

Centegra CEO: Innovation, mentorship hallmarks of healthcare provider

Centegra CEO credits provider's innovation for its success

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[CRYSTAL LAKE](#) – A fledgling organization by the end of the 1990s, Centegra Health System employed 1,200 people with roughly \$125 million in operating revenues on the books.

Earlier in the decade, health planners operating separate hospitals in [McHenry](#) and [Woodstock](#) decided that a unified healthcare system was needed to coordinate health services across the county.

By 1995, the new system – Centegra – had its name, and by 1999, it had its leader after current CEO Michael Eesley joined as chief operating officer. He was appointed to the top executive position in 2002.

Throughout Eesley's tenure, Centegra has seen its facilities expand along with its community footprint, as it became the largest healthcare provider in McHenry County. After its third hospital in the county opens in [Huntley](#) as early as late summer, Centegra could employ as many as 4,400 people with a projected revenue base in the \$750 million range.

“We spend a lot of time working on futuristic plans of Centegra, where it's going to be. We don't sit back and rest on what we've done,” Eesley said. “We're always looking forward.”

In a wide-ranging interview, Eesley credited Centegra's “substantial” growth since the late 1990s to its dedicated employees and its progressive culture that has established Centegra as a dominant player in the healthcare industry.

Centegra's focus on innovation and its economic contributions that have made the healthcare system into the largest county employer are some reasons why a panel of judges last month selected Centegra as a Commitment to Community award winner in the Northwest Herald's inaugural Commitment to McHenry County awards program.

The program recognizes numerous businesses and nonprofit organizations that have demonstrated a consistent pattern of improving the quality of life in McHenry County.

Centegra secured the overall honor for employers with more than 51 employees. Eesley also won the Individual – Compass Award for his work leading the healthcare system and his volunteerism, including as a founder of Leadership Greater McHenry County.

“The [overall] award matches what Centegra has been doing over the years in trying to be

innovative, trying to mentor people and trying to develop and create services in our community,” Eesley said. “It’s really been the hallmark of Centegra.”

A recent innovative project, he said, is the new 128-bed hospital under construction at its Huntley health campus, near the intersection of Haligus and Algonquin roads.

Construction crews are putting the finishing touches on the new hospital for a tentative August opening. Centegra has started interviewing for the 45 physician positions who will be stationed in Huntley, as it looks to add about 425 total full-time staff members for the expansion.

Centegra executives initially eyed the Huntley hospital back in the mid-2000s after buying the land for the site and stuck to the plan, despite an [up-and-down state approval process](#) and a [significant legal challenge](#) by regional providers Mercy Health System, Sherman Health and Advocate Health Care.

The Huntley hospital, Eesley said, always was meant to meet an underserved population in the communities surrounding Huntley, a point reaffirmed by the Illinois Health Facilities Services and Review Board’s eventual approval of the project in 2012.

Mercy, which since has merged with Rockford Health System, and Advocate, which since has acquired Sherman, ultimately lost a legal appeal that could have ended the project. Critics of Centegra’s plan throughout the years-long approval process contended a hospital serving southern McHenry and northern Kane counties needlessly would [duplicate health services](#) in the area.

Centegra also moved forward on the plan at a time of massive change within the healthcare industry, as the passage of the federal Affordable Care Act in 2010 has forced hospital systems to switch from a fee-for-service reimbursement model to one that rewards quality outcomes.

Hospital mergers across the country have increased as a result to keep pace with the move toward more preventive care. Declining patient demand at hospitals and financing also have been factors.

Despite the critics and changing times, Eesley has seen demand increase at Centegra’s Huntley campus even with the hospital still under construction, pointing to increased activity at the Huntley Health Bridge Fitness Center.

“With the Affordable Care Act, the [full Interstate 90] [interchange in Huntley](#) and the growth in the economy as of late, the demand is higher than what we originally anticipated,” Eesley said. “I think the hospital will be well sought after.”

With the industry shift toward outcomes, Centegra will continue its innovative approach and look to expand programs and services that encourage patients to seek preventative care, Eesley said.

Centegra has worked to create more clinical services for patients with chronic diseases, like diabetes and congestive heart failure, allowing them access to physicians who continually

monitor their conditions.

Centegra's growing emphasis on preventative health may cast doubt on why Centegra is building another hospital, since those health strategies are designed to keep patients away from the hospital, Eesley said. By design, Centegra's smaller hospitals should keep those facilities in demand, he said.

"We aren't a large community system with hospitals that you see around [Chicago] with 300 or 400 beds but are now occupied with 200 patients," Eesley said. "Centegra has fairly small facilities with a pretty robust demographic around them. They'll maintain higher occupancy, but the programs around them will keep people healthier."

Eesley also identified recruitment as an issue facing Centegra amid a [hiring demand](#) within the healthcare industry. The system has eyed academic partnerships and new residency programs as a result.

Beginning in July, Centegra will launch a three-year internal medicine residency program with the Chicago Medical School at Rosalind Franklin University of Medicine and Science, Eesley said.

Eight graduates from the medical school, who need post-graduate training, will spend 50 percent of their residency at Centegra Hospital – McHenry and train with independent physicians and specialists. Under the partnership, eight additional graduates would go through the program in 2017 and then eight more in 2018.

Centegra's forward-thinking approaches should allow the system to maintain its presence in the county, Eesley said.

"The future is very dynamic. That's why I like being in healthcare. It's a constant evolution of change," Eesley said. "But if we embrace it and stay attuned to the best practices in the industry, I think we can maintain our independence."