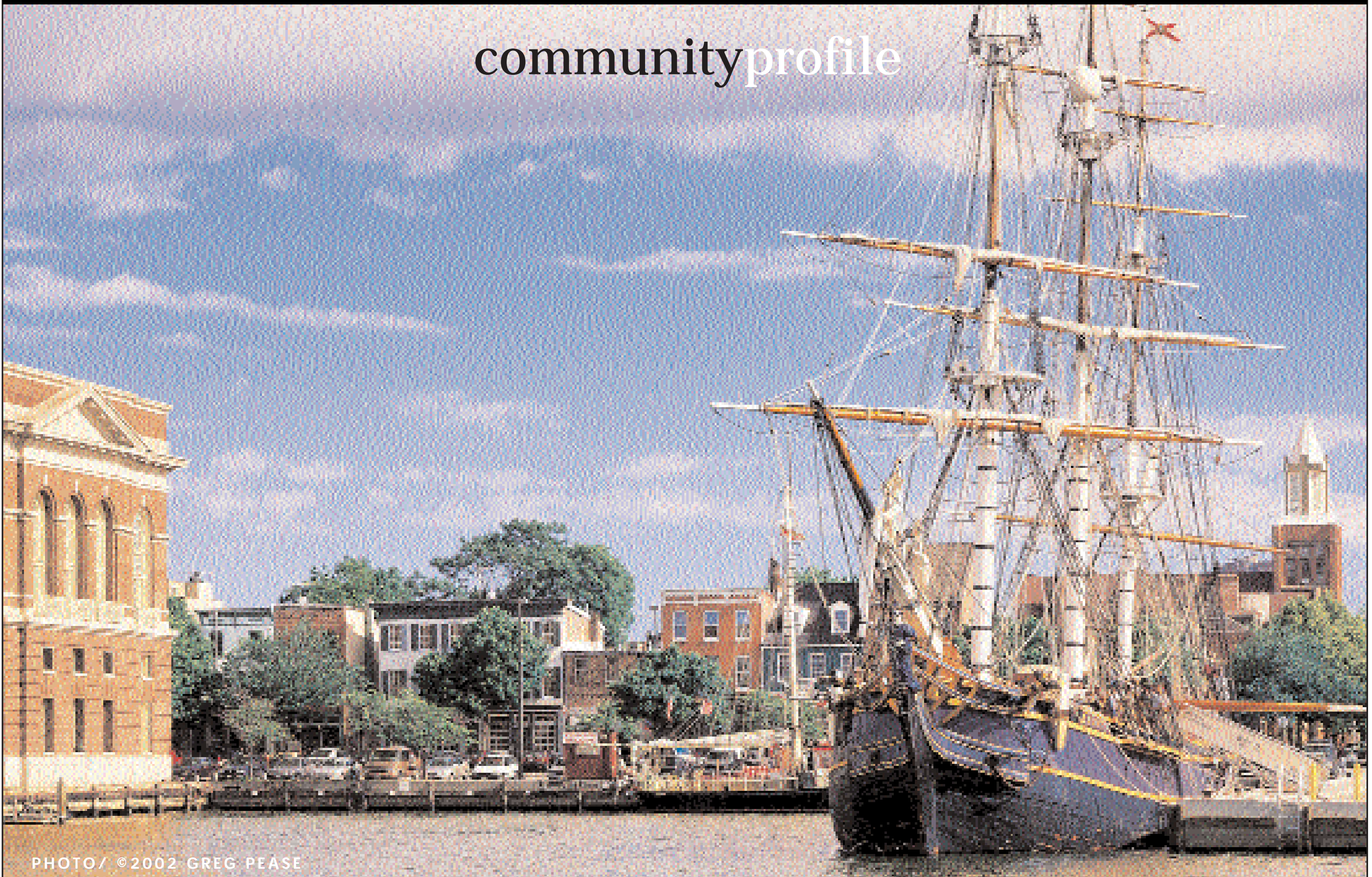

Broadway Pier at Fells Point is part of Baltimore's historic harbor area. It boasts pubs, inns, restaurants and a market and is frequently visited by schooners and tall ships such as this replica of the Bounty.

Finding Your Niche in Baltimore

Baltimore may have a world-class medical reputation, but that doesn't mean life here is difficult or opportunities scant. A culturally rich, down-to-earth lifestyle awaits new arrivals to Maryland's coast.

By Julie Sturgeon

NATIVES MAKE THE MOST SHOCKING claims about Baltimore, Maryland.

"Having grown up in the Washington suburbs, which are now crazy with traffic, I actually find Baltimore refreshing," says Dana Simpler, MD "It's so easy to get around the city in terms of a very short rush hour."

"This is a place where physicians relatively early in their career aren't confronted with the really high cost of living you find in other large metropolitan areas," adds Alison Brown, the senior vice president for business development at the University of Maryland Medical Center. "You won't start out with a million-dollar mortgage and medical school debt."

She also describes the city as a "small town with a multi-cultural nature." And despite listings for 21 hospitals in the Yellow Pages, the U.S. Public Health Service designates several pockets of Baltimore as medically underserved.

These pleasant contradictions bode well for doctors eyeing an East Coast lifestyle.

Of course, the Charm City relishes a long history of standing out: It's the birthplace of the Star Spangled Banner. First city to light its streets with hydrogen gas. Home of the first steam boating company in the country and the world's first telegraph line, a line set up in-between Baltimore and Washington, DC. Here a candy factory became the

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first to produce licorice and Johns Hopkins University rolled out saccharin as early as 1879. Baltimore boasts the first American Humane Society, the first public library to offer branches, the first municipal orchestra supported by public funds, and the first baseball player named Most Valuable Player in both leagues. Baltimorean Thurgood Marshall became the first African-American to serve on the U.S. Supreme Court.

Physicians recognize Baltimore as the backyard for heavyweights like National Institutes of Health (NIH) and the Food and Drug Administration—names the Maryland Department of Business and Economic Development credits for drawing biotech and life sciences companies to the business base. Currently, Baltimore stands as a major competitor to Silicon Valley, with 40 percent of the state department of business and economic development's budget allocated to helping grow the computer technology industry.

So it's not surprising Maryland offers a unique rate-setting system for its hospitals, too. In the mid 1970s, the state legislature won a waiver from the federal government's DRG-based system in favor of its own rate-setting conditions. A commission establishes a fee for each hospital's proce-

POPULATION:

Baltimore: 651,154

Baltimore County: 754,292

CLIMATE:

Annual rainfall: 40 inches

Annual snowfall: 22 inches

Average High/Low Temperatures:

January: 41°/24°

July: 87°/67°

Elevation: 155 feet

Days of sunshine: 215

TRANSPORTATION:

AIRPORTS - Baltimore Washington International (BWI)

BUS: MTA Maryland

TRAIN: Baltimore Light Rail, Baltimore/Washington Commuter Rail

INTERSTATES: I-795, I-695 for Beltway; I-83, I-97 and I-95 north - south; I-70 westbound

COST OF LIVING:

Indexed at 93.9 (100 is average)

AVERAGE HOME PRICE: $203,819

MEDIAN HOUSEHOLD INCOME: $165,000

Source: National Association of Realtors quarterly survey, July 2002.

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RIGHT, Pastel Row, part of Charles Village, an historic neighborhood near Johns Hopkins University and just off Charles Street. BELOW, The Baltimore Ravens play the Pittsburgh Steelers at the Ravens' home stadium in the heart of downtown Baltimore, just a few blocks from the inner harbor area.

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ABOVE, Residents enjoy sleigh riding in Patterson Park on Baltimore's east side. Patterson is part of an Olmstead-designed park network that threads throughout the city. The recently-renovated pagoda provides a good view of the city and harbor. BELOW, Faidley Seafood offers prepared and fresh seafood in Lexington Market, a covered downtown market area with numerous meat and produce vendors and food shops.

dures, and all payers—including Medicare and Medicaid—pay that price. Commissioners also factor in uncompensated care to the tune of $500 million dollars annually, which neatly avoids patient dumping. The average uninsured rate for Maryland residents hovers at 10.4 percent, with adults between ages 19 and 29 at the highest risk of being uninsured (29 percent) and the poor and near poor far above the uninsured average at 38 and 23 percents, according to the Maryland Health Care Commission.

Four other states have tested this route with Medicare waivers, but according to Nancy Fiedler, the senior vice president for communications for the Maryland Hospital Association, they chose prescriptive policies that crashed. Maryland's regulation merely states rates must be "affordable, accessible, and serve citizens"—a goal that allows

the regulators to change with the times. Maryland's legislature also shores up the total package with a comprehensive patient bill of rights.

The results: The need to form large hospital systems to stand toe-to-toe with the insurance conglomerates passed over Maryland. Mergers here typically involve two hospitals combining because of similar philosophies—a slower, more thoughtful process that truly integrates the partners. What's more, third-party payers only have prompt pay as a tool to wring out discounts. "The positive impact spills over to doctors," says Fiedler. "We don't have a huge focus on discounting for anyone in this state."

However, the rate setting system model can sometimes separate a doctor's and hospital's goals for patient care, admits Ira Fedder, PharmD, MD, an orthopaedic surgeon with Orthopaedic Associates. "They collide instead of parallel," he explains. "It's not all the time, but it is a reoccurring theme." Nor can the hospitals be as responsive in a budget crunch, Fiedler adds.

The Maryland Health Care Commission also fingers the rate-setting regulations' incentives as a contributor to rising hospital outpatient spending. In 2000, outpatient spending spiraled upward 17.4 percent, compared to 7.9 percent the year before,

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while the inpatient figures increased only 9.5 percent. "Because this system regulates unit prices, hospitals can generate additional revenue within regulatory constraints by delivering more intensive patient encounters," the commission writes in its latest report. "The state also constrains the average cost of inpatient hospital stays to counteract these incentives. However, no comparable mechanism exists for regulating the cost of outpatient visits. As hospitals have been increasingly pressed on inpatient services, some observers believe that they have become more aggressive in generating revenue from outpatient sources."

Battle of the giants

All of Baltimore's hospitals operate on a non-profit basis, and the dearth of large systems means most hospitals compete using duplicate services and equipment. Maryland experiences one of the highest cancer rates in the nation, with 22,600 cases reported in 1999. Bon Secours Baltimore Health System, Franklin Square Hospital, Greater Baltimore Medical Center (GBMC), Howard County General Hospital, St. Joseph's Hospital, Johns Hopkins Hospital, Maryland General Hospital, Mercy Medical Center, St. Agnes Healthcare, Sinai Hospital, Union Memorial Hospital, and the University of Maryland Medical Center each offer everything from screenings to mobile mammography vans to support groups and image recovery centers.

Ditto heart care, where Johns Hopkins Hospital has earned the *U.S. News and World Report* number 1 ranking since it began ranking the top 100 in 1990. Two city hospitals—Johns Hopkins and University of Maryland Medical Center—perform heart transplants, and eight facilities in the state can perform open-heart surgery. That doesn't discourage Greater Baltimore Medical Center from pursuing open-heart capabilities. Nor did it stop St. Agnes HealthCare, Bon Secours Baltimore Health System, and Liberty Medical Center from offering interventional cardiology services to West Baltimore neighborhoods.

"The competitive atmosphere here is fierce," says Linda S. Dwyer, Greater Baltimore Medical Center's director of physician recruitment and relations. At least six large hospitals vie for attention in her Baltimore County neck of the woods—with St. Joseph's not even a mile away.

Part of the saturation stems from patients' cultural preference to stay in their own neighborhoods, says Brown. "They won't drive all the way around the beltway. Their health care has to be convenient, close to home and easy to get to," she notes. Perhaps this is why Kaiser's HMO staff model found very limited growth in Baltimore because its five health centers were too far apart to encourage citywide access.

Because the majority of doctors settle into private practice, the competition extends to hospital privileges as well. Recruiters report that most family physicians carry privileges at two or three hospitals but tend to admit most of their patients to one. Specialists, says Fedder, also tend to practice at one location, using a second facility as an auxiliary site. However, the specialist's practice may enjoy privileges at up to five locations as a group.

"Many good hospitals in Baltimore vie for the same patient pool as well as the same physicians," says Holly Tate, the director of physician recruitment and development at inner city Maryland General Hospital. So the courtship ritual to woo doctors includes everything from university affiliation learning opportunities to troubleshooting and help with HIPAA compliance or OSHA regulations.

"We service our physicians to the hilt, within the law!" Dwyer laughs. "Our department is very customer-service savvy."

The biggest dogs in the fight, recruiters concur, are the university systems. Johns Hopkins' medical staff members are almost all full-time faculty of its School of Medicine. As such, the organization is considered a "closed shop" for physician opportunities, according to spokesperson Gary Stephensen. Nevertheless, Baltimore practices can't help but be affected by its sheer size alone. As of January 1, 2002, the campus formally reorganized the Johns Hopkins Bayview Physicians group into the university to form one of the largest academic group practices in the nation. To date, the $2.25 billion enterprise includes:

- The Johns Hopkins Hospital
- Johns Hopkins Bayview Medical Center
- Johns Hopkins Community Physicians
- Howard County General Hospital
- Brady Urological Institute
- Johns Hopkins Children's Center
- Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins
- Wimer Eye Institute

The system recently developed two outpatient centers as well, in East Baltimore and Green Spring Station, the largest freestanding ambulatory care center in Baltimore County. More in White March and Cedar Lane lie on the drawing board.

The technology innovations here are dizzying, the list of famous dazzling. Johns Hopkins Medicine takes

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credit for identifying a key enzyme in the brain that forms a hallmark of Alzheimer's disease, and its scientists have successfully used stem cell grafts to restore movement to animals' paralyzed limbs. They've also found a genetic mutation link between sinus infections and cystic fibrosis, and discovered a new gene family that contributes to aggressive prostate, ovarian, lung, breast, and children's cancers. The hospital's biennial report reminds donors that NIH awards more research funding to this school of medicine's faculty than any other.

The University of Maryland Medical Center stacks up favorably against these credentials. Its 1,652 licensed beds and more than 9,000 employees serve approximately 300,000 patients each year. UMMC's components include:

- The University of Maryland Medical Center
- University of Maryland Hospital for Children
- The Marlene and Steward Greenebaum Cancer Center
- The R Adams Cowley Shock Trauma Center
- Kernan Hospital
- University Specialty Hospital
- University of Maryland Medicine at Timonium
- Maryland General Hospital and Health Systems
- North Arundel Health System
- Mt. Washington Pediatric Hospital

Maryland General Hospital in particular represents this system's dynamic impact. It has grown steadily in the past five years, exceeding budget in terms of both admissions and volumes across the board for inpatients and outpatients.

"As far as practicing medicine, Baltimore is a very exciting city in terms of education and training because of these two institutions' continuing education opportunities," says Tate.

GBMC happily basks in the glow. Dwyer cites this hospital's strength in ob/gyn services and the fact it performs the most outpatient surgeries in its state-of-the-art ambulatory surgical center. GBMC made *U.S. News and World Report's* list in 2001 for gastrointestinal services. Mercy Medical Center received accolades as well when HCIA, Inc. cited this hospital as a benchmark for success in quality care, efficient delivery, and superior financial performance. *Self* magazine picked it among the top 10 hospitals for women's care. The city also tapped Mercy in August, 2002 to run its employee health clinic and save taxpayers $2.5 million over five years in operating costs and absenteeism.

"We're always competing to do something better, newer, bigger," Dwyer says.

The doctors' side

Physician practice management experiments bear out the same failure rates in Baltimore as the rest of the country, so most doctors today practice in small, independent groups rather than multispecialty monsters. "You won't find a market like California where, if you want to be in practice, you must join a large group," says UMMC's Brown. Most doctors shake out into groups of two to four partners.

Dr. Dana Simpler even rates the city an ideal location for solo practices. This general and internal medicine practitioner took over an existing practice in 1987 and maintained her solo practice for 13 years. In 2000, she teamed up with another woman internist—although not legally partners, the newcomer pitches in with Simpler's patient flow when necessary.

"The secret to starting a solo practice is to keep overhead low and not accumulate debt quickly. That's very doable here," she says.

Fedder, however, doesn't see the same solo opportunities when it comes to popular specialties like orthopaedic surgery. Marketing costs for name recognition can be high and call coverage at the hospitals comes dearly. "Getting credentialed by insurance companies can take six to nine months, getting hospital privileges if you have no group connections there could take nine months to a year," he adds. "But that's not so different from any metropolitan city."

Most doctors settle in Baltimore because they have East Coast ties rather than choose the city at random. Fedder accepted Orthopaedic Associates' offer because it placed him within easy reach of both his family and his in-laws in Virginia. Simpler attended the University of Maryland Medical School with no intention of making the city her home. "But you know the old story: I met my husband when he was in law school so I couldn't leave. Then when it was time for him to start with a law firm, I was still in residency here. We were never in sync to move," she says. Meanwhile, she found her adopted home to be a "down-to-earth place where patients are generally respectful of what their doctor says. I really love it."

Recruiters draw most of their candidates from the educational pool—physicians who attended med school, internship, residency, or fellowship at the universities. "Most have a favorable feeling that brings them back, if they ever left in the first place," says Tate. But, these teaching hospitals boost Maryland's concentration of doctors

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per capita higher than other East Coast cities, according to Miles Cole, the senior vice president of government affairs at the Maryland Chamber of Commerce. And that makes strong credentials on the curriculum vitae crucial for a job offer. Yet, in Tate's experience, physicians only need a *Who's Who* listing if they are angling for a faculty position. Brown, too, rates the city as an attractive place to start a successful practice. Dwyer sees a tighter market.

"There's a glut of extremely well trained physicians in this area. There was a time when we seeded physicians for a year or two to get them started, but we're not doing much of that," she reports. "GBMC probably wouldn't be the best chance of a starting practice."

Of course, that also depends on where a physician chooses to practice what. In the inner city, Tate assures that opportunities are wide open. She currently needs anesthesiologists and ob/gyns in particular. GBMC shut down its family practice department last July thanks to the success of its hospitalist program, so Dwyer labels family practice "not a hot item." Meanwhile, Simpler stopped accepting new patients in 1995 and remains busy.

Dwyer gives a thumbs up to orthopaedic surgeons since "it seems like everybody is opening a spine center," she explains. Fedder, however, believes the growth for this field lies in subspecialties. "There are a handful of general orthopaedic surgeons in the community, but most of the large groups hire younger physicians who are fellowship trained or have significant experience, such as the military," he notes.

UMMC is hungry for pediatric subspecialties in addition to more internists and board-certified geriatricians. And according to the hospital association's 2001 "State of the State's Hospitals" report, it takes between 40 and 50 days to fill an opening for nuclear medicine techs, radiation therapy techs, radiographers, and sonographers.

Third party chimes In

Physicians label Baltimore's managed care penetration "very high." Johns Hopkins administrators admit they initially feared the managed care organizations would siphon off patients, but notified donors in 2001 the opposite occurred. Word from the Maryland Health Care Commission confirms HMO market share has fallen to 41.6 percent statewide. It attributes the decline to employers' trends to shift from fully insured plans to self-insurance arrangements, and consumers' demand for fewer restrictions. The news gets even better for Baltimore metro area, where Medicare HMOs' market share fell 11.3 percent from 1999 to 2000, and privately insured HMOs fell 3.4 percent in that same time frame.

The Commission tracks 12 HMOs operating in Maryland. Its 2001 performance report reveals that 71 percent of patients say they haven't called or written in a complaint against their HMO in the past year, and all but two received scores in the 90th percentile for providing ambulatory or preventive care in the past three years. Furthermore, HMOs report their average drug coverage per patient climbed 16.4 percent since 1998 to $337 per member.

Baltimore physicians in 2002 have joined forces to fight allowing CareFirst (Blue Cross) to convert to a for-profit status and sell to WellPoint, a California Blues Company. The insurance company cites access to capital and enhancing competitive position as its reasons for the convert-and-sell plan. The Maryland Hospital Association, in particular, argues that CareFirst has the necessary assets to improve operations—with $700 million in reserves—without the stock market's capital. Conversions in other states haven't led to lower premiums or better service, says Fiedler, and the proposal will likely lead to a lower percentage of premiums going to medical care.

Doctors' concerns, of course, center around where this potential player will look to squeeze money. With hospital rates regulated, physician practices become the target. Primary care physicians in particular have been actively outspoken in the discussions. Of the approximately 400 people who have testified before the insurance commission at press time, Fiedler estimates 15 percent were practicing doctors.

So why Baltimore?

Baltimore certainly isn't the only large city on the East Coast: DC lies just 45 minutes south, with Philadelphia, Boston, and New York City a quick zip via mass transportation. But physicians ultimately flock here because Maryland is known as "America the Miniature." Desert is the only geographical landmark missing from its landscape.

Indeed, Simpler owns a beach house two hours away where her three children enjoy a dip in the ocean. Other professionals lean toward sailing along the Chesapeake Bay or skiing in the mountains two hours to the west. "We love spending the day at Busch Gardens Williamsburg—it's a nicer amusement park than Disney World," says Simpler.

First-time Baltimore visitors gravitate toward the Inner Harbor lights, where shops, restaurants and hotels reign. Professional sports spotlights include 2001 Super Bowl Champion Baltimore

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Ravens, the Orioles baseball team, and the Preakness horse race each May. Cultural attractions include everything from the Babe Ruth Museum to Edgar Allan Poe House, Fort McHenry National Monument, the Maryland Science Center, and the National Aquarium. History buffs dig around the U.S.S. Constellation by day, then take in one of the city's live theaters, the Baltimore Opera, or Baltimore Symphony Orchestra when the sun goes down. There's enough to do here to entertain 13 million visitors annually.

"Once people come here and go down to the city, it's phenomenal what they can do," says Dwyer. "We're very happening." In fact, *Forbes* magazine named the Baltimore/Washington area third best place in the nation to be single, thanks to its number of nightclubs, bars, restaurants, cultural offerings, and pro sports teams. This can be yours, Mayor Martin O'Malley invites, for a lower cost than DC. He kicked off a six-month advertising campaign this summer to drive that point home. Properties range from $35,000 for a rehab project to $375,000 for 8,000 square feet of recently renovated house. "Stately homes with rich architectural detail, and a mortgage you can actually afford," the ads scream.

Most physicians, says Simpler, choose to live in the Howard County or Baltimore County suburbs, although Dwyer sees professionals showing a growing interest in eclectic urban neighborhoods like Fells Point, Federal Hill, and Canton on the city's east side. According to the Baltimore Sun, the city led all other jurisdictions in the metropolitan area for home sales the first five months of 2002. In response, the Housing Department began offering licensing and permits on line, to speed homeowners' renovation requirements by 40 percent.

City leaders have turned to the medical community to help fight the city's worst public relations problem: crime. In July, the police kicked off a sting operation allowing the Health Department to shut down merchants selling guns to the under-21 crowd under the umbrella of "public health and safety." It's the first time a health commissioners' inspection powers have expanded to enforce laws normally relegated to police.

In the past two years, Baltimore also began providing drug treatment on a large scale—the largest in the country, according to police department sources. The number of residents actively receiving treatment shot up 32 percent from 1999 to 2000, and drug-related ER visits fell by 19 percent. That's the largest decrease in American cities, too. Totaled, Baltimore's proactive attacks paid off in a 23 percent drop in violent crime. You guessed it…the biggest reduction in the nation.

Residents claim the climate is milder than one might assume, with the coldest month averaging 33 degrees. They also dispute the image of a crowded, unfeeling metropolis that most East Coast cities endure. "We're a wonderful city," Dwyer sums up. "Most people who move to Baltimore stay a lifetime." ■

Julie Sturgeon regularly contributes feature articles as well as community profiles to UO.