



March 21, 2025

Dear HCMO Community Review Board,

Thank you for your continued work and consideration of the OHSU-Legacy HCMO filing. We understand the critical questions raised regarding *how* OHSU will deliver on the commitments in our HCMO Notice and the accountability measures we've established. I am writing to address your concerns directly and with as much clarity as possible.

OHSU is Actively Planning for Integration:

Let's be clear: OHSU is not simply making promises. We have been actively engaged in detailed transition planning since the outset.

- **Expert Partnership:** We engaged EY, a leading firm in mergers and integrations, to provide expert guidance and analysis. EY is developing a plan for to start this critical work on Day 1 after the transaction closes. This is a strategic investment to ensure a robust and well-planned integration.
- **Collaborative Commitment Development:** OHSU and Legacy jointly developed the 25 outcomes outlined in our framework. This was not a unilateral exercise; it represents a shared vision and dedication from both organizations.
- **Data-Driven Approach:** Our planning is rooted in data. We've initiated data-driven workgroups and EY's data-driven analysis to inform our strategies. This is not guesswork; it's informed by rigorous analysis and planning.
- **Specific Examples:**
 - We have analyzed operational workflows at both institutions to identify potential collaborations and areas for improvement.
 - We have begun mapping key IT systems to plan for eventual integration, ensuring minimal disruption to patient care.
 - We have initiated discussions with clinical leaders from both organizations to align on best practices and quality standards.

Accountability is Non-Negotiable, and Our Metrics are an Intentional Starting Point:

Our approach to accountability is fundamentally different from other proposed mergers and acquisitions who make promises without any detailed way to measure success. We recognize that the metrics we have provided are a starting point, not the final word.

- **Draft Metrics, Intentional Design:** You'll notice that the metrics we have presented are labeled "draft." This is intentional. We recognize that we need to engage in further work to refine and solidify the specific details of these metrics. However, we can and have started this critical work by bringing our teams together to develop a preliminary framework for some real, measurable outcomes. These are rooted in benefits to patients and employees not to our organizations or their respective finances. This is a critical first step. We believe it is essential to put a stake in the ground and demonstrate our intent.
- **Limitations as Separate Entities:** As separate entities, we are limited in how far we can go in finalizing these metrics. We do not yet have a single fiduciary responsibility, a unified board, or a shared mission. These factors will be essential in finalizing the metrics and ensuring their effective implementation.
 - **Example of Limitations: Children's Health:** As a unified entity, we aspire to develop a comprehensive plan for improving children's health for underserved populations. However, we are currently unable to share specific rates or strategic plans with each other because these are confidential sensitive business information. As separate organizations, we operate as competitors in the market with separate fiduciary obligations that we are required to prioritize. This is a reality of operating a healthcare business in the current American system, even for a state entity like OHSU.
- **Transparency and Reporting:** Despite these limitations, we are committed to transparency. OHSU is Oregon's only academic health center and a state entity subject to rigorous transparency requirements. Our Board is Governor-appointed and Senate-confirmed. We are subject to public meetings and public records laws. Importantly, the integration with Legacy will expand the reach of OHSU's unique transparency requirements to the newly integrated system, ensuring greater public accountability for all operations. For example, the integrated health system will track and publicly report on the metrics as they evolve through the collaborative process.

- **Oregon's Accountability Model:** Oregon has a proven track record of a model for healthcare of flexibility and accountability, exemplified by the Coordinated Care Organization (CCO) model. CCOs receive funding to meet specific quality and outcome metrics while maintaining flexibility to innovate and iterate in order to meet those outcomes. This model has demonstrated that accountability and flexibility can coexist. This is precisely the type of accountability we envision for the integrated health system, with the understanding that the details of the metrics will be further refined through collaboration and over time to be responsive to the evolving needs of Oregonians.

We Have Identified Clear Pathways and Made Substantial Financial Commitments:

While we don't have *fully* detailed implementation plans (for reasons we will continue to elaborate on), we have laid out clear pathways and backed them with significant financial commitments.

- **\$1 Billion Capital Commitment:** This is a concrete, urgently needed investment to maintain and enhance services at existing Legacy facilities. Given Legacy's significant deferred maintenance and need to upgrade facilities and equipment, delaying or denying this transaction would further endanger patient access and the system's ability to retain staff.
- **Workforce Investments:** OHSU has a proven record of hiring and retaining high quality healthcare workers. We will leverage this strength to increase access for all Oregonians, including those in rural areas awaiting complex care transfers.
- **Primary Care Enhancements:** We are actively exploring initiatives to improve primary care, including Patient-Centered Primary Care Homes (PCPCH) investments, and strategies to shorten wait times for new patient appointments through a unified mission control.

Why We Cannot Provide Fully Detailed Implementation Plans *Right Now*:

We understand the desire for even more detailed plans. However, there are legitimate and unavoidable limitations at this stage.

- **Separate Organizations, Separate Fiduciary Duties:** OHSU and Legacy are currently distinct entities with separate missions and fiduciary responsibilities. We cannot unilaterally make decisions for an integrated system that does not yet exist. Some examples of how we are separate are:

- **Strategic Plans:** Each organization has its own strategic plan. A unified strategic plan can only be developed *after* the transaction closes. Our HCMO commitments will be central to that new plan.
- **Budgets:** We have separate budgets and fiscal years. A unified budget will be created and approved by the publicly accountable OHSU Board *after* integration.
- **Legal Structures:** OHSU is a public academic health center, while Legacy is a nonprofit hospital. We operate under different accountability structures and legal requirements. Only a unified entity can have a unified operational plan.
- **Antitrust Restrictions:** Federal antitrust law prevents us from sharing crucial information necessary for detailed integration planning.
 - **Rates:** We cannot share competitive rates.
 - **Proprietary Data:** We cannot share all proprietary quality metrics.
 - **Confidential Strategic Plans:** We cannot share and/or collaborate on strategic plans until after the transaction closes.
- **Inherent Limitations of Pre-Merger Planning:** This tension between commitment and implementation is inherent in *any* merger at this stage. It is simply not possible to create comprehensive implementation plans while operating as separate organizations.

Practical Limits on Additional Pre-Merger Work:

We cannot divert substantial resources from our existing missions to develop hypothetical plans. This would be irresponsible and detrimental to current operations.

- **Balancing Planning and Operations:** We have worked diligently to strike a balance between strategic planning and ensuring readiness for day one of integration.
- **Long-Term Goals:** These are long-term goals that will require ongoing iteration and innovation. We cannot foresee every detail at this stage.
- **Trust and Readiness:** Our focus has been on high-quality strategic planning to build trust and ensure we are prepared for a successful integration.

Conclusion:

We appreciate the Community Review Board's thoroughness and critical questions. We are confident that once unified, with a single fiduciary duty, shared data and systems, and a single board, we will develop and execute comprehensive plans to achieve our commitments.

Thank you again for your work and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Atif Zaman". The signature is fluid and cursive, with a long horizontal stroke at the end.

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