Heart hospital has more suitors

The Health Alliance and TriHealth confirmed they are negotiating with the Ohio Heart Health Center, the region’s largest group of cardiologists and heart surgeons led by Dr. Dean Kereiakes.

Talks are focusing on ways the hospital systems can partner with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

The new negotiations come after months of rumorous tension between the hospital systems and Ohio Heart. In July, after a major rupture in Ohio Heart’s long-standing relationship with Christ Hospital parent the Health Alliance, the physician group announced plans for a heart center with rival Deaconess Hospital, to be located in Norwood or Sharonville.

Meanwhile, Bethesda North parent TriHealth and the Health Alliance did not stand still. The CEOs of both systems are lobbying hard in the TriState and Columbus for limits against doctor-owned specialty agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

House budget bill would fatten local projects to tune of $24M

By Amanda York AYORK@bizjournals.com

As The Beach Waterpark in Mason prepares to enter its 20th operating season, its closest competitor this winter is laying the groundwork for a new multimillion-dollar water park.

For a locally owned operation like The Beach, watching Paramount's Kings Island’s new Boomerang Bay project being built could be similar to the anxiety mom-and-pop shops experience seeing a Wal-Mart Supercenter come out of the ground. But Pamela Strickfaden, vice president and general manager for The Beach, is far from panicking.

“They are different experiences,” she said. “So they can coexist.”

But Pamela Strickfaden, vice president

BIOGRAPHY

Evans Nwankwo "graduated" in November from an informal mentoring process in which his black-owned business participated in a series of joint ventures with Cincinnati's largest construction companies.

His diploma is a $22 million construction-manage-ment contract to build a new elementary school and renovate a junior and senior high school for the Georgetown Exempted Village school district.

It’s the largest deal Megen Construction Co. has ever won on its own. And it follows three years of projects in which Megen, as a minority partner with Turner Construction Co., did $110 million in work for 10 area school districts.

“Our partnership with Turner allowed us to be able to tackle” the Georgetown bid, said Nwankwo, who founded Megen in 1993. “That’s a strong testimony that it can work and it does work.”

But is Nwankwo’s success the exception or the rule?

It’s been more than two years since similar negotiations between Ohio Heart and the Health Alliance parent company were made public, with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

Co. has ever won on its own. And it follows three years of projects in which Megen, as a minority partner with Turner Construction Co., did $110 million in work for 10 area school districts.

“Our partnership with Turner allowed us to be able to tackle” the Georgetown bid, said Nwankwo, who founded Megen in 1993. “That’s a strong testimony that it can work and it does work.”

But is Nwankwo’s success the exception or the rule?

It’s been more than two years since similar negotiations between Ohio Heart and the Health Alliance parent company were made public, with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

Co. has ever won on its own. And it follows three years of projects in which Megen, as a minority partner with Turner Construction Co., did $110 million in work for 10 area school districts.

“Our partnership with Turner allowed us to be able to tackle” the Georgetown bid, said Nwankwo, who founded Megen in 1993. “That’s a strong testimony that it can work and it does work.”

But is Nwankwo’s success the exception or the rule?

It’s been more than two years since similar negotiations between Ohio Heart and the Health Alliance parent company were made public, with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

Co. has ever won on its own. And it follows three years of projects in which Megen, as a minority partner with Turner Construction Co., did $110 million in work for 10 area school districts.

“Our partnership with Turner allowed us to be able to tackle” the Georgetown bid, said Nwankwo, who founded Megen in 1993. “That’s a strong testimony that it can work and it does work.”

But is Nwankwo’s success the exception or the rule?

It’s been more than two years since similar negotiations between Ohio Heart and the Health Alliance parent company were made public, with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.

Co. has ever won on its own. And it follows three years of projects in which Megen, as a minority partner with Turner Construction Co., did $110 million in work for 10 area school districts.

“Our partnership with Turner allowed us to be able to tackle” the Georgetown bid, said Nwankwo, who founded Megen in 1993. “That’s a strong testimony that it can work and it does work.”

But is Nwankwo’s success the exception or the rule?

It’s been more than two years since similar negotiations between Ohio Heart and the Health Alliance parent company were made public, with Ohio Heart, from simple agreements to a new deal for a heart hospital that could put in jeopardy an existing joint-venture proposal between Ohio Heart and Deaconess Hospital.
Our Business is... Protecting Your Business

Chances are, you’re so busy running your business that you haven’t had time to adequately protect it from financial loss.

With Business Insurance by Motorists, you’ll get the facts to make an informed business decision. You’ll also get one of the most competitive policies on the market. Let us tailor a commercial policy to meet your business’ coverage needs.

Motorists Insurance Companies. A company you know. A company you can depend on. 

Motorists Insurance Company
3481 Centred Parkway
Suite 300
Cincinnati, Ohio 45223-3997
(513) 221-1160

Carl R. Schramm, Jr.
CEO, CHRO, President

---

FROM THE FRONT

FROM PAGE 1

HEART: Health Alliance, TriHealth chiefs see consolidation of service as critical

hospitals. And the chiefs of cardiology at Christ and Bethesda North hospitals — who are Ohio Heart physicians — were stripped of their titles because of a perceived conflict of interest.

The hospitals now seem to have gained the upper hand as a new law signed Dec. 8 by President Bush bans for 18 months physician ownership in any new specialty hospital.

While Deaconess officials on Ohio Heart executives still refer to each other as partners in the $80 million Cincinnati Heart and Vascular Hos-

pital proposal, original plans are evolving.

"It was never about owning a hospital," Kereiakes said. "It’s about integrating community assets."

The final result could include more than one hospital partner involved in a heart hospital located in a new building or an existing structure, said Jim Tomaszewski, Ohio Heart’s executive director for business development.

"We are expecting to proceed with develop-

"It was never about owning a hospital," Kereiakes said. "It’s about integrating community assets."

ment of the heart hospital," Lohr said.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital's heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share.

Heart care easily can translate into half of a hospital’s total profits. At the Health Alliance, for example, heart services accounted for 17 percent of net revenue in fiscal 2002 and 40 percent of net income from operations.

Health Alliance CEO Kenneth Hanover referred questions about a possible joint ven-

tire partnership with Ohio Heart to spokes-

How it gets done is a matter of whether to invest in a for-profit venture or if it’s more important to invest resources in caring for TriHealth patients.

"The more smaller sites that open, the more we have to be set in a for-profit or nonprofit structure," Kereiakes said. "It doesn’t have to be set in one hospital or one hospital’s service area."

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share. (513) 221-1160

heit care now at Deaconess. And Kereiakes noted that simil-

Similar facilities are planned at Duke University and the Cleveland Clinic and that he’s spoken with both entities.

A center of excellence for heart care is Kereiakes’ passion. He’s written dozens of articles in medical journals about the idea. But he’s also aware of the toll his dream is taking on others.

As he talks about the removal of Ohio Heart doctors Charles Albottsmith and Pat Sha as the chiefs of cardiology at Christ and Bethesda North hospitals, respectively, he gets choked up, unable to speak for a few moments.

Both doctors were replaced by cardio-

logists from Greater Cincinnati Cardiovascular Consultants, part of a joint venture in catheteriza-

"If the hospital is a bad idea, we’ll go out of business," Kereiakes said. "If it’s a good idea, we’ve helped the whole city."

The Health Alliance declined to comment on personnel changes, but TriHealth said such appointments are made by the medical staff at each hospital.

In a document obtained by the Courier that Hanover and Proct are present-

ing to various groups, they said, “Backers of physician-owned hospitals claim it’s all about compe-

petition and free enterprise. It’s not. It’s about conflict of interest."

The document offers insights Proct and Hanover have not publicly revealed, includ-

ing support for consolidation of heart pro-

grams around existing campus capacity and infrastructure.

They also note that yearly business lost to physician-owned hospitals would be as much as $50 million — an amount that would be cost-shifted to employers and managed care.

The ongoing debate about Cincinnati’s heart care has been fueled by a perceived conflict of interest.

The hospital now seems to have gained the upper hand as a new law signed Dec. 8 by President Bush bans for 18 months physician ownership in any new specialty hospital.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share.

Heart care easily can translate into half of a hospital’s total profits. At the Health Alliance, for example, heart services accounted for 17 percent of net revenue in fiscal 2002 and 40 percent of net income from operations.

Health Alliance CEO Kenneth Hanover referred questions about a possible joint ven-

tire partnership with Ohio Heart to spokes-

The final result could include more than one hospital partner involved in a heart hospital located in a new building or an existing structure, said Jim Tomaszewski, Ohio Heart’s executive director for business development.

"We are expecting to proceed with develop-

ment of the heart hospital," Lohr said.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share.

Heart care easily can translate into half of a hospital’s total profits. At the Health Alliance, for example, heart services accounted for 17 percent of net revenue in fiscal 2002 and 40 percent of net income from operations.

Health Alliance CEO Kenneth Hanover referred questions about a possible joint ven-

tire partnership with Ohio Heart to spokes-

The final result could include more than one hospital partner involved in a heart hospital located in a new building or an existing structure, said Jim Tomaszewski, Ohio Heart’s executive director for business development.

"We are expecting to proceed with develop-

ment of the heart hospital," Lohr said.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share. (513) 221-1160

heit care now at Deaconess. And Kereiakes noted that simil-

Similar facilities are planned at Duke University and the Cleveland Clinic and that he’s spoken with both entities.

A center of excellence for heart care is Kereiakes’ passion. He’s written dozens of articles in medical journals about the idea. But he’s also aware of the toll his dream is taking on others.

As he talks about the removal of Ohio Heart doctors Charles Albottsmith and Pat Sha as the chiefs of cardiology at Christ and Bethesda North hospitals, respectively, he gets choked up, unable to speak for a few moments.

Both doctors were replaced by cardio-

logists from Greater Cincinnati Cardiovascular Consultants, part of a joint venture in catheteriza-

"If the hospital is a bad idea, we’ll go out of business," Kereiakes said. "If it’s a good idea, we’ve helped the whole city."

The Health Alliance declined to comment on personnel changes, but TriHealth said such appointments are made by the medical staff at each hospital.

In a document obtained by the Courier that Hanover and Proct are present-

ing to various groups, they said, “Backers of physician-owned hospitals claim it’s all about compe-

petition and free enterprise. It’s not. It’s about conflict of interest."

The document offers insights Proct and Hanover have not publicly revealed, includ-

ing support for consolidation of heart pro-

grams around existing campus capacity and infrastructure.

They also note that yearly business lost to physician-owned hospitals would be as much as $50 million — an amount that would be cost-shifted to employers and managed care.

The ongoing debate about Cincinnati’s heart care has been fueled by a perceived conflict of interest.

The hospital now seems to have gained the upper hand as a new law signed Dec. 8 by President Bush bans for 18 months physician ownership in any new specialty hospital.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share.

Heart care easily can translate into half of a hospital’s total profits. At the Health Alliance, for example, heart services accounted for 17 percent of net revenue in fiscal 2002 and 40 percent of net income from operations.

Health Alliance CEO Kenneth Hanover referred questions about a possible joint ven-

tire partnership with Ohio Heart to spokes-

The final result could include more than one hospital partner involved in a heart hospital located in a new building or an existing structure, said Jim Tomaszewski, Ohio Heart’s executive director for business development.

"We are expecting to proceed with develop-

ment of the heart hospital," Lohr said.

Deaconess, meanwhile, is moving forward with a hospital under the umbrella of its Mount Airy hospital. And the chiefs of cardiology at Christ Hospital in November opened a $77 million, four-story tower, designed with Ohio Heart doctors in mind. That group treats most of the hospital’s heart patients.

"We’ve got to be more willing to consider partnerships," Tomaszewski said.

But getting Cincinnati’s heart care com-

munity to work together is no easy task. The region’s eight adult open heart centers constantly battle for market share.

Heart care easily can translate into half of a hospital’s total profits. At the Health Alliance, for example, heart services accounted for 17 percent of net revenue in fiscal 2002 and 40 percent of net income from operations.

Health Alliance CEO Kenneth Hanover referred questions about a possible joint ven-

tire partnership with Ohio Heart to spokes-

The final result could include more than one hospital partner involved in a heart hospital located in a new building or an existing structure, said Jim Tomaszewski, Ohio Heart’s executive director for business development.

"We are expecting to proceed with develop-

"It doesn’t have to be set in a for-

profit or nonprofit structure," Jim Tomaszewski