

The CEO Forum

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Delivering positive impact

Universal Health Services, Inc.'s President & CEO, Marc D. Miller, speaks to his experience as the organization's leader—building its commitment and reputation of providing the highest quality of care to all communities it serves.



The CEO Forum Group has selected Marc D. Miller, President & CEO, Universal Health Services, Inc., for The Top

10 CEOs Transforming Healthcare in America in the exclusive category of Behavioral Health. This is bestowed for UHS' leadership in setting the vision for America and executing the model for elevating hospital and healthcare services as delivered by over 90,000 focused and passionate team members.

Interviewed on July 19, 2024

Robert Reiss: This year UHS is celebrating its 45th year. Talk about the role it plays in the fabric of our healthcare and our society.

Marc D. Miller: Universal Health Services proudly commemorates 45 years of Healthcare Excellence, signifying our longstanding commitment to delivering high-quality care to the patients we are privileged to serve. It's all about care for everyone in the communities we serve.

We've built our reputation through our focus on Healthcare Excellence and by living our Principles each and every day, at each and every encounter: providing superior quality patient care, valuing each member of our team, being a highly ethical provider and serving our local communities.

“We've built our reputation through our focus on Healthcare Excellence and by living our Principles each and every day, at each and every encounter.”

Our operating philosophy enables us to positively impact the lives of patients and their families. Our strategy includes building or acquiring hospitals and services in rapidly growing markets, investing in the people and equipment needed to allow each facility to thrive and becoming a leading healthcare provider in each community we serve.

You have a unique model of both acute care and behavioral health hospitals. Describe the importance of this model, what your number of hospitals are today and if you have any new hospitals coming on board.

UHS is one of the nation's largest and most respected providers of hospital and healthcare services with more than 400 acute care hospitals, behavioral health facilities and ambulatory care centers in the U.S., Puerto Rico and the U.K. In 2023, we cared for nearly 3.6 million patients. The Acute Care Division had more than 322,000 inpatient admissions and 1.6 million ER visits. The Behavioral Health Division served 730,000 patients last year. During the year, 168 beds were added, and I am pleased to share that we are on track to add approximately 200 new beds in 2024.

Through our partnerships with highly esteemed regional healthcare systems, UHS is able to expand our reach, while driving integration and contributing to the continuum of care. Recent joint venture announcements within the Behavioral Health Division include a partnership with Lehigh Valley Health Network (LVHN) to build the new Hanover Hill Behavioral Health in Hanover Township, PA—this is a 144-bed facility, slated to open in 2025. Another JV is Southridge Behavioral Health in Grand Rapids, MI, which is a partnership with Trinity Health and currently under construction and on schedule to open in 2025.

We are opening additional outpatient locations, expanding this aspect of the care continuum, for mental health primary conditions as well as for

Marc D. Miller

substance use disorder treatment. Joint Venture hospitals that we have opened over the past few years include River Vista Behavioral Health, a JV with Valley Children's Healthcare in Madera, CA; Via Linda Behavioral Health, a JV with HonorHealth, in Phoenix, AZ; and Beaumont Behavioral Health, a JV with Beaumont Health (now Corewell Health) in Detroit, MI.

In the Acute Care Division, we have many exciting growth projects in full swing including The Alan B. Miller Medical Center, currently under construction in Palm Beach Gardens, FL, and on track to open in 2026, Cedar Hill Regional Medical Center GW Health in Washington, D.C., which is on schedule to open in 2025, and West Henderson Hospital in thriving Las Vegas, NV, which is nearing completion and will be ready to open later this year.

“The culture of UHS is Service Excellence—treating everyone as a guest, demonstrating excellence and practicing teamwork.”

You have over 96,700 employees; talk about your culture.

The culture of UHS is Service Excellence—treating everyone as a guest, demonstrating excellence and practicing teamwork. We aim to be an employer of choice in all communities in which we operate. Whether at the front lines or supporting and enabling those who are, our dedicated employees operate with integrity and focus on our mission of providing high-quality care. We have many triumphant patient stories to share. One very recent story that has captured a great deal of attention and admiration is the compelling story of Steffani Natter whose life was saved by the team of clinicians at Temecula Valley Hospital in Southern California.



Community members and leaders congratulated Doctors Hospital of Laredo on receiving the Service Excellence Award. (L to R) Edward Sim, President, Acute Care Division; and Marc D. Miller present the award to Emma Montes-Ewing, CEO, Doctors Hospital of Laredo, and the entire hospital team.

Reputation is at the core of everything we do. Consumers have a choice when it comes to their health, and we strive for and deliver differentiated care that attracts consumers to choose our hospitals. Healthcare is a tough industry, but we have a mission to serve patients well. Whether the economy is booming or struggling, people need healthcare services. There is great responsibility inherent in what we do and we take that responsibility very seriously.

National, state and local organizations continually praise our employees and facilities for achieving positive outcomes measures, for earning high quality metrics and for community service.

Our most recent financial and reputational accolades include 21 Years on the Fortune 500—this year at #299, 21 Years on the Forbes Global 2000, earning ‘Hall of Fame’ status, 14 Years on the Fortune World’s Most Admired list, and #4 on Reputation.com for online reputation management and star ratings.

“One in five adults in the U.S. (approximately 43 million people) experiences symptoms of a mental illness in a given year. Often mental health, also called behavioral health, is overlooked.”

Our executive leaders are recognized for their industry expertise. A few recent examples include Eric Goodwin, CIO, was presented the ORBIE Award by PhillyCIO; and Kim Sassaman, CISO was named a 2024 CIO Award winner from industry group CISOs Connect.

In Philadelphia, where our Corporate Headquarters is based, UHS is perennially ranked by the Philadelphia Business Journal, currently at #5 on the list of Largest Public Companies; #7 on the list of Largest Healthcare Systems and Hospitals; and #12 on the list of Largest Employers.

As the leader in behavioral health, what is your perspective about overcoming the stigma? Are we making progress in America?

One in five adults in the U.S. (approximately 43 million people) experiences symptoms of a mental illness in a given year. Often mental health, also called behavioral health, is overlooked. UHS is a leader in this sector with over 50% of our portfolio focused on behavioral health and delivering compassionate care to individuals during the most vulnerable times of their lives.

Through a continuum of inpatient, partial



Presenting a Powerful Testimony: Steffani Natter (center) shares her remarkable tale of survival after life-threatening cardiac arrest. With the swift action of first responders, exceptional care from the Southwest Healthcare Temecula Valley Hospital clinical team and the unwavering support of her family, Steff's story showcases the power of teamwork and compassion. www.uhs.com/united-er-effort-saves-patients-life



hospitalization and outpatient programs, we provide a broad range of behavioral health solutions. As we continue to increase awareness and change the conversation about mental health and addiction

“We deliver industry-leading outcomes. Over the past 12 months, 91% felt better at discharge than when admitted, and 89% of patients were satisfied with their treatment.”

issues, we remain committed to our top priority of taking care of patients: providing superior quality care and treating individuals with respect and dignity.

Quality of care and patient satisfaction are our most important metrics. UHS is one of few behavioral health providers voluntarily measuring clinical outcomes. We deliver industry-leading outcomes. Over the past 12 months, 91% of survey respondents felt better at discharge than when admitted, and 89% of patients were satisfied with their treatment.

Why do you believe behavioral health issues have grown so dramatically?

I have two thoughts on this. First, behavioral health issues are not new—however, today there is greater awareness that mental health concerns are legitimate, that they are treatable and that resources are accessible in the community. The stigma has lessened with awareness and education, and people are more likely today to seek help—although as an

industry, we continue to advocate for minimizing the stigma and raising awareness. During COVID and after, more and more prominent figures such as athletes, actors and politicians were forthcoming related to their mental health challenges which allowed others to see that treatment and recovery is possible. We have been poised for our entire history to be part of that recovery and provide hope for those who have previously felt hopeless.

“Over the past decade, UHS has expanded our collaborations with military leaders and behavioral health experts including the establishment of the UHS Patriot Support Programs®.... Working together, we can help improve the lives of those who have sacrificed so much for us.”

Second, there are many societal pressures—and they are only increasing. Misuse of social media channels is often cited as resulting in cyberbullying, the propagation of unrealistic ideals and other triggers that can manifest themselves in mental health issues across age groups, but in particular with our younger generations. Other pressures may be career-related, manifesting in PTSD for example with members of the military, veterans, first responders and others who see and experience trauma.

Talk about UHS’ substantial commitment to the military.

Our nation’s military, veterans and their family members constitute an important population for whom we provide care. UHS has focused on this highly deserving and often unique population for years. Over the past decade, UHS has expanded our collaborations with military leaders and behavioral health experts including the establishment of the

UHS Patriot Support Programs®. This initiative was born out of a shared objective and to complement the great work being supported through the Department of Defense, Defense Health Agency, TRICARE® and the U.S. Department of Veterans Affairs.

Thirty-three of our facilities offer specialized, dedicated behavioral healthcare to our nation’s military service members (active duty, reserves and veterans) and their families via our Patriot Support Programs.

This and similar initiatives of our industry peers represent just a few examples of how companies and individuals can make a difference in supporting the military and the VA in addressing the behavioral health needs of our service members and their families. Working together, we can help improve the lives of those who have sacrificed so much for us.

We recently reconstituted our Military Advisory Board, recruiting new members with unprecedented caliber. The board is comprised of David Shulkin, M.D., former Secretary of Veterans Affairs; Lieutenant General (Ret.) Ronald Place, M.D., Former Director, Defense Health Agency; Lieutenant General (Ret.) Bruce Green, M.D., MPH, United States Air Force; Rear Admiral (Ret.) Bruce Gillingham, M.D., United States Navy; Rear Admiral (Ret.) Paul Higgins, M.D., United States Public Health Service/United States Coast Guard; Major General (Ret.) Jerry L. Fenwick, M.D., Air National Guard; and Chief Master Sergeant (Ret.) Charles Cole, United States Air Force.

We thank them for their service and value their contributions as we continuously evolve our offerings in support of the men, women and families of the Armed Forces.

If a CEO knows someone with behavioral health issues, what advice do you have for them?

Encourage the individual to seek help. There is no shame, and early intervention is beneficial in



addressing issues before they become more serious to the individual and others around them.

Today AI is at the forefront of conversation for most CEOs; what are your thoughts on implementing AI into medical technology?

Advancements in technology will evolve how individuals interact with service providers, and in our industry, transform and improve the way healthcare is delivered. Our commitment to technology advancements includes UHS' investment in General Catalyst, a leading venture capital firm ushering in a new era of patient care through health assurance investments and collaboration.

In August 2023, UHS was announced as a Founding partner in Hippocratic AI, a technology company that is building the industry's first safety-focused Large Language Model with an emphasis on non-diagnostic, patient-facing applications.

We also continue to expand the Oracle Cerner Health electronic health record (EHR) across our Behavioral Health facilities. Acute Care facilities have used Oracle Cerner Health's technology for over 15 years. With this expansion, UHS has access to a single, unified EHR to better inform care decisions and safety practices.

What is your vision for the future of healthcare in America?

“Advancements in technology will evolve how individuals interact with service providers, and in our industry, transform and improve the way healthcare is delivered.”

President & CEO, Universal Health Services, Inc.

I believe the following four core elements will define the future of healthcare. First and foremost: Continuing to attract, retain and reward individuals for joining the ranks of our healthcare providers. Across America, our industry needs skilled, compassionate doctors, nurses, therapists, technicians, as well as all other clinical and non-clinical staff. Healthcare is a people business.

Next, accessibility and affordability: provider access, convenient near-term appointments, immediate critical care, and a payor structure that fairly reimburses either for care provided or in accordance with mutually agreeable risk-sharing models.

“Across America, our industry needs skilled, compassionate doctors, nurses, therapists, technicians, as well as all other clinical and non-clinical staff. Healthcare is a people business.”

Further, continued technology investment: leveraging automation where appropriate for convenience and for variance reduction; continuing to develop leading interventions for medical issues; continuing to transition to electronic channels.

Last but not least, medical-behavioral integration: treating the “whole person.” We know that those with mental health issues are more likely to suffer physical health issues—and vice versa. While strides have been made, there’s still a long runway on integrating the assessment, treatment and follow-up protocols to reflect the holistic wellbeing of the individual patient.



Marc D. Miller is President and CEO of Universal Health Services, Inc. (NYSE: UHS). Mr. Miller was named CEO in January 2021 after having served as President since 2009. He is a member of the UHS Board of Directors, serving on the Executive Committee and the Finance Committee. He joined UHS in 1995 and over the years has held various positions of increasing responsibility at hospitals and the Corporate office. Prior to assuming executive leadership roles at the Company's Corporate Headquarters in King of Prussia, Pennsylvania, Mr. Miller served in various operational leadership roles at several UHS Acute Care Hospitals.

Mr. Miller is a member of the Board of Directors of Universal Health Realty Income Trust (NYSE: UHT), a real estate investment trust that has investments in 65 properties located in 20 states. In 2021, he was selected to serve on the Board of Directors of the Federation of American Hospitals (FAH). Additionally, he has served as a member of the Board of Directors of Premier since 2015. In 2022, Miller ranked #49 on Modern Healthcare's "100 Most Influential People in Healthcare" list, in recognition of his visionary leadership, and most importantly, for upholding the company's patient-centered focus. He earned a Masters of Business Administration degree in Healthcare from The Wharton School of the University of Pennsylvania and holds a Bachelors of Arts degree in Political Science from the University of Vermont.





OUR MISSION

*Established in 1979 by Alan B. Miller,
Founder and Executive Chairman*

TO PROVIDE SUPERIOR QUALITY HEALTHCARE SERVICES THAT:

PATIENTS recommend to family and friends,

PHYSICIANS prefer for their patients,

PURCHASERS select for their clients,

EMPLOYEES are proud of, and

INVESTORS seek for long-term returns.

*Our Mission statement has been repeatedly
praised by industry experts for being honest
and authentic, and for identifying value
offered to all key stakeholders from patients
and employees to our investors.*



BUILDING FOR THE FUTURE

As we move forward, we maintain a long-term focus on the future.

With a commitment to delivering healthcare with excellence and quality, we will identify, develop and pursue rational new opportunities that complement our core business and achieve our Mission, ensuring UHS is well positioned for the decades ahead.

We will remain a vibrant company that rises to challenges, leverages opportunities and cultivates visionary leaders.



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TRANSFORMING

the Delivery of Healthcare

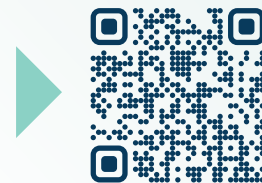


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