

ONCOLOGY RESTRUCTURE FREQUENTLY ASKED QUESTIONS

In July 2021, Seattle Cancer Care Alliance and its members — Fred Hutchinson Cancer Research Center, Seattle Children’s and UW Medicine — announced exploration of a plan to redefine the alliance and accelerate the discovery and delivery of lifesaving breakthroughs to patients. This restructure is on track to be finalized on April 1, 2022. Included in this document are answers to questions you might have about this restructure. This document will continue to be updated as more information becomes available.

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SECTION I: HIGH-LEVEL OVERVIEW

1. **What has been announced?**

The founding members of Seattle Cancer Care Alliance are planning a restructure of their longtime alliance as part of an ongoing effort to improve patient care and more effectively advance a shared mission of diagnosing, treating and advancing cures for cancer and other diseases. Our plan is to have an adult-focused clinical program led by Fred Hutchinson Cancer Center and a separate pediatric clinical program led by Seattle Children's. These programs would be collaborative and driven by the innovative cancer research at Fred Hutchinson Cancer Center, UW Medicine and Seattle Children's.

2. **What is Seattle Cancer Care Alliance?**

SCCA was formed in 1998 as a partnership among Fred Hutchinson Cancer Research Center, Seattle Children's and UW Medicine. Over the past 20 years, SCCA has provided care to more than 190,000 patients with cancer through nine SCCA-operated treatment centers across Washington State.

3. **How will the partnership between members of Seattle Cancer Care Alliance change?**

Under the new structure, SCCA and Fred Hutchinson Cancer Research Center would merge to form Fred Hutchinson Cancer Center, a single, independent, nonprofit organization. As part of the merger, all SCCA clinical sites would be renamed "Fred Hutchinson Cancer Center." Adult clinical care provided through SCCA today would be provided through Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Center would also be a clinically integrated part of UW Medicine and UW Medicine's cancer program, with the Fred Hutchinson Cancer Center President and Director becoming a member of the UW Medicine senior management team. Members of UW Physicians, who are UW School of Medicine faculty, would provide cancer care at Fred Hutchinson Cancer Center and other parts of UW Medicine.

Fred Hutchinson Cancer Center would provide oversight of the clinically integrated adult cancer program, which would include its clinical operations (former SCCA adult cancer programs) and the cancer services delivered at UW Medical Center. Seattle Children's would continue operating independently and be the central site for pediatric cancer care among the organizations.

Our goal in creating a clinically integrated adult cancer program is to provide a seamless and consistent experience for patients with cancer and oncologists and across UW Medicine that interact with the adult cancer program, such as primary care, diagnostics and support services.

4. **What is the vision for Fred Hutchinson Cancer Center, and how would it be different than the current Fred Hutchinson Cancer Research Center?**

Fred Hutchinson Cancer Center would result from the merger of Fred Hutchinson Cancer Research Center and SCCA, creating one unified organization. Like both Fred Hutchinson Cancer Research Center and SCCA are today, Fred Hutchinson Cancer Center would be a single, independent, nonprofit organization dedicated to the prevention, diagnosis, treatment and cure of cancer and infectious diseases. Fred Hutchinson Cancer Center would accelerate its research excellence in fundamental science, translational and clinical research, public health, infectious disease and cancer biology. Fred Hutchinson Cancer Center would also be a clinically integrated part of UW Medicine and UW Medicine's cancer program. Fred Hutchinson Cancer Center would provide oversight of the clinically integrated adult cancer program, which would include its clinical operations and the cancer services delivered at UW Medical Center.

As one organization, Fred Hutchinson Cancer Center would build on the strengths of SCCA's nationally recognized adult cancer care program and outstanding clinical care with Fred Hutchinson Cancer Research Center's leading-edge science. The creation of a single organization that is also a clinically integrated part of UW Medicine and UW Medicine's cancer program would better position the parties to improve the patient experience and advance the overall mission of UW Medicine and the vision for Fred Hutchinson Cancer Center. Furthermore, it would allow us to build an aligned clinical program that improves our ability to serve more patients in our community, including people of color and underserved populations, in the region and beyond.

5. **Why is this restructure being explored?**

For the past two decades, SCCA's members have worked together to create a clinical research and care program that leads the world in helping prevent, diagnose, treat and advance cures for cancer. But cancer care and research

have changed significantly over the past 20 years, and we now have a deeper understanding of disease and how to prevent, diagnose and treat it. We also have a deeper understanding of our strengths in cancer care and research, as well as the complexity that our current structure creates.

We have had many successes, but we have also had uneven investment in infrastructure to support our growth, variable experiences of accessing cancer services for our patients, challenges for our faculty and staff in coordinating care optimally across the system, as well as confusion about our value proposition to our patients and partners. We believe that our structure must evolve to be more aligned and agile than it is today. Our ultimate goals are to accelerate research, improve patient care and increase every patient's chance for a better outcome.

6. When would this restructure take place?

Assuming we have obtained all required board and governmental approvals, we anticipate the merger of SCCA and Fred Hutchinson Cancer Research Center to form Fred Hutchinson Cancer Center will be finalized on April 1, 2022. We would begin implementation of agreements and structures to enable a clinically integrated adult cancer program between Fred Hutchinson Cancer Center and UW Medical Center at that time. We do not anticipate any interruptions to patient care.

7. How would this restructure improve cancer care and research?

We believe the proposed restructure to form a clinically integrated adult cancer program would offer greater organizational alignment and agility than our alliance has today. It is being designed to improve our patients' experience, further reduce the time from research to the delivery of breakthrough treatments, improve the structures that shape our planning and communication to patients, partners and employees, and collectively inspire donors to support our mission. We also believe that creating Fred Hutchinson Cancer Center and moving forward under this new clinically integrated structure would further strengthen our organizations' contributions to Washington State in health care delivery, economic growth and a robust life sciences industry.

8. How have events of the past two years informed these plans?

Seattle Cancer Care Alliance and its members have regularly reviewed and discussed approaches to strengthening our collaboration since we began our shared work 20 years ago. The experiences of the past two years – from the COVID-19 pandemic to the nation's reckoning with racial inequities – have only amplified the urgency and potential impact of evolving our approach.

Each of our organizations rose to the challenges of the COVID-19 pandemic, demonstrating our ability to innovate, uphold our commitment to our patients and advance research even against the backdrop of pandemic restrictions. We led the world in pushing the science forward as quickly as possible – developing new COVID tests and processing tests from across the country, conducting real-time surveillance and providing a leadership role in the clinical trials that resulted in unprecedented speed of vaccine development. We delivered hundreds of thousands of vaccines to our community. By example, we showed what is possible when health organizations rethink their processes and approach.

Equally importantly, historical and recent events continue to highlight and reinforce the deep correlation between social inequities and poorer health outcomes, including for patients with cancer. Our organizations are strongly committed to addressing health inequities, so that our research and care benefit all patients. And we seek to build an inclusive Fred Hutchinson Cancer Center that would embrace the diversity of experience, background and perspectives that drive innovation and support a thriving workforce.

9. Would there be any changes to patients' current care, such as physician or location of care?

The patients' doctors or care teams would not change as part of this proposed transition. Patients would continue to receive the superior care that they have come to expect from us. In fact, through the restructure we expect to improve the patient experience and bring even more innovation to patients and their families.

10. Would there be any changes to the current research programs at the partner organizations?

Under the new structure, the vaccine and infectious diseases, basic and human biology, computational science and public health research conducted at Fred Hutchinson Cancer Research Center would continue as part of Fred Hutchinson Cancer Center, and University of Washington-based research would remain at UW. The partnership between UW Medicine and Seattle Children's would continue, and Fred Hutchinson Cancer Center and Seattle Children's Research Institute would also work together to advance pediatric oncology research.

11. How would Fred Hutchinson Cancer Center and Seattle Children’s continue to work together to advance pediatric oncology research?

Through the new research affiliation agreement, Fred Hutchinson Cancer Research Center and Seattle Children’s are strengthening our commitments to support and enhance pediatric cancer research across both institutions. The two organizations are conducting joint strategic planning in areas such as research initiatives, faculty recruitment and access to research data and clinical trial implementation and operations. Going forward, they would work together to improve processes for facilitating clinical, translational and basic pediatric cancer research and to expand opportunities for investigators to collaborate in other research areas, such as infectious disease, that ultimately advance science and patient care.

12. What is the current state of cancer pediatric care at Seattle Children’s? How could this change over the next year?

Seattle Children’s would continue to invest in pediatric cancer care and research. Seattle Children’s welcomed Dr. Mignon Loh on December 1, 2021, as the head of the Cancer and Blood Disorders Center and Director of the Ben Towne Center for Childhood Cancer Research. Dr. Loh also serves as Division Chief of Pediatric Hematology, Oncology, Bone Marrow Transplant and Cellular Therapy at UW Medicine; a professor in the Department of Pediatrics at the UW School of Medicine and the Head of the Section of Pediatric Oncology at Fred Hutchinson Cancer Research Center.

Currently, inpatient pediatric cancer care (including care provided through the infusion and oncology clinics) takes place at Seattle Children’s on the Laurelhurst campus. Outpatient bone marrow transplant patients receive outpatient care at Seattle Cancer Care Alliance in South Lake Union.

When the new Building Care facility opens next year, Seattle Children’s will have new operating rooms, a new Cancer and Blood Disorders Center outpatient clinic, additional inpatient beds and more. Seattle Children’s plans to move the outpatient bone marrow transplant program from SCCA into the Building Care facility, so ambulatory infusion and patient programs will be provided in the newest building.

These changes simplify the model for both clinicians and patients at Seattle Children’s. All of the faculty will continue to be UW School of Medicine faculty who provide care through Children’s University Medical Group or UW Physicians. Seattle Children’s patients will receive all clinical care and clinical trials in one location.

In addition, the teams at the Ben Towne Center for Childhood Cancer Research at Seattle Children’s Research Institute and in the pediatric oncology group within Fred Hutchinson Cancer Research Center will continue their long-standing work to discover and translate research advances that lead to new cures for children, adolescents and young adults with cancer.

13. How will you continue to advance the organizations’ commitment to antiracism and improving health outcomes for all populations?

Together through the Fred Hutchinson/University of Washington Cancer Consortium supported by our National Cancer Institute (NCI) cancer center support grant (CCSG), we are already addressing the cancer needs of our community, including cancers that disproportionately affect BIPOC (Black, Indigenous and People of Color) and other underrepresented communities. Diversity, equity and inclusion (DEI) is a key component of the grant and formalizes the Consortium’s commitment to this work.

We believe the restructure would allow our organizations to benefit from the ongoing DEI work each organization is doing today and enhance our collective understanding and ability to move our organizations forward. The restructure would further enable us to:

- Better identify and combat health care inequities related to cancer screening, diagnosis and treatment and integrate this work into our clinical programs and dashboards, so we can develop solutions faster;
- Ensure timely access to care, equitable access to clinical trials/therapies, and the best outcomes by following and studying outcomes and clinical enrollment to identify and eliminate disparities; and
- Better connect comprehensive research to the adult clinical setting, positioning Fred Hutchinson Cancer Center and UW Medicine to lead the way in applying an equity lens to our strategy, design of research programs and support of those research programs.

Fred Hutchinson Cancer Research Center, SCCA, UW Medicine and Seattle Children’s are committed to DEI and to becoming antiracist organizations. This work is and will remain critical to our missions. We are committed to

continuing our DEI work and to fostering inclusive cultures that embrace diversity. Becoming antiracist organizations is not something we have accomplished yet or work that can be finished, but rather something we remain committed to work on and make part of our organizational cultures.

14. When will more information be available?

We will continue to provide regular updates, timelines and opportunities to engage with leadership to ensure we stay connected and coordinated. Please refer to your organization's intranet (or the Huddle for UW Medicine) for the latest.

SECTION II: PROPOSED RESTRUCTURE

15. Why was "Fred Hutchinson Cancer Center" selected as the name?

While Fred Hutchinson Cancer Research Center, SCCA and UW Medicine all are well established and respected regional and national brands, "Fred Hutch" is also recognized nationally and internationally specifically for its work in cancer. Becoming Fred Hutchinson Cancer Center would build on this brand equity and reflect a broader focus on both research and care. Reducing the number of brands would also help eliminate brand confusion for patients, donors and others in the community that exist today. In addition, the use of the phrase "Cancer Center" is similar to peer organizations, such as Memorial Sloan Kettering Cancer Center, MD Anderson Cancer Center and the Dana-Farber Cancer Institute. Leaders from Fred Hutchinson Cancer Research Center, SCCA and UW Medicine are working in close collaboration on branding and marketing plans for Fred Hutchinson Cancer Center.

16. After the restructure, will the Seattle Cancer Care Alliance brand continue to exist, or will it be replaced entirely by Fred Hutchinson Cancer Center? Will there be a new brand and logo for Fred Hutchinson Cancer Center?

The newly merged organization would be branded as Fred Hutchinson Cancer Center and continue the clinical programs of SCCA under the new name. The use of the SCCA brand name and logos would be discontinued.

We are working with a brand agency with deep experience in creating award-winning health care brands to ensure that the new brand builds on the brand equity that Fred Hutchinson Cancer Research Center, UW Medicine and SCCA have earned and conveys Fred Hutchinson Cancer Center's relationship with UW Medicine as its cancer program. Currently, our plan calls for introducing the new visual and verbal identity in summer or early fall 2022.

17. What would happen to Seattle Cancer Care Alliance's clinical cancer operations?

SCCA's adult cancer programs would be part of Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Center would be responsible for all inpatient and outpatient adult clinical cancer operations at SCCA currently. SCCA's outpatient pediatric cancer programs in bone marrow transplant would become part of Seattle Children's.

18. Would there be any change to the number of inpatient beds operated by Seattle Cancer Care Alliance (in the future Fred Hutchinson Cancer Center)?

No.

19. Would Fred Hutchinson Cancer Center be part of UW Medicine?

Fred Hutchinson Cancer Center would continue to be an independent, private, 501(c)(3) organization, just as Fred Hutchinson Cancer Research Center and SCCA are today. Through the contractual management of both Fred Hutchinson Cancer Center's own adult clinical programs and the cancer services at UW Medical Center, Fred Hutchinson Cancer Center would also be a clinically integrated part of UW Medicine and UW Medicine's cancer program. Fred Hutchinson Cancer Center would work across UW Medicine to enhance the excellence of the cancer program.

The organizations have been actively developing a clinical integration model. The goal of clinical integration is to create a seamless and consistent experience for patients with cancer and oncologists and other clinicians across UW Medicine, such as primary care, diagnostics and support services to ultimately make care delivery even more effective and efficient. Under a long-term management services agreement, Fred Hutchinson Cancer Center would provide oversight of the clinically integrated adult cancer program, which would include its clinical operations and the cancer services delivered at UW Medical Center. Fred Hutchinson Cancer Center and UW Medical Center each would continue to operate as a separately licensed and separately governed hospital, and each would maintain regulatory accountability for its own programs and services.

20. Is this transaction and the relationship between UW Medicine and Fred Hutchinson Cancer Center intended to be permanent?

Yes. This proposed restructure represents the reaffirmation of the parties' joint, long-term commitment to collaborative treatment and efforts to cure cancer.

21. What will the relationship with Seattle Children's be in the future?

The organizations would continue their close affiliations. The longstanding relationship between UW Medicine and Seattle Children's, including joint ownership of the Children's University Medical Group, would not change. Fred Hutchinson Cancer Center and Seattle Children's would have a research affiliation to collaborate on and advance pediatric oncology research, including commitments by each organization to make additional research investments.

Through the Proton Center, UW Medicine and Fred Hutchinson Cancer Center would continue to provide radiation therapy services for pediatric patients, and all programs of Fred Hutchinson Cancer Center would continue to partner with Seattle Children's to ensure the seamless coordination of pediatric patients with cancer transitioning to the clinically integrated adult program as they age. Additionally, adolescent and young adult patients with cancer who require services from clinicians working with both pediatric and adult populations would be coordinated closely between the organizations.

22. What would happen to the Proton Center, currently part of Seattle Cancer Care Alliance?

The Seattle Proton Therapy Center became a part of SCCA in February 2021, with complete integration in November 2021. The Proton Center would be a part of Fred Hutchinson Cancer Center and would continue to provide proton therapy to pediatric patients treated at Seattle Children's. The Proton Center would continue to be a key strategic component of the larger Radiation Oncology portfolio.

23. Under the proposed restructure, what would happen with the Project Compass initiative under Seattle Cancer Care Alliance?

Project Compass is a three-year initiative launched by SCCA in November 2020 with the goal of creating a stronger, more sustainable foundation to improve SCCA's clinical care. Focus areas for the initiative include effective and efficient patient care, employee growth and development and maintaining and maximizing the capabilities of technology platforms and data. SCCA operations, including the Project Compass goals for Fiscal Year 2022 and other initiatives that are in progress, are anticipated to continue as usual. Fred Hutchinson Cancer Center would continue to work to improve its processes and operational efficiencies including the roll out of a clinical analytics roadmap to better utilize data available in Epic to help inform operational decision making. The team would also continue to support operational leaders as Fred Hutchinson Cancer Center standardizes its annual budget and financial reconciliation processes. Most notably, the team would be putting much of the work done to date into operational standards that would be sustainable as Fred Hutchinson Cancer Center continues to grow.

24. Would Fred Hutchinson Cancer Research Center's 501(c)(3) status change?

No. Fred Hutchinson Cancer Center would be an independent, private, 501(c)(3) organization, just as Fred Hutchinson Cancer Research Center and SCCA are today. It is expected that donations would continue to qualify for tax deductions for the donor, as is the case for donations made to Fred Hutchinson Cancer Research Center and SCCA today.

25. Would other legal entities owned or affiliated with Fred Hutchinson Cancer Center or Seattle Cancer Care Alliance be affected by this transaction?

The Agreements with Affiliate members would be notified of the name change once such change occurs. Three entities, which are currently affiliates of Fred Hutchinson Cancer Research Center, would become affiliates of Fred Hutchinson Cancer Center:

- The Hutchinson Centre Research Institute of South Africa (HCRISA)
- The Uganda Cancer Institute (UCI)-Fred Hutchinson Cancer Center
- The Seattle Vaccine Research Fund

26. Why didn't the member organizations structure themselves this way when Seattle Cancer Care Alliance was created?

SCCA's structure was designed in the cancer care and research landscape of the late 1990s. Over the past 20 years, the health care environment and pace and nature of research have changed significantly. While SCCA and its members organizations have worked together closely to coordinate adult and pediatric cancer care and advance

oncology research, their work has outgrown its original structure. The proposed restructure is the next step in the parties' relationship and a smart evolution for the dynamic fields of health care delivery and scientific innovation.

SECTION III: CLINICALLY INTEGRATED ADULT CANCER PROGRAM

27. Would this restructure mean that Fred Hutchinson Cancer Center would be a "covered entity" under HIPAA?

Yes. As a hospital and health care organization engaged in electronic patient billing, Fred Hutchinson Cancer Center would be a HIPAA-covered entity as SCCA is today. However, Fred Hutchinson Cancer Center would be a hybrid covered entity under HIPAA. SCCA is currently a hybrid covered entity with the patient and family housing program designated as a non-health care component. This hybrid covered entity status would continue for Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Center would designate certain additional programs and activities as health care components to the extent that they provide support for the treatment, payment and health care operations of Fred Hutchinson Cancer Center and may require access to the protected health information of Fred Hutchinson Cancer Center patients. Examples include human resources, compliance, risk management, legal and fundraising services.

28. What does it mean to have a clinically integrated adult cancer program?

Today, there are two clinical programs for adult cancer care: SCCA and UW Medical Center. They already operate collaboratively, but they are not as integrated as they could be to optimize and expand the cancer program to serve more patients and increase research activities.

If the restructure plan is approved, Fred Hutchinson Cancer Center would be UW Medicine's cancer program, providing oversight of the clinically integrated adult cancer program, which would include its clinical operations (former SCCA adult cancer programs) and the cancer services delivered at UW Medical Center. Under Fred Hutchinson Cancer Center, there would be one strategic plan for adult oncology that drives how we develop and build programs for the future, as well as a single management structure that would work to deliver care as an integrated system. We are in the process of identifying how this oversight would function and affect cancer programs under the new structure. We are working with clinical and administrative leaders to inventory and prioritize the areas of greatest need for integration in the short, medium and long-term. We will engage the oncology community in this process, which will extend well beyond April 1, 2022, the anticipated Fred Hutchinson Cancer Center go-live date.

29. What does it mean that Fred Hutchinson Cancer Center would oversee the clinically integrated adult cancer program?

Under the new long-term management services agreement, Fred Hutchinson Cancer Center's oversight at UW Medical Center would vary depending on the clinical program or service area. Fred Hutchinson Cancer Center would provide oversight for services that are exclusively providing cancer care at UW Medical Center, such as all cancer service lines and geographical areas like oncology infusion and radiation oncology. Fred Hutchinson Cancer Center would also develop strategies, initiatives and clinical standards and monitor performance to improve quality, patient experience, clinical research care delivery, strategy/program development, growth/capacity and engagement. UW Medical Center would continue to be responsible for day-to-day operations of all UW Medical Center billed programs and services. UW Medical Center would be responsible for implementing the strategies and initiatives developed or recommended by Fred Hutchinson Cancer Center into day-to-day operations.

Clinical services that support both patients with and without cancer like inpatient, radiology, lab medicine, pathology and supportive care are critical to the success of both the cancer program and other UW Medicine service lines. For these areas, UW Medical Center would continue to lead the planning for growth/capacity, quality, patient experience, clinical research care delivery, etc., while Fred Hutchinson Cancer Center would provide input and recommendations on cancer programs and patient needs within those areas.

Pre-Cancer & Screening Services would have a new governance structure that is jointly led for optimal coordination.

30. What are the benefits of a clinically integrated adult cancer program?

People diagnosed with cancer have an urgent need for the most effective treatment for their disease. Combining the cancer services delivered at UW Medical Center and SCCA's clinical cancer services into a clinically integrated adult cancer program under a single management team would lead to many benefits, including:

- Improving the patient experience, including increasing access for communities of color
- Increasing the number of clinical trials and patients' access to clinical research

- Accelerating translational oncology research
- Improving the coordination, collaboration and experience of our faculty and staff
- Increasing our capacity and serving more patients
- Reducing barriers to efficiency and a smooth patient experience that result from dual management
- Aligning economic incentives and improving financial performance
- Growing and planning our oncology services in a more coordinated, strategic way

31. How would the cancer programs at Harborview and Valley Medical Center be affected? Would this restructure and Fred Hutchinson Cancer Center’s oversight over the clinically integrated adult cancer program affect their work?

Changes to the programs at Harborview or Valley Medical Center are not planned at this time. The immediate focus of our work is on cancer services delivered at UW Medical Center and SCCA cancer programs. In the future, there may be discussions about whether and how other UW Medicine cancer programs can coordinate most effectively with the clinically integrated adult cancer program.

32. Would UW School of Medicine faculty still provide the clinical care for Fred Hutchinson Cancer Center?

Yes. UW School of Medicine faculty, both University of Washington-based and Fred Hutchinson Cancer Research Center-based, would continue to provide clinical care at both Fred Hutchinson Cancer Center and UW Medical Center through UW Physicians.

SECTION IV: RESEARCH

33. What would this merger mean for grants and contracts? How would this affect how Fred Hutchinson Cancer Research Center researchers apply for research funding?

For Fred Hutchinson Cancer Research Center-based research, pre-merger there is no change to sponsored research award administration or proposal submission. Post-merger, all proposal types would be submitted through Hutch Grants with Fred Hutchinson Cancer Center as the applicant institution. As applicable, Fred Hutchinson Cancer Research Center would work with sponsors to facilitate the change to Fred Hutchinson Cancer Center as the awarding entity.

There would be no change to University of Washington-based research grants. UW-based research grants, facilities and personnel would remain at UW.

34. When should Fred Hutchinson Cancer Research Center researchers start referring to Fred Hutchinson Cancer Center in Request for Application grants?

Post-merger, all proposals would be submitted through Hutch Grants with Fred Hutchinson Cancer Center as the applicant institution.

35. Would Fred Hutchinson Cancer Research Center still conduct pediatric oncology research?

Yes, pediatric oncology research would continue at Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Research Center and Seattle Children’s have established a research affiliation agreement to collaborate on and advance pediatric oncology research, including commitments by each organization to make additional research investments.

36. Would this improve administrative/fiscal award management for projects spanning Fred Hutchinson Cancer Research Center and the University of Washington?

Yes. Research projects that had spanned three institutions (Fred Hutchinson Cancer Research Center, SCCA, UW) would only span two (Fred Hutchinson Cancer Center and UW). This would reduce administrative burden for investigators and their teams while still maintaining and supporting the research teams at both organizations.

Fred Hutchinson Cancer Center and UW would continue to sponsor research and provide administrative oversight and fiscal management in accordance with their agreements with research funders and their institutional policies. Staff are reviewing how our policies and practices can be improved for projects that would span these organizations.

37. Would the research conducted at Fred Hutchinson Cancer Center be solely focused on cancer? If not, how would research in other areas be affected?

All of the research conducted at Fred Hutchinson Cancer Research Center today would continue as part of Fred Hutchinson Cancer Center. The future organization would be just as strongly committed to work in vaccine and infectious diseases, basic and human biology, computational science and public health. The proposed restructure is being designed to enhance our science overall and position Fred Hutchinson Cancer Center-based researchers to collaborate efficiently and effectively with University of Washington-based researchers.

38. Would there be any changes to Fred Hutchinson Cancer Research Center's current research as a result of this transaction?

No. None of our current research activities would change upon the closing of this transaction. In addition to cancer-focused research, Fred Hutchinson Cancer Research Center's research programs in basic science, population health, vaccines and infectious disease and other areas would continue their work within the organization as they did within Fred Hutchinson Cancer Research Center.

39. Would University of Washington oncology research move to Fred Hutchinson Cancer Center?

No. UW-based research grants, facilities and personnel would not be transferred to Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Center financials would not include UW-based research grants and expenses.

40. Would this affect the Cancer Center Support Grant that the Fred Hutchinson/University of Washington Cancer Consortium receives? If so, how?

Today, Fred Hutchinson Cancer Research Center, the University of Washington, Seattle Children's and SCCA participate in the Fred Hutch/University of Washington Cancer Consortium, which is supported by the Cancer Center Support Grant (CCSG). After the restructure, the Cancer Consortium would remain in place. The institutions participating in it would be Fred Hutchinson Cancer Center, UW and Seattle Children's. With the approval of the National Cancer Institute, the name of the consortium would change to the "Fred Hutch/University of Washington/Seattle Children's Cancer Consortium."

Fred Hutchinson Cancer Center would make the CCSG award application stronger because research and clinical operations would be more tightly integrated. The potential restructure would not change the CCSG renewal schedule.

Data sharing between and among the Consortium members (i.e., Fred Hutchinson Cancer Center, UW and Seattle Children's) would continue in accordance with new and/or revised data agreements that are currently in negotiation.

41. How would Fred Hutchinson Cancer Center and UW Medicine coordinate joint research planning?

Currently faculty at Fred Hutchinson Cancer Research Center and UW Medicine collaborate closely on a regular basis in many areas of research and with respect to graduate programs in science. Fred Hutchinson Cancer Center and UW Medicine plan to establish a Research and Academic Affiliation Operating Council (RAAOC) that would oversee existing academic affiliations between UW Medicine and Fred Hutchinson Cancer Research Center that would continue upon formation of Fred Hutchinson Cancer Center. This oversight would include research planning.

42. Would the restructure have an impact on University of Washington graduate education programs or the faculty's relationship with them?

Our organizations view education and training as the keys to developing the next generation of researchers and clinicians and central to our missions. UW Medicine currently has nearly 5,000 students and trainees. Some of the UW graduate students are currently based at Fred Hutchinson Cancer Research Center for research experiences. UW Medicine graduate medical education trainees (residents and fellows) would have clinical and research experiences at Fred Hutchinson Cancer Center.

The restructure would not have a direct impact on graduate education programs or the faculty's relationship with these programs, and the organizations and faculty already collaborate effectively in this area. We expect that the integrated nature of our future work as Fred Hutchinson Cancer Center would enhance both research and clinical education programs for students and trainees by providing a structure that would allow us to work better together across disciplines. Consistent with the 1994 UW/Fred Hutchinson Cancer Research Center affiliation agreement that remains in place, there are no plans for Fred Hutchinson Cancer Center to develop independent graduate programs.

SECTION V: IMPACT TO PATIENTS

43. How would this impact the “hospital within a hospital” structure?

The “hospital within a hospital” arrangement refers to the 20 SCCA licensed inpatient beds on 8NE at UW Medical Center – Montlake. SCCA would continue to operate the 20 licensed beds as a separately licensed hospital within a hospital, under the Fred Hutchinson Cancer Center name. Patients admitted to UW Medical Center beds specifically for cancer treatment would continue to be admitted to units licensed to, and managed by, UW Medical Center – Montlake.

44. How would this proposed structure benefit patients?

We anticipate many benefits to bringing research and care closer together, including:

- Creating a smoother, more seamless patient experience with greater access to care
- Increasing the number of clinical trials and access to clinical research
- Increasing our capacity to serve more patients
- Growing and planning our oncology services in a more coordinated, strategic way

45. How would this restructure accelerate translation of research discoveries to the delivery of clinical care?

Today, patients with a diagnosis for which there is no approved cancer treatment or only partially effective approved treatments have two options: (1) find a clinical trial offering a potential treatment (out of state, if need be); or (2) go without the potentially most effective treatment. Accelerating the translation of discoveries to patients is therefore imperative.

UW Medicine, Fred Hutchinson Cancer Research Center and SCCA conduct a large number of cancer clinical trials today. However, the current process to implement a clinical trial across our complex alliance structure is lengthy, cumbersome and resource-intensive, even though we have worked to streamline it as much as possible. The planned restructure would increase patients’ access to lifesaving clinical trials by both increasing the number of enrolled patients, including more patients of color, and the number of clinical trials we offer as a result of reducing the complexity of our start-up processes. The ability to do more clinical trials and to use more patient data to inform research would accelerate the virtuous cycle of innovation and enhance Fred Hutchinson Cancer Center’s ability to drive breakthroughs and develop treatments that do not exist today.

SECTION VI: IMPACT TO STAFF/EMPLOYEES

46. Would this merger affect employees within the public service loan forgiveness program?

No, because Fred Hutchinson Cancer Center would be a 501(c)(3) nonprofit organization, it would be a [qualified employer](#) under the public service loan forgiveness program.

47. What would happen with administrative jobs in similar departments at Fred Hutchinson Cancer Research Center and Seattle Cancer Care Alliance?

Fred Hutchinson Cancer Research Center and SCCA are currently assessing functional organizational charts. Fred Hutchinson Cancer Center’s ability to achieve its mission depends on the talent and dedication of workforce members. While we can’t promise that the restructure won’t result in organizational job changes at Fred Hutchinson Cancer Center, layoffs are not currently included as a part of this integration. In the unlikely event that any layoffs should occur, they would be handled in accordance with applicable law, policies, procedures and collective bargaining agreements.

48. How would the merger affect Fred Hutchinson Cancer Research Center’s Integrated Research Centers?

Fred Hutchinson Cancer Research Center operates IRCs for immunotherapy, pathogen-related malignancies and translational data science. IRCs, which are complementary to the scientific divisions, are designed to accelerate discovery by promoting cross-disciplinary and cross-divisional collaboration in research areas where there is great potential for Fred Hutchinson Cancer Center to have transformative impact. The proposed restructure would not directly affect these IRCs. Just as the restructure is expected to enhance the integration of research and clinical care, it is anticipated that it would enhance the translational research of the IRCs. For example, the proposed restructure should streamline and accelerate the Immunotherapy IRC’s work to start clinical trials.

49. **Will Fred Hutchinson Cancer Research Center or Seattle Cancer Care Alliance staff have to go through a rehire process?**

No, Fred Hutchinson Cancer Research Center and SCCA staff would not need to reapply for their jobs or go through a rehire process.

50. **Would Fred Hutchinson Cancer Research Center and/or Seattle Cancer Care Alliance employees become Fred Hutchinson Cancer Center employees, or will they be University of Washington employees?**

If the plan to merge Fred Hutchinson Cancer Research Center and SCCA is approved, the employees at Fred Hutchinson Cancer Research Center and SCCA would become employees of Fred Hutchinson Cancer Center. Fred Hutchinson Cancer Research Center and SCCA employees would not become employees of the University of Washington, and UW employees would not become employees of Fred Hutchinson Cancer Center as part of this transaction.

51. **Would Seattle Cancer Care Alliance and/or Fred Hutchinson Cancer Research Center-affiliated staff have to change email addresses?**

If the transaction is approved, because SCCA's name would change to Fred Hutchinson Cancer Center, there would be a process by which SCCA employees' email addresses would be updated. This transition would likely not occur until late this year or early 2023. At this time, we anticipate that Fred Hutchinson Cancer Research Center staff would keep their current email addresses.

52. **Would there be any employment changes for staff because of this restructure?**

When Fred Hutchinson Cancer Research Center and SCCA merge, the employees at Fred Hutchinson Cancer Research Center and SCCA would become employees of Fred Hutchinson Cancer Center. Employees' current managers and, if different, future managers, would coordinate closely to communicate directly with their employees regarding any individual reporting line, title or department changes for Day 1. It is expected that most employee titles would remain the same on Day 1, with a few possible exceptions, including cases where duplicate titles must be changed to avoid confusion. Please also note that titles and reporting lines for Day 1 may be updated later. In addition, it is not anticipated that any Fred Hutchinson Cancer Research Center or SCCA employees would become employees of the University of Washington, or that UW employees would become employees of Fred Hutchinson Cancer Center.

53. **Are the organizations planning layoffs as part of this restructure?**

No layoffs are planned at this time. Our ability to achieve our mission depends on the talent and dedication of our faculty, staff and employees. While we can't promise that the restructure won't result in organizational job changes, in the unlikely event that any layoffs should occur, they would be handled in accordance with applicable law, policies, procedures and collective bargaining agreements.

54. **What Employer Identification Number (EIN) would be used as the federal tax identification number for the future Fred Hutchinson Cancer Center?**

Assuming that the restructuring transaction closes, and the merger occurs as anticipated on April 1, 2022, SCCA's current EIN 91-1935159 would be the EIN for Fred Hutchinson Cancer Center. However, at go-live there may be some select legacy Fred Hutchinson Cancer Research Center business activities that would continue for a period of time under the current Hutch EIN 23-7156071 until all business activities are transitioned to the SCCA EIN. Two potential examples are federal contracts and bank/brokerage registrations. In general, and unless otherwise specifically approved by Finance, starting at go-live, Finance and Human Resources would use the SCCA EIN for payroll and all other tax reporting even if not all federal contracts are novated to SCCA's EIN on April 1.

SECTION VII: FACULTY

A. Faculty in the adult clinical program

55. **Will this proposed transition result in any changes to oversight of faculty?**

UW School of Medicine faculty who provide cancer care would continue to be accountable to the chair and division head of their UW School of Medicine department. They would also have accountability to the adult cancer program leadership. If faculty are Fred Hutch Cancer Research Center-based, they would also report to their division leadership at Fred Hutchinson Cancer Center as they do today at Fred Hutchinson Cancer Research Center.

56. **Will it affect faculty members' roles as medical staff of UW Medical Center or Seattle Cancer Care Alliance?**

Faculty members who provide adult cancer care are usually on the medical staffs of both UW Medical Center and SCCA. As of Day 1, which is anticipated to be April 1, 2022, SCCA’s Medical Staff would be renamed Fred Hutchinson Cancer Center Medical Staff. Medical Staff membership would not be affected by this change in name.

57. Will there be changes to the medical leadership structures at UW Medicine and Seattle Cancer Care Alliance that affect faculty?

Fred Hutchinson Cancer Center’s oversight of the clinically integrated adult cancer program would impact how the separate cancer programs are managed today. UW Medicine and SCCA have each evaluated their current medical leadership structures. At this time, only a few select leadership roles are being restructured to best support the clinically integrated adult cancer program across Fred Hutchinson Cancer Center facilities and other UW Medicine facilities. The medical leaders whose job descriptions are being restructured have already been notified and additional details were shared with the medical leaders and medical staff of each institution by mid-March.

58. Will this affect roles of faculty members who serve in clinical leadership positions?

Individuals who serve as medical directors for any parts of the adult cancer program are expected to continue to serve in their current roles and maintain their current reporting relationship. A few select roles may have their scope altered to best support the clinically integrated adult cancer program. For medical leadership roles at Fred Hutchinson Cancer Center facilities, leaders would continue to report to the Chief Medical Officer of Fred Hutchinson Cancer Center. Medical leaders in roles at other clinically integrated UW Medicine sites of care would continue to report to the Medical Director of the respective UW Medicine facility. Some medical leaders may hold titles/jobs at UW Medical Center and Fred Hutchinson Cancer Center in an effort to maintain alignment of the clinically integrated adult cancer program across facilities.

59. Will faculty members have to move their sites of clinical work?

Faculty would continue to provide care at the sites where they provide care today. In the future, as we integrate programs, build programs and make enhancements, sites of practice may change. Faculty leaders in affected areas would be involved in these processes.

60. Will any faculty of a UW School of Medicine department who are University of Washington-based today change to Fred Hutchinson Cancer Center-based status?

Today, faculty members in adult cancer care and research are either “UW-based” or “Fred Hutchinson Cancer Research Center-based.” What this means is described in the next question. Decisions as to whether a faculty member is Fred Hutchinson Cancer Research Center-based or UW-based are made by the School of Medicine and Fred Hutchinson Cancer Research Center on a case-by-case basis at the time a faculty member is recruited and hired. This would continue when Fred Hutchinson Cancer Center is created. In a few Department of Medicine divisions, faculty who are UW-based may in the future be offered the opportunity to become Fred Hutchinson Cancer Center-based, depending on adult cancer program development. The proposal envisions this would be a shared decision made by the School of Medicine department chair or division head, the leader of the Fred Hutchinson Cancer Center division in which the faculty member would reside and the faculty member.

61. What is the difference between Fred Hutchinson Cancer Research Center-based faculty and University of Washington-based faculty?

All UW School of Medicine faculty, regardless of whether Fred Hutchinson Cancer Research Center-based or UW-based, hold appointments in their particular UW School of Medicine department. For those who engage in providing clinical care to patients, the individual also is a member of either UW Physicians (UWP) or Children’s University Medical Group (CUMG), the faculty practice plans. The key differences between Fred Hutchinson Cancer Research Center-based and UW-based faculty are as follows:

	UW-based UW School of Medicine Faculty	Fred Hutchinson Cancer Research Center/Fred Hutchinson Cancer Center-based UW School of Medicine Faculty
Compensation	Yes, from UW and sometimes UWP	Yes, from Fred Hutchinson Cancer Research Center and sometimes UWP
Retirement Program	Yes, from UW and sometimes from UWP on that portion of compensation paid by UWP	Yes, from Fred Hutchinson Cancer Research Center, and if paid by UWP, from UWP on that portion of compensation paid by UWP

Professional Liability Coverage	From UW	From Fred Hutchinson Cancer Research Center
UWP Long Term Disability Coverage	Yes	Yes

No changes are anticipated to the structure outlined in the table above as part of this transaction.

62. Are there other effects of the transaction for faculty who provide cancer care?

Fred Hutchinson Cancer Center would be a clinically integrated part of UW Medicine and would be UW Medicine’s cancer program. All faculty engaged in cancer care would be a part of the Fred Hutchinson Cancer Center-led adult clinical cancer program.

63. Will this transaction have any impact on the structure of the UW School of Medicine?

No.

64. Will this transaction have any impact on the structure of departments in UW Physicians?

No.

65. How will faculty recruitment and hiring for the clinically integrated adult cancer program work after Fred Hutchinson Cancer Center is formed?

The UW School of Medicine departments and divisions would continue to recruit faculty who provide cancer care. In doing this, they would work in close coordination with Fred Hutchinson Cancer Center. Who is involved in the recruitment would depend on variables like where the new faculty member would be based, what activities they would be engaged in and who is contributing to the recruitment package.

66. How would faculty titles be affected?

UW School of Medicine faculty titles would not be changed regardless of where the faculty member is based and regardless of sites of clinical practice. Fred Hutchinson Cancer Research Center’s faculty personnel would continue to hold a Fred Hutchinson Cancer Research Center “professor” title or use other titles that Fred Hutchinson Cancer Center adopts. For Fred Hutchinson Cancer Center faculty with UW School of Medicine faculty appointments, both Fred Hutchinson Cancer Center and UW School of Medicine faculty appointments would be reflected on Fred Hutchinson Cancer Center’s internal and external communications (such as Fred Hutchinson Cancer Center websites), and these faculty would be encouraged to reflect both faculty appointments in their scientific presentations, manuscripts, journal articles and media presentations.

67. What are the implications of this transaction on faculty compensation?

The amount of faculty compensation and sources of pay would not change as a result of this transaction. In the future, it is possible that new forms of incentive may be developed for faculty who provide oncology care. Faculty leaders would be involved in decisions about incentive plans.

B. Faculty impacted by the transfer of the pediatric outpatient Bone Marrow Transplant (BMT) program

68. For faculty who provide care in the pediatric BMT program, what will change?

Fred Hutchinson Cancer Research Center-based faculty who provide care under the pediatric BMT program would move from UW Physicians membership to become professional members of Children’s University Medical Group (CUMG). CUMG is the faculty practice plan for physicians and providers who primarily care for pediatric patients.

69. Does this mean that UW School of Medicine Fred Hutchinson Cancer Research Center-based faculty will become employed by Seattle Children’s?

No. Faculty would continue to be members of the School of Medicine faculty and would continue to be compensated and supported by Fred Hutchinson Cancer Research Center as part of the established arrangement between Fred Hutchinson Cancer Research Center and the School of Medicine. No faculty would become employed by Seattle Children’s as a result of the pediatric BMT program transaction.

70. Would this proposed transition result in any changes to faculty oversight?

Generally, no. Faculty oversight would remain the same. School of Medicine faculty, regardless of whether Fred Hutchinson Cancer Research Center-based or UW-based, would continue to report to their School of Medicine

department chair and division head and also to Seattle Children's leadership. For their clinical practice at Seattle Children's, they would be under the oversight of the Seattle Children's medical director for clinical practice at Seattle Children's and required to comply with the Seattle Children's medical staff bylaws. Faculty who serve in administrative roles at Seattle Children's would report to Seattle Children's administrative leadership for those activities.

71. What is the faculty member's relationship to Children's University Medical Group?

Each faculty member would move from UW Physicians to CUMG and become a professional member or associate professional member of CUMG. Faculty are required to comply with CUMG policies related to documentation, billing and compliance. Faculty would not receive compensation from CUMG.

72. Would faculty compensation change?

Generally, no. Most Fred Hutchinson Cancer Research Center-based faculty receive all of their compensation from Fred Hutchinson Cancer Research Center today. Those few who receive compensation that is split between UW Physicians and Fred Hutchinson Cancer Research Center would move to total compensation by Fred Hutchinson Cancer Center. The amount of gross compensation would not change. Those moving away from UW Physicians compensation may have some small adjustments related to the change in retirement benefit programs away from UW Physicians. Once the UW Physicians compensation is shifted to Fred Hutch, paychecks would align with Fred Hutch's compensation practices.

73. Would all faculty who provide clinical oncology care to pediatric patients be moving to Fred Hutchinson Cancer Center-based status?

No. The decision as to whether a faculty member is "Fred Hutchinson Cancer Research Center-based" or, in the future, "Fred Hutchinson Cancer Research Center-based," is made at the time a faculty member is hired. Any changes into or away from Fred Hutchinson Cancer Research Center/Fred Hutchinson Cancer Center-based status would be a joint decision between the UW Medicine CEO and the Fred Hutchinson Cancer Center President.

SECTION VIII: PHILANTHROPY

74. Who would be responsible for oncology-related fundraising?

As UW Medicine's cancer program, Fred Hutchinson Cancer Center would be responsible for oncology-related fundraising as outlined in the parties' Philanthropy Services Agreement. Total giving to Fred Hutchinson Cancer Center would be counted in UW Medicine Advancement's annual fundraising totals. It is anticipated that, by eliminating confusion among donors about how to best support cancer work at three distinct organizations, the new structure would inspire increased philanthropy for both cancer research, patient care, education and training at Fred Hutchinson Cancer Center and across UW Medicine.

75. How would the funds be used?

Philanthropic funding would be used to support Fred Hutchinson Cancer Center activities and cancer-focused research, patient care, education and training across UW Medicine.

76. How would this announcement affect current and/or future philanthropic support to the member organizations?

We are grateful to all those who support Fred Hutchinson Cancer Research Center, UW Medicine, Seattle Children's and SCCA. Prior to April 1, 2022, there won't be any change to how philanthropy is handled across the organizations. We remain committed to ensuring every gift advances our shared commitment to helping prevent, diagnose and treat cancer and ultimately, discover cures – regardless of which organization receives the donation.

We will communicate with donors throughout this proposed transition about changes to how philanthropy would be managed under the new structure.

77. How would specific areas of giving be impacted?

We hope all donors will continue to support the research and projects that are most important to them. During this proposed transition, there won't be any impact on the areas donors are currently supporting.

SECTION IX: FRED HUTCHINSON CANCER CENTER GOVERNANCE, MISSION & EXECUTIVE LEADERSHIP

78. How would Fred Hutchinson Cancer Center's and UW Medicine's missions complement one another?

The organizations' missions are complementary. UW Medicine's mission is to improve the health of the public. The mission statement for Fred Hutchinson Cancer Center, which is in development, would reflect Fred Hutchinson Cancer Center's focus on the advancement of science, the translation of discoveries from bench to bedside, and the prevention, treatment and cure of cancer and related diseases.

79. What would the executive leadership structure at Fred Hutchinson Cancer Center look like?

Fred Hutchinson Cancer Center would be led by Dr. Tom Lynch, current president and director of Fred Hutchinson Cancer Research Center. Fred Hutchinson Cancer Center's executive leaders would include scientific, clinical and administrative leaders from both Fred Hutchinson Cancer Research Center and SCCA. As part of clinical integration, SCCA's current president and executive director, Dr. Nancy Davidson, would serve as the Fred Hutchinson Cancer Center executive vice president in charge of clinical affairs. Dr. Davidson would report to the Fred Hutchinson Cancer Center president and director, and, with regard to clinical integration and the provision of management services, also to the UW Medicine president of hospitals & clinics. While many prospective executive and administrative leadership appointments have been announced, Fred Hutchinson Cancer Center leadership structure is still being finalized and would be available to all employees by March 31, 2022. Please also note that titles and reporting lines for Day 1 may be updated later.

80. Would Fred Hutchinson Cancer Center have a new board?

Yes. The existing Fred Hutchinson Cancer Research Center and SCCA boards would be retired when Fred Hutchinson Cancer Research Center and SCCA merge. Fred Hutchinson Cancer Center would be governed by a new, 13-member board of directors. Nine members would be community members, and four members would be ex officio members representing leadership of Fred Hutchinson Cancer Center and leaders of UW Medicine. In addition, the plan proposes Fred Hutchinson Cancer Center would have a Board of Advisors that would serve as advocates for Fred Hutchinson Cancer Center and its mission and provide advice to Fred Hutchinson Cancer Center management and the Fred Hutchinson Cancer Center fiduciary board in areas such as science and technology, philanthropy and community relations.

81. How would the Fred Hutchinson Cancer Center Board relate to the University of Washington Board of Regents?

If the restructure is approved, two members of the Fred Hutchinson Cancer Center Board would be recommended by UW Medicine to the UW Board of Regents for appointment to the UW Medicine Advisory Board. The UW Medicine Advisory Board is advisory to the UW Board of Regents.

82. How will the strategic plan for the future Fred Hutchinson Cancer Center be developed?

Leadership across Fred Hutchinson Cancer Research Center, SCCA and UW Medicine have developed an initial FY23 strategic plan and annual budget for Fred Hutchinson Cancer Center that would guide the organization's work in the first year. In parallel, these leaders are also developing a process for future strategic planning. The plans would be developed in coordination with UW Medicine leaders and would be informed and reviewed by multiple stakeholders across Fred Hutchinson Cancer Center and other clinically integrated parts of UW Medicine.

The Fred Hutchinson Cancer Center strategic plan would include components specific to research, adult clinical oncology and enabling support (e.g., IT, marketing). The clinically integrated adult cancer program component would be inclusive of all sites of adult oncology care across Fred Hutchinson Cancer Center and UW Medical Center, and this part of the plan would be jointly developed by Fred Hutchinson Cancer Center and UW Medicine leadership.

The comprehensive Fred Hutchinson Cancer Center strategic plan would be updated annually, reviewed by the Joint Planning and Oversight Committee (JPOC), a committee comprised of the Fred Hutchinson Cancer Center Board Chair and Fred Hutchinson Cancer Center and UW Medicine senior leaders, and approved by the Fred Hutchinson Cancer Center Board. As applicable to UW Medical Center's hospital operations, the UW Medical Center Board would review and approve strategic plans in accordance with its approval processes.

The adult clinical oncology strategic plan would also become a component of the UW Medicine strategic plan. The UW Medicine strategic plan is refreshed every three years with annual updates and is approved by UW Medicine entity specific boards.

83. How will Fred Hutchinson Cancer Center budget priorities be determined?

Fred Hutchinson Cancer Center leadership would develop the future Fred Hutchinson Cancer Center budget, which would include its clinical and research enterprises, administrative and infrastructure support and capital. The budget would align with the Fred Hutchinson Cancer Center strategic plan (described in the previous question).

The Fred Hutchinson Cancer Center annual operating budget, capital budgets for Fred Hutchinson Cancer Center's clinical operations and the oncology portions of the UW Medicine annual operating and capital budgets would be jointly developed by Fred Hutchinson Cancer Center and UW Medicine management, and any material modifications to these budgets would be jointly developed by Fred Hutchinson Cancer Center and UW Medicine management. Fred Hutchinson Cancer Center's clinical budgets would be incorporated into an overall Fred Hutchinson Cancer Center operating budget and an overall Fred Hutchinson Cancer Center capital budget, which are subject to review by the Joint Planning Oversight Committee and review and approval by the Fred Hutchinson Cancer Center Board in accord with its usual approval process. As applicable to UW Medical Center's hospital operations (including capital investments at UW Medical Center), the UW Medical Center Board would review and recommend approval to the University of Washington Board of Regents in accordance with its standard processes.

UW Medicine leaders would be formally engaged in the budgeting process through participation in joint budget planning committees, and the Joint Planning and Oversight Committee would help integrate the financial planning for cancer services into the UW Medicine annual budget process to support the cancer programs that are operated by UW Medical Center.

SECTION X: BILLING & PAYOR RELATIONS

84. Would there be changes to the way services are billed today?

In general, no. Hospital facility-based oncology care would be billed by and for the hospital that provides the care (Fred Hutchinson Cancer Center or UW Medical Center). All professional services would continue to be billed by UW Physicians (or Children's University Medical Group for pediatric care).

85. How would payor contracting work under Fred Hutchinson Cancer Center?

Today, the entities contract separately, and this transaction will not change the current status. Accordingly, following the closing, UW Medicine and Fred Hutchinson Cancer Center will continue to contract separately. The parties will, however, pursue a process for patient financial counselors to be able to access the other hospital's contract rates solely for the purpose of providing financial counseling information to patients consistent with the law and to help guide patients through the process. If and when the parties want to explore joint contracting activities, the parties would seek legal guidance to assure that such activities are permissible, but they do not intend to make any changes until appropriate guidance is obtained.

86. What would happen to Seattle Cancer Care Alliance's Prospective Payment System exemption?

Fred Hutchinson Cancer Center would retain SCCA's Prospective Payment System exemption.

87. Would Fred Hutchinson Cancer Center participate in the 340B drug pricing program?

SCCA does not participate in the 340B program today. UW Medical Center does. This restructure would not contemplate an immediate change to Fred Hutchinson Cancer Center's participation in the 340B program.

88. Would there be a change to commercial payor rates and/or the rates that patients incur for cancer care?

Leaders involved in Fred Hutchinson Cancer Center planning are strongly committed to improving the quality of care and making cancer care as cost-effective as possible. Rates charged for cancer care at Fred Hutchinson Cancer Center and UW Medical Center would continue to be negotiated with payers through the standard contracting process, so they would change in the ordinary course but not directly as a result of the restructuring.

SECTION XI: FINANCIAL RELATIONSHIP

89. What would the financial relationship be between Fred Hutchinson Cancer Center and UW Medicine?

The organizations have designed a Financial Alignment Plan that would support the shared objectives of this transaction, align the parties' economic interests over the long term and reflect the economic contributions to the integrated adult oncology enterprise. The model allocates the combined profitability and cash flow of the clinically integrated adult cancer program.

90. **How would existing financial arrangements between the parties' work?**

Fred Hutchinson Cancer Research Center and SCCA have financial arrangements with the University of Washington and UW Medicine in many areas outside the clinically integrated adult cancer program (such as graduate education, faculty recruitment and salary support, shared services, clinical department funding, health care systems integration and leased staffing). Unless it is agreed otherwise, these financial arrangements would not change as a result of this proposed restructure.