

Meet the Baylor Scott & White CEO guiding Texas' biggest hospital merger

Cheryl Hall, Business Columnist



Jim Hinton is a very, very busy guy.

Two months ago, the 59-year-old CEO of Baylor Scott & White Health announced a proposed mega-merger with Houston's Memorial Hermann Health System that would create a Texas-size hospital-system juggernaut of 68 hospitals with \$14.4 billion in revenue.

With slightly less than two years under his leadership belt at Baylor Scott & White, Hinton is still learning the lay of one land while creating an even larger one.

So his life these days is a constant stream of trustee board meetings, due diligence confabs, hospital administrator tasks, meetings with physicians and staff, community events, relationship-building with donors and visits to Baylor Scott & White's hospitals, which spread from just

south of the Oklahoma/Texas border to Austin.

He's given up bike riding and any notion of a good night's sleep.

"Going through something like this is very, very demanding," Hinton says in a recent interview. "Not just for me, but for many members of our team who are doing their current jobs and planning how the world could look with the new merger."

The Albuquerque native and his wife, Kristen, who now call University Park home, have two beloved Labradors, Nelson and Hamley, that are still in New Mexico for the time being. He longs to bring them to Dallas, but until then, he FaceTimes them to tide him over between visits.

So it's a welcome diversion when two yellow Lab service dogs show up to his administrative office for a photo shoot.

"I really do love dogs," Hinton says, as he invites a lavish lick from Rivers, who's on hand for Canine Companions for Independence training at the hospital.



Jim Hinton meets a Labrador named Rivers from Canine Companions for Independence at the Baylor Scott & White Health administrative offices in Dallas. (Ben Torres/Special Contributor)

His affinity is affirmed when a canine cacophony erupts from his cellphone. He steps to his desk, silences the barkathon ringtone and looks up with a grin and a slight shrug.

This is the softer side of the guy slated to become CEO of the enormous nonprofit hospital system if the merger goes through next year.

The board of trustees was looking for a complementary skill set to that of Joel Allison's, the previous CEO who had orchestrated Baylor's merger with Temple's Scott & White Healthcare in 2013 to form the largest not-for-profit health system in Texas.

They searched the country for someone with experience in running a large-scale, complicated health care network. They also wanted someone who could scope out and assess opportunities in the rapidly consolidating world of health care.

Hinton had spent 21 years as CEO of Presbyterian Health Services in Albuquerque, the largest health care system in New Mexico.

"Jim was exactly what we were looking for," says Ross McKnight, chairman of Baylor Scott & White's board. "We felt Jim would be able to properly evaluate the benefits and the possible pitfalls of any merger because of his vast experience in the health care space and make Baylor Scott & White everything that it could be."

Was Hinton instrumental in the Memorial Hermann deal?

"Oh my goodness! Yes ma'am," says McKnight, who served on Scott & White's board of trustees for 11 years before the merger with Baylor. "If it weren't for Jim and the staff that he hired around him, we wouldn't even be considering doing this."

Horoscope pragmatist

So who is this guy, really?

For starters, he's a pragmatist with a penchant for analytics and measured results.

"I'm not a data nerd," Hinton says. "I'm really not. I just believe that you've got to make sound, informed decisions."

But among the information Hinton gathers daily is his horoscope in *The Dallas Morning News*. He enjoys reading the words, but the Aquarian, who will turn 60 in early February, takes issue with the numbering system that rates expectations for the day.

"Some days you're feeling really good, and it says you're a 5. I'm never a 5. I always see myself as a 7, 8, 9," Hinton says. "Nobody ever gets a 10."

He's in luck. Today, his is rated a 9.

"I'm feeling it. I'm feeling it," he laughs.

If this makes Hinton sound slightly flighty, he's anything but, say those who know him well.

"Jim is a lot like me," says McKnight, a successful banker, rancher, oilman and philanthropist who lives in Throckmorton. "He's all business — very process-driven. When he says something, you know he has the data to back it up. And if he doesn't have it, he will tell you, 'I don't know that, but I will find it out.' And he'll get it right back to you."

Having been suckered in several times by Hinton's deadpan delivery, I ask McKnight whether Hinton has a subtle dry wit.

"Yes, ma'am, he does, particularly with staff members who work for him. They kinda look at him for a minute, and then he gives that sheepish smile, and they know then that he's pulled their leg."

Jackson Ellison, a former colleague at Presbyterian Healthcare, says Hinton's humor is just one standout quality of his longtime buddy, along with loyalty, leadership and modesty.

"He's a great friend in terms of never failing to step up and be there for me," says Ellison, retired vice president of corporate compliance at Presbyterian. "Jim is a visionary and a quick study. He just gets it in a hurry. He's a motivator and a good leader."

"He'll be the first to say, 'Hey, I'm not perfect.' Jim's just never been full of himself. I've always appreciated that as a friend."

Sibling rivalry

Hinton was the youngest — by six and eight years — of three boys in a lower-middle-class family in Albuquerque. His father was residential and commercial real estate contractor and then a salesman for a lumberyard. His mother was the paid director of volunteers at the University of New Mexico Hospital.

His older brothers were high achievers. One became a psychologist, the other a radiologist.

"I'm very proud of my two brothers," he says. "But if that's in the story, I'm gonna have to dial it back."

Hinton felt the pressure to live up to their examples but didn't exactly know how to do that.

So he studied economics at the University of New Mexico, figuring it would give him a solid grounding for whatever he might pursue.

"Economics is a combination of business and behavioral adaptation to your environment," he says. "That's always appealed to me."

His senior year, Hinton was working the night shift in the admitting department of University of New Mexico Hospital, contemplating law school. When his boss asked why Hinton wanted to be an attorney, he realized he didn't have a good answer.

Instead, Hinton applied and was accepted to graduate programs in health care administration at Trinity University in San Antonio and Arizona State University in Tempe.

“I made a very informed decision to go to dry heat vs. wet heat. That’s how I chose Arizona State,” Hinton says in one of those instances where I’m not sure whether he’s teasing or not.

As part of his degree requirements, Hinton did an administrative residency at Presbyterian Healthcare in Albuquerque, thinking he’d be there a year.

“That was in 1982, and I walked out the door in December 2016,” he says.

In 1995, Hinton became president and CEO of the Presbyterian system at 36, following the abrupt retirement of his mentor due to medical issues.

“Great responsibilities with very little relevant preparation for the job,” Hinton says of his early age appointment.

Several of his earlier assignments had been downright curious.

“We decided we were going to diversify because you couldn’t make any money in health care, right?” he says. “So we started a trucking company. Don’t laugh. So I was the CEO of a trucking company.”

How’d that work out?

“Not so well.”

Something about core competencies?

“You’re seeing the inside of my soul,” Hinton says. “I was also the CEO of a collection agency.

None of those diversions worked out well. We’d formed an opinion about health care that didn’t prove out over time.”

Diplomatic arbiter

By the time Hinton showed up at Baylor Scott & White in mid-January 2017, most of the heavy lifting for the melding of Baylor and Scott & White was done.

But there were still “we” and “they” issues.

“There were opportunities to better align our brands, our communications, our leadership model with an operating company mindset of ‘We’re all in this together,’ ” says Hinton, who became a third-party arbiter. “If they’d come from Temple or they’d come from Dallas, they would have seen the world through that prism.”



From left: Jim Hinton, CEO of Baylor Scott and White Health, speaks alongside Chuck Stokes, president and CEO of Memorial Hermann Health System; Deborah Cannon, chair of Memorial Hermann Health System board of directors; and Ross McKnight, chair of Baylor Scott and White Holdings Board of Trustees, during the news conference to announce the systems’ intended merger. (Tom Fox/Staff Photographer)

Gone is that sparring mentality, says Nikki Moll, Baylor Scott & White senior vice president of marketing and communications. “Employee engagement has never been higher in the 12 years that I’ve been here. That’s another indication of the success Jim’s had in bringing us together.”

Now Hinton is contemplating how to bring together the even larger amalgamation of two of the nation's strongest health care brands. Both are 501c3 nonprofits started more than a century ago with religious missions.

Baylor Scott & White hospitals and doctors span North Texas to Austin, while Memorial Hermann has a solid grip in Houston. Their combined spread encompasses 30 Texas counties with little geographic overlap.

Current thinking is to keep both brands operating in their respective regions, Hinton says. "Spending tens of millions of dollars taking signs off of buildings doesn't reduce the cost or improve the quality of health care."

The two systems will operate under a to-be-determined corporate name. Let's face it, Baylor Scott & White Memorial Hermann sounds like a law firm with too many named partners.

"We are early in the process, working to have a name that well represents the mission and vision of the new organization by the spring of 2019," Hinton says.

The board will have an equal number of trustees from each organization.

Hinton will be the CEO of the combined company, joined in an office of the CEO by Chuck Stokes, president and CEO of Memorial Hermann, and Pete McCanna, president of Baylor Scott & White.

Stokes will oversee Houston-area operations from an office there.

Hinton plays down how large the combined company will be given the regulatory and antitrust hurdles that still have to be crossed.

"People look at this merger and think, 'Oh my gosh, this is very large,' and it is," he says. "But it's important to put that into context. There are 335 or so hospitals in the state of Texas that are still functioning outside of our system."

NewMex or TexMex?

Hinton isn't shopping for deals just yet.

"But this industry is consolidating rapidly, like all industries that are seeing reimbursement reductions, increased regulation and disruption," he says. "Who knows what the future holds?"

"This is a big one. We're not looking beyond it."

So is there any respite from his daily rat race?

"I have a strong belief that leaders need to lead joyfully and in an inspirational way," he says. "And if they can't do that, they need to get out of the job. Leadership jobs are tough. I try to be optimistic about it as much as I can. Can't always do that, but I try to."



Jim Hinton and his wife, Kristen. (Courtesy Jim Hinton)

The Hintons also maintain a home in Albuquerque, where they enjoy visiting family and friends, skiing and yes, seeing their Labs.

It's also a great excuse to chow down on green or red chili.

So which does he enjoy more, New Mexican food or TexMex?

“Can I take the Fifth on that?” Hinton chuckles. “I grew up on New Mexican food, which is a fusion of Mexican and native American food. TexMex is Texans and Mexicans. That’s the difference. I like both.”

Spoken like a true diplomat.

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