“Excellence is just the beginning.” It’s a simple statement, but we think it captures the essence of who Rush is and where we’re going. In five words, we communicate Rush’s long-held commitment to going above and beyond in everything we do — from care and innovation to education and connecting with the diverse communities we serve. In 2018 people and programs across Rush achieved new standards of the highest quality, work that was bolstered by philanthropy. These are just a few of those stories.
Leadership Message

The Places We’ll Go

So much can be said about excellence. It’s truly the foundation of our work and the subject of this year’s annual report — stories that begin with a novel idea and conclude with transformative solutions. What’s more, the excellence described in this year’s edition directly reflects Bill Goodyear’s five years serving as chairman of Rush University Medical Center’s Board of Trustees. I couldn’t be more inspired by his tremendous example of leadership; he held the chairman’s position with great dedication from 2013 to 2018.

Bill was, and still is, essential to building our vision to transform health. With diligence and keen strategic skills, he stewarded the system integration of Rush Copley Medical Center with Rush University Medical Center and Rush Oak Park Hospital, the opening of several state-of-the-art outpatient facilities, and cementing of Rush’s identity as one of our nation’s highest rated academic health systems.

It’s been a year of meaningful transition, not only for myself as Bill’s successor, but for health care as we know it. While challenges lie ahead, as an academic health system, we are prepared and positioned to face the future.

I’m honored and excited to work with exceptional colleagues — trustees, our management team, medical professionals, faculty and Rush employees whose passion and commitment to excellence makes Rush a best-in-class institution. Our people are our greatest and most valued asset. They maintain the highest quality of patient care, ever forward-thinking and always seeking to improve how we treat and care for people.

That said, no story of excellence exists without you, our supporters, donors, friends and partners, whose commitment and hard work makes Rush a global leader in health care.

We are headed to great places together.

Susan Crown
Chairman, Boards of Trustees
Rush University Medical Center and the Rush System
Deciding which hospital is right for a patient is exceptionally complicated. Patients often go to multiple medical centers for their diverse care needs, transferring their records to each new location. Additionally, year after year, more organizations are rating hospitals on a slew of different factors. With tremendous advances in record access and file sharing using mobile devices, there should be a way for health care professionals to bring together all of their patients’ medical data, and for patients to make sense of ratings and rankings to find the providers they need. Rush has the tools to make this a reality.

Our nationally renowned Information Technology team led by Shafiq Rab, MBBS, MPH, CHCIO, chief information officer and senior vice president at Rush, developed the MyRush Mobile app, which allows patients access to their full medical history on their smartphones. The app also equips their health care team with that data to ensure continuity of care and better find the right solutions for patients’ unique challenges. The app is one of the nation’s first to give Medicare patients full access to their claims and health records. Our staff also led improvement efforts nationally in the ways hospitals are ranked by U.S. News & World Report and the Centers for Medicare and Medicaid Services, two of the highest-regarded benchmarks for hospital quality. The findings set in motion changes to both organizations’ approaches to their ratings.

Now Rab and Lateef are working with a national team of innovation leaders in health care to combine the science of the mobile app with accurate ratings to improve access, transparency and communication for all patients.

“Through new approaches to hospital quality and greater, more efficient access to records, we can help patients find the right doctors and assemble the best care teams possible more quickly than ever before.”

— Omar Lateef, DO, Chief Medical Officer of Rush University Medical Center and the Rush System
Excellence begins with forward-thinking education

Our nation’s health hinges on the availability of a highly skilled workforce. With the ever-changing needs of our diverse communities, health care demands practicing providers who are well-trained and informed on the latest advances. This, combined with an aging population and a shrinking number of providers, places enormous pressure on health care education. With a fully integrated University and health care system, Rush is ideally positioned to prepare the next generation of practitioners, scientists and leaders through firsthand experiences, state-of-the-art technology and real-world application.

Under the direction of its new President Sherine Gabriel, MD, MSc, Rush University is engineering innovative solutions to prepare professionals for tomorrow’s health care challenges. Rush’s Bachelor of Science in Health Sciences program provides a bridge for students from a variety of backgrounds to pursue health care careers, ultimately improving the cultural competency of the industry’s workforce. And Rush University’s new Continuing and Professional Studies program fills gaps in care through innovative training and ensures that seasoned providers stay up-to-date on novel technologies and concepts. Programs like these are building and enriching a diverse, interprofessional workforce with the knowledge, skills and behaviors to sustainably meet the needs of the health market far into the future.

“Our learners get a rare, front row seat to the transformation of American health care. We see firsthand the challenges providers are facing, which allows us to actively solve these problems while building leading-edge education and training programs that complement this rapidly evolving environment.”

— Sherine Gabriel, MD, MSc, President of Rush University and Chief Academic Officer of the Rush System
Over the next decade, health care jobs will grow substantially, but low high school and college graduation rates limit the number of students qualified to gain access to these careers. What’s more, the greatest driver in increasing life expectancy in low-income communities, such as those on Chicago’s West Side, is educational attainment. To strengthen the economic vitality of these neighborhoods, increase postsecondary education and improve overall quality of life, the Rush Education and Career Hub, or REACH, provides hands-on science, technology, engineering and math, or STEM, learning to under-represented youth so they can reach their academic and professional potential.

With support from The Woman’s Board of Rush University Medical Center, the Bill & Melinda Gates Foundation, Citi Foundation, JPMorgan Chase & Co., Dow, Michael Reese Health Trust and other donors, REACH provides a variety of programming at Rush and local West Side schools, all while expanding career paths, developing a best-in-class talent pipeline and providing access to health insurance and other social determinants of health. And the program is just one part of Rush’s larger, overall effort to create health equity in all its communities and beyond.

“We have been committed to helping kids on the West Side for over two decades, but people aren’t born as data points — for them, it’s about that one experience, that one mentor or that one conversation that can change their life, health and wellbeing forever.”

— Darlene Hightower, Associate Vice President in Rush’s Office of Community Engagement
Excellence begins with cancer innovation

Cancer research and treatment have reached a pivotal moment when health care providers can efficiently analyze each individual patient’s case at molecular and genetic levels. We know more about treating the whole patient using supportive services and data technology, and can more specifically handle each case thanks to breakthroughs in clinical trials — several of which have been led by the internationally renowned staff in Rush’s cancer program. But only a few medical centers in the country can perform comprehensive genetic testing and align specific treatment for each patient’s unique cancer case, bolstered by the best treatment options, expert multidisciplinary teams, clinical trials and strategic partnerships, all in one place. Rush has laid the groundwork to join those few.

Mia Levy, MD, PhD, a Rush Medical College graduate whose mother was treated at Rush for cancer, was appointed in late 2018 as Rush’s new cancer center director. Levy, a practicing breast cancer oncologist and a nationally recognized leader in bioinformatics, has taken the lead on growing Rush’s program into a destination cancer center: one that attracts patients from across the country, with data-informed care and advice that’s unmatched in the Chicago region. The program will be centered in Rush’s planned 10-story outpatient building — the physical hub of a system-wide approach to cancer care — scheduled to open in 2022.

“We are going to develop an exceptional cancer center of multidisciplinary teams and comprehensive services across the Rush System. It’s not one place — it’s a network.”

— Mia Levy, MD, PhD,
Director, Rush University Cancer Center
Excellence begins with inclusive research

Research has demonstrated that Alzheimer’s disease is two to three times more common among African-Americans than whites. But no one is sure exactly why. Researchers at Rush are trying to answer this important question. African-Americans have been less likely to participate in studies, but for too long, researchers were not addressing the reasons for lower participation, resulting in less data from this population — data that could help establish better treatments and prevention for Alzheimer’s. To arrive at those breakthroughs, researchers also need to work outside of the lab and connect directly with the communities most affected by the disease to find the specific root causes.

Lisa Barnes, PhD, brought her research efforts directly into the homes of minorities after joining Rush in 1999. She developed the Minority Aging Research Study in 2004 to collect data from populations who have not been represented as well in studies as white populations. The result, so far, has uncovered a number of risk factors that appear to be related to rate of cognitive decline and risk of disease in African-Americans. Researchers in the Rush Alzheimer’s Disease Center, including Barnes, are conducting unique studies in which they evaluate people while they are living to find risk factors for Alzheimer’s, and after they pass away to understand how their brain pathology is associated with their cognitive performance and lifestyle factors. This combined effort of lab science and community engagement during the full arc of a person’s elderly years can bring us closer to solving one of the greatest medical challenges of our time — finding better ways to treat, and eventually cure, Alzheimer’s.

“To better learn what causes Alzheimer’s, we try to eliminate barriers that may keep older and minority populations from participating in key studies. We go right to their homes, and we can respectfully find the answers to our questions.”

— Lisa Barnes, PhD, the Alla V. Solomon Jesmer Professor of Gerontology and Geriatric Medicine at Rush
More than one-third of veterans return home with post-traumatic stress disorder, or PTSD, traumatic brain injury or related mental health conditions associated with their military service. While treatment is never a one-size-fits-all approach, more than half of the veterans in Rush’s Road Home Program’s Intensive Outpatient Program, or IOP, saw rapid and clinically meaningful changes in PTSD and depression symptoms.* A unique three-week treatment initiative, the IOP targets the driving factors behind veterans’ specific experiences that caused physical, mental and emotional injury through group and individual psychotherapy and novel approaches to stress reduction, including physical fitness, wellness and mindfulness.

The Road Home Program developed this particular programming through its participation in Warrior Care Network® — a first-of-its-kind partnership between Wounded Warrior Project®, or WWP, and four academic medical centers in the U.S. Early funding from WWP laid the groundwork for launching the IOP, while Welcome Back Veterans, an initiative of the Robert R. McCormick Foundation and Major League Baseball, also served as an early pillar of support for Road Home’s unique treatments. Now, expanding on their initial gift, WWP’s $45 million grant will broaden the IOP’s reach, providing mental health care services without cost to an expected 5,000 veterans or their family members over the next five years.

*According to results of a study by researchers at Rush University Medical Center

“So many veterans struggle to return to their lives that existed before their service. We help them rediscover tranquility and purpose in their civilian lives with support from fellow veterans who best relate to their challenges.”

— Rebecca Van Horn, MD, MA, Medical Director at the Road Home Program: The National Center of Excellence for Veterans and Their Families at Rush
Rush University Medical Center and Subsidiaries (referred to as "Rush") experienced another strong year of financial performance in fiscal year 2018 (July 1, 2017 - June 30, 2018), with Rush achieving our highest operating income in the organization’s 175-year history.

Operating income, one of the most important sources of funding for Rush, was $88 million during fiscal year 2018, which reflects an operating margin of 3.9 percent. Rush’s unrestricted cash and investments, a measure of liquidity, totaled $978 million as of June 30, 2018. Rush was recognized for this outstanding financial performance, solid balance sheet and liquidity, with our credit rating being upgraded from A+ to AA- by Fitch Ratings in November 2018.

Patient care continues to be at the center of Rush’s mission. Through its investments in clinical programs and demonstrated quality of care, Rush has established itself as a local and national leader in health care. Rush is currently ranked No. 2 among 99 academic medical centers by Vizient’s Quality Leadership Award. Rush was ranked No. 4 in 2017 and has been ranked in the top five every year since 2013. The award evaluates hospitals on the basis of mortality, effectiveness, safety, patient centeredness and equity of care.

Rush remains committed to supporting the communities we serve, including Chicago’s West Side. Rush has invested $2 million — with a goal to reach $6 million over the next three years — in organizations that are working to revitalize neighborhoods on the West Side. These investments are part of Rush’s broader endeavor to be an anchor of better health for residents of Chicago’s West Side by improving the economic health of these neighborhoods. Rush is also working as part of a larger collaboration, West Side United, to involve other health systems, hospitals and governmental agencies. In total Rush provided $371 million in community benefits during fiscal year 2018, an increase of 11 percent over fiscal year 2017. Included within that total, Rush provided $254 million in unreimbursed care to our patients; $54 million to support the education of the next generation of physicians, nurses and allied health professionals; and $33 million to support the cost of research in excess of external funding received.

Continued on page 10.
Rush is in the midst of a long-term strategic plan, which includes new developments on campus as well as other offsite investments that focus on the ongoing shift to outpatient services. In October 2018, Rush opened a 40,000-square-foot outpatient health center within a new 15-story, mixed use residential development in Chicago’s South Loop neighborhood. The outpatient center includes 20 specialties and has seen strong volumes to date. In January 2019, Rush opened a three-story, 100,000-square-foot medical professional building focused on orthopedic-related services in Oak Brook. The facility includes a multi-specialty ambulatory treatment center as well as other faculty physicians. Rush is continuing to develop plans for a new 10-story outpatient building on the Rush University Medical Center campus. The facility will be the hub of a system-wide approach to destination cancer and neuroscience care, as Rush strives to become the market leader in these two specialties. Construction is beginning in the spring of 2019, with the facility projected to open in fiscal year 2022.

Philanthropic contributions are increasingly important to Rush in order to accomplish our aforementioned long-term strategic plan and campus transformation, and Rush is grateful to our generous donor community in supporting our mission and vision. Rush raised nearly $98 million in philanthropic funding during fiscal year 2018, the most successful fundraising year in Rush’s history. In addition, the endowment provided $19 million to Rush, which continues to support Rush’s programs, including professorships, research and education, free care, student financial aid, scholarships, and fellowships.

With the strong financial performance, growth in clinical volumes and philanthropic support, Rush is well-positioned to execute on our long-term strategic goals over the next several years. We continue on the path to achieve our mission and vision of becoming the leading health system in the region and nationally recognized for transforming health care.

John P. Mordach
Senior Vice President and Chief Financial Officer
Rush University Medical Center

<table>
<thead>
<tr>
<th>Community Benefits</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Unreimbursed care</td>
<td>$253,942,224</td>
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<tr>
<td>Charity</td>
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<td>Unrecoverable patient debt</td>
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<td>Costs not covered by reimbursements for Medicare</td>
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<td>Costs not covered by reimbursements for Medicaid</td>
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<td>Support for research programs</td>
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<tr>
<td>Subsidized health services</td>
<td>$11,899,348</td>
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</tbody>
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Between July 1, 2017, and June 30, 2018, Rush received more than $97 million in philanthropic commitments from grateful patients, volunteers, alumni, faculty, staff and friends. Not only was this the most funds raised annually in Rush’s history, but in June we celebrated Wounded Warrior Project’s $45 million grant — the largest single commitment in Rush’s history. This generosity is the momentum that pushes our work from excellence to extraordinary.

Philanthropy is the foundation from which we build Rush’s legacy. Additionally, more than 420 Rush Heritage Society members are building for the future through planned gifts. By including Rush in your estate plans, you play an integral role in advancing health care and education far into the future, all while leaving a legacy to a meaningful cause.

Donors like you remind us that the power of philanthropy is not a fleeting gesture, but a shared vision threading throughout our commitment to build a better, healthier world. In allowing us to provide the highest quality of patient care, community outreach, research and health sciences education at Rush, you bring us one step closer to fully realizing this vision together.

Much of this same philanthropy provides the necessary seed funding and initial infrastructure from which our physician-researchers’ and laboratory scientists’ early studies can flourish. Being able to pilot and present their findings more widely leads to these same researchers receiving significant external research awards that further elevate their work. In FY2018 Rush received approximately $95 million in external research awards from esteemed sources such as the National Institutes of Health — a tremendous feat in a particularly challenging funding environment. These awards have funded research at its earliest, most pivotal stages — studies starting only as innovative ideas, but brought to life by your philanthropic support.

On behalf of our patients, students, faculty and staff, thank you to the many individuals, families, corporations, foundations and other organizations who supported Rush in FY2018. A listing of our generous FY2018 donors appeared in the winter 2019 issue of our Envision Rush donor newsletter. To obtain a print copy of the honor roll, to ensure that you’re on our mailing or email lists, or to learn more about giving to Rush, please contact the Office of Philanthropy at (312) 942-6830 or giving@rush.edu.

Thank you for pushing Rush from excellence to extraordinary.

Diane M. McKeever
Senior Vice President, Philanthropy
Chief Development Officer
Secretary, The Trustees

### Gifts Received by Purpose ($ in millions)

- **Facilities ($5.7)**
- **Research ($12.8)**
- **Special programs ($73.3)**
- **Student aid ($3.8)**
- **Unrestricted ($2.1)**

### Gifts Received by Source ($ in millions)

- **Associations and other organizations ($3.9)**
- **Corporations ($2.9)**
- **Foundations ($46.7)**
- **Individuals and families ($44.3)**
Our 2018 Year in Review is proof of how pivotal the collective generosity of our donors and friends can be in advancing medicine, health care education and overall quality of life. There is perhaps no greater example of these efforts than Rush’s endowment funds — among the most powerful donations an academic medical center can receive. These gifts permanently provide Rush the steady income needed to propel the groundbreaking programs and creative minds that keep us a leader in health care transformation.

We are pleased to present this report on the performance of our endowment in fiscal year 2018 (July 1, 2017-June 30, 2018). The endowment returned 8.8 percent, net of fees, as the portfolio benefited from strong returns from public and private equity investments. Opportunistic investments in private debt also contributed to performance providing elevated levels of income relative to traditional liquid bonds. Over the trailing five-year period, the endowment has returned 7.6 percent annualized, net of fees, generating $195.6 million of investment return. Reaching a new high point of $602.7 million in assets, the endowment has been able to provide increasing levels of program support totaling $88.8 million over the last five years while receiving $25.4 million from our generous donors. With your support, the endowment is able to serve as a critical source of funds supporting our mission in patient care, education and research and strengthening our community partnerships. Our goal of providing responsible stewardship for these entrusted funds remains our unwavering commitment.

On behalf of the executive leadership and that of the Board of Trustees, thank you for your continued investment in Rush’s mission and efforts to define tomorrow’s health care landscape.

Larry Goodman, MD
Chief Executive Officer,
Rush University Medical Center
and the Rush System

Alex Wiggins
Vice President and Chief Investment Officer
Rush University Medical Center
All statistics, unless otherwise noted, refer to the Rush System, which comprises Rush University Medical Center, Rush University, Rush Copley Medical Center and Rush Oak Park Hospital, as well as numerous outpatient care facilities.

### Patient Statistics
- **26,306** Admissions
- **88,865** Emergency Room Visits
- **56,099** Medicaid Days
  
  *Ranked 5th in the state (RUMC only)*

### Community Benefits
- **$446 Million** Total Community Benefits
- **$350 million** Rush University Medical Center
- **$21 million** Rush Oak Park Hospital
- **$75 million** Rush Copley Medical Center

### Student Body
- **2,708** Rush University Total
  - Rush Medical College
  - College of Nursing
  - College of Health Sciences
  - The Graduate College

### People
- **2,024** Medical Staff
- **11,709** Full-time Employees

### Births
- **2,267**

### Staffed Beds
- **684** Rush University Medical Center
- **127** Rush Oak Park Hospital
- **210** Rush Copley Medical Center
- **1,021** System Total Staffed Beds

Excellence is just the beginning.