



103 of 111 DOCUMENTS

Copyright 1996 The Baltimore Sun Company  
The Baltimore Sun

December 19, 1996, Thursday, FINAL EDITION

**SECTION:** LOCAL (NEWS), Pg. 1B

**LENGTH:** 787 words

**HEADLINE:** Peterson to lead Hopkins Hospital; Longtime official named to presidency

**BYLINE:** David Folkenflik, SUN STAFF

**BODY:**

Officials at the Johns Hopkins University rewarded a much-liked veteran administrator with a top post yesterday, naming Ronald R. Peterson president of Johns Hopkins Hospital.

With the appointment, Peterson will take on one of the plum positions in American medical care, although a new administrative structure at Hopkins means that he will have less authority than his nine predecessors.

Colleagues described Peterson, 48, as a successful and consensus-building executive who quietly gets things done.

They pointed in particular to Peterson's ability to transform the troubled City Hospitals in East Baltimore into Johns Hopkins Bayview Medical Center, a financially viable and respected arm of the university's medical empire.

"This appointment is recognizing the obvious," said William R. Brody, president of Hopkins University. "He's doing a spectacular job, and he's earned the recognition."

In the past few years, trustees and officials have called upon Peterson, a 23-year Hopkins veteran, to play an increasingly significant role in formulating policy for the medical giant as it faces the new economic realities of managed care.

He said he hoped to secure the hospital's finances even as he helps to improve the quality of treatment given patients there.

In an interview, Peterson said he believes the drive to cut costs in medical care by government officials and by insurers will cut into the hospital's income by several percentage points for each of the next few years.

And that probably will lead to a reduction in jobs at the hospital -- regularly rated as one of the nation's best -- which has 1,036 licensed beds, 6,000 employees, a medical staff of 1,700 physicians and 900 residents, and an annual operating budget of \$ 600 million.

Peterson to lead Hopkins Hospital; Longtime official named to presidency The Baltimore Sun December 19, 1996,  
Thursday,

Peterson becomes only the second Hopkins Hospital president this century who is not a physician; former university President Steven Muller, who has a doctorate in political science, was president of Hopkins Hospital and Hopkins University from 1972 to 1982, when he relinquished the hospital post.

The two institutions were founded as separate, not-for-profit corporations by Baltimore benefactor Johns Hopkins, but the faculty of the university's medical school serves as the hospital's physicians. The two institutions are now placed squarely under the authority of the university president.

Peterson took the hospital presidency on a temporary basis in mid-September when Dr. James A. Block resigned.

Block said a reorganization this year that placed him under the university president and a new position of medical czar rendered the position less attractive than it was when he arrived in 1992.

The new senior medical official will be chief executive officer of the hospital and medical school dean.

Peterson's appointment demonstrates the respect he commands from doctors as well as administrative staff, several associates said.

"He is an unusual person," said Dr. Philip D. Zieve, chairman of medicine at Hopkins Bayview. "That a nonphysician can get the job he got at Hopkins is a tribute [to] his being able to work with everyone -- including some very strong personalities."

Peterson provides a strong institutional memory at a time when many senior officials, such as the interim medical school dean, Dr. Edward Miller, and even Brody have spent most of their careers elsewhere.

The university also is expected to name an outsider as medical czar, a process that has taken longer than expected to complete.

Peterson first arrived in Baltimore as a Hopkins pre-med student.

He graduated in 1971, taught for two years at Mergenthaler Vocational-Technical High School and then earned a master's degree in health administration at George Washington University.

He was asked to join Hopkins as an administrator at a psychiatric wing and then held positions at the Hopkins children's hospital and the Bayview Medical Center.

In 1994, the last period for which tax documents are available, Peterson earned nearly \$ 342,600 in pay and benefits and more than \$ 19,000 in deferred compensation as Bayview's president.

In mid-1995, Peterson took on additional responsibilities as the Hopkins health system's executive vice president.

He will retain the title of president of the Bayview Center, where he directed a \$ 100 million program to overhaul its dilapidated physical plant, and turned a \$ 7 million annual deficit into a \$ 5 million profit since its purchase by Hopkins in 1984.

"Out of this very modest man comes the greatest wisdom," Dr. Patrick Walsh, chairman of urology at the hospital, said of Peterson. "It's no surprise to me. He will be a great leader of this hospital."

Pub Date: 12/19/96

**GRAPHIC: PHOTO**, Hopkins Hospital president: Ronald R. Peterson (above) is described by colleagues as a successful and consensus-building executive.