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Mark Masselli: This is Conversations on Health Care. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well Margaret, the employer mandate may have been given a reprieve by the Obama Administration for a year but it survived a challenge in court that sought to have it overturned.

Margaret Flinter: That's right, Mark. A federal appeals court rejected a lawsuit over the employer mandate as well as the individual mandate. The lawsuit was filed by Liberty University. That's the one founded by Reverend Jerry Falwell, who also sought to overturn the law's contraception requirement.

Mark Masselli: The court rejected the claim that the employer mandate was unconstitutional.

Margaret Flinter: But I expect Mark that there will be many more legal challenges before we are through. Certainly the attorneys for Liberty University, we understand, are planning an appeal, and as many guests on our show have told us, the health care law is likely to be under attack from various legal points of view for sometime to come.

Mark Masselli: And of course, the employer mandate was already a hot button issue after the Obama Administration announced they would delay the employer mandate requirement of the Affordable Care Act until 2015, giving companies with 50 or more employees one year reprieve before being required to provide health insurance for their employees.

Margaret Flinter: That's right, Mark. And the Obama Administration and officials at HHS want to make sure that there is a safe and reliable secure infrastructure in place for reporting that employee insurance information to the IRS and I think they just decided it was better to wait and get it right.

Mark Masselli: So as unwieldy as it is getting the health care law off the ground, there are efforts underway in other sectors seeking to improve health care in this country. The Bipartisan Policy Center just announced a new initiative.

Margaret Flinter: The CEO Council on Health and Innovation is bringing together some of the nation's most powerful CEOs to combine their efforts to improve strategies and practices for improving employee health and wellness efforts they hope will have a positive effect on health care delivery and costs.

Mark Masselli: Our guest today is the co-chair of the CEO Council. Dr. Patrick Soon-Shiong is a physician, entrepreneur and CEO of several foundations

dedicated to improving health care delivery. He is telling us about the CEO Council to improve health care.

Margaret Flinter: And our FactCheck.org Managing Editor Lori Robertson looks at an ad that's been airing with some misleading information about the Affordable Care Act. And no matter what the topic, you can hear all of our shows by Googling CHC Radio.

Mark Masselli: And as always, if you have comments, e-mail us at [www.chcradio.com](http://www.chcradio.com) or find us on Facebook or twitter because we would love to hear from you.

Margaret Flinter: We will get to our interview with Dr. Patrick Soon-Shiong in just a moment.

Mark Masselli: But first here is our producer Marianne O'Hare, with this week's Headline News.

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Marianne O'Hare: I am Marianne O'Hare with these Health Care Headlines. Another week in Congress, another vote to repeal the Affordable Care Act in the wake of White House decision to delay the health care law's employer mandate for a year. Conservatives are jumping into the breach; House Republicans will vote this week to delay the part of Obamacare, requiring Americans to buy health insurance by next year, arguing that President Obama recently delayed the part of the law requiring employers to offer health insurance. There have already been 37 attempts to pass laws overturning the Affordable Care Act in the House.

And moving ever closer to full implementation of the law, more provisions are coming to light. Folks who purchase the lower frills, silver or bronze plans on the insurance exchanges will pay considerably more out of pocket for prescriptions, up to 34% more. For hundreds of thousands of primary care physicians across the country, the era of unreimbursed evaluation and management or E&M care, may finally be coming to an end. Recognizing care coordination may hold a key to keeping health care costs in check for an aging population.

The CMS last week proposed reimbursing doctors starting in 2015 for patient care management activities that don't involve face-to-face contact. Many of the nation's primary care advocates who had been demanding stepped up reimbursement of their E&M activities including paying for phone calls and other activities that take place outside their traditional clinical setting, say the proposed rule marks a major step in the right direction.

I am Marianne O'Hare, with these Health Care Headlines.

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Mark Masselli: We are speaking today with Dr. Patrick Soon-Shiong, physician, scientist, entrepreneur and co-chair of the Bipartisan Policy Center's new CEO Council on Health and Innovation, which is combined the efforts of CEOs from some of the nation's largest corporations to develop strategies that will improve employees' health and wellness and lead to more cost effective health care. Dr. Soon Shiong is the founder of numerous pharmaceutical entities and is responsible for over 50 patents for groundbreaking drugs and medical procedures. He is Chairman and CEO of the Institute for Advanced Health and the Healthcare Transformation Institute. He also founded the National LambdaRail and NantWorks, LLC, whose mission is to converge semiconductor technology, supercomputing advanced networks, improving innovations to revolutionize the health care delivery. Dr. Soon-Shiong, welcome to conversations on Health Care.

Dr. Patrick Soon-Shiong: Thank you.

Mark Masselli: You know, the Bipartisan Policy Center just announced the formation of a group that you are co-chair of, the CEO Council on Health and Innovations, which features CEOs from some of the most formidable companies in the country. And the goal is to highlight innovative strategies that are going to improve the health and wellness of employees working for those large corporations. You know, Margaret and I both have a good friend Mike Critelli who was Chairman and CEO of Pitney Bowes. And we know when Mike was CEO, he had a real passion for this type of transformation in his setting. Tell us a little bit about the collaboration that you have built and some of the key players and the passion that really drives the team.

Dr. Patrick Soon-Shiong: So you mentioned Mike Critelli and he and Craig Barrett had created this organization called Dossia. And I helped support and fund that organization many years ago and continue to, with the concept that really the private sector and the large employers could significantly impact this country by transforming health. And I had the good fortune to meet with visionary leaders such as Muhtar Kent at Coca Cola and Lowell McAdam at Verizon and Brian Moynihan at Bank of America, who had the very same passion, wanting to make a real difference not only to the employees but to the nation with regard to health care. So this council I think I honestly believe will be one of the most important impactful organizations that will really drive action rather than just a council for policy or as a think tank. I think we call ourselves a do tank.

Margaret Flinter: That's great; I like that.

Dr. Patrick Soon-Shiong: And these are very, obviously not any visionary leaders but operational leaders who run major corporations and see health care

as a crisis for our nation. And I am just honored and proud to be a part of this organization with Muhtar, myself and the rest of the board.

Margaret Flinter: So Dr. Soon-Shiong, I think you might have just said that you only had one meeting, so this may be premature and I think I understand that the CEO Council on Health and Innovation isn't planning to issue a report on strategies or best practices until next year. So what kind of strategies are you planning to focus on, can you give us a glimpse into that, that look to have the most potential for improving the health of the population and impacting health care cost?

Dr. Patrick Soon-Shiong: Now very much so this team, meaning Lowell McAdam, Brian Moynihan and Muhtar Kent, we have been working together as long as two to three years ago. Let me give you little bit of the history. About four years ago, I met with Brian Moynihan at Bank of America with a concept that collectively we needed to create an infrastructure in this nation for a fiber infrastructure, such that information sharing could occur to address not only chronic diseases but things important like cancer. And then I met with Lowell McAdam at the Verizon level and we participated together in the World Congress on Health and we found the same passion. And then I met with Muhtar Kent who is doing amazing things on a global basis for the world. And so over the course of the last two years, we have actually quietly implemented tiny little pilots inside our own organizations. And what I am excited to say is that the implementation is actually moving forward in real time as we speak, and the CEO Council is the first public announcement so to speak.

Mark Masselli: Talk a little bit about the sort of thematic themes that are embedded in the Affordable Care Act and serve the Triple Aim of it improving access, outcomes and containing cost. And they seem to align with your own group's efforts as well. Can you tell us about the sort of three-pronged approach that's being used by the CEO Council to improve health and wellness of employees and how it aligns with the goals of the Affordable Care Act?

Dr. Patrick Soon-Shiong: The first thing is to look at the patient. And really, we are looking at not just wellness but also illness. So we address this concept that we need to figure out a way to manage the patients in the continuum of the entire life when they are well but on the other hand, when they are desperately ill, then there is this whole area of am I getting the right treatment, what's the best care. Then there is a third element that's in between when they have the hypertension, asthma, diabetes, obesity, and what we call **willingness**. So you have wellness **willingness** and illness. And the mission of the council is to address that entire continuum of wellness, **willingness** and illness. Muhtar at the council meeting put it really well where he said we need to address as the council and the private sector are the ones that are actually going to be able to do this much faster than the government can.

So the mission of the Council is to implement innovative strategies to take advantage of the wireless technology and advanced computing and the Cloud technology that currently exists today and apply that. So we have implemented strategies that unfortunately can only be done with areas of speed and implementation between the private sector, the nonprofit sector and philanthropic sector, and then finally, the NGOs and the government. And that's why people like Ray Chambers was invited with Special Envoy to the United Nations. So this is very much an implementation council of actually testing and validating technologies at large scales so that it could be implemented across this country but also be used on a global basis. The Council is to look at health care delivery systems, to address coordinated care, to address wellness programs that are real and measurable and to address illness programs where we take advantage of the genome and the proteome that's going to enter in all areas of care.

Margaret Flinter: Well Dr. Soon-Shiong, I think you have laid out a compelling vision and we know that there has been so much innovation over the last decade I would say around strategies to change behavior, some big improvements in technology still meeting up against of course the human factors. We would really be interested hearing about some of the specific strategies and what the breakthrough is in the thinking or the implementation or the innovation.

Dr. Patrick Soon-Shiong: So we always invited the thought leaders both on the provider level, people like provider of health system such as Providence and Dignity. We also invited American Cancer Society and societies such as the pediatrics and primary care physicians, etc. I think the issue is let's talk about cancer for example. I don't think what people realize in our country now we have over 20 million cancer survivors and there is two million cancer new diagnoses a year. I think not many people realize the sad statistic and that is 40,000 patients with breast biopsies a year that are read for the wrong patient, 20,000 prostate biopsies a year that are read for the wrong patient. Would it be acceptable for example that we now know from 2001 to 2005 that patients with pancreatic cancer received the wrong treatment 65% of the time?

I think these are the kind of statistics that are not only unacceptable, it's unconscionable that we not address. So we ask ourselves how is it possible for us ever to be able to bend the cost curve or even get the best care when we are spending more than any other country in the world and ranking lowest on the tables. And the question is very simple, how could we ever hope for example in cancer to bend the cost curve and get the right treatment when we don't know what the right treatment is to be given before treatment begins? If you have pancreatic cancer, the dogma is that you have a standard of care which is the current standard of care which is a single drug which is on the market. The survival rate is maybe two months to six months. Yet, if we were to tell you that if in fact you had the correct treatment and the correct molecular profile, the opportunity for you to be free of disease, completely free of disease and be alive

five years out, and in fact we say we now have multiple patients with that exact statistic.

So this is the challenge that there is no such thing that I call a national information highway and the interoperable system that for the first time connects not only the knowledge base of the nation and the collective wisdom of the nation to the delivery system but also connects the delivery system to the payment system. On the knowledge system, we are making such amazing breakthroughs and we will make more scientific technical biological breakthroughs in the next five years than we made in the last 50 years based on the genomic and proteomic science. But that information will not enter into the delivery system; it may take 10 to 17 years to enter the delivery system. But that's unacceptable when you are dying of pancreatic cancer or any cancer or any chronic disease that you could have a different outcome if in fact that knowledge was in the hands of the delivery system.

When you go to the delivery system, there is a total disconnect and absence of any coordination of care. When you come to the payment system, the only way the providers are incented is to do as much procedures as possible because it's a fee for service based system. There is no ICD-9 code for healthy. The only way the nurses, the doctors, the providers get incented is to wait until you get to the emergency room and do as many procedures as possible. So then if you look at the knowledge system, the delivery system and the payment system, these barriers between these three create such a non-system of care, it's no wonder we spend \$4 trillion and have no way of accountable value based care, no way of measuring outcomes. That's the strategy we have taken in the last 5 years to build an infrastructure across this nation that you would then tie the knowledge system to the delivery system, and inside the delivery system, you would create a coordination of care and then tie that to the payment system so that the payment system incentes health rather than illness. And I think the CEO Council now finally reaches the payment bucket where one of the opportunities for the CEO Council is to completely change the payment system and to incent the providers or a healthy human being rather than react to treatment for illness.

Mark Masselli: We are speaking today with Dr. Patrick Soon-Shiong, a physician, scientist, entrepreneur and co-chair of the Bipartisan Policy Center's new CEO Council on Health and Innovation, which is seeking collaboration among some of the nation's largest corporations to develop strategies that will improve employees' health and wellness and lead to more cost effective health care. You have been talking about this knowledge network that works with the delivery system and the payment system, and I wonder if the delivery system isn't at the heart of the problem here and whether or not you are employing some change management techniques. How are you thinking about change management when you are thinking about the delivery system because it's sort of a radical redesign that's needed?

Dr. Patrick Soon-Shiong: So change management is incredibly important but nothing motivates more than change management by incenting payment to adopt the change. On the delivery system itself, you are completely correct. The greatest fear I had when the Health Information Technology Program was launched was that we would build what we call medical bridges to nowhere. But the software systems totally prevent interoperability; it totally prevents information of activity on a day-to-day basis. The only way that we would absolutely be able to get true care coordination and population management is have the capability of a patient when the patient is at home or the patient is in the clinic or the community hospital or the doctor or in the tertiary enter and then back at home with continuous information exchange of real time clinical data at the fingertips of both the patients and the provider. That technology and that interoperable system did not exist.

And so I presented myself six or seven years ago to Dossia and said, we as leaders need to create this infrastructure for the United States. That is why I took on the National LambdaRail. The National LambdaRail is a fibre infrastructure that's (17:53 inaudible). So if one could then take technology that currently exists today and then the magic of what we call machine-to-machine learning wireless technology, whereby vital signs could be monitored directly out of the machines whether it be blood pressure machine, a ventilator machine, and then we integrate that data continuously into the Cloud with all the clinical labs and the imaging and tie that to the activity down to the activity level of whether it's a nurse practitioner, whether it's a doctor, physician's assistant and provide them both transparency and clarity of treatment and then be able to monitor the outcomes in real time and adaptively change and create continuous learning systems across the continuum throughout the nation, we will then truly transform this care.

So I presented this plan around 2008 to the Institute of Medicine at the National Library of Medicine to initiate this in the country. And unfortunately, I could not get the government agencies to adopt this. So we then left out on our own and created the Institute of Advanced Health, and partnered now with the large employers of the nation. And let me share with me now, with excitement, where we are. We have through a Software as a Service in the Cloud now deployed this decision tool amongst 8000 oncologists as we speak today. And the insurance companies have now been given a tool to approve the payment and know in real time before treatment begins that the patient and the doctor is getting the right evidence-based treatment. If we can then capture the vital signs of a human being in a hospital and at home, regardless of what machine, what medical device, we have created APIs that can message and talk to every one of these medical devices.

This year, we will be capturing three billion vital signs across the United States so that these vital signs will self-pollute the electronic medical record regardless of what the electronic medical record is, whether it's a (19:56 inaudible). And now you have vital signs that could be captured in the Cloud. Now, if you can now tie

that information across the continuum from the patient, when the patient goes to the clinic, with a software system that actually captures the activity and cost in real time, if you can then interconnect that to imaging of CAT scans -- there is a study that CAT scan's higher radiation causes cancer in children. But if you could take these CAT scans and PET scans and put the data into supercomputer and then stream the results so that instead of just 64 slice images or 120 slice images you have a million images because it's every second of the data, you then have a way of creating image in the Cloud down to the patient. We now have this deployed places like Cleveland Clinic and Mount Sinai. We recognize that all the information we ultimately need will come out of a blood test, and a blood test will be the genomics but not just genomics but leapfrogging to proteomics.

You need then a super computer to manage this kind of analysis because this kind of analysis right now takes 11 weeks to do for one patient. So that's why we built a supercomputer that has now taken 6000 human genomes, 3000 patients and computed that complete analysis in 69 hours. That translates to the fact that we can now complete the analysis for one patient in 47 seconds. The vital signs have to be captured remotely from machine to machine and self-populate your data, and the decision support tools data is all evidence-based. All of a sudden we have a real learning system that is totally scalable and that's the strategy that we have been deploying and that's a strategy we can deploy across this nation through the CEO Council.

Margaret Flinter: We have been speaking today with Dr. Patrick Soon-Shiong, physician, entrepreneur co-chair of the Bipartisan Policy Center's new CEO Council on Health and Innovation. You can learn more about the Bipartisan Policy Center's Council on Health and Innovation by going to [www.bipartisapolicy.org](http://www.bipartisapolicy.org) and you can follow him on Twitter at Solvehealthcare. Dr. Soon-Shiong, thank you so much for joining us on Conversations on Health Care today.

Dr. Patrick Soon-Shiong: Thank you.

### **(Music)**

Mark Masselli: At Conversations on Health Care, we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and Managing Editor of FactCheck.org, a nonpartisan, nonprofit consumer advocate for voters that aim to reduce the level of deception in US politics. Lori, what have you got for us this week?

Lori Robertson: Well the ad wars over the Affordable Care Act continue. The latest is an ad from a conservative group that poses misleading questions about the law. In this one, a mother named Julie asks if we can't pick our own doctor,



how do I know my family is going to get the care they need. But the law doesn't prohibit Julie from picking her own doctor. Julie goes on to ask, can I really trust the folks in Washington with my family's health care. But despite many claims to the contrary, the government isn't taking over the health care system or getting involved in families' health care decision making. We asked the group behind the ad, Americans for Prosperity, about the claim that families won't be able to pick their own doctor. The spokesman told us that the ad is actually referring to some individuals losing their insurance and having limited choices in other insurance plans. The nonpartisan Congressional Budget Office does predict that 7 million fewer workers net will get their insurance through their jobs in 2023 because of the law. But will they face a narrow network of providers getting their insurance elsewhere? Possibly. Some insurance plans on state-based exchanges are offering a smaller network of providers in order to keep the premium cost down. But the 7 million losing an offer of job-based coverage is a small percentage of the 160 million that are expected to have such insurance. The law can't guarantee that folks can keep their current doctor. Employers are free to switch plans and workers are free to switch jobs just as they were before the law was passed. And that's my fact check for this week. I am Lori Robertson, Managing Editor of FactCheck.org, here on ReachMD.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's major political players and is a project of the Annenberg Public Policy Center at the University of Pennsylvania. If you have a fact that you would like checked, email us at [www.chcradio.com](http://www.chcradio.com). We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

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Margaret Flinter: This is Conversations on Health care. I am Margaret Flinter.

Mark Masselli: And I am Mark Masselli, peace and health.

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