From Many to One:

A Practical Guide to Becoming a “System”
Tenet Healthcare Today

- 79 Hospitals
- 20 Short-Stay Surgical Hospitals
- 472 Outpatient Centers
- 9 UK Hospitals/Facilities
- 125,000 Employees

*Outpatient defined as ambulatory surgery centers, satellite emergency departments, diagnostic imaging centers and urgent care centers
El Paso, Texas: A Minority Majority Case Study

- El Paso County population: 865,000
- 84% Hispanic
- 72% speak a 2nd language other than English at home
- Median household income $41,637
- Largest bi-national metropolitan area in the Western Hemisphere
- Safest large city in the United States
El Paso, Texas: A Minority Majority Case Study

- Largest international border crossing in the US
  - FY2015 northbound crossing totals
    - 862,807 commercial vehicles (2,365 per day)
    - 13,035,871 private vehicles (35,719 per day)
    - 6,933,380 pedestrians (18,986 per day)
Significant Growth in the El Paso Market

1976
Sierra Medical Center built by Tenet’s predecessor company, NME

1994
Tenet Healthcare forms and acquires Providence Memorial Hospital creating a two-hospital system

1995
Sierra Providence East Medical Center built, creating the three-hospital system with 3 acquired diagnostic imaging centers

1996
Providence Children’s Hospital (part of the Sierra Campus) built to offer advanced pediatric care

2008
Acquires three diagnostic imaging centers

2010
Opens 2 urgent care centers; acquires 1st ambulatory surgery center

2011
Opens 1st satellite emergency department

2012
Opens 3rd UCC and acquires 2nd ASC

2013
Opens 3rd satellite ED in development

2014
Jan: Converts existing UCC to satellite ED
Feb: Expands East Campus ED
May: Announces partnership with TTUHSC to create the Transmountain Campus including a teaching hospital and medical office building
• Opens El Paso’s 1st acute inpatient geriatric behavioral unit
• Adds the regions 1st hybrid OR
• Adds four-story patient tower

2015
Cath Lab JV with Gerald Champion Regional Medical Center

2016
Rebrands system to The Hospitals of Providence;

2017
Jan: Transmountain Campus opens
Market Snapshot Graphic (2012)
One Company but a Disparate System

- Individualized leadership structure
- Inconsistent operational approaches
- Inconsistent polices
- Individual Medical Staffs
- Fight over capital
- Individual Business Plans
- Physician Relationship Managers representing “their” facility
Case Study: Memorial Campus and Sierra Campus
Case Study: Hard-Earned Growth of the East Campus
Case Study: Growth of the East Campus
Case for Change

• Declining market share
• Declining earnings in spite of expansion
• Inconsistent quality performance
• 33%+ staff turnover
• Cannibalizing our own volume
• Change in leadership – focus on the 30,000 ft. level
Becoming a System: Tangible Actions You Can Take

Strategic Imperatives
Clinical Imperatives
Operational Imperatives
Cultural Imperatives
Strategic Imperatives

• Establishment of genuine Centers of Excellence for tertiary care services
• View growth as LOCALIZATION instead of CANNIBALIZATION
• Consistent messaging to the Medical Staff
• Market-wide, consolidated annual budgeting process
• Monthly strategic planning meeting with every hospital executive team
• Decision oriented weekly meeting amongst hospital CEO’s
Clinical Imperatives

• Unification of the Medical Staff and relevant committees
• Market Chief Medical Officer
• Formation of a Clinically Integrated Organization (CIO)
Operational Imperatives

• All metrics roll up as a Market
• C-Suite leaders “swap” at all hospitals every year
• Consolidation of Market services
• Purposeful overlap of Governing Board members between hospitals
• Standardized consolidated reporting to directors & Governing Board
• Business Plan consolidation
## THOP Market Metrics

### ER VISITS

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Cultural Imperatives

• Commitment, discipline and accountability from Leadership
• The CEO’s must be a true team
• Ongoing messaging from all leaders regarding the Market mindset
• Maintain strong and collaborative community outreach programs
• Establish Market-wide governance and advisory groups
  • Civic group partnerships
  • Millennial advisory group
  • Women’s advisory group
A Final Case Study: The Transmountain Campus
The System Developed a Hospital
Discussion