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Local Association CEOs Reflect on Past Five Years--and Anticipate Future

By John Fries

Time seems to move at the speed of light after you launch a new publication. And, at no time is that more evident than when you flip the calendar page to 2007, look at the date and ask yourself, "Have we really been doing this for five years?"

In many ways, it feels as though the past half-decade has gone by in the blink of an eye. On the other hand, sometimes, things don't change as quickly as you wish they would. Some of the issues and challenges that were in the forefront of health care in 2002 are still there, and many heath care leaders believe they will continue to be issues in the foreseeable future. For this article, three prominent local healthcare executives looked back at the past five years and shared their thoughts and reflections.

Kevin Scanlan, President and CEO
Metropolitan Chicago Healthcare Council

Kevin Scanlan, president and CEO of the Metropolitan Chicago Healthcare Council, noted that his organization recently observed its own milestone. "In 2006, I celebrated my 30th year in health care," he says. "And the last five years have brought the most dramatic changes in health care." Although he says the changes run the gamut, he places a renewed awareness of the need for emergency preparedness near the top of the list. "The aftermath of September 11 and Hurricane Katrina showed the health care community that we need to be ready."

He adds that he's proud of the work the city and suburban hospital communities have done in this area. "We coordinate community emergency preparedness exercises each spring to help hospitals meet the requirement to implement their preparedness plans twice a year," he says. "And they focus on what could be real-life situations. In one case, for we staged a pandemic flu. Another time, we assisted agencies in the creation of a scenario of an airline crash. In all cases, these exercises have helped us tremendously."

To ensure that all bases are covered, the "disaster planners" involve all appropriate people and organizations. One organization that's been very helpful, according to Scanlan, is the Naval Training Center Great Lakes. "They provide us with participants to act as “victims.” We even use moulage (make-up to simulate injuries)." He adds that he takes part in the exercises, although not in a traditional role. "As a 'patient,' I've died twice so far--once, from flu-like symptoms and another time in an auto accident."

Scanlan says tabletop drills are also conducted to further hone preparedness. On the administrative side, Scanlan says the past five years have seen an increase in attempts by unions--specifically the Service Employees International Union (SEIU) and AFSCME--to organize employees at hospitals. He points to a situation that occurred about 2 years ago. "The California Nurses Association took a different approach," he says. "They targeted nurses who work for a three-hospital, county system--about 900 of them. The nurses, who were members of the Illinois Nursing Association, decertified their association and started a new union.

Another issue that's been in the spotlight for the past few years, says Scanlan, is that the tax-exempt status of many local hospitals continues to be challenged. He says that, in a market in which all but about four hospitals are not-for-profit, the ongoing questioning of tax status has led to productive dialogue with elected officials about the value hospitals bring to the populations and communities they serve.

"Hospitals are a tremendous economic engine," says Scanlan. "A recent study commissioned by MCHC shows that hospitals in the Chicago metro area employ more than 150,627 primary full-time workers and 247,238 secondary workers, generate over $25.9 billion a year in personal income and spend more than $3.2 billion in capital improvements." Just as important, he adds, is that hospitals are the safety net in the community. "They care for everyone," he says. "In fact, the Community Benefits Act of 2004 mandates that hospitals report all non-reimbursed care to the Attorney General's office. In Cook County alone, hospitals provide over two billion dollars in benefits."

Looking toward the future, Scanlan says a major milestone will be reached this year. "Baby boomers are coming of age," he notes. "The first boomers turned 60 in 2006. So, I anticipate a dramatic increase in the utilization of health care services in the years ahead." He believes this will impact hospitals in other ways, as well. "The workforce in emulating the population from an aging standpoint," he says. "The average age of a nurse in Chicago is 47. The problem is that there aren't enough nurses in the wings to replace the ones who will be retiring."

That's an important point when you consider that there are currently in the neighborhood of 2,500 vacant RN positions in Chicago hospitals, a number Scanlan expects will swell to 21,000 across the state by 2020. "There aren't enough nursing students in the pipeline; only about 4,000 graduates a year," he says. "Nor are there enough teachers. In 2005 alone, 30,000 qualified candidates were turned away from nursing schools because there weren't enough educators. And, the average age of a nurse educator is 50."

He says his organization is now working with other health care professionals to try and identity feasible solutions. A newly formed committee, whose members include representatives from hospitals, health care organizations and government agencies, as well as elected officials and members of the business community, are exploring workforce issues and anticipated personnel shortages.

"There's a ray of hope," says Scanlan. "Governor Rod Blagojevich has approved a budget for this year that earmarks more than $2 million to establish nursing programs, provide grants to schools and more.

Ken Robbins, President,
Illinois Hospital Association

When Ken Robbins, president of the Illinois Hospital Association, looks back at the past five years, he sees a number of problems related to financial issues. "There's perpetual underfunding by Medicare, Medicaid and other public funders," he says. "This puts pressure on hospitals and insurers. Such a problem is compounded by what Robbins says has been a tremendous growth of the uninsured population (1.7 million in Illinois).

He also notes a serious crisis related to the rising cost of medical malpractice insurance, "although," he says, "in the past couple years, there's been some significant achievement in the Illinois General Assembly in getting reforms enacted."

The problems, however, haven't just been financial. He points to a report published by the Institute of Medicine just a few years ago that describes "the extent of preventable medical errors and deaths in hospitals." The report, he says, "was hard to disagree with in principle." He empathizes that the report had a galvanizing effect on hospitals, leading to quality improvements, including electronic health records,

technology and a revitalized "culture of safety" that are reducing medical errors and increasing patient safety.

In the future, Robbins says challenges will continue with respect to providing enough access to care and also with how to finance expansion and improvement. "We're going to need to have some serious conversations about how universal access to care can be provided. "This is the first time in 15 years--since the Hillary Clinton-led effort--that we've taken a serious look at expanding access to care," he says. "Now, we have a crisis," he says, "and we need to find a way to finance health care for the uninsured."

Tom Renkes, Executive Director, Illinois Nurses Association

Ask Tom Renkes, executive director of the Illinois Nurses Association (INA), about the most prominent issues he's dealt with over the past five years, and one of the first he mentions is the RN shortage earlier discussed by Kevin Scanlan.

"It's a work environment issue," says Renkes, a 33-year veteran of health care who has spent the last three at the INA. "The reality of this field is that we have an aging workforce, and the nurses are concerned about the environment they work in."

Renkes believes that reimbursements to hospitals should be allotted in ways that make nurses a top priority. "Nurses should feel good about the work they're doing," he says, adding that, "if they felt good, there would be no shortage." A problem, he says, is that while some nurses are paid well, others are not. "Many are paid marginally and don't receive benefits like other workers. Hospitals need to value the person who provides the most services for the facility," he says. "Nurses are with patients 24-seven. Patients evaluate and rate hospitals based on the nursing care. If a hospital has a highly professional nursing staff, there would be less morbidity and better revenues. Right now, thousands of nurses are not in the workforce by choice."

He is quick to point out that he doesn't blame only hospitals for the nursing shortage, and adds that the current crisis doesn't just affect nurses. He says hospitals are also losing pharmacists and physician groups. Still, the problem comes down to how money is being spent. "The government has tried to help by providing scholarships for nursing students, but nursing schools need to look at how they pay faculty members; it's very low. But--everything is a choice."

According to Renkes, the past five years haven't only presented problems. "There's been a pull toward a universal health care system, and a major move toward standardization," he says. "There's been progress in moving toward one way to pay, one set of records." And, he's also seen positive results related to nurse-patient staffing ratios. ""The ratios need to be based on acuity," he says. "There's proof that if hospitals provide ratios related to acuity--such as five patients for each nurse--the nurses will know what's expected."

Looking ahead, Renkes says he believes the issues of the past five years will continue to dominate the health care landscape. He suggests that hospitals "think less about bricks and mortar and competition, because that's draining the system."

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