



October 30, 2012

Dear USC community,

I am absolutely delighted to announce that USC has received \$25 million from longtime benefactor Leonard D. Schaeffer, and that his extraordinary gift will endow and support the **USC Leonard D. Schaeffer Center for Health Policy and Economics**. Established in 2009, this dynamic center advances rigorous research in the area of health economics, which is integral to many of today's most pressing policy challenges, including how to control health care costs, improving quality of life, and bettering patient outcomes.

Mr. Schaeffer stands among our nation's leading experts on health policy, and at USC, holds a Judge Robert Maclay Widney Chair, an extremely select appointment that bears the name of our university's chief founder. His visionary gift ensures that as health care assumes an even more prominent place in public policy discussions, USC will remain at the fore of these complex conversations, while offering a uniquely interdisciplinary perspective.

Professor Dana Goldman, a renowned health economist, directs the USC Leonard D. Schaeffer Center. He holds the Topping Chair in Medicine and Health Policy and is a member of the Institute of Medicine. Other highly distinguished faculty in the center include Presidential Professor Daniel McFadden, a Nobel laureate in economics; Professor Darius Lakdawalla, who holds the Quintiles Chair in Pharmaceutical and Regulatory Innovation; and Professors Jason Doctor and Geoffrey Joyce. Under their guidance, the center has quickly become one of the premier health policy institutions in the United States. It is jointly housed in the USC Price School of Public Policy and USC School of Pharmacy.

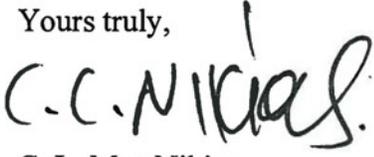
The center's uniqueness—bolstered by the excellence of its scholarship—is a key catalyst in helping USC achieve academically elite status. To advance its mission, the center relies on evidence-based and independent analysis. It has already built an extensive research portfolio, and has received more than \$45 million in external research funding from a number of notable institutions, including the National Institutes of Health, the Centers for Medicare and Medicaid Services (CMS), the John D. and Catherine T. MacArthur Foundation, and Quintiles.

Since its founding, the USC Schaeffer Center has consistently provided important policy guidance that touches every corner of society. As an example, its researchers have analyzed the fiscal future of social security and Medicare. Their work has also determined the value of preventive care to society; the actual benefit of insurance competition for consumers; the impact of price sensitivities for prescription drugs to children; the relationship of high-cost hospitals and lower mortality rates; as well as the medical specialties that are most likely to face malpractice claims. The broad scope of this work reflects the center's vibrancy, as well as its commitment to taking on the most complicated issues in health care today.

Just as importantly, the center's research has expansive reach. Its prolific faculty routinely publish in peer-reviewed journals, including the *Journal of the American Medical Association*, *Health Affairs*, and the *New England Journal of Medicine*. *The Wall Street Journal*, *The New York Times*, Politico, Reuters, Fox Business, and NPR have featured their results. In addition, Schaeffer Center faculty deliver their research directly to policymakers, through congressional and legislative testimony, sessions on the Hill, and presentations to federal and state legislative officials. The center has held conferences around the globe that address the most salient health policy issues, and these conferences include elite partners, such as Harvard, Stanford, Princeton, Brookings, and Peking University.

The center's already-considerable influence will continue to grow, as it builds on the stellar vision—and singular generosity—of its venerable namesake. In addition to his appointment at USC, Mr. Schaeffer is currently a senior advisor to TPG Capital, a private equity firm. From 1992 to 2004, he was the founding chairman and chief executive officer of WellPoint, one of the nation's largest health insurance companies, and drew wide praise for his highly effective leadership. He continued as chairman through 2005. Mr. Schaeffer is a member of the Institute of Medicine, and serves on the board of Amgen, Inc., The Brookings Institution, and RAND Corporation. He is an esteemed member of the board of councilors at the USC Price School of Public Policy, and lectures and writes widely on health policy issues.

The USC community will come together to formally celebrate Mr. Schaeffer's gift in March. This will be a special opportunity to acknowledge his wide-ranging contributions to health care, as well as this outstanding milestone in the life of the USC Leonard D. Schaeffer Center for Health Policy and Economics.

Yours truly,

C. L. Max Nikias
President