



**JOHN G. KING**  
**In First Person: An Oral History**

American Hospital Association  
Center for Hospital and Healthcare Administration History  
and  
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**JOHN G. KING**

**In First Person: An Oral History**

**Interviewed by Kim M. Garber  
On September 4, 2015**

**Edited by Kim M. Garber**

**Sponsored by  
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**EDITED TRANSCRIPT**  
**Interviewed in Davenport, Iowa**

**KIM GARBER:** Today is Friday, September 4, 2015. My name is Kim Garber, and I will be interviewing John King, who has been in leadership at Fairview Hospital (Minneapolis), Holy Cross Health System (South Bend, IN), Evangelical Health Systems (Oak Brook, IL), and Legacy Health System (Portland, OR). Mr. King has served as the chairman of the American Hospital Association Board of Trustees and has been adjunct faculty at a number of universities, including the University of Minnesota, his alma mater. John, it's great to have the opportunity to speak with you this morning. Would you tell about your parents and values that you learned from them?

**JOHN G. KING:** My father was in the grocery business with a partner in Pipestone, Minnesota, where I was born. In 1941, when I was two, he decided to go off on his own. We moved to Waseca, a small town of about 5,000 in southern Minnesota that has grown to about 10,000 today. My father opened a retail grocery store and, in 1950, built a supermarket a couple of blocks away.

My Christian faith was formed by my parents at an early age. They were both active in the Methodist Church in Waseca and had a strong faith which they passed on to me. They knew the risks of being in business and were risk managers to some extent. They were generous and paid back to the community. Both my father and my mother were active in a variety of ways to make the community a better place. At Christmastime, my father would load the back of his panel truck with sacks of groceries and take them to about 12 or 15 families in town that he knew didn't have much money. We'd go with him to deliver these groceries to the families. They were grateful of course, and this was his way of showing us how to be generous. Those were the main values, along with teaching that you get achievement through hard work. My father was a hard worker. As a small business person, it was a 24/7 kind of existence in some ways.

**GARBER:** Did you have jobs at the store?

**KING:** Yes, I did. Starting in about the 7<sup>th</sup> grade, I used to go down before school and help prepare vegetables. Sometimes after school, but especially on Saturdays, I worked as a bag boy at the checkout. In the 9<sup>th</sup> grade, I worked in the meat department – ground hamburger, sold meat over the counter, and cut meat. I really liked the head butcher, Lloyd Knaak. He was tough, ex-Navy, and was harder on me in some ways than my father was. He taught me how to follow directions and take pride in what I was doing. I'll ever be grateful to him. He had a big influence on me.

My father started college during the Depression. He could only afford to go for one year. My mother finished college and became a librarian. She went to Rice Lake, Wisconsin, to be the librarian in the school, and that's where my parents met. Rice Lake is where my father grew up. He went back there after his one year of college and worked for a wholesale grocery company. That's how he got introduced to the grocery business and later on went to Pipestone with this friend who also worked there.

I learned the value of education from my mother. She was education-minded, but so was my father. When he was 50 years old, he sold the business and went back to college. He had always wanted to finish college. In 1960, he was 50 years old and back in college with some of my friends. It was unusual in those days to be in college at that age. My sister was still in high school and I was at Dartmouth, so the three of us were all in school. My mother also went back to get her teaching

certificate renewed. My father was serious about his education and stayed on to get a master's degree in business and taught at Mankato State University for several years before becoming human resources director at a large company in Waseca.

The lesson I got from him was this: Don't assume that if you start down the path of a career that that is what you are going to do your whole life. I saw him make this change at age 50 and it prepared me for the fact that maybe there was another door that would open, or maybe I should be prepared financially to do something else. It had a big influence on my thinking about my own career. As it happened, I stepped out of my day job at age 60 to pursue consulting and some other things. I was ready. I had done what I had come to Legacy to do.

There were two other people who were influential before I was age 12. We had two neighbors, both men who worked on the railroad. One was an engineer and the other was a brakeman. The engineer would be the equivalent of an airline pilot today. They were well respected people in the community. They made good incomes. They worked weekends, and had some time off during the week. These two men would take me fishing, play ball with me, help me with my hitting. They were my surrogate fathers during the week while my dad was running the store. They had a big influence on me.

**GARBER:** In high school, you were class president and were outstanding academically. Was your heart in sports, though?

**KING:** Yes, that was important. I matured early, so I was able to play varsity sports at a young age. I lettered in baseball in the 8<sup>th</sup> grade! The most influential thing that happened in sports was that a football coach by the name of Neil Davis, who was a graduate of Luther College here in Iowa, came to coach us. When he arrived, our expectations weren't very high. The athletes we had looked up to in our freshman year had had a losing season. Coach Davis convinced us that we were good, that we could get better, and that we would win. Over the next three years, while he was our coach, we only lost two games. We won the conference all three years. We had an all-state end on the team by the name of Bob Johnson, two of us were honorable mention all-state. We were a power in football.

Coach Davis taught us for three years and never uttered a profane word. Not once! We weren't allowed to swear either. If we did, we ran laps. He taught us that to be a man, you didn't have to curse. That stuck with me and with a lot of my teammates. I'm going to see some of them in two weeks at a hall of fame banquet for Waseca High School and I know that it has had an influence on us for the rest of our lives. Quite a man! He was also Jane's Sunday school teacher. He was a big influence in town.

**GARBER:** Did you consider a career in pro sports?

**KING:** Not really. I played baseball at Dartmouth. I think I could have signed a contract to play semi-pro ball, but I was intrigued with hospital administration by that time. I knew that I wanted to pursue that. I didn't think that I was major league material and I didn't want to languish a year or two in the minor leagues, so I was right off to grad school.

**GARBER:** What made you choose Dartmouth?

**KING:** I knew I wanted to experience a different part of the country. There was a friend of

my father's in Waseca, who owned three farms and a bank. He was a man about town. He wasn't a full time banker or a full time farmer; he managed these things and had other people do most of the day-to-day work. He and my father were good friends and played golf together. When I was 12, our family was going to take a driving vacation through New England, and he suggested that we stop at Dartmouth College. He said, "I think John would like it there, and you should take a look."

We arrived in Hanover, the home of Dartmouth, on graduation weekend, and I saw the commencement parade. The faculty and the graduating seniors and the members of the 50<sup>th</sup> reunion class all parade up from the fieldhouse to the green in front of Baker Library. I saw that academic parade and was absolutely snowed, I was smitten, I was so impressed. We toured the campus, but that commencement ceremony was beyond anything I'd ever experienced. Three or four years later, when I was thinking about college, I couldn't get that out of my mind. As it turned out, I went to Minneapolis for a Dartmouth alumni interview with a man who was managing partner of a large law firm whose name was John Faegre. He was very active in interviewing and helping recruit kids from the state of Minnesota to go to Dartmouth. In my class, we ended up with 28.

As the interview was concluding, he said, "I know you are concerned about whether you might be admitted. Don't worry, you will be. Dartmouth is very interested in giving priority to good students from the Midwest and from rural areas and they don't have enough of those students. With that priority, your grades and your leadership skills, you're going to be admitted." I didn't even apply to another college! As it turned out, I was admitted, and I went and had a great experience. How I got there was a little unusual and it was serendipitous – happening to show up on commencement weekend. That had a big effect on me.

**GARBER:** Do you think you could have shown up *anywhere* that had an impressive commencement experience and have been interested there? You could have had a different alma mater!

**KING:** Probably, but that was fate. The fact that this man was well respected in town, was a friend of the family, and he was a graduate. Then having that experience, and the fact that I wanted to get out of Minnesota to go to school to experience some other part of the country.

**GARBER:** That's part of what college is about. Did you have an athletic scholarship at Dartmouth?

**KING:** The Ivy League doesn't give athletic scholarships. All the scholarships are based on financial need and my parents' net worth was such that I didn't qualify. It was a financial sacrifice on the part of my parents because Ivy League was at least twice what it would have been to go to some other liberal arts college in Minnesota. They didn't bat an eye about that. It was never raised as an issue. They were more than willing to pay. I did play baseball, but I didn't have a scholarship.

**GARBER:** Did the Ivies have fraternities and did you pledge?

**KING:** We did have fraternities. We could not pledge until we were sophomores, and we could not live in the house until we were seniors. I was an exception in that I lived in the house when I was a junior with another junior. The reason was that the emphasis at Dartmouth is on your class. We were members of the class of 1961 – the BEST CLASS to ever have come to Dartmouth! That was the focal point, not only while we were there, but after we graduated. All of the fund raising is

done by class, with class competition. You're in competition with the class ahead of you, the class behind you. Class identity is the number one thing at Dartmouth. Fraternities came second. In order to make sure that the class identity emerged, we didn't pledge until toward the end of sophomore year. Fraternities were there, but they were held in a bit of abeyance.

During my senior year, I was fortunate to be tapped as a member of one of the three senior honorary societies. I lived at the Castle of Casque & Gauntlet. There were 28 of us and we were an eclectic mix of student leaders – people from drama, sports, student government. It was the opposite of a fraternity, in which you are trying to bring together people of like interests. I was thrown together with a group of students that I would not naturally have sought out. It was the highlight of my experience of living at Dartmouth. We are still in contact – we're going to have a 55<sup>th</sup> reunion next year. Twenty-three of us are still alive.

**GARBER:** Did you have any particularly memorable professors?

**KING:** Definitely. We had an economics professor by the name of Knight who had written the textbook for Economics I and Economics II, and he taught the class. One of the advantages of being at a school like Dartmouth is that you get professors, not Ph.D. students, as teachers, so you get the top people, even as freshmen or sophomores in entry level courses. To have Professor Knight,<sup>1</sup> who had written the textbook in Economics I, teach us was a memorable experience.

We had a history professor who would write an outline on the blackboard at the beginning of class, turn around and lecture for an hour with no notes. He was breathtaking. People would scramble to get into his classes. During the winter term he would lecture on Monday nights about the Civil War at Dartmouth Hall – noncredit, entertaining lectures called “Battle a Night.” It was the same thing – he would get up, put an outline on the projector, turn around, and lecture for an hour. We were educated, we were mesmerized, we were entertained. He was something else. His name was Professor Brown. He had an enormous reputation on campus as a tremendous teacher.

I had another professor at Tuck, the graduate business school, which I went to my senior year. At that time Dartmouth had a 3-2 program. You could do a liberal arts major, and then beginning your senior year you could transfer to Tuck or to Thayer, the engineering school. I had a production professor there who was the best graduate schoolteacher that I experienced, along with Jim Hamilton<sup>2</sup> at Minnesota later. His name was Brian Quinn<sup>3</sup> and he was terrific. I'm ever grateful to my advisor, George Theriault,<sup>4</sup> who was chairman of the Sociology Department – I was a sociology major. One

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<sup>1</sup> Bruce Winton Knight, Ph.D. (1892-1980) was professor of economics at Dartmouth College and author of *How to Run a War*, and *Economic Principles in Practice*, among other works. [The Mises Institute. *Profiles: Bruce Winton Knight*. <https://mises.org/profile/bruce-winton-knight>]

<sup>2</sup> James A. Hamilton (1899-1985) was director of the Program in Hospital Administration at the University of Minnesota from 1946 to 1966. His oral history: Weeks, L.E., (Ed.). (1983). *James A. Hamilton in first person: An oral history*. Chicago: American Hospital Association, can be found in the collection of the American Hospital Association Resource Center.

<sup>3</sup> James Brian Quinn, Ph.D. (1928-2012) began his long career with the Tuck School of Business at Dartmouth in 1957, retiring as a respected and beloved professor in 1993. An expert in business policy, he served as an advisor to on Sino-American trade relations and to the Gorbachev government. [Quinn, dedicated Tuck professor, dies at 84. (2012, Sept. 10). *The Dartmouth*. <http://thedartmouth.com/2012/09/10/quinn-dedicated-tuck-professor-dies-at-84/>]

<sup>4</sup> George F. Theriault, Ph.D. (1911-1984) began to teach at Dartmouth in 1936 and served as chair of the Sociology Department from 1957-1961. [*Guide to the papers of George F. Theriault, 1931-1982*. Hanover, N.H.: Dartmouth College, Ranier Special Collections Library. [http://ead.dartmouth.edu/html/ms1074\\_fullguide.html](http://ead.dartmouth.edu/html/ms1074_fullguide.html)]

day in my sophomore year, I said to him, “Everybody here seems to want to go to work for Procter & Gamble and be a brand manager.” In those days, it was brand management as opposed to investment banking today. To go to work for Procter & Gamble or one of the other companies like that and work your way up to be brand manager was the goal.

I said, “I grew up in the grocery business and selling soap isn’t terribly exciting to me. I don’t want to be the Ivory Flakes brand manager.” He said, “What do you want to do?” I said, “I want to do something with more value to humanity and to society.” He said, “Do you know anything about hospitals? There is an emerging profession called hospital administration.” He picked up the phone and called his neighbor, Bill Wilson, who ran Mary Hitchcock Hospital.<sup>5</sup> He said, “I have a student here I’d like you to talk to.” The next day I was in Bill Wilson’s office, and he was telling me about hospital administration. I was very interested, as were a few of my classmates, Dick Barr,<sup>6</sup> Hop Holmberg,<sup>7</sup> Gail Warden,<sup>8</sup> who was in the class ahead of us, was also involved in getting to know Bill Wilson.

As a result of that, most of us ended up going to Michigan or Minnesota for graduate school. Bill had residents from the Michigan program, but he also talked about Jim Hamilton and the Minnesota program, so most of us interested in that field ended up going to grad school at one of those two places. My faculty advisor’s intuition that hospital administration might work for me and also introducing me to Bill – and I had several meetings with him over the years – were both helpful.

I ended up pursuing a summer job at the Owatonna Hospital as an orderly, which was the best thing I could have done. My father went to Owatonna, 14 miles away, and talked with Ed Evans,<sup>9</sup> who ran the hospital. Ed hired me, sight unseen, to work the 3-to-11 shift as an orderly. When school was out at Dartmouth, I went back home, had a two-week training program and was on the floor taking care of patients. I was the only orderly on 3-to-11, so I did the heavy lifting. I was in the OB department helping to move women onto the delivery table, I was in the emergency department, I was taking care of patients on the floor. It was a tremendous experience. A short nine years later, I was the CEO of Fairview Hospital in downtown Minneapolis, and was having long, drawn-out discussions with the director of nursing about the hours of care and all the things that go into formulating the nursing budget. Had I not had that experience as an orderly, she’d have run me around in circles, but I understood what was going on up on the patient floor. I understood what

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<sup>5</sup> William Lynn Wilson (1913-2004) was executive director of Mary Hitchcock Memorial Hospital (Hanover, N.H.) from 1948 to 1978. He was also a professor at Dartmouth College from 1967 to 1978. [Vital signs: Valedictory for a visionary, a gentleman, and a gentle man. (2004, Summer). *Dartmouth Magazine*, 28(4). [http://dartmed.dartmouth.edu/summer04/html/vs\\_valedictory.shtml](http://dartmed.dartmouth.edu/summer04/html/vs_valedictory.shtml)]

<sup>6</sup> Richard R. Barr went on to leadership positions at Presbyterian Hospital and later Presbyterian Hospital Center and Southwest Community Health Services (Albuquerque). [*Oral history project: New Mexico Medical History Program, Medical Center Library, The University of New Mexico interview with Richard R. Barr.* (1997, Feb. 20). <http://hscdm.unm.edu/hslic/oralhist/PDF/BarrROH.pdf>]

<sup>7</sup> R. Hopkins Holmberg, Ph.D., had a varied career in academic and leadership positions including serving as executive director of the Aga Khan Hospital in Nairobi, Kenya. [American College of Healthcare Executives. (1990). *1990 directory*. Chicago: ACHE.]

<sup>8</sup> Gail L. Warden was executive vice president at the American Hospital Association and later became president and CEO of Group Health Cooperative of Puget Sound and then President and CEO of Henry Ford Health System. His oral history: Garber, K.M., (Ed.). (2010). *Gail L. Warden in first person: An oral history*. Chicago: American Hospital Association, can be retrieved from [www.aha.org/chhah](http://www.aha.org/chhah)]

<sup>9</sup> Edward J. Evans was the administrator of the Owatonna City Hospital (Owatonna, Minnesota), a 60-bed community hospital, from 1956 to 1965.

doctors were doing, nurses were doing, laboratory technicians. It gave me a sense of confidence that I knew what was going on upstairs. I had two summers of that, and it was the best thing I could have ever done. Still today, I recommend to anybody interested in medicine or hospital administration to get a job as an orderly and learn from the bottom up.

**GARBER:** Your experience illustrates the power of networking.

**KING:** It's a strength of Dartmouth and of the University of Minnesota Program in Hospital Administration. That network was invaluable. It certainly is at Tuck, where I started my master's degree. Today, the annual giving to the Tuck School by its graduates is 75 percent, the highest in the country. Seventy-five percent of the graduates give every year. Fifty percent is considered unusual. At Dartmouth, for the entire College, it is about 50 percent and they lead the nation, but at Tuck it is 75 percent. That network remains so strong, it's unbelievable.

**GARBER:** Is there anything else you'd like to say about Dartmouth or Tuck?

**KING:** I had a difficult freshman year academically. I failed Spanish One! I was one of only five students admitted in my class of 700 who hadn't taken a language in high school. Why I got admitted to Dartmouth without that, I don't know. Nor was I wise enough to take a class during the summer before my freshman year. There were seven of us in the Spanish class, and everybody else had had Spanish in high school. One of the students was Pablo Gomez, who had grown up in a Spanish-speaking family! Then there was Jimmy Alfaro from Buenos Aires! I was lost from day one. I had to repeat it.

I had two roommates freshman year, both from Darien, Connecticut. One was an all-state football player, the other one was 16 years old – 17 in November – and he had exempted out of the English requirement and out of French and Spanish. He had lived in South America and in New Orleans with a French maid. He spoke French and Spanish, and he had exempted out of an English requirement, and here I was failing Spanish One and struggling in English. He helped me a lot. It was a rude awakening because in high school, I was all-everything. I got to Dartmouth and I was just average – it was a very difficult adjustment, but I made it and had a great time.

**GARBER:** You went right on to grad school?

**KING:** I went right on to grad school at the University of Minnesota. My wife Jane, who I started dating at age 15, was in the class behind me in high school. My going away to college, I think, helped our relationship because we were apart most of our college career. Then I came back to Minnesota. Jane was a student at the University of Minnesota, and we ended up getting married my second year of graduate school during my residency at Fairview. We've been married for **53** years. She has shared this journey with me, and we've had a great time.

I went to Minnesota partly because Jane was there, but also because Jim Hamilton was the program director, and he was a Dartmouth graduate. Three of us from my class at Dartmouth – Dick Barr and Hop Holmberg and I went to Minnesota. Mr. Hamilton was proud to have us there, but he was also very tough on us. He didn't let up one little bit.

I had also interviewed with Gerhard Hartman<sup>10</sup> at Iowa because the Iowa program was very strong at that time, as was Michigan. Gerhard Hartman said, “I’m going to send you a letter of acceptance. I’d love to have you here, but you need to go to Minnesota. Jim Hamilton would be very upset with me if you came here.” They were friends. They were competitive consulting firms. They were colleagues. They knew each other well. Gerhard Hartman thought enough of Jim Hamilton to say to me, “You need to go to Minnesota because he would want you there as a Dartmouth grad.” I was just blown away. I was so surprised. After I got the letter of acceptance, and I wrote him back and thanked him and told him I was going to go to Minnesota.

**GARBER:** A number of people who have been interviewed for this oral history series have spoken of Professor Hamilton and his teaching approach. Would you talk about that and how effective it was.

**KING:** Most of Hamilton’s teaching was based on case studies. Other people taught basic courses in finance and marketing and things about the hospital, but Hamilton had assembled a book of case studies. Many of them came out of experiences that his consulting firm had. They had written these cases up and gotten permission to use them. There were all kinds of challenges there, whether it was planning or operations or medical staff relations, or whatever. This was a big, thick, 450 page-or-so case study book. Hamilton knew those cases inside and out.

We would be assigned a case, and he would come in and teach. Particularly in the spring, when we were trying to synthesize things together from various courses, the case studies were Hamilton’s way of teaching us how to understand and synthesize the things we knew and how to understand the case from a variety of perspectives. He was a master at that kind of teaching.

He also had the unique skill of talking to you directly as a student and pressing you and pressing you without embarrassing you and without anybody else making fun or anything, because they knew they were next! Everybody was very respectful. He had this ability to go one-on-one with you as a student and press you and push you and push you and to help you understand the train of thought and the thinking as he was looking at things. It was very effective. He was a tough, tough taskmaster,



**Professor James A. Hamilton photographed at a convention of the American Hospital Association in 1956 or earlier. Photography courtesy of Christof Studios, San Francisco**

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<sup>10</sup> Gerhard Hartman, Ph.D. was director of the Department of Health Management and Policy in the College of Public Health and the University of Iowa from 1950 to 1977. [The University of Iowa. (2015, Apr. 24). *HMP History*. <http://www.public-health.uiowa.edu/hmp-history/>]

and he would sometimes just nail you to the wall.

We grew and we learned. Nobody was embarrassed about it. And he had this ability to press you academically without it being personal. I'm not sure entirely how he was able to do that, but we had so much respect for him that we never resented it. We knew he was trying to help us understand, and as he would do that, everybody in the class would learn. It wasn't just you. As he would take you through this process, and nail you on something, and push you and push you, everybody would learn from that. It was a tremendous experience. He was a great, great teacher as a result. The case studies were his real field of expertise in which he brought comprehensive points of view together and helped us understand how to draw from the various things that were being taught.

**GARBER:** Staying with you and not letting you get off easy in your answers and your thought process starts to prepare you for those tough discussions you're going to be having with the chief of medical staff or the chairman of the board...

**KING:** Absolutely – board meetings, administrative staff meetings.

**GARBER:** ...where you're going to be up against very intelligent, very well-educated people, and you've got to be able to stand your ground.

**KING:** Exactly. You have to be able to push back when you should and stand your ground, and also to listen and to be sure that you understand where the person is coming from. John Sweetland<sup>11</sup>, his son-in-law who was with him in the consulting business, was also very good at case study, and the two of them did most of our case study work. We learned tremendously. Minnesota was known for its problem-solving teaching, and they had a process for problem solving that we would go through, and we would apply that to these cases in many ways.<sup>12</sup> Jim Hamilton's and John Sweetland's personal ability to drive those things home were invaluable.

**GARBER:** The Minnesota program was set up at the time like many of the other graduate programs in that there was one year academic and then one year of residency.

**KING:** Yes, for many years.

**GARBER:** Your residency was at Fairview Hospital...

**KING:** That's correct.

**GARBER:** ...which is a fascinating place.

**KING:** Yes. I was very fortunate. Mr. Hamilton was looking out for me in assigning me to that residency. He knew I wanted to stay in town because Jane and I were going to be married. He

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<sup>11</sup> John Sweetland (1927-2007) began his consulting career with James A. Hamilton Associates in 1959 and ultimately became president of the firm. [*John Sweetland obituary*. <http://findagrave.com/cgi-bin/fg.cgi?page=gr&GSln=sweetland&GSfn=john&GSby=1927&GSbyrel=in&GSdyrel=all&GSob=n&GRid=22459047&df=all&>]

<sup>12</sup> A 14-step approach to problem solving developed by James Hamilton has come to be known as "The Minnesota Way." [University of Minnesota. (2015, Apr. 6). *MHA alumni drive problem solving method*. <http://www.sph.umn.edu/mha-alumni-drive-problem-solving-method/>]

thought that I would fit at Fairview with Carl Platou<sup>13</sup> and the team there. He was right. I ended up being able to stay and be employed there. It was an incredible start to my career.

**GARBER:** I understand that Jim Hamilton would hold a party each year to tell you where your residency was going to be.

**KING:** Yes. I don't remember a lot of details, but I know that most of us were celebrating. Some of the students were assigned to out-of-town hospitals that they were less familiar with. For the most part, we had had experience and toured and met the administrative teams at the local hospitals. My friend Dick Barr went to Kansas City with Russ Miller.<sup>14</sup> Russ had come up and lectured to us. All of the preceptors at some time during the year would be on campus. We would at least have met them, but we didn't know the out-of-town organizations quite as well. For the most part, Mr. Hamilton did a fine job of matching people. In some cases, there were problem students who were assigned to certain preceptors. Year after year those preceptors were very good at taking students who needed a lot of help. It was done with a lot of skill.

**GARBER:** That must have been fulfilling for him, to make those matches between his students and his friends in the field.

**KING:** Sure, and to watch them grow over time, and then hire him as a consultant down the road.

**GARBER:** It was a beautiful thing.

**KING:** He took the alumni activity from Dartmouth and welded it into the Minnesota program, so that there was an alumni association, and you were expected to stay connected and to give money and support and be a preceptor down the road. He brought a lot to that program, even though he was, in some ways, a part-time director.

**GARBER:** Is there anything else you'd like to say about Minnesota before we go to Fairview?

**KING:** An unusual thing happened. Mr. Hamilton married one of the other faculty members while I was a student. We went away on a fishing trip in the spring of that first year. That was tradition that we went to the Canadian border and had a couple of days of fishing together with some of the faculty. Mr. Hamilton eloped with faculty member Edith Lentz<sup>15</sup> while we were at Crane Lake. We were all dumbfounded. Nobody had any idea that the two of them were in love.

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<sup>13</sup> Carl N. Platou (1923-2012) attended the graduate hospital administration program at the University of Minnesota, earning his degree in 1951. Platou went on to a leadership role in creating Fairview Health Services (Minneapolis). His oral history: *Carl N. Platou in first person: An oral history*. (1993). Chicago: American Hospital Association, can be found in the collection of the American Hospital Association Resource Center. [Obituary: hospital visionary Carl Platou transformed Fairview. (2012, May 31). *Minneapolis StarTribune*. Retrieved from <http://www.startribune.com/local/155858835.html>]

<sup>14</sup> Russell H. Miller (1924-2010) retired as CEO at the University of Kansas Medical Center (Kansas City, Kansas) after having served there for 28 years. [*Russell H. Miller obituary*. <http://www.amosfamily.com/2010/03/russell-h-miller/>]

<sup>15</sup> Edith Lentz Hamilton, Ph.D. (1914-1976) was an associate professor and director of research at the University of Minnesota's School of Public Health. [*Dr. Edith M. Lentz Hamilton*. <http://findagrave.com/cgi-bin/fg.cgi?page=gr&GRid=80211098>]

Mr. Hamilton's first wife, Sabra, had died several years earlier. She was known around the country as his wife, a very gracious woman. Edith was a Ph.D. on the faculty, and it was really Edith who convinced him to start a Ph.D. program. He was not particularly enamored with having a Ph.D. program. Edith was the person who convinced him that Minnesota should have a Ph.D. program as well as a master's program. She was instrumental in helping to start that and was the director of that program.

They end up getting married in the spring of 1962, and people were shocked. I remember another faculty member, Vern Weckwerth,<sup>16</sup> who was on the fishing trip with us, taught biostatistics, was a faculty member until just recently, well into his 80s. He was beside himself. He just couldn't believe it. He was one of these persons who needed to know all the inside stuff, but they had kept this from him, and I remember he just wild about it. He couldn't believe it.

I connected with Mr. Hamilton and Edith later when I went to the University of Massachusetts. He was retired and living in South Duxbury, outside of Boston. He was consulting personally to the University of Massachusetts, helping Dean Soutter<sup>17</sup> get the med school plans off the ground. We used to go down to South Duxbury and meet with Mr. Hamilton, and sometimes he would come to Boston. We enjoyed going down there and spending an afternoon with him. It's a fairly easy drive and a beautiful place. Edith and he lived there for a number of years after he retired. It was amusing that she ordered him around that place like a servant. We had this image of him as a bombastic teacher and consultant in charge of everything. In South Duxbury, she would say, "Jim, would you take the garbage out now?" He would take out the garbage. It was hilarious. We got a chuckle out of watching this relationship emerge. I remember it like it was yesterday. She was quite a lady, and a great teacher as well.

**GARBER:** Let's move on to Fairview and Carl Platou, who began there when it was a small community hospital.

**KING:** I think he started in 1952, after he graduated. He was at Northwestern for a residency and then he was hired to run Fairview. He was maybe 30 at the time – young, inexperienced – but he had been a paratrooper, so he had had some experience before grad school. He was not a particularly good student, certainly not the leader of the class academically, but was personable, good with people, creative, and a risk-taker. Working for Carl and watching Carl accomplish things was a real lesson. By the time I got there in 1962, Don Wegmiller,<sup>18</sup> who was a year ahead of me in graduate school, had been a resident at Fairview and had been hired. The two of us were young, the rest of the management team was in their late twenties or thirties, and Carl was about forty. He was relatively young, but had been there for ten or twelve years.

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<sup>16</sup> Vernon Weckwerth, Ph.D., is professor emeritus and director emeritus, Division of Health Policy & Management, School of Public Health, University of Minnesota. [University of Minnesota. *Vernon Weckwerth*. <http://sph.umn.edu/faculty1/hpm/emeritus/name/vernon-weckwerth/>]

<sup>17</sup> Lamar Soutter, M.D., was the founding dean of the University of Massachusetts Medical School (Worcester, Massachusetts). [University of Massachusetts Medical School. *Historical timeline of UMass Medical School*. [http://library.umassmed.edu/omha/umms\\_timeline/](http://library.umassmed.edu/omha/umms_timeline/)]

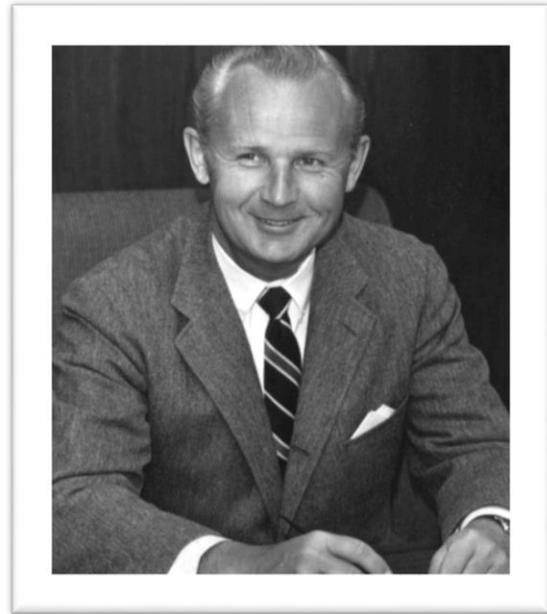
<sup>18</sup> Donald C. Wegmiller was CEO of Allina Health System (Minneapolis) and is chairman of the Scottsdale Institute. [Former Allina CEO Wegmiller named Scottsdale Institute chairman. (2012, Nov. 14). *Minneapolis/St. Paul Business Journal*, Retrieved from <http://www.bizjournals.com/twincities/news/2012/11/14/wegmiller-allina-scottsdale-institute.html>]

Fairview was clearly a small, second-tier community hospital. This was not Northwestern. This was not Abbott. This was not St. Barnabas. Even St. Mary's next door was held in higher regard in the early '50s. Carl and the staff there had an Avis mentality. They weren't Hertz. They knew it. They were Avis, but it wasn't long before they surpassed Hertz.

They opened the first inpatient psychiatric treatment center in a general acute hospital, the first comprehensive rehab center, the first skilled nursing facility under Medicare in the mid-'60s. Carl recruited the chairman of orthopedics at the University of Minnesota, who was a world-renowned scoliosis surgeon – treating curvature of the spine – to bring his private practice to Fairview because he couldn't get enough operating room time at the University of Minnesota.

Carl had this ability to conceive ideas and get them done and there were no apparent barriers. He just bypassed and left everybody behind. Built the first satellite hospital in Minnesota, or what we would call a branch or a second hospital, under the auspices of Fairview. Every two or three years, there would be something new coming out.

The reason Carl was able to do that is that he didn't spend much time on operations. He delegated that. He would spend his time on development and new ideas and getting things done that were creative and different. He had this very great ability to delegate. Later on when I was administrator of the downtown hospital and my colleague, Don Wegmiller, was out at Fairview Southdale, we were given an amazing amount of independence – all medical staff relationships, for example. We had one board, so we didn't manage the board relationships. Carl took care of that and did it very well. He really got out of our way. The reason he had time to do all these other things was that he knew how to delegate, and he had strong staff people. Lowell Palmquist,<sup>19</sup> who preceded me at Fairview, was a very competent person. Chuck Lindstrom,<sup>20</sup> who opened Fairview Southdale with Don as his assistant was very competent – went on to run St. Luke's in Kansas City for 20 years or more.



**Carl N. Platou circa 1969**

Carl had the ability to recruit and keep people happy and delegate. He gave us just enough rope that we didn't hang ourselves, but he let us make a lot of little mistakes. He helped us not make big mistakes. He was a great mentor and a risk-taker, and he had a board that trusted him implicitly. That's also one of the reasons that he was successful. This story probably hasn't been told a lot and happened early in his career at Fairview. The hospital was sponsored by the Norwegian Lutheran

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<sup>19</sup> Lowell E. Palmquist was an administrator with the Fairview Hospitals from 1965 to 1969 and later served as president/CEO of Swedish Medical Center (Englewood, Colo.). [Lowell Eldon Palmquist. *Prabook*. <http://prabook.org/web/person-view.html?profileId=85164>]

<sup>20</sup> Charles C. Lindstrom was administrator at Fairview Southdale Hospital and then CEO at St. Luke's Health System (Kansas City, Miss.) from 1966 until his retirement in 1995. [American College of Healthcare Executives. *1998/99 member directory*. (1998). Chicago: ACHE.]

Church, and all of the board members were Norwegian Lutheran, except for Curt Carlson,<sup>21</sup> who owned Radisson Hotels and the Gold Bond Stamp Company. He was the token Methodist.

The Lutheran Church was going through a difficult battle regarding Lutheran Brotherhood, a fraternal insurance organization. A controversial man, Carl Granrud,<sup>22</sup> who ran Lutheran Brotherhood, was in the crosshairs of the church. The board was split. Some of them were supporting Carl Granrud and some of them were trying to take him down at Lutheran Brotherhood. The board chairman at Fairview did not call a board meeting for nine months. He didn't want the board to come together and get in the middle of this issue about Granrud, who was also on the board. Carl ran the organization for nine months without a board meeting. He established himself as a competent, trusted chief executive. He had meetings with the board chairman, but the board never met.

Finally, after nine months, this problem with Carl Granrud got settled and the board came back together. The board chair felt so strongly about Fairview that he didn't want it messed up by this fraternal fight. Carl got himself established with the board during that time because he would go around and meet with the board personally. Later on, he kept up that style. We would have six board meetings a year, and when the board came together, it was only to formalize what they had already decided. Carl had met with them, convinced them that they should support this idea and this decision and that decision. They would review the financial statements and they would know all about it beforehand. The board meetings were formalities.

Carl never took a chance with the board. He had them prepared, knowledgeable and understanding, and only once in a while they would get into a situation where they weren't sure what to do, and they would then turn to the chairman, H.P. Skoglund,<sup>23</sup> one of the owners of the Vikings, and say, "Skog, what do you want to do?" Skog would say, "I think we should do this," and that was the end of the discussion, and they would vote.

Carl had this board with so much confidence in him. They were all quite successful business people. Ray Plank, the head of Apache Oil Exploration;<sup>24</sup> H.P. Skoglund, president and owner of an insurance company and owner of the Vikings; Carl Granrud from the insurance company; a man from Dayton's who did all of the real estate development for the shopping centers – these were very successful people. They had great confidence in Carl. We would go to the board meetings and know about all the preparation Carl had done beforehand. We would go down and I would go and watch we were looking at the master. It was quite an experience. Here we were, 23 or 24 years old, soaking this stuff up.

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<sup>21</sup> Curt L. Carlson (1914-1999) started the Gold Bond Stamp Company during the Great Depression and parlayed his business success into the creation of the Carlson Cos., Inc., which included Radisson Hotels Worldwide. [Curtis Carlson: Owner of Radisson Hotels. (1999, Feb. 22). *Los Angeles Times*. <http://articles.latimes.com/1999/feb/22/news/mn-10529>]

<sup>22</sup> Carl F. Granrud (1896-1983) served as chairman of Lutheran Brotherhood in Minneapolis from 1951 to 1967. [Carl F. Granrud. (1983, Sept. 23). *The New York Times*. <http://www.nytimes.com/1983/09/23/obituaries/carl-f-granrud.html>]

<sup>23</sup> H.P. Skoglund was an insurance executive who, in 1961, was part of the ownership group to be awarded a National Football League expansion franchise which became the Minnesota Vikings. Hartman, S. (2015, Aug. 21). Hartman: Vikings, Raiders share a link to NFL history. *Minneapolis Star Tribune*. <http://www.startribune.com/vikings-raiders-share-a-link-to-nfl-history/322469011/>

<sup>24</sup> Raymond Plank founded Apache Corp. in 1956 in Minneapolis and retired as chairman 50 years later. [Biography: Raymond Plank. *Houston Chronicle*. <http://www.raymondplank.com/home-1/home>]

**GARBER:** Have you heard of any other CEOs with a board relationship like that? Did you try to emulate that?

**KING:** Well, I tried to emulate that – absolutely. Don Wegmiller and Lowell Palmquist and Chuck Lindstrom and I all learned from that. I’m sure our board relations were all a little bit different, but in the back of our minds was, “Never surprise your board chair. Never surprise the board. When you make a mistake, get up there and admit it. Give them that confidence that they’re going to get bad news as well as good news.” Those are the lessons he taught us, and I know that we all put them to work. I certainly did. This had a lot to do with the way I thought about my board chairman and what my responsibility was to that chair as well as to the rest of the board members, and it paid off. It paid off.

We were learning at the master’s feet when it came to board meetings. Carl, frankly, wasn’t the best in the world at operations. Don and I were better at this than he was, but talk about conceiving an idea and getting it done – he knew how to do that. He was really quite a mentor – quite a mentor. We had a lot of fun, too. Staff meetings sometimes were out of control. We had a lot of fun.

**GARBER:** Board meetings were very controlled and predictable, but staff meetings were more like skunkworks?

**KING:** Staff meetings were spontaneous, and we never let Carl have control of those. We did our best to keep him on edge and keep him off balance. Don and I spent ten or 12 years doing that, and we had a lot of fun at it. Great respect, but we had a lot of fun.

**GARBER:** You mentioned before some of the interesting and innovative things that Fairview did. I’d like to hone in on the satellite hospital. You mentioned it was the first satellite in Minnesota. I saw it described as the first satellite hospital in the country.

**KING:** Well, that would be a stretch, but it certainly was in that part of the country.

**GARBER:** What is a satellite hospital?

**KING:** The second hospital that was birthed out of the home hospital was usually smaller, less specialized, and new. It operated as a branch, but in the case of Fairview Southdale, it wasn’t long before the satellite was 400 beds and as big as the downtown Fairview hospital. In some respects, it was outperforming downtown Fairview financially. It took on a life of its own and we quit using the term satellite after about four years because it was a grownup. It wasn’t an adolescent any more. The term satellite was used when it was in start-up mode, when it was new and a lot of the employees came out of the parent hospital.

**GARBER:** Were there services that were shared with the downtown Fairview hospital?

**KING:** Sure. All of the accounting was centralized, all the finance, all the bill-paying, even the follow-up collections – financial services were integrated. Laboratory services were certainly integrated. The satellite hospital didn’t do all the specialized lab work. Specimens were sent downtown. Most of the clinical departments were somewhat independent. The hospital-based physicians in the lab and the radiology all came to the satellite out of the parent hospital. They were going back and forth to both. Purchasing and public relations were coordinated and integrated. As

time went on, the clinical services got more integrated in some ways.

We were feeling our way. There weren't many good examples. We were fortunate in going to visit Bob Toomey<sup>25</sup> at the Greenville system a couple of times, and we visited Steve Morris<sup>26</sup> at the Samaritan system in Phoenix. These were young fledgling systems that were ahead of us. We went to visit them because they were operating differently than the Catholic systems. The Catholic system was an ownership model, and it had reserve powers over these hospitals, but the hospitals were generally quite independent, and there were virtually no shared services between them, even if they were in the same community. As an example, St. Joe's in St. Paul, and St. Mary's in Minneapolis, both sponsored by the Sisters of St. Joseph of Carondelet, had practically nothing to do with one another, except that they had to go back to the Order for certain reserve powers for financing and a few other things, and the CEOs were appointed. They were independent. That wasn't the model that we wanted. We went to the emerging systems like Greenville and Samaritan to understand what they were doing and which things were centralized and which weren't. We learned from those fledgling systems, but we were learning by the seat of our pants.

**GARBER:** What's the point of establishing a satellite hospital?

**KING:** In our case, it was built in Edina, a kind of a first-tier suburb, a fairly upscale suburb with a very large shopping center, with two medical office buildings as a part of that shopping center complex. It was ready-made for a hospital. The travel distance into downtown Minneapolis was about half an hour. Rather than having the community start one from scratch, we conceived the idea that we would build a hospital there. The idea also came about because the Dayton Company – it was called Dayton-Hudson at that time – owned the land. On their plat plan, they had the shopping center and some general office buildings, and at the corner of France and Crosstown – the prime corner – they put 15 acres aside for a hospital. Next to it, they built two medical office buildings. The doctors knew some day there was going to be a hospital there. They filled up the offices in no time.

When the time came to think about a hospital, Don Dayton,<sup>27</sup> who ran the company, was chairman of Abbott Hospital, a silk-stocking hospital in town, but small, without a lot of money. They couldn't really hack it financially, so he offered to give 15 acres of prime property to Fairview if they would build a hospital. One reason he gave it to Fairview was that Carl had a reputation by that time of being able to get things done. Also, the shopping center was built on several thousand acres. Four hundred acres of that was farmland bought from H.P. Skoglund, the board chair at Fairview. When he sold the land to Don Dayton, they had a handshake that if Abbott couldn't build a hospital, Fairview would. It was a done deal that nobody knew about for probably ten years. After the shopping center was built and the medical office buildings were up, the time came that Dayton's wanted to see a hospital there. Don Dayton concluded Abbott didn't have the horsepower to do it. He called Carl

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<sup>25</sup> Robert E. Toomey (1916-2001) served as director of the Greenville Hospital System (Greenville, S.C.) from 1953 until 1978. [American College of Healthcare Executives. (1992). *1992 directory*. Chicago: ACHE.]

<sup>26</sup> Stephen M. Morris (1928-2011) became president and CEO of Good Samaritan Hospital (Phoenix) in 1966 and was later CEO of SamCor (Phoenix), which operated Samaritan Health Service. [*Stephen M. Morris obituary*. <http://www.legacy.com/obituaries/azcentral/obituary.aspx?pid=147980394>]

<sup>27</sup> Donald C. Dayton (1914-1989) was named president of Dayton's, a Minneapolis department store founded by his grandfather, in 1950. He later became CEO and chairman of the board until his retirement in 1968. [Donald Dayton, 74, Minneapolis retailer. (1989, June 24) *The New York Times*. <http://www.nytimes.com/1989/06/24/obituaries/donald-dayton-74-minneapolis-retailer.html>]

Platou and called H.P. Skoglund. [Snapped fingers.] Handshake.

In Minneapolis in those days, that's how things got done. All the leaders knew one another, and they all rubbed each other's backs, and they all took care of each other. That's just one example. In the meantime, Carl Platou had demonstrated that he knew what he was doing and had the capacity to do this. Between Carl's ability, and Skog – as board chair – vouching for the fact that Fairview could do this, it got done. The state board of health gave us a \$2 million Hill-Burton grant to help finance it, and that put it over the top.<sup>28</sup>

Don Wegmiller went out to Southdale to be the assistant administrator, which opened up a job for me at downtown Fairview. Fairview was ambitious. It was Avis gone crazy, and it was a great opportunity. Then Lutheran Deaconess came along as another opportunity to merge another Lutheran hospital in. That's how Fairview grew. Abbott and Northwestern ended up merging after Southdale was built for defensive reasons. They both lost patients to Fairview-Southdale so they ended up merging to succeed.<sup>29</sup> A lot of things started to happen. Pretty soon in the Minneapolis market, everybody was a part of a system except for North Memorial. Even the university hospital joined Fairview.

**GARBER:** All that started by...

**KING:** ...Started by a handshake with those two – Don Dayton and H.P. Skoglund.

**GARBER:** When a hospital builds a new greenfield hospital in a growing suburban area, it's often for competitive reasons – to control referrals and have them coming back to the flagship.

**KING:** Yes, that was part of it, but Fairview was a referral hospital primarily in orthopedics and rehabilitation and psychiatry, not as much in general medicine and surgery. It was not the referral hospital that Abbott-Northwestern turned out to be. It didn't have that many specialists in some of those areas. It was mainly in orthopedics and rehab and psych that we became known. Those referrals came back downtown, but the other referrals, some of them still continued to go to Abbott-Northwestern.

**GARBER:** This was ultimately good for Abbott-Northwestern.

**KING:** I think so, yes, but it was the beginning of catalyzing the Twin Cities into a city of systems. HealthEast in St. Paul developed. With the two Catholic hospitals, St. Mary's eventually became a part of Fairview and St. Joe's became a part of HealthEast, so there was no Catholic hospital anymore. I feel badly in some respects for that. The Order of St. Joseph of Carondelet in the Minnesota area was first and foremost an education order, and their priority was St. Catherine's College. They stood pat while this was going on around them, and eventually they ended up realizing

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<sup>28</sup> The Hospital Survey and Construction Act (P.L. 79-725), enacted in 1946, is more commonly known as the Hill-Burton Act after sponsoring senators Lister Hill, D-Ala., and Harold Burton, R-Ohio. The legislation provided capital funding to help modernize hospitals nationwide in exchange for the provision of uncompensated care in the future. [U.S. Department of Health and Human Services, Health Resources and Services Administration. *Hill-Burton facilities compliance & recovery*. <http://www.hrsa.gov/gethealthcare/affordable/hillburton/compliance.html>]

<sup>29</sup> Abbott Hospital and Northwestern Hospital merged in 1970 to form the Abbott-Northwestern Hospital Corporation. In 1980, the Abbott Hospital was closed and the hospital was consolidated on one campus. [Allina Health. *Hospital overview*. <http://www.allinahealth.org/Abbott-Northwestern-Hospital/About-us/Hospital-overview/>]

that they had to be a part of a system. It's an interesting case study in community planning and system building. Minneapolis was one of the leaders – St. Paul as well.

**GARBER:** I'd like you to talk about Don Wegmiller a little more.

**KING:** Don grew up in Duluth, went to school in Duluth, came to Minnesota as a master's student, was married, and had at least one child at that time. Don was hired at Fairview. He started out as the vice president of human resources, and then was given more departments to oversee. When the skilled nursing facility was opened, he was put in charge of it, which was a large 150-bed facility attached to this 400-bed hospital. Because of all the rehab and orthopedics we did, it was a natural. Don ran that for about two years before he went out to Fairview-Southdale. Then I became the vice president of human resources, took over the SNF unit, and eventually became assistant administrator at downtown Fairview. I was there until '67, when I left to go to Massachusetts. Don and I really started out there together. Don stayed on for a longer period of time. I came back to Fairview in 1969 as the administrator of downtown Fairview. We worked together a total of about 12 years there.

The great story about the two of us and Carl is that when Don and I were first running the two main Fairview hospitals we had different a position on some issue. We took it to Carl, and I said, "We need to make a decision about this, and Don wants to go left, and I want to go right." Carl just looked at us and said, "Figure it out." He wouldn't make a decision. He wouldn't choose one over the other. He looked at it personally – he didn't want to disappoint one of us, so he said, "You figure it out. I'm not here to solve your problems."

We never took him another problem for the next ten years because we knew he'd just look at us and say, "What are you talking to me for?" That's the way he delegated. Don and I were, on the one hand, quite competitive – to see who could do the most and who could accomplish the most. We spurred each other on. We used to joke about who's in the office first on Saturday morning? Who gets there first? It was that sort of thing.

On the other hand, we never let that competition hurt our work. We were always looking out for the other one. We always put the organization first. We were competitive in terms of what we were trying to achieve, but it never got in the way of us getting our job done and working on behalf of the organization. To have had that kind of relationship with somebody as talented as Don was a great satisfaction. We still are that way today. We play golf together, and we play golf with a couple of guys from Scottsdale Healthcare (now named Honor Health) every year. Don's on one team and I'm on the other, and it's important as to who wins. We're great friends, and I trust him with anything. It's just been a great relationship, and it has been since 1962.

**GARBER:** Why did you leave Minneapolis and move to Massachusetts?

**KING:** Jim Hamilton retired from the University of Minnesota, sold Hamilton Associates consulting firm and retired to South Duxbury, Massachusetts. The dean of a new startup med school at the University of Massachusetts was Lamar Soutter. He was a practicing physician, dean at Boston University, and then was hired to start this new med school for the University of Massachusetts, and it was to be built in Worcester. The offices were located in Boston because most of the consultants and the resources and the architects were there. Dr. Soutter knew about Mr. Hamilton and understood that he had recently moved to the Boston area. Much to the chagrin, I'm sure, of Hamilton Associates, he hired Mr. Hamilton personally to advise him.

The next hire that the dean made was John Stockwell,<sup>30</sup> who was a Minnesota graduate, to be the person in charge of the hospital. The university was going to build a new med school, a library and a teaching hospital in Worcester, about an hour and a half from Boston. When Stockwell was looking for someone to help in the planning of this hospital, because I had had experience in helping to plan for Fairview Southdale, both architecturally as well as programmatically, I was asked to come and be the assistant to John Stockwell, with the idea that I would run the hospital on a day-to-day basis when it opened. It was a very interesting opportunity, to plan and help develop, and then to run a teaching hospital.

Things went along well. Our planning was going fine, and I was in and out of all of the major medical centers in Boston, soaking up stuff. I was 27 years old and learning so much as well as contributing to the planning effort. We were notified by the federal government that funding for the medical school and the library were approved, but the funding for the hospital was going to be delayed between two and four years.

The federal government was funding about fifteen new medical school starts in the '60s and '70s. There was interest in expanding from about 89 to 102 or 103 medical schools. The University of Arizona was building a new school as a startup in Tucson, and this was going on all over the country. This opportunity was offered to me, and I decided to take it because I didn't think the person I was working for at downtown Fairview, Lowell Palmquist, was anxious to move. As I didn't see him moving in the near term, I didn't see opportunity there, so off I went to Boston. Jane and I moved to Wellesley with two young children, three years and eighteen months old. It was Jane's first time out of Minnesota. It was an exciting two years.

The delay in the funding made me stop and think. I had the opportunity to stay with the program and continue on with the planning while we were kind of wait-and-see. Carl Platou called about this time and said, "Lowell Palmquist is going to Denver, and I would like you to come back and run downtown Fairview." I took about a minute to make up my mind and told him, "Most definitely!" The thought of staying in Boston for two to four years treading water didn't appeal to me. I went back to Fairview at the age of 29 and was running that 400-bed teaching hospital in downtown Minneapolis. It was a great opportunity. I obviously could have stayed at the University of Massachusetts, but going back to Fairview in that role was too much to pass up. I had a great experience for the next nine years.

**GARBER:** What were your biggest challenges during those nine years?

**KING:** In 1969, Fairview had not completely recovered from the exodus of patients and doctors from downtown Fairview to Fairview-Southdale. The downtown hospital went from about 500 beds to about 400 beds. The downtown Fairview was going through an adjustment, and we were

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<sup>30</sup> John F. Stockwell was involved in the planning of, and became the first director of, University Hospital (Worcester, Mass.), which opened in 1976. He then went on to become CEO of Cape Cod Hospital (Hyannis, Mass.) [Reinhard, K.M. (2010, Feb.). *John F. Stockwell papers, 1966-2006: A finding aid*. Worcester, Mass.: Office of Medical History and Archives, Lamar Soutter Library, University of Massachusetts Medical School. [http://library.umassmed.edu/omha/stockwell\\_finding\\_aid.pdf](http://library.umassmed.edu/omha/stockwell_finding_aid.pdf)]

looking for new opportunities. Dr. Moe<sup>31</sup> had just brought his scoliosis practice over to the hospital a year or so before. The biggest challenge was to keep the morale going and to keep the momentum going in downtown Fairview, to look for new programs or to expand existing programs, such as in orthopedics. Fairview Southdale was the bright, shiny, new star on the horizon, and the people at downtown Fairview were feeling a little bit left out.

We worked hard at that and at collaborating with our friends at St. Mary's. We built a cancer treatment center, a radiation therapy center, a medical office building and a parking ramp together, and we started some joint ventures which led eventually to St. Mary's joining Fairview. I had a chance to work with Sister Mary Madonna<sup>32</sup> at St. Mary's, and we did some very productive things. Helping Fairview keep its morale in place, and not feeling it was being eclipsed by the new hospital in Southdale, was our biggest challenge, though.

**GARBER:** How did you address keeping morale up?

**KING:** For the most part, we had a fairly young staff. I was under 30. Most of the people working there in leadership positions were in their 40s. Carl was still relatively young, too. We tried to take a long-term view that we didn't have to solve all of our problems in the next two years, that we all had a career ahead of us, and that the university was growing into the west bank on our side of the river. There was activity at the university, and we were engaged with the university in a lot of neighborhood planning. The medical office building and the cancer center were important programs, and the scoliosis program was another important one that was added. It was a matter of keeping people focused on what our role was. Our sister hospital in Southdale was going to generate maybe twice the cash flow, but that wasn't the issue. The issue was that we needed to continue to do the kind of work we were doing and meet the needs of the community.

**GARBER:** Did you see the morale challenges to be organization-wide, or was it more on the leadership end as opposed to the front-line caregivers?

**KING:** I think it was more on the leadership end. The caregivers were affected to some extent with the exodus of patients when Fairview-Southdale opened, but I think they got over that after a while. We also were adding some affiliate hospitals and managed hospitals in the rural part of the state, and I took over that responsibility later on. We added Lutheran Deaconess, so the place was growing, and there were new things coming along. It wasn't like Fairview was trading water.

**GARBER:** What were the challenges in adding rural hospitals?

**KING:** The rationale was to build a system of statewide presence and to help generate referrals to the specialty programs, either at Fairview or Southdale. The challenges for the most part were challenges of scale. My growing up in a small town helped and that I had worked in a small hospital. It wasn't like I didn't know what a 60-bed hospital was about.

We were a big urban organization going out to the small town, and we had to be careful that

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<sup>31</sup> John H. Moe, M.D. (1905-1988) has been called the "father of modern-day treatment of scoliosis." [John H. Moe, M.D. 1905-1988. (1988, Dec.) *Journal of Bone and Joint Surgery*, 70A(10), 1577. <http://jbjs.org/content/70/10/1577>

<sup>32</sup> Sister Mary Madonna Ashton served as president and CEO of St. Mary's Hospital (Minneapolis) from 1962 until 1982. [Towalski, J. (2014, Jan. 29). Sister's unlikely vocation leads to lifetime of service. *The Catholic Spirit*. <http://thecatholicspirit.com/featured/sisters-unlikely-vocation-leads-lifetime-service/>]

we didn't appear to be arrogant and have all the answers, because we didn't. A lot of our people did not have experience at running small hospitals. Our role largely was to support the local administrator with the right kind of help and the right kind of resources, rather than direct what should be done. It was more of a support role, but we had a lot to learn, and some of our people had to gear down in scale and size in thinking about what a 40 to 75-bed hospital was like.

**GARBER:** Was there anything other than the improved referral relationships that Fairview expected to gain from developing a system of rural hospitals?

**KING:** No, our role was to help stabilize health care in rural areas, and to help them recruit employees and obtain other resources that they may need. In some respects, Fairview had an ambition to be a statewide organization, and that was one way to do it.

**GARBER:** You talked about the merger between Fairview and Lutheran Deaconess. At the time you were there, both still had diploma nursing schools, which is an interesting subject because diploma schools are not around anymore.

**KING:** Exactly.

**GARBER:** How did a hospital benefit from sponsoring a diploma school?

**KING:** Particularly in urban areas, it was common for hospitals of 200 beds or more to have a school of nursing. The universities weren't training nurses except at the baccalaureate level. Community colleges hadn't emerged yet. Most of the nurses that were doing patient care were diploma school three-year grads. The hospitals did that partly out of their own goodwill to train people for the field and partly out of their own selfish motive to have a supply of nurses to work at their own institution. Probably half of the nurses at Fairview were Fairview-trained nurses. They would move away when they got married, but the core of the nursing team at a hospital were the hospital's own diploma grads. Some of the programs also had LPN training programs. This was the key source of nursing manpower, in terms of training.

The big disadvantage was that these women and men – mostly women in those days – did not get much academic credit. If they aspired to go on and get a bachelor's degree at college, it was like starting over. They didn't get three years' credit. They might get one year's credit. There was a movement to move nursing training into mainstream education. With the emergence of community colleges, two-year associate degree programs were developed, which were a stepping stone for women who wanted to go on to a bachelor's degree. Over time, hospitals got out of the diploma schools and took on instead the clinical training of the associate degree and the baccalaureate students.

At downtown Fairview, we had St. Olaf baccalaureate students there for clinical experience. We were the main training ground for the St. Olaf program. We had both baccalaureate and three-year students. Those St. Olaf students took advantage of Fairview-Southdale after it opened, too. Even though the diploma programs met a great need and did a good job, I think the nursing profession is a better profession today with its education in the mainstream and getting academic credit for it. It had to happen, it should have happened, and it did.

**GARBER:** There was also the value of the diploma programs in inculcating the culture of the organization. There must have been enormous pride, "I'm an Abbott nurse."

**KING:** Yes, and the faculty were your own faculty, and they were highly regarded. This was also an inexpensive way for a young woman, especially, to get training to do professional work. The cost of going to these diploma programs was not very great, and the students worked more hours than they do now. It was beneficial. A high proportion of these young women were coming in from small rural communities. They lived in dormitories attached to the hospital, and they were protected, if I could put it that way. Their families felt that this was a safe place for them to go, and in some respects, maybe safer than a college campus, in terms of their social life. We guarded them quite closely.

**GARBER:** Well, and there was the possibility your daughter might marry a doctor!

**KING:** That's right!

**GARBER:** Did the merger of the Lutheran Deaconess diploma school and the Fairview diploma school go smoothly?

**KING:** I can't recall. It probably did since I don't have any memory of it. There was so much going on in the organization that I don't think it was a huge issue. Keeping Deaconess as a successful hospital was a much bigger issue. In time, that hospital was phased out of operation, but it was a natural organization to join Fairview because it also came out of the Norwegian Lutheran Church. A lot of the same Lutheran churches in the community were sponsors of both Fairview and Lutheran Deaconess. It was duplication. The hospitals were not far apart. Fairview had the advantage of being located adjacent to the University of Minnesota and adjacent to St. Mary's. Deaconess was off in a residential neighborhood, not well located, not on a main thoroughfare.

**GARBER:** Toward the end of your time at Fairview, your title was changed to senior vice president at the system level. Was there a change in your responsibilities?

**KING:** Yes, a young man by the name of Steve Gregg,<sup>33</sup> who was my associate for downtown Fairview succeeded me. He was ready to take on the responsibility of managing Fairview and became the administrator of downtown Fairview. I moved into the corporate office building next door with Carl and took over the affiliated and managed contract hospitals. We were planning a hospital in Burnsville, a far southern, fast-growing suburb across the Minnesota River. We had acquired land and were in the process of doing a space program and some preliminary architectural planning. I took on that responsibility.

**GARBER:** Who was the consultant on that?

**KING:** Hamilton Associates, if I recall correctly, and Ellerbe Architects in St. Paul. I took on a new set of responsibilities and had that for about two years before I was off to Holy Cross.

**GARBER:** Before we start to discuss Holy Cross, I'd like to ask about the consector theory. You were one of the authors of an article about the consector theory,<sup>34</sup> which I have to admit, I had not heard about before I started reading up on your career.

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<sup>33</sup> Stephen A. Gregg served as administrator of Fairview Hospital from 1977 to 1981. [American College of Healthcare Executives. (1986). *1986 Directory*. Chicago: ACHE.]

<sup>34</sup> Platou, C.N., Wegmiller, D.C., Palmer, W.H., and King, J.G. (1973, Spr.). The consector theory of hospital development. *Hospital Administration*, 18, 61-75.

**KING:** I haven't heard much about it lately either.

**GARBER:** It has elements of population health, which is a hot topic nowadays. Would you describe the consector theory?

**KING:** The basis of it was that you've got hospitals in various parts of a metropolitan area. Rather than to have them all try to do everything – all relate to the United Way or the Chamber of Commerce or the various community organizations, or all think about community health activity – you divide the territory up regionally or by subject area, and you assign each hospital its territory. It works for community health – what we now call population health – within that area.

About that time in Minneapolis, the health maintenance organization (HMO) movement was beginning to generate some activity and some momentum. We were affiliated with Group Health at downtown Fairview. One of the ways that we filled those empty beds at downtown Fairview after Southdale opened was that we signed the first hospital contract with Group Health. They were going to Mount Sinai and paying full charges, and we lured them to downtown Fairview with a contract. We also showed them respect because, in those days, HMO physicians were looked down upon. They weren't regarded as the best doctors in the community, and we did a lot to help legitimize Group Health physicians.

The HMO movement was getting off the ground at that time, and they had total responsibility for those patients. That partly influenced our thinking about the consector theory – that our hospitals could take responsibility for certain parts of a population in a certain geography. We didn't do an enormous amount with it, but that was the way that we thought about it and how to approach it.

**GARBER:** It's interesting that it's not only a geographic division. You're not setting up "parishes," if you will, solely. But Fairview might be responsible for the south side of town and certain types of patients?

**KING:** Yes, in some cases, it might be working with the county health department or working with schools.

**GARBER:** Your cardiac service area might be different than your OB.

**KING:** Yes, and our orthopedic was statewide. In scoliosis, we looked at the whole state, and we helped pioneer a program to screen teenage girls for curvature of the spine and taught gym teachers how to do that. It was a way of trying to detect these curves early in the girls' development so you get them in as early as possible, because the earlier you start to treat that, the better you can contain it.

On the one hand, we might have a statewide approach to scoliosis, but then we might work with a grade school on a different problem – local geography. It was pretty undefined in a lot of ways. I don't know where the name "consector theory" came from – probably from one of our PR gurus. It has application today, definitely.

**GARBER:** You were just way ahead of your time.

**KING:** Yes.

**GARBER:** You wrote a lengthy article about the concept of group purchasing, and you had laid out a side-by-side comparison of Fairview's group purchasing program with all the others. Was there somebody who funded this study?

**KING:** It could have been. I may have had some help from faculty at the university. It was a two-layer approach. First of all, the hospital system, the group of hospitals, had to centralize and coordinate its purchasing so that you didn't have every hospital going off and doing its own. When you merged a new hospital in – like we took Lutheran Deaconess in – there would be an effort to standardize so that either their doctors would have to start using the supply standards that were adopted at Fairview, or they would have to convince Fairview to change. They weren't going to do both, except in unusual cases where a physician would need a specific instrument or piece of equipment or supply for a unique reason. First was to get the doctors and nurses to understand that they just couldn't use whatever they wanted, that there was a standardized approach we were going to have – one brand of exam gloves, a standard set of catheters. We weren't going to carry catheters from three different companies unless there was a medical reason to do it.

For many doctors and nurses, this was new because they were used to getting whatever they wanted. Within the organization, you had to have a system whereby you could reduce the number of items in inventory and get groups to sit down and decide what it is they could agree on to use. It took people with some clinical knowledge to work with those physicians and nurses to get that accomplished.

You had to have this done within the system. Second, you might get together with other systems around the country or in the region to pool your purchases to get better contracts. What was going on in the country with the consolidation taking place is that these systems were learning how to reduce the number of inventory items and to standardize the approach to equipment and supplies, and then to join with others on a broader basis for a better price.

Both of those things were going on simultaneously in the '60s and '70s. We had good success at participating in what were then American Healthcare Systems, and then later Premier. There was a fair amount of volume and leverage. There might be several hundred hospitals involved. That got the attention of the supply companies. When the people were negotiating a contract for IV solutions, they got a response, and it was quite successful.

**GARBER:** How did your next opportunity come about?

**KING:** In 1978, I was at Fairview in a corporate role. Carl Platou and I both knew that my goal was to run a health care system. He was extremely supportive. Don Wegmiller had left a year before to go run Health Central, another system in the Twin Cities, which Carl wasn't really happy about because he now had Don as a competitor instead of a colleague. They were primarily on the north side of town, so it wasn't a direct competition.

He was very pleased when I had this opportunity to look at Holy Cross. He went to bat for me and convinced the Sisters of the Holy Cross that even though I was Lutheran, I could run a Catholic system. I had the value system that they were looking for. I knew two laypeople on that

board. They had five sisters and two laypeople – George Schmidt,<sup>35</sup> who ran a system in Pittsburgh, and Bob Toomey, who was from Greenville. I knew both of them quite well.

The sisters had asked both of them if they would be a candidate, and they said no, they were happy where they were. They went through a search, and I turned up as a candidate through George and Bob, interviewed, was offered that position, and accepted. Jane and I and our two daughters, who were in junior high school at the time, moved to South Bend.

It was an unusual system in that the ten hospitals were spread out between Washington, D.C. and California in a row – Washington, Cleveland, South Bend, Salt Lake, Boise, California. It's like a covered wagon dropped a sister off every 500 miles to start a hospital. Anyway, the system was in pretty good shape, but they were so far apart geographically that it was a different dynamic. You weren't going to do a lot of shared programs. We tied them together in certain ways, but the real question was to get them to dominate the region that they were in. They were too far apart to work together.

I was enjoying the job tremendously, but Jane and our two daughters were very unhappy in South Bend. We underestimated the culture shock. They had been going to school in Edina, the best school system in Minnesota. I was on the road half the time. I was traveling to the hospitals all over the place. It was not the best situation, and John Witt,<sup>36</sup> a recruiter, called and said, "How would you like to come to Chicago? Paul Umbeck<sup>37</sup> is going to retire in 18 months." I said, "I think your timing is good."

I accepted the job in Chicago at Evangelical Health Systems. I felt badly and unfulfilled about the fact that I didn't get all the things done that I could have for the Sisters of the Holy Cross. We had a lot of emphasis on long-range planning. The hospitals didn't have a system for that, so planning was a natural way to tie it all together and to improve their capability in planning. We made good progress there, but there were a lot of other things that I could have done. For me personally and the family it didn't turn out to be a good move, so I bit the bullet and went to Chicago. Even though I was not going to be the CEO of Evangelical Health Systems, I spent 18 months as the COO while Paul Umbeck and I transitioned. He stayed for three years after that as an advisor. That worked fine. He had an office in another part of the building. He didn't bother me. He didn't get in my way. We counseled together on important things, particularly church relationship. It turned out to be an excellent move and provided Paul an opportunity to phase into retirement.

**GARBER:** Evangelical was another faith-based system.

**KING:** Yes. It was sponsored by the United Church of Christ. All of the systems I managed

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<sup>35</sup> George H. Schmitt (1939-2004) was the founding president and CEO of Forbes Health System (Pittsburgh), serving there from 1974 to 1985. [American College of Healthcare Executives. (1990). *1990 Directory*. Chicago: ACHE.]

<sup>36</sup> John R. Witt founded Witt Associates in 1969, an executive recruiting firm specializing in health care known today as Witt/Kieffer. [Witt/Kieffer. (2015). *Serving healthcare and higher education for 45 years*. <http://www.wittkieffer.com/about/great-leadership/history.aspx>]

<sup>37</sup> Paul F. Umbeck (1920-2000) was a minister who served as president and CEO of Evangelical Health Systems Corp. (Oak Brook, Ill.) from 1968 until his retirement in 1985. [Rev. Paul Umbeck, health-care exec. (2000, Sept. 25). *Chicago Tribune*. [http://articles.chicagotribune.com/2000-09-25/news/0009250027\\_1\\_reformed-church-advocate-health-care-metropolitan-chicago-healthcare-council](http://articles.chicagotribune.com/2000-09-25/news/0009250027_1_reformed-church-advocate-health-care-metropolitan-chicago-healthcare-council)]

were church sponsored – Lutheran, Catholic, UCC and Portland Lutheran and Episcopal.

**GARBER:** What was it like as far as a system when you came on board?

**KING:** The organization originated on the south side of Chicago and was a part of the Evangelical and Reformed (E and R) Church that, along with the Congregational Church, came together to form the United Church of Christ. The thing that was the most different for me initially was the fact that the sponsoring organization, the UCC, was really three churches. It was the Congregational Church, it was the Evangelical and Reformed Church, and it was the black church – which had a history in the Underground Railroad, when black people came up through the Underground Railroad and settled in Chicago. The church was involved in that. There were nine black churches as a part of our association of 40 churches. They were all UCC churches in the Chicago area. Their delegates were the corporate members who elected our board that governed the organization. The church did have the power of board election.

In South Bend, Holy Cross was a Catholic organization, and we knew what we were doing because we had a set of ethical directives to guide us. I got to the UCC, and the church was all over the place. There was no policy, no uniform thinking. It was a church in name, but it hadn't socially, culturally or even doctrinally, in some ways, merged yet. We had the black church on the south side, which was like a church unto itself, and it had very little to do with the other churches. We had the UCC churches that were coming out of the Congregational background with a certain history, and we had the E and R. It was like dealing with three different groups. The board was made up of people from those three groups, except no black representatives on the board. They hadn't gotten quite organized yet to demand that.

I inherited this board, and they were all over the place, and the church was very democratic. The Catholic Church is hierarchal. The UCC is run from the bottom-up. The bishop has very little power. The power is in the congregations, and the congregations were quite different in the different parts of Chicago. They looked upon Evangelical Health Systems as kind of the cathedral, because they were a lot of small congregations and they didn't have a downtown cathedral. We were their cathedral. They were proud of us and loved being associated with this hospital system. In terms of the way they fed into it, it was quite different depending on which tradition they came out of.

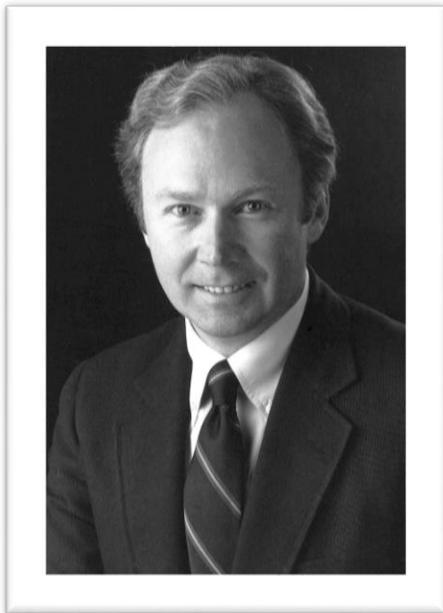
I had this board that was all over the place and a chairman who was in over his head. Fortunately, a few months later, we got another person elected as chair who was very good. I spent a lot of time working with the board. Paul had gotten Christ Hospital built. They moved from the south side of Chicago to build Christ Hospital in Oak Lawn, built two other suburban hospitals, acquired Woodlawn and acquired Bethany. Christ Hospital was the anchor, and the others all happened in about a five or six year period. EHS was a system, but it wasn't integrated. I had a great opportunity to integrate it in the way it functioned, and I had an opportunity to get the board focused on their unity rather than on how different they were.

I also had a board at each hospital. I decided that those boards were getting in the way of our creating systemization and creating integration because they all had their way of wanting to do things. I was able to convince the board to eliminate those local boards so that it made all those governance decisions, in spite of the fact that the conditions in each neighborhood were quite different. We asked the local board members to become a foundation and to raise money and to be cheerleaders, but to step away from governance. We unified governance, and that helped a lot in the way we made

decisions. It strengthened the role of the administrators in each hospital, because they had me to report to, not the board. Getting that done was the most important thing I did there. That was a big decision. Fortunately, the board went along with it. I recruited a nurse to the board. We had doctors, but not a nurse. I thought that was key. We recruited two black ministers to the board, so they had a voice for the first time.

You may remember Barack Obama's pastor, Jeremiah Wright,<sup>38</sup> on the south side of Chicago. He was quite controversial during the campaign. He was one of the pastors of the big church on the south side and it was a powerhouse. He was unpredictable and used to call us out in Oak Brook, "The Plantation." I had a black female chief legal counsel, Gail Hasbrouck,<sup>39</sup> who was a member of that church. Every time I went to see Jeremiah Wright, I took her with me. She quieted him down and made him behave. He was civil to me, even though he was angry.

We had interesting relationships with the churches, and we got the board focused. They used to meet 12 times a year for dinner at six o'clock, start the meeting at about 7:30, and it would go to 10:30. We changed that to six meetings a year, met at 3 o'clock and had dinner after the meeting. It was like night and day. The board grew and I had a really good chair. We developed the kind of trust that Carl would want in a board and that I would want. The board became quite proud of their ability to make good decisions. We had a lot of fun at the board level.



**John King at Evangelical in the 1980s**

As far as the operations go, we had a lot of integration to do. We had purchasing and information systems and some of the basics. We strengthened the human resources function and strengthened the public relations function and put in place, about 1985, a continuous quality improvement program system-wide. I got help from Motorola, a pioneer in quality work in Chicago, and I got a good training director. We put a system-wide, total systems quality improvement program in place, which was early on. Not many hospitals or systems were doing that. It gave us a vocabulary so that everybody could speak the same management language. It gave us a common purpose, and it helped unify the organization.

The other thing of note about EHS, which is now called Advocate, is that we did something that is not the norm in systems, and that is that Jim Skogsbergh,<sup>40</sup> the current CEO, is the second internal successor in that organization. I came there in 1980 and was the first, then Richard Risk<sup>41</sup> succeeded me from inside. I groomed him as the COO. He hired Jim Skogsbergh,

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<sup>38</sup> Jeremiah A. Wright, Jr., D.Min. is pastor emeritus of Trinity United Church of Christ (Chicago). [*Rev. Jeremiah A. Wright, Jr.*, <http://jeremiahwright.com/>]

<sup>39</sup> Gail D. Hasbrouck, J.D., is currently senior vice president, general counsel, and corporate secretary, Advocate Health Care (Downers Grove, Ill.). [*Gail D. Hasbrouck*, <http://www.advocatehealth.com/gail-d-hasbrouck>]

<sup>40</sup> James H. Skogsbergh, is currently president and CEO of Advocate Health Care (Downers Grove, Ill.). [Advocate Health Care. *James H. Skogsbergh*, <http://www.advocatehealth.com/james-h-skogsbergh>]

<sup>41</sup> Richard Risk (1946-2008) was hired at Evangelical Health Systems in 1984 as vice president of planning. Later, as CEO, he was part of the leadership team that merged EHS with Lutheran General HealthSystem to create

and groomed Jim Skogsbergh. There were two internal successions by design. That's unusual in systems – becoming more so, but almost all of these people are hired from the outside because they don't have somebody ready. I'm proud of that.

The other thing that is important to note is that George Caldwell<sup>42</sup> and I had attempted to merge Lutheran General Hospital and EHS before I left and before George retired. David Price, the president of the Lutheran Church in Minneapolis, was ready for it. He had been in Minneapolis and knew about system building. The United Church of Christ wasn't ready for it. We were their cathedral, and they didn't want to give it away. We were before our time. I could not get the UCC to approve a merger, but George and I didn't burn any bridges. We kept the candle burning, and Richard and Steve Ummel<sup>43</sup> got it put together several years later. The thing that's interesting about it is that the Lutheran Church and the United Church of Christ remained as sponsors. They didn't step back and create a freestanding organization. Here in Davenport, a Lutheran hospital and a Catholic hospital merged to form Genesis.<sup>44</sup> Both churches gave up sponsorship. I think that's unfortunate, because I believe in church sponsorship for hospitals. But in the case of Advocate, the Lutheran Church and the United Church of Christ are the corporate members. They elect the board members and they're partners. I think that's the way it should be, and they've done it successfully.

**GARBER:** Would you talk some more about faith-based hospitals?

**KING:** Yes, particularly Protestant hospital organizations, many of which have been church-sponsored in the past, are in name only now. They may have "Presbyterian" in the name, but they're not really church-sponsored.

One reason for this is that hospitals are large, complex organizations. Church bodies are used to dealing with churches of 300, 500, 1,200 members – they're not used to dealing with billion dollar hospitals, let alone \$5 billion health systems. When this consolidation took place among Protestant hospitals, a lot of the church sponsors just kind of stepped away and said, "We don't know what to do with this." In cases where they had cross-synod mergers, like in Chicago, they backed away from it and cast it loose. There was a problem of scale and the complexity of it and not being able to really control or give good advice. Second, many of the Protestant churches are struggling just to maintain their size and vitality with the church activity, and to worry about health care is just more than they can handle.

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Advocate Health Care. [Jensen, T. (2008, Apr. 9). *Chicago Tribune*. [http://articles.chicagotribune.com/2008-04-09/news/0804080825\\_1\\_advocate-health-care-health-care-mr-risk](http://articles.chicagotribune.com/2008-04-09/news/0804080825_1_advocate-health-care-health-care-mr-risk)]

<sup>42</sup> George Caldwell was president of Lutheran General Health Care System (Park Ridge, Ill.) at the time that John King was at Evangelical Health Systems (Oak Brook, Ill.). They called off merger negotiations in early 1987. [Hospital groups cancel merger. (1987, Mar. 14). *Chicago Sun-Times*. <http://www.highbeam.com/doc/1P2-3815271.html>]

<sup>43</sup> Stephen L. Ummel, who had been president and CEO of Lutheran General HealthSystem, in 1995 became co-chief executive with Richard Risk of the newly merged EHS-Lutheran General merger that created Advocate Health Care. [Morris, S. (1995, Jan. 25). EHS, Lutheran General joined: Health-system merger complete. *Chicago Tribune*. [http://articles.chicagotribune.com/1995-01-25/business/9501260220\\_1\\_advocate-health-care-co-chief-executives-merger](http://articles.chicagotribune.com/1995-01-25/business/9501260220_1_advocate-health-care-co-chief-executives-merger)]

<sup>44</sup> Genesis Health System (Davenport, Iowa) resulted from the 1994 merger of Mercy Hospital and St. Luke's Hospital. [Booker, R., and Baker, D.C. (2013, Dec. 12). Genesis Health System chronology. *Quad City Times*. [http://qctimes.com/news/local/genesis-health-system-chronology/article\\_07496abd-754c-5c5f-b25f-f11f3c7608e9.html](http://qctimes.com/news/local/genesis-health-system-chronology/article_07496abd-754c-5c5f-b25f-f11f3c7608e9.html)]

Most of the Catholic hospitals are not part of the diocese. They're part of religious orders who go back to Rome or are accountable someplace else – they have run hospitals for a long, long time. The weaker orders are giving their hospitals to the stronger orders. At some point, many of those orders are going to have to transition from religious to lay leadership on the board. Catholic orders have always had more direct influence on their hospitals. The ethical directives provide strict guidelines as to how they are to treat patients and behave. Because of that hierarchy of the Catholic Church, they were in a better position to maintain their sponsorship. The challenge for them in many cases is that they now have under their umbrella both Catholic and non-Catholic hospitals, and over time it will be interesting to see how they handle that.

**GARBER:** I read an argument that because of the increased availability of government funding for care for the needy, the churches don't have as strong a moral reason for being involved in health care.

**KING:** I wouldn't necessarily agree with that. We still have 25 million people without health insurance. We're not quite there yet in terms of universal coverage. Churches can do a lot in population health. They're a segment of the community that health care delivery systems can relate to in order to promote healthy behavior. One of the things George Caldwell and I did in Chicago was to promote "Nurse in the Church" programs to help churches set up nurse practitioners to be available to help members with their health issues and conduct health education. There is an opportunity to bring churches into population health activities, along with schools and other organizations.

**GARBER:** Your mention of population health is a wonderful segue into a topic that we haven't covered yet, and that is Bethany Hospital, which was a new, total replacement hospital.

**KING:** Yes. EHS took it over and then did a total replacement.

**GARBER:** I read that Bethany has a wide-ranging involvement in improving the health of the community, which ties into the current trend towards greater interest in population health. Do you recall some of the kinds of things that Bethany did or does?

**KING:** We were the first major redevelopment project on the west side after the uprising in the '60s, except for a CTA bus barn. The city built a bus barn, and we built a hospital in an area that had high unemployment and was largely black. It was a challenge for us, and we had an interest in the community. There were two community organizations active in the Garfield Park area. We supported them rather than try to duplicate and do our own. They knew more about this than we did. They knew more about the community. They were a part of the community. One was an organization run by a brother-sister clergy pair. Rather than us trying to reach out, we provided them support and funds for them to do a better job of doing their work in building community there, and we pretty much stuck to running the hospital. Indirectly, though, we had a big influence, and we had an influence also because of the jobs we created. In the construction work of that hospital, half the unskilled labor was black labor from the community, and we made an effort to do that kind of thing. It helped us establish ourselves, and it helped the community.

**GARBER:** Is there anything else that you would like to say about this part of your career before we move on to Legacy?

**KING:** The only other thing I would mention is that probably the best physician advisor I

ever had was a cardiologist at Good Samaritan by the name of Dr. Amirparvez,<sup>45</sup> who headed the cardiology group, and was a very strong physician and strong organization person. He headed a cardiology group of about 25 cardiologists that covered the whole west suburban area, a very talented Loyola graduate. His father was the Minister of Agriculture under the Shah of Iran. He intended to go back to Iran, but his father called and told him, “Don’t come back here.” A few months later, the Shah was toppled. He was an outstanding physician advisor. Unfortunately, he died a few years ago. I remember him well.

**GARBER:** How did that west coast opportunity at Legacy in Portland come about?

**KING:** Legacy was created in 1990 about 18 months prior to my arrival. Good Samaritan and Metropolitan Hospitals had merged when Rod WOLFORD,<sup>46</sup> the Metropolitan CEO left for another job. Chet Stocks<sup>47</sup> from Good Samaritan, the senior person, was named CEO, and John Grotting,<sup>48</sup> from the Metropolitan side, was named COO. Chet died suddenly of a heart attack in an Atlanta airport about 18 months later. The board immediately decided they wanted an outside person.

John Grotting was capable of running that organization, but he and Chet had been having difficulty unifying the two sides. They were two teaching hospitals, one on the east and one on the west side of the river. Everybody in the organization knew things had to change, but they wanted the other side to do it. For some reason, Chet and Rod didn’t shake hands, look each other in the eye and say, “Let’s not let these people get the best of us.” They were protecting their side of the river a little bit.

The board saw this, so they announced that they were going to do a search. Jim Heuerman<sup>49</sup> was hired to do the search. I knew Jim quite well, and I became one of their final candidates and was offered the position, which I accepted. I had been at EHS almost ten years. I had done what I had gone there to do, and I was ready to get re-potted one more time. Off we went to Portland, a wonderful city. It reminded us of Minneapolis in several ways. Lots of Midwestern people went to Portland to work in shipbuilding during World War II, so the ties were more back to the Midwest than down to California. It’s a great medical community – a lot of well-trained physicians and personnel. People have a great work ethic. It was a memorable experience.

Again, it had interesting board dynamics. They created a board out of the merged two boards. It had 21 people – one female physician – and the rest white males. Most of them over 55, with no

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<sup>45</sup> Firouz Amirparviz, M.D. (1941-2004) founded the Midwest Heart Specialists, practicing in Chicago’s western suburbs. Francisco, J. (2004, Dec. 30). Dr. Firouz Amirparviz, 63: Cardiac consultant, professor was devoted to patients, family. *Chicago Tribune*. [http://articles.chicagotribune.com/2004-12-30/news/0412300312\\_1\\_patients-human-heart-midwest-heart-specialists](http://articles.chicagotribune.com/2004-12-30/news/0412300312_1_patients-human-heart-midwest-heart-specialists)

<sup>46</sup> G. Rodney Wolford served as CEO of HealthLink, a four-hospital system in Portland, that later became Legacy Health System. [American Hospital Association. (1987). *American Hospital Association Guide to the Health Care Field*. (1987 ed.). Chicago: AHA.

<sup>47</sup> Chester L. Stocks served as administrator at Good Samaritan Hospital (Portland, Ore.) from 1964 to 1988. [American Hospital Association. (1965, Aug. 1). Guide issue. *Hospitals. Journal of the American Hospital Association*, 39(15), and later editions.]

<sup>48</sup> John B. Grotting was an executive at Legacy Health System, CEO at Bridge Medical, Inc., CEO at Ascent Healthcare Solutions and later became an operating partner at Frazier Healthcare. [VHA. (2015, May 20). *John B. Grotting*. <https://www.vha.com/AboutVHA/Governance/Pages/Grotting.aspx>]

<sup>49</sup> James N. Heuerman was a partner with the executive search firm Korn/Ferry International. [Leaving a legacy. (1999, Dec. 1). *Oregon Business*. <https://business.highbeam.com/412061/article-1G1-58744608/leaving-legacy>]

term limits, no age limit. I thought, “Fifteen years from now, they’re going to have a bunch of 80-year-old white men on this board. We need to do something about this.”

There were boards at each hospital. I brought a well-known board consultant, Jamie Orlikoff,<sup>50</sup> and his associate in to do a governance study. I knew exactly what I wanted them to say, and they did, too. They knew where I was coming from. They did the study and made the report, which was helpful in getting the subject on the table. It called for the board members to become foundation members at the local hospitals, all the governance to be in one board, and for that board to be reduced in size and to reflect the community with women and minorities – simple.

The question was, how do you get this done? I had Jim Herberg, vice chairman of the board who was 72 years old, a retired Marine general. Jim was a mild, soft-spoken man. He came to me after we issued this report and said, “I know what you need to have done. I’ll take care of it for you.” I said, “What do you mean?” He said, “I’ll go around. These board members all know me. I will sit down with them. I’m not the chair, but I can do this as vice chair. I will suggest to several of them that they resign and go on the foundation board, and explain that we need to get this done.”

Sure enough, half the board resigned and went on the foundation board. We brought on three minorities, two women, and reduced the board to 15 people. The whole board complexion was changed. We had a very good chairman, and this vice chairman did an unselfish thing. We put term limits and age limits in place. With the age limit, you couldn’t stand for election if you were over 70, and he was 72, so he was taking himself out. We had only one board member who objected, a contractor who built bridges and nuclear plants and other big projects. He was 75, and he didn’t want to give up. He said, “I don’t understand. Half of these people are brain-dead at 60. Why an age limit?” He was not happy, but he went away and became a good foundation member.

We got the board refocused, and I brought the Hunter Group<sup>51</sup> in. During and before the merger Legacy was beginning to lose market share. They had lost about 3 percent market share, which is quite a bit. Portland has three systems – Kaiser, Sisters of Providence and Legacy, and then the University, which is a small teaching hospital, that’s really it. It’s like Minneapolis in that way. Legacy was losing ground, and I didn’t have a year to figure this out and to understand everything that was going on. I asked Hunter to come in to give a diagnosis. I said, “I don’t need you to implement, but I need you to do this diagnosis, and I want it done in two months.”

Hunter came in, they did all their studies, and one thing led to another. One thing that was obvious was that we had specialty programs in the hospitals that hadn’t been integrated yet. We needed to move orthopedics to one place, cardiac to another place, cancer care to another to centralize and eliminate this duplication. How do you do that with the docs? Hunter recommended, and it worked out very well, that we get the medical leaders together. David Hunter stood up and said, “I hate to tell you, but you’re in third place, and you’re losing ground.” That got their attention. He went on to say, “We think you ought to merge the three medical staffs downtown into one, to make sure that everybody has privileges at all three hospitals so if things are shifted around, your privileges

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<sup>50</sup> James E. Orlikoff, president of Orlikoff & Associates, is a governance consultant and author. [Health Forum. (2015). *James E. Orlikoff*. [http://www.healthforum-edu.com/speakers-express/speaker-bio\\_dhtml?dcrPath=/templatedata/HF\\_Common/Speaker/data/JOrlikoff](http://www.healthforum-edu.com/speakers-express/speaker-bio_dhtml?dcrPath=/templatedata/HF_Common/Speaker/data/JOrlikoff)]

<sup>51</sup> The Hunter Group, founded by David P. Hunter in 1987, was a consulting firm providing business turnaround services. [Mr. David P. Hunter. <http://www.zoominfo.com/p/David-Hunter/61835763>]

won't change. You'll be safe. You won't have to go through any reaccreditation for privileges.”

We sat down with the three chiefs of staff in a private meeting – I went through this again with them. They said, “Give us the slides. We'll take care of it.” They went to the three medical staffs and put this over in one meeting. It's unbelievable. It was all downhill once we got over that first barrier. We ended up closing the niche hospital and spreading the programs around. We took 16 percent of the operating costs out in 24 months. It took two years to do it. We eliminated 600 jobs. Four hundred people were able to stay in the organization by transferring to a new open job. We never hired an employee from the street for two years, just rearranged the deck chairs and got the downsizing done.

The way that we made that work morale-wise was we started a continuous quality improvement program and said, “This is the upside. We're going through this downsizing, but we're going to put in a continuous quality program. We're going to unify the system. You're going to have tools to work with, and we're going to improve this place.” We were lowering costs and raising quality at the same time, just as we did in Chicago. That was the secret to getting that place going in the right direction. It was the second time around for me with continuous quality, but I hadn't done it at the same time I was doing the downsizing. Doing both together worked because we had something positive long-term to work for while we were doing all the dirty stuff. I got lucky with the vice-chair of the board. I got lucky with the right medical staff leaders and the right board chair.

The other notable thing about Legacy was the collaborative/competitive model that we developed with our two competitors. John Lee<sup>52</sup> was the CEO at Providence, and the man that ran Kaiser lived across the street from me. We were pretty tough competitors, but liked and respected each other. John Lee and I were having lunch one day and decided that we ought to ask our friend at Kaiser to come to a meeting, and we would propose forming an organization to do collaborative work on community health.

Now at this time in the Portland market, there was a big penetration of HMOs, so there was a general interest in community health and population – we didn't call it “population health” at the time. Kaiser had a third of the market – all in HMOs – and half of the private insurance market was in HMOs. It was a good opportunity to look at doing things, not individually, but collaboratively.

We formed an organization and brought the local and the state public health departments to the table with us. We developed an agenda to look at improving mammography rates and improving immunization rates of kids under five. We launched those two programs and began to formulate some others. With the things that are going on today with regard to population health and adverse reimbursement, the time is ripe for more competitive systems to collaborate rather than everybody trying to work with the school system and everybody trying to work with churches. There should be a more unified approach – going back to the consector theory – organizing the approaches to a community so that the community doesn't have to deal with multiple health care providers.

Unfortunately, we weren't smart enough when we created the board of this organization to bring some of our own trustees onto it – the three of us retired in a two-year period, and the organization lost its momentum and drive, and went out of existence. A number of communities

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<sup>52</sup> John P. Lee was administrator of Providence Medical Center (Portland, Ore.) from 1979 to 1989, after which he became vice president with the Sisters of Providence. [American College of Healthcare Executives. (2000). *2000 Directory*.]

could have benefited from this kind of approach. We still competed like crazy for heart surgery and all kinds of other things, but it was fun doing collaboration around health improvement.

**GARBER:** Was that the Oregon Health Systems in Collaboration that you were just describing?

**KING:** Yes.

**GARBER:** Oregon has been considered a bellwether for different approaches to all sorts of things. Could you talk about the Oregon Health Plan?<sup>53</sup>

**KING:** The Oregon Health Plan was adopted before I got there in 1990. John Kitzhaber was speaker of the house. He was an emergency room physician, Dartmouth grad, a three-term governor until just a few months ago when he resigned, unfortunately, and a good strong leader in the health care arena.<sup>54</sup> They expanded the Medicaid program and developed a hierarchy of looking at various diagnoses and payment systems and what they would pay for. They had plans to extend this at some point to possibly even a single-payer system for Oregon, but that never came to be. Oregon is small enough – it only has one major metropolitan area – so it’s been an incubator for a variety of ideas like that. The fact that managed care made so much penetration into that market would indicate that they’d do well under the Affordable Care Act because there are enough people there that remember some of the things from the ‘80s and ‘90s and can call upon them.

It’s a progressive state in a lot of ways, fairly liberal politically in Portland, pretty conservative in the rural part of the state, and yet they’re able to get some of these things done. They have a very knowledgeable senator on health affairs, Ron Wyden, who’s been in office since the early ‘90s, been an advocate and leader in health affairs. They’re fortunate in having him available.

**GARBER:** Is there anything else you’d like to say about Legacy?

**KING:** I had a CFO, Lowell Johnson,<sup>55</sup> working with me there whom I have maintained a relationship with afterwards. He is a turnaround consultant – he goes in and does interim work in hospitals. He was a very talented CFO, and he and I are both proud that Legacy made significant improvements in its quality through this system-wide quality approach, and we achieved a double-A bond rating – the first system in the state to do that. We did the same thing in Chicago. We made big efforts to get the quality improvement in place, but achieved double-A bond rating when the bonds weren’t rated before.

Many organizations will step on the gas and tell about their commitment to quality. Then something happens and they hit the brakes and put their cost-containment efforts in place, and then they get back on the accelerator. We felt strongly that we needed to do both at the same time, that

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<sup>53</sup> The Oregon Health Plan is the state’s Medicaid program. [Oregon Department of Human Services. (2006, July). *Oregon Health Plan: An historical overview*. <http://www.oregon.gov/oha/healthplan/DataReportsDocs/Oregon%20Health%20Plan%20-%20An%20historical%20overview.pdf>]

<sup>54</sup> Blake, A. (2015, Feb. 13). The long, bizarre – and dumbfounding – saga of Oregon Gov. John Kitzhaber. *The Washington Post*. <https://www.washingtonpost.com/news/the-fix/wp/2015/02/12/the-long-strange-and-dumbfounding-saga-of-oregon-gov-john-kitzhaber/>

<sup>55</sup> Lowell W. Johnson served at the chief financial officer at Legacy Health System from 1993 to 1999. [American College of Healthcare Administrators. (2000). *2000 Directory*.]

you can't stop and start and stop and start, that you've got to carry out these efforts at financial improvement and quality improvement simultaneously. Legacy was an opportunity to prove it again. I give my CFO a lot of credit, because he was as committed to the quality initiatives as he was to our financial performance.

In fact, he's doing a turnaround right now in Chicago at Resurrection – a Catholic system. Two of my execs out of Christ Hospital went to run that system – Joe Toomey<sup>56</sup> and Ron Struxness.<sup>57</sup> They ran that system for a number of years, ultimately retired, and Resurrection itself got into some difficulty recently. Lowell is in there running the place, getting it back on its feet. He just leaps from one fire into another. He seems to thrive on it.

**GARBER:** Your involvement with the American Hospital Association included what is a three-year commitment to being chair-elect, chair and past chair. Before that, I'm sure there was other involvement on the board. What was it like to be on that ride?

**KING:** I had two stints on the AHA board, the first back in the early '90s. Carol McCarthy<sup>58</sup> was the president at the time. Then I went off the board and ended up coming back on when I was elected chair-elect. I enjoyed both. I think AHA is an extremely important organization for the industry. I think it's a difficult organization in terms of managing the constituency because of the diversity of the hospitals and the membership. It's maybe getting a little easier as they consolidate into fewer organizations and more of them are involved in systems.

Back in the '80s, it took AHA awhile to deal with systems. They wanted to deal with the hospitals one-on-one because the hospitals were the members, not the systems. Some of us were impatient for a while. "Hello! We're here! We represent ten hospitals, not just one!" AHA made that conversion, but that was a big change in thinking on the part of the staff, that these organizations were not just 5,000 hospitals, but there were also systems that were becoming more powerful and more influential.

The organization went through that conversion, and I was a part of that in terms of beating that system drum – to get the staff to realize that the world is changing and you can't deal with us one-on-one because I speak for my system.

**GARBER:** Is that when the constituency section for health care systems was established?

**KING:** Yes, that was part of the rationale for doing that, and part of the methodology, and it worked fine.

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<sup>56</sup> Joseph F. Toomey served as CEO at Christ Hospital (Oak Lawn, Ill.) from 1983-1985 before moving to Evangelical Health Systems and then on to become president / CEO of Resurrection Health Care Corp. (Chicago) for 15 years until his retirement in 2008. [American College of Healthcare Administrators. (2000). *2000 Directory*; and, Colias, M. (2008, Apr. 23). Resurrection CEO Toomey to step down. *Crain's Chicago Business*. <http://www.chicagobusiness.com/article/20080423/NEWS03/200029125/resurrection-ceo-toomey-to-step-down>]

<sup>57</sup> Ronald E. Struxness served as CEO of St. Joseph Hospital (Chicago) and then went to other executive positions at Resurrection Health Care. [On the move: Luskin-Hawk is the new CEO of St. Joseph Hospital, Chicago and more news... (2009, Sept. 21). *Modern Healthcare*. <http://www.modernhealthcare.com/article/20090921/MAGAZINE/909189997>]

<sup>58</sup> Carol M. McCarthy, Ph.D., was president/CEO of the American Hospital Association from 1985 to 1991. . [American Hospital Association. (2014). *AHA Guide to the Health Care Field* (2015 ed.). Chicago: Health Forum.]

The transition that the industry is going through now to population health and at-risk reimbursement – AHA has got a really important role it can play in helping hospitals make that transition in terms of governance levels to physicians, all the way through – big job.

I enjoyed the work and the association with the contacts and the friends that I made. To be able to have people in the industry from around the country, between HRDI,<sup>59</sup> AHA and Premier, I had three national organizations that I was involved with over a long period of time. Some of my best professional friends came from out of association with those. To be able to pick up a phone and talk to Dick Barr in Albuquerque and say, “What do you think?” is invaluable.

**GARBER:** I understand that the chair-elect year is spent studying some major issue. Was that the case also when you were chair-elect?

**KING:** No. We focused most of our effort on the 100<sup>th</sup> anniversary. 1998 was the centennial. I was the chair, and Gail Warden<sup>60</sup> was the chair of the celebration committee. Our project was to work on the anniversary and the celebration. We had a series of events around that. The purpose was to build loyalty among the members for the organization through that celebration of the 100<sup>th</sup> anniversary. We had a good time doing that. I was fortunate in being tapped as chair that year. I probably had more ceremony during that year than most chairs do. At RPB meetings, we would remind people that this was our centennial, and we would have things leading up to it.



**John King became the 1999 Chairman Elect of the American Hospital Association while serving as President/CEO of Legacy Health System**

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<sup>59</sup> The Healthcare Research and Development Institute (HRDI), which was founded in the late ‘50s as an educational forum for hospital leaders, later became a for-profit company that facilitated consulting meetings between a few executives at leading not-for-profit hospitals and selected vendors of medical supplies. In 2007, under pressure primarily from Connecticut Attorney General Richard Blumenthal, the group was reorganized as the not-for-profit Health Education Network. [Bogdanich, W. (2007, Jan. 25). Conflict case at hospitals is settled. *The New York Times*. <http://www.nytimes.com/2007/01/25/business/25buyer.html>]

<sup>60</sup> Gail L. Warden was executive vice president at the American Hospital Association and later became president and CEO of Group Health Cooperative of Puget Sound and then President and CEO of Henry Ford Health System. His oral history: Garber, K.M., (Ed.). (2010). *Gail L. Warden in first person: An oral history*. Chicago: American Hospital Association, can be retrieved from [www.aha.org/chhah](http://www.aha.org/chhah)

**GARBER:** How successful were your activities as far as building commitment among members?

**KING:** The centennial helped. I think it reinforced. I don't think it was magic. The more the operation of hospitals and the delivery of health care are transitioning to population management, it's a big challenge and it's a big opportunity for the Association. There are other groups working in many of the same ways. The state associations are obviously the closest to these members and in many cases can provide much of the leadership that's needed.

I would like to see a closer working relationship of the state hospital associations with AHA. I think that's a dream AHA has had for a long time, and I think the fault is not AHA's as much it is on the allied associations who get caught up in their own affairs. Sometimes they want to march to their own drum. That's a natural tension between any state and regional type of organization.

**GARBER:** The American Hospital Association is not the only organization that you have volunteered your time for, by far. How did you get all this done? You've also written quite a bit. How did you deal with the work/life balance issue?

**KING:** We talked earlier about delegation which I learned from Carl Platou. I learned that day-to-day operations is not the most important thing that you do as a CEO. It's important, but you only get it done through other people. I was good at delegating and letting go and getting out of the way. Once we understood where our targets were, the direction we were going, that freed me up to do things in the community and on a national basis. That's one part of it.

The other part of it is my family was very supportive. I have two daughters who were two years apart in school. My wife, Jane, managed the house very well. Most of us that do hospital work go to breakfast meetings with doctors. I was rarely at home for breakfast. I was home more for dinner. The balance between work life and family life is always a struggle, and my family was very gracious in allowing me to do maybe more than I should have.

Jane managed the house, took care of the girls in many ways. I made a lot of their events, but a lot of them I missed. I see my daughter now struggling with three teenagers and the constant tension between getting things done and going to the kids' events or driving. I have to give Jane credit for maintaining the home front. She accuses me sometimes of being the CEO around the house, and I say, "But you're the Chairman of the Board, so what can I say?" She managed the house well.

Our two girls were kind of textbook, in that they did well at school. They were active. They went to college, finished in four years, worked for two years, went to graduate school, graduated with master's in two years. They were in many ways ideal and model children, and I didn't worry about them much. They didn't cause me to worry and to be diverted from work. They understood in many ways and supported what I was doing. I was blessed in having that kind of support from the family.

**GARBER:** You had reminded me that after you left Legacy, you didn't put your feet up.

**KING:** No. Stan Nelson,<sup>61</sup> a former chair, CEO of Ford Health System, and a long-time

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<sup>61</sup> Stanley R. Nelson (1926-2012) was CEO of Parkview Hospital (Fort Wayne, Ind.), Abbott Northwestern Hospital (Minneapolis) and Henry Ford Hospital (Detroit). His oral history: Weeks, L.E., (Ed.). (1987). *Stanley R. Nelson in*

friend had a way of describing leaving your day job. He called it Phase II – you don't have a day job, but you have several night jobs. I took on several night jobs, whether it was working with AHA or joining the board of a corporation or a college or whatever. I did a little consulting on the side and kept busy and intellectually stimulated. I'm not as busy anymore, but I still have enough things to keep me challenged. That's one of the great things about being able to retire at 60. You've got a lot of years ahead to do things you want to do. Jane and I have traveled in 41 countries, and we've enjoyed our time together, but I've had some productive and useful activities. That's what life is all about. I just don't get paid much for them, that's all!

**GARBER:** We've talked about mentoring that you have received. Has that been an important part of your career as far as mentoring others? Did you ever get involved in teaching?

**KING:** I taught early on. I would visit at Duke. I taught at Minnesota. I taught at Iowa with my friend, Larry Prybil,<sup>62</sup> and in Arizona. These were not full-time. These were part-time, sometimes just lecturing once or twice a year. That was a lot of fun. I enjoyed the relationship with some of the faculty. It was a good experience.

**GARBER:** And mentoring?

**KING:** Probably the best mentoring I did was in Chicago and in Portland. As I mentioned, we had a successor ready when I left in Richard Risk. I hired him from Lutheran General with George Caldwell's approval. He came in to run our planning department. I soon realized he had the capacity to do a lot more than that, and made him COO over time. He succeeded me. I had several other people there that I worked very hard to help develop – certainly the CEOs of the hospitals.

When I went to Portland, the first hire I did was for the hospital in Gresham. I hired a young woman by the name of Barbara Zappas.<sup>63</sup> I had another woman running the other suburban hospital, Jane Cummins.<sup>64</sup> I also had a couple of women in the corporate office. I worked very hard at pushing them forward in the organization. I brought Barbara up from the hospital into the corporate office to run Human Resources because I wanted an HR person with credibility out in the field. Somebody who had run one of the hospitals had that credibility. Jane ended up running both the suburban hospitals, so it gave Jane an opportunity for advancement. We won an award from an organization in Oregon for the promotion and development of women in management. I was dumbfounded. I didn't know the award existed. When I look back at it, I took some definite steps to open doors for these women. My friend Gail Hasbrouck, who was head of the Legal Department at EHS, was a lawyer in the department when the Chief Legal Officer left to go back to a law firm. I appointed Gail after about 30 seconds in thought, and she's still there at Advocate, and has done a great job. The typical

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*first person: An oral history.* Chicago: American Hospital Association, can be found in the collection of the American Hospital Association Resource Center.

<sup>62</sup> Lawrence D. Prybil, Ph.D. is the Norton Endowed Professor in Healthcare Leadership and Associate Dean in the College of Public Health at the University of Kentucky (Lexington, Ky.). [College of Public Health, University of Kentucky. (2015, June 30). *Lawrence D. Prybil curriculum vitae*. [http://www.uky.edu/publichealth/sites/www.uky.edu/publichealth/files/Lawrence\\_Prybil.pdf](http://www.uky.edu/publichealth/sites/www.uky.edu/publichealth/files/Lawrence_Prybil.pdf)]

<sup>63</sup> Barbara A. Zappas was president of Legacy Mount Hood Medical Center (Gresham, Ore.) from 1991 to 1995. [American Hospital Association *Guide to the Health Care Field*. (1995-96 ed.). Chicago: AHA, and earlier editions.]

<sup>64</sup> Jane C. Cummins was president and CEO at Legacy Meridian Park Hospital (Tualatin, Ore.) from 1990 until 1995 when she moved to leadership in Legacy Mount Hood Medical Center (Gresham, Ore.). [American Hospital Association *Guide to the Health Care Field*. (1997-98 ed.). Chicago: AHA, and earlier editions.]

pattern in hospitals is for women to be the department heads and for men to be the chief executives and assistant administrators. We're trying to break that down and mix it up.

**GARBER:** What did you find useful to read? How did you keep up?

**KING:** A lot of the keeping up was going to the national and state hospital association meetings and ACHE. The other way of keeping up was to reach out to industry, like to Motorola for help in the quality area. In Portland, there were a couple of other companies that we relied on.

As far as reading goes, I read the typical trade journals. From this I knew what was going on, but I didn't necessarily learn how to get it done. It's the difference between news and analysis. I kept up on the news through the trade journals, but through organizations like AHA, HRDI, and Premier, I had contacts all over the country. When I would hear that George Schmidt in Pittsburgh was doing something interesting, I would either call him or go see him. The doors were open a lot. Today, you get on the Internet and surf around to find things. In those days, we were on the telephone. A lot of it was the association with those colleagues around the country.

Since my retirement, when I was involved in a board seat on a London-based company called Mysis that was basically providing software for banks and health care, I started reading the New York Times every day because of the international news and the coverage and the ability to understand what's going on in Europe and other places. I still read the New York Times every day. My Republican friends in Arizona think I'm crazy, but I know more than they do, so it's all right.

**GARBER:** Can you get *The Times* in Arizona!

**KING:** Delivered every morning right to the door. You have to sneak it in.

**GARBER:** Is there anything else you'd like to add?

**KING:** No, this has been fun. Brought back a lot of memories. I've been so lucky, so fortunate, both at home and at work. Having this kind of opportunity to be involved in health care – I'm just so glad and so thankful that my faculty advisor in 1959 told me to go see Bill Wilson at Mary Hitchcock Hospital.

**GARBER:** Do you have any closing thoughts for students who are considering a career in health care administration?

**KING:** Get a job as an orderly. Get your hands dirty. See what it's like. There are other jobs, other opportunities, but if you can, find your way into the hospital or volunteer. That's what I tell high school kids, and maybe even college kids. Thank you.

**GARBER:** Thank you for your time.

**KING:** It's been fun.

## CHRONOLOGY

- 1939 Born January 25 in Pipestone, Minnesota
- 1961 Dartmouth College, Hanover, New Hampshire  
Bachelor (Liberal Arts)
- 1962-1967 Fairview Hospital, Minneapolis  
1962-1963 Administrative resident  
1963-1967 Assistant Administrator
- 1963 University of Minnesota, Minneapolis  
Masters in Hospital Administration
- 1962 Married November 24 to Jane E. Peterson of Waseca, Minnesota  
Daughters: Sara and Jennifer
- 1967-1969 University of Massachusetts Medical Center, Worcester  
Administrator/Assistant Professor
- 1969-1979 Fairview Community Hospitals, Minneapolis  
1969-1977 Administrator (Fairview Hospital)  
1977-1979 Senior Vice President (System)
- 1979-1980 Holy Cross Health Systems Corporation, South Bend, Indiana  
President
- 1980-1991 Evangelical Health Systems, Oak Brook, Illinois  
President/CEO
- 1983-1987 University of Michigan  
Adjunct faculty and lecturer
- 1983-1987 Duke University  
Adjunct faculty and lecturer
- 1985-1995 Arizona State University  
Adjunct faculty and lecturer
- 1986-1988 Northwestern University  
Adjunct faculty and lecturer
- 1991-1999 Legacy Health System, Portland, Oregon  
President/CEO
- 1992-1996 University of Minnesota  
Adjunct faculty and lecturer

1999-2015 John G. King Associates, LLC, Scottsdale, Arizona

2001-2011 University of Iowa  
Adjunct faculty and lecturer

## **MEMBERSHIPS AND AFFILIATIONS**

American College of Healthcare Executives

Life fellow

Member, Credentials Committee

Member, Gold Medal Award Committee

Member, President's Task Force on Shared Services

American Hospital Association

Chairman, AHA board

Chair, AHA Services, Inc., board

Chair, Governing Council, Multihospital Section

Director, Hospital Research and Educational Trust

Director, Investment Funds, Inc.

Member, Center for Healthcare Governance

Member, Council on Research and Development

Member, Hospital Research Committee

Member, House of Delegates

Member, Special Committee on Board Leadership Identification

Member, Strategic Planning Committee

Trustee, Task Force on the Emerging Roles of Physicians in Health Care Systems

American Hospital Services

Director

Association for Portland Progress

Member, board

Boston Scientific Corp.

Member, advisory board

Catholic Hospital Association

Member, membership services committee

Chicago Health Care Summit

Director

Commission on Accreditation of Healthcare Management Education

Member, board

Commonwealth Center for Governance Studies

Member, board

Community Renewal Society  
Director

Economic Club of Chicago  
Member, membership committee

4<sup>th</sup> N.W. National Bank  
Director

Fred Meyer  
Member, board

Golf Fore Africa Foundation  
Member, board

Health Dialog  
Member, board

Health Forum  
Chairman, board  
Member, board  
Treasurer

Health Management Manpower, Inc.  
Director  
President

HealthEast  
Member, board

Illinois Hospital Association  
Chair, board  
Chair, membership committee  
Member, Association Management Resources  
Member, HOPE board

The King's Fund of London  
International Healthcare Fellow

Lutheran Church in America  
Member, Illinois Synod, One in Mission, major gift committee

Minneapolis School of Anesthesia  
Member, board

Minnesota Foundation for Better Speech & Hearing  
Director

Minnesota Hospital Association  
Chair, Committee on Quality Assurance  
Director, Community Hospital Lines Service  
Director, Health Data Consortium, Inc.  
Member, Planning and Development Committee  
President, District G

Misys-Allscripts  
Member, board

*Modern Healthcare*  
Member, editorial board

Oregon Business Council  
Member, board

Pacific University  
Trustee

Pinnacle Presbyterian Church  
Member, Pinnacle Vision Planning

Premier, Inc.  
Lead director, board  
Member, board

Regence Blue Cross of Oregon  
Member, board

Shepherd of the Hills Lutheran Church  
Member, planning committee  
President

Special Task Force/Alternative Delivery Systems  
Member

St. Matthew Lutheran Church  
Chair, long-range planning committee

Twin Cities Opportunities Industrialization Center  
Honorary director

United Way, Columbia-Willamette  
Chair, general campaign

United Way, Portland, Oregon  
Chair, campaign

United Way of Chicago  
Industry executive

United Way of Minneapolis  
Director

University of Iowa Health Alliance  
Member

University of Minnesota  
Chair, Alumni Fund Drive  
Chair, 8<sup>th</sup> Alumni Institute Planning Committee  
Member, Policy Advisory Committee  
President, Alumni Association

Upper Midwest Dartmouth Alumni Association  
Director  
President

#### **AWARDS AND HONORS**

1961 Casque and Gauntlet, Dartmouth College

1962 James A. Hamilton Award, University of Minnesota

1962 Award, American Surgical Trade Association

1995 Eddie Award, United Way of the Columbia-Willamette

1996 Torch runner, Olympic Games

1996 Tree of Life Award, The Jewish National Fund

1996 All Star Citizens Award, Volunteers of America of Oregon

1998 Regents' Quality in Healthcare Award, American College of Healthcare Executives

1999 Healthcare Executive of the Year, B'nai B'rith of New York

2005 Distinguished Service Award, American Hospital Association

2006 Special Leadership Award, The Health Forum

2007 Athletics Hall of Fame, Waseca High School

2013 Distinguished Service Award, Pacific University

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