

Former pastor finds his mission in health care

CEO Robert Thompson leads the Monroe Plan for Medical Care, which covers 90,000 people here

By WILL ASTOR

When Monroe County budget director William Carpenter moved from the private sector to the county finance job two years ago, Robert Thompson's name came up frequently.

"I quickly recognized that Medicaid was the elephant in the room," Carpenter says. "And when I asked people about it I kept hearing, 'You need to talk to Bob Thompson.' I did talk to Bob Thompson and I can't tell you how smart I looked because of it."

Thompson, 59, is CEO of the Monroe Plan for Medical Care Inc., a Medicaid HMO covering 90,000 low-income individuals in 14 Rochester-region and Finger



CLOSE-UP

Robert Thompson

Title: President and CEO, Monroe Plan for Medical Care Inc.

Age: 59

Education: B.A. in psychology, Hope College, Holland, Mich., 1969; master of divinity in urban ministry, New York Theological Seminary, 1971

Residence: Canandaigua

Sports: Golf

Community activities: Director of Finger Lakes Health Systems Agency, member of the United Way of Greater Rochester Inc.'s health care advisory board, member of the Anthony L. Jordan Neighborhood Health Center Foundation board

Quote: "This is the best job I ever had. It's what I'll retire from."

Lakes counties.

Its members are enrolled in any of three Excellus Blue Cross Blue Shield, Rochester Region's Medicaid managed-care plans or are members of the state's Child Health Plus and Family Health Plus low-income health plans, which Excellus runs locally.

The Monroe Plan is an individual prac-

tice organization. IPAs generally represent doctors to managed-care plans. The Monroe Plan represents 4,500 area medical providers to the Blues in Medicaid claims.

While Excellus is an official licensee of the Medicaid and state low-income insurance programs, Thompson's organiza-

tion runs most of their day-to-day operations as an independent contractor to Excellus, taking in some \$225 million a year in premium revenues.

The Monroe Plan runs on a capitated basis, meaning it gets a set amount of money—what government insurance programs allow to cover members' claims—and pays providers out of that. It employs 90, including medical and finance directors and call center workers to handle subscriber inquiries.

Excellus handles marketing, negotiations with hospitals and claims processing, taking a percentage of the government program's reimbursements as a fee. Excellus Rochester Region president Scott Ellsworth says negotiations with the state on low-income product contracts are a joint effort between himself and Thompson.

Medicaid payments typically do not cover the cost of services rendered, Ellsworth says, "(so) there's constant pressure. Success depends on the ability to squeeze out cost."

The Blues do not make money on the low-income plans, he says. They support them as part of their mission as a non-profit. Excellus wants the plans to run as cheaply as possible but still to provide the highest quality care.

Highly regarded

Thompson has delivered on both scores, Ellsworth says. The state Department of Health in 2005 ranked the Monroe Plan top in quality among all New York Medicaid HMOs. And *U.S. News and World Report* the same year rated the Monroe Plan as 11th best in the country in quality. Excellus is looking at extending the Monroe Plan eastward to more of the 40-plus counties in its coverage area.

The plans Thompson runs account for some two-thirds of Monroe County's Medicaid HMO enrollees and all of its Child Health Plus business. The balance of the area's Medicaid HMO members belong to Preferred Care's Preferred Care Option Medicaid HMO. Elsewhere in the state a mix of non-profit and for-profit insurance companies and organizations—prepaid health services plans commonly known as PHSPs—run similar programs.

The Monroe Plan spends some 10 percent of its budget on its administrative operations, leaving 90 percent of its available funds to pay enrollees' health care costs, Thompson says. It is one of the lowest cost-to-claims ratios in the state.

Medicaid PHSPs and plans run by for-profit insurers downstate as rule run up administrative costs in the 12 percent to 15 percent range, Thompson says. Some run as high as 25 percent.

The Monroe Plan's relatively low administrative expense means it can pay

more favorable rates to providers. It pays 90 percent of what the Blues pay for commercial HMO claims versus 60 percent in fee-for-service Medicaid payments statewide.

This is important, Thompson says, because some doctors—leery of losing money on the business—refuse Medicaid patients or cap the percentage they will take to keep their practice from going into the red. The core of the Monroe Plan's provider

"I knew I didn't want to be a pastor anymore. I had to stop and think whether the church was the right vehicle to accomplish reform for the urban poor."

network is a group of 16 medical practices, such as the inner-city Anthony L. Jordan Health Center, that focuses on serving low-income patients.

Carpenter, now the county's Medicaid czar, says Thompson quickly won his admiration as someone with an encyclopedic understanding of low-income health care finances and as someone able to apply that knowledge to wring maximum benefits for low-income enrollees and save taxpayers' money.

Medicaid is a headache for county budget planners: It is forecasted to cost \$160 million of the county's nearly \$1 billion 2006 spending plan.

The U.S. government splits the cost of the federally mandated program 50-50 with states. New York pays for a quarter of the Medicaid expense and expects counties to pay for the remaining share. A chart in the county's 2006 budget document details a \$39.6 million gap between its Medicaid obligations and the revenues that are supposed to pay for them.

A key example of how the Monroe Plan has eked out savings, Carpenter says, is the highly effective prenatal care and disease management programs it runs.

Research shows the diabetes program to have returned \$2.44 for every dollar spent and the asthma program to have returned \$1.48. Return on investment for the prenatal program is \$2.48, Thompson says.

Monroe Plan chairman Peter Szilagyi M.D. is chief of general pediatrics and associate director of clinical research at the University of Rochester Medical Center's Strong Children's Research Center. His professional research centers on the effect of health insurance or its lack on children's health care and of ways of improving health care outcomes for impoverished children and children with chronic med-

ical or psychosocial problems.

The return on investment from such programs is far greater when one takes indirect costs into account, Szilagyi says. Calculations used to measure the program took into account only direct, short-term medical costs.

In the prenatal care program, for example, the ROI figures reflect only the reduction in time spent by newborns in pediatric intensive care units and neonatal wards. Such costs are considerable, often thousands of dollars a day. But they often are far outweighed by long-term savings from costs avoided, stemming from social and medical problems that low-birthweight and premature infants are more prone to in later life.

Thompson rightly credits Monroe Plan managers for such outcomes, praising Medical Director Joseph Strakaitis M.D. for the plan's high quality ratings and Chief Financial Officer Michael Messier for keeping it on an even financial keel, Szilagyi says. But Thompson is overly modest in neglecting his own role.

"(Thompson) is a wonderful leader," Szilagyi says. "He inspires others because he is genuinely excited with their successes. He takes a lot of pride in others' achievements."

While others have played significant roles in building the plan, it only came into full flower under Thompson, Szilagyi adds.

The Monroe Plan was founded in the 1970s as a Monroe County Medical Society initiative and went through several iterations before partnering with Excellus. Ten years ago, when Thompson was hired, it operated only in Monroe County and served roughly a quarter as many members as it does now.

"A brilliant strategic thinker (who) sees the big picture and could probably make far more money working for a corporation," Thompson has been the Monroe Plan's rallying point, overseeing its decade-long growth spurt, Szilagyi says.

Thompson has brought a laserlike focus to the job, he says, honing in on the details needed to build and maintain a complex organization but always keeping the plan's ultimate goal—to bring quality medical care to the poor—in his sights.

Ontario County resident

Divorced with no children, Thompson lives in a 1900-vintage farmhouse in Canandaigua. He belongs to the Cobblestone Creek Country Club where he gets in an occasional round of golf. But more of his time is spent as a volunteer working for non-profits whose missions dovetail with the Monroe Plan.

"For me, volunteer work is always networking," Thompson says. "It's all part of providing services to the poor."

As vice chairman of the Anthony L. Jordan Health Center Foundation, he raises money for the inner-city clinic. He is also on the St. Joseph's Neighborhood Health Center board and volunteers as an adviser to the United Way of Greater Rochester Inc.

Thompson is an ordained but no longer practicing minister in the Reformed Church (formerly the Dutch Reformed Church). As a young man in the 1960s, he was pastor to urban-poor congregations in the South Bronx and Michigan. He left the ministry, switching to poverty-focused health care, after the church cut funding to the anti-poverty programs he had developed.

The eldest of three siblings, Thompson grew up in Ridgely, N.J. His father was an aeronautical engineer. His mother worked part time in a grocery store. A number of maternal uncles lived nearby. Thompson's uncles all worked for the village highway department, where they arranged summer jobs for him. His maternal grandmother, an immigrant from Holland who shared a nearby double house with one of her son's families, was a big influence.

"I would go to my grandmother's house every day after school and listen to her stories about when she was growing up," Thompson says. "She grew up poor and she was a single mom who raised a big family on public assistance. I learned an awful lot from her."

In college, Thompson majored in psychology with an eye toward entering the ministry. He graduated from Hope College, a small, liberal arts school in Holland, Mich., long associated with the Reformed Church. After earning a bachelor of arts degree in 1968, Thompson planned to attend Princeton University in New Jersey, where he would pursue a dual degree in divinity and psychology.

Before he started graduate school, though, Thompson met Rev. Donald DeYoung, then pastor of the Elmendorf Reformed Church in Harlem. Thompson first visited the Harlem church doing background research for a college paper on substance abuse. He stayed on to help DeYoung with anti-poverty work.

After two months in Harlem, all his plans changed, Thompson says.

"That visit started me down a track and I went in a whole different direction," he said.

Where he had earlier imagined that he would serve as a pastoral counselor to a middle-class Reformed Church congregation, Thompson says, he now knew that he would work with and for the poor.

Instead of going to Princeton to study psychology, he switched to a master of divinity in urban ministry program at the New York Theological Seminary, a divinity school on Manhattan's Upper West Side geared toward turning out socially con-

scious clergy to pursue urban and inner-city ministries.

DeYoung, meanwhile, had steered Thompson to the Melrose Reformed Church, a small South Bronx congregation that DeYoung also was responsible for and was then in need of a pastor. Thompson took over as Melrose pastor immediately, weaving his divinity studies into his duties as pastor of the church's small flock.

When he took over as minister of the South Bronx church, Thompson says, the congregation consisted of some 20 of the church's original German Dutch Reformed congregants who drove in from better neighborhoods and three local Hispanics. Thompson started new programs, including one for local latchkey kids and a tutoring effort using volunteers from a Reformed Church in Scarsdale.

By the time he earned his master's in 1971, Thompson says, the church's membership had grown considerably, drawing in neighborhood people. That year he moved to Muskegon, Mich., where he spent two years working with inner-city churches to develop a jail ministry and other programs.

When the Reformed Church pulled funding from such programs, Thompson decided to leave the ministry. That decision stemmed less from a crisis of faith than from a desire to keep working for the poor.

"I wasn't sure where I was going with the urban ministry," he says. "I knew I didn't want to be a pastor anymore. I had to stop and think whether the church was the right vehicle to accomplish reform for the urban poor."

Thompson made plans to return to New York City, where he intended to work toward an advanced degree in urban planning at Hunter College. But in a move reminiscent of forgoing his Princeton plans, he suddenly scotched plans to attend Hunter and again veered off in a different direction.

Asked whether he currently attends a church, Thompson says, "No, but I still see myself as a spiritual person."

Into health care

Waiting for the Hunter term to begin, Thompson took what he thought would be a temporary job for the Health Systems Agency of New York, then one of a statewide network of similar organizations.

HSAs began in Rochester as the brainchild of Marion Folsom, a former Eastman Kodak Co. executive and secretary of Health and Human Services in the Eisenhower administration. Local HSAs would evaluate proposals from nursing homes, hospitals and other health care facilities, deciding which projects should move

ahead. The idea was to deploy resources optimally to deliver the best care to the greatest number.

Health care reforms of the 1990s all but eliminated the HSA network. Finger Lakes Health Systems Agency, which serves nine counties surrounding Rochester, was the first established. It is the state's only remaining HSA. Thompson is a director and has served as its chairman.

When Thompson went to work for the New York City HSA in 1973 the system was in full flower. He stayed there for 11 years, rising to deputy director.

"What kept me there," Thompson says, "was wrestling with the problems of access and quality."

In 1984, the Greater New York Hospital Association, which then represented 69 health care facilities in the city, wooed Thompson to be its second in command as an executive vice president. Working at the association for three years, Thompson put together an AIDS program, helping member hospitals respond to what was then a new and deadly, but ill-understood, epidemic.

In 1987, the 6,000-physician New York County Medical Society recruited Thompson as its executive director. While there, he started working to develop Medicaid managed-care programs in Manhattan, the Bronx, Queens and Brooklyn.

In 1992, the effort spun off from the NYCMS as a full-blown Medicaid HMO, Managed Care Administrators and Prime-Care Inc. with Thompson as its president. Three years later that organization was absorbed by WellCare of New York Inc., a New York City subsidiary of the Florida-based WellCare Health Plans Inc., which also runs Medicaid and Medicare HMOs in Florida, Illinois, Indiana, Connecticut, Louisiana and Georgia.

When the Monroe Plan recruited Thompson in 1996, he took the job partly for personal reasons. He had been dating the then executive director of the Monroe County Medical Society, Lisa Brubaker, for several years. He had met her when he was executive director of the NYCMS and the pair had maintained a long-distance relationship.

Thompson and Brubaker, who now heads Rochester operations for MVP Health Care/Preferred Care, married several years ago but divorced six years later in what both say was an amicable parting.

Brubaker was not the only reason he wanted to come here, Thompson says. He had long admired the Rochester health care community as among the state's most dedicated and progressive and thought this would be a good place to work. Ten years later, he still thinks so.

"This is the best job I ever had," Thompson says. "It's what I'll retire from."

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