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ECMC's new brand

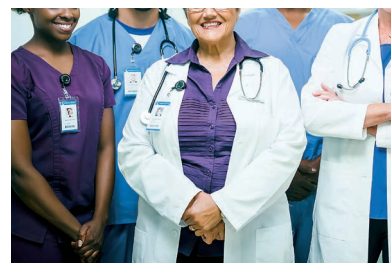
Erie County Medical Center has emerged as
a **first-choice medical destination**
with a resuscitated image and
revived bottom line. What changed
the course of the trauma hospital?

TRACEY DRURY, 10-13

BOASTING BUFFALO

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PROFESSIONAL HONOR



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March. 4

Attorney's legacy strikes a chord

The late Frederick Slee's legacy
resonates with columnist Dick
Hirsch and Beethoven lovers
everywhere. **BFLOTALES**, 31

NONPROFITS

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FOUNDATION
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COVER STORY

DESTINATION: ERIE COUNTY MEDICAL CENTER

BY TRACEY DRURY  tdrury@bizjournals.com  716-541-1609, @BfloBizTDrury

Erie County Medical Center has always been the hospital of last resort, the place where those without health insurance know they can come for treatment.

And that’s where Rollin Earls ended up in 2017 after a year of excruciating pain and antibiotics failed to cure what he thought was a bad toothache. In fact, it was oral cancer, technically squamous cell carcinoma in his lower jaw – the same type of cancer as former Buffalo Bills quarterback Jim Kelly.

The topic of insurance didn’t even come up in that first meeting, but hospital staffers helped get Earls signed up for Medicaid. He underwent three months of chemotherapy before surgeons removed his entire lower jaw and reconstructed a new one from his femur bone in a 12-hour operation.

As luck would have it, the 61-year-old carpenter ended up being treated by the same surgical oncology team as Kelly, despite wide disparities in their income and background.

“Over the years I’ve heard about so and so going to ECMC, but all you ever heard about is the emergency room. I didn’t know they had one of the best cancer places in New York state,” Earls said. “Now I know.”

The oncology service line is one of seven specialty services with major



JOED VIERA

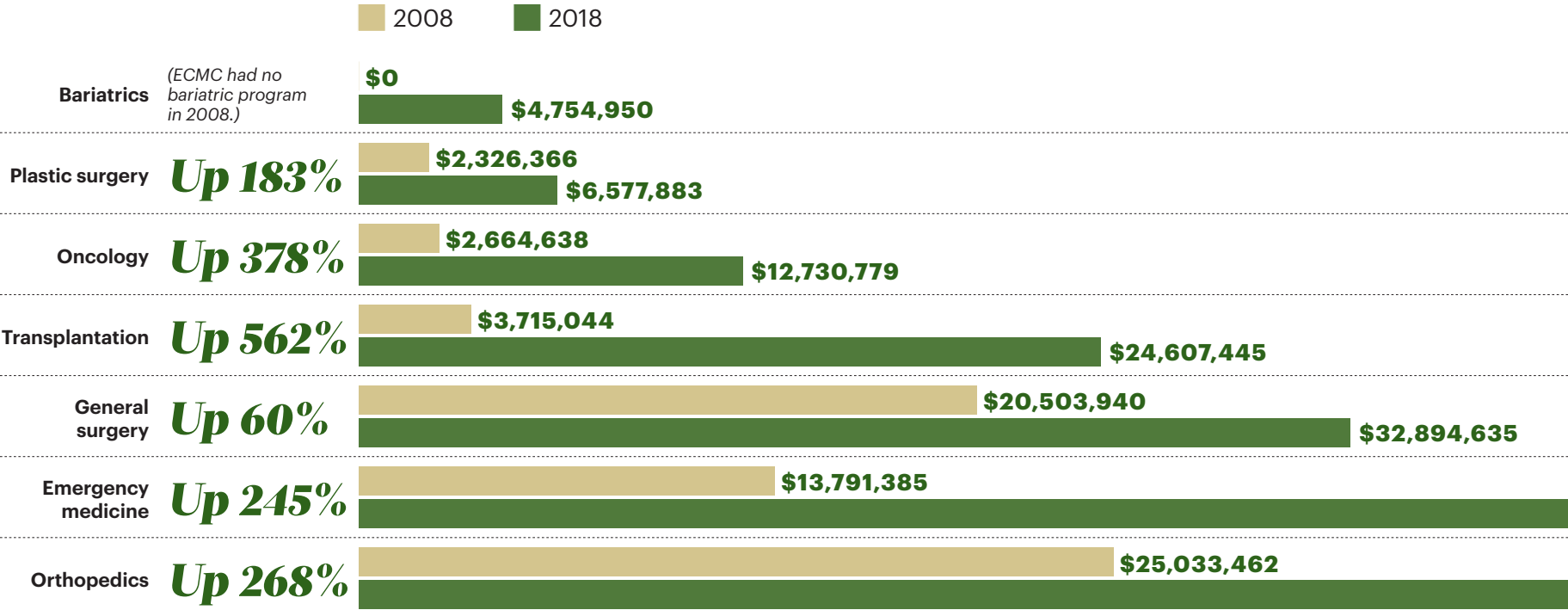
Rollin Earls, shown with his fiancée, Joann Negro, didn’t know ECMC treated cancer until he was referred to a head and neck oncology specialist for treatment in 2017.

EXPONENTIAL GROWTH

SPECIALTY SERVICES BRING MORE PATIENTS AND DOLLARS TO ECMC

In the last decade, the 583-bed Erie County Medical Center added service lines and expanded others in a bid to grow business and the bottom line. The strategy included investments to enhance or build new facilities, which in turn helped recruit surgeons and specialists to the hospital. Revenue overall grew during the 10-year period from \$412 million to \$650 million. Here’s a look at the fastest-growing specialty areas.

SOURCE: ECMC



COVER STORY

ECMC evolves from a care facility of last resort into a hospital of choice

increases in the last decade, helping to bring in new revenue to subsidize the hospital's traditional low-income and indigent patient population while bringing in patients who might never have considered the trauma hospital for elective services.

While the trauma and burn units have always brought ECMC a range of patients, those same patients now might choose the hospital for orthopedic procedures, plastic surgery or weight-loss surgery. Hospital officials and physicians said ECMC's evolution followed a partnership with Kaleida Health and the University at Buffalo under Great Lakes Health, as well as major capital investments on the Gridler Street campus.

Both helped draw physicians from in and outside the region who said they see ECMC as a place where they have freedom and flexibility to build practices, programs and services they couldn't achieve elsewhere.



Thomas Quatroche Jr.

"We had to kind of grow our way to success, but we had the capacity to do it," said CEO Thomas Quatroche Jr. "And from a business perspective, we were capturing the revenue from

the business and the care we were delivering. In the past, there hadn't been as much emphasis on having ECMC be treated as a business; it was more like a government entity."

The transition began in 2004 when ECMC shifted from a county-owned business to a state public benefit corporation with greater operating independence. Even more change occurred once the hospital partnered with Kaleida Health in 2008.

The state Commission on Health Care Facilities in the 21st Century, known as the Berger Commission, recommended merging ECMC into Kaleida Health. Instead, the two organizations came together under the Great Lakes Health umbrella, with additional collaboration with the University at Buffalo.



BOTH PHOTOS: JOED VIERA

Above: WNY Urology and Cancer Care's Dr. Kent Chevli says he'll bring more urology procedures to the hospital after seeing investment in surgery capabilities. Below: Dr. Thomas Suchy established a pain management specialty service at ECMC in the fall after graduating from a fellowship program at the Cleveland Clinic.



"The perception of the hospital was as a hospital of last resort, known as the county facility," said Jody Lomeo, CEO of Kaleida and Great Lakes. "But if you think about what was really happening there, it was a world-class trauma center and a world-class burn unit with incredible talent. So instead of fighting that perception, why not just build upon it?"



Jody Lomeo

Lomeo was an ECMC board member and eventually CEO from 2009-14. He then shifted to the top job at Great Lakes and Kaleida. He remembers a recognition that investments in the facility would be key to attract physicians and talent, leveraging the partnership with Kaleida.

"We also made sure that as we talked about how we delivered care, we weren't just the hospital of last resort, that great orthopedics was being done there and there were tremendous surgeons there," he said.

Dr. Kent Chevli, president of WNY Urology and Cancer Care, took over in the fall as chief of urology at ECMC and chairman of the urology residency program at the University at Buffalo's Jacobs School of Medicine & Biomedical Sciences.

Chevli served on ECMC's board of directors for five years starting in 2008, right when the collaboration began with Kaleida. He played a role in the negotiations between the two as a community physician.

"Back then we didn't know where ECMC was headed and could very well have closed down," he said. "It was principally regarded as an indigent care, Level 1 trauma center, period. There wasn't much else for activity, at least as perceived by the community. There was also a sucking sound from the taxpayer perspective."

Quatroche, who took over as CEO in 2016, was senior vice president of marketing and planning at the time and

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helped craft the messaging behind the partnership with the focus of growing and bringing in more revenue.

Quatroche said the first priority was to build relationships in the community and with government agencies to bring stability to the organization. Step two was increasing services in collaboration with the doctors.

Under Great Lakes, ECMC and Kaleida board members, executives and physicians came together to create joint programs in transplantation, behavioral health and orthopedics on the ECMC campus. Cardiac programs were combined at Buffalo General Medical Center at what would become the Gates Vascular Institute.

Capital investments included the \$27 million Regional Center of Excellence for Transplantation & Kidney Care; \$25 million for the Regional Behavioral Health Center of Excellence, a 180-bed inpatient psychiatric facility; more than \$13 million in renovations to expand the orthopedics programs; and additional investments in seven new operating rooms.

More changes are on the horizon. In addition to the \$55 million emergency department expansion, ECMC is considering more beds or additional operating rooms, either within the existing footprint or through expansion.

Bringing private practices and physicians to ECMC's staff helped to significantly grow several business lines, further helping the hospital transition from a struggling inner-city safety net hospital to a place where people come by choice.

Chevli said the changes worked. ECMC is considered as good or better than any other hospital in Western New York and the negative connotation seems to have been erased, he said.

The look and feel of the hospital has improved tremendously, and the optimism and culture of the people working there has turned around, he said. That, plus the expanded capabilities for surgeries, is one reason Chevli anticipates using ECMC to increase surgical capacity for his practice beyond its existing sites.

"It's going to grow a tremendous amount from previously," he said. "It's going to be one of the busiest urologic centers in Western New York."

Finding new ways to boost revenue is vital for inner-city hospitals such as ECMC, said Carlos Jackson, vice president of legislative affairs at America's Essential Hospitals, a trade association for 300 safety net hospitals nationwide.

He pointed to funding threats from the federal level causing Medicaid cuts and changes in reimbursement models.

While he couldn't speak specifically to the prevalence of hospitals such as adding new service lines as ECMC has done, Jackson said many hospitals continue to expand outpatient services into neighborhoods despite fed-



JOED VIERA

The development of new programs at Niagara Falls Memorial Medical Center helped recruit Dr. Gurteshwar Rana to the bariatrics/medically managed weight loss program. Hospital CEO Joseph Ruffolo says Rana is one of the region's only female surgeons in the specialty, which should help boost volume because some women may prefer a female doctor.

NIAGARA FALLS MEMORIAL MOVES TO COMMUNITY HEALTH MODEL

While much smaller than Erie County Medical Center, Niagara Falls Memorial Medical Center underwent a similar transition in the last decade.

Niagara Falls Memorial CEO Joseph Ruffolo said the transformation began in 2008-09 to move from a safety net hospital into more of a center for community health by collaborating with community agencies and other health system partners including Kaleida Health, ECMC and Catholic Health.

The hospital also houses a joint cardiac catheterization lab with three other hospitals that

has performed more than 1,100 procedures since April 2017. Niagara Falls Memorial added seven primary care practice sites in Niagara County and on Grand Island, as well as new outpatient services throughout the region.

The hospital added a wound center that brought in nearly \$1.7 million last year and spine surgery, now a \$4.6 million service line, while growing primary care to a \$5 million specialty area, more than 300 percent growth from 2008. Behavioral health grew by 125 percent to \$2.2 million. It also grew elective services such as OB-GYN, bariatrics and robotic surgery.

Inpatient care now accounts for 40 percent of revenue versus 75 percent a decade ago. Outpatient revenue more than doubled from \$26 million to \$54 million. Besides expanding access to care for traditional patients, Niagara Falls Memorial now brings in patients from across the region, as well as Pennsylvania, Upstate New York and Canada, Ruffolo said.

"Within our surgical profile, probably close to 75 to 80 percent of what we do in surgery is now done outpatient or one-day stays. So a majority of that is based on elective or a scheduled basis

versus coming through the emergency room," he said.

Most important, Ruffolo said the new patients aren't replacing the core patient base who rely on the hospital for services, but they are helping to subsidize that care as the hospital continues to adapt to new payment models and government reimbursements that haven't been adjusted for years.

"Providing care at the local level is where we're at," he said. "If it weren't for the transformation to focus more and more heavily on outpatient care, we probably wouldn't be here today."

— Tracey Drury

eral reimbursement cuts.

"A number of our hospitals are on the front lines of the safety net, mainly where need is greatest," he said. "We have seen funding pressures hitting our members hard. Our member hospitals are typically operating on a margin that's on average, half of other hospitals and where there are higher numbers of uncompensated care of typically 14 percent, which adds to the burden."

Among the largest areas of growth are oncology and cancer care, where revenue grew by nearly 400 percent in the last decade from \$2.6 million in 2008 to \$12.7 million last year at ECMC.

Dr. Mark Burke has played a role in that growth. Burke, 43, came to ECMC in 2010 along with Dr. Thom Lorrie, both leaving posts at Roswell Park Comprehensive Cancer Center, to provide head and neck cancer surgery, as well as complex plastic and reconstructive surgery. They're among a small group of surgeons dual-certified in those specialties.

Burke said ECMC provided an opportunity to expand the practice

outside the normal scope oncology, including procedures for sleep apnea, abdominal wall reconstruction and upper and lower extremity work for transgender patients.

"Outside of basic head and neck or thyroid cancer, there wasn't a major head and neck cancer practice prior to us moving over," he said. "We really had to build it from scratch. We were able to expand into other areas."

He credits hospital leadership for having the foresight to allow the team to bring novel treatments to ECMC.

"All the trauma and things they've already done well, they're still doing well, but they allowed us to bring in new service lines and not be afraid of doing things a new way," Burke said.

Those kinds of physician moves and that type of program growth don't happen by accident, Lomeo said.

"We were able to provide them a facility that was second to none, and were able to provide (Burke) with staffing and a culture that he could thrive in. They have done phenomenal work there," he said.

Another growth area is transplantation. In the last decade, the business

line has grown 562 percent, from \$3.7 million to \$24.6 million. That came partly through the decision to consolidate a transplant program from Buffalo General but also through a concerted effort to expand the living donor program. The program now has one of the shortest wait times in the nation for transplants.

Dr. John Von Visger joined ECMC last March as medical director of transplantation. Von Visger spent 13 years as a transplant nephrologist with the Ohio State University Comprehensive Transplant Center in Columbus, one of the nation's 10 largest transplant centers. He said the new transplant center was a big reason for his move.

"It demonstrated a strong dedication toward maintaining and developing transplant here, no question about it," Von Visger said. "I met with several people who were in the administration and on the board who all reiterated that commitment to transplant — not only to maintaining transplant here but investing in the transplant program to help it expand."

Quatroche said the collaboration with Kaleida has been "nothing but

COVER STORY



JOED VIERA

Dr. Jon Von Visger says ECMC’s \$27 million transplant center was a lure when he joined last year as medical director of transplantation, leaving a 13-year career at the Ohio State University Comprehensive Transplant Center in Columbus, one of the nation’s 10 largest transplant centers.

good” for ECMC. Getting physicians involved early on in strategy and all processes helped create a culture that made recruiting easier locally and nationally, at both the physician and executive levels.

“We have been able to recruit from many places across the country,” Quatroche said. “Half of our executive staff here is not from Buffalo. When we start raising our profile, it had a halo effect.”

And ultimately, growing elective specialty service lines helped bring in more dollars to treat the poor and indigent on Medicaid who still make up 40 percent of the hospital’s patient population. Reimbursement for that care most often falls below the actual costs for treatment. That’s why boosting volume among insured patients for both outpatient and elective procedures is vital.

“Our mission, first of all, is to treat everyone with compassion and accept the most vulnerable and the most influential and treat them all the same,” Quatroche said. “Patients come here knowing they won’t get turned away, not just for the emergency room but for elective practices where they’re going to be treated with dignity and respect.”

He said that approach of operating like a for-profit business resulted in ECMC recording multiple years of operating surplus while most public hospitals across New York report significant losses.



JOED VIERA

Dr. Marcus Romanowski and Dr. Cindy Romanowski moved their orthopedic surgery practice to ECMC from Kenmore Mercy Hospital in the fall, citing the advanced surgery center capabilities.

An open mind to trying new things was what attracted Dr. Thomas Suchy to ECMC in the fall after he completed an anesthesiology residency at Yale New Haven Hospital and an interventional pain management fellowship at the Cleveland Clinic. Suchy, a Buffalo native who interned at ECMC while attending the UB medical school, cold-called 50 hospitals looking for a good fit where he could establish his practice.

Suchy, 31, focuses his practice on therapeutic nerve blocks, spinal cord stimulation and injections to address pain for chronic headaches, back pain and post-surgical pain, giving patients an alternative to opioids.

Since starting the practice from scratch Aug. 1, Suchy has gone from

20 to 30 patients per week to 60 to 70 patients, with appointments booked out more than a month.

“There has been a tremendous amount of interest and growth has been exponential,” he said. “I was really impressed with how ECMC handled my idea and (they) were very active in the response. I could tell they were in a mode where they saw an opportunity to provide a new service line to patients and potentially add a level of care that otherwise isn’t available to a lot of patients with lower health insurances.”

The hospital has been successful in bringing over physicians from other area hospitals and private practices. Bariatrics was a new service line at ECMC when Dr. Joseph Caruana joined the staff. He sold his Synergy Bariatrics private practice to the hospital in 2014 and moved surgeries over from Sisters of Charity Hospital. Caruana, 71, is now one of four surgeons in the division, which last year brought in \$4.7 million from surgical and non-surgical services such as nutrition and other weight-loss counseling.

Besides giving him more resources, Caruana said bringing the practice to ECMC five years ago helped to

expand access to an underserved population about obesity and the benefits of weight loss in preventing other conditions such as diabetes and hypertension.

“There’s a real injustice in that some patients, particularly African-American patients and those with lower socioeconomic status, don’t get the benefits of bariatrics surgery as the more affluent or white middle class,” Caruana said. “The hospital, since I’ve been there, has embraced us. We have tried to bring referrals into ECMC from all over Western New York and even Northern PA, but we’ve also tried to remain focused on where we are physically in this neighborhood and this community.”

And on the orthopedics side, the hospital expanded its division in November by recruiting orthopedic surgeon Dr. Marcus Romanowski and his wife, Dr. Cindy Romanowski, who specializes in physical medicine and orthopedic rehabilitation. Their practice last year had about 700 cases annually. After 20 years at Kenmore Mercy Hospital, the couple moved the practice last fall over to create the Knee & Hip Center at General Physician P.C., the practice group that employs many Kaleida and ECMC physicians.

They said the move recognizes investments ECMC made in the ambulatory surgery center that better align with new bundled-payment models. They also like that patients from all eight counties have access to post-op home care with the Visiting Nursing Association of WNY, also part of Great Lakes Health.

The decision came after more than two years of meetings with Catholic Health, Kaleida and ECMC.

“Because of the collaboration that’s needed between doctors, the hospitals and administrators, we felt that General Physicians and ECMC had the strongest team for us to work with as we move into the next decade,” said Dr. Marcus Romanowski. “Health care is dramatically different than it was. You have to adapt to the environment and the health care delivery system in our community that is best positioned to take on these challenges over the next decade is ECMC.”



Dr. Joseph Caruana moved his bariatrics practice from Sisters of Charity Hospital to ECMC in 2014. The service line didn’t exist at ECMC previously but now brings in nearly \$5 million in revenue.

JOED VIERA