & the responsibility of managing a complex family Estate. Upon hearing this, the medical team advised me to find work with less stress. And to work on managing any stress that appears in my life.

I learned important information that I can and do share with others. I am grateful that Dr. Mahoney took the time to educate me on how I had three major **Red Flags** that were my clues that I needed immediate medical attention: A sudden onset of a splitting headache worse than any I have ever had, the location of my headache was in a part of the brain that only gets headaches when a major medical emergency is developing in the brain and, lastly, as an adult, we need to know that one is born with Migraines, they rarely occur later on in life. If we think we having a Migraine get emergency medical help. All three of these symptoms are major **Red Flags** for all of us to know that we need to get to a doctor as soon as possible.

I am lucky that I finally called an Ambulance. I believe that it was Divine Providence that walked with me for a couple of days until I made that call.

My experiences with HCMC has been profoundly positive and personally rewarding, as I believe my family & I have received the best medical care available in the region. To all of you here this evening that have some kind of role with HCMC thank you for your contribution to what makes this Hospital whole and gives us hope for the future. My heartfelt thank you to all!

Right now, it is my privilege to introduce our special guest tonight, Dr. Pryor, who I had the opportunity to be part of his interview process in January. I was struck by his story of humble beginnings, his medical specialty and his integration of business and medicine. I am deeply impressed with him as being the right CEO for HCMC and our community at this time and place in its history.

Most, recently, Dr. Pryor was CEO of the Medical College of WI Medical College Physicians, a clinical practice group of physicians and Advanced Practice Providers. He served as Chair of the Department of Urologic Surgery at the University of Minnesota from 2001-2006. He has an MBA from the Kellogg

School of Management at Northwestern University, was awarded a Bush Medical Fellowship in 2005 and has worked for McKinsey & Company, a leading national business and strategic consulting firm.

Dr. Pryor, as you kindly stated to me at the Patient Rally two weeks ago, I do hope we will be friends for life! Ladies and gentleman it is with great joy I welcome to the podium Dr. Jon Pryor, the new CEO of Hennepin County Medical Center.

Jon Pryor, MD, MBA
Chief Executive Officer
Hennepin County Medical Center

First of all I want to thank everybody for that wonderful welcome; it's been great to listen to a report on Hennepin Healthcare System. I've only been here for three weeks so some of this is still new to me however, I've been made to feel very welcome and it's just been great to reconnect with Hennepin County Medical Center.

I will talk to you about my journey so you can see why I ended up back here and why this job means so much to me. I grew up in St. Paul, MN, and prior to starting in high school I moved to Roseville, MN. In my high school years I had always wanted to be a physicist and had no interest in medicine, didn't know anything about medicine, and no one in my family was involved in medicine.

After I graduated from high school and before I went to college I needed to make some money for the typical things needed in college: mainly pizza and beer. I want to remind everyone, by the way, in those days the drinking age was 18. I found out that a nursing assistant was a good paying job so I applied and got the job as a nursing assistant job at St. Paul Ramsey Hospital. I was assigned to 9S which was the OB/GYN and Urology unit. As a nursing assistant in the summer of 1975 I did the things that nursing assistants probably still do today: I took vital signs, made beds, gave baths (both bed baths and in tubs), I calculated inputs and outputs, I assisted nurses and physicians whenever possible, and yes, I did my share of emptying out bed pans. I also made great connections with patients. We were there to help with physical ailments but there were emotional needs as well. Sometimes they would want someone to listen to their story and I would be there for them.

I felt very privileged to be able to touch the patients both physically and emotionally. I felt like I made a difference to them and it felt good to me as well. After the summer I realized I could do this for my life's work. I entered Carleton College that fall as a pre-med. After graduating from Carleton I got married two weeks later and a few months after that I started at the University of Minnesota for medical school. I really enjoyed my days in medical school. Every time I did a rotation I wanted to specialize in that particular field, but finally decided on urology. As a urology resident you began with two years in general surgery. My top choice was Hennepin County Medical Center for those two years. I wanted to go to HCMC because, as a medical student, I felt they had the best teachers.

As a resident at HCMC I had many incredible teachers, such as Morris Davidman in Nephrology, Claude Hitchcock in Surgery, and Ernie Ruiz in Emergency Medicine. But it was also the residents and nurses who were wonderful teachers. I basically lived at HCMC for two years—they did not have an 80-hour work week restriction back then. You were on call every 2 to 3 nights and no one cared that you were there very late. Because it seemed like I lived at HCMC my wife and kids would often meet me in the cafeteria for meals—we made HCMC a family event.

I was a pit boss for 3 months in the Emergency Room and considered switching to Emergency Medicine as a career. I loved the ICU's, sometimes I felt like I should have been an Intensivist. I really loved being in the operating room and would occasionally feel like I should be a general surgeon.

I learned basic surgical skills and how to take care of patients and this gave me a good base to do urology when I went to the University of Virginia for the rest of my residency.

When I did leave Hennepin and go to Virginia I started off my third year as a resident in the lab and during that time I could moonlight in the emergency departments. So I did moonlight in the Emergency Department both at Lexington, Virginia and also in Luray, Virginia over the weekends and some evenings. For the most part it involved treated earaches and minor cuts and scrapes. But I felt right at home when in the middle of the night, and only a few nurses on duty, someone is brought in with a gunshot wound or a car roll-over. Everyone else was often freaking out and I just calmly would go to work as I had done hundreds of times at HCMC. So two years of training at HCMC gave me excellent training and was a memorable experience that would stay with me forever.

Now fast forward to about 8 months or so ago when my son-in-law read in the *Minneapolis StarTribune* that Art Gonzalez left HCMC. He forwarded the article to me with a note stating, “This is your dream job—Go for it!” At the time I was the CEO of a very large medical practice in Milwaukee, Wisconsin. I loved my job there: it was impactful and rewarding. I never really thought I’d have the opportunity to come back home to Minneapolis and especially home to HCMC. But I am back and I feel privileged to work at HCMC. And I know that the physicians, nurses and staff at HCMC feel that way as well. Taking care of patients is a team activity and all of us make a difference.

I thought I would take a few minutes to tell you about my vision of where healthcare is going. So this is a little bit looking out into the future but I will take a crack at telling you some of my thoughts about what may happen in healthcare over the next five to ten years.

First is that we are definitely going to have a supply and demand problem. The Association for American Medical Colleges predicts a shortage of around 90,000 physicians by year 2020. We also know that many physicians are striving for a balance in life: they want work a little bit less and have families and have some time off (I don’t quite understand it but this is what they’re asking for.) In addition to having fewer physicians, because of the Affordable Care Act around 35 million people will be added to the ranks receiving healthcare. So we have more people needing healthcare and fewer physicians to provide that care.

Number two, overall the United States is not good in healthcare quality. For example, in the Organization for Economic Cooperation and Development (OECD) countries we are 25th overall amongst those countries for life expectancy.

Number three, we are too expensive. Close to 18% of our gross domestic product (GDP) is spent in healthcare; we spend 2.5 times more per citizen than other OECD countries and in addition we have around \$750 billion in waste out and \$2.6 trillion spent in healthcare.

Finally, we don’t have a really good model on how to deliver health care. There was an article on March 17th in the *New York Times* on Kaiser Permanente. For those of you that don’t know Kaiser Permanente, they are considered to be one of the very best healthcare systems in the nation. The CEO of Kaiser Permanente, George Halverson basically said Kaiser has yet to achieve the Holy Grail... in some states Kaiser is average in costs compared to other hospitals and they get their share of patent complaints. So if Kaiser is one of the very best healthcare systems, no one has figured out how to give great care at great prices. The conclusion of all four of these things is that this is not a rosy picture of healthcare going forward in the next five to ten years.

So now it’s come back to where we started to talk about HCMC, and how HHS fits in this vision of healthcare going forward. So the first thing I talked about is a supply and demand issue. This is not going to go away, nationally there is a shortage of providers, but I can say we are doing our bit to teach

healthcare providers going forward. Teaching is core to what we do--it is core to our mission. We have healthcare providers, who trained at HCMC, in every county in Minnesota. We are doing more than our share of providing the next generation of healthcare providers.

Secondly we talked about is the poor quality of health care in the United States. HHS struggles with quality like many other health systems, but I have to say this is one of our very top priorities. We want to deliver the best care for every patient, every day, every time. This isn't any different from when getting in a plane to fly somewhere. You fully expect to arrive safely. There should be no difference when you go to HCMC. So this is a top priority for the institution and for me.

Thirdly I said healthcare is expensive. But I want to tell you that are working to cut waste at HCMC. We want to strive for efficiency and, will work on this continuously. We owe this to our patients and to the County that supports us. And finally, I talked to you about how no one has found the answer in terms of healthcare delivery. We know healthcare delivery throughout the nation is poor. There are some best practices but nobody really has the Holy Grail as George Halvorson acknowledged. We are going to strive to help shape the future of healthcare. In addition we will continue to grow our primary care system to meet our patients where they are—for example we look forward to opening up a new clinic this fall in Golden Valley and continue to look for opportunities to improve access to our system.

Again I want to remind you that healthcare is a team event. So we have a journey to take. HHS/HCMC is made stronger with your engagement and with the generosity of our corporate and community partners and patients. As I begin my journey with HHS I look forward to working together with all of you to benefit the patients we serve, the physicians we train, and the solutions we provide for a healthy community.

I will end where I started: I'm very happy to be here and look forward to serving the County and our patients. Thanks for being here and please join me for further conversations at the reception.