An Interview With Peter G. Ellis, MD

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The University of Pittsburgh Medical Center (UPMC) is a model of an integrated academic and community cancer center. It has experienced rapid growth, and has both breadth and depth of oncology coverage, an enlightened management, and a high level of physician satisfaction. Yet, as recently as the early 1990s, the institution was far smaller and was dedicated almost exclusively to academics and research. The path

from one state to the other makes an interesting story, one that was told to *JOP* by the Center's Network Director, Peter G. Ellis, MD.

In the early 1990s, most patient care in the greater Pittsburgh, Pennsylvania, area (with a population of about 2.5 million) was provided by five small groups, each with fewer than seven physicians. One insurer covered 80% of the local market and exercised complete autonomy.

A group of seven oncologists led by Stanley Marks, MD, Jeff Sjogren, MD, and Dr Ellis surveyed the situation and realized that their practice had to grow to survive. Only size would give them clout. In 1994, they joined AOR, the precursor to US Oncology. With AOR's capital, the group soon grew to 28 doctors and captured a 40% market share. They selected Allegheny Health System for tertiary care, and all went very well until Allegheny went on an acquisition binge. Eventually the hospital system sought reorganization under the protection of the bankruptcy courts.

During that same period, the UPMC, independent of this group, had raised \$100 million and built the state-of-the-art Hillman Cancer Center. It was a model facility in every way except that it lacked patients. Dr Ellis's group, which was still affiliated with US Oncology, remained concerned with the insurer's market leverage and was now looking for a hospital affiliation. They sat down with UPMC and created a novel agreement. They would agree to run the hospital's medical oncology program in an autonomous manner. No money changed hands.

The agreement meant immediate structural changes. The group requested and received capital to build other cancer centers. Between 2000 and 2007, the cancer centers operated more than 30 satellite locations and opened seven joint ventures with local hospitals that were not part of the UPMC's 16-hospital, \$6 billion (revenue) system. In each case, UPMC put up roughly half of the capital and provided all management services. In late 2004, Ellis' group negotiated

out of US Oncology in order to establish a tighter and more permanent affiliation with UPMC.

UPMC operates four freestanding wholly-owned radiation oncology programs and 22 medical oncology office programs, as well as two radiation oncology locations in Ireland. All are outpatient-based, and with the exception of Ireland, are scattered throughout a 110-mile radius from Pittsburgh. Many sites boast positron emission tomography-computed tomography, and all sites have intensity-modulated radiotherapy. Several sites have somatostatin receptor scintigraphy, and all of the newer sites have image-guided radiation therapy.

"Overall, this has been a great model. It has also allowed us to work more closely with our insurers," Ellis states. The large carrier can no longer ignore them.

Consistent with the practice's history of seeking collaboration, it recently initiated a project with Highmark Insurance to define optimal therapeutic courses for various cancers. The project, called Pathways, encourages academic and community physicians to partner and select the most economic therapeutic course (ie, "pathway") for each cancer. The result is a single path, not a choice of five or six, and to date, pathways have been created for 12 cancers. They are embedded in an intranet and delivered at all sites of service, and the UPMC has measured a 93% compliance with this program.

Physicians within the UPMC system have remarkable flexibility. The center is essentially a combination of three separate private practices, each with a distinct contract. "A cookie-cutter approach just doesn't work," maintains Dr Ellis. Some physicians want a guaranteed base salary and for that, will agree to less upside. Others want no guarantee, and will simply pay UPMC for management services. A third group wants a blend of the two. "By being flexible in this area, we've kept all three groups happy. All have long-term contracts," Ellis reports.

The growth continues. UPMC has integrated surgery into some of the community hospitals and offices. It is in the process of adding it to the Arnold Palmer Cancer Center in Latrobe, Pennsylvania, named for the famous golfer and major benefactor. Stereotactic surgery is also provided, primarily at the Hillman Cancer Center.

"It has been a good experience for us as private clinicians because we get to do some academic research, yet we get to take care of patients," Dr Ellis reflects. "We have the security of being with a large medical system, yet we get to run our practice like we like to run it. It's very patient-centric. The people who run the cancer centers are physicians."

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