

# How Healthcare Revolutionaries Think

## 10 Questions with Scott Powder

By David Burda  
July 13, 2021

Welcome to the latest installment of 4sight Health's new monthly interview series, How Healthcare Revolutionaries Think. The interview series features healthcare instigators who believe that outcomes matter, customers count and value rules.

The instigators hurling innovations and disruptions at the healthcare status quo like Molotov cocktails are typically outsiders. People from other industries or nontraditional healthcare organizations believe they can bring their successes or insights or technologies to bear on healthcare and re-invent care is delivered and financed. But insiders have secret powers to ignite needed change, too.

One such insider is Scott Powder, president of [Advocate Aurora Enterprises \(AAE\)](#), the consumer health subsidiary of Advocate Aurora Health, one of the nation's largest not-for-profit health systems. In April, AAE made a splash with its first two deals — the acquisition of Senior Helpers, a senior home care company for a reported \$180 million and an equity stake in a tele-nutrition company called Foodsmart.

I spoke to Scott about the mindset required by someone who's embedded deep within an established health system, someone who wants to effect revolutionary change from the inside.



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## How do you define a healthcare revolutionary?

**Powder:** Well, the classic definition of a revolutionary is someone or something that causes dramatic change, ideally for the better. When you apply that to healthcare, you're talking about a person or an organization that challenges the status quo and ultimately causes healthcare to change for the better. But the change has to be meaningful. It has to have a material and lasting impact on the status quo.

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## When you think of your definition, who immediately comes to mind in healthcare, past or present?

**Powder:** For me it would be Howard Temin, the geneticist and virologist who won the Nobel Prize for medicine in 1975. I first heard about Temin on Malcolm Gladwell's podcast series [Revisionist History](#) in 2019. To make a very long story short, in the 1950s he basically picked up some 40-year-old research and figured out that viruses can cause DNA to change. Prior to his discovery, no one thought viruses could do that. Because of his work, we know that a virus causes AIDS and a virus causes cervical cancer. That means you can spread AIDS or cancer to others. It opened up an entire new field of science and potential vaccines to immunize people against deadly viruses. What made Temin a revolutionary is that he tried to refute something that was viewed as an absolute truth. He toiled and persevered for 17 years and was basically ignored until he was right. He bucked conventional wisdom in a big way.



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## Conventional wisdom also says revolutionaries are outsiders trying driving change from the outside, in. But Temin was an insider — so inside he probably did his work in a basement lab at the University of Wisconsin. Can healthcare revolutionaries be insiders?

**Powder:** I think healthcare revolutionaries can be both — either insiders or outsiders. No question about it. Both have advantages. Outsiders bring a fresh set of eyes to a problem. They don't have preconceived notions or assumptions on how things are supposed to be done. They question everything, especially why things have always been done a certain way. Insiders understand the innerworkings of a system or situation. They know how to navigate in and around the system or situation. They know how to muster the right resources to attack the problem.

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**If both have advantages, I'm guessing that both have disadvantages. True?**

**Powder:** Absolutely. For outsiders, it's not knowing how to navigate the system or situation. Who to go to for what or where to go to get it done. The disadvantage for insiders is that they tend to have formed a series of assumptions simply by virtue of familiarity. They often don't have the ability to see conventional wisdom or orthodoxies and challenge them.

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**Do you have that problem as an insider trying to change things from the inside?**

**Powder:** I do, but I have the benefit of knowing that I do. I've been in this business now for 28 years, and I force myself to ask, "Why do we do that again?" and encourage others to challenge my assumptions, which they often do. You have to be clear-eyed, be able to step back from the situation at hand and question what you think you know. You absolutely have to have that mindset when you're an insider if you want to disrupt the status quo.



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**Is there a limit to how much disruption you can cause from the inside before the CEO tells you to pursue other career opportunities or spend more time with your family? CEOs can't fire outsiders.**

**Powder:** Assuming that the insider sees things the same way as an outsider, it really boils down to the company or organization. I'm a big believer in successful innovation or disruption being proportional to the resources you can secure. No matter how good your idea is, if you're a lone wolf and you don't have access to other people or funding or time, there's a limit on what you can get done.

Most companies or organizations don't make it easy for you to secure the resources you need. That's especially true if the company or organization is successful. It's hard when you're successful to feel that sense of burning platform needed to change or disrupt yourself. Most don't want to invest in things that could jeopardize whatever is generating the most profit or most cash flow for them at the moment.

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**Sounds like you're speaking from experience. Tell me about an innovative or disruptive idea you had as an insider?**

**Powder:** Years ago, I was working at a hospital that put together a superior breast cancer program in terms of prevention, clinical outcomes, physicians, multidisciplinary cancer team care. It was ahead of its time and one of the best breast cancer programs in metro Chicago. But we had serious access issues. People had to wait so long to get in to see someone that they went somewhere else. And if they did get in to see someone, they waited hours and hours for care.

I was the head of business development at the time, and I took money from our marketing budget and hired a firm to run multiple simulations of what happens to patients after they contacted the program. Then we used queuing theory and modeling to see where the bottlenecks were and to find solutions to fix the problems.



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## Where were the bottlenecks, what were your solutions and what happened?

**Powder:** The biggest bottleneck was the center closing for lunch each day from 12 p.m. to 1:15 p.m. When it reopened at 1:30 p.m., you basically had two hours of people backed up waiting to get in. The second biggest bottleneck was not seeing a patient until the entire multidisciplinary team was present. We didn't have enough breast surgeons to go around, so each team had to wait to see a patient until a surgeon was available. We recommended not closing for lunch and recruiting more surgeons.

The recommendations went nowhere because I made two fatal flaws. First, I didn't engage and get buy-in from clinicians and program managers before we ran the simulations. Second, these were consumer-oriented access standards I was pitching. Being consumer-focused was a foreign concept back then. They saw it as a scientific exercise, took the results, filed them away or more likely threw them out, said thank you very much and went on their way. I learned a lot from that failure.



### Scott Powder, Advocate Aurora Enterprises

In his role as President, Advocate Aurora Enterprises, Scott leads Advocate Aurora Health's whole-person-health strategy, which includes the development of a consumer health and wellness division, growth of new and adjacent revenues and corporate venture investing. Scott has served at Advocate Aurora Health since 1993 and has held multiple business development and strategy positions during his tenure. Prior to joining Advocate Aurora, he served as head of international sales and strategy for a medical device manufacturer.

Scott currently serves on the Board of Directors for Foodsmart, a digital food and nutrition platform, Senior Helpers, a leading in-home personal care company, and several organizations within the broader Advocate Aurora Portfolio. He is a strategic advisor to health venture capital funds including Health Velocity Capital and Flare Capital. Scott participates as campaign planning and President's board for UCAN, a social services agency serving youth in metropolitan Chicago.

He earned his master's degree from the Kellogg Graduate School of Management at Northwestern University and his bachelor's degree in International Relations from Michigan State University.

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**How did that experience affect how you do your job today in terms of choosing companies to invest in as you try to revolutionize how care is delivered to patients?**

**Powder:** Our team at Advocate Aurora Enterprises focuses on three categories of offerings: aging independently, parenthood and personal performance. Obviously, we're looking for growth potential of companies in those three categories but as importantly we're looking for companies that are striving to address a consumer's broader and often unmet health needs. In particular, we like companies that have a large customer base that allow us to increase the frequency and duration of our interactions with them.

We look at what problem they're trying to solve, the effectiveness and scalability of their solution and the synergistic opportunities with the rest of our portfolio.

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**You've been in strategy and development for nearly 30 years. When you're not at work, do you analyze and agonize over every decision? Or do you switch off and let whatever happens happen?**

**Powder:** That's a great question. For the most part, no, I don't analyze the details like I do when we invest in a company. Strangely, the amount of planning I do seems to be inversely proportional to the economic size of the decision I have to make. If I have to pick the restaurant, I'll spend hours researching things like cuisine, menu, hours of operation and driving distance for even a modestly priced meal with the family. I put more energy into the little things — planning and mapping out my options — than I do with the big-ticket stuff.

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#### **Burda's Final Bit**

Little things mean a lot to patients especially as they try to navigate an increasingly complex healthcare delivery system. They'd be happy to know that they've got Scott on the inside working on making their health journey a little bit easier and much more successful.

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## AUTHOR



**Dave Burda** began covering healthcare in 1983 and hasn't stopped since. Dave writes his own column, "Burda on Health," for 4sight Health, contributes weekly blog posts, manages our weekly e-newsletter and weekly podcast, 4sight Friday and 4sight Roundup. Dave believes that healthcare is a business like any other business, and customers — patients — are king. If you do what's right for patients, good business results will follow.

Dave's personnel experiences with the healthcare system both as a patient and family caregiver have shaped his point of view. It's also been shaped by covering the industry for 35 years as a reporter and editor. He worked at *Modern Healthcare* for 25 years, the last 11 as editor.

Prior to *Modern Healthcare*, he did stints at the American Medical Record Association (now AHIMA) and the American Hospital Association. After *Modern Healthcare*, he wrote a monthly column for *Twin Cities Business* explaining healthcare trends to a business audience, and he developed and executed content marketing plans for leading healthcare corporations as the editorial director for healthcare strategies at MSP Communications.

When he's not reading and writing about healthcare, Dave spends his time riding the trails of DuPage County, IL, on his bike, tending his vegetable garden and daydreaming about being a lobster fisherman in Maine. He lives in Wheaton, IL, with his lovely wife of 35 years and his three children, none of whom want to be journalists or lobster fishermen.

Visit [4sight.com/insights](https://4sight.com/insights) to read more from Dave Burda.

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