



CONVERSATIONS WITH MIKE MILKEN



Tomislav Mihaljevic

CEO and President, Cleveland Clinic

June 3, 2020

Mike Milken: Tom, thank you for joining us today.

Tom Mihaljevic: Thank you for having me.

My first visit to the Cleveland Clinic was long before you were there, in the early 1970s. What a fantastic institution you lead today, with more than 70,000 employees worldwide conducting medical research and providing healthcare services to three million patients. I've cherished our research relationships and healthcare relationships with the Cleveland Clinic over the years; I remember the first time I walked into the Cleveland Clinic in Abu Dhabi and your partnership with Mubadala. I had the honor in 2006 to cut the ribbon on the Imperial College Diabetes Center there, also with the partnership with Mubadala. I brought a number of the leaders in medical research and health

“We have seen a steep decline in newly diagnosed patients with cancer, cardiovascular disease and neurologic disease. The unintended consequences of the COVID pandemic from the standpoint of the loss of human lives, may be much more severe than the actual damage and the loss of lives incurred by COVID pandemic.”

This interview has been lightly edited for clarity and readability.

from our [Milken Institute] conference in Abu Dhabi; everyone just marveled and wished they could have worked in that environment.

Talk to us a little about the mission of the Cleveland Clinic. Many of our listeners are all over the world, and some of them haven't had a chance to visit a facility.

Thank you very, very much Mike for a very kind introduction. I'm delighted to hear your passion about the Cleveland Clinic because every caregiver, each one of 70,000 caregivers that we employ, feels equally passionately. The Cleveland Clinic is about to celebrate its first 100 years next year. It was founded by four physicians after they returned from the European front in the first World War, who came back to their hometown of Cleveland and decided this organization would be patient-centered with coordinated care by physicians who led their own organization. The mission of the Cleveland Clinic has not changed since its inception: to provide care for those who are ill, to investigate their problems, and to educate those who serve.

We have come a long way since those days in 1921, and we have grown into an organization that spreads across several continents. Cleveland Clinic has obviously the strongest presence domestically here in the United States. We have longstanding presence in Canada, in Toronto. As you mentioned, Cleveland

Clinic Abu Dhabi opened its doors to its patients four years ago, and I was very privileged to be a part of that effort. I lived and worked in Abu Dhabi for seven years. Next year we plan to open the Cleveland Clinic in London. We are an integrated healthcare delivery system that is physician led, that is with the patient in its center, and it has a global presence.

“Cleveland Clinic in Abu Dhabi was exposed to the COVID pandemic before it arrived in the U.S. We started to collect PPE [systemwide] for our patients and caregivers. We also started to develop our own ability to test, as we realized that the testing capacity was going to be essential to successfully combat a COVID pandemic.”

You came back from Abu Dhabi and then took the assignment from my good friend Toby Cosgrove to take over the leadership of the Cleveland Clinic worldwide. COVID-19, when did you realize this could become a pandemic and how did the system begin preparing?

We started our preparation for COVID-19 in January of this year. We were carefully monitoring what was happening in China, but also in the United Arab Emirates. Cleveland Clinic in Abu Dhabi was exposed to the COVID pandemic before it arrived here to the United States. As we shared our experiences, as we always do across our entire system, we started to realize the size of the threat and started to plan how to meet this rapidly emerging threat. We developed excess capacity across our hospitals and the sites where we deliver care in the United States. We started to collect personal protective equipment and made sure that we had a sufficient supply of PPE to keep our patients, as well as our caregivers, safe. We also started to work immediately on

“The financial impact in particular over the past two months has been staggering. The tragic paradox of this situation is that 1.2 million healthcare professionals in the United States have lost their jobs because of the financial strains that have COVID pandemic.”

development of our own hospital’s ability to test, as we realized that the testing capacity was going to be an essential feature of successfully combat a COVID pandemic. So, the moment the FDA relaxed its criteria and allowed hospitals to develop in-house assistance, we were not waiting for it. We were already prepared and immediately the next day we were one of the first academic medical centers in the United States that offered testing for COVID to our patients.

Many of the hospitals in New York, New Jersey, Detroit, and for a shorter period of time New Orleans, saw this surge. They were quite concerned when they saw the pictures of what was occurring in Northern Italy that it could happen here. On the other hand, for the most of the rest of the country, they never saw this surge. What happened at your Cleveland Clinic facilities?

We were very fortunate that we started to prepare early, but we were also very fortunate in that we are in the state of Ohio, our home state, where the public health care measures were implemented very early. The combination of our preparedness and the state preparedness led to the fact that we had a large capacity to take care of our COVID patients. Fortunately that capacity was never needed. The pandemic was controlled very early on and at no point did we ever allocate more than 2% of our overall capacity for the treatment of COVID-19 patients. So we're very fortunate to avoid the big wave of very sick patients that has hit cities that you mentioned in the United States or internationally in the cities like London.

One of the things that really surprised me when we look at stories of healthcare workers getting infected is the unbelievable success that the Cleveland Clinic has had in

preventing its own employees worldwide from being infected or hospitalized. Give us a feeling for what occurred with your 70,000 workers around the world, but particularly with your 60,000 workers in the United States.

We really strive to become not only the best place to provide health care, but also to be the best place to work in health care, the safest place to work in healthcare. We started with the preparation, to educate our caregivers about the best practices to protect themselves from the virus. We started to prepare the environment around them to be as safe as possible. As a result of all of those measures, we have had fewer than 1% of all of our caregivers turn out to be COVID positive.

Well, that's a tremendous record considering how they've had to interact with patients.

We're very proud of that accomplishment. If there is an accomplishment that is very dear to all of our hearts, it is the one that relates to the safety of our caregivers, because that gives them really an opportunity also to provide high-quality care to our patients.

Preparing for a surge that did not occur, what was the potential financial impact to the Cleveland Clinic?

Based on the orders from our state governments, we had to suspend all of the non-essential care, which was the right thing to do. The financial impact in particular over the past two months has been staggering. We, just like very many other healthcare organizations of our size, have therefore incurred deficits measured in hundreds of millions of dollars as we kept our caregivers whole, kept our capacities at the ready, as we purchased and acquired the equipment that is needed to provide safe care. The financial impact has been quite significant. When we take a look at the healthcare industry in the United States, the unfortunate almost-tragic paradox of this situation is that 1.2 million healthcare professionals in the United States have lost their jobs because of the financial strains that have COVID pandemic put on healthcare organizations. In the midst of the largest healthcare crisis in our generation, certainly, many healthcare professionals are losing their jobs.

“We have seen a phenomenal increase in the number of tele-health visits, from 5,000 a month in January to over 200,000 in March. People are often fearful to come to hospitals because of a perception of risk. And our caregivers also feel much more comfortable providing services at a distance. This is just the beginning of a revolution in the way that we are approaching healthcare delivery.”

Hopefully we'll be able to get those jobs back as healthcare providers begin to focus on delayed operations. One of the things you and I have talked about is the unintended consequences of the collateral damage that's occurring to the health of non-COVID patients who were too concerned to go to emergency room, who delayed surgery, or where research centers themselves have been shut down. What are your biggest concerns today as you reflect on what's occurred over the last three to four months, looking at the statistics for non-COVID patients such as cancer or heart or stroke and others?

We have seen as an unintended consequence of these measures, a steep decline in the newly diagnosed patients with cancer, cardiovascular disease and neurologic disease. We know for a fact that those diseases have not disappeared. Rather, the patients were either fearful of seeking care or simply could not access care because it was deemed non-essential.

“The severity of illness at admission is much higher than what we used to see before the pandemic. Another untold story of the collateral impact of this pandemic is a very steep rise in the number of the patients with mental health issues.”

Let's focus on cancer for a moment. This could result in hundreds of thousands of lives that we may lose over the course of the next year or two because of a delay in timely diagnoses of cancer. And that's just cancer alone. Cardiovascular disease and neurologic disease make with cancer, the top three reasons for mortality and death outcomes here in the United States, and are equally affected. The unintended consequences of the COVID pandemic from the standpoint of the loss of human

lives may be much more severe than the actual damage and the loss of lives incurred by COVID pandemic.

The UK put out [a report] that they thought they might have 18,000 to 20,000 more patients die this year from cancer. What we're not addressing is the long-term effect of the cancer-research laboratories being shut down for a while. In a podcast I did with Nobel Prize winner, Jim Allison, and Pam Sharma from MD Anderson, touched on that. Steve Rosenberg from the NCI had similar concerns that you've had. But we've seen some other side effects when we see substantial reductions in heart attacks or strokes. It's hard to believe that this has dramatically changed, but it's possible they're just being unreported or people were scared to go, particularly if they were senior citizens, into the emergency room or into the hospital. What have you seen in this area?

Just as you mentioned, these were exactly our assumptions. These are all chronic illnesses. It is not to be expected that over the course of the last two months those illnesses would have disappeared. What we are seeing right now, as we are resuming non-COVID care, is substantially larger number of patients who are presenting with advanced conditions, whether it's a cardiovascular conditions or cancers or neurologic diseases. The severity of illness at admission is much higher than what we used to see before the pandemic. Another the untold story of this collateral impact of the pandemic is a very steep rise in the number of the patients with mental health issues.

We've seen that with alcohol abuse, spousal abuse, lower medication use, and also increased issuance of opioids for those that were in pain; back pain, shoulder pain or knee pain where they might've had surgery that was delayed. We've had increases in opioid use. Have you experienced that also Tom?

Yes, we have. We have seen everything that you just mentioned, from a tragic increase in incidents of domestic violence, child abuse, alcohol to opioid consumption. A lot of that is translating into an increased violence against our caregivers, and is yet another silent epidemic in U.S. healthcare.

A number of years ago, a close friend who I've been working with, Larry Ruvo, in Las Vegas, created the Lou Ruvo Brain Health Center. He was very successful in raising money over a long period of time. I had mentioned to him he needed to affiliate with a world-class medical research institution, and after a long discussion, eventually a partnership was created with the Cleveland Clinic. You are one of or the leader in brain health. How are you preparing the Cleveland Clinic for increases in mental health issues, delayed interaction for people that had dementia or Alzheimer's and other things? What are you doing to deal with this potential surge?

The Lou Ruvo Center in Las Vegas that is a part of our Cleveland Clinic effort is truly dedicated for the research and treatment of degenerative brain disease. They have done that phenomenal job of advancing the science, as well as a treatment of broad spectrum of degenerative brain conditions. Our Neurological Institute is working very, very hard to expand our treatment for patients with mental-health disease as well. I cannot underscore how important of a public health issue that is in the United States. Mental health underpins the most lethal epidemic in American history, and that is the epidemic opioid abuse. Every year we're losing 60,000 to 70,000 Americans due to opioid abuse. We are doing absolutely everything, not only to advance the science, but also to extend our reach to as many patients as possible using different means. Digital technology and digital infrastructure is a very attractive medium to provide appropriate, accessible, timely care for patients who are struggling with mental health conditions. It is something

that our patients feel very comfortable with. This is the medium and a platform that allows us to reach them with the comfort and the privacy of their own homes. Digital technology, when it comes to mental health, has also helped us address the chronic shortage of qualified professionals, psychiatrists, psychiatric nurses, and nurse practitioners, in particularly in the rural areas. Through our digital connectedness, we've been able to help tens of thousands of Cleveland Clinic patients.

Tom, one of the things we've seen is a tremendous increase in tele-health this year. Some facilities have had more tele-health visits in one day than they had in all of 2019. How have you adapted to tele-health at your facilities around the world and have you seen a similar increase?

We've embraced digital technology as a pillar of our strategy for the future of Cleveland Clinic because we believe digital technology offers us just a wonderful opportunity to connect to our patients in a ways that are much more meaningful and allows us also to provide much more personalized and tailored care. We have seen a phenomenal increase in the number of tele-health visits, from 5,000 a month in

“Our Neurological Institute is working very, very hard to expand our treatment for patients with mental-health disease. I cannot underscore how important of a public health issue that is in the United States.”

January to over 200,000 a month in March. This phenomenal increase is a reflection of several trends. One, the digital platforms becoming much more refined, easier to use. But it's also a reflection, not only an advancement of technology, but the willingness of our patients as well as our providers to adopt those new technologies. In the time of COVID, people often times are fearful to come to the hospitals because of a perception of risk associated with going to a healthcare facility. Our caregivers also feel much more comfortable providing services at a distance for patients in need. I think that this is just the beginning of a revolution in the way that we are approaching healthcare delivery.

Tom, I want to thank you for joining us today. I want to thank you for your leadership and we look forward to future breakthroughs from the Cleveland Clinic and meeting the challenges of not only COVID- 19 patients, but those with other serious life-threatening diseases.

Mike, thank you very much for having me. It was truly a privilege. I enjoyed the conversation.