

PITTSBURGH BUSINESS TIMES

Ready for growth, Chartwell consolidates into bigger space

BY PAUL J. GOUGH
REPORTER
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2018 was a big year for Chartwell Pennsylvania LP – and 2019 is already shaping up to be another huge year in the specialty pharmacy and infusion company's expansion.

Late last year, Chartwell moved into Industrial Scientific Corp.'s former headquarters off Route 22 in Oakdale after searching for months for the right space to accommodate its growth. The 52,000-square-foot building now houses Chartwell offices on the second floor and a state-of-the-art facility that exceeds current specialty pharmacy standards.

It's the space for future growth that was critical for Chartwell's CEO Kathleen M. Patrick and COO David P. Benedict. This month saw the move of Chartwell's production facility from Crafton, where it has been since 1999, to the Oakdale headquarters – no small feat given how safety conscious Chartwell has to be.

"Basically, in this structure, we've doubled in size," said Patrick, who is also SVP of ancillary services at UPMC Community Provider Services. Chartwell is a joint venture between majority owner UPMC as well as Butler Health System, Heritage Valley Health System and Washington Health System. The company, with revenue of \$1.08 billion in 2017, serves about 15,000 patients a month and has about 380 employees, with about 300 in the Pittsburgh region that, this spring, will be fully in Oakdale after consolidating three separate locations.

Chartwell is laser-focused on preventing medication errors, and Benedict said the workflow and the functions of the new building can help reduce the chances of a problem.

Safety and innovation are hallmarks of the company, which began in 1994 in Bridgeville as a home infusion company and since 2010 has also been a specialty pharmacy that assembles the pills, injectables and other products that often cost hundreds of thousands of dollars but are life savers for patients.

Chartwell combines the services of a specialty



pharmacy and infusion service with enteral nutrition, which is essentially tube feeding. Patrick said that's one of the strengths of Chartwell, being able to do all three. "No pharmacy that we're aware of can take care of the needs in those three areas," Patrick said.

That's helpful to patients who have multiple medications because Chartwell can deliver all of the medications together to a patient's home.

Chartwell Pennsylvania has expanded in recent years to include facilities and operations in Erie, Altoona and Williamsport, as UPMC has acquired hospitals in those regions of the state. Next up is Harrisburg, where UPMC in 2017 acquired PinnacleHealth System.

Chartwell now is looking beyond Pennsylvania. After all, some patients who use UPMC and other health systems don't all live in Pennsylvania or remain here year-round. That means that patients have to switch specialty pharmacies when they either leave local care or when they move away. Chartwell is a licensed pharmacy in South Carolina and is pursuing other licenses, although it's not a quick process. But, said Patrick, it's important for Chartwell to expand its business in multiple ways, both with its partners and also beyond the service areas of UPMC and the other health systems.

"We want to be able to provide that service to our customers," Patrick said.

Timeline:

Chartwell Pennsylvania is one of the Pittsburgh region's largest private companies and one of the fastest-growing companies in the region, according to the Pittsburgh Business Times Fast 50.

The company has seen its revenue grow 65 percent over the past three years. It has been in business since 1991. Here's a timeline of its growth:

- 1991** | Begins in Bridgeville as Chartwell LLC
- 1993** | Signs exclusive contract with Highmark
- 1994** | Signs general partnership with UPMC
- 1997** | Adds Washington Health System as partner
- 2000** | Changes name to Chartwell Pennsylvania LP
- 2001** | Acquires St. Francis Hospital Infusion
- 2009** | UPMC buys out the national partner of Chartwell
- 2010** | Launches specialty pharmacy business
- 2013** | Acquires Great Lakes Infusion in Erie
- 2014** | Acquires Home Health Resources Infusion
- 2015** | Adds partners Heritage Valley Health System and Butler Health System
- 2018** | Moves into new headquarters in Oakdale
- 2019** | Has new buildings in Erie and Altoona