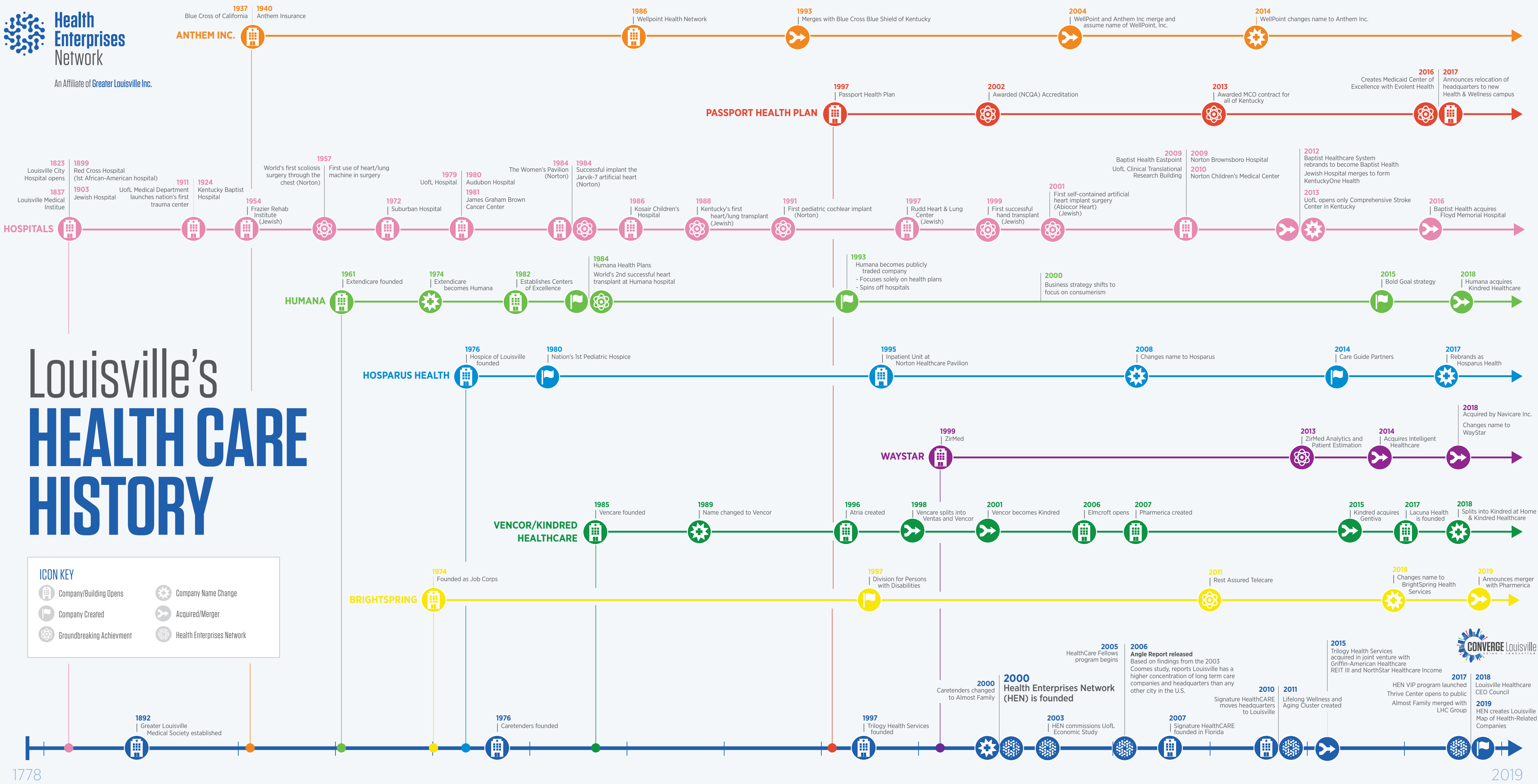




Health Enterprises Network

An Affiliate of Greater Louisville Inc.



Louisville's HEALTH CARE HISTORY

ICON KEY

- Company/Building Opens
- Company Created
- Groundbreaking Achievement
- Company Name Change
- Acquired/Merger
- Health Enterprises Network

Health Care Industry Stats

- Over \$80 Billion in Revenue
- 124,000 jobs
- 4,100 health-related organizations
- University of Louisville \$64.3 million in research funding (2017)
- 9 of the top 25 employers are health care companies
- Health care accounts for 18.2% of employment (Region's largest employer)

Louisville is known for many things. An internet search of Louisville shows lists of things the city is known for. It's the home of the Kentucky Derby, Louisville Slugger Baseball Bats, UPS World Port, Brown Forman, and KFC. Louisville is the birthplace of the Hot Brown, the Cheeseburger, Derby Pie, and Muhammad Ali. Minor league baseball, college sports, the food scene, bourbon distilleries, the arts, and the parks system round out "things to do" lists. But not a single list includes Louisville's greatest driver of economic growth. The health care sector and its history are nowhere to be found. The Health Enterprises Network took action and filled this void by compiling "Louisville's Healthcare History" in conjunction with the "Louisville Map of Health-Related Companies".

Louisville has been at the center of leading edge heart, hand, and cancer research and innovation for years. The first self-contained artificial heart implant surgery was performed by University of Louisville surgeon Laman Gray MD in 2001. Kleiner Kutz Hand Care surgeons performed the first successful hand transplant surgery in 1999. The UofL James Graham Brown Cancer Center is nationally recognized as a leader in cancer research. In 2004, Norton Healthcare became the first in the region to acquire the da Vinci robotic surgical system.

In addition to leading research and innovation, Louisville is home to WayStar (formerly ZirMed), Humana, Passport Health Plan, and Anthem Health Plans of Kentucky headquarters. Waystar, founded in 1999 by Joe Sostarch and John Freeman, continually improves revenue cycle processes through innovative practices and service products. Humana entered the insurance market in 1984 and is the cornerstone of the health care sector in Louisville. Founded in 1997, Passport Health Plan has received national awards and recognitions for health improvements and continues to expand services to an ever-growing client base. Anthem formed in 2004 when WellPoint Health Networks and Anthem Inc. merged to become the nation's leading health benefits company.

In addition to hospital and insurance company headquarters, Louisville is also home to the highest concentration of long term care headquarters in the nation, a strength that sets Louisville apart from other cities. To understand why health care continues to develop and prosper here, it's important to look to the heart of health care, compassion. Louisville Mayor Greg Fischer declared in 2011 that Louisville would be the nation's first compassionate city. Since then, Louisville has helped forge a model that other cities are paying close attention to. But compassion isn't new for Louisville, it's what the city was founded on.

Established in 1778 with a population of 30, Louisville started as a river port where barges and boats of all kinds would unload at the head and reload at the foot of the Falls of the Ohio as they transported goods up and down the Ohio River. During their journeys, many mariners fell ill due to long voyages and exposure and would seek care when they stopped. The citizens of Louisville assumed responsibility for caring for these mariners. As word spread about the hospitality and compassion of the citizens, more and more mariners and travelers made it a point to stop in Louisville. When it became apparent that the large number of people becoming ill on the river could no longer be cared for merely by the good intent of the people of Louisville, the pioneer community of 4,000 saw the urgent need for an institution which would provide medical care for the sick. On February 5, 1817, an act of the General Assembly of Kentucky was passed for the establishment of the Louisville Hospital Company.

The Louisville City Hospital opened its doors in 1823, marking the beginning of the first public health program. Louisville had made its first major step in the progress of the city and its health care trajectory. To meet the increasing health care needs caused by devastating yellow fever and tuberculosis epidemics, Louisville passed an ordinance in 1869 requiring physicians to make home visits for urgent cases. This marked the beginning of city doctors and outlying health clinics and led to the creation of the Greater Louisville Medical Society in 1892.

Over the next century, faith-based hospitals began to emerge as the need for care continued to rise; 1886- Norton Healthcare; 1903- Jewish Hospital; 1905- St. Mary's Healthcare; 1924- Baptist Health.

In 1961, a nursing home company known as Extencicare was created. David Jones and Wendell Cherry founded what would later become Humana. Within years, the company became the nation's largest nursing home company and was the beginning of Louisville's aging care sector.

In the 1970's, three more health care headquarters entered the sector, ResCare in 1974, Caretenders (later known as Almost Family) in 1976, and Hosparus Health in 1978.

Then in 1985, Bruce Lunsford and Michael Barr co-founded Vencare, an operator of long-term acute-care hospitals. After a name change in 1989 to Vencor, it merged with a large nursing home company, The Hillhaven Corporation, in 1995. This led to the creation of Atria in 1996. The following year in 1997, Randall Buford founded Trilogy Health Services and entered the market. In 1998, Vencor split into 2 companies, creating Ventas and Vencor. Vencor rebranded itself as Kindred Healthcare in 2001 and former Atria CEO Pat Mulloy founded Elmcroft in 2006. In 2007, PharMerica was created as the result of a merger of Kindred's pharmacy business with AmerisourceBergen. In 2010, Florida-based long term care company, Signature HealthCARE relocated its headquarters to Louisville, KY.

In 2011, Health Enterprises Network and GLI, the Metro Chamber of Commerce, developed the Lifelong Wellness and Aging cluster. That cluster, shepherded by Health Enterprises Network, GLI, and Louisville Forward, the economic development engine for Louisville Metro Government, continues to drive the vibrant economic growth and activity of Louisville's health care sector.

Louisville has also experienced a significant rise in the number of health care startups and the creation of incubators and accelerators to support them: XLerateHealth (2011), the University of Louisville, Forcht Center of Entrepreneurship (2008), and EnterpriseCorp (2001). In 2017, Health Enterprises Network launched the HEN VIP program, an initiative designed to bridge the corporate engagement gap for health care startups. And in October 2017, the Thrive Center, an experiential center of technology that spotlights innovation and promotes healthy aging, opened its doors to the public.

In January 2018, local CEOs from top health care headquarters banded together to create the Louisville Healthcare CEO Council to drive attraction and economic development for the Lifelong Wellness & Aging sector. The council, now comprised of 12 companies, includes Humana, Anthem, Passport Health Plan, Norton Healthcare, Baptist Health, Galen College of Nursing, Signature HealthCARE, Trilogy Health Services, Kindred Healthcare, Hosparus Health, PharMerica, and Apellis Pharmaceuticals.

Louisville depends on health care and health care depends on collaboration. To illustrate that collaboration and just how engaged Louisville's health care ecosystem is, Health Enterprises Network developed the "Louisville Map of Health-Related Companies". The map demonstrates thousands of relationships and connections between 450-plus health care and health-related companies in the Greater Louisville region.

Health Enterprises Network is committed to its mission to champion and foster the growth of the region's health care economy. We are proud to work with industry leaders and community partners to make Louisville the "location of choice" for health care businesses, researchers, innovators, and consumers. For the complete history of Louisville's corporate health care organizations, please visit our website at www.HealthEnterprisesNetwork.com