

December 11, 2023

Jan Malcolm, Chair  
Governor's Task Force on Academic Health at the University of Minnesota  
130 State Capitol  
75 Rev. Dr. Martin Luther King, Jr. Blvd  
St. Paul, MN 55155

**Subject: Response to the University of Minnesota's December 5, 2023 Letter Regarding the "HFM" Magazine Commentary, "Academic Medicine: Where Privilege Compounds Organizational Dysfunction"**

Dear Chair Malcolm and Task Force Members:

I was surprised and delighted to learn last week that my [May 2023 commentary](#) from "HFM" magazine was part of the Task Force's background reading package. I was even more surprised to discover that the University of Minnesota had authored a lengthy response to my commentary. It must really have hit a nerve.

Usually my writing stands on its own. However, the author of the University's response, Myron Frans, not only objected to my arguments, he also attacked my credibility without checking [my credentials](#). So, here they are. I earned a master's degree in public policy from the Harvard Kennedy School and subsequently became a U.S. Presidential Management Intern. Public policy is in my blood. Healthcare is my expertise.

I served on the Board of Overseers Visiting Committee for Harvard Medical School and the Harvard School of Dental Medicine for six years. I was part of a task force that led the rebranding of University Hospitals in Cleveland. I also served on the board of Medanta, a multi-super-specialty health system in India.

For the majority of my professional career, I was a Wall Street investment banker for large nonprofit health systems. Several of the nation's most prominent academic health systems were my clients. They included the Cleveland Clinic, the Detroit Medical Center, Fairview, Indiana University Health, Northwestern Medicine, Penn Medicine, Rush University Medical Center, University Hospitals (Cleveland), UC Health (Colorado), UI Health (Illinois), and the University of Kansas Health System.

My commentaries as CEO of 4sight Health encompass healthcare economics and policy. Given its scale, complexity, importance and structural dysfunction, academic medicine is a subject on which I write extensively. Relevant commentaries on academic medicine include the following:

- A co-authored four-part series on [“Overcoming Medical Orthodoxy”](#) with Dr. David Nash, the Founding Chair Emeritus of the Jefferson College of Population Health; and
- A co-authored commentary titled [“A Second Coming: Medical Education’s Desperate Need for Another Flexner Revolution”](#) with Dr. Stephen Klasko, the former CEO of Jefferson Health System.

The Task Force may want to review these commentaries as part of its background reading and deliberations.

Contrary to Mr. Frans’ assertion, I have deep knowledge regarding the business and practices of academic medicine. I certainly understand the important roles played by academic faculty and practice plans, like UMP. The Task Force should have complete confidence that my opinions regarding academic medicine and the University’s MPact proposal originate from an informed perspective.

Let me now make several observations regarding the content of Mr. Frans’ letter:

- My assertion that medical residents constitute “a large pool of free labor” was not a flippant observation. It reflects the conclusions of a widely-read [commentary](#) in the medical journal JAMA on modernizing GME (graduate medical education) funding. The authors, Dr. Justin Grischkan, Dr. B. Friedman and Amitabh Chandra are highly respected physicians and/or economists from Mass General, UPenn and Harvard.
- The majority of Mr. Frans’ letter details multiple initiatives the University has undertaken to promote better population health in the state. Bravo. These are high-value investments that promote health and wellbeing broadly. Personally, I’d like to see the University do even more in these areas – operate fifty clinics instead of twenty!
- Despite accusing me of having a “narrow focus” and “cost-accounting mindset,” Mr. Frans admits that none of the University’s primary care clinics are “making a profit.” More efficient operations of the University’s entire medical enterprise could generate sufficient cash-flow savings to fund even more primary care and health promotion initiatives. Since, when did cost accounting become a bad thing?
- My primary contention in both the May 2023 commentary and my October 1, 2023 “Counterpoint” [Op Ed](#) in the “Star Tribune” was that the University and the state need to invest more resources in health and avoid pouring more money into high-cost, centralized healthcare facilities. Health and healthcare are not synonymous. Like

the rest of the United States, Minnesota needs more investment in health and less investment in healthcare to enable its residents to live better, more productive and happier lives.

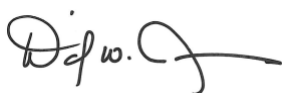
- It is also important for the Task Force to consider what the University's letter did not say. It includes no reference to the University's high-profile, multi-billion funding request for MPact Health Care Innovation. MPact's centerpiece is acquiring and building new acute care facilities for University's **main medical campus**. Funding public health initiatives doesn't require massive facility investments even though the University would like us to believe otherwise.

The Task Force has the opportunity to say "yes" to a thoughtful, comprehensive and modern redesign of the University's educational programming and facilities. To accomplish meaningful reform, however, the Task Force also needs to say "no" to more mindless expansion of a failing hospital-centric care model.

This won't be the last time we witness a political battle to use public funding to prop up an unsustainable clinical enterprise. As it has in the past, Minnesota can become a beacon for enlightened health policy. It can and should set the state on a path to realize better health without investing billions more into an underperforming sick-care system.

I respectfully ask that this response to the University's original letter accompany that letter in the public record. Thank you for this consideration.

Sincerely,



David W. Johnson  
CEO, 4sight Health