



NEW AMERICA  
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## **FOR IMMEDIATE RELEASE**

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### **New America Foundation Announces Health CEOs for Health Reform**

*Industry CEOs willing to change their business models to create a more sustainable health system*

(Washington, DC) -- The New America Foundation today welcomes the Billings Clinic, Blue Shield of California, Catholic Healthcare West, Denver Health, Merck & Co., Inc., and the Virginia Mason Medical Center as it announces Health CEOs for Health Reform (HC4HR), a diverse coalition of health care leaders who share a unique willingness to transform their business models to create a more sustainable health system. This visionary outlook will allow HC4HR to move past broad policy concepts toward detailed blueprints that reconcile the legislative goals and principles of lawmakers with the operational realities of our health care system.

“HC4HR will focus on helping policymakers identify solutions that will ensure everyone has quality, affordable health coverage within a system that delivers high value for every health care dollar,” said Len Nichols, Director of the Health Policy Program at the New America Foundation and HC4HR’s facilitator. “I could not be more excited about this initiative and am honored to be facilitating the work of such a distinguished group of leaders,” Nichols continued.

“It’s time for health industry CEOs to step up and say what has to be said—that achieving coverage for all will require each of us to change the way we do business. With regard to health plans, that means giving up the right to pick and choose our customers based on how healthy they are,” said Bruce Bodaken, Chairman and CEO of Blue Shield of California.

“It is time for hospitals and physicians to address the reality that healthcare costs too much and that our current ways of financing and delivering healthcare are outdated and not sustainable,” said Lloyd Dean, President and CEO of Catholic Healthcare West. “As providers, we must be accountable for the quality and affordability of the care we deliver.”

“Merck supports a new national comparative effectiveness research (CER) effort as part of health system delivery reform. We understand that payers, providers, and patients want better evidence to make better coverage and treatment decisions, which will strengthen the uniquely American competitive health care marketplace,” said Kenneth Frazier, President of Global Human Health for Merck & Co., Inc. “Merck understands that a new focus on comparative effectiveness will likely change the way Merck does business – how we bring products to market and how we support the value proposition of those products. We understand this change is needed in our health system; therefore we have decided to support it and prepare for it. We also hope to be able to influence the shape of the change – to use our experience in clinical trials and outcomes research to support development of a truly practical and informative research endeavor,” Frazier continued.

“While our current economic situation concerns us all, it also provides an unprecedented impetus to finally transform our excessively costly and inadequately performing approach to health care. We must change both our payment methods and our delivery of care. These changes will demand visionary and courageous political leadership, willingness of many components of American health care to forgo some of their current profits, and all Americans to accept change if we are to achieve high quality and affordable health care for all,” said Dr. Patricia Gabow, CEO of Denver Health.

“The U.S. health care system is fraught with waste and reform can no longer be set aside,” said Gary S. Kaplan, MD, Chairman and CEO of Virginia Mason Medical Center in Seattle. “I’m excited about being a part of an innovative group of health care leaders known for their actions, not just their talk. At Virginia Mason, we’ve worked hard for nearly a decade to reduce waste and improve care for patients. We’re eager to share our insights with government leaders ready to tackle this enormous challenge.”

“Significant delivery system reform is urgently needed. This will demand major change for physicians and hospitals who must develop new organizational approaches which better focus on coordinating care over time and across silos. Patient centered care demands this, as does the need for true and effective provider accountability in managing cost and quality. Payment reform, health information technology, administrative simplification, reduction in conflict of interest, and many other tactics will be required, but never has the need for leadership from CEOs and others in the health care field become so essential,” said Nicholas Wolter, M.D., CEO of the Billings Clinic.

*HC4HR leaders will be appearing at a launch event today at 4pm at the National Press Club. For more information or to speak with Len Nichols or members of HC4HR, please contact Elizabeth Carpenter at [carpenter@newamerica.net](mailto:carpenter@newamerica.net) or visit our blog at [www.newhealthdialogue.org](http://www.newhealthdialogue.org)*

# Health CEOs for Health Reform (HC4HR)

## Founding Members

Bruce Bodaken  
Chairman and CEO  
Blue Shield of California

Patricia A. Gabow, MD  
Chief Executive Officer  
Denver Health

Lloyd H. Dean  
President/CEO  
Catholic Healthcare West

Gary Kaplan, MD  
Chairman and CEO  
Virginia Mason Medical Center  
Seattle, Washington

Kenneth C. Frazier  
President, Global Human Health  
Merck & Co. Inc.

Nicholas Wolter, MD  
Chief Executive Officer  
Billings Clinic

## Principles

Members of HC4HR believe in the following three principles:

1. Health reform is an urgent priority for our nation and should not be postponed.
2. Meaningful health reform entails both quality, affordable health coverage for all and delivery system reform. This will require all stakeholders to move away from “business as usual.”
3. A more sustainable health system will require all health care stakeholders to offer and accept changes to their business models as part of a catalytic package that will better serve everyone.

## Goals and Mission

HC4HR will demonstrate to the policy community and the American people that health industry CEOs and physicians are willing to be proactive leaders in calling for transformative reforms of our health system. These reforms include quality, affordable coverage for all *and* significant restructuring of our health care delivery system.

HC4HR will not protect outdated business models. Instead, it will work with lawmakers to identify policy solutions that meet the long-term goals of comprehensive health reform in a way that is operational and practical for health care leaders.

HC4HR will capitalize on its relationships with affinity organizations to nurture physician and stakeholder leadership. HC4HR’s members will lead through example and encourage like-minded health care visionaries to join in their cause.

### **About the New America Foundation**

The New America Foundation is a nonprofit, post-partisan public policy institute whose purpose is to bring exceptionally promising new voices and new ideas to the fore of our nation's public discourse. Relying on a venture capital approach, the Foundation invests in outstanding individuals and policy solutions that transcend the conventional political spectrum. Headquartered in our nation's capital, New America also has offices in California and New York. For more information please visit the Health Policy Program [http://www.newamerica.net/programs/health\\_policy#](http://www.newamerica.net/programs/health_policy#). The Health Policy Program publishes the New Health Dialogue Blog, at [www.newhealthdialogue.org](http://www.newhealthdialogue.org).

### **About the Billings Clinic**

Billings Clinic is a charitable, tax-exempt medical foundation, employing over 3,000 people to support and operate a 225 physician group practice, a 272 bed hospital, 90 bed nursing home, and a Research Center. Billings Clinic provides physician clinic services in multiple rural sites, and also manages seven rural critical access hospitals.

### **About Blue Shield of California**

Blue Shield of California, an independent member of the Blue Shield Association, is a not-for-profit health plan dedicated to providing Californians with access to high quality care at a reasonable price. Founded in 1939, it now has 3.4 million members, 4,700 employees, one of the largest provider networks and more than 20 office locations, providing a wide range of commercial and government products throughout the state. The company has contributed \$100 million over the past three years to the Blue Shield of California Foundation to fund nonprofit organizations that improve access to quality health care in California. Contact your local agent or broker for more information about Blue Shield products and services, or visit the Blue Shield web site at [www.blueshieldca.com](http://www.blueshieldca.com)

### **About Catholic Healthcare West**

Catholic Healthcare West (CHW), headquartered in San Francisco, CA, is a system of 41 hospitals and medical centers in California, Arizona and Nevada. Founded in 1986, it is the eighth largest hospital system in the nation and the largest not-for-profit hospital provider in California. CHW is committed to delivering compassionate, high-quality, affordable healthcare services with special attention to the poor and underserved. The CHW network of nearly 10,000 physicians and approximately 53,000 employees provides healthcare services to more than five million people annually. In 2008, CHW provided \$967 million in charity care and unsponsored community benefit. For more information, please visit [www.chwHEALTH.org](http://www.chwHEALTH.org).

### **About Denver Health**

Denver Health is the Rocky Mountain Region's academic Level 1 trauma center, and the safety net hospital for the Denver area. The Denver Health system, which integrates acute and emergency care with public and community health, includes the Rocky Mountain Regional Trauma Center, Denver's 911 emergency medical response system, -- Denver Health Paramedic Division -- eight family health centers, 12 school-based health centers, the Rocky Mountain Poison and Drug Center, NurseLine, Correctional Care, Denver CARES, Denver Public Health, the Denver Health Foundation and the Rocky Mountain Center for Medical Response to Terrorism, Mass Casualties and Epidemics.

### **About Merck & Co., Inc.**

Merck & Co., Inc. is a global research-driven pharmaceutical company dedicated to putting patients first. Established in 1891, Merck currently discovers, develops, manufactures and markets vaccines and medicines to address unmet medical needs. The Company devotes extensive efforts to increase access to medicines through far-reaching programs that not only donate Merck medicines but help deliver them to the people who need them. Merck also publishes unbiased health information as a not-for-profit service. For more information, visit [www.merck.com](http://www.merck.com).

### **About the Virginia Mason Medical Center**

Virginia Mason Medical Center, founded in 1920, is a non-profit comprehensive regional health-care system that combines a primary and specialty care group practice of more than 480 physicians with a 336-bed acute-care hospital in Seattle. In addition, Virginia Mason has a network of clinics located throughout the Puget Sound area, and manages Bailey-Boushays House, a nursing residence and Adult Day Health program for people living with HIV and AIDS. Virginia Mason also has an internationally recognized research center, Benaroya Research Institute at Virginia Mason. For more information, visit [VirginiaMason.org](http://VirginiaMason.org).