

Healthcare Innovators

**An Interview with Michael J. Dowling,
President and Chief Executive Officer,
North Shore-LIJ Health System**



Housing more than 400,000 square feet of clinical space, North Shore-LIJ's Center for Advanced Medicine in Lake Success, NY, is the largest outpatient care facility in the New York area.

EDITORS' NOTE Michael Dowling has held his current post since January 2002, after having served as the health system's Executive Vice President and Chief Operating Officer. Before joining North Shore-LIJ in 1995, he served in New York State government for 12 years, including seven years as State Director of Health, Education and Human Services and Deputy Secretary to the Governor. He was also Commissioner of the New York State Department of Social Services.



Michael J. Dowling

INSTITUTION BRIEF North Shore-LIJ Health System (northshorelij.com) is the nation's fourth-largest, nonprofit, secular healthcare system, based on net patient revenue of more than \$7 billion. It includes 17 hospitals throughout Long Island, Queens, Staten Island, and Manhattan, as well as in Boca Raton, Florida; three skilled-nursing facilities; The Feinstein Institute for Medical Research; home health and hospice services; and more than 400 outpatient and physician practices across the region. In addition, the Hofstra North Shore-LIJ School of Medicine became New York State's first new allopathic medical school in 40 years when it opened in 2011 and now has 280 students. North Shore-LIJ also owns and operates its own insurance company, CareConnect. Excluding its affiliate organizations, North Shore-LIJ facilities house nearly 6,000 hospital and long-term care beds, more than 9,400 physicians, over 10,000 nurses, and a total workforce of about 48,000 – the largest private employer in New York State.

What type of growth has North Shore-LIJ experienced, and how critical is scale?

Nationally, the big systems are increasing their scale and scope. There are some people who believe that, in the next decade, there will be 150 health systems in the country that will be the primary providers of healthcare nationally.

The downstate area of New York, for instance, is moving towards having three or four very large health systems. The reason for this is that care is increasingly being delivered outside of hospitals, so there is a growing reliance on outpatient care, home care, and other health and wellness services – you need all of the elements of the continuum, which requires growth and scale.

Since we now also have an insurance company, the geographic reach of our health system is even more important. We want to provide services to individuals, groups, employees, and employers,

so we need to offer care in the communities where our customers live and work.

Scale is important but it has to be done for the proper reasons: to provide the comprehensive array of services that will be required in the future. Also, the Affordable Care Act requires healthcare providers to coordinate and manage care across a large continuum, so we can track patients from one place to another.

Will the hospitals be strictly for the most ill and needy?

Hospitals are just one of many delivery sites. In the past, people went to hospitals for all kinds of medical services. Now and in the future, hospitals are primarily taking care of people who have chronic illness, multiple core morbidities, and other serious illnesses and injuries that require comprehensive, high-tech services.

Advances in science and technology allow us to deliver care in many different settings, including people's homes. Close to half of what was once done in a hospital years ago can now be done in outpatient locations. Most of our expansion over the past five years has been in the ambulatory arena – we have more than 400 locations at the moment.

Most cancer treatments are performed in outpatient settings now, as are many surgeries and nearly all imaging.

How do you deal with innovation and maximize the opportunities it brings?

I created an entity called North Shore Ventures, which is figuring out how to maximize and commercialize our intellectual, physical, and programmatic assets.

We analyze how to take ideas originating within our organization and turn them into revenue-generating businesses – either on our own or through partnerships. We have done a lot of joint ventures with other entities and that will be a continuing growth area.

Once you create an environment where innovation is promoted, you will find it popping up everywhere.

What emphasis have you placed on consistently improving service levels?

We're in the customer-service business. How we treat patients and their families determines their perception of what we are, and also changes the nature of what our employees think they do.

Healthcare consumers in today's world can go many places. They're very educated and highly informed, and make independent judgments. They are now major participants in their own care.

I recently hired a senior executive to oversee customer service and experience across the organization. Interestingly, he has spent most of his career working in hospitality for Ritz-Carlton. We can no longer just deliver care in a way that's convenient for us. We must consider what the customer wants.

What are you doing to create that next generation of healthcare leaders?

You have to build for long-term sustainability and bring new ways of learning to employees, and identify and nurture new talent. It also requires a major focus on succession planning so you build leadership for the future. We have a series of programs on leadership development for employees at all levels, from frontline supervisors and managers to people on the administrative, nursing, and physician end.

We have an in-house corporate university called the Center for Learning and Innovation. A part of our training is the use of simulation to teach clinicians and other healthcare professionals – we have one of the larger simulation training centers in the U.S.

You also have to adapt your training programs to technologically savvy, younger employees, as well as to the customer of the future, who will also be very connected digitally.

What emphasis have you placed on research?

We have to be at the forefront of developing new ways of curing disease and treating the patient. If we're not pursuing new knowledge, coming up with new cures, and developing new ways of preventative care, then it will be hard to suggest that we're an innovative provider of care in the world today.

There is a cost to doing this, but it adds to the morale of the overall organization and it advances new knowledge effectively.

Also, without the research entity, we would have been unable to develop our own medical school.

How critical is it that wellness be put at the forefront of efforts to manage costs?

We can do a lot of education through positive incentives, but there needs to be a greater focus on people's individual responsibility for their own health. It's lifestyle, behavior, and environmental issues that are substantial contributors to ill health and the rising cost of medical care. ●