



## A Group Practice

**An Interview with Toby Cosgrove, M.D.,  
President and Chief Executive Officer, Cleveland Clinic**

*Cleveland Clinic's main entrance, which is also  
the Miller Family Heart & Vascular Institute.*

**EDITORS' NOTE** *Dr. Toby Cosgrove received his medical degree from the University of Virginia School of Medicine in Charlottesville and completed his clinical training at Massachusetts General Hospital, Boston Children's Hospital, and Brook General Hospital in London. His undergraduate work was at Williams College. He was a surgeon in the U.S. Air Force and served in Da Nang, Republic of Vietnam as the Chief of U.S. Air Force Casualty Staging Flight. He was awarded the Bronze Star and the Republic of Vietnam Commendation Medal. Joining Cleveland Clinic in 1975, he was named Chairman of the Department of Thoracic and Cardiovascular surgery in 1989. Cosgrove has addressed the Senate Health, Education, Labor and Pensions Committee, in Washington, D.C. He is the recipient of Cleveland Clinic's Master Clinician Award, Innovator of the Year Award, and Lerner Humanitarian Award. Dr. Cosgrove topped Inside Business' "Power 100" listing for Northeast Ohio, and is highly ranked among Modern Healthcare's "100 most powerful people in healthcare" and "Most powerful physician executives."*



*Toby Cosgrove*

**CLINIC BRIEF** *Based in Cleveland, Ohio, Cleveland Clinic (my.clevelandclinic.org) is a nonprofit multi-specialty academic medical center that integrates clinical and hospital care with research and education. It was founded in 1921 by four renowned physicians with a vision of providing outstanding patient care based upon the principles of cooperation, compassion, and innovation. Cleveland Clinic has pioneered many medical breakthroughs, including coronary artery bypass surgery and the first face transplant in the United States. U.S. News & World Report consistently names Cleveland Clinic as one of the nation's best hospitals in its annual "America's Best Hospitals" survey. More than 3,000 full-time salaried physicians and researchers and 11,000 nurses represent 120 medical specialties and subspecialties. The Cleveland Clinic health system includes a main campus near downtown Cleveland and more than 75 Northern Ohio outpatient locations, including 16 full-service Family Health Centers, Cleveland Clinic Florida, Lou Ruvo Center for Brain Health in Las Vegas, Cleveland Clinic Canada, and, currently under construction, Cleveland Clinic Abu Dhabi.*

**How can you consistently perform year after year at the level you do?**

The Cleveland Clinic's model is based on our group practice. Our physicians are employed and salaried with no financial incentives. Every one of them has a one-year contract and an annual professional review. We're physician-led, and patient-centered.

As a group practice, physicians make the rules and elect our leadership. We decide what buildings we're going to build and how we're going to finance it. It's a group practice that runs hospitals rather than a hospital that employs physicians.

**Where do you see healthcare today and what needs to be done to make sure we're meeting the challenges of the future?**

The impetus for reform was based around the economic concept that healthcare had gotten to be such a large portion of GDP. We saw that the demographics were changing in the U.S. and that the 10,000 people turning 65 every day would only drive up healthcare costs. Healthcare was starting to drive out funding for other portions of society, such as education.

Given this, we had to change the healthcare delivery system so that costs were contained and we knew we needed to begin to care for people in a different way. There are only two ways you can reduce the costs of healthcare: by making a more efficient delivery system, and by decreasing the burden of disease (putting a focus on wellness and decreasing the incidence of smoking and obesity).

**How critical is technology to how Cleveland Clinic operates?**

We continue to invest in technology as medicine moves from an art to a science. We're now eight years into building our electronic medical record, and have invested a billion dollars over the past decade. The IT infrastructure portion of technology is critical and the data helps us take better care of patients.

The other investments are in patient care. For example, we are able to evolve orthopedic and endoscopic surgeries in new ways. A kidney operation used to require a huge incision in someone's side. Now, you can remove a kidney endoscopically through the belly-button. This shortens the hospital stay and drives patient satisfaction.

We can now offer outpatient knee replacements, thyroid operations, breast operations, and more. Technology allows us to deliver more efficient high-quality care.

At the same time, as people live longer, we have to manage a sicker population. Hospitals are

becoming much more intensive-care centered. A quarter of our hospital beds are intensive care beds.

**Is technology detracting from the doctor/patient relationship?**

You will probably find out more about patients by drawing their blood than by talking with them. So as care gets better and technology increases, you will find people who are technocrats. Certainly as a cardiac surgeon, I was like that. From an important and memorable experience with a student, I realized that as an institution, we weren't being empathetic enough. We brought in a chief experience officer that drove up our patient satisfaction scores. This is hard to do in a hospital with 1,400 beds, but we did it, and it continues to be a major focus today.

**What approach have you taken to Cleveland Clinic's community outreach?**

One of the first things I did when I became CEO was donate \$10 million to the local schools. We developed a lot of initiatives to assist and strengthen them. We have reached out into the community to help with anti-smoking campaigns, and encouragement to exercise. We have met with the city about making Cleveland a healthy place. We try to lead by example in terms of our efforts around smoking cessation with our employees and by not hiring smokers. This has impacted the community by reducing the smoking rate from 27 to 15 percent.

We've created a science internship for high school students to foster their academic interest in healthcare and education. We currently have 150 students here every summer for an organized program introducing them to science and medicine. Some have gone on to medical school and our goal is to keep them interested in working right here in Cleveland.

**How broad is your market?**

Eighty percent of our patients come from a six-county area around Cleveland; 19 percent from the rest of the U.S.; and one percent from about 30 different countries around the world.

Our global reach is increasing as we now have education referral offices in Riyadh, Istanbul, London, and soon in China and India, and we will soon run a 360-bed facility in Abu Dhabi. We're running a 700-bed hospital there now and we're about to open the Cleveland Clinic of Abu Dhabi, which is a 22-story facility.

**How do you avoid becoming complacent when you're number one?**

Cleveland Clinic is located in the second poorest city in the U.S. so we work hard always to be better. We are always striving to do our best to benefit our patients, employees, and the community. ●