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## Q & A with Norm Stephens

### *Providing health care for Southeast Idaho*

Lately from Wasilla, Alaska, the President and CEO of Portneuf Medical Center is not new to the process of building a new hospital. Stephens talked about his experiences at PMC in the following Q and A interview with the E Journal.

**Q:** Please tell us a little bit about yourself so our readers get to know you. Let's start with telling us about yourself personally.

**A:** Well, I'm originally from Newport Beach, California, but I was raised all over, since my father was in the service. I've been married to Susan for 28 years, and we have three grown daughters. I took flying lessons last year, and got my pilot's license. And I like to fish, and travel.

**Q:** Tell us about your professional background, and the road that led you to this position as CEO of PMC.

**A:** I worked as a physical therapist for about 15 years, and then I got into the health care administration side of things. I got my Masters, and I have done several projects for LHP (previously Legacy Hospital Partnerships) before. I helped build a hospital in Texas, and in Fort Wayne, Indiana. Most recently I helped build a hospital in Wasilla, Alaska.

**Q:** How long have you been in Pocatello?

**A:** It was two years in June. When I was considering coming here, I spent a couple days here looking around. Then I called my wife and said, 'I think we're moving to Idaho.'

**Q:** How involved were you in the building process of the new facility?

**A:** I was involved everyday. I got here before they broke ground, and then finished up in Alaska. Then we moved down here, driving our three horses all the way through Canada. We worked with the department heads to make a few modifications in the building, but they were minor. We used one of the top hospital architectural firms in the country, and there aren't many things they don't think about.

**Q:** Speaking of the new PMC, what are you most proud of?

**A:** I'm most proud of the fact that we were able to bring three different groups together under one roof. The hospital is the people, so getting everything together, opening, and running smoothly was at the top of the list.

**Q:** Is there any word on what will happen to the old facility?

**A:** It is getting winterized right now, and it is being actively marketed. We were hoping to sell it before now, but so far it's been kind of slow.

**Q:** There was some controversy in the community regarding the future of our hospital, especially regarding the Legacy buy-out. Now that everything has fallen into place, and the new PMC is up and running, do you feel that

those concerns have largely been put to rest?

**A:** That was before my time, but I am aware of the issue. I suppose there is always some who would second-guess, but I think it has gone well. We are the only hospital company in the nation who puts up so much money, and yet gives over so much control.

**Q:** So you think the community has come to the conclusion that it was good idea after all?

**A:** I think so, yes. We had about 22,000 people come through the hospital over a three-day period for our grand opening.

**Q:** PMC is a healing institution, but it is also a business that needs to make a profit. How do you balance those two seemingly opposing goals?

**A:** For one, you have to take very good care of your patients. And then I guess it's a case of benchmarking; any organization that is not in the black isn't going to be around in the very long. If there were no profit in any of this, then there wouldn't be an incentive for people to invest. So we try to set reasonable expectations, trying to balance corporate objectives with community needs.

**Q:** Do you have a leadership or management style that helps you do that?

**A:** I guess it would be to be involved at the operational level. I started out working as a Physical Therapist, actually, as an aide washing the whirlpools after high school, and I've been working in hospitals ever since. I go out rounding on patients to ask them how they're doing, and I go our rounding on the staff too.

**Q:** Do you mean you go around asking how the service was, like a manager at a restaurant?

**A:** Yes. And every department head has a responsibility to round on four to seven rooms each day. We want the patient experience to be good. Our patient satisfaction scores are now in the 80's and the national average is in the 40's.

**Q:** How is PMC doing financially?

**A:** We're doing well. Volume has been running about 55% full. We built the hospital with a view of being able to take care of future needs.

**Q:** Obviously the whole country is experiencing economic hard times, and our area in southeast Idaho also has it's share of economic woes. How does that effect business at PMC? Or does it?

**A:** Well, on the large scale people get sick whether there is a recession or not. The economy is bad, but it hasn't gotten so bad locally that we see local employers bailing out on their insurance for their employees. What people are doing is shifting to higher deductibles, and that has caused people to shop around more, and it has also caused a general reluctance to do elective procedures. But generally things have been fairly steady. The percentage of self-pay people (those without insurance) or the percentage of indigent hasn't really changed significantly over the last few years.

**Q:** Everyone seems to have their opinion about the Affordable Health Care Act, otherwise known as Obamacare. How has that Act specifically effected day-to-day operations at PMC?

**A:** Not too much as yet. I think that is because we have a pretty well insured population. I think the hospitals that saw a benefit are the inner city hospitals, with a high degree of indigent care.

**Q:** What about the regulations it entails?

**A:** The impact of the regulations is meaningful, especially about the use of the computer programs. It is forcing us to go to more sophisticated computer programs. The government will be forcing us to go to electronic medical records in 2012, so we have to meet the mandates or else we will get a reduction in our payments from the government. Physicians will have to go to computerized order-entry; in other words, they will have to key orders in the computerized charts. This causes us to have to redo the way the IT systems in the hospital work. Other aspects of the regulations, like the Accountable Care Organizations, will result in a lot of physicians becoming employees of the hospital.

**Q:** Now that the challenge of building the facility and getting it operational have been met, what is the greatest challenge for PMC, say in the next five years?

**A:** I think the big challenge is to retain as much as we can of our services above and beyond what you see in a community this size. PMC has several things that communities of this size usually don't have, like our trauma center, the cancer care center, and the heart surgery ability. As a regional hospital we draw from a 150-mile radius. We need to do a good job taking care of our patients, and be the provider of choice for the surrounding cities.

**Q:** What would you like people to better understand about PMC?

**A:** I think it's the perception that because we have this brand new, beautiful hospital that we have raised prices to gouge the community. But this hospital was built with private contributions and outside investment. The hospital was built debt-free, and our prices are the same or lower than other hospitals like ours.

*By Eniko Jordan for the E Journal of the Idaho State Journal.*