

# CEO Viewpoint

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**W**hen Tim Stack was in college he wanted to become a history teacher and football coach. He worked summer jobs in the western-Pennsylvania steel mills to pay for college and achieve that goal. One summer a strike hit the plant only three days into his job and changed his life forever. Forced to seek employment elsewhere, he followed up on a Sunday newspaper ad and snared a job at a Pittsburgh hospital in central supply.

*“Before the end of the year I quizzed my boss all about hospital management. The rest is history,”* says Stack, now 60 and president and CEO of Piedmont Healthcare, an Atlanta-based integrated delivery system with five hospitals, a multi-specialty physician group with more than 800 doctors in over 50 offices and the Piedmont Heart Institute with 100-plus specialists in more than 25 locations across North Georgia.

*It wasn't his only life-changing moment. Born in Pittsburgh, his father died when Tim was seven and mother remarried when he was 12. “It helped me grow up faster,”* says Stack. After graduating with a sociology degree from Bethany College in West Virginia's panhandle, he earned a Master's in hospital administration from the Medical College of Virginia in Richmond. His first job was as coordinator of medical staff affairs at Pittsburgh's South Side Hospital, where he got to know the doctors so well they called him back to become South Side's CEO at the tender age of 29. Stack, who has been Piedmont's CEO for just over a decade, is just beginning a stint as a member of the AHA board and is active on the Georgia Exchange Commission which oversees Health Information Exchange initiatives in the states. Stack and his wife Mary reside in Atlanta and have three sons.

## **How is the Atlanta healthcare market responding to the trend toward hospital/physician alignment and what is Piedmont's particular physician-engagement strategy?**

It's becoming much more competitive. Piedmont Healthcare operates the Piedmont Clinic, which oversees patient quality, safety, satisfaction, and efficiency through the integration of healthcare delivery and includes over 850 employed and independent physicians. We have approximately 400 employed physicians between Piedmont Medical Care Corporation, which includes primary care, specialists and hospitalists, as well as the Piedmont Heart Institute. The Clinic has similar IT platforms to ours and we're rolling out Epic to all of our physicians. We're pretty blessed that we have a lot of physicians.



TIM STACK, PRESIDENT & CEO  
PIEDMONT HEALTHCARE

## **Where is the hospital market in Atlanta going generally and how has that shaped Piedmont's strategy?**

The Atlanta market is one of the most fragmented markets in the United States. Atlanta has already seen consolidation of the market. When I arrived at Piedmont we had only two hospitals. Now we have five. The leading organizations in Atlanta—probably Piedmont, WellStar and Emory—are simply going to get larger. Piedmont Healthcare is anticipating that the Atlanta market will continue to consolidate and we are

positioning ourselves to be a market leader in the Atlanta community.

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**Obviously the economy continues to be the number one issue of most Americans. How can healthcare play a role in improving the economy in the Atlanta region and Georgia overall?**

Healthcare is one of the state's biggest economic engines and residents need not leave the state to find the highest quality care possible. That said, the health systems in Atlanta and Georgia have to remain financially vigorous to maintain the nearly 150,000 healthcare jobs that exist in this state and to attract the best physicians. That means being able to invest in medical education and innovation, including collaboration with emerging new industries like genomics and biotech. Still, hospitals across the state are struggling because of shrinking Medicaid and Medicare reimbursement and lack of enough insured populations.

Like most states we face a severe budget deficit, however, we must find a way for public policy to support our hospitals in developing state resources like a viable trauma network. Investing in the healthcare industry in such strategic assets makes our city and state financially stronger and citizens healthier. The only way we'll be able to tackle public health issues like diabetes and obesity is if our industry is financially strong.

**How has IT helped you transition from a hospital-based system to a community-focused care-delivery system?**

It's a tremendous asset. We made the decision a year-and-a-half ago to go with PeopleSoft for ERP (enterprise resource planning) applications like HR, finance and supply chain, and Epic for our hospitals and ambulatory sites. We wanted a system that was capable of speaking to other systems. So, we're in the midst of a three-year, \$200-million project to automate five hospitals and 73 physician locations and enable all of our entities to be on a single platform. We're across Georgia with offices in Dalton, Albany and Savannah. We have the second-largest market share in the Atlanta market.

**How does Piedmont Healthcare measure quality to improve care?**

Like most systems we have core measures for heart attack, heart failure, community-acquired pneumonia and surgical-infection prevention. Core measures, however, do not include clinical-outcomes data. That's why Piedmont hospitals have focused on initiatives like preventing sepsis and deep-vein thrombosis to achieve lower mortality rates than 90 percent of US hospitals. I'm quite proud that Piedmont Healthcare not only shares clinical quality measures internally but we also post those measures on our website. It's in our culture. We pay incentives for meeting quality and patient satisfaction goals.

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**What's the biggest change you've seen in healthcare over your career?**

It's probably physician integration. Everybody is extremely serious now. With federal changes everybody's moved toward

physician alignment. I like doctors probably because of my first job, which helped me work with doctors from the beginning. It's been a saving grace in my career.

**What advice would you give to a young person seeking to enter the healthcare field?**

I think it's a great field with a great future. Folks coming out now are trained better than we were. It's still a people field so you need a high degree of emotional intelligence to understand folks.

**What is the most rewarding part of the work you do?**

One of the things I shared with 500 people from my management team is that our mortality has improved. If you can save lives and do better than your competitors that's saying something.

**If you weren't running Piedmont Healthcare, what would you be doing?**

I'd probably be a history teacher and a football coach.

**What's a favored book that you've recently read?**

I just read "Unbroken: A World War II Story of Survival, Resilience, and Redemption" by Laura Hillenbrand. It's a great book, one of my best reads.



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