

ORANGE COUNTY BUSINESS JOURNAL

Vol. 46, No. 32

THE COMMUNITY OF BUSINESS™

August 7-13, 2023 • \$5.00

An Orange County Business Journal Special Report

HEALTH *Care*



INSIDE

HOAG INNOVATORS
CONNECTS DOCTORS
WITH INVESTORS
PAGE 14



DENTAL COS. REPORT
9% JUMP IN
HEADCOUNT
PAGE 24



ELSEWHERE

\$4B IN HOSPITAL
CONSTRUCTION KICKS
OFF ACROSS OC
PAGE 1



BIG HEALTH EXPANDS
INTO YOUNGER MARKET
THROUGH ACQUISITION
PAGE 3

Hoag's Innovator Fund Aims to Jumpstart Doctors' Ideas

Buchanan Family Behind Concept; \$20M Raised

By PETER J. BRENNAN

Doctors participating in a Shark Tank competition with a Ted Talk sidebar?

That idea for engaged philanthropy is what Robert and Kitty Brunswick created with Hoag Innovators.

"We came up with this concept that combined a Ted Talk with a Shark Tank with a private equity investment meeting where we all sit down and hear from the doctors about new game-changing innovations," Robert Brunswick, CEO of Newport Beach-based Buchanan Street Partners, told the Business Journal.

Robert and Kitty Brunswick in 2017 started Hoag Innovators, which is part of the Hoag Foundation, the fundraising arm of Hoag Memorial Hospital Presbyterian, the second-biggest hospital in Orange County.

The group has invested in a variety of ideas from Hoag doctors, from a machine to photograph moles to using artificial intelligence for advanced imaging.

The group's attracted about 125 members, including 60 families.

"Some have their adult children involved because they like teaching philanthropy through this program and the children get to carry on family's wishes," Robert Brunswick said.

"We run it like an investment committee, with a little fun and wine tasting thrown in."

Game On

To become a member, a person must do-



From left to right: Robert and Kitty Brunswick with Dr. Cambria Judd of Hoag Functional Medicine; Dr. Alyson Brooks of the Ginny Ueberroth Women's Health Institute; Dr. Phuong Nguyen, medical director of the Hoag Advanced Endoscopy Center; and Hoag Innovators member Mike Gray



Some competitors in Innovators Awards include Jeffrey C. Bassett, M.D.; M.P.H., Benjamin & Carmela Du Endowed Chair in Urologic Oncology at Hoag; Burak Ozgur, M.D., director of Hoag's Spine Center; Adam Kanter, M.D., associate executive medical director of Hoag's Pickup Family Neurosciences Institute; and Daryl Pearlstein, the program director for Lung Cancer at Hoag.



Kitty and Robert Brunswick started the Innovators Fund at Hoag Foundation

nate a minimum of \$250,000 over a five-year period. Members have raised \$20 million, including \$10 million earmarked for future investments.

The only other requirement for an Innovator is to appear at the biannual events where they select winners.

Before each event, a dozen proposals are whittled down by a committee to three and

then presented to the entire group.

The presenters have five to seven minutes to make their pitches and then respond to questions.

"They are fiercely competitive. Be assured that when they are behind their innovation, game on," Robert Brunswick said.

"There's a misnomer about how doctors communicate. The ones that we are interacting with are amazingly conversant in their areas of expertise, the way they get people excited. They're beautifully articulate."

After the session, the group has a vote on the winning presentation.

"People leave saying 'I had a vote today. I learned a lot today and built some relationships with some doctors.' As we age, that alignment of interests becomes more and more important as we think about health."

Thus far, it's made donations to about 15 different types of technologies, including:

- \$500,000 given in 2021 to "Hoag at Home" that provides patients with personalized care in their own homes.

- \$500,000 given in 2020 to NK Cell Therapy Program, a clinical trial that is trying to "revolutionize" treatment for pancreatic cancer.

- \$125,000 for Invenio NIO Laser Imaging, which speeds up pathology examinations during surgeries from 30 minutes to three minutes.

"A patient might be in surgery with their brain exposed for 30 minutes or more while waiting for pathology," Kitty Brunswick said.

Buchanan Street

Robert Brunswick in 1999 co-founded Buchanan, a real estate investment management firm that specializes in office, multi-family and self-storage projects with a growing lending platform.

He's actively involved in the community, including as a co-founder of the Center for Real Estate at the University of California, Irvine.

Brunswick has for years been on the board at the Hoag Foundation, which has \$550 million in assets. He is the chair-elect of the Hoag Hospital board.

"Kitty and I always knew we wanted to make a gift, so we did an investigation," Robert Brunswick recalled.

The pair, which like to hike while they discuss ideas, spent hours deciding what type of donations they wanted to make.

"Being an entrepreneur myself, I said I'd like our gift to be a catalyst for other likeminded in the way that they wanted to address philanthropy," Robert Brunswick said. "We're passionate about education so we wanted this to be an educational activity."

Hoag Innovators' Advisory Board includes Mike Roberts, former president of McDonald's and Mike Gray, a longtime local entrepreneur whose family founded St. John Knits.

The ROI

Each innovator meeting also has prior award winners discussing results such as how many patients were affected by the investors.

"Even though we're not getting a return, I look at it as a psychic income," Robert Brunswick said. When asked if the donations become too focused on the return on investments, he said, "The ROI doesn't have to be in dollars. My form of ROI is moving the needle."

Why does a hospital like Hoag, which reported \$1.4 billion in revenue for the year ended Sept. 30, have the need for such investments?

Kitty Brunswick explained that the innovator awards can be a much faster process than typical in a hospital where a budget request can take months if not years to get approval. By contrast, a winner of an Innovator award can collect the donation within a day, she said.

"This is a dream of Kitty and mine to be a legacy at Hoag and have innovation be at the forefront of where Hoag and healthcare are going," Robert Brunswick said. ■

Hoag Innovators

hoag.

- **BUSINESS:** funding projects advocated by doctors
- **FOUNDERS:** Kitty and Robert Brunswick
- **ENDOWMENT:** \$10M
- **PARENT:** Hoag Foundation
- **NOTABLE:** holds biannual meetings where doctors make their pitches in environment like the Shark Tank TV show