



**VITAL2015**  
*Connect. Inspire. Lead.*

## Major Capital Campaign Success Despite a Challenging Environment

Fred Cerise, MD, MPH, President & CEO, Parkland Health & Hospital System

David Krause, D. Min., President & CEO, Parkland Foundation

George Engdahl, MA, Vice President of Development, Parkland Foundation

Cindy Scott, MBA, MSW, Senior Development Officer, Parkland Foundation



**AMERICA'S  
ESSENTIAL  
HOSPITALS**



# ORGANIZATION OVERVIEW

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- \$1.3 billion annual operating budget
- 1 million patient visits annually
- 200,000+ ER visits in 2014
- 10,000+ births annually
- 24 primary care/school clinics, five mobile medical vans for homeless outreach, elder and prenatal home visits and other social services
- Affiliated – University of Texas Southwestern Medical Center

# THE / STAND FOR PARKLAND CAMPAIGN

- March 2007: Initiated campaign planning
- September 2008: Kicked off ISFP
  - \$150 million goal for construction of a new \$1.3 billion facility - the largest hospital construction project in U.S.
  - Announced \$50 million gift from the Harold Simmons Foundation and a \$25 million gift from The Rees-Jones Foundation
- October 2010: Groundbreaking

# THE VISION



# THE FERTILIZER

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- October 2008: The Great Recession
- August 2011: CMS survey results in the beginning of two-year Corrective Action Plan
- December 2011: Contract of our CEO of 28 years' duration not renewed
- Investigative reporting by local newspaper



# NEGATIVE NEWS



# FEDERAL OVERSIGHT

**Metro**  
The Dallas Morning News

**UPDATE | PATIENT SAFETY**

MONDAY Transportation	TUESDAY Education	WEDNESDAY Update	THURSDAY Public safety
FRIDAY The Watchdog	SATURDAY Hot Topic	SUNDAY *Neighborhoods	

**'24/7' inspection of Parkland underway**

Survey to find whether failures fixed; millions in funding at stake

By SHERRY JACOBSON  
Staff Writer  
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Parkland Memorial Hospital will be ready for the government survey that will determine future funding, its top leaders vowed Tuesday.

The county facility has completed 95 percent of the mandated corrective-action plan, said officials overseeing the systemwide upgrades.

**METRO:** Firms owned by white women get half of Parkland's minority contracts. 3B

The hospital must pass a surprise inspection by health regulators to retain more than \$400 million in annual federal funding. The inspectors will show up between May and August.

"We will be ready," said Ron Laxton, Parkland's interim chief operating officer. Laxton was hired a year ago to oversee the hospital's turnaround.

land Memorial Hospital will retain its future state and federal funding.

The surveyors arrived — unannounced — on Monday and began combing through Dallas County's public hospital, looking for signs of patient safety problems that were detected in 2011.

Hospital spokesman

Mike Malaise confirmed Tuesday that the inspectors had begun their work. The survey will determine the fate of more than \$400 million in government funding that Parkland receives annually.

The inspection team, See FULL Page 8B

**DALLAS COUNTY**

**Officials reviewing Parkland findings**

Inspectors spent 5 days at hospital, will probably return; \$400M in funding at stake

By SHERRY JACOBSON  
Staff Writer  
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Federal regulators are reviewing the preliminary findings of a crucial government survey of Parkland Memorial Hospital after inspectors spent only five days at the Dallas County public facility.

The team of 17 government surveyors had been expected to spend two consecutive weeks reviewing upgrades to Parkland, which has been under intense pressure to improve patient safety measures.

The changes have consumed the past 18 months and cost the hospital an estimated \$75 million.

Although previous government surveys at Parkland have been continuous, the latest inspection apparently will be spread over more than one visit, officials said.

The surveyors arrived at Parkland on Tuesday to determine whether the hospital

**FORMER DOCTOR at Parkland has medical license suspended. 4B**

See PARKLAND page 9B

**4B Thursday, March 7, 2013**

**DALLAS**

**Parkland timeline extended**

Feds expand window for inspection vital to hospital's funding

By MILES MOFFEIT  
Staff Writer

needed to extend the agreement to allow for the element of surprise, said David Wright, deputy regional administrator for the U.S. Centers for Medicare & Medicaid Services.

"We need that final act [inappropriate]," hospital officials said in a written statement. "Parkland should be ready for that level of scrutiny on any day at any hour."

The statement said Parkland will continue past April to

mented 471 of 499 safety mandates but is still grappling with problems such as unsanitary conditions, substandard doctor coverage for psychiatric patients and delays in efficiently moving patients through the

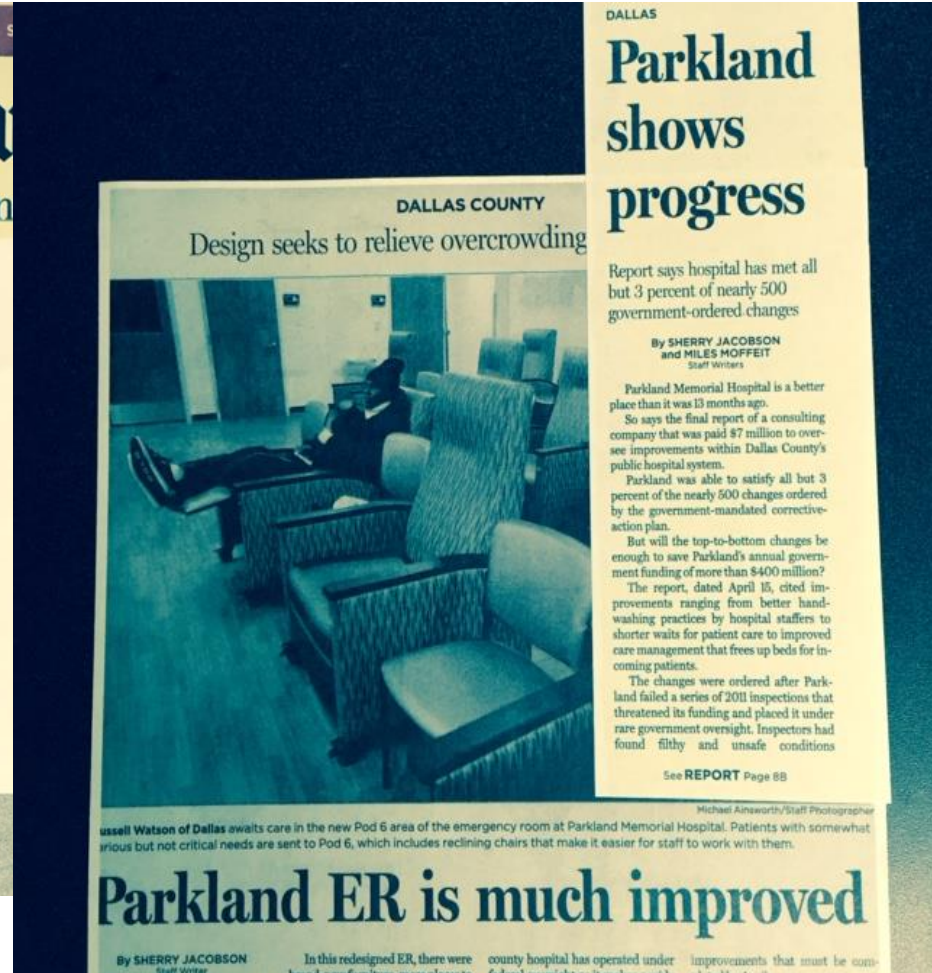
# GROWING FLOWERS OUT OF FERTILIZER

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- Constantly communicated with donors, board members and volunteers
- Empowered campaign steering committee
- Offered informative events – “Inside Parkland”
- Engaged hospital leadership with foundation
- Supported by excellent interim C-Level team
- Never lost sight of the mission



# ALMOST FINISHED



# CORRECTIVE ACTION PLAN COMPLETE



# WATCHING NEW PARKLAND GROW

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- November 2012– Topping Out Celebration
- Spring 2013 – Model room and hard hat tours
- August 2013 – Deemed status restored
- March 2014 – CEO Dr. Fred Cerise arrives
- Fall 2014 – Tours of new Parkland
- **February 2015 – Achieved \$150 million goal**
- Spring 2015 – Grand opening events



# WATCHING NEW PARKLAND GROW





# SMELLING GOOD THIS SPRING

## Parkland-wowed



Iray Reyes, a Parkland community relations manager, pointed out her name on a third-floor glass window during the new hospital's open house on Saturday. The glass bears the names of employees and of people who donated at least \$10.

Photos by Stewart F. House/Special Contributor

to crowd at preview, new hospital is so nice 'you almost want to get sick'

By SHERRY JACOBSON  
Staff writer  
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If you threw open the doors of a brand-new public hospital, how many people would show up to heck it out? In Dallas County's case, the answer would seem to be about 5,000.

That's how many showed up Saturday morning for the first public viewing of the new Parkland Memorial Hospital. People

"It's so pretty," said Anacely Flores, who has been a Parkland patient since 2006. "I'm very grateful to this hospital. It cares about me and my husband."

Of course, Flores was talking about the treatment the couple have received at the current Parkland. It was built in the 1950s and is on the other side of Harry Hines Boulevard from its state-of-the-art replacement. The new Parkland opens to patients Aug. 20.

Saturday's event drew former



## EDITORIALS

## A Steady Hand at Parkland

Big trials await, but Cerise's first year was strong

A sense of calm and quiet is issuing from Parkland Memorial Hospital these days. It's a marked contrast to just a short time ago, when problems with patient care led to a threat of lost federal funding and the necessary decision to make a leadership change.

The new chief executive at Parkland, Dr. Fred Cerise, appears to be managing this critical public institution capably — with an eye not only toward Parkland's future as an institution but to the future of quality health care for North Texas residents.

Cerise is one year into his tenure at Parkland. In that time, he has helped bring a sense of stability to the hospital exactly when it needed stability most.

Much remains to be done and seen before we can declare his work a success. And what we know about his work is as much based on a general sense of competence as hard data points.

But there are important facts to look at that give us a measure of the progress he has achieved.

In November, the Centers for Medicare & Medicaid Services listed Parkland as being in "substantial compliance" with Medicare regulations.

That deserves high praise in and of itself. The quality of Parkland's work as a public health care facility had diminished so dramatically that it risked losing the funding it depended on. Cerise was at the wheel for much of the time that improvements were implemented to ensure that the hospital could again pass muster.

There's more.

Look at the nursing home plan Parkland has taken on. It involves leasing homes to take advantage of a state program that will see more Medicaid dollars flow to both Parkland and the homes. Not only does this provide additional resources for care, it helps Parkland have a greater hand in patient care at every level — something that could improve both cost and outcomes.

Then there is the creative program to partial



Staff Photo

## Under new leadership

- An opening date — Aug. 20 — is announced for the new \$1.3 billion Parkland hospital.
- The Parkland Foundation reaches its fundraising goal of \$150 million for the new hospital.
- A \$1.4 billion budget is approved, one that includes a \$34 million deficit. CEO Fred Cerise vows to find ways to cut costs and increase revenue to fill the gap.
- Parkland's board approves the hospital's first diversity plan.
- A psychiatric patient who spat at Parkland staffers has a roll of toilet paper stuffed into her mouth by a nurse, an occurrence that is hidden for three weeks. Two employees are fired, and two others resign.
- Parkland acquires the state licenses for a dozen nursing homes under a new Texas program that promises to funnel more Medicaid dollars to nursing homes and public hospitals.
- The hospital says it will partly forgive co-payments and high deductibles for insured patients who earn less than twice the federal poverty level.

Cerise has made strides to bring diversity to Parkland's leadership. Almost half the 14 vice presidents he's hired this year are minorities. The hospital is continuing, meanwhile, to expand cultural awareness among staff to reflect



# GROWING ORGANIC PHILANTHROPY

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- Foundation governance self-evaluation results:
  - Stronger committee leadership
  - More active engagement of board members
  - More diverse board make-up
- Strong synergy between foundation board and development staff
- Strong synergy between foundation and hospital leadership (both staff and volunteers)
- Philanthropic priorities now part of strategic plan

# GROWING ORGANIC PHILANTHROPY

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- Invest in the philanthropic enterprise
- Develop a comprehensive infrastructure
- Grow competent foundation leadership and staff – need experience and enthusiasm
- Strive to achieve strong culture of philanthropy

# CULTIVATING A CULTURE OF PHILANTHROPY

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- Hire servant leaders who put people first
- Ensure leaders understand that building relationships is everyone's job
- Value relationships over dollars raised
- ROI more important than “cost to raise \$1”
- Development/philanthropy is a core strategy
- Donors inspired to make transformative gifts as opposed to transactional gifts

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# Discussion and Questions

# THANK YOU!

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Learn more at: [www.IStandforParkland.org](http://www.IStandforParkland.org)

Follow Us: [www.Facebook.org/campaign2014](http://www.Facebook.org/campaign2014)