

# CEO Viewpoint

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**W**hen Gary Campbell was named president and CEO of Denver-based Centura Health four years ago, he thought it was only natural he would head the only joint venture sponsored by Catholic Health Initiatives (CHI) and Adventist Health System. "My background is Lutheran, so I'm neutral," jokes Campbell, 59. Indeed, his career has been a balance from the beginning, especially between business and mission. Born in tiny Howell, Mich., half-way between Lansing and Ann Arbor, a high school job at a hospital when he was 17 convinced him he wanted to be a hospital administrator. He earned an undergraduate degree in public administration from Western Michigan University and a master's in health administration from Xavier University in Cincinnati. At 29, he was named CEO of a small hospital in Rocky Mount, N.C., and then bounced between experience in the for-profit and not-for-profit worlds in corporate positions and running individual hospitals, where he enjoyed the daily contact with doctors and nurses.

During the 1990s, Campbell served as executive vice president at Cincinnati-based Catholic Healthcare Partners. In the early 2000s, he launched healthcare startups and then went to CHI as senior vice president and group executive officer, before taking the top job for the 13-hospital Centura Health system in 2008. He and his wife of 37 years, Barbara, were high-school sweethearts. They have an adult daughter, Kelly, and a three-year-old granddaughter.

## How is Centura Health responding to Healthcare Reform?

The plan all along was to stay focused on our own reform regardless of external policies. When I came aboard in 2008, I was shocked to find that as a \$1.5 billion system, we didn't have a strategic plan. Although some people said we should sit tight and wait for the 2008 election's outcome, we had a strong sense in our own organization that federal reform was happening because providers and health systems had not stepped up to the plate. We decided that we'd develop our own vision of what health reform should look like for Colorado by the year 2020. We recognized the first curve of health care is fee for service while the second curve is paying for value and population health. We knew we needed to get dra-



GARY CAMPBELL, PRESIDENT & CEO, CENTURA HEALTH

matically better in the first curve while we simultaneously prepare to get dramatically different for the second curve.

## What is Centura's approach to physician alignment?

We don't see physician alignment as a strategy, but rather as a tactic. There's no way we can remotely succeed without very closely working with physicians. We've seen our Centura Health Physician Group grow 35 percent a year. But that's just one of our approaches, as the 350 providers in CHPG are a small fraction of the physicians we work with.

## How is Centura working with rural hospitals?

Our 13 hospitals serve a population of five million across Colorado, more than 20 percent of whom live in remote rural areas. We operate three of the 40 rural hospitals in

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Colorado and we are now bringing a hospital in Garden City, Kan., and a surgery center in Great Bend, Kan., into Centura Health. Three years ago, we launched an affiliate program based on the belief that we need to help rural hospitals in any way we can, to connect them to our system to enhance their ability to deliver care locally. Now we have seven rural affiliates and are in conversation with several others.

### What is your approach to building an integrated delivery network?

Centura Health has a very unusual history. It was established in 1996 when both our Sponsors concluded independently that full capitation was the future and either they would build an integrated system or fail. Neither Sponsor had the scale to make it happen alone, so Centura Health was born. Within two years they indeed established a fully integrated health system, but the market did not materialize as they expected and over a two-year period from 1998-99, Centura Health lost nearly \$100 million. A change of leadership and direction led to divestiture of the HMO and physician practices, a return to the “basics” of operating hospitals, and a return to profitability. In 2008, we began to rebuild the integrated system, so in a way it’s back to the future for us. The time wasn’t right previously and you can’t take a hospital mindset to operate physician practices and insurance companies. We expect the result this time to be much different than 15 years ago.

### You have talked about delivering value in healthcare. What does that mean and how will it guide your future plans?

We define value as the confluence of four factors: One, outcome effectiveness or quality of care; Two, service, which is how lay people often define quality—did they answer my call light? Did they control my pain?; Three, convenience or availability and accessibility of health care services; Four, cost. In our everyday lives, we constantly balance these same measures of value.

I sometimes eat at a gas station not because of the great food quality, service, and low cost, but because it’s convenient. Other times I am willing to pay much more and drive a long way to a four-star restaurant to get great food and service. At Centura Health, we’re very intensely focused on understanding and managing health care value.

### What’s the biggest change you’ve seen in healthcare over your career?

I’ve been in healthcare for 43 years and what we’re going through right now, navigating the whitewater between the first and second curve, is the biggest change I’ve experienced. The key to success is focusing on value for consumers and employers. We need to demonstrate that we can improve outcome effectiveness, improve service, provide more convenient access points, and at the same time control costs.

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

Find a mentor, somebody who can expose you to various aspects of healthcare, from the clinical side to the business side, from the hospital side to physician practices and post-acute care. Then just match your skill set with what most interests you. With healthcare accounting for 17 percent of GDP, there are plenty of opportunities.

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

I’m a fan of the author Jim Collins, and I like how he distinguishes between “time telling” and “clock making.” In ancient times, the person who could read the sun and stars was revered because he could tell everyone what time it was. Today, we get promoted because we’re good time tellers. But when you become a CEO, you need to switch to becoming a good clock maker. The role of the CEO is to develop people and build systems so the organization can endure and succeed long after the CEO is gone. My biggest reward comes from anything having to do with building “clocks.”

“You can’t take a hospital mindset to operate physician practices.”



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