

# BIG IDEAS

## PROVING OUR WORTH

FOURTH  
IN A SERIES  
THE NEXT FIVE YEARS

**OHSU will have to find new sources of private money to offset government funding cutbacks.** This will mean providing value for patients and insurers, undertaking new partnerships and business ventures, and enlisting donors to help bring big, world-changing ideas to reality.

## HOSPITAL GROWTH RATES FALL

Patient revenues — from private insurance, Medicare and Medicaid — provide almost 70 percent of OHSU's income. Both public and private dollars for health care are under new and significant constraints. This will be a big challenge for OHSU.

The current recession changed the health care industry. From 2007 to 2009, ten million Americans lost their employer-sponsored or private insurance. Many who remained insured elected to delay or decline treatment for financial reasons. Even as the economy began to recover, consumption of health care by consumers seems to have declined in permanent ways. Insurance companies and individual patients want more value for their money.

We are responding to that challenge by working with private insurers, business executives and others who make the decisions about what insurance plans will cover their workers. We are showing them why OHSU should be part of every plan because of the specialty care we offer.

Most health systems believe that they will have to become bigger — and more efficient — in order to survive. OHSU's approach to the changing health care economy is oriented to partnership rather than mergers or acquisitions. We are pursuing the Triple Aim of better patient experiences, better health for the entire community and lower costs.

### National growth in hospital spending declines to lowest rate in 50 years

#### Total Operating Revenue



Source: Moody's

# MORE ENTREPRENEURSHIP

In the past few years, OHSU has worked to become an even better steward of our resources. We have begun to implement new revenue-generation strategies and new thinking about everything we do. As a result, OHSU is becoming more strategic in its choice of investments and more creative about capturing market opportunities and fostering innovation at all levels of the organization. This means demonstrating our value to attract new customers and new funding sources.

Examples of innovative strategies and new investments include:

- The unique partnerships and funding sources that enabled the construction of the Collaborative Life Sciences Building.
- The FEI Living Laboratory for Cell Biology, a public-private partnership to rapidly apply new knowledge to patient care.
- The forward-thinking business plan developed by the Knight Cancer Institute to commercialize more of its work, including teaming up with pharmaceutical companies and making greater use of its biolibrary.

# BIG IDEAS FOR PHILANTHROPY

OHSU must continue to demonstrate its value to philanthropic partners and supporters. To do so, we must continue to communicate the broad impact of our missions. We must build relationships with donors across Oregon and far beyond. And we must continue to develop a culture across our organization that helps advance this important work.

Three years ago, OHSU, the OHSU Foundation and Doernbecher Foundation together set an ambitious goal to begin raising \$100 million in gifts and pledges annually by 2014. During the most difficult economic period in modern memory, people stepped up their support to OHSU. We raised \$100 million last fiscal year and are closing in on that goal this year. This record of success is driven by OHSU's exceptional faculty and the excellence of our many programs. But to attract private donors in ways that can have a transforming impact will require visionary thinking about what's next. Big ideas drive big philanthropy.

The need to demonstrate our value to patients, and to public, private and philanthropic partners is greater than ever.

## Gifts to OHSU climb



*Totals reflect philanthropic gifts and pledges made within the fiscal year through the OHSU Foundation, Doernbecher Foundation and directly to OHSU.*

**Next up:** *More about efforts to reduce expenses and improve efficiency.*

*To see the whole series, search for "The Next Five Years" on the Staff News blog.*