

**GRAND TRAVERSE COUNTY  
DEPARTMENT OF HEALTH AND HUMAN SERVICES BOARD**

**SPECIAL MEETING  
Thursday, May 29, 2025  
10:30 a.m.**

**Open to the public  
Garfield Township Hall  
3848 Veterans Dr  
Traverse City, MI 49684  
Upstairs Main Hall**

**AGENDA**

- 1. CALL TO ORDER**
- 2. ROLL CALL** the member must announce his or her physical location by stating the county, city, township, or village and state from which he or she is attending the meeting remotely.
- 3. CEO INTERVIEW**
  - Darrell Lavendar
- 4. PUBLIC COMMENT**
- 5. ADJOURNMENT**



# Darrell L. Lavender, MBA

*Hospital / Healthcare CEO*

## PROFESSIONAL SUMMARY

### **Team Building | Focus on Execution | Commitment to Excellence**

Performance-driven executive offering decades of progressive healthcare and leadership experience in critical access, community, tertiary and regional hospitals. Excel as a leader with a record of success in the design and execution of business and program development. Strong experience in health system acquisition and integration, service agreements with the medical staff, expense reduction, management alignment, construction, quality, safety, clinical and consumer experience.

## CORE COMPETENCIES

- Executive Leadership
- Strategic Planning
- Rapid Turnarounds
- Strategic Partnerships
- Capital Projects
- P&L \$200M+
- Physician Relations
- Physician Recruiting
- Cost Management
- Lean Processes
- Performance Improvement
- CMS Star & Leapfrog Ratings
- Board Relations

## EDUCATION

### **Master of Business**

**Administration** *University of Michigan, Flint, MI*

**Bachelor of Science & Health Care Administration**, *University of Michigan, Flint, MI*

## PROFESSIONAL EXPERIENCE

### **Riverside Medical Center – Franklinton, LA 2023 – present**

*RMC is a 25-bed governmental CAH serving south-eastern Louisiana, with nearly 350 employees, 125 Medical Staff and APPs, gross revenue over \$90M, with multiple rural health and provider-based clinics.*

### **Chief Executive Officer**

- Led strategic planning to poise organization for a high-impact infrastructure project through financing and funding strategies, and design.
- Recruited internal medicine and family care physicians, physician assistant, and GYN specializing in surgical urogynecology.
- Overhauled Hospitalist program from Nurse Practitioner model to 24/7 physician coverage to retain market share, with a projected increase in admissions by 90% in second budget year.
- Increased clinic network and related hospital total revenue >7%, and patient experience ranking by >21 percentile points.
- Increased surgical volume by 26% through developing network integrity and visiting ophthalmologist and gastroenterologist.
- Projected patient revenue gains in second budget year by 11% through new CAH strategies to be most relevant for its community.
- Led the pursuit and being selected as a participating organization in the Delta Region Community Health System Development Program, acquiring \$750K in funds and services over a three-year period.
- Led reset with hospital's Foundation to build donor database and increase donations with the lowest cost to raise \$1.00, resulting in nearly a 50% increase in funds within the first year.
- Reengaged the hospital with community stakeholders in education, government, economic development, and civic groups.
- Completed a \$1.4M roof project in concert with State Collaborative Endeavor Agreement.

### **Pratt Regional Medical Center - Pratt, KS - 2021-2022**

*PRMC is a 35-bed independent regional hospital serving south-central Kansas, with 350+ employees, 102 Medical Staff and APPs, gross revenue over \$100M, with affiliate critical access hospitals, multiple outreach and rural health clinics.*

#### **President & Chief Executive Officer**

- Aligned hospital leadership and operations.
- Led strategic planning to poise organization for regional expansion and financial road map to remain independent.
- Turned around negative EBITDA trends to a positive EBITDA of 4.1% (operational only, without unusual activity/grants/loans that increase revenue) in first three quarters, a 9% positive and favorable swing from the previous two years.
- Recruited a rheumatologist, gastroenterologist, urologist, neurosurgeon and ob-gyn with pending specialists of orthopedic and general surgeons. Planned launch of a co-owned Ambulatory Surgery Center (ASC) with regional physicians in 2023.
- Implemented a central business office to improve the revenue cycle and a position control process to manage labor and productivity. Wages and benefits as a percent of total expenses are now less than pre-pandemic levels without layoffs or furloughs.
- Poised organization to improve quality, safety and operations by requesting proposals for anesthesia, hospitalist and emergency medicine services.
- Enhanced quality/safety functions towards a higher reliability organization that included cascading daily huddles, a more-robust risk and peer review reporting structure, DNV accreditation, and use of Lean principles.
- Established a bonus compensation model for hospital leadership that was based on quality, safety, community, growth, people, finance and service. Maintained inpatient satisfaction within top quartile of performers.
- Led organization through COVID-19 mandates, staffing challenges and pandemic response.

### **Munson Healthcare Manistee Hospital - Manistee, MI - 2012-2021**

*A 45-bed community hospital, part of the 9-hospital Munson Healthcare System, with over 450 employees, 220 medical staff, gross revenue over \$200M, and 225,000 square feet of hospital and medical office operations.*

#### **Chief Operating Officer - 2017-2021**

- Provided executive leadership with integration of South Region hospitals and health system functions.
- Led and directed professional and ancillary hospital departments including Diagnostic Imaging, Cardio Diagnostics, Laboratory, Pharmacy, Wound Care and Hyperbaric Oxygen Therapy, Sleep Medicine, Rehabilitation Services, Information Systems, Facilities, Materials Management, Safety and Security, Performance Improvement, Risk Management, Infection Prevention, Nutritional and Environmental Services. Restructured and aligned service lines and management.
- Achieved a 24% increase in revenue over a seven-year period.
- Increased gross revenue per adjusted admission by 5.5% and net patient revenue by 16.5%, compared with prior year to date.
- Implemented an aggressive Medicare break-even strategy, reducing expenses over 11% in first year.

## PROFESSIONAL EXPERIENCE

- Successfully implemented a Lean management system.
- Decreased cost-per-adjusted discharge across most units; reduced indirect costs 8% and ALOS by 11%, year one.
- Improved supply chain operations resulting in nearly a 60% expense reduction, over the past 3 years. Achieved a 25% reduction in wages and salary, contract labor by 20%, food and housekeeping services by 40%, over the past 2 years.
- Recruited dermatologist, urologist, general/ob-gyn/orthopedic surgeons and primary care physicians while reaching service agreements with anesthesia, emergency medicine and hospitalist medical staff profession groups.
- Led new business program development for South Region hospitals that included pulmonology, sports medicine, dermatology, walk-in-clinic/urgent care, wound clinic and hyperbaric oxygen therapy and sleep medicine service lines.
- Aligned real estate with strategy and extracted value by leasing excess building/space assets for a 70% increase in lease revenue, and revisited lease agreements for a reduction of 30% in lease expenses, resulting in a new positive leasing position.
- Built a \$15M new building completing the project on time and within budget.

### **Vice President, Performance Improvement - 2015-2017**

- Led hospital through the acquisition process with Munson Healthcare.
- Executive driver of high reliability and safety culture.
- Led the hospital to become Joint Commission accreditation for the very first time.
- Collaborated with State for new legislation for designating a DOT “hospital zone” to reduce speed limits on highways by county or a local authority upon request of a hospital.
- Led pay-for-performance clinical improvement activity to capture 7% of value-based at-risk Medicare reimbursement and other pay for performance programs through the market’s largest payers and ACO totaling more than 16% of commercial reimbursement.
- Improved patient satisfaction by 65 percentile points.
- Reduced catheter associated urinary tract infections, pressure injuries, and central line associated blood infection to zero (0) infection for over 3 years; reduced primary care treatable conditions in the emergency department by 8%; achieved 100% compliance for all surgical care performance metrics.
- Redesigned outpatient diagnostic services flow and reduced patient wait time by 30%. Increased CMS star ratings and Leapfrog grades.

### **Director, Performance Improvement - 2012-2015**

- Transitioned hospital from critical access to acute care.
- Managed daily operations for discharge planning, utilization, and case management functions.
- Created cascading organizational and unit performance dashboards that linked to compensation.
- Assumed leadership role to prevent loss of \$10M+ in at-risk pay for performance and value-based purchasing.

## PROFESSIONAL AFFILIATIONS

**Member**, American College of Healthcare Executives (ACHE)

**Member**, Healthcare Financial Management Association (HFMA); lapsed 2023

**Board Member**, AGAPE Health Clinic 2021-2022

**Economic Development, Chamber, Rotary, Parish Government, and Education**

## INDIVIDUAL & HOSPITAL AWARDS

- ♦ Noted as one of **67 Rural Hospital CEOs to Know 2022**, Beckers Healthcare
- ♦ **Leapfrog Safety Grade of A**, 2019-2021
- ♦ **Centers for Medicare & Medicaid Services (CMS) 5-Star Care**, 2021-2021
- ♦ Recognized for the **Top 25 Rural & Community Hospitals** for 2021, Chartis Center for Rural Health
- ♦ Recognized for the **Top 100 Rural & Community Hospitals** for 2019, 2020, 2021, and 2022, Chartis Center for Rural Health
- ♦ Received **Beacon of Hope Award**, Blood Program Champion, Versiti Blood Center of Michigan
- ♦ Awarded the **Patriotic Employer**, Office of the Secretary of Defense, US Department of Defense
- ♦ Given a **Special Tribute**, 101st District, State of Michigan, 2019 Governor's Award of Excellence
- ♦ Received the **Governor's Award of Excellence** 2019, Outstanding Physician Practices Clinical Achievement in Rural Healthcare, State of Michigan
- ♦ Won the **Business of the Year** 2016, Manistee Chippewa 350 Club
- ♦ Given a **Special Tribute**, 101st District, State of Michigan, **Business of the Year Nominee** 2017 for Manistee Chamber of Commerce
- ♦ Won the **Business of the Year** 2014, Manistee Chamber of Commerce
- ♦ Received the **Governor's Award of Excellence** 2014, Outstanding Inpatient Clinical Achievement in the Critical Access Hospital Setting, State of Michigan
- ♦ Recognized as **Most Wired Hospitals & Health Systems**, multiple years, hospitals & health networks
- ♦ Received the **Michigan Rural Health Quality Improvement Award**, 2012, Michigan Center for Rural Health