

Building trust: Jerry Esker, Sarah Bush Lincoln establish relationships that fuel growth

Jerry Esker's cold call to prominent surgeon Peter Bonutti in early 2018 varied from his hundreds of conversations with physicians over 35-plus years in that he and Bonutti represented different organizations in different communities. Esker didn't change, however, the direct, respectful approach he's effectively used with physicians inside the Sarah Bush Lincoln Health system organization. The results of that approach during Esker's career as a pharmacist, vice president and six years as SBL chief executive help tell the story of the organization's growing reach into 10 counties and beyond.



When Esker placed the call from his corner office with its expansive southwesterly view of rich Central Illinois farmland, he and Bonutti led unconnected organizations headquartered 25 miles apart. As chief executive officer at Sarah Bush Lincoln Health System, Esker saw Effingham as a place where SBL's growing orthopedic footprint should have a physical presence. Bonutti founded and headed a prominent, established surgical group that attracts patients from across Illinois and many states.

"I thought it was the right thing to give him a courtesy call to tell him we were going to put a small clinic in Effingham," Esker said of Bonutti.

It was honest, straightforward and delivered with an appreciation for Bonutti's accomplished career. Esker didn't realize at the time it would lead to

further discussion and expansion that would nearly double SBL's revenue and enhance its place as one of the largest independent hospitals in the country.

"Why would you do that?" Esker remembers was Bonutti's question.

"You're not going to be there forever," Esker said in reply. "We want to have a presence. We're not going to be competing with you. We think there are some patients there we can service.

Bonutti remembers his reaction this way: "I was intrigued."

Bonutti is a pioneer in the minimally invasive surgery field. His bio describes him as a surgeon, inventor, author, professor, consultant and entrepreneur. He has more than 250 patents (which Sarah Bush did not acquire) with 90 more pending.

Esker said he assumed that when Bonutti became ready to sell the Bonutti Clinic the buyer would be St. Anthony Memorial Hospital in Effingham. That wasn't the direction Bonutti was headed. Bonutti became immediately interested in further discussions. The door opened for Sarah Bush Lincoln. "We are the next health system down the road, which would be convenient for their patients and staff," Esker said while acknowledging that Bonutti had multiple other options.

In the ensuing weeks and months, Esker along with SBL vice presidents Kim Uphoff and Dennis Pluard met Bonutti multiple times on the second floor of a downtown Effingham building that houses a ground level wine shop.

They discussed how a Sarah Bush Lincoln-Bonutti connection would impact staff, patients, communities and finances. Bonutti said a framework began to take shape within an hour. As details came together, Bonutti shared his thoughts about facility needs to create a one-stop shop in which patients could see their physician, physical therapists, radiology and get diagnostics in a single visit.

Bonutti said throughout the process interests of his staff were paramount. Also important was an attitude of a partnership that would invest in and help grow the practice. "Jerry was up front, straight forward," Bonutti said. "Everything he told me is exactly the way it transpired. I still look at it more as a partnership."

On March 30, 2018, SBL announced the purchase of Bonutti orthopedic services, retaining all of its employees. "We considered several options before deciding to partner with Sarah Bush Lincoln," Bonutti was quoted as saying in the

news release. “It is a stellar organization, run by a community board of directors for the benefit of the people it serves.”

Esker and his team, Bonutti said, already were taking the ideas for a new building, expanding upon them, and moving toward finalizing a plan. In early 2022, the new SBL Bonutti Clinic opened at the same Evergreen Avenue location that’s housed Bonutti operations. The modern, multi-story building along the I 57/70 corridor is the newest of an impressive lineup of Effingham facilities that face the interstate, including the Workman fitness facility, Heartland Dental and Midland States Bank headquarters, Patterson technology and Legacy Harley-Davidson. The more than \$30 million SBL Bonutti Clinic meets and exceeds the vision Bonutti had to move forward his medical practice.

The result, as of May 2022, is this: The five Bonutti surgeons and related services contribute tens of millions of dollars a year to Sarah Bush revenue. Bonutti patients have come from 60 Illinois counties and 7 states. Office visits and outpatient procedures generally are done in the new one-stop shop in Effingham. Most surgeries are in the new surgery center that faces Illinois Route 16 on the SBL Coles County campus.

The Bonutti purchase immediately attracted attention. It enhanced Sarah Bush’s standing. It became the foundation for growth.

The Vandalia hospital expressed interest in a relationship with Bonutti surgeons. Other Effingham physicians called about potentially selling their practice. Sarah Bush Lincoln acquired a 20 percent interest in the Effingham surgery center, which included a seat for Esker on the center’s board. Today seven of the 14 surgeons are SBL employees. Those seven do about two-thirds of the procedures in the center.

“When they saw we were successful, they wanted us to manage their practice,” Esker said. Sarah Bush Lincoln began overseeing operations of the Vandalia hospital in 2019. In February 2022, Sarah Bush Lincoln purchased the Fayette County Hospital and Long Term Care.

In July 2021, SBL purchased the practice of another prominent Effingham surgeon, hand specialist Nash Naam and his Southern Illinois Hand Center, which has three surgeons. Like Bonutti, their reach extends beyond East Central Illinois.

This wasn’t, Esker said, part of a grand plan for such an extensive expansion of the Sarah Bush Lincoln footprint in Effingham. Rather, the opportunities

developed from conversations that expanded in scope as the parties developed a healthy level of trust and common vision. The regional expansion compliments further build-out of the Sarah Bush Lincoln Coles County campus including the regional cancer center, the surgery center and twice expanding hospital capacity by 20 beds. A complete list of projects during Esker's six years as CEO are listed in a news release linked here.

<https://www.sarahbush.org/news/all/2022/apr/sbl-president-announces-his-retirement/>.

The administrative approach Esker deployed is one he used throughout his career. His move into administration came when former SBL CEO Gary Barnett identified as promotable pharmacy manager Esker and the way he dealt with physicians. Esker says with a smile "I thought I was in trouble," when summoned to Barnett's office. Barnett asked Esker to move from director of pharmacy to vice president of practice management in 2007.

Esker remembers Barnett said something along these lines: "We're having a lot of turnover in the physician practice. We need someone they trust."

SBL had a physician satisfaction rating in the 20th percentile. "The task was to fix the physician network and grow it," Esker said. "To do that you have to create an environment that is physician friendly."

Under Esker's leadership, the physician satisfaction rating moved to the 90th percentile. The key to that growth, Esker said, is to be both transparent and direct. An adversarial component is built-in to the physician-administration relationship. It is addressed through an honest relationship. "I tell people what is on my mind. When the answer is no, you have to sit across from them and tell them why it's no. A direct, respectful approach resonates with people."

Retired SBL physician and former vice president Ned Hoppin makes this observation of Esker: "Jerry was well respected as pharmacy director, he was interactive with physicians. When he became vice president of system practices, he managed to walk the physician-administration tightrope effectively ... Jerry is totally honest. He's ethical, knows the culture of the Midwest. People trust him and they know he will tell the truth."

Esker's success with the medical staff made him a candidate for the CEO position when the SBL board and Tim Ols parted ways in July 2016. Esker became

the first internal promotion from administration to CEO at Sarah Bush Lincoln. “What the board wanted early on was stability,” he said.

There were important facility plans emerging for the SBL main campus, but no broad strategy for the bigger regional growth that emerged. “It’s been fun keeping up with the growth.”

From an industry standpoint, Sarah Bush is one of a few independent hospitals its size across the country. Most larger hospitals are part of a system. The American Hospital Association reports that 121 rural hospitals closed between 2010 and 2020. The result is reduced access to care and/or longer travel times. Often, part of the solution is to join with a bigger organization. Sarah Bush has positioned itself to continue as an independent.

In the past six years, SBL revenue increased from about \$300 million per year to about \$550 million. That makes Sarah Bush as the economic driver of the region. With about 3,000 employees (about 2750 based in Coles County and surrounding counties), Sarah Bush is the largest employer from Coles County to Mt. Vernon. It is the third largest employer going south from Champaign behind the University of Illinois and the Carle healthcare organization.

The growth helps Sarah Bush Lincoln address the significant challenge of physician recruitment to a rural area. The two ways to add physicians are to recruit from the outside or acquire existing practices. “Both ways have unique opportunities,” Esker said. “When you purchase a practice, you also get new patients.”

Physician recruitment to rural Illinois continues to be a significant challenge. “It’s hard to get people to move down here,” Esker said. “People don’t understand the quality of a rural area, or a spouse doesn’t understand. We have 15 or so open recruitments I would love to offer.”

Looking ahead, Esker said SBL is working on adding kidney care. “When we can provide a new service, it’s usually a boon financially. It’s also one more thing people don’t have to leave town for.”

While the past two-plus years overall are ones of exponential growth, it’s also been a time of unprecedented frustration. More than 160 people in Coles County died from coronavirus, numerous others were sickened. “It paralyzed us,” Esker said. “A lot of preventative care was not happening. There were cancers, heart issues that went undiagnosed because people were not seeking the care.”

The biggest frustration was that East Central Illinois has one of the lowest vaccination rates in the country. “I don’t understand it. The science is all there. Many of the deaths were preventable. Much of this could have been alleviated if more people were vaccinated.”

Esker recently announced he is retiring at the end of July. The Sarah Bush board announced that Uphoff will succeed him as CEO, making Uphoff, a Mattoon native, the second internal promotion to lead the organization. She has been involved in all the major developments and thus well positioned to continue to move forward the relationships. Esker sees the transition going smoothly.

In the rear of Esker’s office is a photograph of the Sarah Bush campus, lit up so that it dominates the evening sky. When Sarah Bush opened 45 years ago, it was considered visionary with a single hospital building. Now that vision is being carried forward in ways beyond the original scope but that match the world of 2022: a Coles County campus that resembles a small city and multiple facilities throughout the region. Ending the conversation, Esker is drawn back to the beginning, the central theme of how relationships are the basis from which actionable opportunities emerge.

“That’s the whole deal. An honest, respectful approach goes a long way.”