

Gilbert to get renowned hospital for cancer care

by **Ken Alltucker** - May. 6, 2009 12:00 AM

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Banner Health has struck a deal with one of the most recognized names in cancer care to open a new hospital and outpatient-treatment center on the campus of Banner's Gateway Medical Center in Gilbert.

The deal brings the cutting-edge care of M.D. Anderson Cancer Center to consumers and adds a major new competitor to metropolitan Phoenix's growing field of cancer health-care providers.

The \$90 million center, which will be named the M.D. Anderson Banner Cancer Center, is slated to open in late 2011 at Banner Gateway, U.S. 60 and Higley Road. The center will include all aspects of cancer care, including surgery, radiation, chemotherapy and supporting clinical services.

The deal stems from nearly two years of talks between Banner Health, Arizona's largest hospital network, and the M.D. Anderson Cancer Center, which is part of the University of Texas.

Banner Chief Executive Officer Peter Fine said Banner considered several health-care partners and decided that the rapidly expanding Arizona hospital network's vision jibed with M.D. Anderson's goal of growing beyond its main Houston campus.

"M.D. Anderson is the Number 1 cancer center in the world," Fine said. "This is a development for the people of Arizona, for the people who are touched by cancer in many ways."

M.D. Anderson, rated as the nation's top cancer hospital by *U.S. News & World Report*, is the latest cancer-care provider to claim a stake in the growing and potentially lucrative Phoenix region. Others offering cancer care include Mayo Clinic Arizona and the for-profit Cancer Treatment Centers of America in Goodyear, as well as community hospitals such as St. Joseph's Hospital and Medical Center in Phoenix, Scottsdale Healthcare and others.

Roger Hughes, executive director of the public-health foundation St. Luke's Health Initiatives, said the M.D. Anderson partnership puts Banner in a strong competitive position among area hospitals.

"(M.D. Anderson) certainly has a stellar reputation in terms of providing top quality, cutting-edge care," Hughes said. "They will draw (patients) from outside the Phoenix metro region."

Room in Gilbert

Banner Health chose Gateway in suburban Gilbert because the large campus has easy access and room to grow.

The facility will include a 120,000-square-foot outpatient center modeled after similar buildings at M.D. Anderson's main Houston campus and 76 beds on two floors inside Banner Gateway, which will be reserved for cancer patients who need more intensive inpatient care.

Fine said Banner Health studied the possibility of building the cancer hospital and outpatient facility in central Phoenix, but such a move was not financially realistic.

Banner's flagship hospital, Good Samaritan Medical Center in central Phoenix, is full and cannot spare any beds for a new specialty unit, and developing a new outpatient center in central Phoenix would require a costly land purchase or teardown of an existing building. Fine estimated it would cost the non-profit hospital group \$250 million or more to build a similar facility downtown.

Banner will bear all development costs and will equip the new facility. Banner will pay for the new center with more than \$1 billion in bonds previously issued to help finance Banner's new hospital, hospital expansions and an acquisition of the two-hospital Sun Health system.

Downtown options

The deal between Banner and M.D. Anderson means that Banner will no longer pursue plans to build a cancer hospital in downtown Phoenix.

Banner previously discussed with the University of Arizona the possibility of developing a downtown teaching hospital and cancer hospital that would anchor the Phoenix Biomedical Campus, which includes the UA College of Medicine-Phoenix.

Those talks ceased months ago over disagreements over costs and staffing for such a downtown facility.

UA is still pursuing plans to build a hospital or clinic in downtown Phoenix.

"In the academic cancer world, we need as many hands on deck as possible to fight cancer," said Dr. Thomas Brown, chief operating officer of UA's Arizona Cancer Center.

Brown said the Arizona Cancer Center, based in Tucson, still plans to open a large outpatient cancer clinic in Phoenix with or without a hospital partner.

Maricopa Integrated Health System remains interested in building a hospital within its central Phoenix district to replace the aging Maricopa Medical Center. Maricopa was spurned in its initial effort to partner with UA, but the university is interested in resuming talks with the public-health district about potentially building a hospital closer to UA's downtown medical school. State and university budget cuts during the recession are complicating factors, however.

Anderson's foray

The M.D. Anderson Banner Cancer Center will be the Houston-based provider's first major foray into the western United States. The health-care provider has a similar satellite hospital in Orlando under a 20-year agreement with a major hospital group there. It also has a hospital in Spain.

Dr. Thomas Burke, M.D. Anderson's executive vice president and physician in chief, said the Houston-based provider and Banner will jointly develop plans on staffing the new facility.

He expects the new hospital to open with up to 50 physicians who will be recruited from within the ranks of Banner Health, M.D. Anderson or elsewhere. Newly recruited doctors will be required to train at M.D. Anderson for two to four weeks, depending on specialty, to learn M.D. Anderson's standards and routines.

M.D. Anderson will manage the center and will be responsible for filling top positions such as the chief medical officer and chief nursing officer.

Clinical research

The new cancer center will bolster Banner Health's clinical-trial offerings. These clinical trials, which give patients access to cutting-edge drugs that are not yet approved for public use by the Food and Drug Administration, are typically more readily available at hospitals with academic affiliations such as Mayo Clinic or the University of Arizona.

Dr. Jeffrey Trent, president of the Translational Genomics Research Institute in Phoenix, said M.D. Anderson's plans show that the Phoenix area's reputation in medical research continues to grow.

"Arizona is enhancing its national and international presence in this universe of biomedical research," said Trent, whose organization has research ties with M.D. Anderson, Mayo, Scottsdale Healthcare and others.

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