WALTER HENZE

August 11, 1996

Dr. Fitzhugh Mullan,
interviewer

Mullan: What's your date of birth?

Henze: November 1, 1947.

Mullan: Today is the 11th of August. We're in Tonasket, Washington, in Dr. Henze's house, which is about 2,000 feet--

Henze: 3,500.

Mullan: 3,500 feet. About 2,000 feet above Tonasket.

Henze: That's right.

Mullan: And some fifteen miles distant?

Henze: Twelve.

Mullan: Twelve miles distant. In a beautiful mountain pasture, in a house that he and his wife built themselves, which, whatever else I get from the interview, I will not forget that. You didn't start in the state of Washington, or Tonasket. You, I think, started in Ohio.

Henze: I was born in Ohio.

Mullan: Tell me about, perhaps not your delivery, but your youth.

Henze: My father was a college teacher, and he was working on his Ph.D. at the University of Michigan. That's why we were in Toledo, Ohio. After he got his degree, we moved to Kansas for a couple of years, and then to Iowa for a couple of years. But he really didn't like cold weather. He was a New Yorker, originally from Long Island. But he liked to fish, so we moved to Arkansas, to a little town outside of Little Rock, called Conway, where he taught at the local then State Teachers College. I stayed in Arkansas and finished high school over there, and went to college there. That's how we ended up down South.

Mullan: Was this a suburb of Little Rock?

Henze: No, no. It was an hour away, in those days. So it was a little college town, kind of like Ellensburg, I think, is probably an analogy. The town was 10,000, and the college in those days was like three or four thousand. That was back in '57.

Mullan: What was it like growing up there?

Henze: Well, it was a pretty typical small-town experience. I mean, it was neighborhoods. It was a hot place, with hot summers, a lot of humidity. I'd say it was reasonably pleasant. It was also intensely segregated. In those days, there was still a black school system and a white school system. The town was pretty much divided in those ways, too. We arrived just about the same summer it was the Central High School crisis in Little Rock. Orville Faubus was governor then, when we arrived, and he was still governor when I graduated from college.

Mullan: What did your dad teach?

Henze: Psychology.

Mullan: As you grew up, were there any inklings on your part that you'd be a doc?

Henze: No, I didn't decide to go into pre-med until I was a freshman in college. I had just a very exciting professor teaching introduction to biology, and we had a big section on human biology, and I really liked that. That was really what made the difference.

Mullan: Were there any docs in your youth, that treated you, in the family?

Henze: Oh, sure. Dr. Gordy was our family doctor for the whole time I was there, and I liked him. I liked him a lot. He was kind of your quintessential small-town family doctor.

Mullan: You'd had a fair amount of Arkansas in youth, or at least through high school. What happened next?

Henze: After high school, I went to the University of Arkansas, but I was ready to leave, go to the big city. So when I looked at medical schools, I wasn't really interested in the University of Arkansas.

Mullan: How was college at the University of Arkansas?

Henze: Well, it's a very sports-oriented school, and in those days, there wasn't basketball as much as football was the big thing. It was very non-academic oriented, but, on the other hand, there were good teachers in zoology and in the subjects that I was interested in. I found that when I got to medical school, my education was really pretty good, compared to people who'd been to Ivy League schools. It was really quite adequate.

Mullan: Did you identify at all as a Southerner, having been in Arkansas as long as you were?

Henze: I did. Certainly, people from New York thought I was. I think, probably I'm more truly kind of a Midwestern. I think that would be a more accurate description.

Mullan: And you looked at medical school. How did you decide you wanted to be a doc?

Henze: Well, I liked human biology, and I thought that being a doctor would be an endlessly fascinating way to study human biology, and it would be an occupation that would have a real sense of purpose and satisfaction. And some social issues, and some kind of personal issues, it was a way to combine all those things, which has proved to be the case. I had uncharacteristically good insight for someone my age, at the time.

Mullan: So what did you think about as you approached selecting medical school?

Henze: Well, I had a family friend who encouraged me to go to Johns Hopkins. She was an interesting woman. I think she set up an endowment for a scholarship there at the school. I'm not sure. But she really liked the school, and talked to me a lot about it. And I applied to other schools.

Mullan: She wasn't a physician?

Henze: She was not, no. She was retired. She was kind of an eccentric. She was really a delightful lady. But it was at her urging that I applied to Hopkins. The other schools that I applied to were University of Arkansas, and Baylor, and Washington University in St. Louis, which were what I thought to be good schools, that were close by. I eventually decided to go to Hopkins.

Mullan: How was it?

Henze: Overall, unpleasant. It was a very research-oriented institution, in a really ugly inner-city setting, in a very tense time. This was a year after the riots following Martin Luther King's [Jr.] death.

Mullan: Which years were you there?

Henze: I arrived in '69 and graduated in '73. It was a hard time.

Mullan: Coming to Arkansas to Hopkins, did it seem different? Did it seem similar?

Henze: It was radically different, in almost every respect. It was an inner-city urban landscape, and it was a very high-powered academic situation, and all the other students were at least as smart as I was, which was a pleasure, but it was also a little

intimidating, particularly since the plan in those days was not to ever give you any feedback, unless you were failing, of course. They never said anything to you. There were no grades. They never told us what the grades were, until the end. And there was not a lot of support for, or really, any support, for the idea of family practice, family medicine, small-town practice. I would say, no support. I got some support from a few residents, and a couple of faculty members who thought that that was an appealing idea.

Mullan: And that was your notion, from early on?

Henze: From pretty early on, pretty early on. It's hard for me to remember in my mind now when I really decided that that's what I wanted to do, but I do know, that from the very beginning, I asked for scholarship loans that was NDEA money that would be forgiven for practice in a small town. There was not anybody else asking for this particular loan/ scholarship, so I ended up getting a fair amount of funding from that source. So I know that certainly by the end of the first year, maybe even the beginning, I had that in mind. It's hard to remember, really.

Mullan: A couple of things I passed over. What did you major in, in college?

Henze: Zoology.

Mullan: In terms of your growing up, was religion a factor at all in your family?

Henze: My family was pretty religious. We were Episcopalians, and I went to church every Sunday, was one of the acolytes. There were only two or three of us, so I was acoloyte for sometimes a couple of services a day in the little church. There was kind of a paucity of acolyte age--me and two other friends. In fact, I think that I kind of overdosed on going to church services in those years.

Mullan: Was it meaningful beyond those first [unclear], and was it part of your world view as you grew up?

Henze: No. No, honestly I'd have to say it really wasn't. It wasn't a big factor. It's not that I'm not a spiritual person, but after a certain age, kind of my late teens, I would say, I just got less enthusiastic about organized religion in my life.

Mullan: Well, back to the Hopkins story. You said there were a few people at Hopkins that tolerated or encouraged--

Henze: Actually encouraged. They were willing to write letters of recommendation, and say, "Well, that sounds like a good thing to do."

Mullan: And tell me about who they were, and also any rotations or other experiences you had that helped along that line.

Henze: Well, the one that was the most helpful was a cardiologist. His name was J. O'Neil Humphries [phonetic], and I took a summer cardiology clerkship. It was a clinical clerkship, so it would have been the end of my third year. No, that's not right. It would've been in my second year. Must have been at the end of my second year. He was encouraging about that. And a couple of the residents in medicine or surgery thought that they could see some appeal to that idea.

The salient experience was doing a clerkship at Santa Rosa at the end of my junior year. I spent the summer in the family practice residency program there, and saw, for the first time, really what family practice entailed, and what you could do, and for the first time got a lot of positive feedback about what I knew, as opposed to feedback about the minutia that I didn't know. So that was a turning point. I said, "Yeah, I really want to do this."

Mullan: That focused you on family practice?

Henze: Right. Family practice, and even more specifically, family practice in the West, as opposed to East. Family practice that included obstetrics and surgery.

Mullan: On leaving Hopkins, were there any other kids in your class who were headed in the direction of family practice, and did you get any opposition to actually going into family practice?

Henze: I wasn't actively discouraged. I forget whether there were three or four people, out of 105, who went into family practice. And one or two of those were people who didn't match, and needed a residency of some sort to go to CDC later, or something like that. People who actually ended up doing family practice were one or two.

Mullan: And as you approached residency, what did you then think about it? Where did you go?

Henze: Well, I wanted to go out West. I was clear on that. I'd had a really good experience at Santa Rosa. So I went, and I applied to Santa Rosa, and I applied to Davis. That's the first time I met John, was when I went to interview at Davis.

Mullan: That being John Geyman.

Henze: Right. And I went to Colorado, and I went to Buffalo. I went to a residency in New Jersey someplace. Its name escapes me now. It's where John Lincoln went. It was kind of a progressive place for its day, out in a small, rural town in New Jersey. Anyway, those are the places I looked at.

Mullan: But you picked University of Washington?

Henze: Yes.

Mullan: And how was it?

Henze: It was really good. In my mind, it was a toss-up between University of Washington and residency at University of California at Santa Rosa. But in the end, it was almost like a coin toss. I ended up visiting Seattle first. It was a good experience, in that it was very intense training. It had the flavor of "us against the rest of the university," in some ways--the residents--and we really felt like we had to prove ourselves, and be better than the residents in whatever rotation we were doing.

Mullan: This was like the third or fourth year of the program?

Henze: Third, I think. There were a couple of people who finished as I arrived--two guys. They hadn't done a full residency, and, in fact, the people a year ahead of me were the first people to do all three years. So it was pretty early on. So lots of things were in flux, which was good. It's often good to be in the beginning of something, when it isn't quite formed. You have a lot more latitude than when it gets codified. But it was good training.

The time I spent on the burn unit at Harborview wasn't too useful. There were some things that could've been better spent, but overall, I'd say it was really good.

Mullan: And how much of a bunker mentality was there? Were other services hostile, or indifferent, or how were they towards you?

Henze: It wasn't quite bunker, as much as defensive. I mean, we didn't feel beleaguered, but we felt like we always had to prove ourselves, in terms of being good enough to be on the service. And it was made more difficult by the fact that there were always two of us sharing one position, so it made it hard to be on top of the inpatients.

Mullan: That's because of your ambulatory--

Henze: Yes. On the other hand, we knew very well how to hand off patients and share pertinent information in a very economical way. That was a real plus of that experience--learning how to share the care of critically ill patients.

Mullan: And was most of that in the university hospitals, or was it other hospitals?

Henze: No, no. It was University Hospital, Harborview, VA Hospital, Children's Hospital. That was the bulk of it. And in

the middle of the second year, I did a community clerkship in Omak for two months, and that's when I got really interested in this--

Mullan: Omak, Washington?

Henze: Omak, Washington. That's how I got real interested in this part of the world.

Mullan: Why did it strike your fancy?

Henze: Well, I saw that the family doctors, even though they were removed from the university, were doing a wide range of things, and doing them well. I saw that those doctors in the group practice had made time for a lot of other things in their lives. I really began to appreciate eastern Washington for its climate.

Mullan: And were there needs for doctors? What was the situation like?

Henze: Well, even at that point, it was clear that there were needs for doctors in Tonasket. Tonasket was already a National Health Corps site. I came up and visited John Coombs.

Mullan: Who was here?

Henze: Who was here then.

Mullan: In Tonasket?

Henze: In Tonasket. It was feeling pretty beleaguered, and we kind of struck a deal, and I said, "I'll come if you stay," and he said, "I'll stay if you're going to come."

Mullan: How did you encounter the National Health Service Corps?

Henze: I was pretty much aware of it from the beginning of residency, I think, or pretty soon after that. By the time I was in my last year of residency, and ready to apply, by that point, Roger Rosenblatt was already in the Corps, and involved in assignments. He was in residency with me, and he was on the same team within the residency a year ahead, or two years. No, he was two years ahead. Yeah, that's right, he was. He was two years ahead. So even when I was in my second year of residency, he started, I guess, talking to me. I guess I knew because he went into the Corps. I started hearing a lot from him. And then some of the people ahead of me, but behind Roger--Bill Gillanders, in particular, went into the Corps. It just looked like a wonderful vehicle to be able to try out our ideas about wanting to be in rural medicine.

Mullan: And how did you negotiate the placement?

Henze: Pretty easily. Tonasket was already a site, and I think they were already looking for a second person. Through Roger, we were able to negotiate it as a three-physician site, which we thought was a kind of a minimal number of docs to make it really viable. The family doctor that John Coombs had joined had to retire the last year. John was there alone--because of the older doctor's heart problems--that created a vacuum, but created another space. We liked it because it was in eastern Washington, it was close to a good group of docs in Omak, which we felt some rapport with, and Tonasket had a hospital. It only had one or two older family doctors on the staff, who were delighted to see us, so there was never old guys versus the new guys.

Mullan: What was the medical situation in Tonasket when you got here?

Henze: There was John Coombs, a Corps assignee, who had been here for, I think, a year and a half--maybe just a year, if that's possible. No, it must have been longer than that. And he had a partner, who was not in the Corps, who was about ready to leave and go do an anesthesia residency, and he was kind of starting to disappear. He was kind in a lame duck mode.

There was a family doctor in Oroville, Stuart Holmes, who still had a very active practice, who did full-scale surgery. He did gallbladders and bowel resections, and all that kind of stuff, and so was very willing to be our mentor and help us as we started to do more in the surgical area. He was our help and

backup as we were doing our C-sections. And so he was a great guy.

Then there was one other doctor, Tom Connors, who was just about to retire. He was an alcoholic, so he was pretty much wanting to go. He retired shortly after we came. In terms of active physicians, it was really pretty much John Coombs and Stuart Holmes. It was real busy.

Mullan: And there was a community board of some sort?

Henze: Yes, there was a community board.

Mullan: What was the community's perception of their needs, and why did they turn to the federal government for help?

Henze: Because of Dr. Vernon Kinsey, who was the family doctor who had been in Tonasket for umpty-ump years, and the one who had to retire because of his heart problems. He'd been a pretty progressive thinker. He hired Mark Patterson, the PA medic we talked about earlier, from the first class of Medex Northwest.

Mullan: He was working here then?

Henze: Yeah. Mark was working here then, and worked here until last November. Dr. Kinsey was the one who got the community interested in the National Health Service Corps as a modern way to get young doctors to come to the area. So he was the one who

really started that movement, seeing it as a way to replace himself, and I think it really worked very well.

Mullan: Were there certain people in town who educated themselves or were interested in overseeing the Corps docs or the Corps site?

Henze: Yes, there were. On the original board, when I first interviewed, was an orchardist, the local bank branch manager, a couple of other business persons, and someone who kind of lived in a remote cabin in the hills. It was a pretty interesting cross-section. They formed a nonprofit board. They'd been doing that for a year or two, and they were just delighted to see this influx of new docs, even if they had long hair, beards. It was okay.

Mullan: How were relations clinically? How was the relationship with the town board, elements that the average practitioner doesn't have to contend with?

Henze: It was very cordial and warm. There was just a lot of community support and acceptance. Before we got here, the community had raised, in that year, had raised $100,000 to build the building, by local individual donation bonds. That's how that building was built. People donated anywhere from $500 to--the largest donor was $10,000--but most of it was one- or two-

thousand-dollar increments. The community raised that money to put up a new building. So they had some active fund-raisers.

There's a solid need to keep the hospital going and keep the new physicians coming. There was virtually no animosity. There were people who wanted to go, and did go, and are still going, to the established practices in Omak, or Wenatchee, or Spokane. There was just plenty of business. We were kept very busy, pretty much from the beginning. I suppose that in the beginning we were perceived, by a certain number of people, as the doctors for the poor people.

Mullan: Was there a slant in your practice, wherein you saw the less well-to-do in town?

Henze: Oh, I'm sure that's true. Our practice still has such a high percentage of DSHS, that I don't--

Mullan: DSHS?

Henze: State welfare.

Mullan: And that leads up to Medicaid?

Henze: Right. I guess the practice profile has changed over the years. I'm sure it has. Particularly for me, I've ended up with a much larger geriatric population. Once it became clear that I was going to stay, and that took about eight years before people

stopped asking me if I was going to stay, then an increasing number of older people, as they retired, started to come to see us, me and my partners, because it was clear we were going to be around, and they got tired of driving to Omak, or their doctor in Omak retired, and if they were going to switch doctors, they might as well get someone close to home.

Mullan: So what happened to persuade you to stay? How did it go over the first several years? What decision points were there?

Henze: You should ask Sarah this question, too, because her memory is good on these points. The first year was really very good. There were three of us sharing call, plus Mark from the medics. We got a general surgeon to come to the area, partly through the Rural Health Initiative grant. We had Dr. Holmes as our backup. We were doing a lot. We were changing things. We were putting in a birthing room, and upgrading the lab, and trying to educate the nurses about modern medicine in some ways. It was a pretty exciting time.

And when John Coombs' time was up in the Corps, he decided to go back to Children's and be the chief resident, to finish his pediatric residency. He had started in the Corps just early enough to be able to get board-certified in family practice through the grandfather clause, by taking the boards. He was a remarkable individual.

And so we got another doctor, I guess from the Corps--Curt Cooper, who was a friend from Arkansas. And then at the end of

the third year, it was clear that the person who had come with me--maybe it was even at the end of the second year, or the end of the third year, I forget, but Bruce Perry was planning to leave, Bruce Perry. He had arrived when I did. He was planning to leave, because he wanted to go into academic medicine. He was going to go do a fellowship at the university.

And, all of a sudden, Cooper--and we'd been recruiting for someone to fill his place--Cooper decided to leave, because his wife said, "I'm leaving. You can come with me, or you can stay here." [Laughter] She had a really tough year, with premature twins. It was a long, hard winter, and she was home with these twin babies that were a real workload, and it was a bad time for her. So all of a sudden, we were faced with going from three to one, at the same time that we were involved in buying the practice.

Mullan: You say "we."

Henze: Sarah and I. There was this decision to buy the practice, buy the building, buy the accounts receivable.

Mullan: Was that because the Corps was pushing you to make a decision, or were you anxious to get on with it?

Henze: I think we decided we were going to stay. We were going to commit, at least we were going to buy into it, and just do it. I think I stayed a third year in the Corps before going into

private practice. I think that might have been the end of the options of being in the Corps. Is that possible?

Mullan: I think there was pressure to get people who could convert it into a--

Henze: Yeah, there was definitely some pressure about that. But I think we decided it was a good thing to do, so we did. So we bought it.

Mullan: Even though you were looking at being a solo practitioner?

Henze: Well, when we started the process to buy, we weren't looking at being solo practitioners. As we got down to the wire, we were able to fill those two positions, but there was a space up to about the last month, and it was looking pretty iffy. We got two other people, one of them is still here, Jim Helleson, and one who was here for a couple of years, and then went on to do other things.

Mullan: Give me a synopsis of the development of the practice between then and now.

Henze: At that point that we went into private practice.

Mullan: And this is three years after 1976?

Henze: Yes. So in 1979, we went into private practice. We hired two other physicians. We made $12,000 that year.

Mullan: Gross or net? You mean you cleared, or you earned--

Henze: We earned $12,000.

Mullan: Your take-home?

Henze: Yeah, I think that was our take-home. It might have been our gross. [Laughter] That was me and Sarah, and she was working part-time as a PA.

Mullan: We haven't talked about Sarah. Why don't you give me a quick catch-up--when you got married, and so forth.

Henze: We got married right at the end of our residency. I met Sarah in Seattle, or we met in Roger's cabin in the woods, depending on whose story you believe. Some friends invited us to go cross-country skiing there. She was then working as a PA in women's health. She did Pap smears, pelvic exams. She'd been trained at the Ostegard Program at UCLA to be A.P.A. This came out of her work as a volunteer at women's clinics--she's originally a physical therapist. When I met her, that's what she was doing. That was my first year of residency. During the next two years, she helped start Gynecorps, a program at Public Health Service Hospital, to train other women--eventually, just train

nurses--to do what she did. So she came ready to do family planning, women's health.

Mullan: Has she worked with you all these years?

Henze: Yes. She worked until both of our kids were toddlers, and then one morning, she couldn't get them both into snowsuits at once to drive to town, and quit. [Laughter] Took a year off. But the rest of time, except that one year, she did pretty much half-time.

Mullan: So you bought the practice.

Henze: Bought the practice.

Mullan: You recruited some folks, you made twelve thousand bucks in a year. That's kind of like a real successful entrepreneur.

Henze: Well, on the other hand, we owned the building, and we owned the equipment, and it was clear it was going to get better. We recruited a fourth doc. I think there was even some overlap, but maybe not. No, no. For two years, there were the three of us, and then the guy who wanted to work less, left. He really just wanted to work about two-thirds time. His idea was to take extended vacations, which is a nice idea. We all liked the idea, but it didn't seem like it was going to work in Tonasket. Maybe

we should have tried harder in the beginning, I don't know. But anyway, he went to go be a college health service doc.

Mullan: Terrific.

Henze: We recruited a resident from Spokane, Dave Stangland. So then we had three full-time fully committed family doctors who wanted to be in a private practice partnership, and we formed a partnership at that point.

Mullan: This was what year?

Henze: This would have been about '80 or '81.

Mullan: Do a fast-forward through the eighties, how it developed.

Henze: Some people came and went, but really it was basically the three of us, and Mark and Sarah. Mark the PA, and Sarah, the PA, in women's health. Other doctors came and left the practice, a few, but none stayed. Others came to the area, in Oroville, and left. About ten years ago, a doctor came from Spokane and went into private practice in Oroville, and he stayed in the community--Dr. Lamb. And we didn't get an enduring partner, one who was wanting to buy in, until John McCarthy came about three years ago.

Mullan: Which gave you a fourth.

Henze: Fourth full-time partner. We'd had four. We even at one time had five. Everyone else was always an employee. By the time they had tried it out for a year or two, most said, "No thanks, but my wife wants to go back to her home."

Mullan: What were the scope of services you provided? Did that change over time?

Henze: A little bit. We provided full-scale office practice. We covered the emergency room, we provided obstetrics, and we provided some amount of surgery. When Stuart Holmes was still here, we did surgery, including hysterectomies and appendectomies, a lot of ectopic pregnancies. It was a popular thing in those days. And a lot of ovarian cysts, and things like that. So we did some significant abdominal surgery. Once Stuart retired, and that occurred about the same time that a couple of general surgeons came to the area, we stopped doing anything other than Cesarean deliveries and tubal ligations. So our scope of surgery diminished, partly just to support the local surgeons.

Mullan: The "local surgeons" means where?

Henze: Omak. There ended up being a pair in Omak, and they took turns coming to Tonasket, but were willing to do major cases in the Tonasket area.

Mullan: And Omak is twelve miles?

Henze: I think it's twenty-five miles. Our obstetric practice expanded, our geriatric practice expanded, and the burden of the emergency room was continued. It's always been the unpleasant aspect of life in Tonasket.

Mullan: Tell me about how the town and you grew, or failed to grow, together. You said early on there was a trial period.

Henze: Once people became convinced that we were going to stay, then we were really accepted--I mean, I never felt not accepted. People were always glad to invite us to things and have us do things. We got involved with school issues and issues with the Forest Service, and a lot of things like that from the very beginning, and people appreciated that. They took that as a sign that we were going to stay. I lost the train of thought here.

Mullan: Acceptance by the town, growth of the practice, changes in routine?

Henze: Well, over time, more and more people who had the means and wherewithal to go elsewhere, decided that we were going to stay and that we were a quality operation, and that the hospital quality had increased a lot, and so I think that we were just accepted counted more and more by people who could have chosen to go elsewhere.

Mullan: Obviously, in your own experience, many docs have come and gone from rural practice. In the country as a whole, recruitment and particularly retention remain a fairly substantial problem for rural areas. What's different in your experience? Why have you been able to make a go of it when many others seem not to?

Henze: Tenacity is one thing. Having a hospital in another building a house was another thing. Building this house really created a very solid anchor. At one point, it was an anchor, and sometimes, when things were tough, it kind of felt like an albatross, in the sense that we could leave, but we can't take the house with us. But it was a source of stability. We liked the community in terms of raising children here. It seemed like a very good place to do that.

Mullan: That's often a sticking point in rural communities. "We like it all right, but we couldn't see raising kids here." Why has that been okay with you?

Henze: Well, it's been okay because it's kind of the opposite of the fishbowl effect. We know that people are watching out for our kids. We know what they're doing; we know where they're going. I mean, it's made that whole aspect of parenting much easier. The school system in the elementary school--it was excellent. There were always one or two, sometimes three, good teachers in every grade.

Mullan: Let me turn the tape over.

[Begin Tape 1, Side 2]

Mullan: This is Dr. Henze, tape one, side two.

Henze: Middle school and high school are more uneven. In some aspects, they have gotten a different education than a big city or private school system, but there's a lot of things they've learned being here, too, that they wouldn't get. We think the tradeoff's been worth it. And we've done a lot of things with them. We've traveled a lot, and we've had a whole long series of interesting people who've come and stayed here, and visiting, and that. Our children are really at ease with adults, and they're easy to talk to, and they're well educated, and they're bright.

Mullan: How old are the children, and where are they in their school?

Henze: Our daughter Talia is eighteen, and she graduated from high school this year. Right now, she's working at a doughnut shop in Chelan. But she's going to Western in Bellingham--Western Washington University. She'll be in the honors program there. She's interested in writing and theater, and she's done a lot of things in that sphere, a surprising amount, given that we were here.

My son Daven is sixteen, and he'll be a senior next year. He's accelerated his high school to finish a year early. He's anxious to go on to college. But if you ask them both right now, "Was it a great thing?" they'd both say, "Dad, I can't wait to get out of here." But that's good. I would be disappointed if they wanted to stay. I think that it's possible they might decide to come back, but we're certainly not counting on that. But at least I think they have the experience of small-town life and true, kind of neighborhood, reliance on your neighbors, and personal interaction with the people around you, a lot of personal freedoms that they won't have in the city, in terms of where they can go, and what they can do. Great appreciation for nature.

Mullan: The high school is in Tonasket?

Henze: Yes.

Mullan: Larger class?

Henze: Well, let's see. Talia's class is 67. Daven's class is a big class. It might be close to a hundred.

Mullan: One of the other issues in rural health is often the spouse. But it sounds like, given Sarah's avocation or vocation, that worked out all right.

Henze: It worked out all right, and that's critical. And that's true for all of the partners who stayed. Jim Helleson's wife is a pediatric nurse practitioner, and she worked in the practice for a while, and then became a school nurse, when the children became school age. Dr. Stangland's wife is an oncology nurse, and she has done an enormous amount with the American Cancer Society, in setting up a "COPES" and hospice program, and continuing that avocation. In fact, everyone who's stayed has had a spouse in the medical field.

Mullan: You had a lot of rural health, rural medicine, with rural practice, and you've obviously seen a lot of people come and go. If you were king, if you were the arbiter, or if you were to get together a formula for success, from your regal position, what would it be?

Henze: Well, I'd choose people for rural health that are comfortable with uncertainty clinically, and people who have had training in a residency where they got a lot of independence. I would choose physicians whose spouses have something that they can do in a small town. I don't think it has to be medical, but that certainly has worked for us. And I would do something to eliminate, or lessen, the burden of emergency.

That's another thing. You have to have at least three doctors, to share call. When life's busy, that's the bare minimum. The problem with three is that when someone goes on vacation, you're down to two. And it's really tough from this

end. Four is a really nice number. It's a really nice number, because then someone can go on vacation, and even if two people want the same weekend off, you can do it. There must be a point at which it gets big enough that the advantages start to diminish, and the disadvantages of the size of practice make it impossible for one person to cover the practice. I don't know what that number is. There's also, of course, a limit to how many doctors an area can support.

Mullan: One thing that's a little exceptional in your situation was building the house. Tell me a little bit about that. That was something that was extraordinary, in terms of what most people do.

Henze: Well, it was really a lifelong--not a lifelong--but it was a dream, ever since I started thinking about having a house. I did a lot of handywork around the house when I was growing up. We had an old two-story frame house that always needed cleaning, fixing, this and that, so I had some familiarity with that stuff. But I really wanted to have my own house that I built. That was just something I wanted to do.

Mullan: How did you do it?

Henze: Well, we started by building smaller things. We started with a doghouse, and then an outhouse, and then a shop. And then, given some level of experience, we went to a house building

school. We took a month off, went to a three-week course at a school in western Massachusetts.

Mullan: Both you and Sarah?

Henze: Both Sarah and I went. That was crucial, too, because that put us on equal footing in terms of knowledge and experience about how to do this. People would always say, if you can survive building a house, you can survive anything. But, in truth for us, it was not a time of contention at all, because we both had the same level of understanding about what making certain changes would entail, why some are easy, some are very difficult. Planning it together. We were able to work as a team to do that. Aside from it being all-consuming in terms of time, it was a great experience. But, as I say, I think we both had equal knowledge to start.

Before we went to school, I'm the one who had some building experience, and I'd say, "Well, the floor joists have to be this size," and Sarah had to defer to me. She wouldn't know whether that was really true or whether that was just my opinion about it. After we'd been to school, then she knew what was fact and what was opinion. So it just made it a lot easier to move forward.

Mullan: Let's talk back on the medical scene. Obviously, since you've been out of training, the number of physicians in the country has grown steadily, and the number of physicians in

rural, or less populated areas, has increased as well. How have you experienced that here? What are the good aspects? What are the troubling, if any, aspects?

Henze: One of the good aspects is that there are just more doctors around. In this area, I think we're getting close to the ideal number. When I say "this area" I mean this hospital, this group, maybe even this county. We've lost at least one doctor, who left because it wasn't busy enough, and that occurred because two or three new doctors arrived simultaneously. I think there would have been room for that doctor if the arrival times had been staggered. So I think we're getting close to what the ideal number is, in terms of people covering this size population.

Mullan: What about specialists? I gather Omak is your point for most referrals?

Henze: No, no. That isn't true. Interesting enough, historically, Spokane has been an equal point.

Mullan: [unclear] from Spokane?

Henze: Well, it's about three and a half hours. It's about two and a half hours to Wenatchee. So, the further you get up the valley, then it kind of equidistant to Spokane and Wenatchee.

Mullan: What's travel down to Seattle?

Henze: Oh, five to six hours, if you can get there. If it's foggy, or it's rainy, seven or eight hours or if it's in the winter, they might close the passes and you might not be able to go at all.

Mullan: What's the frequency of air transports? Does that happen much?

Henze: Oh, yes. Patient transport. I thought you were talking about commercial use. [Laughter] I don't know. Probably once a month, I'd guess. Sometimes twice a day. I've even seen that happen.

Mullan: As more specialists have populated Spokane, Wenatchee, Omak even, how has that been felt by you?

Henze: We've seen much more willingness on the part of specialists to come here, to do outreach. There's always been some, even when I first started coming. There was an orthopedist who came from Spokane regularly. But eventually, we got an orthopedist in the county, and later he got a partner. There have always been cardiologists who have been willing to come, on a regular basis, once a month. A urologist has been coming for thirty years, once a month. But now, more and more specialists are willing to come. Those in the Wenatchee Valley Clinic are generally coming as close as Omak, but there's others. There's dermatology and gastroenterology. So there's much more outreach

from the specialists. I don't foresee a time that there are going to be resident specialists in very many other fields, simply because--

Mullan: You mean in Tonasket?

Henze: In Tonasket. Or even Tonasket-Omak. We've had resident radiologists since I've been here. That's always been true.

Mullan: In?

Henze: In Omak. That come to Tonasket, two or three days a week. But the problem is that for most of the specialties, as long as there's enough business to support about one of anything, but there's not enough business to support two of anything, without covering a pretty wide region.

Mullan: How about expectation on the part of patients to use specialists? Has that pressure been on you, with more specialists available?

Henze: Not much, not much. Most people are still of the idea of coming to a family doctor. The transition to managed care is really easy in that way. People aren't campaigning to go to the specialist. They campaign for a referral to the chiropractor to whom they've been going for twenty years. But that's pretty easy. I've had two people who ended up in managed care plans

through their employer, who were used to making all their own specialty referrals around the region, and they were unhappy. But that's only two. That's a small number of people.

Mullan: Let's talk a little bit about managed care, because I gather its impacts are being felt by you in your practice, and recently some changes.

Henze: Starting about the time of the health reform in the state of Washington, that's when things really started to shift, that's when things started to really heat up, in terms of managed care. In the first round of HMOs, managed care, ten years ago, no one paid any attention to Tonasket. We were never approached by anyone. So I kind of slept through those parts of the state meetings, or went to other sessions, for the last decade, because it just wasn't happening.

But, all of a sudden, when it looked like there were going to be statewide programs, people became very interested in Tonasket, not because we had that many people, but because they needed it to fill up the jigsaw puzzle, so it could be a statewide network. All of sudden, it was necessary for people who wanted to insure the schoolteachers or the county or the state employees, to have people in Tonasket to service those contracts.

The other thing that happened in managed care at the same time is that Medicaid patients--the DSHS department--went into the managed care business, first with--well, at this point, it's

a capitated system that they've done through private insurance companies. So those two things have made managed care a reality for us, for about the last two and a half, three years, and the numbers of managed care patients are increasing.

So it's made it very difficult to do the math, to try and figure out what's good and what's bad, to what the appropriate risk is, as a small independent practice. That shift toward managed care, which I personally perceive is something that's going to continue to increase, made it much more attractive to us, and we became much more interested in, being a part of a larger system, because we just spent a lot of time thinking about it and worrying about it and researching it, and it became a real time sink, rather than taking care of the patients, which is what we really wanted to do.

Mullan: So what did you do?

Henze: So we accepted an offer from a large, multi-specialty partnership, 110-physician partnership in the region, to become our primary care physicians in their system, on a trial basis, and still retained our building and our equipment for another year or two, as we tried this out. But we've become part of the Wenatchee Valley Clinic since the first of the last month. So we've done this for about six weeks, after considering it pretty carefully for about six or seven months.

Mullan: What implications does it have in your patterns of practice, the nature of your enterprise overall?

Henze: I see that our patterns of practice, in terms of who we refer, isn't going to change very much. I expect that the number of people we refer to Spokane is going to decrease, and the number of people we refer to Wenatchee is going to increase, over time, probably because there will be an increased number of specialists from Wenatchee coming to Tonasket, to see patients here.

I see that it's going to mean a lot of stability for our practice in terms of recruitment, because in the past we've had to bear the costs of recruitment and the start-up costs of new physicians, which is increasing enormously. And that makes us a much more attractive site for most new physicians because we're part of a larger organization that has a retirement plan, has a guaranteed income, has a lot of benefits that we were just unable to offer as private practice physicians in this situation.

I see it as a way to ensure that the practice will endure. Three of us are the same age, and one of us is ten years younger, and we're starting to wonder what's going to happen in ten to fifteen years, when some, or maybe all of us, want to retire at once. That's real problematic in a small private group. But as being part of a larger organization, I don't think that'll be an issue.

Mullan: Any income implications?

Henze: Our income will increase, for doing roughly the same amount of work and seeing the same patients, by at least 50 percent.

Mullan: Fifty?

Henze: Maybe more.

Mullan: Why?

Henze: It's because of the fact that we get paid for the work we do pretty much at a whole fee-for-service rate, because of the efficiencies that this particular group has in doing managed care, through DSHS. They're a group that's taken full risk capitation for up to 10 years. Their philosophy is to encourage primary care doctors to see patients when they want to be seen, and continue to do as much as we can. And in that system, the primary care docs do better, and the specialists do a little less well, but the system goes on. It's partly that, and that makes some difference, in terms of our income, compared to how we were doing under the old discounted fee-for-service, with Medicaid patients, which was like about 45 cents on the dollar. It's partly due, too, to the benefits of this particular employer. There's a health insurance plan, there's a retirement plan, there's a dental insurance plan, there's a life insurance plan--all of those things which we have never had. And we're no longer having to pay the self-employment tax, and all of the business

and operation tax, and all the things that work against the small entrepreneur.

Mullan: How about any implications of absence of ownership, assuming you'll go ahead with it, and sell your office? Is that less attractive to you, or subsequent docs?

Henze: It's more attractive. Having owned a medical office for ten or fifteen years, and having sold it, it wasn't a great experience. I mean, it's not a liquid asset. We owned it, because that was the only way to keep it going, but it was a burden. If you're in a position where you have to sell it at a time that nobody else wants to buy it, you're out of luck. I would much rather have my money invested in something else than that building.

Mullan: We've covered a lot, and now we're getting towards the end of our time. Are there things you'd like to talk about? Conclusions you've derived, or insights you've had from your experience here, which has been really a classical experience and a successful rural practice, in all regards.

Henze: Well, I'd say that the key ingredient is that it's been a very satisfying and rewarding career. I have no regrets about that at all. Aside from the burdens of emergency room call, I really enjoy it. Doing any kind of practice in a rural small town means developing this long-term continuity with patients

that has a lot of power to it, in terms of healing, and in terms of knowing what is the right thing to do. That can be on a lot of different levels. So, I really feel like I've been very fortunate to have this very long-sustaining relationship with most of the people I see every day. That just makes it a joy. Makes it a sorrow, too. But that's part of it. We really entwine with all the lives around us, but it's well worth it.

Mullan: I would imagine you're a fairly visible figure in the town. That, I can imagine, would have its good aspects, and its bad aspects. How's that gone, and how do you feel about that?

Henze: It really has very few bad aspects. The most common bad aspect is that people want to talk about medical issues when I'm wanting to buy groceries, and that's pretty common. But it's okay. I think that I have a lot of input in community issues, but that doesn't necessarily stem from the fact that I'm a doctor, but more that I'm someone who's willing to get involved in those things. I've had a lot of interaction, for instance, with the Forest Service over local forest practice issues, in a positive way, I think. Sarah has had a lot of impact in school issues. We've both, at times, been more or less involved with different issues in terms of the schools.

It's really easy, in a town this size, to make a difference about something, if you're willing to put in the time. And that's not being a doctor, necessarily. Anyone who wants to put the time in, and gain some knowledge about what they're doing,

can do it. Some people might find that other people are watching what they're doing. I just really haven't found that to be the case. The ode of the West, to me, seems to be, you can do what you want to do as long as you hold up your end. It's okay. People are interested in what you do. People are interested in this house, and what we're doing here, and those kinds of things. But compared to the kind of judgmental snoopyness that seemed to be the norm in Arkansas, it's different here.

Mullan: What do you see the rest of your career being?

Henze: Staying here and practicing until I'm ready to retire, and staying here as long as we can do the physical demands of living in this place. Hopefully, it'll be a long time. We've tried to design it in such a way that we could live on this floor if we have to, and get in and out when we need to. We would like to travel a lot more.

Mullan: If there's anything wrong with the architecture, you know who to blame.

Henze: That's right. That's exactly right.

Mullan: Good. Thank you all.

Henze: I'm glad to talk on the phone at any time.

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