



2018  
ANNUAL  
REPORT



1500 East Duarte Road  
Duarte, CA 91010-3000  
CityofHope.org  
CityofHope.org/annualreport

Copyright © 2019 by City of Hope

25000-NEW-27838





6 MESSAGE FROM LEADERSHIP

7 OUR MISSION

9 POINTS OF DISTINCTION

13 EXPANSION

15 INNOVATION

17 COLLABORATION

19 ACCELERATION

21 COMPASSION

23 NEW HOPE

25 EVENTS

27 NEWS

29 PARTNERS IN HOPE

33 BOARD OF DIRECTORS

35 FINANCIAL REPORT





---

# MESSAGE FROM THE PRESIDENT AND CEO



You can almost see it from here.

A new world, where cancer and diabetes are no more. Where there are no empty chairs at family tables, hope turns into reality, and everyone has the chance to live longer and better lives.

This is our vision, as we bring tomorrow's discoveries to the people who need them today.

In these pages, you will see City of Hope bring that future into focus, as we shape the health care landscape, accelerate impactful research discoveries, and move with speed in service to the patients and families who cannot wait.

Our ingenuity is accelerating our results. Our CAR T cell program is addressing some of the hardest-to-treat cancers, our employer-focused program is covering more than 1 million lives around the nation, and we have hit the ground running on a cure for type 1 diabetes.

We are abundantly optimistic and believe that tomorrow will be better than today — because we can make it so.

**Robert W. Stone**

PRESIDENT AND CHIEF EXECUTIVE OFFICER  
CITY OF HOPE



---

# OUR MISSION

City of Hope is transforming the future of health. Every day we turn science into practical benefit. We turn hope into reality. We accomplish this through exquisite care, innovative research and vital education focused on eliminating cancer and diabetes.

© City of Hope 2012





# POINTS OF DISTINCTION

## City of Hope by the Numbers

We've performed more than

# 15,000

bone marrow and stem cell transplants.



City of Hope is currently conducting

# 500

clinical trials, enrolling more than 6,200 patients.



City of Hope has been ranked as one of the nation's

## "BEST HOSPITALS"



in cancer by *U.S. News & World Report* for 12 consecutive years.

City of Hope is one of only

# 50



comprehensive cancer centers in the nation.

When TGen sequences a patient's genome, they review approximately

# 100 BILLION



data points.

# COMMUNITY BENEFIT

## Investments in Community Benefit

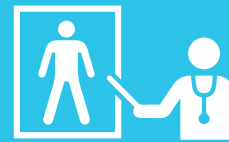
Benefits for the Broader Community

# \$2,523,438



Tailored programs and services for the most vulnerable and those most at-risk for health inequities in the San Gabriel Valley

Health Research, Education and Training



# \$110,328,036

Clinical trials, research, continuing medical education, fellowship programs and internship programs run through the medical center

Medical Care Services and Benefits



# \$125,589,643

Health care services provided to our patients, including services not fully covered by Medicare

**TOTAL**

# \$238,441,117







# EXPANSION

## Changing the way health care is delivered

Through an exceptionally aggressive campaign of expansion, City of Hope is increasing both its physical size and its impact.

### City of Hope Cancer Support Services

For any company providing health care to its employees, cancer is different.

It's expensive (often comprising 12% or more of a company's total health care spend). It's complicated (consisting of more than 200 subtypes). And not everyone has access to providers offering the latest treatment options.

Now, with City of Hope Cancer Support Services, all that is changing.

City of Hope is joining forces with employers to bring state-of-the-art cancer expertise to their employees — regardless of where those employees are located.

The approach? To revolutionize cancer care by delivering expertise where it's needed instead of requiring patients to travel long distances to a specialized cancer hospital.

The goal? To make sure all patients have access to the kind of expertise you can only get at a National

Cancer Institute-designated comprehensive cancer center.

Led by Harlan Levine, M.D., president of strategy and business ventures, the member-centered program consists of three offerings:

#### CANCER SUPPORT LINE

Patients often have questions after receiving a cancer diagnosis. This dedicated phone line is answered by specially trained nurses who can help patients navigate their cancer journey.

#### EXPERT ADVISORY REVIEW

After a cancer diagnosis, a patient enrolled in this program can have a team of City of Hope specialists review their medical records and work with their local doctor to ensure that the best possible therapeutic approach is being pursued.

#### ACCOUNTABLE PRECISION ONCOLOGY

City of Hope clinicians work with health plans and local oncologists to offer guidance



Harlan Levine, M.D.

on the most complex cancer cases, where treatment decisions can be challenging. For example, City of Hope physicians can help determine whether genomic testing is appropriate, and, if so, how it could impact treatment.

Taken together, the above programs comprise City of Hope Cancer Support Services, offered today to more than 1 million people nationwide.

## Bigger, Bolder: The Campus Plan

City of Hope's explosive growth isn't relegated to the virtual realm (see previous page). Our main campus is also undergoing a spectacular transformation.

This dramatic transformation will allow City of Hope to better pursue our mission and touch even more lives with our work.

Already under construction, the new Medical Office Building (pictured here) is the first of many ambitious projects. By July 2020, a new parking structure and preparations for the massive Duarte Outpatient Clinic will be well underway.

Construction on a new inpatient tower expansion will begin in earnest by May 2023. There are also plans to grow and improve campus lodging for patients and their families who need to remain on campus while they convalesce.



The campus plan will result in

**2.6**  
**MILLION**  
**SQUARE**  
**FEET**  
of space for patients and visitors.



# INNOVATION

## The fearless pursuit of what's next

Innovation is an act of patience, perseverance and harnessing the power of creation. The payoffs can be astounding.

### From BMT to CAR T

Immunotherapy is more than just a narrow field of study at City of Hope — it is the central component of groundbreaking research and clinical trials currently underway.

City of Hope stands at the forefront of a powerful form of immunotherapy known as chimeric antigen receptor (CAR) T cell therapy. Using this approach, immune cells are taken from a patient's bloodstream, reprogrammed to recognize and attack a

specific protein found in cancer cells, then reintroduced into the patient's system, where they destroy tumor cells.

Our history with CAR T cell therapy dates to the late 1990s and builds on the pioneering work of Stephen J. Forman, M.D., in bone marrow transplantation (BMT). The City of Hope BMT program began in 1976 and has since grown into one of the largest, most successful programs of its kind in the United States.

Currently, we are investigating CAR T cell therapy as a bridge to bone marrow transplant for leukemia and lymphoma patients and are unique in our research of CAR T in combination with transplant.

Among the diseases that City of Hope physicians and scientists are targeting with CAR T cell therapy are lymphoma, leukemia, multiple myeloma, glioblastoma and other brain tumors, and prostate and breast cancer.

### FORMAN AT 40

Stephen Forman, M.D., the Francis & Kathleen McNamara Distinguished Chair in Hematology and Hematopoietic Cell Transplantation, arrived here 40 years ago, in 1978, specifically to work with our nascent bone marrow transplant (BMT) team of two and help develop the program. In its first year (1976), the team performed six BMTs. Last year, it clocked over 700. It has been responsible for pioneering many key breakthroughs in BMT therapy, from helping to break the age barrier for transplants in patients over 80 years old to finding ways to conquer cytomegalovirus (a common and potentially deadly infection following transplant) and graft-versus-host disease (a prevalent post-transplant complication).



Stephen Forman, M.D.

### Tackling Type 1 Diabetes

City of Hope wants a cure for type 1 diabetes today.

In 2017, we introduced the groundbreaking Wanek Family Project for Type 1 Diabetes. This project, created through the generosity of the Wanek family and other like-minded visionaries, seeks to cure type 1 diabetes.

In the first year, we launched 16 projects cutting across multiple disciplines, including immunology, endocrinology, cellular therapeutics, nutrition and metabolism. Now, nearly two years in, we are more optimistic than ever about finding a cure.

The Wanek team hit the ground running by redefining the disease. Our researchers found that diabetes is actually a disease of the beta cell, rather than of the immune system. Beta cells, when stressed, send faulty signals to the immune system, and immune cells then read these

signals as a threat and attack the beta cells.

This insight comes on the heels of research revealing that, even in patients with advanced disease, beta cells can be hibernating in pancreatic islets to escape the immune system's notice. We are identifying ways to jumpstart these beta cells.

Additional projects in the works include a diabetes vaccine, using biologic therapies such as vitamin D3, and exploring strategies to enhance the microbiome.

**\$50 MILLION** amount pledged by the Waneks and other donors to cure type 1 diabetes

# COLLABORATION

## Better Together

Collaboration is the lifeblood of our organization. We're at our best when we're working together.

### The era of precision

Working with the Translational Genomics Research Institute (TGen), an affiliate of City of Hope, is allowing us to revolutionize personalized medicine. Our relationship with TGen allows us to sequence patient's genomes and engineer targeted treatments like CAR T cell therapy and other immunotherapies that often offer greater success and fewer side effects than other treatments.

"City of Hope's alliance with TGen brings together brilliant scientists that are at the forefront of unraveling the genetic abnormalities in cancer. This will allow us to then make the most precise therapeutic decisions for our patients," said Steven T. Rosen, M.D., the Irell & Manella Cancer Center Director's Distinguished Chair and the Morgan & Helen Chu Director's Chair of the Beckman Research Institute.

By honing in on a patient's

specific genetic and biologic characteristics, our physicians can make medical decisions that take into account how each patient will respond to treatment on a molecular level. In the coming years, as this partnership continues to grow and flourish, we expect even more targeted treatments and lives saved.

### From lab to clinic

Facilities at City of Hope offer both biological and chemical manufacturing capabilities, speeding treatments to the patients who need them most. For example, at our state-of-the-art Center for Biomedicine & Genetics, researchers are able to produce massive quantities of the stem cells used in our precision medicine efforts.

In total, there are three campus facilities producing drugs and components used in clinical trials, internally and externally. And over the past five years, these

**50%**  
of the U.S. Food and Drug Administration's approvals were for targeted treatments.

facilities were used by a total of 28 investigators who manufactured more than 500 products for at least seven separate clinical trials.

By housing together clinics, research labs and manufacturing facilities on the same campus, lifesaving treatments can rapidly progress from theory to prototype to clinical trial to real treatments for real patients.



The Cellular Therapy Production Center provides

**6,800**  
**SQUARE FEET**

of production space.



# ACCELERATION

## Racing Toward a Cure

Cancer patients, their families and friends have no time to wait. They need cures now.

### Clinical Trials

Inside the Judy & Bernard Briskin Center for Clinical Research, a peaceful atmosphere belies the urgency of the mission.

Opened in August 2018 and made possible by a generous gift from Judy and Bernard Briskin and the Briskin Family Foundation, it is a place where groundbreaking discoveries are being made and treatments developed that we can speed to patients who cannot wait.

The new location provides the medical team with the very best opportunity to explore how new drugs and therapies will interact with the body and fight disease. In addition, we can seamlessly deliver ancillary services in an outpatient environment, allowing us to focus on patient care.

### The promise of stem cells

The potential of stem cell-based therapy for cancer and myriad other diseases has energized doctors and researchers, including at City of Hope. The California Institute for Regenerative Medicine (CIRM)-sponsored City of Hope Alpha Stem Cell Clinic is dedicated to the rapid research and development of stem cell-based therapies for cancer, HIV/AIDS, sickle cell disease and other illnesses.

In June 2018, CIRM awarded City of Hope \$3.7 million to develop a phase 1 clinical trial for glioblastoma patients that will genetically engineer their stem cells to better tolerate chemotherapy's side effects, allowing them to receive higher doses of the therapy for this often-deadly brain tumor.

The institute also continues to fund studies led by Dongrui Wang, a Ph.D. candidate, and Christine Brown, Ph.D., the

# \$8

## MILLION

(CIRM grant to fund the City of Hope Alpha Stem Cell Clinic)

Heritage Provider Network Professor in Immunotherapy and associate director of the T Cell Therapeutics Research Laboratory at City of Hope, as they doggedly pursue CAR T cell therapy as a treatment for glioblastoma.

In addition, CIRM awarded City of Hope's Xiuli Wang, Ph.D., research professor in the Department of Hematology & Hematopoietic Cell Transplantation, \$3.8 million to develop CAR T cells that can target and kill HIV-infected cells.



### Briskin Center by the numbers:

17 infusion areas

5 private rooms | 4 dedicated research faculty



# COMPASSION

## Putting Patients first

While our scientific breakthroughs continue to push cancer care ahead, our compassionate patient care is what sets us apart.

### HITTING IT OUT OF THE PARK:

Chad Bible

NCAA Baseball star Chad Bible's doctor, Steven Forman, M.D., the Francis & Kathleen McNamara Distinguished Chair in Hematology and Hematopoietic Cell Transplantation, knew that getting him back in the game after battling Hodgkin's lymphoma was the athlete's top priority. Bible put his baseball career on hold while he underwent chemotherapy for several months. Treatment caused the athlete to lose his hair along with 40 pounds, but despite the setbacks, 15 months after diagnosis, Bible was back at bat.

"Cancer showed me how fragile time is. It showed me what really matters in life. It just changed my perspective on everything," said Bible. "Cancer was holding me back for a while, but today, I feel good. I've never been stronger."

### CURING RARE DISEASES:

Cierra Danielle Jackson

We prepared Cierra Danielle Jackson for a life in the spotlight. An aspiring actress, Jackson was born with sickle cell disease, a genetic disorder that afflicts some 100,000 Americans, 80% of whom are African American.

Most treatments are designed to improve symptoms, but at City of Hope, we're focused on curing the disease. Only a bone marrow transplant can "cure" sickle cell disease, and that's what brought Jackson to City of Hope and Joseph Rosenthal, M.D., the Barron Hilton Chair in Pediatrics.

Now, several years post-transplant, she is considered cured. While her recovery hasn't been easy, Jackson is busy pushing forward with her acting career, writing a book, and creating a nonprofit to support and counsel others with sickle cell disease.

### USING HIS ILLNESS TO CREATE ART:

Joe Bravo

It was on New Year's Eve 2016 when artist Joe Bravo's life took an unexpected turn: tongue cancer.

His doctor referred him to City of Hope for treatment, where he was fitted for and wore a radiation mask. He endured treatment for 15 minutes a day, Monday through Friday, for seven weeks.

Bravo decided to incorporate his illness into his art, quite literally. Gauze and bandages he wore as a patient were fashioned into a sling shot, with cancer being the Goliath to his David. The syringes used to keep him nourished while unable to eat or swallow became a crown surrounding the radiation mask that reminds him of what he has come through.



Chad Bible



Cierra Danielle Jackson



Joe Bravo

### About

# 8,110

### new cases

of Hodgkin's lymphoma are expected in 2019.

# 80%

of those with sickle cell disease are African American.

City of Hope currently has

# 16

ongoing CAR T clinical trials.



# NEW HOPE

## The Vanguard

As City of Hope grows, globally renowned physicians and researchers join our ranks.

### Michael A. Caligiuri, M.D.

Michael A. Caligiuri, M.D., the Deana and Steve Campbell Physician-in-Chief Distinguished Chair in Honor of Alexandra Levine, M.D., is a world-renowned physician, scientist, builder, innovator, leader and visionary. He is dedicated to developing the next generation of leading-edge cancer therapies, rapidly delivering them to patients and ultimately curing the disease.

Caligiuri was elected to the National Academy of Medicine's Class of 2018 for his breakthrough discoveries and is the immediate past president of the American Association for Cancer Research.

A leading researcher in the field of immunology, lymphoma and leukemia, Caligiuri's goal at City of Hope is "to speed up the delivery of our discoveries in the laboratory to our patients."

### Jianjun Chen, Ph.D.

Before joining Beckman Research Institute of City of Hope as a professor and vice chair, Jianjun Chen, Ph.D., the Simms/Mann Family Foundation Chair in Systems Biology, served as an associate professor of cancer biology at University of Cincinnati College of Medicine.

Chen received his Ph.D. from the Shanghai Institute of Biochemistry, Chinese Academy of Sciences, and conducted postdoc training at the University of Chicago.

Chen was named a scholar of the Leukemia & Lymphoma Society (2017) and Researcher of the Year by the Pamela B. Katten Memorial Leukemia Research Foundation (2014). He is a permanent member of the National Institutes of Health Developmental Therapeutics study section, and his research program is supported by multiple grants from the National Cancer Institute.

### Anna M. Wu, Ph.D.

Anna M. Wu, Ph.D., is professor and associate chair of the Department of Molecular Imaging & Therapy and co-director, Center for Theranostic Studies, within the Diabetes & Metabolism Research Institute at City of Hope, and professor in the Department of Radiation Oncology. She is also a research professor in the Department of Molecular and Medical Pharmacology at the David Geffen School of Medicine at UCLA. She is a past chair of the California Breast Cancer Research Council, and fellow and past president of the World Molecular Imaging Society.

Wu is the co-founder and chief scientific adviser to ImaginAb Inc., an L.A.-based startup that develops engineered antibodies for clinical imaging in cancer and other diseases. Wu received her Ph.D. from Yale University in molecular biophysics and biochemistry.



Michael A. Caligiuri, M.D.



Jianjun Chen, Ph.D.



Anna M. Wu, Ph.D.

# 39%

increase in the number of City of Hope employees over the past five years



# EVENTS

Celebrating with — and giving back to — our community is an important part of the City of Hope mission. Below are a few representative examples of the numerous events we hold on and off campus each year.

## Walk for Hope

In November, nearly 10,000 supporters gathered to help raise funds and awareness for women's cancers at City of Hope's annual Walk for Hope, which supports City of Hope researchers and scientists working on new treatments that benefit women everywhere.

## Celebrity Softball Game

City of Hope's Celebrity Softball Game, held in conjunction with the CMA Music Festival, brought together some of Nashville's biggest stars to raise money for lifesaving cancer research and treatment.

## Spirit of Life®

The 2018 Music, Film and Entertainment Industry group's *Spirit of Life®* dinner honored Jon Platt, chairman and CEO of Sony/ATV. Guests included power couple Jay-Z and Beyoncé, Usher and Pharrell Williams.

## ThinkCure!

In July, nine cancer survivors took to the field at Dodger Stadium to kick off City of Hope's ThinkCure! Weekend, an event that celebrated courageous patients and their doctors.

## Bone Marrow Transplant Reunion

Thousands gathered for the 42nd Celebration of Life Bone Marrow Transplant Reunion, an event that has grown into an annual extravaganza that draws more than 4,000 survivors, donors and families from around the world.



Walk for Hope



Celebrity Softball Game



Spirit of Life



ThinkCure!



BMT Reunion

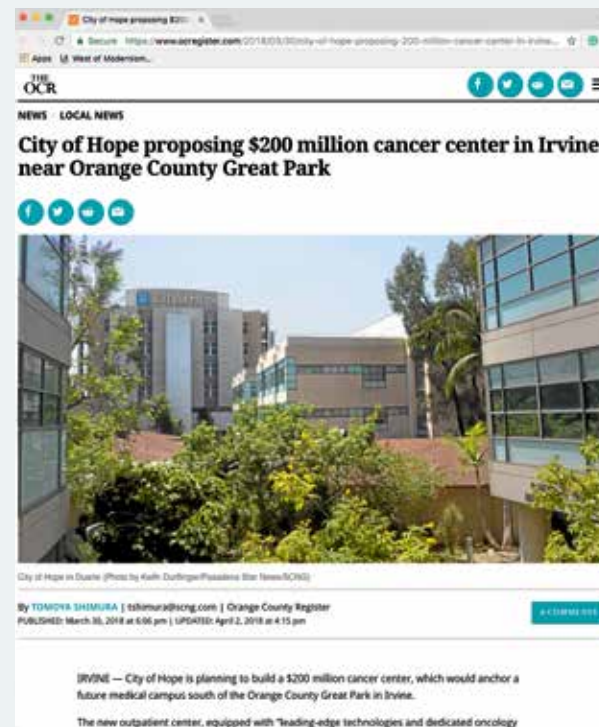


# NEWS OF 2018

City of Hope was a familiar sight in the national media spotlight. These are a few of the City of Hope news stories that caught the attention of a nation.

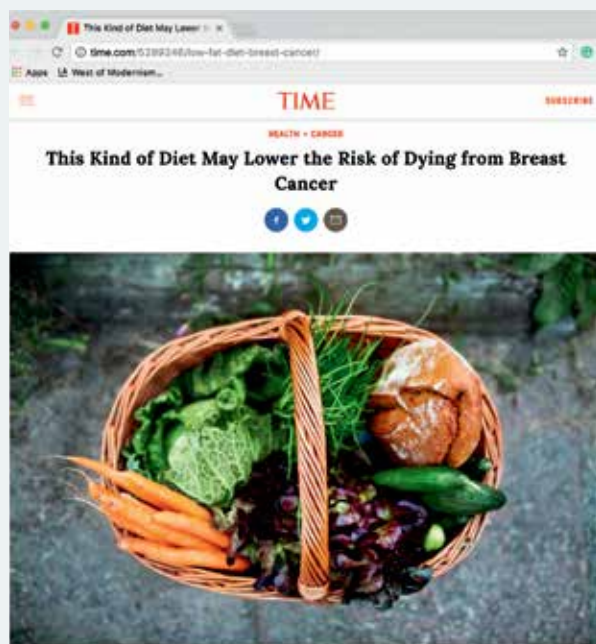
## THE ORANGE COUNTY REGISTER

The Orange County Register broke the news that City of Hope would be expanding to Orange County, bringing “leading-edge technologies and dedicated oncology specialists” to Irvine.

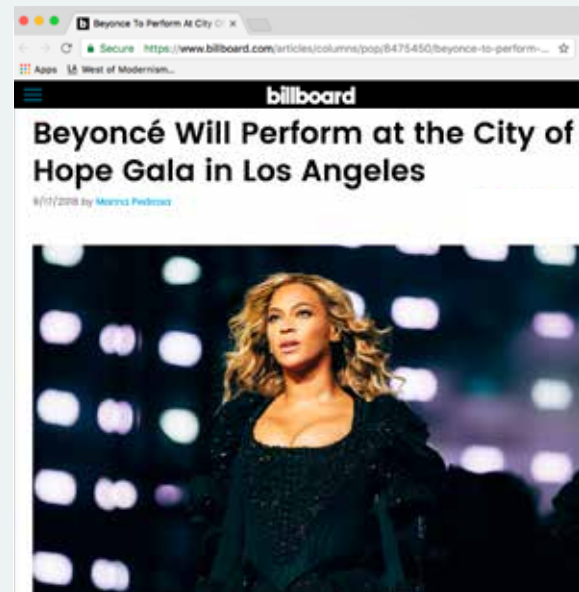


## TIME

City of Hope’s Rowan Chlebowski, M.D., Ph.D., made national headlines with a study published in *JAMA Oncology* that demonstrated that a low-fat diet is linked to a reduced risk of developing breast cancer.



City of Hope clinical research nurse Pamela McTague was named a “Superhero Nurse” by *O: The Oprah Magazine* for helping patients navigate the ups and downs of cancer treatment.



## billboard

Hundreds of outlets around the world celebrated the news that celebrity power couple Beyoncé and Jay-Z would be attending the City of Hope Spirit of Life® gala honoring Jon Platt.

## Los Angeles MAGAZINE

Los Angeles magazine profiled City of Hope diabetes immunologist Bart Roep, Ph.D., the Chan Soon-Shiong Shapiro Distinguished Chair in Diabetes, in a feature story that explored the potential of his vaccine to cure type 1 diabetes.





# PARTNERS IN HOPE

## Anthony F. Markel Family

The Anthony F. Markel Family City of Hope Museum was named to honor Anthony "Tony" Markel, an insurance industry leader and his family, who have left an indelible mark on City of Hope through their deep commitment to accelerating ovarian peritoneal cancer research. Tony's impact is felt both through the generosity of his family's giving as well as through the national network of industry support he has built.

## Simms/Mann Family Foundation Chair in Systems Biology

Dr. Victoria Mann Simms and Ronald Simms have spent decades funding projects that address society's biggest challenges in the 21st century. The endowed chair they have established at City of Hope was created with the specific

goal of funding the work of Jianjun Chen, Ph.D. Chen is a leader in the use of systems biology to address disparities in therapeutic options for complex, difficult-to-treat cancers.

## Samuel Kuo, Grace Liu and Samson Holding

Samuel Kuo and Grace Liu wanted to do something to accelerate cures for liver cancer, a disease that is diagnosed in 700,000 people every year. Their recent gift will support the pioneering research of Yuman Fong, M.D., The Sangiacomo Family Chair in Surgical Oncology, who is leading multiple studies of how liver cancer is treated, including the use of genetically modified viruses to destroy cancer cells.

## Judy and Bernard Briskin

The opening of the new Judy & Bernard Briskin Center for Clinical Research last fall was the culmination of a long-term goal of the Briskin family to advance

innovative ideas, transformative therapies and lifesaving treatments through their partnership with City of Hope. The Briskins' visionary giving goes beyond this state-of-the-art facility to include support for a significant number of clinical trials, as well as basic and translational research projects launched and managed through the Judy & Bernard Briskin Center for Multiple Myeloma Research.

## Arthur D. Riggs Distinguished Chair in Diabetes & Metabolism Research

Arthur Riggs, Ph.D. is best known along with Keiichi Itakura, Ph.D. and their team for pioneering biotechnology that provided the world's first novel human-designed genes and the production of synthetic human insulin. Now Dr. Riggs' legacy will continue in another way: with the establishment of an endowed chair to honor and provide resources to a senior leader within the Diabetes & Metabolism Research Institute

at City of Hope. Fouad Kandeel, M.D., Ph.D., is the first to hold this distinguished chair.

## Kate and Arthur Coppola

Ties between the Coppola family and City of Hope run deep. The family created an endowed chair in 2008 to recognize the importance of care that addresses the whole person. William Dale, M.D., Ph.D. was recently named to the Arthur M. Coppola Family Chair in Supportive Care Medicine. Arthur (Art) Coppola has led insurance industry support for City of Hope for over a decade. His wife Kate regularly leads sound bath healing sessions at the Sheri & Les Biller patient and Family Resource Center.

## Marilyn Wallace and Sami Freedman

Marilyn Wallace and Sami Freedman are sisters who share a passion for finding a cure for cancer. In honor of their parents, Art and Ruth Rosinsky,

grandmother Sara Silver, and their late husbands George Wallace and Bob Freedman, the sisters have established through their estate plans the Rosinsky, Silver, Wallace, Freedman Innovator Endowed Fund to advance cancer research.

## Jacki and Bruce Barron Cancer Research Scholars' Program

Created through a gift from the Harvey L. Miller Family Foundation, the Jacki and Bruce Barron Cancer Research Scholars' Program facilitates collaboration between City of Hope and investigators backed by the Israel Cancer Research Fund. Recent joint explorations include a study of genetic mutations related to breast cancer; research on treatments for acute leukemias; and study of a new approach to "theranostics"—therapy combined with diagnostics—that target specific tumors and diseases.



From right: Tony Markel and his wife Betsy, son-in-law Tony Phelan, daughter Diana Markel Phelan, sister-in-law Denise Stout and brother Gary Markel. Not present: daughter Melinda Markel



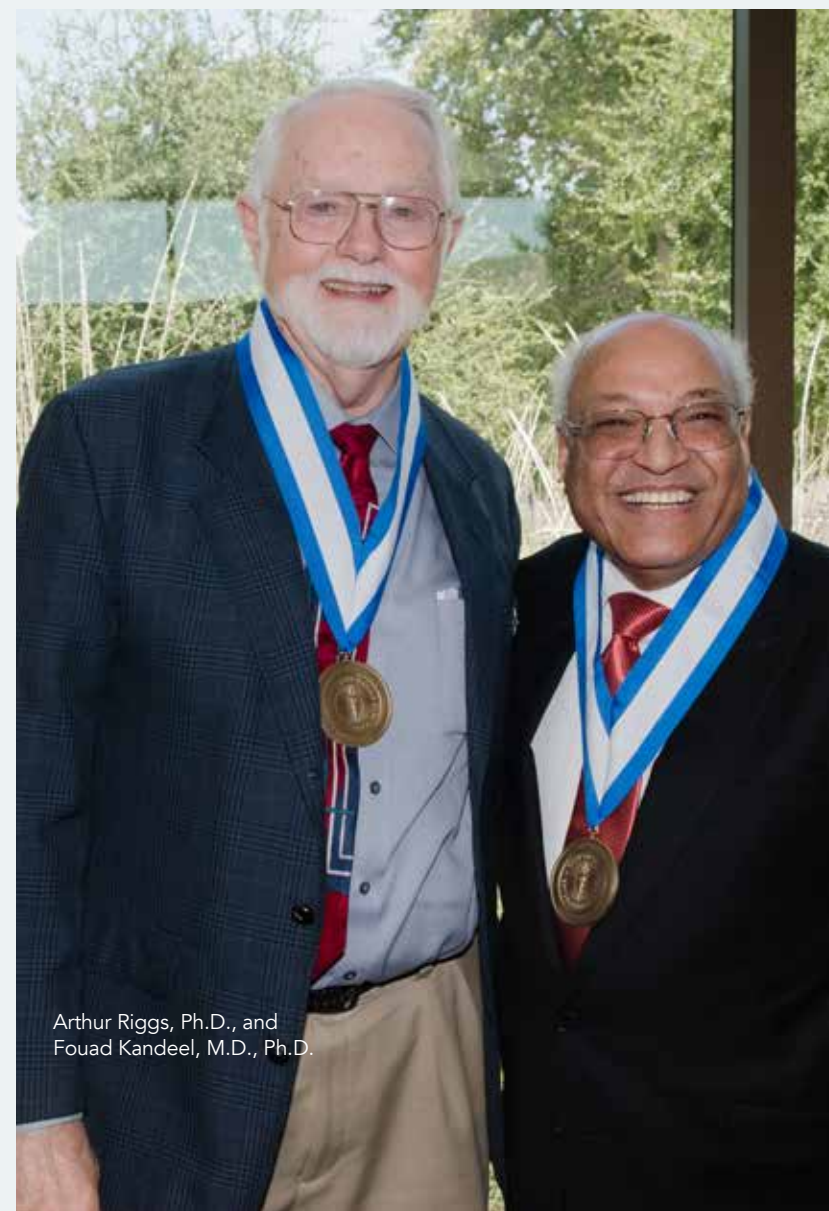
Ron Simms and Dr. Victoria Mann Simms



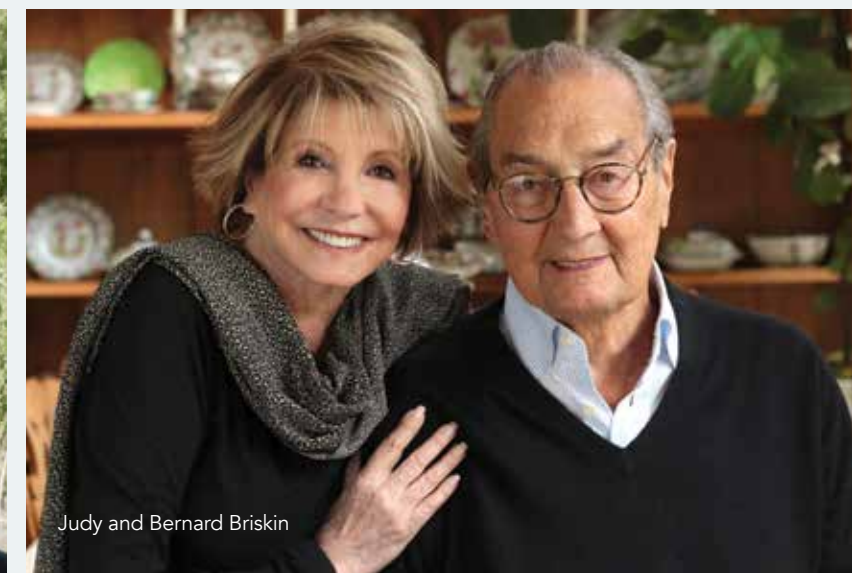
Marilyn Wallace and Sami Freedman



Samuel Kuo and Grace Liu



Arthur Riggs, Ph.D., and Fouad Kandeel, M.D., Ph.D.



Judy and Bernard Briskin



From left: Tamra Dale; William Dale, M.D., Ph.D.; Art Coppola and Kate Coppola

# \$163.8 MILLION

The amount of money contributed by our generous partners in 2018





# 2018 BOARD OF DIRECTORS

As City of Hope grows, globally renowned physicians and researchers join our ranks.

#### CITY OF HOPE BOARD OF DIRECTORS

Selwyn Isakow,  
*Chair of the Board*  
Randolph P. Beatty, Ph.D.  
Barbara Bruser  
Morgan Chu, Esq.  
Malissia Clinton  
Philip Fasano (effective  
2/15/19)  
Steven B. Fink  
*Chair of the Board*  
Jody Horowitz Marsh  
Norman C. Payson, M.D.,  
Immediate Past Chair  
William J. Post  
Ronald L. Sargent  
Anthony E. Scott  
Glenn Steele, M.D., Ph.D.  
Suzanne M. Vautrinot  
(effective 6/1/19)

#### CHAIRS EMERITUS

Sheri J. Biller  
Philip L. Engel  
Meyer E. Hersch  
Terry R. Peets  
Gil N. Schwartzberg  
Jack R. Suzar  
Richard S. Ziman

#### EMERITUS AND HONORARY DIRECTORS

Israel J. Freeman  
Robbin L. Itkin  
Michael B. Kaplan  
Stephen B. Kass  
Sidney Kline  
Jacqueline B. Kosecoff, Ph.D.  
Mark Levey  
Claire L. Rothman  
Joseph P. Sanford  
Ernie C. So

#### CITY OF HOPE NATIONAL MEDICAL CENTER BOARD OF DIRECTORS

Morgan Chu, Esq.,  
*Chair of the Board*  
James Andersen, M.D.  
Warren A. Chow, M.D.  
Vincent Chung, M.D.  
Donald Hoffman  
Jody Horowitz Marsh  
Richard B. Meyers  
Leslie Popplewell, M.D.  
Claire L. Rothman  
Ernie C. So  
Gagandeep Singh, M.D.

#### BECKMAN RESEARCH INSTITUTE BOARD OF DIRECTORS

Steven B. Fink, *Chair of the Board*  
Benham Badie, M.D.  
Gary E. Freedman  
Linda Malkas, Ph.D.  
Jody Horowitz Marsh  
Art Nemiroff  
John J. Rossi, Ph.D.  
Ernie C. So

#### CITY OF HOPE MEDICAL FOUNDATION BOARD OF DIRECTORS

Morgan Chu, Esq.,  
*Chair of the Board*  
James Andersen, M.D.  
William Boswell, M.D.  
Harlan Levine, M.D.  
Vijay Trisal, M.D.  
Jeff Walker, M.B.A.  
Jeffrey Wong, M.D.

#### TGEN BOARD OF DIRECTORS

William J. Post  
*Chair of the Board*  
Robert Stone  
*Vice Chair*  
Jennifer Parkhurst  
(*City of Hope*)  
Greg Schetina, Esq.  
(*City of Hope*)  
Anthony E. Scott  
Robert Bulla  
Bennett Dorrance  
David J. Gullen, M.D.  
Sharon Harper  
Pamela Kehaly  
Cindy Parseghian  
Terry R. Peets  
Marilyn Quayle  
Richard Silverman  
Jeffrey M. Trent, Ph.D.  
Tess Burleson  
Manuel Estrada  
(*City of Hope*)  
Stephanie McRae, Esq.



## SELECTED FINANCIALS

### CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2018 AND 2017

amounts in thousands

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$377,571	\$212,067
Investments	1,529,871	1,195,315
Patient accounts receivable, less allowances for uncollectible accounts of \$10,916 in 2018 and \$5,688 in 2017	238,384	245,192
Grants and other receivables	95,981	66,070
Donor restricted unconditional promises to give, net	18,576	49,399
Prepaid and other	39,447	46,471
<b>Total current assets</b>	<b>2,299,830</b>	<b>1,814,514</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Net of accumulated depreciation of \$905,926 in 2018 and \$800,985 in 2017	930,236	861,850
<b>OTHER ASSETS:</b>		
Investments	302,822	313,812
Board designated investments	884,127	815,638
Donor restricted assets	601,626	514,107
Other assets	117,162	63,897
<b>Total other assets</b>	<b>1,905,737</b>	<b>1,707,454</b>
<b>TOTAL ASSETS</b>	<b>\$5,135,803</b>	<b>\$4,383,818</b>
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued liabilities	\$266,430	\$253,952
Long-term debt, current portion	13,051	11,650
<b>Total current liabilities</b>	<b>279,481</b>	<b>265,602</b>
<b>LONG-TERM DEBT, net of current portion</b>	<b>1,003,810</b>	<b>683,411</b>
<b>ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS</b>	<b>20,464</b>	<b>18,580</b>
Other	76,810	80,795
<b>Total liabilities</b>	<b>1,380,565</b>	<b>1,048,388</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>NET ASSETS:</b>		
Unrestricted - controlling	3,121,881	2,788,493
Unrestricted - noncontrolling	35,100	-
Restricted	598,257	546,937
<b>Total net assets</b>	<b>3,755,238</b>	<b>3,335,430</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$5,135,803</b>	<b>\$4,383,818</b>

### GROSS CHARGES FOR PATIENT SERVICES

amounts in thousands

	<b>2018</b>	<b>%</b>	<b>2017</b>	<b>%</b>
Medicare	\$1,562,289	34.8%	\$1,387,865	34.6%
Indemnity insurance	22,318	0.5%	27,980	0.7%
Managed care contracts	2,417,971	53.8%	2,170,763	54.1%
Subsidized care	489,082	10.9%	425,328	10.6%
<b>TOTAL</b>	<b>\$4,491,660</b>	<b>100.00%</b>	<b>\$4,011,936</b>	<b>100.00%</b>

#### PATIENTS TREATED

	<b>2018</b>	<b>2017</b>
Patients treated during year (Total Organization)	83,304	68,418
Admissions	6,900	6,714
Adjusted patient days	159,892	155,560
Outpatient and Infusion visits	368,814	357,329
Bone marrow transplants (Inpatient and Outpatient)	773	757

## SELECTED FINANCIALS

### CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017

amounts in thousands

	<b>2018</b>	<b>2017</b>
<b>Revenues:</b>		
Net patient service revenues	\$1,375,498	\$1,186,167
Contributions and net special event revenues	163,215	144,362
Royalties and research grants	653,191	533,200
Other	229,003	164,815
<b>Total revenues</b>	<b>2,420,907</b>	<b>2,028,544</b>
<b>Expenses:</b>		
Program services	1,597,792	1,382,832
Supporting services	465,360	389,443
<b>Total expenses</b>	<b>2,063,152</b>	<b>1,772,275</b>
<b>Operating income</b>	<b>357,755</b>	<b>256,269</b>
<b>Change in net unrealized gain on investments</b>	<b>27,142</b>	<b>180,393</b>
Contributed capital noncontrolling interest	34,911	-
Inherent contribution from Affiliation	-	46,419
Change in net assets	419,808	483,081
Net Assets, beginning of year	3,335,430	2,852,349
Net Assets, end of year	\$3,755,238	\$3,335,430

### CITY OF HOPE AND AFFILIATES COMBINED STATEMENTS OF CASH FLOW FOR THE YEARS ENDED SEPTEMBER 30, 2018 AND 2017

amounts in thousands

	<b>2018</b>	<b>2017</b>
<b>Cash Flows from Operating Activities:</b>		
<b>Changes in net assets</b>	<b>\$419,808</b>	<b>\$483,081</b>
<b>Adjustments to reconcile changes in net assets to net cash used in operating activities:</b>		
Depreciation and amortization	126,298	118,861
Net change in operating investments	(536,889)	(196,219)
Contributed capital, noncontrolling interest	(34,911)	-
Inherent contribution from Affiliation	-	(46,419)
Other changes in operating assets and liabilities	(56,319)	(21,110)
<b>Total adjustments</b>	<b>(501,821)</b>	<b>(144,887)</b>
<b>Net cash (used in) provided by operating activities</b>	<b>(82,013)</b>	<b>338,194</b>
<b>Cash Flows from Investing Activities:</b>		
Proceeds from sales of property, plant and equipment	3,121	73
Cash from Affiliation	-	10,598
Additions to property, plant and equipment	(110,085)	(201,385)
Cash paid to noncontrolling interests	(23,494)	-
Change in investments and other	72,832	(54,030)
<b>Net cash used in investing activities</b>	<b>(57,626)</b>	<b>(244,744)</b>
<b>Cash Flows from Financing Activities:</b>		
Net cash used in financing activities	305,143	(2,843)
<b>Net increase in cash and cash equivalents</b>	<b>165,504</b>	<b>90,607</b>
Cash and Cash Equivalents, beginning of year	212,067	121,460
<b>Cash and Cash Equivalents, end of year</b>	<b>\$377,571</b>	<b>212,067</b>



