

Modern Healthcare

THE ONLY HEALTHCARE BUSINESS NEWS WEEKLY — INCORPORATING MODERN PHYSICIAN

AUGUST 23, 2004

PURCHASING

VHA shake-up aims at leaner operation

Page 8

CHAINS

LifePoint likes what it sees in Province

Page 10

LEGAL

Historic antitrust agreement to end

Page 12

QUALITY

Accreditation fees to increase: JCAHO

Page 16

COVER STORY

Tear here to find out who is the healthcare industry's most powerful person for 2004

EXCLUSIVE



Our readers rank the 100 Most Powerful People in Healthcare

Page 6

INFORMATION = POWER

Modern Healthcare's *third annual 100 Most Powerful* ranking attests to the prominence of IT, quality and patient-safety initiatives

When it comes time to ponder the most potent influences on America's \$1.7 trillion healthcare industry, a handful of traditional topics always seem to rise to the top: the fiscal and regulatory might of the federal government, the clout of private payers, the safety of patients and the dual dilemmas of cost and access.

Now, a relatively new priority—the complex and costly conversion to information technology—has vaulted to the head of that list, elbowing its way to center stage in the industry's catalog of concerns. After simmering on the back burner for several years, information technology has quickly reached the boiling point, emerging as one of the dominant, all-encompassing themes of 2004.

The overarching influence and urgency of IT is perfectly reflected in a single individual, David Brailer, the physician-economist whose appointment as the nation's healthcare IT czar just three months ago has catapulted him to the No. 1 spot on *Modern Healthcare's* third annual ranking of the 100 Most Powerful People in Healthcare.

His high-profile post instantly transformed the quiet, little-known Brailer into one of the most prominent healthcare leaders in America—a White House-backed decisionmaker who holds the key to the future of healthcare's IT enterprise. In his swift ascent to the No. 1 spot on the annual ranking, Brailer pushed aside his own boss, President Bush, who tabbed Brailer on May 6 to be the nation's first-ever national

healthcare IT coordinator at HHS.

"I'll be honest—I couldn't have told you who he was three months ago," says Al Stubblefield, president and chief executive officer of Pensacola, Fla.-based Baptist Health Care, who made the list himself for the first time this year at No. 51. "His prominence is an amazing phenomenon. Clearly, having someone in that visible role in such an important area as information technology is a huge step for this industry."

Though he expresses genuine surprise at his top ranking, Brailer quickly points out that he is certainly not a stranger to the confluence of information technology and healthcare quality. In fact, he jokes, it's high time that the rest of the industry caught up with the two passions that have framed the past 15 years of his life in both academia and the private sector.

"I feel like I've been standing here, working on the same things for the last 15 years, and the rest of the world has finally caught up," Brailer says with a laugh. "Either way, it's fair to say there's a convergence (of IT and quality) that is a very positive sign. If the idea is now center stage, and it has staying power and significant leaders are thinking about it, that's an important development. I guess this means that people think healthcare IT is important."

Brailer's sudden notoriety highlights the fast-developing consensus that the future of America's healthcare system is inextricably tied to IT, no matter what the costs might be. Moreover, this key sector is also closely linked in almost every way to the two other key themes that permeate this year's 100 Most Powerful list: clinical quality and patient safety.

"Information technology is definitely a hot issue," says Dennis O'Leary, president of the Oakbrook Terrace, Ill.-based Joint Commission on Accreditation of Healthcare Organizations and No. 13 on the this year's 100 Most Powerful list. "There's a lot of excitement because information technology can not only help generate efficiencies, but it also makes possible the achievement of some of our basic goals in quality measurement and patient safety. It's critical."

Driven by quality, safety

In many ways, the pecking order of the 100 Most Powerful indicates that these three topics have become almost synonymous to many healthcare experts, says Molly Coye, founder and CEO of the San Francisco-based Health Technology Center, a not-for-profit research and education center where Brailer served as a senior fellow before his appointment to help shape the future of IT in U.S. healthcare.

"It's quality and patient safety that are driving the interest in information technology," says Coye, who moved up 10 slots to No. 43 on this year's most-powerful ranking. "Even though there are enormous potential efficiencies, the one thing that has driven it forward is not the business issues or improved financial performance but the need to actually deliver on quality and safety. For that, you need information technology. It's a pretty exciting time for healthcare."

Coye and O'Leary are among many individuals on the list associated with either IT, patient safety or quality issues. This group includes former Speaker of the House Newt Gingrich

Continued on p. 38



1.

David Brailer
*National healthcare
IT coordinator,
HHS, Washington*

POWER >> from p. 7

(No. 11), a high-profile proponent of paperless healthcare and founder of the for-profit Center for Health Transformation in Washington; Linda Kloss (No. 20), executive vice president and CEO of the American Health Information Management Association in Chicago; H. Stephen Lieber (No. 99), president and CEO of the Healthcare Information and Management Systems Society in Chicago; and Carolyn Clancy (No. 24), director of the Rockville, Md.-based Agency for Healthcare Research and Quality, which boasts an annual budget in excess of \$300 million.

"People are finally realizing that there is no way for healthcare to be stronger without information technology," says Donald Berwick (No. 17), president and CEO of the Boston-based Institute for Healthcare Improvement and one of the nation's best-known patient-safety advocates. "That is now at the top of everyone's mind."

Yet even this august group of quality and safety gurus has not entirely eclipsed the many other provinces of power in the U.S. healthcare system, where tangled bureaucracies, turf battles, fiefdoms and a sometimes incoherent payment system have helped to create scattered pockets of influence and authority across a landscape that seems almost feudal.

Where does the power reside in healthcare? Everywhere. And nowhere.

"This is a fractured system," Stubblefield

How we did it

Modern Healthcare announced this year's 100 Most Powerful People in Healthcare recognition program in the April 26 issue (p. 20). From May 3 through June 11, readers nominated candidates for the recognition on the magazine's Web site, modernhealthcare.com. Readers submitted 9,611 nominations. *Modern Healthcare* then placed the 300 people who received the most nominations on a final ballot, also posted on modernhealthcare.com. From June 28 through July 23, readers visited the site to vote for the 10 candidates who they believe should make the final list of the 100 Most Powerful. Readers submitted 17,894 ballots with a total of 178,940 votes cast. The 100 people who received the most votes made the final list with the ranking determined by number of votes received. The magazine reserved the right to resolve voting irregularities. If you have any comments or questions about the results or the survey process, contact David Burda, editor, *Modern Healthcare*, 360 N. Michigan Ave., Chicago, Ill. 60601; call 312-649-5439; or send an e-mail to dburda@crain.com.

2. Bill Frist

U.S. senator (R-Tenn.), Senate majority leader, Washington

3. Hillary Rodham Clinton

U.S. senator (D-N.Y.), Washington

4. George W. Bush

President of the United States, Washington

5. Edward Kennedy

U.S. senator (D-Mass.), Washington

6. John Ashcroft

U.S. attorney general, U.S. Justice Department, Washington

7. Sister Mary Jean Ryan

President, CEO, SSM Health Care, St. Louis

8. Tommy Thompson

Secretary, HHS, Washington

9. Jack Bovender

Chairman, CEO, HCA, Nashville

10. Linda Aiken

Professor, University of Pennsylvania School of Nursing, Philadelphia

11. Newt Gingrich

Former speaker of the House; founder, Center for Health Transformation, Washington

12. John Kerry

U.S. senator (D-Mass.), Washington; Democratic nominee for president

13. Dennis O'Leary

President, Joint Commission on Accreditation of Healthcare Organizations, Oakbrook Terrace, Ill.

14. Uwe Reinhardt

James Madison professor of political economy; professor of economics and public affairs, Princeton University, Princeton, N.J.

15. Thomas Daschle

U.S. senator (D-S.D.), Senate minority leader, Washington

16. Tom Ridge

Secretary, U.S. Department of Homeland Security, Washington

17. Donald Berwick

President, CEO, Institute for Healthcare Improvement, Boston

18. Doug Hawthorne

President, CEO, Texas Health Resources, Arlington

19. G. Richard Hastings

President, CEO, St. Luke's Health System, Kansas City, Mo.

20. Linda Kloss

Executive vice president, CEO, American Health Information Management Association, Chicago

21. Pete Stark

U.S. representative (D-Calif.), Washington

22. Bill Thomas

U.S. representative (R-Calif.), chairman, House Ways and Means Committee, Washington

23. Gail Wilensky

Senior fellow, Project HOPE, Milwood, Va.; former administrator, HCFA

24. Carolyn Clancy

Director, Agency for Healthcare Research and Quality, Rockville, Md.

25. Barbara Blakeney

President, American Nurses Association, Washington

26. Nancy Johnson

U.S. representative (R-Conn.), chairwoman, House Ways and Means health subcommittee, Washington

27. Alan Miller

Chairman, president, CEO, Universal Health Services, King of Prussia, Pa.



3



10



25

says. "There are so many people, and so many people with divided loyalties. To make any significant progress, we're going to have to start working together."

Adds Jordan Cohen (No. 98), president of the Association of American Medical Colleges: "It seems to me the basic issue is that *nobody* has power—there's nobody in charge. And you can argue that this is one of the major difficulties of this system. There is no one who can make the

system move in one direction without a lot of resistance from many other (constituencies)."

As usual, the 100 Most Powerful list—based on some 9,600 nominations and almost 180,000 votes cast—spotlights several long-established sources of power in the healthcare arena, including the influence of elected officials and key government policymakers; the clout of for-profit vendors such as the giant Cerner Corp., whose chairman and CEO, Neal Patterson, ranked

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THE TOP 10 IN 2003

1. George W. Bush
President of the United States
2. Bill Frist
U.S. senator (R-Tenn.); Senate majority leader
3. Tommy Thompson
HHS secretary
4. Edward Kennedy
U.S. senator (D-Mass.)
5. John Ashcroft
U.S. attorney general
6. Tom Scully
Then CMS administrator
7. Richard Gephardt
U.S. representative (D-Mo.) and former Democratic presidential candidate
8. Sister Mary Jean Ryan
President and CEO, SSM Health Care, St. Louis
9. Gail Wilensky
Senior fellow, Project HOPE, Milwood, Va.; former HCFA administrator
10. Dennis O'Leary
President, Joint Commission on Accreditation of Healthcare Organizations, Oakbrook Terrace, Ill.

Source: Modern Healthcare

No. 34 on the list; and the prominence of big national systems such as Nashville-based HCA, SSM Health Care in St. Louis, Texas Health Resources, Arlington, and the Baylor Health Care System, Dallas.

Power to the public sector

Eight of the first dozen names on the list belong to politicians or government appointees—including Bush, who fell from his No. 1 perch on last year's listing; U.S. Sen. Bill Frist (No. 2), the powerful Republican Senate majority leader; Hillary Rodham Clinton (No. 3), making her first appearance on the list; Sen. Edward Kennedy of Massachusetts (No. 5); Democratic presidential nominee John Kerry, Massachusetts' junior senator (No. 12); and Tommy Thompson (No. 8), who controls the federal healthcare purse strings as HHS secretary and ranked No. 1 in the magazine's inaugural 100 Most Powerful list in 2002.

Kerry's inclusion—his first time on the list—appears to signal the increasingly pivotal role of healthcare as an issue in national politics. As the presidential campaign heats up, most polls show that healthcare—its cost, quality and availability—ranks as one of the top three con-

cerns of American voters.

“Whatever (the federal government) does sends reverberations through the healthcare market,” says Margaret O’Kane (No. 61), president of the National Committee for Quality Assurance and a well-respected patient-safety advocate whose name has appeared on all three 100 Most Powerful lists. “If there is any single sector that drives the agenda, it’s the public sector.”

To varying degrees, the richly diverse list also touches on nearly every other issue in healthcare, including cost, access and diversity. Where else but in America’s crazy-quilt healthcare system could the nationally known Julie Gerberding (No. 44), director of the Atlanta-based Centers for Disease Control and Prevention (annual budget: \$7 billion), appear on the same list of industry powerbrokers as, say, Paul Wright (No. 76), the comparatively anonymous executive director of the foundation for the 50,000-member American Medical Student Association in Reston, Va.

Backed by the Baldrige

Meanwhile, quality efforts were underlined on this year’s list by the selection of all three executives whose systems have won the prestigious Malcolm Baldrige National Quality Award. Sister Mary Jean Ryan, whose SSM Health Care won the award in 2002, is No. 7 on the list. She also appeared on the 2003 list, at No. 8. Two newcomers—Baptist’s Stubblefield and G. Richard Hastings (No. 19), president and CEO of St. Luke’s Health System in Kansas City—both accepted the Baldrige award in 2003.

Hastings, interrupting a vacation in Florence, Italy, to talk by cell phone about his prominent spot as a first-time member of the 100 Most Powerful list, gave credit for his perceived power to the approximately 7,120 people who work at nine-hospital St. Luke’s.

“I think I have power in terms of being able to help influence change,” Hastings says. “And that is a kind of a power that I think derives from the Baldrige Award setting us apart and showing that sharing quality data and benchmarking and all the other things we do really does lead to success.”

Says Stubblefield, “It’s a very positive sign that organizations that have made a commitment to quality and service excellence are seen as leaders in this field.”

That is clearly one reason for the inclusion of Kenneth Kizer (No. 92), a regular on the list who is president and CEO of the Washington-based National Quality Forum, a not-for-profit organization formed just five years ago to help develop a national strategy for quality measurements and reporting in healthcare. This increasing fixation on quality, highlighted in the past year or so by an avalanche of pay-for-perfor-

28. Karen Ignagni

President, CEO,
America’s Health Insurance
Plans, Washington

29. Mark McClellan

Administrator,
CMS, Washington

30. Wayne Smith

Chairman, president, CEO,
Community Health Systems,
Brentwood, Tenn.

31. Thomas Dolan

President, CEO,
American College of
Healthcare Executives, Chicago

32. John Ferguson

President, CEO,
Hackensack University
Medical Center
Hackensack, N.J.

33. Chuck Grassley

U.S. senator (R-Iowa),
chairman, Senate Finance
Committee, Washington

34. Neal Patterson

Chairman, CEO,
Cerner Corp.,
Kansas City, Mo.

35. Rose Ann DeMoro

Executive director,
California Nurses Association,
Oakland

36. William Jessee

President, CEO,
Medical Group
Management Association,
Englewood, Colo.

37. Pamela Thompson

CEO,
American Organization
of Nurse Executives,
Washington

38. Joel Allison

President, CEO,
Baylor Health Care System,
Dallas

39. Henry Waxman

U.S. representative (D-Calif.),
Washington

40. Suzanne Delbanco

Executive director,
Leapfrog Group, Washington

41. Jay Grinney

CEO,
HealthSouth Corp.,
Birmingham, Ala.

42. David Blumenthal

Samuel Thier Professor of
Medicine, Harvard Medical
School; director, Institute for
Health Policy, Massachusetts General
Hospital, Boston

43. Molly Coyo

Founder, CEO,
Health Technology Center, San Francisco

44. Julie Gerberding

Director,
Centers for Disease Control
and Prevention, Atlanta

45. Rev. Michael Place

President, CEO, Catholic Health
Association, St. Louis

46. Emily Friedman

Independent health policy
analyst, Chicago

47. Denny Shelton

Chairman, CEO, Triad Hospitals,
Plano, Texas

48. David Kessler

Dean, Yale University School of
Medicine, New Haven, Conn.; former
commissioner, U.S. Food and Drug
Administration, Rockville, Md.

49. Rich Averill

Director of clinical research,
3M Health Information Systems,
Wallingford, Conn.

50. Doug Badger

Assistant to the
president on health
and economic policy,
Washington

51. Al Stubblefield

President, CEO,
Baptist Health Care, Pensacola, Fla.

52. Polly Bednash

Executive director,
American Association of Colleges
of Nursing, Washington



29



41



43

mance initiatives, will help to heal many of the ills that now afflict the system, Kizer says.

"The core issue is quality," Kizer says, noting that his group is now discussing a role in trying to standardize principles of pay for performance. "If we would focus on quality, we could achieve savings that could address access and many of the cost issues, particularly if payment were linked to performance and evidence-based care."

Information technology, he adds, "is simply a tool to make it easier to achieve quality."

And that's where Brailer fits in.

"Information technology goes hand in hand with quality," Brailer says. "It's a magic convergence of those two things. Accomplishing one means accomplishing the other."

A national spotlight

Described as a brilliant innovator, Brailer holds both a medical degree and a doctorate in managerial economics from the Wharton School of the University of Pennsylvania. While his may not have been a familiar name to many industry executives, Brailer was well-recognized in health technology circles and highly regarded as a national expert in deploying IT.

"In the broader world of healthcare, he was not well known," Coye says. "But he was hardly a nobody. He is a well-known innovator in the relatively rarified circles of healthcare information technology."

Before working with Coye at the Health Technology Center, Brailer served for 10 years as chairman and CEO of CareScience, a healthcare management firm that designed one of the nation's first electronic data exchanges in California. In keeping with the three themes of the this year's 100 Most Powerful list, the firm he co-founded—he left CareScience after it was acquired in 2003 by Quovadx for \$30 million—provided management and IT services aimed at reducing medical errors and improving the performance of hospitals and physicians.

"In a way, my background and experience are a good combination for where the (emphasis) on policy issues are," Brailer says.

His appointment marked a further emphasis by the federal government on the importance of IT in healthcare after a series of missteps in the mid-'90s, when billions of dollars were spent in an early, and almost uniformly failed, attempt by some big systems to create integrated information systems, Coye recalls. Since then, however, leaders have regrouped, recognizing that the future of healthcare is joined at the hip to IT.

"I think the real change started about four years ago, with the (Institute of Medicine's) report (on medical errors)," Coye says.

"People began to have a sense of urgency," she says. "They understood that investment in information technology was one of two strate-

53. Beth O'Brien

President, CEO,
Baptist Health System
Birmingham, Ala.

54. Gail Warden

Former president, CEO,
Henry Ford Health System,
Detroit

55. Richard Clarke

President, CEO,
Healthcare Financial
Management Association,
Westchester, Ill.

56. Cheryl Johnson

President,
United American Nurses,
St. Louis

57. Lynn Massingale

President, CEO,
Team Health, Knoxville, Tenn.

58. Ron Anderson

President, CEO,
Parkland Health and Hospital
System, Dallas

59. Eliot Spitzer

Attorney general,
state of New York

60. Diane Mancino

Executive director,
National Student Nurses' Association,
New York

61. Margaret O'Kane

President,
National Committee for Quality
Assurance, Washington

62. Chip Kahn

President,
Federation of American Hospitals,
Washington

63. Joanne Bauer

President,
Kimberly-Clark Health Care,
Roswell, Ga.

64. John Hammergren

Chairman, CEO,
McKesson Corp., San Francisco

65. Michael Cohen

President,
Institute for Safe Medication Practices,
Huntingdon Valley, Pa.

66. David Fine

CEO,
St. Luke's Episcopal
Health System, Houston

67. Susan DeVore

President,
Premier Purchasing Partners,
San Diego

68. Mary Grealy

President,
Healthcare Leadership Council,
Washington

69. John Babiarz

President,
Aramark Healthcare
Management Services, Philadelphia

70. David Vandewater

President, CEO,
Arden Health Services,
Nashville

71. Trevor Fetter

President, CEO,
Tenet Healthcare Corp.,
Santa Barbara, Calif.

72. David Nash

Dr. Raymond C. and Doris N.
Grandon professor, chairman,
department of health policy, Jefferson
Medical College, Thomas Jefferson
University, Philadelphia

73. Elias Zerhouni

Director,
National Institutes of Health, Bethesda, Md.

74. Martha Marsh

President, CEO,
Stanford Hospitals and Clinics,
Palo Alto, Calif.

75. Erich Reinhardt

President, CEO,
Siemens Medical Solutions
Erlangen, Germany

76. Paul Wright

Executive director,
American Medical Student
Association Foundation,
Reston, Va.

77. Jeff Goldsmith

President, Health Futures;
associate professor of medical education,
School of Medicine, University of Virginia,
Charlottesville



59



61



66

gies, along with a change in the reimbursement system, that was absolutely essential to making any progress on quality.”

The momentum continued its slow, steady buildup in the fall of 2002, when HHS Secretary Thompson outlined his hope for modernizing the healthcare system at an IOM meeting. In early 2003, Thompson announced that the federal government intended to require all federal programs to move toward standards, which led almost seamlessly to the announcement of Brailer’s appointment.

“It’s no surprise that if you go back 10 years, this topic was unheard of,” Brailer says. “I used to go visit people, and they thought I was insane. Five years ago, quality of care—and information technology as a way of doing that—started to get traction. Now, it’s center stage.”

In just the few months since Bush’s executive order created the nation’s first healthcare IT czar, the impetus has only accelerated. A report released earlier this month by the Government Accountability Office on federal efforts to promote this enterprise noted that HHS has provided about \$228 million in the 2004 fiscal year for “19 major health IT initiatives in operating divisions across the department.”

“We have all come to recognize that healthcare can’t be a cottage industry anymore,” says the NCQA’s O’Kane. “All the elements are part of the same picture. Healthcare needs to have a central nervous system, like an organism has. Everybody now feels that the government is making (IT) a keystone of their strategy for healthcare.”

Influential, but low-key

Although Brailer might not be an overly familiar figure on the national level, he had been an influential, if somewhat low-key, force up until the time of his appointment by Bush, O’Kane says, adding that she fully expects the nation’s healthcare IT coordinator to have an immediate and lasting impact on the industry.

“He’s been out there for some time, working in the vineyards, so to speak,” O’Kane says.

David Nash (No. 72), chairman of the department of health policy at Thomas Jefferson University’s Jefferson Medical College and a leading expert on quality initiatives who was a classmate of Brailer’s at Wharton, says only a national effort to harness the enormous power of IT will move the healthcare system in the right direction. “You can’t improve

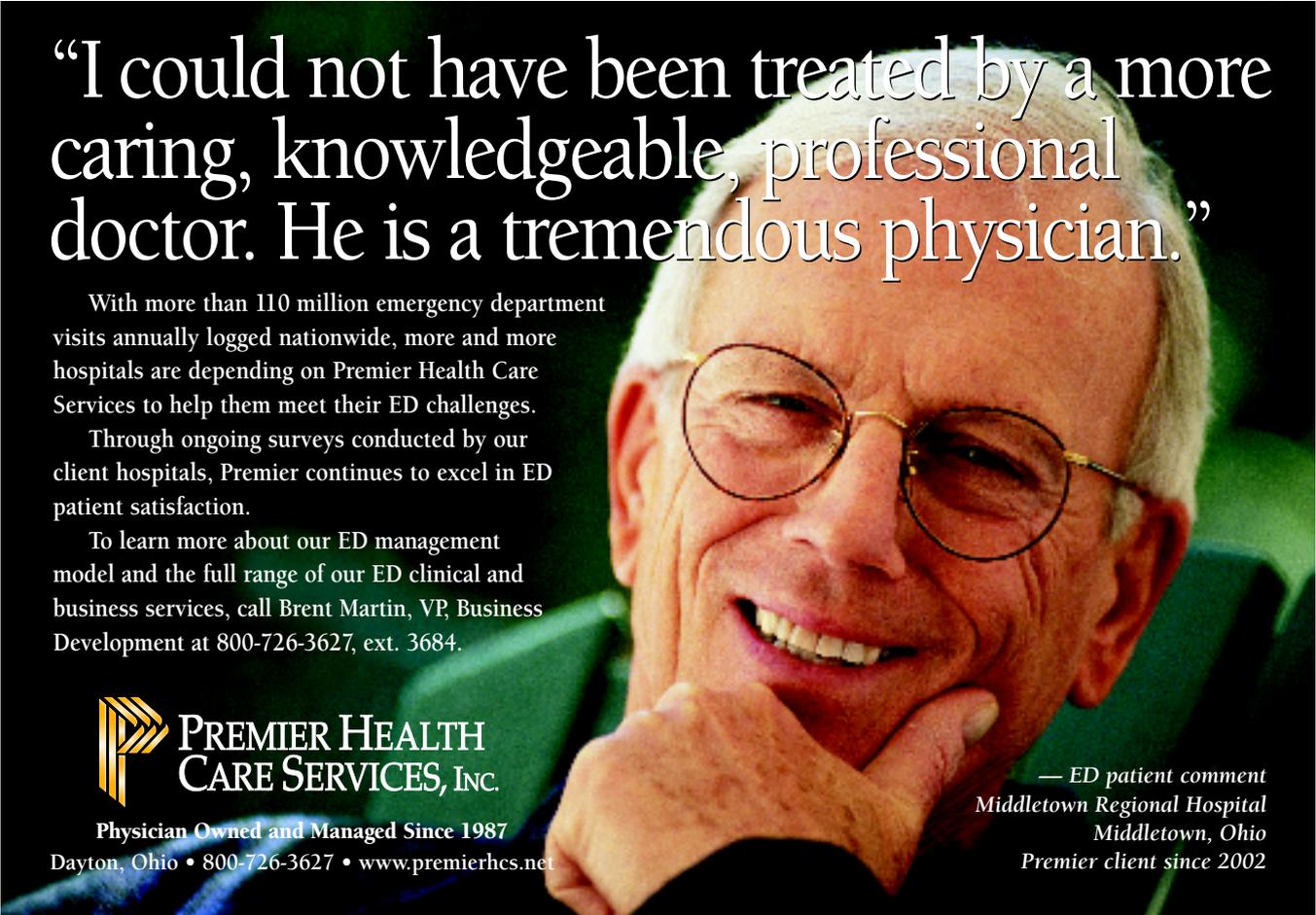
what you can’t measure,” he says.

The NQF’s Kizer calls the current absence of a systemwide infrastructure of technology one of the true paradoxes of American healthcare. “We have some of the highest-developed technology available for things like imaging,” he says, “yet, how we manage records and transmit information between caregivers and write orders is basically the same as it was 100 years ago.”

Still, information technology, with all its heady promise, represents only a “means to an end,” says another academic on the list, David Blumenthal (No. 42), a professor at Harvard Medical School and director of the Institute for Health Policy at Massachusetts General Hospital in Boston.

“The real challenge we have,” Blumenthal says, “is to redesign the process of care. Information technology can help us with that. But IT can’t substitute for knowledge.”

For some observers, the test of Brailer’s leadership will be whether he can translate his position and prominence into significant strides in the development of a well-coordinated information network for such a disjointed healthcare system. His immediate boss, Thompson, has been quoted as saying that a solid health-



“I could not have been treated by a more caring, knowledgeable, professional doctor. He is a tremendous physician.”

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information system could save the country about \$140 billion annually and significantly reduce medical errors. Brailer's optimistic goal: ensuring that Americans have electronic health records within a decade.

Even if he develops into a forceful and effective leader on a national basis, Brailer has a lot of work ahead. Only about 13% of U.S. hospitals reported using electronic medical records in 2002, according to a survey by HIMSS. At the same time, anywhere from 14% to a "possible" high of 28% of physicians' offices reported using electronic health records two years ago, according to the survey.

More than just IT

What kind of impact will Brailer have?

"The key is this: 'How broad is his vision?'" Berwick asks. "He's not just talking about technology but the redesign of care with technology. If we just automate the current system, we'll end up with automated junk instead of paper junk."

Says Jeff Goldsmith (No. 77), president of Health Futures, a forecasting and consulting company in Charlottesville, Va.: "What David Brailer accomplishes will depend on how important what he's doing is viewed by the White House and the secretary of the HHS."

With three months under his belt, Brailer says he feels empowered to make changes because "the president has put his faith in me—he believes very much in this topic. I feel they've given me the authority."

Brailer, who made his first appearance on the 100 Most Powerful list a memorable one, leapfrogged such luminaries as Jack Bovender (No. 9), chairman and CEO of Nashville-based HCA, and a fixture on the list for all three years; Doug Hawthorne (No. 18), president and CEO of Texas Health Resources; Joel Allison (No. 38), president and CEO of Baylor Health Care System; and Suzanne Delbanco (No. 40), executive director of the Leapfrog Group, a coalition of large employers promoting quality-improvement standards.

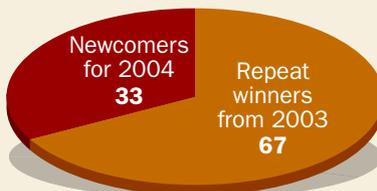
Among other notables on the list: newcomer Jay Grinney (No. 41), CEO of Birmingham, Ala.-based HealthSouth Corp.; Denny Shelton, chairman and CEO of for-profit Triad Hospitals, Plano, Texas, No. 47 in his third straight year on the list; and Trevor Fetter (No. 71), president and CEO of Tenet Healthcare Corp., Santa Barbara, Calif., and another executive who proved that the third time is a charm.

Mark McClellan, who ranked No. 90 on last year's list in his former role as commissioner of the U.S. Food and Drug Administration, hurdled almost two-thirds of the way up the list to No. 29 in his new and far more powerful current role as CMS administrator.

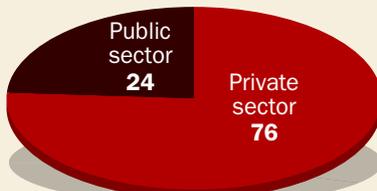
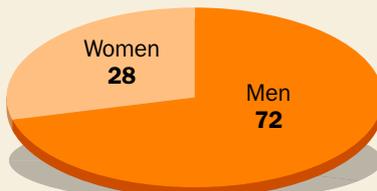
O'Leary, the JCAHO's chief, describes

McClellan as one of the "rising stars" of healthcare in the public sector. McClellan, a physician who, like Brailer, holds a degree in economics, has been mentioned as a possible successor to his boss, Thompson. As CMS administrator, McClellan oversees a fiscal 2004 budget of \$453 billion—or about 83% of HHS' \$548 billion budget. That's power.

THE 2004 '100 MOST POWERFUL' BY THE SLICE



(35 names have been on the list all three years, 2002-04)



Source: Modern Healthcare

"Not a lot of people know about him," O'Leary says. "But I think maybe there are opportunities (for McClellan) to do things in terms of advancing quality and patient safety that weren't possible with the previous leadership. He is, after all, a physician who is intimately involved in this area."

This year's list also is a testament to efforts that have already led to progress in many areas, including patient safety, outcomes-measurement and pay-for-performance initiatives. Much of the progress over the past two to three years is due in large part to the celebrated efforts of individuals like Kizer, Leapfrog's Delbanco and O'Kane of the NCQA.

Last year, Kizer's public-private partnership created consensus standards for overall hospital performance, then followed up with similar

national measures for gauging the work of nurses. The safety impetus has spilled over to many other areas as well, including public report cards from O'Leary's JCAHO, scores of pay-for-performance projects and the recent CMS reporting initiative on hospital quality that will cover 22 clinical best-practice measures by May 2005.

Taken together, this ramped up effort in quality and safety has all the power and force of a locomotive as this slumbering giant finally begins to stir.

Familiar faces

Two-thirds of the names on the 100 Most Powerful list—67 in all—are repeats from last year's ranking, an affirmation that those who have power don't easily or often relinquish it. Among the high-profile names absent this year: Tom Scully, No. 6 on last year's list before his resignation as CMS administrator; Thomas Frist Jr., the retired chairman of HCA; Gary Mecklenburg, president and CEO of Northwestern Memorial HealthCare in Chicago; Michael Maves, executive vice president of the Chicago-based American Medical Association; Richard Gephardt, the Missouri Democrat who is retiring next year after 14 terms in Congress; and Paul Ginsburg, president of the Center for Studying Health System Change in Washington.

Power in healthcare may be consistent, but it's also elusive and difficult to define, some observers note.

"Are you measuring power or are you measuring visibility?" Goldsmith asks. "Visibility, of course, is one of the components of power. If you're visible, you're in a position to influence people. But it seems to me that there are some quiet—but really powerful—people who are running billion-dollar operations who aren't on this list."

Indeed, some observers believe that the healthcare system is such a confusing patchwork of competing interests that no single individual will ever be able to step to the forefront and emerge as a commanding leader.

"I don't think we have a true leader," O'Kane says. "I don't know that we should be expecting that. We have the government and the private sector, with many good leaders in both areas. I think my biggest gripe is that we don't have a coherent national healthcare strategy."

Berwick was a bit more blunt, "Without stronger leadership, driven by a vision, I don't think we have the capability to make the changes we need."

Along with Brailer, a second prominent and highly ranked newcomer to this year's ranking is Linda Aiken, director of the Center for Health Outcomes and Policy Research at the University of Pennsylvania School of Nursing, where she is a professor. Aiken, a well-known

nurses' advocate who stresses the critical importance of care at the bedside, ranks No. 10. Among the research efforts by her Philadelphia-based center was a report in the July/August issue of the journal *Health Affairs* showing that overworked nurses are three times more likely to make patient-care errors than colleagues who worked normal shifts.

"Our research has fundamentally changed the way people are thinking about the nursing shortage and its consequences," Aiken says.

In the private sector, trade groups were well-represented by individuals such as Barbara Blakemore (No. 25), president of the American Nurses Association in Washington; Karen Ignagni (No. 28), president and CEO of America's Health Insurance Plans, the industry's Washington-based trade association; the Rev. Michael Place (No. 45), president and CEO of the Catholic Health Association in St. Louis; and Richard Davidson (No. 80), president of the Chicago-based American Hospital Association.

Only two major HMO executives are represented on the list: George Halvorson (No. 93), chairman and CEO of the Kaiser Foundation Health Plan in Oakland, Calif.; and Scott Serota (No. 96), president and CEO of the Chicago-based Blue Cross and Blue Shield Association.

Aiken suggests that the top-heavy healthcare industry is slowly beginning to change from a "hierarchical system where folks managing the money have a lot more power and influence than the people who are actually providing the care."

Referring to the 100 Most Powerful ranking, Aiken adds, "I think it's heartening that people who have made a contribution to patient safety and quality are now appearing so prominently. It suggests that there is more attention being paid to the kinds of outcomes that only clinicians can deliver."

Indeed, Aiken believes a far more dramatic redistribution of power must occur to provide considerably more clout to another group that needs a lot more of it: patients.

"The people who historically have been powerful in healthcare—top management (at all levels)—have not attended to the clinical priorities. In what I consider a real disconnect, the people interested in building strong and viable healthcare systems have been a lot more attentive to the building of those systems rather than focusing on the people who are served by that system, the patients, the people who are sick. Hopefully, we can have a re-balancing of that structure. We need to be more concerned about the patient. That's where the power should reside." <<

What do you think?

Write us with your comments. Via e-mail, it's mhletters@crain.com; by fax, 312-280-3183.

78. Susan Sherry

Deputy director,
Community Catalyst,
Boston

79. Lucian Leape

Adjunct professor of
health policy,
Harvard School of Public
Health, Boston

80. Richard Davidson

President,
American Hospital Association,
Chicago

81. Sidney Wolfe

Director,
Public Citizen's Health Research Group,
Washington

82. Rick Wolfert

President, CEO,
GE Healthcare Financial
Services, Chicago

83. Richard Carmona

U.S. surgeon general,
U.S. Public Health Service,
Washington

84. Stuart Altman

Chairman,
Council on Health Care Economics
and Policy, Waltham, Mass.

85. Lydia Reed

President, CEO,
Association of University
Programs in Health Administration,
Arlington, Va.

86. Drew Altman

President, CEO,
Kaiser Family Foundation,
Menlo Park, Calif.

87. Helen Darling

President,
National Business Group
on Health, Washington

88. Ron Pollack

Executive director,
Families USA,
Washington

89. Regina Herzlinger

Nancy R. McPherson professor
of business administration,
Harvard Business School, Boston

90. Col. David Rubenstein

CEO,
Landstuhl Regional
Medical Center,
Frankfurt, Germany

91. Scott Wallace

President, CEO,
National Alliance for Health
Information Technology,
Chicago

92. Kenneth Kizer

President, CEO,
National Quality Forum,
Washington

93. George Halvorson

Chairman, CEO,
Kaiser Foundation Health Plan/Kaiser
Foundation Hospitals,
Oakland, Calif.

94. Arthur Caplan

Director,
Center for Bioethics,
University of Pennsylvania
School of Medicine,
Philadelphia

95. Anthony Principi

Secretary,
U.S. Veterans Affairs
Department, Washington

96. Scott Serota

President, CEO,
Blue Cross and Blue Shield Association,
Chicago

97. Rupert Evans

President, CEO,
Institute for Diversity in
Health Management,
Chicago

98. Jordan Cohen

President,
Association of American
Medical Colleges,
Washington

99. H. Stephen Lieber

President, CEO,
Healthcare Information and
Management Systems Society,
Chicago

100. Kenneth Raske

President,
Greater New York Hospital Association,
New York



78



89



95