Blane Bachelor speaks with Greg Stock about the turnaround he helped lead, including increasing admissions from 2,800 to 7,500 in less than 10 years.

Thibodaux Regional Medical

Health Overhaul
greg Stock, CEO of Thibodaux Regional Medical Center in
Louisiana, is taking a unique approach to tackling the economic concerns
facing healthcare providers today. "Rather than making excuses, and frankly, you hear a lot of
meaning and crying in our business, we looked at the situation as, 'Let's figure out how we can
cannot just survive but how we can thrive.' That's
how we've run this hospital, and that's worked
for us," Stock said.

"In healthcare today there's too much focus on
money, and not enough on the patient. If we
could all go back to that, it might straighten out
some of our problems."

That philosophy has contributed to a spectacular
turnaround at Thibodaux Regional, a 149-bed
regional medical center that provides a wide
variety of services, including cardiovascular,
women's health, and cancer services, in
Thibodaux, La.

In the early 1990s, the hospital struggled with
rapidly declining market share against highly-
recognized medical centers in New Orleans and
Baton Rouge. Several other healthcare facilities
within a 15-mile radius provided additional
competition.

The lack of population growth of the surround-
ing service area also presented an obstacle.
Between 1990 and 2000, the service area grew
by only 1%, Stock said, which meant that the
hospital had to be even more diligent about
attracting new patients in a very competitive
environment.

Thibodaux responded with a comprehensive
plan to develop new services, including a cancer
center, a heart program, and neurosurgery initia-
tives. It also launched unprecedented outreach
programs such as free public health screenings,
enhanced support groups, and physician educa-
tion programs.

In addition, the medical center established a sys-
tematic means of communicating new develop-
ments, including a direct-mail publication called
"Hospital" that's still circulated to more than
50,000 residents.

"We knew from community surveys that our
image was vanilla, and our competitors were
doing more high-tech things," Stock said. "We
started leveling the playing field in a number of
areas and communicated that effectively. We
found out that patients who had previously cho-
sen tertiary hospitals would in fact remain in our
community for their healthcare needs."

The resulting growth was tremendous. For
example, Thibodaux Regional's admissions
increased from 2,800 per year in the early to
mid-1990s to 7,500 currently, outpatient visits
from 15,000 to more than 80,000, and emer-
gency room visits from 12,000 to 32,000. The
number of mammograms performed per year
skyrocketed from about 400 to a current figure of
8,500 after the hospital developed and dissemi-
nated breast health information to women
within the community and dropped the price of
the procedure.

Originally founded in 1929 as a Catholic hospi-
tal, Thibodaux Regional's active medical staff
has grown from 42 to 105 physicians. The num-
ber of employees has grown from 300 to 780,
and employee satisfaction has risen from the
53rd percentile to the 97th percentile.

Along the way, Thibodaux Regional watched
its revenue increase from about $30 million in
the early 1990s to its current annual figure of
over $200 million. The facility has also sustained
double-digit operating margins, has no debt, and
is financing a major renovation/expansion proj-
ject from cash reserves and operations.

State-of-the-art expansion
An unwavering emphasis on the patient anchors
the business strategies, processes, and growth
plans for Thibodaux Regional. The company is
looking forward to the completion of a three-
phase, $77-million expansion and renovation
project, including a five-story medical office
building and new outpatient surgery center; a
state-of-the-art patient tower with all private
rooms; a women's center and a heart and vascu-
lar center; and an expansion to the emergency
room that will triple the space.

"Now the building will be brought up on par
with the level of our services—it's state of the
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art, patient friendly, and built for ease of use of the patient,” Stock said.

One aspect of the expansion that’s sure to win instant points from hospital patients and staff alike is a new partnership with the nearby Chef John Folse Culinary Institute. Student chefs are rotated through the hospital, preparing “bistros” (five-course meals for patients), consulting on menu selections, and helping with design plans of new dining and serving areas.

In other words, Thibodaux Regional appears poised to completely break from hospital food’s traditionally dismal reputation. “We’re in a service industry. Having this type of food available in a hospital is unusual, very distinctive,” Stock said.

**Cost check**

As it began to grow, Thibodaux Regional also began closely monitoring its processes and operations to find ways to improve efficiency and reduce waste. Stock attended several conferences on various methodologies, including Six Sigma and Lean, where he was one of only a handful of health executives. Thibodaux eventually began deploying such progressive methodologies into its own principles and practices.

The strategy shift has paid off, Stock said, helping Thibodaux keep costs in check and improving the quality of care. “That’s a key issue in healthcare today—providing quality at a good cost and getting good outcomes,” he said. “We’re doing it because it’s the right thing to do for the patient, and because it makes good business sense.”

While the healthcare industry often battles the perception of medical personnel being too busy and detached to provide compassionate care, Thibodaux Regional takes pride in the reputation it has built as a provider that goes the extra mile on a personal level, Stock said. Many organizations leave such concepts untouched under the umbrella of company culture; Thibodaux Regional went to the other extreme, developing company-wide standards of behavior in which medical personnel and administrative staff treat those around them with dignity, respect, and friendliness.

“We selected about 30 of our staff members who developed behavioral standards. When you walk down the hallway and cross paths with a coworker, patient, or visitor, you look them in the eyes and you greet them,” Stock said. “Likewise, if somebody walks up to the registration desk, you look them in the eyes and greet them.”

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**HAMMES COMPANY**

Hammes Company serves as project manager for TRMC’s $77-million expansion. Our single-source expertise ensures TRMC’s interests are represented in all facets of the planning and development of this project. Hammes Company’s experience as the nation’s largest healthcare developer, as ranked by Modern Healthcare for the past six consecutive years, enables us to bring the healthcare industry’s best practices to Thibodaux, Louisiana.
Stock pointed out an anecdote that exemplifies Thibodaux Regional’s commitment to its patients on a personal level. A male patient was scheduled for heart surgery that would have prevented him from attending his son’s high school graduation. Upon hearing this news, a nurse phoned the school’s principal and organized a mini-ceremony to take place in the patient’s hospital room so he could witness his son “graduating” and receiving his diploma.

“Things like that make a huge difference to the patients and the families,” Stock said. “Remaining focused on the patient is our purpose for being.”

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