

The Origin of Health Care Reform in America

In the first eighteen months of enrollment for insurance under The Patient Protection and Affordable Care Act, over 16 million people -- one third of the 47 million uninsured Americans -- obtained health care coverage. Among the many forces set the stage for the passage of the Act, perhaps the strongest was a group of researchers at Dartmouth College.

"By the mid 1990's, the situation [at the Foundation] had reached a crisis... {until} George Bennett, a Boston entrepreneur... became intrigued with our project."

"This led to the founding of Health Dialog as a commercial partner to [the Foundation]"

Wennberg, Jack. (2010). *Tracking Medicine*. New York, NY.

"Dartmouth researchers also created a company, Health Dialog, to consult for insurers and others on Dartmouth's findings."

Abelson, Reed and Harris, Gardiner; *The New York Times*, 6.2.10

"Spencer Trask was right there to underwrite the plan, which was founded as Health Dialog". George Bennett, Health Dialog CEO said, "Spencer Trask was pivotal."

Venture Portfolio

"...because of the success of its commercial partner, **Health Dialog**...the Foundation has been on firm financial ground. For this, my thanks go to Health Dialogs' founders, George Bennett and Chris McKown; its CEO, Pat Flynn; and my son, David Wennberg, President of Health Dialog Analytics."

Wennberg, Jack. (2010). *Tracking Medicine*. New York, NY.

" If the United states as a whole could safely achieve spending levels comparable to those of the lowest-spending regions, annual savings of up to 30% of Medicare expenditures could be achieved."

“Such savings could provide the resource to fund important new benefits, such as expanded Medicare coverage....”

The implications of regional variations in Medicare spending; The Annals of Internal Medicine; Elliott Fisher of the Dartmouth Institute and David Wennberg, President of Health Dialog Analytics, et al. February 18, 2003

“So this is what Orszag looked for – and what he found. The place was Dartmouth College, in Hanover, New Hampshire, and the man was named Jack Wennberg.

Peter Orszag: “the *reason that I wanted to go to C.B.O.* was I thought that was one of the key bodies that could really delve into what we could do about it.”

Lizza, Ryan. “Money Talks.” *New Yorker* 04 May 2009: n. pag. Print.

As a fellow at the Brookings Institution, he became obsessed with the findings of a research team at Dartmouth showing that some regions of the country spend far more money on healthcare than others but that patients in those high-spending areas don’t have better outcomes...”

“By the time Orszag became head of the CBO in *January 2007*, he was carrying the Dartmouth charts to congressional meetings and preaching to anyone who would listen about the “evidence-based” cure for rising medical costs.”

Suskind, Ron. *Confidence Men: Wall Street, Washington, and the Education of a President*. New York: Harper, 2011.

“Obama said he wanted Orszag to assume an expanded portfolio as OMB chief (the Office of Management and Budget,) serving as the administration’s budget czar and also as the driving force behind healthcare reform.”

“...ascending to that inner circle. The promotion came because of, not in spite of, Orszag’s crusade on behalf of health reform”

Klein, Ezra. “The Number-Cruncher-in-Chief.” *American Prospect* 11 Dec. 2008. Print.

“This paper discusses opportunities for Congress and the Obama Administration to address key shortcomings in our health care system that result in unwarranted geographic variation and uncontrolled growth in health care spending.

Success in this effort will not only improve the quality of care, it will make it possible to extend coverage to America's uninsured without inducing a major increase in health care spending..."

An Agenda for Change — Improving Quality and Curbing Health Care Spending: Opportunities for the Congress and the Obama Administration. Jack Wennberg and Shannon Brownlee

"Findings from this field set an agenda to save our nation's beleaguered health care system." President of the World Bank, Jim Yong Kim

Wennberg, Jack. (2010). *Tracking Medicine*. New York, NY. Foreword.

"The Dartmouth results... more than any other, has shaped the thinking of Peter Orszag, President Obama's budget director."

Leonhardt, David. "The Dartmouth Debate." *The New York Times* 17 June 2009. Print.

"[Orszag] wants to do no less than change the way medicine is practiced, eliminating unnecessary tests and unproven treatments."

Kantor, Jodi. "Obama's Man on the Budget: Just 40 and Going Like 60." *The New York Times* 27 Mar. 2009. Front page.

"...what enlivened Orszag and intrigues Obama: the possibility of reshaping medical practice in the United States through the power of evidence-based outcomes and data on comparative effectiveness."

Suskind, Ron. *Confidence Men: Wall Street, Washington, and the Education of a President*. New York: Harper, 2011. p 321

"...healthcare costs are the key to our fiscal future."

Orszag, Peter. "Health Costs Are the Real Deficit Threat." *The Wall Street Journal* 15 May 2009. Print.

“The core of... the Obama budget is Orszag’s belief (in)...Orszag’s ‘obsession’...(with) a government empowered with research on the most effective medical treatments...”

President Obama was “betting his presidency on Orszag’s thesis of comparative effectiveness...”

“He (Orszag) is the unlikely guardian of Obamaism itself.”

Lizza, Ryan. "Money Talks." *New Yorker* 04 May 2009. Print.

“In selling the health care overhaul to Congress, the Obama administration cited a once obscure research group at Dartmouth College”

Abelson, Reed, and Gardiner Harris. "Critics Question Study Cited in Health Debate." *The New York Times* 2 June 2010. Print.

"The research and efforts to reform medical practice reported in this book would not have happened were it not for...funding from the Foundation for Informed Medical Decision Making..."

Wennberg, Jack. (2010). *Tracking Medicine*. New York, NY.

From 1997 until 2010, Health Dialog paid \$110 million in royalties to the Foundation, making Health Dialog far and away the largest supporter of the Dr. Wennberg research.

Billings, John, JD. "Shared Decision Making: Another Legacy of John E. Wennberg." Proc. of Festschrift Honoring Dr. John E. Wennberg, Dartmouth. October 15, 2013.

2010, March 22 – – “Obama signs The Patient Protection and Affordable Care Act.” “Mr. President, this is a big bucking deal,” Mr. Biden whispered.

Henry, Ed. *White House Shrugs off Biden F-Bomb*. CNN. National, 23 Mar. 2010. Television.

“A world historical achievement, even more important to the United States than Social Security and Medicare.”

SPENCER TRASK

Emanuel, Ezekiel J. *Reinventing American Health Care: How the Affordable Care Act Will Improve Our Terribly Complex, Blatantly Unjust, Outrageously Expensive, Grossly Inefficient, Error Prone System.* Print.

“The bill will affect virtually every man, woman and child in the United States.”

Murray, Shailagh, and Lori Montgomery. “House Passes Health-care Reform Bill.” *The Washington Post* 22 Mar. 2010. Print.

“The centrality of the Dartmouth data to the intent, at least, of health care reform is hard to overstate.”

“Jack Wennberg is a modern day Copernicus, a man whose unearthing of inconvenient truths has stood the known world on its head. Now, in this extraordinary, lucid work, he shows that by **placing hard evidence – and the patient’s actual well being – at the center of the health care universe.....could literally save millions of lives.**”

Suskind, Ron. *Confidence Men: Wall Street, Washington, and the Education of a President.* New York: Harper, 2011.

Spencer Trask’s Role

“Spencer Trask was right there to underwrite the plan, which was founded as Health Dialog.” Bennett summed up with: “Spencer Trask was pivotal.”

At a 2007 shareholder meeting for Health Dialog, Bennett further elaborated on the role of Mr. Kimberlin and Spencer Trask. “Spencer Trask was among the first to understand what we were trying to do. They got it quickly and they stayed with us...Without Kimberlin, this whole movement might have blown away and died on the vine. He is one of the handful of people who made this whole thing happen.”

“Everyone knows in terms of Kevin and Spencer Trask, there was a moment in the firm’s history...when Spencer Trask, through its family of investors, helped us raise the money to keep the doors open. And the rest, as they say, is history.”

