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NEWS RELEASE

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Mayo Clinic's patient-centered values and culture drive its 2030 strategy to cure, connect and transform health care

ROCHESTER, Minn. — [Mayo Clinic](#) is well-positioned, with remarkable progress in 2019, to reinforce its leadership in patient care, research and education, and drive forward the transformation of health care over the next decade.

Mayo Clinic's path to 2030 is rooted in its patient-centered values and humanitarian mission, to cure, connect and transform health care globally. With digital innovations and new technologies, Mayo Clinic is moving quickly to extend its compassionate care, expertise and research, and is reinvesting hundreds of millions of dollars in people and facilities in the communities it serves.

Seventy thousand people — including 5,000 physicians and scientists — advance Mayo Clinic's mission and spearhead initiatives to improve the lives of people everywhere. Bolstered by the past year's performance and the culture of innovation, they will continue to cure, solve the most complex medical problems, and lead the way in transforming health care for all.

"As a global leader in health care, with patients at the center of our work, Mayo Clinic has a critical role to play," says [Gianrico Farrugia, M.D.](#), Mayo Clinic president and CEO. "We are leading the necessary changes in health care to benefit people worldwide."

[Mayo Clinic in Rochester was named the No. 1 hospital](#) in the nation for the fourth consecutive year by U.S. News & World Report in 2019. Mayo Clinic in Rochester received more No. 1 rankings in medical specialty areas than any other U.S. medical center.

Also in 2019, Mayo launched its first major digital venture, the [Clinical Data Analytics Platform](#), which enables researchers to build artificial intelligence and machine learning models to gain insights from data and develop new therapies, solve complex medical problems and improve the lives of patients.

Mayo Clinic has accelerated its investment in the digital transformation of health care, one of the pillars of its 2030 strategy to transform patient and clinician experiences and solve humanity's most complex medical challenges. John Halamka, M.D., was named [president of Mayo Clinic Platform](#), to implement strategies to assure Mayo Clinic's leadership in digital health care, and Rita Khan was named [chief digital officer](#) to guide strategy and establish the Mayo Clinic Center for Digital Health.

"2019 was a year of remarkable growth and reinvestment in Mayo Clinic's mission," says Farrugia, who became president and CEO in January 2019 and charted a year of important transitions in clinic leadership. "Through this period of rapidly accelerating change, our staff has maintained our commitment to the highest quality care for our patients, while conducting life-changing research and providing medical education that will shape the future. Our exceptional team members will continue to distinguish Mayo Clinic as a truly world-class health care organization."

Patients, benefactors signal confidence in Mayo Clinic's vision

In 2019, Mayo Clinic's total revenue was \$13.82 billion, 9.7% higher than in 2018. Revenue growth was driven primarily by strong inpatient, outpatient and surgical volumes across Mayo Clinic's destination sites in Arizona, Florida and Minnesota.

More than 1.2 million patients, from every state and more than 130 countries, received care at Mayo Clinic in 2019, with a 2.1% increase in hospital inpatients and a 3.6% increase in surgical patients compared with 2018.

Net operating income in 2019 was \$1.06 billion. Generous benefactors contributed \$549 million, an increase of 9% over 2018. In addition, benefactors signaled their confidence in Mayo Clinic's vision to transform health care by making more than \$500 million in future commitments, to be realized in the years ahead.

Revenue from diversified sources such as [Mayo Clinic Laboratories](#) and [Mayo Clinic Ventures](#) and Business Development was \$1.29 billion in 2019, an increase of 8.1%, and the [Mayo Clinic Care Network](#) expanded to 44 health care organizations in the U.S. and abroad, extending the expertise and knowledge of Mayo Clinic staff to nearly 11.4 million patients through its connected care platform. Also in keeping with Mayo Clinic's commitment to extend its expertise internationally, it announced [a joint venture](#) with Abu Dhabi Health Services Company to operate Sheikh Shakhbout Medical City, one of the United Arab Emirates' largest hospitals for patients with complex medical conditions.

"Our strong performance in 2019, financially and in patient care, research, and educating the next generation of health care providers, positions us well for the important work that lies ahead," says [Jeff Bolton](#), Mayo Clinic's chief administrative officer. "This could not happen without the talent and dedication of our outstanding staff and the confidence and support of the patients we serve."

Mayo Clinic is proud to be the largest employer in the state of Minnesota and a leading employer in Florida, Arizona and the dozens of communities in Iowa, Minnesota and Wisconsin served by [Mayo Clinic Health System](#). In 2019, employee salaries and benefits totaled \$8.29 billion. A special year-end payment of \$200 million was made to Mayo Clinic staff pension funds, in addition to \$345 million for current service cost. Since 2015, Mayo Clinic has contributed \$2.4 billion to its pension funds.

"We continue to invest in our most important asset, our staff, through salary increases, pension funding, a strong and competitive benefit package, and a firm commitment to diversity and inclusion," Bolton says. "We have long been known for our collaborative, team-oriented approach to health care, and it's the people of Mayo Clinic who are responsible for our success."

Mayo Clinic also contributes to local, state and national economies as a major taxpayer. In 2019, it paid nearly \$171 million in taxes, including \$108 million in MinnesotaCare taxes, \$28 million in real property/business personal property taxes, \$24 million in income taxes, and \$11 million in sales and use taxes.

Mayo Clinic is committed to ensuring that the needs of patients come first and that patients have access to the appropriate level of care. In 2019, it provided \$590 million in uncompensated care, including \$96 million in charity care and \$494 million in unpaid portions of Medicaid and indigent care programs.

Working with local communities to address important needs has long been part of Mayo Clinic's mission, and Mayo Clinic staff contributed time, talent and resources in 2019 to increase affordable housing units, address hunger and homelessness, improve access to high-quality health care, and other community issues.

"We recognize that as the communities we serve change, so do their needs," says Erin Sexton, director of Enterprise Community Engagement. "This is why Mayo Clinic became a key partner in establishing the Coalition for Rochester Area Housing, to create and preserve affordable housing. In its two years of existence, this collaborative community program has resulted in more than 300 new units of affordable housing."

Increased access to services and improved community support for people facing mental illness was a key area of focus for Mayo Clinic in 2019. Mayo Clinic in Florida has been part of an effort to educate Jacksonville residents in Mental Health First Aid, with the goal of eliminating the stigma and increasing awareness of mental health issues. In Rochester, Mayo Clinic has partnered with the community and state to build and operate a 24/7 behavioral health crisis center. Construction will begin this year. To help address the nationwide shortage of mental health care providers, the Mayo Clinic Psychiatry Residency Program in Rochester will expand to include Mayo Clinic Health System in Eau Claire.

Mayo Clinic invested in hundreds of organizations across all of its communities in 2019, and it added a special year-end Season of Giving initiative to provide extra support for community needs. "Helping to address community needs is embedded in Mayo Clinic's mission and the values of Mayo Clinic staff," Sexton says.

Bold reinvestments in research and medical education

Mayo Clinic made substantial new investments in medical research and education in 2019, with a 7.8% increase in funding, totaling \$1.3 billion. Funding for research grew to \$891 million in

2019, an 8% increase, and investments in [Mayo Clinic College of Medicine and Science](#) and educational programs were \$377 million, a 7.4% increase.

The year's robust growth allowed Mayo Clinic to invest \$723 million in capital projects in 2019 that will improve patient care and experience, as well as assure continued leadership in research and education. The projects included \$293 million for new facilities and technology, and \$430 million to maintain or replace equipment and technology.

In addition, projects totaling \$505 million received Board of Trustee approval during the year:

- \$233 million for expansion of the [Integrated Oncology facility at Mayo Clinic in Florida](#). This investment will provide the full spectrum of leading-edge cancer treatments, including proton and carbon beam therapy, for Mayo Clinic patients in the southeast U.S. and nationally. This investment will bring carbon therapy to the U.S. for the benefit of patients nationwide.
- \$91 million for a new research and education center at Mayo Clinic in Arizona, part of Mayo's Arizona Bold Forward Project, which will nearly double the size of the Phoenix campus.
- \$85 million for the new [Anna-Maria and Stephen Kellen Building at Mayo Clinic in Rochester](#), which Dr. Farrugia says will "enable us to meet a critical need for research space on our Rochester campus" as a result of a remarkable gift from benefactors.

"These investments are essential to having the capacity and capabilities to meet the expectations of our patients with state-of-the-art facilities and technology," says Dennis Dahlen, Mayo Clinic's chief financial officer. "Continuing our position of industry leadership requires continued investment on the leading edge of medical science. We're investing in transformative changes to position Mayo Clinic for a rapidly changing health care environment."

Mayo Clinic continues to invest in staff and [modernization of facilities](#) and technology at Mayo Clinic Health System sites, to assure the highest quality and most efficient care. Mayo has invested \$11 million at Mayo Clinic Health System – Albert Lea and Austin to modernize and expand the medical surgical inpatient unit and Family Birth Center on the Austin campus, enhancing the patient experience, and a [nearly \\$1 million chemotherapy and infusion therapy pharmacy](#) was constructed on the Albert Lea campus. Investments have been made in imaging equipment such as MRI and CT scanners across Mayo Clinic Health System to ensure that patients receive the same high-quality care at all sites.

Mayo Clinic Health System also is exploring new ways to serve patients in its communities. In [Barron, Wisconsin](#), a program called the Barron Model of Care involves providing all types of care except for advanced surgical procedures in the local critical access hospital by using telemedicine and virtual visits. The Barron model has the potential to revolutionize how Mayo Clinic Health System provides rural health care. Patients in the Barron area will no longer need to travel to the larger Mayo Clinic Health System hospital in Eau Claire for consultations or other diagnostic work; instead, technology will enable them to receive care in their hometown.

Program results will be analyzed with the goal of replicating it in other Mayo Clinic Health System communities.

"Mayo Clinic had an exceptional year, which has enabled us to reinvest boldly in all areas of our mission," Dr. Farrugia says. "At a time of profound change, it's more important than ever that we remain true to the values of our founders, who put the needs of our patients first. These are not just words, it's an organizing principle and a deeply personal commitment. By keeping our strategies aligned with the needs of our patients, regardless of place or platform, and no matter how complex, Mayo Clinic will continue to excel as a place of health and healing."

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About Mayo Clinic

[Mayo Clinic](#) is a nonprofit organization committed to innovation in clinical practice, education and research, and providing compassion, expertise and answers to everyone who needs healing. [Visit the Mayo Clinic News Network](#) for additional Mayo Clinic news and [An Inside Look at Mayo Clinic](#) for more information about Mayo.

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