Bold New Alliance Among Houston’s Leading Health Care Providers to Transform Care Delivery in the Region

Clinical Services, Research and Education Greatly Enhanced by New Collaborations for CHI, St. Luke’s, Baylor College of Medicine and Texas Heart Institute

HOUSTON -- Jan. 7, 2014 – Three of the region’s leading medical institutions – Baylor College of Medicine, CHI St. Luke’s Health and the Texas Heart® Institute – have significantly expanded and enhanced their long-standing educational, clinical and research affiliations in conjunction with Englewood, Colo.-based Catholic Health Initiatives, which sponsors and operates the newly named CHI St. Luke’s Health.

Catholic Health Initiatives, one of the nation’s largest health systems, announced today that CHI St. Luke’s has partnered with Baylor College of Medicine in a joint venture for the new hospital on Baylor’s McNair Campus which will eventually replace the current CHI St. Luke’s hospital in the Texas Medical Center.

At the same time, Catholic Health Initiatives announced a new, strengthened affiliation with Texas Heart® Institute which calls for a significant, 10-year investment in the renowned institution to expand education and research into cardiovascular diseases.

The announcements were made by leaders of Catholic Health Initiatives, CHI St. Luke’s, Baylor and Texas Heart at a news conference in the Texas Medical Center. The agreements signal the continued expansion of the TMC, with venues in place to accommodate that growth.

CHI St. Luke’s and Baylor signed a joint-venture agreement to open a new, acute-care, open-staff hospital on Baylor’s McNair Campus in the central area of the Texas Medical Center, which is currently home to two outpatient facilities owned by the college -- the Baylor College of Medicine Medical Center and the Lee and Joe Jamail Specialty Care Center. Baylor and CHI St. Luke’s will jointly operate the new hospital.

In addition, together, CHI St. Luke’s Health, Baylor and THI will work to develop a state-of-the-art cardiovascular program on the campus of the new hospital that will be capable of transforming cardiovascular medicine through leadership in areas such as regenerative medicine and the development of next-generation medical devices.

“These agreements will bring to bear new capabilities and resources in an alliance that doesn’t exist anywhere else in the region,” said Kevin E. Lofton, president and chief executive officer of CHI. “This is a clinical, educational and research-focused enterprise that we think will be capable of creating miracles.”

Earlier this week, St. Luke’s Health System filed the necessary paperwork to operate as “CHI St. Luke’s Health.”
Robert Robbins, M.D., president and CEO of the Texas Medical Center, said: “These two agreements are excellent examples of the collaborative spirit of the TMC. When strong institutions join together, the result is good for all of us, and in particular, the communities we serve, both locally and globally.”

James T. Willerson, M.D., president of the Texas Heart Institute, which was created more than 50 years ago by eminent surgeon Denton A. Cooley, M.D., said: “Dr. Cooley and I agree that this is a wonderful collaboration that will benefit patients with cardiovascular disease throughout the world. Our mission is to prevent cardiovascular disease, and these affiliations will help the kind of life-changing advancements THI has pioneered for more than 50 years come even more rapidly.”

The joint-venture acute care hospital, which is part of CHI St. Luke’s Health, will be named CHI St. Luke’s Health Baylor St. Luke’s Medical Center and eventually will replace the existing, 850-bed St. Luke’s Medical Center on the Texas Medical Center campus. The first phase of the project – a 250-bed inpatient facility – is expected to open by spring 2015. The second phase, adding up to 400 additional acute-care beds, is expected to be completed in 2018.

“This is a relationship unique in academic medicine,” said Paul Klotman, M.D., BCM president and chief executive officer. “Medical schools usually receive support through academic affiliation agreements with their hospital affiliates. This is completely different in that we are part owners. We will be in this together, with joint governance, sharing the rewards and the risks. It is a novel approach to create an alignment that brings in the most cost-effective, high quality care. And, it provides Baylor the independence we have sought in charting our future.”

Wayne Keathley, formerly president of the Baylor College of Medicine Medical Center and Health Network, has been appointed to serve as president of CHI St. Luke’s Health Baylor St. Luke’s Medical Center, including the existing hospital and the hospital that will be completed on the McNair Campus. He will be an executive of CHI.

In addition, CHI St. Luke’s Health and Baylor have signed an academic affiliation agreement that includes a wide array of cooperative educational and research initiatives. CHI, CHI St. Luke’s Health and Baylor also will develop a comprehensive cancer center on the campus of the new hospital. Baylor is now home to an NCI-designated cancer center, and the goal would be for a joint center to achieve comprehensive status.

Plans also call for community cancer centers across the region. Baylor’s research and education missions, as well as a large part of its patient-care mission, are not included in the partnership. The joint venture does not include Baylor’s outpatient clinics or its physicians.

The affiliation agreements fulfill a promise made by CHI leaders in April, when the Episcopal Diocese of Texas announced it would transfer St. Luke’s Episcopal Health System to the Colorado-based health system. At the time, CHI’s Lofton declared a commitment to build upon
and expand existing relationships with partners such as THI, Baylor College of Medicine, Kelsey-Seybold Clinic and independent physicians across southeast Texas. CHI plans to invest more than $1 billion in the region’s health care infrastructure over the next five years.

The affiliation agreement with THI represents a dramatic expansion of CHI St. Luke’s historic research affiliation with THI, which has been ranked for 23 consecutive years by U.S. News & World Report as a Top Ten heart center, and is one of the world’s best-known centers for education and research into cardiovascular diseases.

CHI will work in concert with THI in its mission of reducing the devastating toll of cardiovascular disease. In addition to working closely with CHI’s Institute for Research and Innovation, the new entity will create a scientific advisory panel to help further that broad mission.

Moreover, the affiliation agreements will enhance the local research collaboration between CHI, THI and other cardiovascular research partners on the Texas Medical Center campus, leverage CHI’s large and diverse patient base for clinical data, and expand CHI’s national clinical research capabilities through a streamlined, standardized research infrastructure.

“This is a wonderful fit, a perfect collaboration for all of our organizations – and, more importantly, for the people in the Houston region,” said CHI’s Lofton. “We share a common vision of clinical and operational excellence and innovation – and a firm commitment to lead the way in an entirely new health care environment that focuses on value-driven, high-quality care.”

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About Baylor College of Medicine: Baylor College of Medicine (www.bcm.edu) in Houston is recognized as a premier academic health science center and is known for excellence in education, research and patient care. It is the only private medical school in the greater southwest and is ranked as one of the top 20 medical schools for research in the country and number one in Texas by U.S. News & World Report. Baylor is listed 17th among all U.S. medical schools for National Institutes of Health funding, and No. 2 in the nation in federal funding for research and development in the biological sciences at universities and colleges by the National Science Foundation. Located in the Texas Medical Center, Baylor has primary affiliations with seven teaching hospitals. Currently, Baylor trains more than 3,000 medical, graduate, nurse anesthesia, and physician assistant students, as well as residents and post-doctoral fellows.

About Catholic Health Initiatives: Catholic Health Initiatives, a nonprofit, faith-based health system formed in 1996 through the consolidation of four Catholic health systems, expresses its mission each day by creating and nurturing healthy communities in the hundreds of sites across the nation where it provides care. One of the nation’s largest health systems, Englewood, Colo.-based CHI operates in 18 states and comprises 87 hospitals, including four academic medical centers and teaching hospitals and 24 critical-access facilities; community health-services organizations; accredited nursing colleges; home-health agencies; and other facilities that span the inpatient and outpatient continuum of care. In fiscal year 2013, CHI provided $762 million in charity care and community benefit, including services for the poor, free clinics, education and research. Learn more at www.catholichealthinitiatives.com

About CHI St. Luke’s Health: CHI St. Luke’s Health (www.StLukesTexas.com/media), includes: St. Luke’s Medical Center in the Texas Medical Center; St. Luke’s The Woodlands Hospital; St. Luke’s Sugar Land Hospital; St. Luke’s Lakeside Hospital; St. Luke’s Patients Medical Center; and St. Luke’s Hospital at The Vintage. St. Luke’s Medical Center in the Texas Medical Center is home to the Texas Heart® Institute, which was founded in 1962 by Denton A. Cooley, MD. Affiliated with several nursing schools and three medical schools, St. Luke’s Medical Center was the first hospital in Texas named a Magnet Hospital for Nursing Excellence, receiving the award three times. CHI St. Luke’s is a member of Catholic Health Initiatives. Catholic Health Initiatives℠ (CHI) is a national nonprofit health system headquartered in Englewood, Colo.

About the Texas Heart® Institute: The Texas Heart Institute (www.texasheart.org) founded by world-renowned cardiovascular surgeon Dr. Denton A. Cooley in 1962, is a nonprofit organization dedicated to reducing the devastating toll of cardiovascular disease through innovative and progressive programs in research, education and improved patient care. Together with its clinical partner, St. Luke’s Medical Center, it has been ranked among the top
10 cardiovascular centers in the United States by U.S. News & World Report’s annual guide to “America’s Best Hospitals” for the past 23 years. The Texas Heart Institute is also affiliated with the University of Texas (UT) System, which promotes collaboration in cardiovascular research and education among UT and THI faculty at the Texas Heart Institute and other UT components.

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