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THE TOP 25 WOMEN IN HEALTHCARE IN 2011

Cover Story » *Rebecca Vesely*

Taking it to the next level

As reform settles in and economic woes wear on, the Top 25 Women in Healthcare keep moving forward

Two years ago, *Modern Healthcare's* list of the Top 25 Women in Healthcare was crowded with Washington policymakers and lobbyists as they sought to recast the industry into a more accessible, accountable and efficient system of care.

Today, the list is dominated by leaders outside the Beltway, just as health reform moves from policymaking to implementation on the local level.

Many women on the list are champions of a better healthcare system—they are advocates, dealmakers and powerbrokers. Many also are savvy business executives who have weathered the turbulence of the past three years and come out of it with even stronger organizations.

Mostly, they are women who have doubled down on their slice of the industry—and are now seeing those bets pay off.

Take Debra Cafaro, chair and CEO of Ventas, one of the leading healthcare real estate investment trusts. Twelve years ago, when Cafaro took the helm at the Chicago-based REIT, the company had fewer than 10 employees and was collapsing under the weight of its single tenant, Vencor (now Kindred Healthcare), which was struggling with cuts to Medicare and Medicaid payments.

Cafaro had no prior healthcare experience—she was an expert in real-estate law and finance—but company leadership believed she could institute a much-needed turnaround.

'Baptism by fire'

"I had to learn the long-term-care business very, very quickly," Cafaro says. "It was baptism by fire." Cafaro immersed herself in the industry, and she liked what she saw. She refused to sell any assets, even as others were getting out of healthcare property management, and the wider REIT industry still viewed healthcare as a backwater.

Instead, she restructured the company in 2001. Since then, she has grown Ventas to nearly 300 employees with real-estate value of \$11.6 billion as of Dec. 31, and a

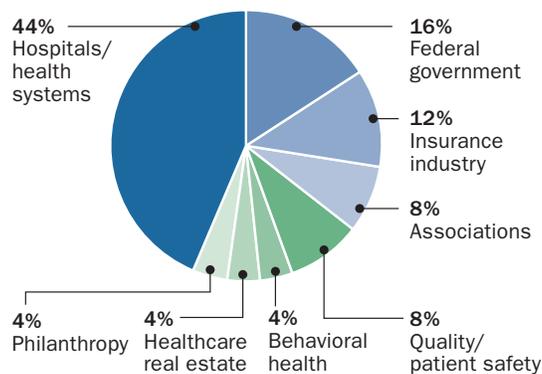
DEBRA CAFARO



Over the past 12 years, Chair and CEO Debra Cafaro has grown Ventas into a top performer and raised the profile of healthcare REITs. An attorney, Cafaro, 53, was previously president of Ambassador Apartments, a multifamily REIT. Upon joining Ventas, she restructured the company and embarked on a series of acquisitions that have translated to an equity market capitalization today of nearly \$8.5 billion and a portfolio of more than 600 properties—including senior housing, medical office buildings, long-term acute-care hospitals and skilled-nursing facilities.

WHERE THEY WORK

More than 40% of the Top 25 hold positions at hospitals or health systems



Source: *Modern Healthcare* reporting

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portfolio of more than 600 assets—including long-term-care facilities, assisted living and medical offices. In February, Ventas announced plans to acquire Nationwide Health Properties for \$7.4 billion, which would make Ventas the largest healthcare REIT in the nation.

Cafaro says she loves the business. "I continue to see tremendous potential," she says. "What's really exciting for me, in real estate, I would argue that healthcare real estate is the most dynamic and the biggest opportunity."

It's a trillion-dollar sector, she says, that is still very fragmented. "That's a recipe for success," she says.

She saw continued upside during the collapse of the overall real-estate market in recent years. Cash flow in healthcare and senior housing continued apace because of sustained supply and demand. An aging population and increased outpatient-care delivery helped keep the sector going in hard times.

"That is something that is resonating within the industry," she says. Her continued success has made her a sought-after speaker. And she seems to truly enjoy touting the sector's promise.

She sees even more potential in national healthcare reform.

"The cost-containment part of health reform is all about providing the lowest-cost, highest-quality and most-efficient care," she says. "That growth is in the post-acute and outpatient side rather than in the emergency room and acute-care hospitals."

This is an excerpt from the original article.