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Interview with Melinda Perrin

Melinda H. Perrin

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TEXAS MEDICAL CENTER
WOMEN'S HISTORY PROJECT

Melinda H. Perrin

Board Member, Memorial Hermann Healthcare System

Former Board Chair

Melinda Hill Perrin was born into a family known for the leadership it has provided both the city of Houston and the state of Texas. Her father John Hill served as the Texas' secretary of state, then attorney general and finally Chief Justice of the state Supreme Court. Her work in the community and the non-profit sector led to her selection as a member of the Board of Hermann Hospital during its most controversial period. She was board chair when Hermann merged with the Memorial Health Care System in 1997, a perilous project that's success meant the strengthening of two of the city's most important healthcare institution. That work gives her a unique view of Houston, its institutions and the future of healthcare not only locally but across the nation. She is a volunteer and her willingness to provide leadership in that role makes her a role model for women in every walk of life.

RS: This is Ruth SoRelle and I am in Austin with Melinda Perrin and we are going to ask her about her involvement in the Texas Medical Center but first we are going to ask a little bit about where you grew up, how you grew up, and then how you got here. So, first could you state you full name and spell your last name.

MP: Melinda Elizabeth Hill Perrin P-e-r-r-i-n

RS: Thank you and so where were you born?

MP: I was actually born in Olney, Texas, which is a very small town near Wichita Falls in Young County. The reason I was born there was because my mother was born there and my grandparents lived there. My father was studying for the bar exam in Austin. My mother was put on bed rest with me. So, my dad took both of us to Olney where the

bed rest and then the birth occurred. Then dad finished the bar exam, bought our first home in Houston and I moved there when I was three weeks old. I've been a Houstonian through some of the greatest changes our city has witnessed.

RS: So, you grew up in Houston? What was the city like then to be a child?

MP: Well, I had my elementary years in Bellaire. We had so much freedom to ride our bikes everywhere and run in the streets and play imaginary games and build forts and all of the kinds of things that you associate with a simpler time. I moved to the Memorial area when I was in seventh grade and went through the Spring Branch schools, graduating from Memorial High School. At that time, our home was not terribly far off of Memorial drive so I could walk to Memorial drive with a couple of girl friends in eighth, ninth grade and catch the bus, go downtown, hit Foley's basement for bargains, go to James Coney Island for a nice lunch, and then hit the Metropolitan or the Majestic theater for a movie and come back with change from a five dollar bill. It makes me feel ancient to tell that story and yet it was true and again we had freedom because we felt so safe.

RS: I think that's wonderful. Who were your parents?

MP: My mother was Elizabeth Anne Graham Hill from Olney, Texas, and my father was John Hill. They met at the University of Texas where they were both enrolled in school. My dad was very interested in both student government and athletics. My mother was a beauty and fun and smart and really was worried about falling in love with this east Texas raucous fellow. But, she sort of couldn't help herself. They married and were married for 63 years at the time of my dad's passing. They were the biggest influences on my life because my mother was always, while a stay-at-home mom, extremely

involved in the community and remained so until her death when she was just shy of 90. My father, who was a very outstanding attorney, was bit by the political bug and he served John Connally as his secretary of state and then was elected Attorney General and Chief Justice of the Supreme Court, narrowly losing the governorship by the smallest margin in state history. So, I grew up with a lot of political awareness in my family.

RS: Were you the only child?

MP: No I was the oldest. I was the oldest. My brother is Graham Hill, he is two years younger and is an attorney in Houston. My sister three years behind him and she is an attorney and now an appellate judge, Martha Hill Jameson.

RS: Wow. So, that's quite a distinguished family.

MP: I say we were born with the duty gene. We have had a since of duty that was woven into our DNA at the time we hit the planet.

RS: So, where did you go to Junior High School?

MP: I went to Spring Branch Junior High School and then Memorial High School

RS: Were there any teachers in that public education?

MP: In high school, yes. That's when I began falling in love with public speaking and civics and government. My dad in high school took me to LBJ's inauguration and I came back and was able to report on that to my civics class. My dad was also a national debate champion, and so I was blessed to have some level of skill in debate. I was on the debate team and student government. But also, was a cheerleader and a twirler and was a barrel racer. I was crazy about horses. So, I had a very busy robust public school situation growing up.

RS: Very well rounded.

MP: As you drive out Memorial today, you have to go a long way before you see a sign (a billboard or a filling station) or anything like that. When I was maybe about in the eighth grade they were going to build a Mobil filling station right at the site of Duchesne Academy. My dad who had been the pro-zoning advocate for Houston.... He so wanted Houston to be zoned. He organized... there is a big convent for priests out on Memorial about Chimney Rock... my dad organized all of the priests. They all returned their Mobile credit cards, tore them up and made a public "to-do" about it. Then he got all of us and our neighbors out picketing the building of this filling station. And do you know that they took it down? They had already poured the foundation and they completely took every single portion of that filling station apart. They said, "We can't handle this if the neighbors are going to be this mad before we ever get here." So, they should have had a little bit more neighborhood activism and maybe Houston would have been a little more organized in the way it was stitched together.

RS: That's a wonderful story. So, you went to the University of Texas?

MP: I did but I had one little stop at Stephens College in Columbia, Missouri, where my mother had gone. Mother said if she hadn't filled out my college applications, I would have still been on the side-lines cheering for the Memorial Mustangs. I was so crazy about high school. She thought, "Oh gosh I am not going to get her out of here." So, off I went. She had gone there and my favorite cousin was also going there to Christian College in the same town. So, I thought ok they've got horses and they had a marvelous equestrian program there. I thought I'll go ride for a year and get finished which... you know, it was a nice experience but there is nothing like hitting the

University on the ground floor. Which I did. I came over that summer. I had already met Mike on a blind date when I came down from Stephens from Austin when my dad was being sworn in as Secretary of State. My high school girlfriend who had connections in with the football team had gotten me a date with this darling fellow from Cameron, Texas. So, we met our freshman year and when I transferred to Texas, we had, not an exclusive relationship, but certainly kept in touch until it became exclusive at the end of our sophomore year.

RS: That's exciting. Was that before it really became an activist campus? I graduated in '71.

MP: I graduated in '69, and you know, I was downtown stuffing envelopes for my dad's political campaign when I was a junior and that was not what my sorority sisters thought was the cool thing to be doing. It was interesting because my sister being five years later. She went to law school. I was still on the cusp of women either being interior decorators, or nutritionists, or teachers. I was in the school of education and I was getting a teaching degree. There weren't a lot women that I knew in 1969 that were going to professional schools. So, the activism on the University of Texas campus was actually Vietnam and all of the things that were happening, but that's part of the juice of the University of Texas. You are introduced to so much diversity of both physical diversity and diversity of thought which I just think is part of the educational experience and better prepares you for life.

RS: It certainly does. So, when were you married?

MP: I was married in 1969. We graduated in June and married in August. Mike started law school in September and I started teaching school. I taught in a very small school,

Dripping Springs. It was a class B school. It's now huge because of the growth. It is almost part of Austin now. But at the time, K-12 was in one building. I taught seven different subjects. I was late getting hired at Dripping Springs because I had been hired at Austin ISD, but then the school that I was assigned was on the north side of town and we were living in Dripping Springs. My father had a ranch there and we lived on the ranch and would feed the livestock and oversee different things while we were (and I'm using the royal we) in law school. So, I ran into the superintendent of schools in the grocery store one day and said, "Oh man, I have got an hour and 15-minute commute to my teaching job. Anything opened up over here?" He said, "Let me go back and see what I can cobble together." I am telling you what he cobbled was hilarious. I had first and second grade PE (physical education). I had fifth grade reading and then I had two classes of speech one because they hadn't had any speech courses. For me to get those kids to where they could do drama and debate and all those specialized things, they had to get the prerequisites. Then I had finally civics and current events and all the stuff I really enjoyed. Then I was the leader of the drill team and the pep squad. You know you had to do a lot in a little town, but we had a ball. We had a total blast. So now I look back and former students are on the city council and mayor. One of my students is the mayor and has been for fifteen years plus. I thought maybe I made a little bit of an impression on their civic duties.

RS: So, after law school you moved to Houston?

MP: Right after law school, we moved to Houston and I had a very typical early marriage lifestyle. My husband was a baby lawyer. We had one car. We lived out way out west in Houston and carpooled with another couple into the downtown area where

the guys would go to the office. So, every few days I didn't have a car but that was ok because I had.... I just had one baby at the time. At the time, we moved to Houston, I was already the mother of an infant Elizabeth. (Ed. Note: Interviewee corrected.) I was busy with my sorority alumni group and busy with my church groups and things like that. Nothing that most of my peers weren't doing. We moved into the Memorial area into my family home when my parents moved to Austin. They weren't sure how long they were going to be in Austin. We were sort of the house sitters. Then when it turned into a longer term move we sold the family home and Mike and I moved into the River Oaks area where we stayed the rest of our time in Houston. I went on the board of not-for-profit Family Psychiatry Center. I was asked by Walt Mischer, and so the two of us and others were on this board together. Walt left that board when he was to follow his father as a trustee at Hermann Hospital. His father was resigning, so Walt was going over there. We thought we were old, but we were babies. Walt was 32 or 33. So he went over there, and I continued my work there (not-for-profit Family Psychiatry Center). I was president of our alumni group for the sorority and did various and sundry philanthropy projects around the community. Then there was a The 80s hit when there was the lowest point in Hermann Hospital's history. I, like most people of the community, were following in the Post mostly front page for weeks and weeks and weeks what was happening at Hermann Hospital. Many of the people who were being discussed, I knew either of them, or them, or a family member because they were prominent members of our community. Mike and I had just returned from vacation, and Mike was driving down the street to go get gas and honk honk honk behind him. Then somebody tried to get him to go into the curb, and he did and it was Walt Mischer. He

got out and the two of them were standing on the side of the street and he said, "I've been trying to call Melinda for a week." Mike said, "Oh we've been in Colorado on vacation but we are back now. She is at home; you can give her a call." He said, "I am going to try to convince her to come on to the Hermann Hospital board with me."

And Mike was stunned, but Walt did and the first thing he said was, "Hey do you want to go jump in the lion's den with me?" I listened to all of his pitch. I think I am a good pitch person to talk people into doing stuff. A friend of mine says, "Melinda's greatest gift is that she can talk people into doing things that they don't want to do." So here was Walt with that pitch to try to get me to come on this, very private and yet very public at that moment, board. The Attorney General was all in the mix. Wilbur Cohen, actually that's another story that we'll maybe get back to. I called my dad and I told him what the request was and he, who had done lots and lots of very, very kind of scary public service duties, said, "You don't want to do that."

I thought back to myself and I thought, "Do you not think I can do that because I am a girl?" But I didn't say that to him, but I thought, "Why is he being so certain that this is something that I should not do?" Then Mike came home and Mike said just the opposite. He said, "I think you'd be great and I think this is exactly what that board needs."

As Walt had explained it, the Attorney General really wanted to really diversify the board and have a first woman, a first African-American, and a first Hispanic board member that more appropriately reflected the community. And get rid of a lot of the closeness of everybody being a little too tight on the board. So, I jumped in there and said, "Yes." Then I called my dad and told him that I had said, "Yes." He said, "You're

kidding.” I said, “Nope I am going to go.” He said, “Ok then, I’m coming over.” He said, “This is my advice to you. You go over there. You learn as much as you can. You’re going to be like a sponge. You walk through those halls. You meet the nurses. You talk to the people who are cleaning up the hospital rooms. You are going to learn a lot that way. Through that I developed a complete network of institutional advisors that knew that I had their best interests at heart. When I say there were land mines. There were land mines. I had people who wanted to help me navigate a very complicated and politically charged institution. But the decision that day to take on Hermann Hospital totally redirected the course of my life, and I think for the better. I have had unbelievable opportunities. I have learned so much. The relationships I’ve had have been incredible. After 30 plus years of having health care sort of as the center piece of my outside activities, outside of my family..... In certain ways, I was also on a similar path with UT (The University of Texas Health Science Center at Houston). When I took the appointment at Hermann, a subsequent appointment to UT Health Science Center was given. Then I was already on some advisory councils at UT Austin, but since then I’ve done pretty much all of the leadership roles there. So now the intersections of those three very wonderful relationships have intersected in a way that I think maybe the sky’s the limit as far as the future as we see possibilities for further institutional collaboration. Which has been kind of a hallmark of my career as a volunteer, is trying to get groups to come together and work together. Because one plus one is ever so much more than two.

RS: That was such an awful time for one of the premier institutions in Houston for healthcare. Do you think coming in as a neophyte to healthcare helped you look at it more without preconceptions?

MP: You know the thing I think I learned immediately was there was a black eye on Hermann Hospital, but it had nothing to do with the people taking care of patients. It was a governance issue, and I could separate that into governance, and call it greed, call it self-dealing... There were cultural behaviors that were not good. Yes, there were a few on the medical staff that were aligned with that culture. If you think about how huge those hospitals are, and how many employees there are and how many patients are served and then you study the will of George Hermann and you know what his mission for that hospital was.... That is what we had to get back to. During the process of resetting, we had Wilbur Cohen come in and work with us to make certain, he was the father of Medicare, so he could come in and help us make sure that we were delivering indigent care in a responsible way for someone who was not receiving tax support. Yes, we were forgiven our property taxes, but the level of charity care that we still do to this day you can't imagine that it is sustainable. Somehow, we have managed to make that a center piece of what we do. In order to do the merger (in 1997, between Memorial Hospital System and Hermann Hospital), we had to make structural changes. I think that it was made easier because we had such a community record of doing the right thing and the culture was reset at that point to be very responsive to community need.

RS: I always thought it was a good pairing because Memorial was also known for meeting community needs.

MP: Right

RS: I always thought the two, but within a few years the Memorial Hermann complex was what I always called the nine-hundred-pound gorilla and where they led people followed.

MP: It was such a fascinating thing for me to watch from the board level because some people never quite let Hermann get out from under the old days. You know we weren't Methodist. We weren't St. Luke's and Texas Heart. But I knew we had a very valuable role to play in this community. We were doing things, very innovative things. Some things were not financially so good, but we got into OneCare and buying physician practices that I think we were just a little ahead of the curve. We were recognizing that health care was going to change and that the current model was not going to be sustainable. Maybe it was an experiment that was done before our merger. But Methodist had tried to merge with Memorial, and St. Luke's had tried to merge with Memorial. They both spent lots of legal dollars to make that happen and it didn't. Meanwhile we had talked to Sisters of Charity about a possible alliance, but that never really was a nice cultural fit for us. I always knew that given the opportunity, we might be able to do something with Memorial but I wasn't sure we were going to have the opportunity. This a very, very interesting little anecdote. George Ferris was the Chairman of Memorial while I was the Chairman of Hermann. We were both members of River Oaks Country Club. I was going through deb season with my eldest daughter, and I saw George at this party. They had just finished making a "no go" with St. Luke's, which was their second go around. So, I said, "You know George, you've been dating a lot of people but I think we are the ones you need to settle down with." That was the first

time that we had had a conversation. It was kind of tongue in cheek that way, but it was not long after that, after I had made that overture to him, that we began talking in earnest. Things came off the rails and got put back on the rails several times and managing the board during that time was not easy. Trying to keep all of the BBs in the box if you will. People would spin off about whatever that issue was that they didn't like the response. I said to our board at the very beginning, I said, "We are standing on the shoulders of Houstonians for the last 100 years that have built this hospital. The same for Memorial. These are about the same age, about the same bank accounts, about the same employee base." You know we were pretty even-steven. We had the hub in the medical center. They had built brilliantly geographic coverage. They weren't where we are today by any means, but that was that hub and spoke that we were looking for and they were looking for. So, we just had to keep saying, "This is not about us. This is not about this board. This is about the future of this hospital and what happens in 20 years and 30 years and 50 years, and how are we going to build that sustainability?"

Memorial was struggling with certain things. Well, all healthcare that is the only reason we were talking with each other was because we needed to shake it up a little bit. I had so many people tell me, "If you pull this off it's going to be a miracle. I don't think you're going to do it and don't feel bad if you don't." Well, all that did was just jack me up. I insisted that if a board member missed a strategic meeting that the meeting was taken to them. I wanted to keep everybody on the same information page all of the time. Because it's when people get off track.... We also had some good back channels because we were neighbors. There were relationships between the two boards. So, we had some help on both sides when we needed to reset the conversation and not let

things get too off track. I also knew one of the biggest things in what tore up one or the other merger attempts before was whose name was going to go first and who was going to be the first Chairman and who was going to be the first CEO. I said, "We're not talking... those are not even going to be on the table because those are self-serving to the people in the room and not serving their institutions." People might have thought I was a little soft on that but I tried my best every day to wake up and see the bigger picture. You know the picture is pretty sweet right now.

RS: So, was UT Houston involved in any of this?

MP: Well, they were involved in that we wanted to make certain that our merger partner respected UT and the value that they brought. I will tell you that was not easy and that part of the story is still being written as we speak because I don't think we've yet realized the marvelous leverage that we have between the two organizations. Yet we are closer than we have ever been. We are more supportive than we have ever been. I think Giuseppe (Collasurdo) (president of the UT Health Science Center at Houston, [ed note] and Dan Wolterman (recently retired head of Memorial-Hermann [ed.note] were really knitted together in a nice way but Dr. Ben Chu (the new CEO at Memorial Hermann [ed. Note]) when he came it's.... I won't say ever anything is better, but it's different in a very good way. Ben is the first physician leader that we have ever had, and at a time when you are really trying to align physicians and hospitals to have a physician leader is very powerful. So, he and Giuseppe speak that language and he's.... You know Dan was the most unbelievable deal maker and brand expander and what he did for our organization while he was there was just phenomenal. Ben comes in following him with different boots. He's not trying to fill someone's shoes. He is

wearing his own shoes. I am very excited about the promise of Memorial Hermann and UT further strengthening their relationship because we have certainly seen at sister institutions when those strong alliances came apart there was a... there have been huge prices to pay. When things would get heated in our boardroom, I remember saying at one board meeting I said, "This relationship is going to come apart only if I'm at George Lewis (a funeral home [ed. note]) in a box. As long as I have breath, we're going to just have to get over some of these things and work through them. You don't get up from the table and walk away in a huff. You just keep on sluggin'." I said, "We did when we put these two hospital systems together and we are going to now really try to bring in this third ingredient that's always been there." You know academic docs and community docs are.... It seems like they can just get at odds with one another and yet with orthopedics and with neurosciences having the right leaders going out into the community and build their programs in a logical way, where a lot of the primary care and diagnosis is done in the community and when it is appropriate, it gets sent up for some sort of carefully, artfully done surgery that only these certain hands can do. But don't insult the community by thinking you're the only game in town. So, I think it's important for everybody to recognize everyone's value.

RS: I agree. Another thing that happened under your watch and that I think you played a big role in is starting a children's hospital at Memorial Hermann. Why was that?

MP: Well it was actually at Hermann, and it was done because we are the busiest emergency room in the world. Life Flight nor accidents nor mishaps just occur to adults that get state of the art treatment. Our trauma unit was just as busy with kids. I think one in four patients that were admitted were kids. It was a logical progression that we

would build an infrastructure that would support a pediatrics. Plus we are a teaching hospital. We are the teaching hospital for the University of Texas. We had to have soup to nuts anyway. There was no kind of competition in it. Texas Children's was servicing Baylor, and we needed to have a similar program for UT. What Texas Children's has become is glorious for our city, but both hospitals are at 100 percent capacity every day and a free-standing hospital is one thing and then a hospital within a hospital is another. Yet Children's Memorial Hermann now is one of the largest programs in the country, even though it is a hospital within a hospital which many of them are. Now we are building infrastructure out in the community as we are with a lot of other programs.

RS: That's wonderful. I think it's interesting because another for profit entity in town tried to set up a children's hospital and met really stiff opposition. I thought it was interesting that you were able to do it so easily.

MP: Well I don't know that it's easy, but I do know that if we were to be a full service teaching hospital for a very vibrant medical school that now today has the fastest growing practice plan in the country.

RS: Really?

MP: Yes, and now we have a big drive to drive excellence and make our children's hospital even more dynamic and more outstanding and of course quality is the driver at Memorial Hermann and that is really what Dan Wolterman brought to the show was driving quality, not chasing this ranking or that ranking. If you drive quality and your quality numbers are there, accolades will follow.

RS: And you're still on the board?

MP: I am.

RS: Where do you see it going?

MP: Well one of the.... I was on the search committee for Dr. Chu and one of the skill sets that we were looking for was in health plan field. Another was in population health management. Bringing him from Kaiser, that was his deal. Yes, he is a physician. He's a phenomenal mentor who has a long track record with retaining people. Also population health management was what he was doing at Kaiser. He had designed a medical school for Kaiser that had developed curricula designed for physicians who were going to be graduating in today's health care environment. It was very much technology savvy, team oriented. All of the things the former generation of doctors did not have that kind of training. Everyone was a lot more siloed, including the hospitals. So now we are trying to turn that on its side and make things much more service-line oriented. I don't know how the health plan space is going to work out. Whether you go it alone or you team with someone or you abdicate that top 20 percent of the health premium dollar but we are right now giving it a go and so are others. It's population health management and reaching the patients before they get really sick and certainly managing the chronically ill which are much easier to identify. Utilizing again our great partners at UT for telemedicine, mobility clinics as well as we now have over 200 retail sites right now for everything from mammograms and rehab because we have also brought in TIRR (The Institute for Rehabilitation and Research) into our organization. So, we've got a great array of offerings, and now it's organizing them in a way that's around quality. There was just recently a management restructuring that mimics what I am talking about right now. We had C-suites (corporate officer suites) at all of our different hospitals. Now you are going to have people taking on two hospitals. You

think well yeah that's going to save some money. Well, yes, it is but it also enables decision making to be made more efficiently and more nimbly. I think going forward that's what we are going to have to do. Here we've been planning and planning and planning and everybody in the universe I think thought we were going to have a different president than we have ended up with. So, you're planning around a certain group of assumptions and now we don't know what the assumptions are looking like. So, you still got to make sure that you are efficient and nimble in decision-making. You have your cost structure in a way that if we go to bundle payments, we are going to be able to handle that. We've already been doing many pilots around the system to demonstrate to doctors how you do bundle payments and how you don't overtest a patient. How you have to have absolute tight protocols that are evidenced-based before you just say, "Well, this is fee for service so we're going just to run the bill up." So, we are still a little bit on somewhat of a gravy train in that fee-for-service is still the deal. It's not going to be the deal. So, organizations that are going to be successful in the future are preparing their organizations. We've been preparing for, I want to say, 10 to 12 years for the switch. So, I think when the switch comes, the payment switch, we will be prepared and we will be just fine.

RS: Right now, the future of the health... the landscape is like you are looking at it through a glass frosted with Vaseline or something because we really don't know where health care is going in this country. Is it unsettling to an institution as big as yours?

MP: Well, we have a, like many others, robust advocacy department. We will continue to advocate for the best health care solutions that the government can help us with, but just saying "No" is not a solution. What I am hopeful is that we can take parts of what

we have right now and improve upon it. Really use our energy across the isles to say, “What makes sense for a family that previously could not get insurance because of a preexisting condition or because they changed jobs?” How are you going to fix that? If they are outliers, then they are going to come back to your emergency rooms and you are going to be delivering care in the worst possible cost setting.

RS: Not only that they’ll be much sicker.

MP: They’ll be much sicker, and that’s the way it was before. Like this new health care bill or not, it was a stake in the ground to basically say, “What we have is not sustainable. We are going to have to make some changes.” As I told a lot of my friends who were freaking out about, “Oh we are going to have socialized medicine,” look this is a step. This is not THE step. It is the beginning step to right and take corrective measures for our country, because doctors have to change, hospitals have to change, patients have to change, and payers have to change. We are all in this together, and before it has always been finger pointing. The blame game has got to end. It’s too big of a problem to fix without having all of the stake holders around the table. For that I am really hopeful that the special interests will be kept at bay, and some high quality thought leaders can really help send things in the right direction. I think you know it’s basically right now all that was accomplished was the insurance piece. You know you’ve got some innovative health care systems around the country that have responded in a variety of ways and are learning from one another, not that things are being mandated from the Federal government. In this state, of course, we are leaving a lot of money on the table with Medicaid and things that could be helping our underserved. I worry about the rural hospitals particularly. I think if we don’t make the

right kinds of choices that a lot of those hospitals that don't have healthy enough margins will have to close.

RS: I think we need to find what takes their place.

MP: Right. I think there are some great opportunities to certainly utilize our nurse practitioners but my goodness, there are not enough teachers to teach the nurses. You know there are not enough nursing schools for the output to just supply our state. I mean these are big issues. Again, I just think that without coming together and sharing our best ideas, then we are going to be in a world of hurt.

RS: Yeah, I think we need more people like you on the coordinating board and some of those decision makers in Texas to help us with designing a system. We need a system.

MP: Yeah well, there have been some white papers written. There was Code Red that was done not long ago that went to the legislature as a blueprint but I don't know where they all go. They are on somebody's shelf somewhere. I think some of the decision makers need to dust off some of those blue prints and read them and say, "Well, you know, I may not like this part but this part makes a lot of sense. Can we start here and build from there?" Rather than just throwing your hands up and saying, "Let the market manage all of this. Well, guess what, that is not going to work. We are going to have to have private and public solutions. So, you know God help us.

RS: In your committee work at UT Austin, are you helping with the new med school?

MP: I'm not. Several people have asked me that, and my medical roots are in Houston. While I absolutely love the dean and the whole philosophy behind the Dell Medical School, I think it's in a way very similar to what was designed for Kaiser in that they are thinking about tomorrow's doctors. They are going to play the role that the nurse

practitioners are going to make and the collaboration that there needs to be there, the kinds of curricula that they need to have, the kind of problem-solving techniques. Big focus on medical errors, which I backed into quite by accident. My first month as chairman, there was a sentinel event at Hermann. There was a little family who brought a child in, a little undocumented family, came into the emergency room with a sick child, and the child was accidentally given 10 times the dose of corrective medicine. The adult dose. We also had the Joint Commission in the hospital during that sentinel event. Fast forward, we were given A+ with commendation by the Joint Commission. Not for having had that occurrence occur, but because of the way we resolved the issue institutionally. A book was written about it, and it has been sort of.... It was a pretty famous issue in the industry. (Ed. Note: A New York Times article discusses the incident at <http://www.nytimes.com/1997/06/15/magazine/how-can-we-save-the-next-victim.html>.) It kind of turned problem solving with medical errors on its head because again it pointed out the silo system that institutions had. There was a nurse that questioned it. There was a pharmacist that questioned it. But the doctor who wasn't there had written (the order) you know. Nobody had ever....."Well this is what the doctor's orders say." Now, you have people who have permission. Whether they are in the operating room, and they've got the checklist in the OR and they know that there's been something left behind during that surgery but they are too scared to raise their voice. They can call the C suite from the OR if the doctor refuses to go back in and retrieve what they've scanned and they see. Because of that incident, I got very interested in medical errors. We've pushed through all of the quality initiatives. Your goal is zero but some wonderful things have happened across our system as a part of

our quality and medical error eradication efforts. I could not be more proud of that and some of the residual things that have happened that I have been able to have some service involvement on. That's something that I hope that our system will continue to be a natural leader in.

RS: I think it's interesting that you are living in Austin now. So, what kinds of things are you doing with UT Austin?

MP: Well, I've chaired the development board and the chancellors' council and this that and the other. I was the first woman to chair the Longhorn Foundation, which is the fundraising arm of Longhorn Athletics. Funny thing happened a year ago on Labor Day. The president of the University called my husband (Mike Perrin) and asked if we would come up and if he would serve as athletic director at UT. So, that was a very very big surprise, and we moved to Austin in three days. We lived at the AT&T Center for almost two months while we tried to find a place to move to. Meanwhile I was on Ben Chu search committee and chair of governance, the governance committee. We were doing a bunch of really significant work in the governance committee. I couldn't have been more busy with my work in Houston and yet football season had already started up here. It was the third game, and there were many fires to put out up here. I remember the chancellor speaking to one of his staff, saying, "Boy I hope Melinda is not going to freak out over all of the press." I had cut my teeth, at that point, on the press and you know what people could say and how to handle myself in interviews and who to trust. I got very comfortable saying off the record. I was keeping Highway 71 very, very busy because I would go there for my meetings. I am also on the board at MD Anderson and they were doing their... all of their computer changes. I am also on that

quality committee as well. It was a little nuts because I would slide in here just in time to suit up in my burnt orange and paste my smile on and throw my horns up and off I'd go. I used to say, "I've got to go back to Houston so I could remind myself of who I used to be."

RS: That's amazing. There are rumors that there may be a third Houston medical school. Have you heard those?

MP: I have certainly heard that there is a certain University in Houston that is very, very interested and I am aware of lots of meetings that have taken place on behalf of that. You know, again, I am pro intellectual knowledge, pro healthcare, and pro collaboration. Anybody that wants to train in a quality institution, that's just fine with me. I can't make a political comment one way or another.

RS: I think it's interesting.

MP: Yes, it is interesting, but UT is building two medical schools right now with very different purposes. One is a very big Central Texas footprint that's attached to the University of Texas that I think will enable the University of Texas at Austin to do a lot of wonderful collaborative research. Then the Rio Grande Valley medical school that I think is a phenomenal place to address the underserved health care needs of a very identifiable group that has predispositions to chronic illnesses. If that school can then upstream some of their difficult cases into San Antonio or into Austin or into Houston and make the most of the fact that this is a state-wide system and not try to recreate 100 percent of what they might hope to have in that area. No, I think more and more taking healthcare to the communities where the patients reside are going to give us our best shot of producing a healthier populace.

RS: Which we certainly need. We've been hit lately with some disturbing news about health in the state of Texas that is very disturbing.

MP: We all have got to do all that we can do to make it more accessible. And accessible means you've got to be able to afford it, as well. Some people ignore it. The elderly are parceling out their meds because it is all too expensive. There are a lot of challenges that we've all got to work on together.

RS: Was there anything I haven't grilled you on yet?

MP: You haven't asked me about grandchildren.

RS: I was going to ask you about your grandchildren.

MP: I am so teasing. That is kind of off topic.

RS: Well actually how many grandchildren do you have?

MP: Six, we have six.

RS: Wow

MP: Our three children, one is in Houston, one is in San Antonio, and one in LA. So, two grandchildren in Houston, three in San Antonio, and one in LA.

RS: How exciting.

MP: I don't get to see them nearly as often as I would like to, but I am starting to get a little bit more insistent and intentional about planning our trips and visits. I do get to see Houston ones because I am still going back for my things there.

RS: Well thank you this has been fascinating.