

2015 Winston J. Durant Award Lecture  
Chris Hatwig  
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I would like to thank you all for being here today. I am genuinely honored and humbled to be standing before you to accept this award. I feel very fortunate and grateful because there are so many others that are well deserving of this award. There is no better honor than to be recognized by a group of your peers and, as you know, the selection committee is made up of former awardees that represent some of our best thought leaders in the pharmacy profession today.

For Steve Rough's lecture last year, he asked me what I thought he should say during his acceptance speech and I told him "just to keep it short and sweet, just say thanks and now let's eat!" Those of you that were here know that Steve did not follow my advice. Steve gave an excellent lecture. Well, now that I am in this position, I am not sure I will follow my own advice because there are just a few people I need to thank. I also want to share a few stories, talk about some issues that are important to me and provide you a few take-aways that I believe have helped me be successful in my career to date. I can also promise you that my lecture will be shorter than Steve's!

When I think about The Winston J Durant Lecture Award, I think about attributes such as vision, hard work, dedication, adaptability, and persistence and the UW residency program has a unique way of ingraining these attributes within us. These attributes combined with some good timing and mentoring have been the foundation for my

success and career advancement to date. Pharmacy was not always my career path and I certainly never saw myself running a company like Apexus and having a contract with the Federal government to support the nation's safety-net hospitals and clinics.

I have several family members, mentors and peers to thank for their guidance in helping me to get to this point. First, I have to start with my parents who were both very hard working and enabled me to be the first member of our family to attend college and pursue a professional degree. I greatly appreciate the sacrifices my parents made for me. Then, there is my loving and supporting wife of 27 years, Kathy, who is here with me today, who worked for two years in the Trauma Life Center at UW to support me while I completed my Master's degree and residencies. Like many of you, I tend to be a workaholic, and Kathy has grown accustomed to me showing up late for dinner many nights or missing some events with our daughters. I am often asked to this day, how many diapers did I change or how many times did I take the girls to the doctor? I honestly do not remember many doctor visits but there were a few diapers that I will never forget. Kathy, I just want you to know that I am very appreciative of everything you have done to support me in the residency, in my career and in life, in general. We are also thankful and blessed by having two beautiful and confident daughters, Morgan and Regan, who could not be here today because of college commitments.

As previously stated, Pharmacy was not always a part of my career plans. My first degree was a BS in Biology after which I began

pursuing a PhD in Biochemistry. I owe thanks to a professor at the University of Arkansas Biochem Department who offered me an opportunity to work in her lab for one year to see if the PhD program was a good fit for me. While interviewing with her, she could tell I was not 100% committed to her field. I took her up on her offer and it didn't take long for me to learn that I was not the kind of person that should be locked up in a lab 8 hours a day conducting repetitive tests on laboratory rats! I tend to be pretty outgoing and social and the lab was like solitary confinement for me. The bonus of the lab experience, however, was that it gave me the opportunity to visit the pharmacy school on the U of A Medical Sciences campus and learn about the pharmacy profession. In the remaining time I worked in the lab, I completed a few prerequisite classes, then applied to the pharmacy school and was accepted. While at the school of pharmacy, there were two individuals who had a significant influence on the next steps in my career path - an anatomy professor, Dr. Marcus Jordon, and one of my hospital-based preceptors, Marc Summerfield. Dr. Jordon always pushed me to perform at the highest levels in the classroom and the lab. Both men took a special interest in me and encouraged me to pursue advanced training beyond the BS degree in pharmacy. Mr. Summerfield had a Master's degree in pharmacy and was the Director at Arkansas Children's Hospital at the time. He took me under his wing while on rotation at the hospital and he strongly encouraged me to seek an advanced degree and residency program from one of the top programs in the country. He recommended visiting UW, OSU, and Kansas. If it were not for Marc's mentoring and encouragement, I would never have visited UW and probably would be the owner of a

retail pharmacy somewhere in Arkansas today. (And as long as I had tickets to the Razorback games that would be A-OK with me).

I had the good fortune of matching with the UW residency program and being exposed to an endless number of mentors and peers for the next two years and beyond. I have to start by thanking DZ, a true visionary, who was my advisor during the residency and still serves in that capacity today. No DZ, I still don't have that 5 year career plan mapped out yet but I do appreciate your mentoring throughout my career. DZ is still advising me today as a member of the Apexus Advisory board. Next in line is TT. While I was in the residency, TT was in the middle of his three year term as ASHP President so I missed out on spending more time with him due to his time on the road. In the time we did have together, I was able to learn the art of effective networking and how to successfully market pharmacy programs to internal and external audiences. He was a master at it. TT's passion for pharmacy is contagious and he epitomizes the UW motto of "working hard / playing hard". Those of you that know me, know I like to live by this motto as well. DZ and TT, I thank you both for your guidance over the years. (Shake Your Beads Party in my Hilton Suite 2737)

That brings me to Connie Peterson and Pam Ploetz who both had a positive influence in my career path but in different ways. Connie was my project advisor, she was very nurturing, always calming, and she sparked my initial interest in ambulatory care practice. My Master's project was helping to implement UW's first remote ambulatory clinic pharmacy and to study prescription capture rates for our clinic system.

Now Pam had a slightly different influence on me but in a good way. To put it nicely, I came into the residency a little overly confident and Pam saw it as her sole responsibility to break me down and rebuild me. Pam consistently delivered the tough love that I needed during those two years and has had a positive influence on who I am today. I thank Connie and Pam for the lessons learned along the way.

I have also been very fortunate to rely on feedback of fellow residents I stay in contact with such as Tom Woller, Stan Kent, Wayne Bohenek and Steve Rough in discussing career challenges and opportunities, family matters, or just “stuff” and I am very thankful for their friendship and advice over the years. Three of these guys also have two daughters so, that alone, gives us plenty to talk about. I also want to give a special thanks to Jim Klauck. As the Administrative resident carrying the sick call pager for technicians, I constantly relied on Jim as the student “super tech” to pick up all available shifts. Jim was so easy to work with and greatly reduced the stress of carrying the sick call pager or what we called one of those “character building rotations” during the residency. The only incident Jim could not bail me out of is when we had the nursing/technician strike and I received sick calls from 30 of our pharmacy techs that day! And a big thanks goes to my residency classmates Pilar, Lilly, George and Dan for the good times had during the residency. We kept each other sane and had a pact to not let any one of us quit.

After graduating and completing the residency, I took a position with Parkland Health & Hospital system in Dallas, Texas in what I call the

first chapter of my professional career. The job provided me a perfect opportunity to apply what I had learned in the UW residency. I was initially hired as an inpatient manager and after two years I was recruited to work in the ambulatory division to develop clinical pharmacy services in our offsite clinics and to build a central mail order / refill facility to support the hospital and clinic network. This is one of those times where I was in the right place at the right time. Several of Parkland's top executives were pharmacists including our CEO and President, Dr. Ron Anderson, and our VP Jim Hayman. As a major safety-net provider for the region, it was an essential part of Parkland's mission to ensure patients had access to affordable medications and it has become a passion of mine as well. During my tenure at Parkland, we received funding to build twelve clinics in medically underserved areas to support the community with each having a dedicated outpatient pharmacy and advanced trained clinical pharmacy specialists working in direct patient care roles within the specialty practice clinics. I was also fortunate to hire other managers to advance our practice with one of those being Carrie Bergie, another UW resident, who is now the Director of Pharmacy at Parkland. I thank Carrie for her clinical leadership. Our Parkland pharmacy team was solid and we had remarkable success. By the time we were done, the ambulatory pharmacy program included 130 ambulatory pharmacists providing direct patient care services and the system was filling over 10,000 prescriptions each day. Parkland's total drug spend was \$70 million with all but \$10 million of that spend being outpatient. We were proud to be associated with a team that developed and implemented one of the more progressive ambulatory pharmacy programs in the country and

we did this at a time when other systems were just beginning to think about ambulatory care.

Another example of being in the right place at the right time is Parkland gave me the unique opportunity to work with the 340B Drug Pricing Program. This is a program I have become passionate about because of its importance in enabling safety net hospitals and clinics to improve access to medications for their patients. One of my responsibilities as Director at Parkland was leading our formulary strategy and drug expense management. The 340B program was created as part of the Veterans Health Care Act of 1992 and was introduced about the time I made my transfer from the inpatient to the ambulatory care setting at Parkland. Many of you work at 340B hospitals today and are aware that the program provides key safety-net hospitals access to steep discounts on outpatient drugs. At this time, Parkland's senior leadership testified before Congress and was instrumental in getting the legislation passed. Parkland was the epicenter of the 340B Drug Pricing Program and at one point the draft legislation was called the "Parkland Amendment". I had the unique opportunity of learning the program from the ground up and we were one of the first hospitals to fully operationalize it. The program has become vital for many safety-net providers in the US and, if it were not for the 340B program today, many of these providers could not fulfill the missions or keep their doors open.

The experience gained in working with the 340B program and managing the formulary and outpatient pharmacies within Parkland,

positioned me to become a 340B expert among my peers and was eventually the segue to my next career move. After thirteen productive years at Parkland, it was time to take a risk and I accepted a position at a national group purchasing organization called Healthcare Purchasing Partners International. This is the start of the second and current chapter of my career. As we did at Parkland, hospitals participating in the 340B program could negotiate their own discounts but the federal Prime Vendor was established by the government to perform this function collectively for all 340B participants. At the time, the first Prime Vendor was a national wholesaler and neither the wholesaler nor the government was happy with the program's success. As a major critic of the Prime Vendor while at Parkland, I was confident we could improve on the model and we successfully competed for the Federal agreement. (I also conveniently failed to tell my wife that I would be out of a job if we did not win the contract!) Thanks to some unique expertise and good timing, combined with poor performance by the incumbent, we were awarded the HRSA's 340B Prime Vendor agreement and we secured five years of stable employment. A big part of our success has been building an effective team over the years and knowing our customers to ensure we are always focused on addressing their needs. We have continued to leverage this experience in building the program and our team has expanded 2 to 50 FTEs from the time of our first agreement. We are serving 28,000 participating outpatient facilities and are generating \$580 million in additional savings for participants annually. My Apexus team members present today - Mike, Lisa, Katheryne and Karmen - are as passionate as I am about the program and all play key roles within the company. I thank each of you

for your dedication and commitment to our company's values and overall success. Together we have set our goals, worked hard to achieve them, and have lots of fun along the way.

I have now taken you through key parts of my career, shared some proud accomplishments and gratitude for many who have helped me. For those of you that are current residents, you are well prepared to take on a number of roles and opportunities thanks to the residency training at UW. When I left the residency, I had no idea what I would be doing today. I have been able to create my own position and, to my knowledge, there isn't another one like it. In my current role, I have a lot of diversity. I engage senior government officials, members of congress, and executives of trade associations in Washington, DC. I get to apply knowledge of industry trends and practices to influence the direction of our company and government agencies. Lastly, I am accountable for driving the business strategy and financial results for Apexus and program savings goals for our participants. In your own professional careers as you develop relationships and take on expanded roles, you too will have some very interesting opportunities and should not be afraid to take advantage of them. It will keep things interesting.

What prepared me most for my career was less "academic" and more dependent on the professional relationships and experiences I have had. I would like to leave you with some take-aways from my presentation today that may be helpful in positioning you for professional success...

1. **Have passion for your work** – Since my employment at Parkland, I have been passionate about ambulatory pharmacy services and the 340B program and how the combination of the two does so much for improving access to affordable medications for patients. Both are essential for the safety-net hospitals remaining viable in a challenging health care environment. This passion that was shared with team members at Parkland and Apexus enabled us to get the job done even when we encountered some of the toughest barriers. I encourage you to use your passion to drive your work because it can be contagious, and when you do, it really doesn't seem like work at all. I believe Jim Collins said it best in his book Good to Great by saying:

*“when what you are deeply passionate about, what you can be best in the world at and what drives your economic engine come together, not only does your work move toward greatness, but so does your life. For, in the end, it is impossible to have a great life unless it is a meaningful life. And it is very difficult to have a meaningful life without meaningful work. Perhaps, then you might gain that rare tranquility that comes from knowing that you’ve had a hand in creating something of intrinsic excellence that makes a contribution. Indeed, you might even gain the deepest of all satisfactions: knowing that your short time here on this earth has been well spent and that it mattered”*

I want to also caution you about passion based on my own experience. With passion usually comes emotion, and in the workplace, emotion that is not regulated can actually weaken your effectiveness and your ability to move to the next level. So, I not only recommend using passion in a positive way to help achieve your goals but also to regulate your emotions by displaying a calm confidence throughout the process.

2. **Build professional networks and relationships** – Personally, I learn by doing and believe my accomplishments are more the result of the relationships that I have developed with mentors, business partners and peers than from reading management articles or books. Do not underestimate the value of your networks and that starts right here with your Badger family. If a fellow badger calls me needing assistance, I will go out of my way to do what I can to help them. Everyone in this room will do the same. I have used this to my advantage time and time again to test an idea, talk through an issue or to learn about new opportunities. I am fortunate that my career path has enabled me to build a large network of colleagues throughout the industry, who can be tapped to help influence the outcome of situations or to advance initiatives that are important to me and my company.
  
3. **Build effective teams** - In my 25 years of experience, I have had tremendous success in building high performing teams. Qualities that I take into consideration while building those teams are trust and

loyalty and being able to diagnose and apply individual member's strengths to the team as a whole.

a. Trust and Loyalty are of utmost importance to me when building teams. If your team members can be trusted then they can be empowered to focus their energy more positively on their objectives without distractions. If they cannot be trusted then they have to be monitored closely and productivity is lost. Loyal team members will always be there to back you up in the toughest times. I have been fortunate to have teams that were loyal at both Parkland and Apexus.

b. Learn and apply people's strengths in building your teams and do not try to correct all their deficiencies. Each member of my management team brings a unique set of skills. Building an effective team is like putting together the pieces of a complex puzzle. I search for team members with strengths to compensate for my own weaknesses or the weaknesses of others on the team. I used to think that I could hire someone and correct their deficiencies. I don't think that any longer and don't waste my time trying.

4. **Drive hard and maintain high standards** - I take accountability very seriously and maintain high standards. I tend to hire others who share these attributes and have found that it leads to the generation of high quality products and services. I also realize that this positive trait can be taken too far. It is important to be pushed or have

“stretch goals” but they must be realistically achievable. We should also not let perfection get in the way of good when we only have so much time.

5. **Don't be afraid to take some risks** – After having lived all my life in Arkansas, I decided to move to Wisconsin to advance my pharmacy training. After my two years in Wisconsin, I moved to Texas and took the inpatient manager position at Parkland and soon thereafter made a complete transition from the inpatient to ambulatory setting. From there I took my greatest risk by jumping into corporate America from the hospital setting. The rest is history! By being open to taking some risks, I have had some great success and each risk taken ended up benefiting me along the way.
  
6. **Be adaptable** – I have not always been good at this but I get better each day. You have to adapt or you get swallowed up in the past. I have learned that adapting to new situations is essential especially when you can't control all the variables that impact your work. In order to be successful, you must be willing to make adjustments along the way as new opportunities arise. I have applied this strategy so many times while working at Apexus. Whether it was negotiating with a manufacturer or trying to get senior management buy-in on new initiatives like our specialty pharmacy strategy or attempting to resolve a 340B problem with HRSA, you must always be willing to adapt.

As you can see, these strategies and words of wisdom can be applied not only to your professional but also to your personal life. Find something to be passionate about. (mine has been working with programs that improve access to affordable medications for patients). I also suggest you keep building your professional and personal relationships which starts with your badger family. And surround yourself with effective, hardworking teams managing to high standards in all that you do. I don't know where my career path will lead me next but I do know that I will be flexible and willing to take that next risk when the time comes.

Now I would like to close with a quote from Dr. Suess:

“You have brains in your head.

You have feet in your shoes.

You can steer yourself in any direction you choose.

You're on your own, and you know what you know.

And you are the guy (or gal) who'll decide where to go.”

I really appreciate you sharing this time with me today. Thank you and On Wisconsin!