

SUTTER HEALTH UNVEILS INNOVATION INCUBATOR

ANALYSIS | BY [ERIC WICKLUND](#) | NOVEMBER 07, 2023

Sutter is one of at least a dozen major health systems, including UPMC, Houston Methodist, the Mayo Clinic, the Cleveland Clinic, and OSF Healthcare, that want to develop new technologies and ideas from within, with the goal of using their networks of hospitals and care sites to test and validate—and potentially market—those products.

Several large health systems across the country have launched their own innovation centers, with the goal of fostering, developing, and even marketing new technologies from within.

Sutter Health recently bolstered its innovation team with two top executives from Ochsner Health. The health system will open a dedicated space next year in San Francisco to develop new technologies and strategies.

[Sutter Health](#) is joining the ranks of health systems with built-in innovation incubators.

The Sacramento-based 24-hospital health system is opening an innovation center “aimed at fostering creative solutions to some of today’s biggest healthcare challenges.” [Warner Thomas](#), Sutter Health’s president and CEO, unveiled the plan at last month’s HLTH conference and said the center should be up and running in San Francisco in early 2024.

The health system is one of at least a dozen major health systems, including UPMC, Houston Methodist, the Mayo Clinic, the Cleveland Clinic, and OSF Healthcare, who are looking to develop new technologies and ideas from within, with the goal of using their networks of hospitals and healthcare sites to test out and validate—and then potentially market—those products.

Speaking on the main stage at HLTH, Thomas said Sutter Health’s goal is to create an integrated network that enables consumers and patients to address all their healthcare needs in one place.

“Patients don’t want to go to 20 different [locations] to get healthcare,” he said. “They want an integrated health system.”

“We need to create an integrated experience, not a one-off experience,” he added.

Under Chief Innovation Officer [Chris Waugh](#) and chief health innovation officer [Albert Chan](#), MD, MS, Sutter Health has built a reputation for focusing on human-centered design in healthcare. The health system recently beefed up Waugh’s team by luring two top executives from Ochsner Health: [Richard Milani](#), MD, who was Ochsner’s chief clinical transformation officer and had led the health system’s Innovation Ochsner program for more than 11 years, is now Sutter’s chief clinical innovation officer, and [Laura Wilt](#), who was Ochsner’s chief information officer for roughly a decade, has taken on the role of chief digital officer.

“Digital innovation is propelling healthcare into the future, and integrated systems like Sutter Health are leading the way,” Wilt said in a press release accompanying Thomas’ announcement at

HLTH. “Establishing an intentional space for innovation sends a clear signal that Sutter, alongside our partners, is more committed than ever to deliver on our mission of making healthcare simpler, more engaging and deeply human.”

“We believe healthcare is at an inflection point,” added Waugh. “Sutter’s history is etched with groundbreaking innovations and partnerships that have elevated the patient experience. With the innovation center, we’re propelling our mission to new heights – igniting innovation through an unapologetically human-centric lens and ensuring a dynamic transformation that enhances the experience for both patients and providers alike.”

Thomas, who noted Sutter Health would also expand its investment strategy, said health systems are under pressure during a tight economy to be “more connected to our patients all the time.” That means investing in and supporting connected health tools and concepts that enable care management and coordination at the best time and place for both patients and their care teams.

That also means working together with other organizations to connect those care paths.

“Innovation thrives when we collaborate,” he said in the press release. “Together with innovation industry leaders, we are charting a new course to revolutionize the way care is delivered. Whether it’s in how we manage chronic diseases or provide care at home, our commitment to pushing the boundaries of what’s possible in healthcare has never been stronger. We want the work done here to have a ripple effect, transforming the entire healthcare ecosystem by benefiting both clinicians and patients. We invite visionaries who share our passion for innovation and improving the lives of patients to join us on this journey.”

Eric Wicklund is the associate content manager and senior editor for Innovation, Technology, Telehealth, Supply Chain and Pharma for HealthLeaders.