Toby Cosgrove

Red Flags

According To GOP Data Center, Cosgrove Is Registered As An Unaffiliated Voter And Classified As A Weak Republican Voter. (GOP Data Center, Accessed 12/15/16)

Cosgrove Donated To Democrats Marcia Fudge And Lee Irwin Fisher, And Bill Bradley. (Federal Election Commission Accessed 12/15/16)

Cosgrove Was Found To Have Accidentally Injured A Patient's Liver While Performing Heart Surgery. ("Israeli Couple Gets Nearly \$1 Million In Botched Heart Surgery," The Associated Press, 5/18/00)

Cosgrove Said If He Was Legally Permitted, He Would Refuse To Hire Obese People. (Harlan Spector, "Clinic's Cosgrove Defends Remark About Obese People," The Cleveland Plain Dealer, 9/10/09)

- Cosgrove Later Said The Statement Was Taken Out Of Context And That He Is Against Obesity, Not Obese People. (CNN s Anderson Cooper 360, 8/19/09)
- Cosgrove "Caused Outrage" When He Said "He Would Not Hire Obese People If He Could Legally Get Away With It. (Jeanette Krebs, "Can Americans Stomach An Obesity Crisis?," Patriot News, 11/29/09)

Cosgrove Has Said That The Cleveland Clinic On His Watch Does Not Hire Smokers, Saying "We Test People Coming In, And If They're Positive For Nicotine, We Do Not Hire Them." (CNBC s "Squawk Box" 10/30/15)

• The Cleveland Clinic Started The Policy In 2007 On Cosgrove's Watch. (Karen Farkas, "Public Colleges In Ohio Asked To Go Totally Smoke Free," <u>The Cleveland Plain Dealer</u>, 6/4/12)

Cosgrove Invented A Device Used In Cardiac Surgery That He Collects Royalty Payments For. (The Associated Press, "Doctor Claims Defamation, Sues Cleveland Clinic Over Ouster," <u>The Herald Dispatch</u>, 12/7/07)

- A Cleveland Clinic Spokeswoman Cleared The Royalty Payments As "Within The Clinic's Guidelines." (The Associated Press, "Doctor Claims Defamation, Sues Cleveland Clinic Over Ouster," <u>The Herald Dispatch</u>, 12/7/07)

When The Supreme Court Ruled That Obamacare Would Be Enacted, Cosgrove Said The Legislation Would Allow The Industry To Move Ahead With Needed Reforms. (Press Release, "Cleveland Clinic Responds To Affordable Care Act Ruling," Cleveland Clinic 6/28/12)

Cosgrove: "We Have To Understand That The Affordable Care Act Is The Law Of the Land, And That We Are Implementing It..." (Bloomberg s In The Loop With Betty Liu, 11/12/14)

In 2015, Cosgrove Said Obamacare Was Successful Because It Had Brought Down Health-Care Inflation, Insured More People And Increased Quality Metrics. (Trent Gillies, "Obamacare Successful, But A 'Long Term Project Clinic Chief," CNBC 4/5/15)

 Cosgrove Mentioned That Although Some Aspects Are Improving Under The ACA, The Law Is A "Long-Term Project." (Trent Gillies, "Obamacare Successful, But A 'Long Term Project Clinic Chief," CNBC, 4/5/15)

Speaking At A Panel At The Republican Convention In Cleveland, Cosgrove Stated Obamacare Made Cleveland Clinic More Efficient Since They Had To Cut Over \$300 Million From Their Budget. (Emily Reppleye, "Cleveland Clinic CEO Toby Cosgrove At RNC ACA Spurred Efficiency," <u>Becker's Hospital Review</u> 7/20/16)

In A 2015 Letter To The Editor, Cosgrove Defended Ohio's Medicaid Expansion, Saying It Led To Increased Insurance Coverage In The State. (Delos Cosgrove, Letter To The Editor, "Medicaid Expansion Kept State Healthy," *The Columbus* [Ohio] *Dispatch* 5/17/15)

• Cosgrove: "We Call On The General Assembly To Maintain Medicaid Coverage As Enacted." (Toby Cosgrove, Letter To The Editor, "Medicaid Expansion Kept State Healthy," *The Columbus* [Ohio] *Dispatch* 5/17/15)

In 2012, Cosgrove Said That If Ohio Decided Not To Expand Its Medicaid Under Obamacare,
Private Insurance Premiums Would Increase. (Rich Daly, "Cosgrove Sees Premiums Going Up If Medicaid Isn t Expanded," Modern Healthcare 7/21/12)

• Cosgrove Did Not Mention Obamacare, But Said "If We Don't Have Medicaid Patients Covered," Fewer Patients Would Be "Paying Patients," Which Would Cause Insurance Premiums To Go Up For Others. (Toby Cosgrove, Remarks At The National Press Club, Washington, D.C. 7/20/12)

In A 2014 Interview, Cosgrove Praised Theranos As A "Potentially Breakthrough Company." (Ken Auletta, "Blood, Simpler," *The New Yorker* 12/15/14)

• Theranos Shut Down Their Blood Testing Facilities After Major Flaws In Their Technology Were Discovered. (John Carreyrou and Christopher Weaver, "Thomas Retreats From Blood Tests," Wall Street Journal 10/6/16)

After The Allegations Against Theranos Came Out, Cleveland Clinic Still Hosted Theranos' Founder Elizabeth Holmes At A Summit, Where Cosgrove Held A Q&A With Holmes. (Casey Ross, "Cleveland Clinic Mum On Details Of Alliance With Embattled Blood Testing Company Theranos," <u>The Cleveland Plain Dealer</u>, 5/12/16)

• Following The Summit, "Cosgrove Appeared On CNBC To Defend Its Alliance With Theranos." (Casey Ross, "Cleveland Clinic Mum On Details Of Alliance With Embattled Blood Testing Company Theranos," <u>Cleveland Plain Dealer</u>, 5/12/16)

After "Controversy Over Investments" Made By Cosgrove And Other Key Figures, Cleveland Clinic Stopped Allowing Doctors And Administrators To Make Investment Decisions. ("Cleveland Clinic acts to prevent conflict of interest," FierceHealthcare, 5/9/06)

Cleveland Clinic Had "Come Under Sharp Criticism" For The "Web Of Relationships That Entangled Many Of Its Doctors," Including Cosgrove Who Was Involved With The Clinic's "Venture Capital Activities." (Reed Abelson, "Cleveland Clinic Moves To Fight Conflicts Of Interest," *The New York Times* 5/10/08)

Cleveland Clinic Established A \$7.5 Million "Green Revolving Fund." (Lydia Coutre, "Cleveland Clinic Establishes \$7.5 Million Green Revolving Fund," Crain's Cleveland Business, 5/10/16)

The Green Revolving Fund Was A "Part Of "President Barack Obama's Better Buildings Challenge." (Lydia Coutre, "Cleveland Clinic Establishes \$7.5 Million Green Revolving Fund," Crain's Cleveland Business, 5/10/16)

Cleveland Clinic Was Sued By A Former Patient After He Underwent A Surgery He Claims Was Performed By "Doctors-In-Training" Rather Than The Physician He Expected To Perform The Surgery. (Brian Zeltner, "Justices rule on Clinic lawsuit High court," Cleveland Plain Dealer, 10/19/16)

However, A Judge Ruled The Suit Could Not Be Filed So Long After The Surgery. (Brian Zeltner, "Justices rule on Clinic lawsuit High court," Cleveland Plain Dealer, 10/19/16)

In 2015, The Cleveland Clinic Was Sued For Allegedly "Performing More Tests And Procedures On Patients Than Necessary In Order To Obtain More Medicare Payouts." (Eric Heisig, "Lawsuit Accurses Cleveland Clinic Of Performing Unnecessary Tests On Patients To Reap Medicare Benefits," *The Cleveland Plain Dealer*, 1/22/15)

QUESTIONS FOR TOBY COSGROVE

Political Vulnerabilities

Expansion of Medicaid/Embracing of Obamacare

Background: Cosgrove advocated for Ohio's expansion of Medicaid under Obamacare. Cosgrove has asserted that the without expansion of Medicaid, a state's given insurance market would see even higher premiums than without expansion.

- Do you have any reservations embracing the President-elect's plan to fully repeal and replace Obamacare?
- How do you value fiscal responsibility versus meeting the healthcare demands of the American public?

Past Support For Democrats

Background: Cosgrove has sporadically donated to democrat campaigns for public office, including Bill Bradley's campaign for president.

- Do you have any specific reservations to putting full support behind the President-elect's issues agenda and policy platform?
- How would you advise the President-elect achieve his desire to establish a bi-partisan culture in Washington?

Conflicts of Interest

Background: Cosgrove is involved with the board of directors of at least one medical device company and has served as a partner at a venture capital firm. After "controversy over investments" made by Cosgrove and other key figures, Cleveland Clinic stopped allowing doctors and administrators to make investment decisions.

- Do any of your current business relationships or active ventures create an immediate conflict of interest should you join the administration?
- Are you willing to temporarily cease any and all business activity should the Presidentelect's team find it necessary?

Policy Questions

Against Price Controls On Prescription Drugs

Background: Cosgrove has stated his opposition to price controls on prescription drugs and does not believe the U.S. should permit the importation of prescription drugs.

- How would you advise the President-elect to help curb the rising cost of American's prescription drugs?
- Are you willing to help the President-elect explore a price curbing plan that involved either price controls or drug imports?

General Department of Veterans Affairs Policy

Background: In 2014, Cosgrove had previously turned down President Obama's offer to lead the Department of Veteran Affairs. Cosgrove "had fans on both sides of the political aisle" and was seen "as likely to win quick confirmation."

Given that many of the issues facing the VA appear to be management issues, why does your
experience, having never run an agency or served as an executive, make you the right
person to fix this struggling agency?

- With suicide rates for veterans far above the national average, what types of methods would you recommend to stem the tide of veterans' suicide?
- What are your thoughts on providing veterans struggling with wait times private insurance vouchers to purchase health care services from non-VA medical providers?
- What is your view on the benefits (including legal status and eventual citizenship) that illegal immigration that sign up to serve in our armed forces should receive?

BACKGROUND

Personal Information

Delos Cosgrove

F.duc

Education

Williams College

Williamstown, MA

AND

University Of Virginia School Of Medicine

Charlottesville, VA (LinkedIn Accessed 12/15/16)

Work Experience

2004 - Present: Cleveland Clinic CEO. President

1989 - 2004: Cleveland Clinic Chairman, Department of Thoracic and Cardiovascular Surgery

1975 – 1989: Cleveland Clinic Cardiac Surgeon

Board Membership And Affiliations: Advisor To Health Evolution Partners; Member Of The Board Of Trustees At Williams College; Member Of The Board Of Trustees For The Dar Al Fouad; Member Of The Board Of Trustees For The Dar Al Fouad; Member Of The Board Of Trustees For The Dar Al Fouad; Member Of The Scientific Advisory Board For 3F Therapeutics, Inc.; Member Of The Clinical And Scientific Advisory Board Human Longevity, Inc.; Director Of Corazon Technologies, Inc.; Director Of CardioThoracic Systems, Inc.; Member Of Multiple Editorial Boards Including The "Annals Of Thoracic Surgery, American Heart Journal, Journal Of Cardiovascular Surgery (Italy), Medical Principles And Practices (Kuwait), And The Thoracic And Cardiovascular Surgeon (Germany)." ("Delos M. Cosgrove," Bloomberg, Accessed 12/15/16)

Political Affiliation

According To GOP Data Center, Cosgrove Is Registered As An Unaffiliated Voter And Classified As A Weak Republican Voter. (GOP Data Center, Accessed 12/15/16)

Registration Status Registered Official Party Unaffiliated N/A Registration Date Calculated Party 2 - Weak Republican

According To Nexis, Viola Is An Unaffiliated Voter In Chagrin, Ohio. (Nexis, Accessed 12/15/16)



Political Contributions

Cosgrove Donated To Democrats Marcia Fudge And Lee Irwin Fisher, And Bill Bradley. (Federal Election Commission Accessed 12/15/16)

COSGROVE, DELOS M	CLEVELAND CLINIC	EXECUTIVE	FUDGE, MARCIA L VIA MARCIA FUDGE FOI CONGRESS	OR 04/30/2010	1000.00	10990861476
COSGROVE, DELOS M MD	CLEVELAND CLINIC, THE	CEO AND PRESIDENT	FISHER, LEE IRWIN VIA FISHER FOR OHIO 03/	31/2009 2	2000.00 2902	0141748
COSGROVE, DELOS MR.	CLEVELAND CLINIC		BRADLEY, BILL VIA BILL BRADLEY FOR PRESIDENT INC	06/08/1999	1000.00	99990046273

Lobbying

No Records Found.



Revolving Door

No Records Found.

Revolving Door: Search Results

No records found. Please, go back to the search page and try again.

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Bankruptcy		
No Records Found.		
	■ Bankruptcy Information - 0 records found	
	Liens	
No Records Found.		
	■ Judgments/Liens - 0 records found	
	□ UCC Liens - 0 records found	
	COMMENTS ON TRUMP-PENCE	
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Trump

Toby Cosgrove Was Named By President-Elect Trump To His Strategic And Policy Forum, To Which Cosgrove Responded That He Was "Truly Honored And Privileged" To Serve On The Forum. "Dr. Toby Cosgrove, CEO of the Cleveland Clinic, has been named by President-elect Donald Trump to the new President's Strategic and Policy Forum. 'I am truly honored and privileged to take part in Presidentelect Donald Trump's Strategic and Policy Forum designed to grow and strengthen the United States' economy,' Cosgrove said in a statement issued by the Clinic. 'I applaud his efforts to bring together leaders across industries to gain insight that will assist the new President in making important decisions that will impact every American. I am deeply committed and take this role very seriously,' he said." (Scott Suttell, "Cleveland Clinic CEO Toby Cosgrove Named To President Elect Donald Trump s Panel On Jobs," Crain's Cleveland Business, 2/2/16)

Pence

No Known Statements.

GENERAL CONTROVERSY

Criminal Filings

No Records Found.

Criminal Filings - 0 records found

Cosgrove Was Found To Have Accidentally Injured A Patient's Liver While Performing Heart Surgery. "Cosgrove was performing a mitral valve repair on Roni Halevi in September 1996 when he accidentally injured Halevi's liver. Rubin Guttman, lawyer for the Halevis, said Cosgrove punctured the liver with either a clamp or a chest drainage tube." ("Israeli Couple Gets Nearly \$1 Million In Botched Heart Surgery," *The Associated Press*, 5/18/00)

Hiring Practices

Cosgrove Said If He Was Legally Permitted, He Would Refuse To Hire Obese People. "A conference on the medical causes and management of obesity opened Wednesday with host Dr. Delos 'Toby' Cosgrove defending a widely quoted statement that he would not hire obese people if he could legally deny them jobs." (Harlan Spector, "Clinic's Cosgrove Defends Remark About Obese People," *The Cleveland Plain Dealer*, 9/10/09)

- Cosgrove Later Said The Statement Was Taken Out Of Context And That He Is Against Obesity, Not Obese People. DR. TOBY COSGROVE: "Well, I think that's -- I did say that, but it was taken out of an hour conversation and the parts that got left out of that, the conversation, were that we're very concerned about people being overweight. We're not against people who are obese. We're against obesity." (CNN s Anderson Cooper 360, 8/19/09)
- Cosgrove "Caused Outrage" When He Said "He Would Not Hire Obese People If He Could Legally Get Away With It. "A few months ago, Dr. Toby Cosgrove, the CEO of the Cleveland Clinic, caused outrage when he told The New York Times he would not hire obese people if he could legally get away with it. He said the clinic already has a policy preventing the hiring of smokers, and he would put obese people in the same category of having serious health risks." (Jeanette Krebs, "Can Americans Stomach An Obesity Crisis?," Patriot News, 11/29/09)
- Cosgrove Implemented A Plan At Cleveland Clinic That Required Its Employees To "Stay Fit" Or "Pay Up" For Higher Health Premiums, Which Was Criticized By Some As "Tantamount To Employer Mandates" And "Removes Personal Choice From Its Employers." "Controversial as it is, Cleveland Clinic is telling its employees to stay fit or pay up. The 29,000 employees in the Clinic's health plan must maintain health goals through its wellness program or else see up to a 21 percent increase in their insurance premiums. The Clinic already has 16,000 employees signed up for the health system's program called "Healthy Choice," while the organization hopes to motivate the other 13,000. 'We want people to embrace health, not be punished," Paul Terpeluk, medical director of the Clinic's Employee Health Services, told The Plain Dealer. "This isn't a stick, it's a carrot.' However, critics argue the workplace program is tantamount to employer mandates and removes personal choice from its employees." (Karen Cheung Larivee, "Critics Say Cleveland Clinic A Big Brother To Employee Fitness," FierceHealthcare, 2/14/12)

Cosgrove Has Said That The Cleveland Clinic On His Watch Does Not Hire Smokers, Saying "We Test People Coming In, And If They're Positive For Nicotine, We Do Not Hire Them." CNBC'S ANDREW ROSS SORKIN: "You said you do not hire smokers?" DR. TOBY COSGROVE: "Right." SORKIN: "Ever?" COSGROVE: "Right." SORKIN: "So...and are you sure, you have no smokers on your payroll?" COSGROVE: "No...we do not. We test people coming in, and if they're positive for nicotine, we do not hire them. We offer them smoking cessation and retesting. And we offer everybody across the institution smoking cessation. And the reason we do this is we think that smoking is the number one preventable cause of cancer and chronic lung disease. And we think that we as a health care organization ought to model what appropriate health behavior." SORKIN: "And what's to say..." COSGROVE: "If you're a doctor and smoke, we don't hire you." (CNBC s "Squawk Box" 10/30/15)

• The Cleveland Clinic Started The Policy In 2007 On Cosgrove's Watch. "Cosgrove, who gained national attention when he announced in 2007 that the Clinic, which already was smoke-free, would no longer hire anyone who uses tobacco, said 37 percent of college students who smoke begin the habit after they enroll." (Karen Farkas, "Public Colleges In Ohio Asked To Go Totally Smoke Free," *The* [Cleveland Ohio] *Plain Dealer* 6/4/12)

Cosgrove Has Also Pushed For A Smoking Ban On Ohio's College Campuses. "The Ohio Board of Regents has approved a resolution recommending the state's public colleges and universities ban smoking on their campuses. Ultimately, trustees at each university or college will have the final say in the matter, but regents' chairman James Tuschman said in a news release the institutions should bar smoking because it's the 'right thing to do.' Cleveland Clinic CEO Toby Cosgrove was responsible for bringing the issue to the regents' attention. He broached the topic during a regents' meeting in May. Dr. Cosgrove argues that college is one of the prime times when people start smoking. Nearly 40% of college-age smokers, for instance, either began smoking or pumped up their habits after starting college, according to the Ohio Department of Health." (Timothy Magaw, "Ohio Board Of Regents Approves Resolution To Ban Smoking On College Campuses," Crain's Cleveland Business 7/23/12)

Potential Conflict Of Interest

Cosgrove Invented A Device Used In Cardiac Surgery That He Collects Royalty Payments For.

"Yadav accused other clinic doctors of having financial interests in medical companies without reporting them, including chief executive officer Dr. Delos 'Toby' Cosgrove. Cosgrove receives royalties for a device he invented that's used in cardiac surgery at the clinic." (The Associated Press, "Doctor Claims Defamation, Sues Cleveland Clinic Over Ouster," *The Herald Dispatch*, 12/7/07)

- Cosgrove Sat On The Board Of Directors Of A Medical-Device Company And Served As A Partner At A Venture Capital Firm That Invested In The Device He Invented. "In December 2005, a Wall Street Journal story detailed Cosgrove's relationship with a medical-device company and the clinic's role in a venture capital firm that invested in it. Cosgrove sat on the company's board of directors and served as a general partner of the venture firm." (The Associated Press, "Doctor Claims Defamation, Sues Cleveland Clinic Over Ouster," The Herald Dispatch, 12/7/07)
- A Cleveland Clinic Spokeswoman Cleared The Royalty Payments As "Within The Clinic's Guidelines." "The relationship and those royalty payments are absolutely within the clinic's guidelines,' said clinic spokeswoman Elieen Sheil." (The Associated Press, "Doctor Claims Defamation, Sues Cleveland Clinic Over Ouster," The Herald Dispatch, 12/7/07)

POLICY/STATEMENTS

Cosgrove Has Both Praised And Criticized Obamacare

When The Supreme Court Ruled That Obamacare Would Be Enacted, Cosgrove Said The Legislation Would Allow The Industry To Move Ahead With Needed Reforms. "It means that we're moving ahead on the journey of reforming healthcare in the United States. It means that we're ensuring access for people who haven't had access before. And it means that we will continue to address quality and develop a more efficient healthcare delivery system,' Dr. Cosgrove says. He notes the ever-increasing cost of healthcare in the United States and the need for change in our healthcare delivery system. "The current cost curve for healthcare in our country is unsustainable ...We can no longer deliver twenty-first century care within the framework of a 1950s-era healthcare system. We need to transform our idea of where and how healthcare is delivered if medicine is going keep up with the needs of today's society and those for generations to come." (Press Release, "Cleveland Clinic Responds To Affordable Care Act Ruling," Cleveland Clinic 6/28/12)

Cosgrove: "We Have To Understand That The Affordable Care Act Is The Law Of the Land, And That We Are Implementing It..." BLOOMBERG'S BETTY LIU: "Look. I know that you're not crazy 100 percent about the Affordable Care Act, but in the face of this Republican opposition to it, should it be repealed?" DR. TOBY COSGROVE: "Well we have to understand that the Affordable Care Act is the law of the land,

and that we are implementing it, and as well as every health care organization across the United States. So I think that until such time as we have different objectives we will continue to more down this line. I think we all understand that we needed to change the way we deliver health care, and make it more affordable and have higher quality and better access." (Bloomberg S In The Loop With Betty Liu, 11/12/14)

In 2015, Cosgrove Said Obamacare Was Successful Because It Had Brought Down Health-Care Inflation, Insured More People And Increased Quality Metrics. "'Health-care inflation has come down,' Cosgrove tells CNBC. 'We've seen quality metrics go up, and we've seen 13 million new people enrolled with coverage. So I think from those three standpoints, we've certainly seen a success.'" (Trent Gillies, "Obamacare Successful, But A 'Long Term Project Clinic Chief," CNBC 4/5/15)

• Cosgrove Mentioned That Although Some Aspects Are Improving Under The ACA, The Law Is A "Long-Term Project." "While Cosgrove declined to give the Affordable Care Act a letter grade, he calls it a 'long-term project.' He added: 'One of the things we have to do is keep costs down, and we have to sustain it. As more and more people come in and we have an older population, it's going to be more difficult to do.' Cosgrove said that as Obamacare continues, 'we will see the effectiveness of maintaining cost controls in health care.'"

Speaking At A Panel At The Republican Convention In Cleveland, Cosgrove Stated Obamacare Made Cleveland Clinic More Efficient Since They Had To Cut Over \$300 Million From Their Budget. "Cleveland Clinic would 'probably not' have become more efficient and cut more than \$300 million from its annual budget were it not for the Affordable Care Act, according to CEO Delos 'Toby' Cosgrove, MD, who spoke on a panel at the Republican National Convention." (Emily Reppleye, "Cleveland Clinic CEO Toby Cosgrove At RNC ACA Spurred Efficiency," Beckers Hospital Review, 7/20/16)

In 2016, Cosgrove Was Critical Of The Countless Regulations Obamacare Has Put On The Industry. "In the seven years since the introduction of Obamacare, health-care industry regulation has soared to all-time highs, Cleveland Clinic CEO Dr. Toby Cosgrove told CNBC on Friday. 'The number of quality metrics that we have to report to the government every year is just going up like crazy. We're now reporting well over 100 quality metrics on a regular basis,' Cosgrove said on 'Squawk Box.'" (Elizabeth Gurdus, "Doctors Drowning In Flood Of Obamacare Regulations Cleveland Clinic CEO," CNBC, 9/30/16)

Cosgrove Has Supported Ohio's Medicaid Expansion

In A 2015 Letter To The Editor, Cosgrove Defended Ohio's Medicaid Expansion, Saying It Led To Increased Insurance Coverage In The State. "In 2014, 451,000 Ohioans obtained health-care coverage, many for the first time in years, under the expanded Medicaid program. As a result, nearly 500,000 Ohioans now have access to the right care, at the right time and in the right place. We applaud that these Ohioans now can receive important preventive care and management of chronic diseases. And while Medicaid pays on average about two-thirds of the cost of providing that care, it is far better than seeing patients in the emergency room and relying on charity care." (Delos Cosgrove, Letter To The Editor, "Medicaid Expansion Kept State Healthy," The Columbus [Ohio] Dispatch, 5/17/15)

• Cosgrove: "We Call On The General Assembly To Maintain Medicaid Coverage As Enacted."

"As a leading health-care system and one of Ohio's largest employers, we take the fiscal health of our state as seriously as we take the physical health of its citizens. We believe that maintaining access to health care for all Ohioans isn't just the right thing to do; it's the fiscally responsible thing to do. We call on the General Assembly to maintain Medicaid coverage as enacted and ensure the economic health of Ohio." (Toby Cosgrove, Letter To The Editor, "Medicaid Expansion Kept State Healthy," The Columbus [Ohio]

Dispatch, 5/17/15)

In 2012, Cosgrove Said That If Ohio Decided Not To Expand Its Medicaid Under Obamacare, Private Insurance Premiums Would Increase. "The head of largest Medicaid provider in Ohio said private insurance premiums will increase if that state opts not to expand the program. Dr. Delos Cosgrove, president and CEO of the Cleveland Clinic, said if his state opts not to expand its Medicaid program to cover all patients with incomes of up to 133% of the federal poverty level with a 5% leeway

up to 138%, then he expects the number of indigent patients will increase. Ohio is one of the majority of states where the governor has yet to decide whether to expand Medicaid following the U.S. Supreme Court's decision upholding the constitutionality of the Patient Protection and Affordable Care Act. The ruling also struck down financial penalties for states that decide not to expand their Medicaid program." (Rich Daly, "Cosgrove Sees Premiums Going Up If Medicaid Isn t Expanded," Modern Healthcare, 7/21/12)

• Cosgrove Did Not Mention Obamacare, But Said "If We Don't Have Medicaid Patients Covered," Fewer Patients Would Be "Paying Patients," Which Would Cause Insurance Premiums To Go Up For Others. QUESTIONER: "A number of states have indicated they are unwilling to expand Medicaid as part of its Affordable Health Care Act. What will this do to the healthcare systems like the Cleveland Clinic? DR. TOBY COSGROVE: "Well, if we don't have Medicaid patients covered, we're going to have more patients who are not-- are not paying patients. Currently, we are the largest Medicaid provider in the State of Ohio. And this is going to have just more patients without any reimbursement for us. So, and that will cause the rest of us who buy insurance to have their premiums go up." (Toby Cosgrove, Remarks At The National Press Club, Washington, D.C. 7/20/12)

Raising Healthcare Costs

In 2009, Cosgrove Testified Before The Senate Regarding The Rapid Rise In Health Care Costs.

"The Clinic's president and chief executive officer, Dr. Toby Cosgrove, also has made himself visible on Congress' health-reform efforts this year, testifying in a Senate hearing, and most recently speaking out about current proposals that do not do enough to address the rapid rise in health-care costs. His criticism on costs are particularly credible since the 2008 Dartmouth Atlas of Health Care published a report on the five medical centers ranked best by U.S. News & World Report. By tracking Medicare spending on similar chronically ill patients during the last two years of their lives, Dartmouth showed that the Cleveland Clinic provided cost-efficient care. The report found that the hospital saved money by being efficient and making fewer mistakes." (Sarah Jane Tribble, "Cleveland Clinic Profile Is Rising Higher Nationally," Plain Dealer, 12/3/09)

Cosgrove Advocates Consolidating Hospitals To Make Hospitals More Efficient And Lower Costs. DR. TOBY COSGROVE: "Well, I think the delivery system has to recognize that we have to take cost out and we have to do it through efficiency. One of the things that health care is doing across the country is hospitals are consolidating. It's really the last industry in the United States that hasn't consolidated. And there has to be some consistency in Washington doing (ph) the Justice Department and the Congress in order to allow this to happen. And Justice Department has really prevented a lot of the consolidation from happening. And the consolidation will allow us to purchase things better. It will avoid duplication of services. And really, I think in most cases where you see that off the 60 percent of our costs are fixed by a government, it's not going to raise prices substantially." FOX BUSINESS'S MARIA BARTIROMO: "So -- so there's too much capacity then in the hospital space still? We still need to see consolidation in the hospital space?" COSGROVE: "Well, no question about it. And the hospital occupancy across the United States is about 65 percent. For example, in Ohio, we have 202 hospitals across the state. Now, one of the concerns is right now is with the decreasing payment that our hospitals are getting for their services they provide. We're seeing almost a quarter of the hospitals now running in the red. So ultimately, if we do not see a consolidation and increased efficiency, we're going to see hospital closures across the country," (Fox Business s Mornings With Maria, 11/21/16)

Cosgrove Has Stated That Price Controls On Prescription Drugs Are Not Feasible

During A Recent Television Interview, Cosgrove Was Asked About How To Bring Down Prescription Drug Prices And Stated The U.S. Was "Not Going To Have Price Controls," And It Was "Very Unlikely" The U.S. Would Have Drug Imports. BLOOMBERG'S DAVID GURA: "Before I let you go, I want to ask you about prescription drug prices. There was an expectation after the election, you saw it in the stock market, there was a bet that Donald Trump was not going to do as much as Hillary Clinton might have to bring those costs down. He said something different in an interview with Time Magazine, I

guess he was named person of the year. What happens with this populous outrage about the price of pharmaceuticals? How is that channeled into real change here? It seems like congress may have some willingness to do something about it. How do you fix this problem?" DR. TOBY COSGROVE: "I think that's a very tough problem to fix. Certainly we're not going to have price controls. So I think that's out of the question. I think very unlikely that we're going to have imports coming into this country. I think the main thing you can do is encourage the FDA to move things through faster so that you can get more choices of generics, et cetera. But I think we still have to deal with the fact that the average increase in drug prices is 10 percent per year while we are now at a fraction of 1 percent inflation rate. And we have had enormous -- we have 19 percent jump in our pharmaceutical bills last year. That is a main concern for a lot of people. It's not the only factor that is driving healthcare cost, but it certainly is a contributor that is disproportionate to other things." (Bloomberg TV, 12/8/16)

Position At The VA

In 2014, Obama Asked Cosgrove To Consider Leading The Department Of Veterans Affairs After Major Delays In Getting Veterans Care Were Discovered. "President Barack Obama asked Cosgrove last week to consider taking over the troubled Department of Veterans Affairs, which has been accused of delaying patient appointments and treatments, leading to the deaths of military veterans who served the nation. The VA medical system has struggled to deal with the large number of patients returning from the war in Afghanistan as well as those from Iraq and even Vietnam." (Stephen Koff, "Cleveland Clinic s Toby Cosgrove Says No To VA Post, Will Remain At Clinic," *The Cleveland Plain Dealer*, 6/7/14)

Cosgrove Opted To Stay At The Cleveland Clinic. "But he announced today that he will stay at the Clinic. 'I am humbled and honored to have been considered for the opportunity to help veterans across the United States," Cosgrove said in a statement. "This is an enormous responsibility and one that deserved careful thought and consideration. 'As a physician, veteran, and hospital chief executive, I have great respect for the care provided to the veteran community and for those who work to care for them,' he said. 'This has been an extraordinarily difficult decision, but I have decided to withdraw from consideration from this position and remain at the Cleveland Clinic, due to the commitment I have made to the organization, our patients and the work that still needs to be done here." (Stephen Koff, "Cleveland Clinic's Toby Cosgrove Says No To VA Post, Will Remain At Clinic," *The Cleveland Plain Dealer*, 6/7/14)

Cosgrove "Had Fans On Both Sides Of The Political Aisle" And Was Seen "As Likely To Win Quick Confirmation." "It is not known whether Obama or his aides have contacted other potential nominees or how soon he hopes to announce his pick. A nominee must be confirmed by the Senate. Cosgrove, who has testified before Congress and is widely admired for the Clinic's technological and medical advancements, had fans on both sides of the political aisle. Barring unforeseen developments, Cosgrove was seen as likely to win quick confirmation." (Stephen Koff, "Cleveland Clinic's Toby Cosgrove Says No To VA Post, Will Remain At Clinic," The Cleveland Plain Dealer, 6/7/14)

Cosgrove Was Awarded A Bronze Star For His Service. "Cosgrove, who was awarded a Bronze Star for his service in Vietnam, uniquely understands the management and medical sides, colleagues said." (Stephen Koff, "Cleveland Clinic s Toby Cosgrove Says No To VA Post, Will Remain At Clinic," <u>The Cleveland Plain Dealer</u>, 6/7/14)

BUSINESSES/ASSOCIATIONS

Cosgrove Was An "Avid Supporter" Of Embattled Blood Testing Company Theranos

In A 2014 Interview, Cosgrove Praised Theranos As A "Potentially Breakthrough Company." Dr. Delos M. Cosgrove, the C.E.O. and president of the Cleveland Clinic, is an avid supporter. 'I think it's potentially a breakthrough company,' he told me. "It represents a major change in how we deliver health care." (Ken Auletta, "Blood, Simpler," *The New Yorker* 12/15/14)

Theranos Shut Down Their Blood Testing Facilities After Major Flaws In Their Technology
 Were Discovered. "Theranos Inc. said it will shut down its blood-testing facilities and shrink its

workforce by more than 40%. The moves mark a dramatic retreat by the Palo Alto, Calif., company and founder Elizabeth Holmes from their core strategy of offering a long menu of low-price blood tests directly to consumers. Those ambitions already were endangered by crippling regulatory sanctions that followed revelations by The Wall Street Journal of shortcomings in Theranos's technology and operations." (John Carreyrou and Christopher Weaver, "Thomas Retreats From Blood Tests," *Wall Street Journal* 10/6/16)

After The Allegations Against Theranos Came Out, Cleveland Clinic Still Hosted Theranos' Founder Elizabeth Holmes At A Summit, Where Cosgrove Held A Q&A With Holmes. "Last October -- when Theranos was facing a torrent of negative headlines -- the Clinic invited Holmes to its innovation summit to address her company's critics. The appearance came one year after the Clinic had first labeled the company's testing method as one of the most promising innovations in medicine. Holmes was interviewed on stage by Cosgrove, who asked her to address the questions raised in the press. Holmes drew applause by promising the company would persevere and submit to peer review that would silence the mounting skepticism. "Data speaks the truth," she said at the time." (Casey Ross, "Cleveland Clinic Mum On Details Of Alliance With Embattled Blood Testing Company Theranos," Cleveland Plain Dealer, 5/12/16)

• Following The Summit, "Cosgrove Appeared On CNBC To Defend Its Alliance With Theranos." "A few days later, Cosgrove appeared on CNBC to defend its alliance with Theranos, again promising to work with the company to verify its technology." (Casey Ross, "Cleveland Clinic Mum On Details Of Alliance With Embattled Blood Testing Company Theranos," Cleveland Plain Dealer, 5/12/16)

Investments Made By Cosgrove Were Said To Be One Of The Reasons Cleveland Clinic No Longer Allows Doctors And Administrators To Make Investment Decisions

After "Controversy Over Investments" Made By Cosgrove And Other Key Figures, Cleveland Clinic Stopped Allowing Doctors And Administrators To Make Investment Decisions. "After an internal review, the Cleveland Clinic said it will no longer allow doctors and administrators to make investment decisions. The inquiry followed on the heels of controversy over investments made by key figures at the hospital, including CEO Delos 'Toby' Cosgrove." ("Cleveland Clinic acts to prevent conflict of interest," FierceHealthcare, 5/9/06)

Cleveland Clinic Had "Come Under Sharp Criticism" For The "Web Of Relationships That Entangled Many Of Its Doctors," Including Cosgrove Who Was Involved With The Clinic's "Venture Capital Activities." "One of the country's most prestigious and entrepreneurial medical institutions, the Cleveland Clinic has come under sharp criticism for the web of relationships that have entangled many of its doctors and trustees. One of its most prominent physicians, Dr. Eric J. Topol, was criticized after his role at an investment firm became public. And the clinic's chief executive, Dr. Delos Cosgrove, was involved with several medical companies and was active in the clinic's own venture capital activities. Dr. Cosgrove, a heart surgeon and inventor, has defended the clinic's emphasis on working with for-profit companies to develop new treatments. Dr. Topol, who has renounced his ties to industry, including the investment firm, has since left the clinic. Dr. Cosgrove has also severed his ties to outside companies as well as the clinic's venture activities, which will now be directly overseen by the trustees responsible for the clinic's investments, said a clinic spokeswoman, Eileen Sheil." (Reed Abelson, "Cleveland Clinic Moves To Fight Conflicts Of Interest," The New York Times, 5/10/08)

Cleveland Clinic Has Been A Participant In Obama's "Better Buildings Challenge"

Cleveland Clinic Established A \$7.5 Million "Green Revolving Fund." "Cleveland Clinic announced the establishment of a \$7.5 million Green Revolving Fund the largest of its kind among U.S. healthcare systems, it says." (Lydia Coutre, "Cleveland Clinic Establishes \$7.5 Million Green Revolving Fund," <u>Crain's Cleveland Business</u>, 5/10/16)

The Green Revolving Fund Was A "Part Of "President Barack Obama's Better Buildings Challenge." "The dedicated fund will help drive the clinic's commitment to sustainability and energy conservation, including the goal of reducing energy intensity by 20% by 2020, which is part of President Barack

Obama's Better Buildings Challenge, according to a news release." (Lydia Coutre, "Cleveland Clinic Establishes \$7.5 Million Green Revolving Fund," <u>Crain's Cleveland Business</u>, 5/10/16)

Cleveland Clinic Has Faced Major Lawsuits In Recent Years

Cleveland Clinic Was Sued By A Former Patient After He Underwent A Surgery He Claims Was Performed By "Doctors-In-Training" Rather Than The Physician He Expected To Perform The Surgery. "The Ohio Supreme Court this week put an end to a long legal battle between the Cleveland Clinic and a retired Air Force colonel when it ruled that a malpractice suit cannot be filed more than four years after an alleged injury. David Antoon, who had surgery at the Clinic in 2008, said the procedure to remove a cancerous prostate gland left him impotent and incontinent and was performed by doctors-intraining rather than the physician he thought would be his surgeon." (Brian Zeltner, "Justices rule on Clinic lawsuit High court," Cleveland Plain Dealer, 10/19/16)

However, A Judge Ruled The Suit Could Not Be Filed So Long After The Surgery. "The Ohio Supreme Court this week put an end to a long legal battle between the Cleveland Clinic and a retired Air Force colonel when it ruled that a malpractice suit cannot be filed more than four years after an alleged injury." (Brian Zeltner, "Justices rule on Clinic lawsuit High court," Cleveland Plain Dealer, 10/19/16)

In 2015, The Cleveland Clinic Was Sued For Allegedly "Performing More Tests And Procedures On Patients Than Necessary In Order To Obtain More Medicare Payouts." "A federal lawsuit accuses the Cleveland Clinic Health System of performing more tests and procedures on patients than necessary in order to obtain more Medicare payouts. The lawsuit, which was filed under seal in March 2014 but unsealed on Tuesday, says the health system performs tests 'that have already been done to confirm a diagnosis that has already been made for the purpose of financial gain.' It accuses the clinic of 'improper and excessive billing.'" (Eric Heisig, "Lawsuit Accurses Cleveland Clinic Of Performing Unnecessary Tests On Patients To Reap Medicare Benefits," The Cleveland Plain Dealer, 1/22/15)