

## **Interpreting the Public's Reaction to the Public Death of a Healthcare CEO**

David Burda:

Welcome to the 4sight Health Roundup podcast, 4sight Health's podcast series for healthcare revolutionaries, outcomes matter, customers count and value rules. Hello again, everyone. This is Dave Burda, news editor at 4sight Health. It is Thursday, December 12th. Last week, I said, you never have to look far for a great topic to discuss on the roundup. That unfortunately turned out to be true with the murder of Brian Thompson, the CEO of UnitedHealthcare on December 4th. As you're no doubt aware, the public's reaction to Thompson's murder was less than empathetic. In fact, much of it bordered on joyful celebration. What does that say about the state of healthcare in the us? We'll find out with Dave Johnson, founder and CEO of 4sight Health, and Julie Murchinson, partner at Transformation Capital. Hi, Dave. Hi, Julie. How are you two doing this morning, Dave?

David W. Johnson:

Well, I'm in Manhattan at the scene of the crime that we're gonna talk about today with my wife Terri for her brother's annual holiday concert. He's the choral director at the Brearley School. It was raining cats and dogs yesterday. And when we went out to dinner last night it was just a mess. New York City just doesn't work in the rain at all. Between the, the puddles, the block streets, the splashing traffic, the umbrellas, the aggressive people. Reminds me of that old saying, you know, New York, New York: so nice, they named it twice.

Burda:

<Laugh>. I don't think I've heard a person need a Christmas concert more than you, Dave. It'll, that'll lift your spirits down. <Laugh> Yeah, exactly. <Laugh>. Julie, how are you?

Julie Murchinson:

Oh, I'm not gonna complain today. I'm finally back in Seattle after almost three weeks. It has been lovely. We even had a sunny afternoon and I don't know, there's some holiday cheer in the air. Despite our dark topic today.

Burda:

Yeah, yeah. Home, sweet home. Given our topic today, let's skip the usual lighthearted icebreaker and get right to it. We all know the facts as the media has reported them. We all have some theories about what happened, how it happened, and why it happened. But let's step back and talk about some of the broader implications of the very public assassination of the CEO of one of the country's largest commercial health insurance companies in broad daylight on a busy street in New York. Dave, where were you when you heard the news, and what was your immediate reaction? Were you surprised at the public's reaction to the murder? And what does that reaction say about where we are with healthcare in the U.S.?

Johnson:

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I was back here in Manhattan at the Forbes conference so not that far from where the actual shooting occurred, and the news feeds started to come in around nine in the morning. And you know so we were all a, a healthcare audience, an important healthcare audience. We're all finding out about this in real time. And I gotta say, it was a surreal experience. We were simultaneously collectively trying to get more information and just wrap our head around the implications. And then, you know, later on in the day, we started to see the social media reaction was I surprised? Oh, yeah. Here, Brian Thompson who by any measure seemed like a prototypical American success story; from a small town in Iowa, valedictorian to this high school, homecoming king, went to the University of Iowa, graduated near the top of this class, worked hard, good citizen you know, gets taken out. And almost overnight, he turns victim in villain and symbol of a parasitic health insurance industry. I think the one announcement that or the one factoid that caught me the most by surprise, was that UHC put up on its Facebook page the announcement of, of Brian Thompson's death, very somber announcement. And after the first 80,000 or so responses, they had to limit what people could say to either like, or share, because 75,000 plus of the first 80,000 were the laughing emoji you know, laughing at this guy's death. And the thing about Facebook is you have to put your name there. So, I mean, this wasn't this wasn't, you know, anonymous listing. These were real people weighing in. And you may have seen, I, I wrote, well, Dave, you know for sure, Julie, I'm not sure if you've seen it yet, but I wrote a piece this week titled social Media's Assassination of Brian Thompson, trying to wrap my own head around it a little bit. And I kept coming back as I was thinking about writing the piece to Lincoln's second inaugural address which occurred only 41 days before his assassination. And in it, he's trying to come to terms with the devastation caused by the Civil War human and material. And he notes the irony that both the north and the South read the same Bible prayed to the same God, and asked for God's intervention on their behalf against the other. But then he goes bigger and starts to think about divine retribution and or inability to understand divine providence, and asks the question in almost a fatalistic way, whether the crime of slavery, you know, nation's original sin is so severe that the retribution needs to be kind of drop of blood for drop of blood. So every drop drawn by the lash over the first 250 years of the country's existence, needs to be compensated with a drop of blood from the sword. Really sobering thought. And then he moves from that with that just incredibly articulate, closing with malice toward none and charity for all. Let us move ahead with the work to be done. And as I, I think about healthcare and the levels of harm financial, emotional, physical caused by our dysfunctional system, it's not hard to believe that we are close to civil war levels of, of devastation, harm. And what will be the retribution, the reckoning that will, will come from that? I'm really beginning to wonder whether this won't become some type of trigger event. You may have seen that UHG stock is down 12% this week. It had been up after the, the election because generally speaking, the market believes Republicans like privatization of, of healthcare. So now it's down in a big way, as are the other major insurers. And part of the lesson here is capitalism. Privatization doesn't work with artificial economics and government capture, and that realization is dawning on more and more of the American public. The system, as it currently exists is just not sustainable. Of course, all the anger right now is directed at the commercial health insurance companies, but healthcare's dysfunction goes way beyond health insurers. It really encompasses all of the major participants, payers, providers, suppliers, intermediaries, consultants, so on and so forth, all pushing a system to get ever bigger, even as it delivers ever poorer results. So it wouldn't surprise me Dave, Julie, if if we look back at the date, December 4th, 2024, the date of Brian Thompson's assassination as the day reckoning for the US healthcare system began.

Burda:

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Wow. Wow. Julie, any questions for Dave?

Murchinson:

Dave, do you think we're gonna see any kind of government response in the coming weeks to what's happening for the people and all, everything

Johnson:

We might I actually received a couple of inquiries this week. I don't know if you have about potential executive orders that the Biden administration could issue in response to this. And quite honestly, I, I hope they don't. The problem is manifestly much bigger than just the health insurance industry. And, you know, stepping in with some short term reaction in the moment is just fraught with the potential for unintended consequences.

Burda:

Thanks, Dave. Julie, you're up. Where were you when you heard the news and what was your immediate reaction? What have you been hearing from your peers, colleagues, and connections in the field? And what do you think is gonna happen now with healthcare market innovation? How will that be affected?

Murchinson:

I was at a work coffee and purposely not paying attention to my watch buzzing away. And when I walked out, I had three or four texts from, you know, both personal and healthcare friends. And, you know, like everybody, I was shocked. I mean, Brian Thompson was not a foreign name to me, given my old business. And I knew plenty of other people who knew him well, and sadly, later that day from someone who knew him very well and knew United Well, said that in the olden days, Steven Helmsley didn't believe in security. And I don't really know if that's true. But it sounds like United was not super pro on security. So that's a, a super sad part of this. And you know, what was interesting to me that day is my business school class has a WhatsApp group, and there was this immediate and very long exchange about what it means to have effectively the equivalent of a Fortune 10 CEO; I mean, United Health Plan or healthcare's revenues alone are, are Fortune 10. If you measure them up, having something like that, be personally responsible for executing a company's strategy for its shareholders. And you can imagine a bunch of MBAs like, go deep on that. But it is, it's quite stunning. And, you know, honestly, from non-healthcare friends, it's been a mix. Well, virtually all my friends, you know, think it's wrong. They also get it at a different level than the healthcare crew. So it's clear that we've had a massive collapse of public trust in our healthcare system. Shout out to Jam Berger. And, you know, from industry connections. Dave, I will agree with you. The pure disbelief, even from me, it really feels like the industry insiders have deluded ourselves that we're doing our best and each of us, and this is just the way healthcare will be. And healthcare is not like any other purchase or any other industry. And the best quote I found out of all this is, no snowflake in an avalanche feels responsible. Oh, wow. Great visual. Yeah. So that's us. And you know, I don't know if you saw the cruel irony of his death, but he was rushing Mount Sinai, of course. And Mount Sinai is a health system that United Healthcare removed from its network a few months ago, <laugh> leaving thousands of patients scrambling. So even in his death, he couldn't escape the Byzantine system, <laugh> that.

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Burda:

Wow, I did not know that. Wow.

Murchinson:

Yeah, that was key. So I've gone super deep on this in a way that's perhaps more than people wanna chew on, but I'm sure everyone's seen a lot of this. You know, this is not surprising. If you looked at comments to Brian Thompson's LinkedIn posts over the last several years, honestly, a ton of critics, you know, along the way which seems if you read the LinkedIn posts, it's, there's such an obvious disconnect, of course. Have you seen the memes about Luigi being the hot assassin? I mean, that's one thing, but people published alibis for him. I mean, unreal. And apparently the Sherpa lined jacket that he wore, there's something similar to it, or maybe it from Levi's cost \$225 flying off the shelves after some Reddit user speculated that it was the same coat. And something like 700 were purchased in 48 hours. I saw another number that was 6,000. So I mean, numbers all over the place. And the peak design backpack he carried, sold out very quickly. And some deranged New Yorkers, of course, 20 somethings held and get this united healthcare CEO shooter lookalike contest. I mean, that's, I saw that gross, like gross. And obviously we all saw the GoFundMe campaigns. But what I was also shocked by is that if you go to Etsy right now, you can buy jewelry mugs, sweatshirts, t-shirts that say deny def, deny defend, depose or thoughts and deductibles, and one that added, you know, universal healthcare now. So at least a, a message of, you know, positive direction, I guess. And a hat that said, deny their power, defend the people, depose the rule. So people building, and you can buy bumper stickers that say, make CEOs afraid again, <laugh>, I mean, wow. nThere's even a t-shirt in Christmas colors that said, mommy's little CEO killer, which is <laugh> gross <laugh>. Another irony is a total disconnect between the consumerism that's skyrocketed and luigi's motivations. I mean, these people are idolizing and anti-capitalist, you know, [00:37:30] hero, folk hero by buying, you know, stores out of expensive clothing and mass producing t-shirts on Etsy. I mean, it literally is <laugh> a total disconnect. And I don't know, you know, there's more going on here than just hatred of healthcare. It's just the thing of the day. It's like, it's fun for society to like all rally and in a and just without even really looking at what's happening. So that's my going deep. And Dave, I'll give you a few comments on healthcare innovation.

Burda:

Yeah.

Murchinson:

Yeah, I think all these AI tools that are utilization management and denials management focused are gonna have a tough time for a while and plans are gonna have to pull back. I think prior authorization is gonna be taken on a, a whirlwind here. I think both employers and plans are gonna look at benefit design in different ways. I don't think anyone here on the Luigi side really sees their employer as the, the enemy, but as Dave said, everyone, you know, has a piece in this. So that could actually be good for new ways to engage employees and members on benefit design. But I think the design itself will, will be looked at all the specialty pharmacy cost control that's going on for health plans, trying to, health plans, really trying to control these high cost drugs. It's gonna be exceedingly hard for them to continue to do

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that, and exceedingly hard to continue the GLP one, you know, well that the plans have been building. But I do think there are opportunities here for transparency and new communications, engaging members in new ways, in smart ways, communicating in plain English all sort, you know, all sorts of things that put a bandaid on the problem, but could be very useful. And I'd like to think we will see an uptick in consumer tools with, you know, increased consumer expectations and, you know, the consumerism we've been looking for for 15 years, but this way feels more kind of negative and unproductive than, you know, truly positive consumerism on the rise.

Burda:

Yeah. Yeah. Well, your comment about lack of security, I just remembered years ago I interviewed Mark Bertini, who was the CEO of Aetna.

Johnson:

Mm-Hmm <affirmative>. Yeah.

Burda:

And and I knew him before I interviewed him, and I met him in the press office at it was either HIMSS or HFMA or RSNA, I can't remember. And he showed up and, hi, hi Dave, hi Mark. And this huge guy came with him, you know, and Mark's a pretty sizable person. He was, you know, six inches taller than mark and easily had him by 50 pounds. And foolishly, I said, Mark, is this your public relations person? You don't have to bring him with <laugh>. And he, he looks at me, he goes, Dave, he's not public relations. And then the guy I saw, he had a earpiece that went into <laugh>, his coat. And I'm like, okay. So you know, that was years ago when he was traveling with a bodyguard, right? Yeah. So interesting. Anyway, sorry, that's a, hadn't thought about that in years, but but you're right.

Murchinson:

Right. I think a lot of people are shocked that he didn't have security. So there's something there.

Burda:

Yeah. Yeah. Dave, any questions for Julie?

Johnson:

My question for you, and kind of gets at that is how will providers respond to this? And will their behavior be more mercenary or thoughtful?

Murchinson:

God, it's such a good question. <Laugh>, you know, I can absolutely see providers taking advantage of of the situation to get more at the negotiating table. I, you know, providers are already fighting on a day-to-day basis to get denials change for their patients, right?

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Johnson:

Yeah.

Murchinson:

So you know, I don't know that your individual doctors and providers are really gonna be able to change much of the game. It's gonna be health plans who are gonna change their tune, right? But I do think at the negotiating table, absolutely. You know, I think a lot of individual providers are gonna jump on this, not the same bandwagon that the, the public is, but jump on the bandwagon about with patients. I think, yeah, for years we've been having problems with, you know, your health plan not approving your wegovy or whatever it is, right? So I, you know, I think that there will be unintended vilification because of how difficult health plans had been to providers for so many years.

Burda:

Thanks, Julie. Well, let's face it. No one likes insurance companies, whether that's Health, auto Home or whatever. You pay your car insurance premiums faithfully for years, and then one fender bender and your rates go up, or they drop you, you find out that one in a million thing that just happened to your house just happens not to be covered by your policy. Your Traveler's Insurance only covers your plane ticket, if you die, get sick, get arrested, or have to go to court. We signed up for an a CA plan for next year, and Blue Cross cashed our first premium check instantly. We've been calling them for three weeks, trying to get our insurance cards before the end of the year. So far, no. Look, how do you think that claim's experience is going to be? The question is, what can we do about it without resorting to violence? Ok, that was fun. Now let's talk about other big healthcare news that happened this past week. [00:44:30] Was it all bad it, Julie, what else happened that we should know about?

Murchinson:

Well, you may have seen that an announcement that lawmakers are plotting to force health insurers to sell off pharmacies, the bipartisan group that introduce legislation to break up the PBMs. So this could be a, a whole new chapter in the PBM story.

Burda:

Wow. The death of vertical integration. We'll, we'll see if that passes. Dave, what other news is worth mentioning?

Johnson:

PBMs, RIP <laugh>. That's what I, I thought I'd love to see. Anyway, Dave, I think we could almost have a new segment called Popcorn Time, where we check in with what's going on in the Trump administration's healthcare plans. And my favorite one on that topic this week was an Elon Musk tweet making the statement that low cost GLP one drugs could do more for the health of the country than

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anything else. And of course, RFK Junior is [00:45:30] dramatically opposed diametrically opposed to GLP one drugs. So get the popcorn, sit back and watch the fireworks.

Burda:

Yeah, sounds like a pay for view cage match. Thanks Dave, and thanks Julie. That is all the time we have for today, if you'd like to learn more about the topics we discussed on today's show, please visit our [website@4sighthealth.com](mailto:website@4sighthealth.com). You also can subscribe to the roundup on Spotify, Apple Podcast, YouTube, or wherever you listen to your favorite podcasts. Don't miss another segment of the best 20 minutes in healthcare. Thanks for listening. I'm Dave Burda for 4sightHealth.