

MEMORANDUM

To: Academic Deans, Department Chairs, Faculty and Staff

Office of the Provost

From: C. L. Max Nikias *C. C. Nikias*

C. L. Max Nikias
Provost and
Senior Vice President
for Academic Affairs

Date: May 6, 2008

Subject: Search for New Hospital CEO

Malcolm R. Currie Chair
in Technology and
the Humanities

On behalf of President Sample, I am pleased to announce a national search for a new chief executive officer of the USC Academic Medical Center, comprising the University Hospital and USC Norris Cancer Hospital. USC and Tenet Healthcare Corporation announced in mid-April a tentative agreement for Tenet to sell the two hospitals to the university. USC University Hospital is a 411-bed acute care hospital and the USC Norris Cancer Hospital is a 60-bed cancer hospital.

USC is committed to enhancing these facilities as state-of-the-art medical centers –elite hospitals that would be at the forefront of patient care and translational research within the highly competitive Southern California market.

This will allow our faculty physicians to continue to offer the best possible patient care, extend medical research frontiers and enhance training opportunities for USC's 1,000-plus medical students and residents.

We have now established an advisory search committee, which President Sample has asked me to chair. Keck School Dean Carmen Puliafito, MD, MBA, will serve as vice chair. The other members are:

- Minor Anderson, CEO of USC Care
- Edward Crandall, MD, Ph.D., the Kenneth T. Norris Chair in Medicine and the Hastings Foundation Professor in Medicine, and chair of the Division of Pulmonary and Critical Care Medicine at the Keck School
- Helena Chui, MD, the Raymond and Betty McCarron Chair in Neurology and chair of the Department of Neurology at the Keck School
- Dennis F. Dougherty, USC senior vice president for finance
- James G. Ellis, dean of the USC Marshall School of Business
- David L. Lee, USC trustee and managing general partner of Clarity Partners
- William J. Schoen, USC trustee and chairman of the board of Health Management Associates
- Eila Skinner, MD, associate professor of clinical urology at the Keck School
- Vaughn Starnes, MD, the Hastings Distinguished Professor and chair of the Department of Cardiothoracic Surgery.

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The new CEO will report directly to the provost. As the process moves forward, five rules will guide our search. 1) The final choice of CEO will be made by President Sample. 2) During the entire process, there will be no votes by any group or constituency. 3) Those who are asked to interview the final candidates will be invited to send their comments and impressions to me directly and confidentially. 4) There will be no final vote within the advisory search committee. 5) All nominations will come before the committee without filtering.

I will also engage the Medical Faculty Assembly in interviews with finalists.

To assist us in this important search and recruitment process, we have engaged the services of Korn/Ferry International, one of the nation's premier executive search firms. Ed Mullen, senior client partner at Korn/Ferry, will help guide the process. Mr. Mullen, with more than three decades of experience in the healthcare industry, specializes in executive searches for senior leadership positions. Before joining Korn/Ferry in 1996, he presided over the managed care division of UniHealth, a large Southern-California-based health system. He has held CEO roles at hospitals and with companies such as Hospital Corporation of America and senior positions at top consulting firms such as Ernst & Young. Working alongside him will be Mark M. Collins, also a senior client partner at Korn/Ferry with more than three decades of experience in healthcare.

All nominations and applications for this position should be sent directly to Mr. Mullen at edward.mullen@kornferry.com or mailed to him at Korn/Ferry's office at 1900 Avenue of the Stars, Suite 2600, Los Angeles, California 90067.

We will keep you informed, as appropriate, of our progress during the year. Please know that the successful and timely completion of this search is a top priority for USC.

cc: Steven B. Sample
Todd R. Dickey
Dennis Dougherty
Martha Harris
Alan Kreditor
Carmen Puliafito
USC Board of Trustees
Keck School Board of Overseers