

# CEO Viewpoint

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For more than a decade, **Thomas Royer, MD**, has been president and CEO of CHRISTUS Health, an enormous job that spans international boundaries. CHRISTUS is a Catholic, not-for-profit health system comprised of more than 40 hospitals, inpatient and long-term care facilities, as well as dozens of clinics in Texas, New Mexico, Arkansas, Louisiana, Oklahoma, Utah, Missouri, Georgia and Mexico. Earlier this year Dr. Royer was named to Modern Healthcare's annual "top 50" list of the most powerful physician executives for the third consecutive year.

## What are the top two or three issues you face as CEO of CHRISTUS Health?

Near the top would be creating positive alignment models for physicians and the health system, legal models that create win/win situations and momentum for quality, service delivery and business literacy.

The difficulty is that there's no common physician voice today. Older physicians think differently than young ones; high-priced specialists versus non-specialists; the large number of women, who comprise nearly 52 percent of med students, add a robustness to the physician workforce but bring special challenges in balancing personal and professional life.

A second area of concern is declining reimbursement and the continuing polarization of government providers. Reimbursement even enhances polarization further with hospitals and doctors, especially the movement of care to the outpatient sector.

A third area is the volatility of the market. We're in the energy business, we buy electricity and water. We have employees with benefits, retirement plans, etc. People still need healthcare but more and more people aren't going to the doctor's office. There are more and more uninsured. Healthcare is one of the only commodities people expect to get for less than full price and with amenities that they cannot afford.



THOMAS ROYER, MD

## Will these issues change under a new administration in Washington?

I'm not optimistic. The changes in healthcare will be evolutionary, not revolutionary—we'll chip around the edges. The model in Mexico is less regulated and more segmented. For example, paying people get individual rooms, the Cadillac. For the poor there are clinics and short-stay hospitals, but the quality of care is the same. We provide a Chevrolet in terms of the amenities. The United States could learn from Mexico.

## What advice would you give to the new administration and Congress regarding healthcare?

Look carefully around the country and take the best of the best practices. Create a task force including nurses, physicians, consumers and vendors who are the stakeholders because reimbursement has to reflect services required by patients. There is not a perfect solution but the different pieces of the puzzle are out there.

## Can you identify two or three benefits that IT has had on your organization?

One, we've created "systemness" through IT by being able to diffuse uniformity, share best practices and generally spread standardization. Two, we've provided connectivity for patients as they move through the system, from basic wellness programs to complex lung

transplants. A subset of this effort is improved clinical quality, enhanced patient safety and the fact that we're more effective and efficient as a system.

### **Have CEO/Board of Directors relationships changed over the past five to 10 years?**

Absolutely. They've gone from being more socially interactive to much more professional. The CEO has to provide more transparent information and the board has assumed more fiduciary and strategic oversight. Today the board members are communicators of reality—they ask the tough questions. The board must provide another set of eyes for the CEO's leadership team. Governance is far better today than in the past.

### **Has your organization developed different relationships with physicians over the past five to 10 years?**

Like most organizations, we've developed a menu of legally appropriate models, starting with the employed hospital-based physician model. There's also the contracted model in which we contract with physicians for the ER, pathology or anesthesia. We have built quality measures into the contracts. Then there's our joint venture model, which helps us align system goals and private practitioners within initiatives like surgicenters. We've also created product lines that involve gainsharing with physicians. We're doing a wide variety of ventures and arrangements that were never considered five to 10 years ago.

### **What management skills have been most important/helpful in your experiences?**

Certainly strong organizational, analytical and communication skills. Teaming skills are critical because no one person has all the answers. You have to have ability to change so you can get from point A to point B. You must also have the ability to motivate people. If you're

not charismatic you may have a problem. Your presentation style has to work. You have to be transparent and clear around the facts. You have to convey the rationale as to why change is necessary, why the changes you're recommending are necessary and credible—that means you have to know what you're talking about. Leaders today need to be much more knowledgeable about operations and strategic plans.

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### **What advice would you give a young aspiring manager entering the healthcare field?**

Healthcare is the best profession in the world. It gives you the opportunity to do staff work, line work, writing and teaching, and of course, treating patients. There will always be employment opportunities. Healthcare is still very sacred. It's an awesome responsibility. At the end of the day it's a very rewarding job. It's also one of the most complex professions. You have to love the challenge of complexity and hard work.

### **How do you relax and escape from the pressures and responsibilities of being CEO?**

I spend time with my wife, children and grandchildren. It's never been an issue of the quantity of time but the quality of time. I also like to work outdoors doing gardening. I enjoy playing the piano and organ. For me to really relax means not talking to anyone. That said, healthcare work is very energizing, I never feel like I'm going to work.

### **What do you believe are the most significant near term challenges that could be addressed by enabling Information Technologies?**

Providing data to support evidenced based medicine from the quality and safety perspectives. Also, providing information to patients and providers, as they embrace medical travel, or even move across our System in disasters, as we experienced recently with the hurricane.



SCOTTSDALE INSTITUTE

*The Healthcare Executive Resource for Information Management*

Stanley R. Nelson, Chairman • Donald C. Wegmiller, Vice Chairman • Shelli Williamson, Executive Director  
1660 Highway 100 South, Suite 306 • Minneapolis, MN 55416  
Phone: 952.545.5880 • Fax: 952.545.6116  
E-mail: [scottsdale@scottsdaleinstitute.org](mailto:scottsdale@scottsdaleinstitute.org) • [www.scottsdaleinstitute.org](http://www.scottsdaleinstitute.org)