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COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
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April 8, 2004

TO: Each Supervisor

FROM: Thomas L. Garthwaite, MD
Director and Chief Medical Officer

**SUBJECT: INTENT TO ENGAGE EXECUTIVE MANAGEMENT CONSULTANT
AT KING/DREW MEDICAL CENTER**

I am writing to inform your Board of the Department of Health Services' intent to initiate an agreement with Superior Consultant Company, Inc. for the purposes of obtaining executive management consultant at King/Drew Medical Center.

Superior Consultant will be assigning Anthony Jones to provide full-time, extensive management oversight to King/Drew Medical Center. A major component of Mr. Jones engagement will be to build upon the work that has been initiated by the Department, The Camden Group, and Linbar Associates to ensure the hospital's continued compliance with regulatory and accreditation standards. Mr. Jones will also be responsible for ensuring appropriate management controls are developed and implemented. Mr. Jones' scope of work includes reviewing and making recommendations in the following areas:

- Facility operating structure
- Facility support functions, such as plant management, social work, housekeeping
- Reallocation of resources within the facility to maximize efficiency
- Instituting hospital-wide performance standards and benchmarks to measure productivity
- Further implementation of a system of accountability for performance

BOARD OF SUPERVISORS

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First District

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- Management of graduate medical education activities
- Budgeting processes and systems
- Staff training and management development programs
- Current utilization and competence of existing information technologies

Mr. Jones will be developing recommendations and assisting in the implementation of systems improvements to correct the hospital's operational deficiencies. He will participate as a member of the facility's executive management team.

The total contract amount with Superior Consultant is \$466,800 per year, plus expenses consistent with County-established guidelines. In order to expedite the processing of this agreement and to initiate this engagement as soon as possible, the Department is utilizing the Chief Administrative Officer's delegated authority to enter into this agreement. The term of the contract is for 12 months, with the option for a six month extension. Additionally, Mr. Jones will be supported by other executives with Superior Consultant who have expertise in critical areas, such as information technology.

In identifying an individual to provide these management oversight duties, the Department consulted with a number of outside firms and met with several individuals who consult at the hospital executive manager level. Mr. Jones was clearly the most qualified individual for this position, given his extensive experience in managing and turning-around hospitals with significant organizational challenges. Attached is a copy of Mr. Jones' curriculum vitae for your information. Mr. Jones will begin his engagement at King/Drew Medical Center on May 3, and will be conducting a preparatory visit later this month.

Please let me know if you have any questions.

TLG:ak

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

Attachment

ANTHONY K. JONES

PROFILE

Creative and high energy, senior level healthcare executive with twenty years of experience in creating well-managed hospitals in the public and private sector. Results-oriented individual with proven abilities in the following areas:

- Highly Effective Leadership Development
- Creation of Inspiring Shared Visions
- Organizational Excellence
- Operational Excellence
- High Performance Financial Management
- Developing & Implementing Growth Plans
- Outstanding Customer Service
- Board & Medical Staff Relations
- Physician Contracting & Recruitment
- Physician Practice Management
- Physician-Hospital Organization (PHO)
- Ambulatory Care Services Management
- Multi-Hospital Systems Management
- Construction Management

PROFESSIONAL EXPERIENCE

VSE Healthcare Partners, LLC, Atlanta, GA

December/01- Present

VSE is a hospital management company solely dedicated working with C-Level executives to create well-managed hospitals. The firm's primary focus is on providing innovative performance improvement solutions to hospitals and large physician practices. Client services include:

- Change Management
- Relationship & Team Building
- Leadership Development
- Performance Improvement
- Operations Improvement
- Financial Turnarounds
- Strategy Development
- Board & Management Retreats

President

The President is the founder and chief executive officer (CEO) of the firm. The CEO is responsible for strategic direction, business development, client relations, product and service development, and profit & loss.

St. John Hospital and Medical Center, Detroit, MI

June/00 – November/01

Part of a multi-hospital system, St. John Hospital and Medical Center is a multi-site medical center consisting of 607-bed St. John Hospital, a major teaching and tertiary referral center, 98-bed North Shore Hospital, a suburban medical/surgical facility, a 90+ physician faculty practice plan, 50+ employed physicians in 12+ geographically dispersed practices, and a 400+ physician member Physician-Hospital Organization (PHO). St. John Hospital and Medical Center has enjoyed an increasingly strong reputation in clinical excellence, quality improvement, operational efficiency, and financial performance.

President (St. John Hospital)

The President serves as the CEO of the Medical Center. The CEO is responsible for the strategic direction, operational performance, and profit & loss of the enterprise. With net revenues of \$491 million, the organization employs approximately 5,000 associates and has a 1,100-member medical staff. The Medical Center experienced 37,000 admissions annually with 116,000 emergency room visits, and 25,000 surgical cases.

Accomplishments

- Successfully led the Medical Center through an **organizational transformation**
- Developed and implemented a new **Vision** for the organization
- Development of the **Center for Leadership Excellence**, a leadership training and development program
- Achieved 90% of the Top 100 objectives in the newly created **Annual Operating Plan**
- Developed and opened a unique, free-standing, multi-disciplinary, state-of-the-art 30,000 square feet **Cancer Center** that included radiation oncology, surgical oncology and physicians offices
- **Recruited key physician specialists** including Chief of Cardiology, Medical Director of Cancer Center, surgical oncologist, and neurosurgeons
- Re-built the Medical Center's **operating & financial systems**, and positioned it to generate 3% to 5% margins for the next five years
- Achieved an **operating margin** of \$14.2 million (37% increase over the prior year)
- Selected as one of the "**100 Most-Improved Hospitals**" nationally by Solucient, Inc.
- Selected as one of the "**Top 50 Hospitals for Cardiac Services**" nationally by Solucient, Inc.
- Selected as one of the "**Top Hospitals in Vascular Services**" nationally by HealthGrades, Inc.

Saint Francis Hospital, Memphis, TN

November/1998 – May/00

Part of 126-hospital Tenet Health System, St. Francis Hospital is a 607-bed for-profit, Catholic hospital that serves as one of the flagship institutions for the System. With an excellent reputation as a highly efficient organization, the medical center employed 1,500 FTE's and had a 700-member medical staff. The hospital had a \$146 million operating budget supporting 18,700 admissions.

Executive Vice President/ COO

The COO is responsible for the day-to-day operations of the hospital.

Accomplishments

- Developed and implemented an outstanding **new corporate culture** (Target 100) focused on achieving 100% satisfaction and service to patients, employees, and physicians
- Benchmarking against 126 Tenet hospitals, St. Francis moved up in **patient satisfaction** rankings to 16 from 70 in twelve months
- Developed and implemented an **Employer of Choice** initiative that improved morale by 40% within twelve months based on a Health System-wide survey rating
- Maintained a productivity level of **3.8 paid FTEs per adjusted occupied beds**, compared to the industry average of 5.5
- Successfully set benchmark performance for controlling costs, the hospital achieved an **operating margin of 17%**

Anthony K. Jones

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University Medical Center, Las Vegas, NV

May/1997 – October/1998

Selected as one of the Top 100 Hospitals in the Nation by Solucient, UMC is a unionized 550-bed publicly-owned tertiary center with 15 free-standing ambulatory care centers. The safety net institution is affiliated with the University of Nevada School of Medicine, the medical center had a strong reputation as the major teaching hospital for the State of Nevada, the medical center consisted of 3,000 employees, a 1,100-member medical staff, 250 physician residents, and included a \$270 million operating budget supporting 25,000 admissions, and 600,000 ambulatory care visits.

Chief Operating Officer (COO)(UMC)

The COO was responsible for all financial and operational functions of the hospital, including nursing, professional services, support services, human resources, MIS and finance.

Accomplishments (UMC)

- Led the management team to a **\$10.1 million operating margin & turnaround** in the first year (The hospital had experienced a \$1 million loss in the prior year)
- Developed and implemented a **growth plan** that increased inpatient admissions by 1,200; increasing outpatient visits by 36,000; increasing operating room cases by 1,000+ over the prior year.
- Initiated the implementation of a formal **clinical (patient care) benchmarking program** to continue to improve length-of-stay and outcomes such as morbidity and mortality.
- Significantly enhanced the working relationship between the hospital and **School of Medicine**
- Collaborated with **union leadership** to improve operational efficiency and executive staff reductions

United Healthcare System, Newark, NJ

July/1993 – December/1996

A unionized multi-unit system which included a 296-bed United Medical Center, 133-bed Children's Hospital of New Jersey, and 8 ambulatory care centers. With a reputation as the State of New Jersey's foremost authority on pediatrics, the organization also served as a critical safety net institution for a significant portion of the inner-city population.

Executive Vice President/ Chief Operating Officer (COO)

The COO was responsible for the day-to-day operations of the Healthcare System.

Accomplishments

- Cultivated strong Board of Directors' support for the consolidation/ **culture change process**
- In concert with the CEO, successfully implemented a **unified strategic planning** process which led to the **consolidation of two hospitals** on to one campus
- Developed a consensus on the **new Vision** for the organization and aligned the organization's leadership behind that Vision
- **Homogenized two separate medical staffs** into one, including leadership
- Chaired the System-wide Operations Restructuring Steering Committee leading to a **reduction in operating expenses of \$52 million** over a 3-year period
- Achieved three straight years of **profitability**, averaging \$4.4 million a year.

Atlantic City Medical Center (ACMC), Atlantic City, NJ Jan/1992 - Jun/1993
A 300-bed Trauma Center, which is part of a two-hospital integrated delivery system, including a health plan division, and an ambulatory care division. ACCMC developed a strong reputation as the number one Trauma Center for southeastern New Jersey.

Administrator/ COO (City Division Hospital)

Accomplishments

- Led the medical staff/executive team that developed a brand new trauma program and received certification designation from the American College of Surgeons (ACS)
- Ensured the hospital remained profitable while serving a highly indigent population

Hurley Medical Center, Flint, MI May/1984 – Dec/1991
The Medical Center consists of a heavily unionized 500-bed, city-owned hospital and a free-standing 222-bed nursing home. The tertiary hospital serves as a regional referral center.

Vice President/ Ambulatory Care & Support Services 1987-1991
(Doubled as an Administrator in a 222-bed nursing home turnaround) 1990
Medical Programs Administrator for OB/Gyn & Pediatrics 1984 – 1986

LICENSURE & EDUCATION

St. Louis University, Masters in Health Administration 1983
Abilene Christian University, Bachelors of Science 1981

FACULTY APPOINTMENT

Central Michigan University- College of Graduate Studies,
Associate Graduate Faculty Member (Healthcare Administration)

AFFILIATIONS

American College of Healthcare Executives (ACHE), member
National Association of Healthcare Services Executives (NAHSE), member
American College of Medical Practice Executives (ACMPE), Board Eligible
Medical Group Management Association (MGMA), member
Health Financial Management Association (HFMA), member

CIVIC/ COMMUNITY

Society of St. Vincent de Paul (Archdiocese of Atlanta), Volunteer
Mercy Care Services (Transitional Housing for the Homeless), Volunteer, (Atlanta)
Community Health Centers (FQHC), Vice Chair/ Board of Director (Las Vegas)