

PROFILE

Managing at the forefront of health reform

CEO Joseph Vasile directs the Greater Rochester Independent Practice Association

By WILL ASTOR

As a psychiatrist, Joseph Vasile M.D. takes issue with the popular image of his profession.

When he tells people what he does for a living, Vasile says, they sometimes back away. He suspects they think he is reading their minds, or trying to.

Like many present-day members of his profession, Vasile, a specialist in geriatric psychiatry, is as focused on neurology as psychology. Freudian talk therapy is not part of his clinical repertoire.

"I do not have a couch in my office, and I don't analyze people," he says. "People forget that Freud was a neurologist."

Vasile sees patients only one day a week. He has headed Rochester General Health System's Behavioral Health Network and served as the two-hospital system's chief of psychiatry since 2001. Administrative duties have claimed much of his time since then.

Last June, Vasile agreed to pile more responsibilities on his plate, accepting a position as president and CEO of the Greater Rochester Independent Practice Association, a doctors group affiliated with Rochester General Health System that could figure prominently in the area's health reform efforts.

GRIPA is half-owned by Rochester General Hospital's and Newark-Wayne Community Hospital's physician organizations and half-owned by Rochester General Health System. Its 650 physician members are either employees of or affiliated with the two RGHS hospitals. Some 200 doctors affiliated with or employed by Unity Health System are also on GRIPA's provider panel.

GRIPA employs 32 people; 33 more work



Photo by Kimberly McKinzie

for Cognisight LLC, a for-profit subsidiary based in East Rochester. The two organizations brought in some \$23 million last year, with GRIPA accounting for approximately \$5 million.

Vasile, 45, stands a few inches under six feet, has black, slightly receding hair and favors dark, conservatively cut suits worn

with white shirts and ties. He has an open, friendly manner and speaks passionately about U.S. health care reform, whose progress he has followed closely.

Outside of the medical community, GRIPA is relatively unknown here.

"We are probably known more nationally than we are in Rochester," Vasile says

with a sigh.

GRIPA, he says, is poised, perhaps uniquely in the Rochester area and as few others are nationally, to prosper as reform plays out.

The non-profit independent physician association and other IPAs were created during the U.S. health care industry's managed-care phase. One main purpose was to create vehicles that would let groups of doctors negotiate payment terms with HMOs.

The Justice Department and Federal Trade Commission ordinarily bar groups of physicians from negotiating fees with payers. Courts have ruled that such negotiations violate price-fixing provisions of federal antitrust law. But for doctors and HMOs to share risk under the demands of managed care, the HMOs and their provider panels must negotiate fees, so HMOs and IPAs got a special exemption.

Changing role

After peaking in the early '90s, managed care fell out of favor and insurance carriers largely have abandoned the HMO model, switching to other plan designs. That deprived IPAs of their main reason for being, and many fell by the way.

The Rochester Individual Practice Association Inc., which once had more than 3,000 members associated with Excellus BlueCross BlueShield's Blue Choice HMO, went out of business last year. GRIPA, always smaller than RIPA and long since severed from the HMO it was created to serve, has persisted.

Founded in the late '90s, GRIPA has gone through several incarnations. Its first life was as a vehicle for doctors to share

risk with an HMO associated with Rochester General Hospital.

The ViaHealth Plan was owned by GRIPA but licensed to Excellus BlueCross BlueShield. It also had a separate and lucrative contract with Excellus. The Blues pulled out of both in 2005.

GRIPA provides the Rochester-area physician panel for two Medicare Advantage Plans, helps run wellness initiatives for local self-funded employers and has the for-profit subsidiary.

“As an organization, GRIPA is going to be part of the solution.”

Vasile's predecessor, Gregg Coughlin, had headed GRIPA since 2002. Under Coughlin in the heyday of the Via-Health Plan and Blues contract, it raked in more than \$200 million a year.

A longtime health care finance specialist who is not a doctor, Coughlin was chief financial officer before the organization chose him for CEO. After Vasile took over last year, Coughlin stayed on to run Cognisight for a time. He left that position a few weeks ago, and Vasile is overseeing the subsidiary, which does coding and billing analysis.

Cognisight's systems trace to a push GRIPA made that bore fruit in 2007 when the IPA won designation as a clinically integrated provider organization. It is one of three organizations nationally to win such certification from the FTC.

To get the clinical integration nod, GRIPA invested some \$2 million to develop software and a Web portal that would let its doctors and the RGHS hospitals coordinate treatment among primary-care doctors, specialists and the hospitals, and track patients' progress.

Many of the requirements it had to meet to earn clinical integration status match criteria that the Centers for Medicare and Medicaid Services have laid out for providers to qualify as accountable care organizations.

The ACO designation describes one of several new care-delivery models marked for favorable treatment under reform. Like medical homes, ACOs are supposed to join primary-care doctors, specialists and other providers in cooperative groups that closely follow patients.

Clinical integration status is supposed to be accompanied by payment schemes that reward ACOs and medical homes for delivering high-quality care. But the FTC has yet to issue full details. Still, the outlines it has revealed are not far from procedures GRIPA is following, says internist Richard Gangemi M.D., a GRIPA founder, current

board member and past chairman.

“I think what we tried to put together in the mid-'90s was an organization that would be a partnership between the hospital and the doctors,” Gangemi says. “We originally contracted with an HMO, but we always said we should be visionary and able to adapt to changing conditions.”

A list of 10 people to know in the world of ACOs published by *Becker's Hospital Review* last November included GRIPA's chief medical officer, Eric Nielson M.D.

Contemplating the rapidly evolving health care landscape and GRIPA's place in it, Gangemi says, GRIPA's board decided last year “we needed new leadership, someone to take us to the next level, and Joe was the perfect person to do that.”

GRIPA's chairman, Al Sigl Community of Agencies president Daniel Meyers, also identifies the association's ambition to gain ACO status as spurring its move last summer to change leaders.

The feeling was Coughlin had served the agency well, Meyers says, but with the new focus on achieving ACO status, a leader with clinical as well as administrative skills would be needed. Vasile, a practicing M.D. with an MBA and an impressive resume as an administrator, filled the bill.

Local ties

Vasile grew up in Pittsford, and he describes his father as “an Italian immigrant who came here with \$2 in his pocket and worked his tail off” to build a small-business empire that included coin laundries, a liquor store and a delicatessen.

Vasile's parents are now deceased. His older brother, Gerald, is a real estate lawyer with the Vasile Law Group LLC in Henrietta.

After volunteering as a counselor for Camp Good Days and Special Times, Vasile decided as a teenager to pursue a career as a pediatrician. He majored in the history of science and medicine at Yale University in New Haven, Conn., and went on to earn an M.D. from the SUNY Buffalo medical school in 1991.

Continuing an ambition rooted in his volunteer work with child cancer patients, Vasile at first planned to go into pediatric hematology. But in his last semester of medical school he started to think about working with children who have emotional problems.

In 1991, Vasile started an internship and residency in psychiatry at the University of Pittsburgh's Western Psychiatric Institute and Clinic. Simultaneously, he worked toward an MBA at the university's Katz Graduate School of Business, finishing the residency in 1995 and the MBA in 1997. In between, he did a fellowship in geriatric psychiatry at Johns Hopkins Hospital in Baltimore.

Joseph Vasile M.D.

Title: President and CEO, Greater Rochester Independent Practice Association

Age: 45

Education: B.A., history of science and medicine, Yale University, New Haven, Conn., 1987; M.D., Johns Hopkins Hospital, Baltimore, Md., 1996; MBA, University of Pittsburgh, Katz Graduate School of Business, 1997

Family: Wife Connie; son Joseph, 13; daughter Gabriella, 11

Home: Webster

Hobbies: Boating, skiing

Quote (on GRIPA's profile): “We are probably known more nationally than we are in Rochester.”

"I made the decision to go into geriatric psychiatry because I realized that it's the area of psychiatry that's closest to internal medicine," Vasile says. "In child psychiatry, you're more dealing with purely psychological problems. With older people, there is often more of a physiological component. It's more medically based."

When he finished the MBA, Vasile's first thought was to head back to the Rochester area.

"I think of myself as a local person," he says. "I was away for my training, but now it was time to come back to Rochester."

A large extended family in the area was part of what drew him back, Vasile says. But he is quick to sing the region's praises for its own sake.

"It's a really great community," Vasile rhapsodizes. "Everything is close. You've got cultural attractions, beautiful parks and great school districts."

Vasile lives in Webster with his wife, Connie, and their two children, a 13-year-old son and 11-year-old daughter.

Connie Vasile was at SUNY Buffalo when Vasile was in medical school. They married while he was doing his internship in Pittsburgh. She is a physical therapist and works for a home health agency.

The Vasiles enjoy boating on Lake Ontario and in the Thousand Islands, where they have a summer place. In the winter they ski. Rochester's proximity to ski areas is a plus for Vasile.

Before settling in at RGHS, Vasile had a flurry of jobs, many of which overlapped. For two years, he simultaneously held positions as chief psychiatrist at the Rochester Psychiatric Center and director of psychiatry at the Rochester Rehabilitation Center. In 1998, he went to Strong Memorial Hospital as associate director of psychiatric services. From 1998 to 2001, Vasile was an attending physician in Strong's psych unit and emergency department. He has worked as a consultant for area nursing homes, ending those duties when he took on the GRIPA presidency.

Vasile started at RGHS a month or so before the health system abruptly shut down Genesee Hospital, which it closed after much of the troubled city hospital's medical staff left in a series of desertions, with most ending up at Strong.

"I guess I went in the opposite direction of where a lot of doctors were going," Vasile says, "But it was a great opportunity, to be chief of psychiatry. I figured if it doesn't work out, I can always go somewhere else."

The job seems to have worked out. Vasile

has earned plaudits from the system's leaders and from colleagues for his management of RGHS' complicated behavioral health network, Gangemi says.

In addition to his duties at GRIPA, Vasile serves as co-chairman of an alliance between RGHS and Rochester Institute of Technology in which the health system and the university cooperate in educational and research programs.

On GRIPA's likelihood of achieving ACO status, Vasile is more guarded than Gangemi and Meyers. Though a chart laying out ACO requirements is hung on his office wall, Vasile is non-committal when asked about GRIPA's future plans.

CMS has yet to lay out all the requirements for ACO qualification, he notes. And how GRIPA will match CMS' requirements remains to be seen.

"As an organization, GRIPA is going to be part of the solution," Vasile says. "But who knows exactly where we're going to be? We've always been early adopters in terms of technology and care management. I don't have it all figured out yet, and I've given up on trying to predict the future. What I know is I don't have any plans to go anywhere else."

wastor@rbj.net / 585-546-8303