

OHSU + LEGACY

Expanding care, accelerating impact

OHSU + Legacy Integration

Expanding access and equity for the people of Oregon

OHSU and Legacy Health share a vision for an integrated, full-service public university health system to expand access to high-quality, essential care throughout Oregon and beyond. OHSU's and Legacy Health's robust and comprehensive [Health Care Market Oversight Program](#), or HCMO, Notice outlines this vision as well as the organizations' commitments and plans to make the vision a reality for Oregon.

How people will benefit

As outlined in the HCMO filing, people in Oregon can expect positive outcomes from the integration of OHSU and Legacy Health. These outcomes include:

Expanded access to high-quality, innovative care and leading-edge research

- Higher-quality health care for all, including people who are medically underserved.
- Shorter wait times for primary, specialty and hospital care.
- More preventive care to reduce the need for hospital services.
- Clinical trials and innovative research that lead to improved care and outcomes.

Expanding and elevating our health care workforce

OHSU is a market leader in health care worker compensation and training, ensuring people in Oregon have access to the best providers. This transaction will:

- Drive economic prosperity by creating high-quality jobs for today and tomorrow.
- Advance racial justice and culturally competent care, with significant new investments in three education trusts to become a hub for quality, culturally competent workforce expansion and quality jobs for staff who are already in the care industry or who are interested in joining it.

- Ensure current wage rates, premium/differential rates, or benefit amounts or levels are not decreased.
- Ensure job security for at least six months after closing for all employees.
- Provide enhanced job security and pay parity for identified represented employees.
- Enhance diversity, equity, inclusion and belonging support and programming.

Health equity advancements

- Invests in workforce, equipment and facilities at Legacy locations that will benefit people who are underserved.
- Enables a transformational investment in health equity and access by funding an independent foundation that will learn from and partner with community to create pathways and remove barriers to health equity.
- Identifies, evaluates, tracks and addresses disparities.
- Prioritizes health equity assessment as a foundational planning component.
- Helps ensure the full range of care reaches all communities in Oregon, including people in underserved areas.
- Prioritizes language services and place-based care.
- Will provide care to more people covered by Medicaid in Oregon than any other health system in the state.
- Enhances access of underserved community members to the benefits of clinical trial participation and ensures that trial results more accurately reflect the breadth of our communities.

Improvements in quality

- Leverages strengths, expertise and capacity of each system.
- Maintains and builds on complementary strengths of both high-performing health care quality programs.
- Integrates electronic health record systems.
- Develops and standardizes best practices, processes and plans to improve quality.
- Identifies and targets areas for improvement.

Transparent cost management

- Costs are expected to grow at roughly the same rate as if Legacy and OHSU remained separate, reflecting national trends in health care.
- As a public health system, OHSU has no incentive to increase costs beyond what's necessary for financial stability.

Health system stabilization

- Supports long-term financial and economic stability of health care as a service and economic sector in the region.
- Maintains and expands access to essential health services at Legacy Health locations.
- Maintains local control and public accountability.

Why OHSU and Legacy Health

Legacy Health must move forward with a strategic partner to ensure the stability of services for communities across Oregon and Southwest Washington. Legacy has hospital beds and operating rooms with capacity to care for more patients. OHSU has complementary challenges: long wait times for specialty care, a shortage of hospital beds and a need for more primary care providers.

OHSU also needs to broaden its base of community care, which Legacy can help provide. This combination gives Oregon what it urgently needs to ensure people get the right care at the right place and at the right time, and to maintain reasonable cost growth by preserving and improving existing community resources and services. In sum, we can each meet our challenges while fulfilling Oregon's needs better together.

Care with a public mission

This integration is different from typical hospital acquisitions because OHSU is a public university health system with a state-mandated mission to serve the people in Oregon. This means it is publicly accountable, locally controlled and responsive to the specific needs of our state.

As a public entity, OHSU also provides unique and specialized care not available elsewhere. Integrating Legacy into the OHSU health system will benefit all of us, including those who have historically been underserved. The combined organization will propel us forward as a local and national leader in health, education and research.

Capital commitment to maintain and expand health care access for all

OHSU has committed to making \$1 billion in strategic investments in buildings, equipment, technology and other infrastructure at Legacy. This capital investment is necessary to maintain and expand access to high-quality essential health services, and to maintain reasonable cost growth by preserving and improving existing community resources and services.

Investment will also ensure that existing Legacy Health facilities and services thrive over the next decade and beyond. The integrated public university health system will be better able to serve everyone who needs health care services.

Foundation for generational change

The Legacy Health Foundation will change its governance structure, board of directors and name to become an independent philanthropic foundation. This independent philanthropic organization will not be affiliated with OHSU or Legacy Health, and will be closely connected to and representative of the community. The foundation will fill a critical role in the health ecosystem because there is not another nonprofit organization of this size and nature that is focused on health equity in Oregon and Southwest Washington.

At closing, Legacy will give its net cash, estimated to be about \$350 million, plus its 50% interest in PacificSource to the Foundation. Robust, authentic and continuous community engagement will ensure this extraordinary investment will improve health care access and make our communities healthier for decades to come.

Why now

People in Oregon are waiting extended periods for specialized or complex care or traveling out of state to receive it because OHSU's inpatient capacity is constrained. People are also waiting extended periods to access primary and preventive care. OHSU seeks to improve and expand primary and secondary care and expand access to the critical higher acuity care it currently provides.

And finally, Oregon's health care workforce shortage requires expansion of OHSU's clinician training programs, but opportunities for clinical education expansion are limited without additional clinical capacity. Now is the transformational time for OHSU and Legacy Health to integrate and improve needed access to high-quality health care for people in Oregon.

Next steps

The state's oversight is one of the most rigorous and robust in the nation. A transaction of this complexity is expected to take no less than six months and could well be longer. OHSU and Legacy Health anticipate completing the transaction by spring 2025. OHSU and Legacy are working to ensure a smooth transition and integration process over the next decade, including a robust internal integration planning process.

Over the coming months, leaders from OHSU and Legacy will engage community organizations and members, hearing about what people want to see from their integrated public university health system and talking about the transformational opportunities ahead.