

## CONVERSATIONS WITH MIKE MILKEN



**Bruce Broussard**

President and CEO, Humana

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**Mike Milken:** Bruce, thank you for joining us.

Bruce Broussard: I'm glad to be here.

People might not appreciate the enormous responsibility your company has. To the best of my knowledge, you're spending \$45 billion a year. This is used to provide a wide range of services to 10 million people who today are in high-risk groups. Since the start of the coronavirus, we now know the most at-risk group for serious side effects are patients over 65. We can only imagine, Bruce, the enormous strain this has put on your organization. Talk to us about the scope of Humana and how you've adjusted operations to deal with the coronavirus crisis.

Mike, I will tell you, as you mentioned, individuals over 65 are the most vulnerable for both their health reasons, but as our members usually have less resources, they're also vulnerable as a result of the items outside of the coronavirus directly. That's lifestyle, access to health care. We, on a daily basis, help them with that.

But in this particular time of the virus, what we found in the 3,000 nurses that we have making outreach calls every day, is that there's really a number of areas that our members are looking for assistance on. One is around the area of access to food. As you well know, a lot of the social distancing requirements in the local areas have caused

grocery stores and other areas to be something more difficult to get to. Transportation is an important part of that, so our ability to deliver food has been one of the most important things we can do today. We've delivered close to 30,000 meals over the last number of weeks.

The second is around loneliness. Many of our members are alone and in their

homes, and that can become quite an impact on their mental health. Having a phone call and being able to talk to somebody sounds so simple, but has been so impactful.

The third is around prescriptions and a number of providers' offices have been closed as a result of this. For us to access providers to get the prescriptions and then be able to deliver it to their home has been a relief for them.

Those areas there I would outline as being the most important and then the last is solving medical issues that come up. I'll give you a great example how resourceful our team was. We found out that someone needed to get their stitches removed or it was going to turn into an infection. We used a telehealth intervention to be able to get to them. We found a nurse in the area that was willing to come into the home, and between the tele-health and the nurse, we were able to remove the stitches. Again, sounds simple, but when you're 80 years old it becomes a much more difficult.

**Bruce, as I've looked at Humana's operations over the years, I noticed that you had customer centers in shopping malls. With malls closed, how has this shifted?**

We have guidance centers throughout the United States that really serve as a social setting for individuals, then in addition provides any kind of assistance they need – whether it's through their insurance benefits or for that matter just in lifestyle issues. A lot of our guidance centers offer things like Silver Sneakers, which is an exercise program; offer the ability to interact around a hobby – cooking classes and those kinds of items. What we've done is we've taken those and put them virtually.

We also have an outbound team that is part of the guidance centers that is reaching out to individuals, checking if they want to participate in the classes, and then helping them with the technology. That has been a great extension – trying to convert a group that has traditionally not been very digitally savvy to now becoming much more digitally savvy as a result of the constraints that social distancing has put on society. I do see this crisis as being an opportunity for us to be of more assistance in that area than in the past because I believe people will be seeking it more.

Bruce, we've been very focused on the distribution of food, and it appears today that food banks in America are now serving more than 10% of the population. I know you have worked on delivering food. Have you focused on making sure people are getting the nutrition they need? Is it healthy for them?

One of the benefits of this is our ability to customize the food to be healthy and what we have found is that people have been very accepting of it, and I have not heard one complaint about the healthy food.

One of the areas we've spoken about a number of times is the issue of loneliness, of isolation. It's not just senior citizens, it's the grandkids who want to see their grandparents but can't. Lori and I get to see our grandchildren on Facetime, but we don't get to see them in person, and it's different. What are you seeing with your members?

We find a lot of our members, not in the fortunate circumstance that you were mentioning that grandchildren and their kids are active with them. We've been in a number of circumstances where it's only them. We find that in the lower-resourced areas where there's less money and less access to the resources in totality. Those individuals we find to be at most risk.

Just last week we reached out to one of our members, and in the conversation our nurse could sense a sense of depression there. The individual actually called back about 20 minutes later and started showing even further depression to a point that he was then talking about suicide. We had an intervention, both with a behavioral health specialist and we also got somebody to the house to assist him and being able to help him – the behavioral side ultimately getting him care. It's those circumstances that without the proper intervention we're finding will go south very quickly.

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As hospitals have tried to reduce elective procedures to get prepared for COVID-19 and do more telemedicine, how has this affected people that are in your care?

People do need to have interventions, and through telehealth and through things like taking pictures and other resourceful manners that are virtual, we've had great opportunities for us to have those interventions. We are concerned that some of the

delay in care is going to have some consequences. What we've done is taken our members and broke them into different cohorts, so for the most vulnerable we're spending a lot more time with them to ensure that we can help if we know that they (for instance) have a predominant ability to get foot ulcers. We're spending a lot of time on educating them on foot ulcer care; obviously in areas of cardiology; and ensuring that people are taking their beta blockers; and following up on them that they're not gaining fluid in those areas. So there are a lot of outbound calls we're having that are inquiring on how they're feeling and so on. And when we do need an intervention, we will then have an intervention with a physician, whether it's getting somebody there, getting a nurse there and or a telehealth visit.

**When I think about some of the companies I've been involved with for decades, one thing effective companies do is share stories of team members going above and beyond. During these difficult times, I'm sure your 50,000 team members have some powerful stories to tell. Have you tried to share these stories with all of your employees?**

Once a week we have a all 50,000 people getting on a call and we have in that call a story about what we're doing and some of the great heroism that we have found in our various different associates. We found that those stories set forth not only what we're doing, but remind us what we *should* be doing. I find that to be really helpful.

**Bruce, when did you first recognize the challenge that lay ahead with the coronavirus? When did you and your team start talking about how to prepare and how to address it?**

It was in the middle of January. I remember getting on the phone with our team that runs the crisis preparation side, and I said, listen, let's get prepared for this and let's watch it and understand it and think through what are the different steps we're going to need to take. From that point on we began just watching it and then saying, what do we need to do if this does come about, all the way from our members to our associates?

Then as it progressed through February and then the beginning of March, we said, okay, 

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 now it's time to put this in full crisis mode, and that ranged from moving people home to reorganizing, getting a concierge hotline set up for our members. We were prepared to execute on that starting in January, but it was iterative as we went through it. I can't imagine starting in the end of February and beginning to start executing on what we had to do during that period of time.

One thing that we measure a lot is our customer satisfaction, and what I'm proud to say is during this period of time – moving 50,000 people home, we have about 30,000 people in offshore services – we were able to keep our net score at the same level and higher as a result of the caring and empathy that we put in there as it was operating before. And it operates best-in-class in our industry. That to me just is a great example of what that preparation did. Our engagement scores, which today are at about 93%, maintained and actually last week were at about 95% as a result of our efforts. So that preparation allowed us to make this transition without an effect on our members or employees.

**Bruce, how will this change the way you run your business in the future?**

We are a big believer in agile work. We've seen the power of bringing a team together around a common goal that's tied to a customer problem and the way that you can execute that and do that in an iterative way. We've also seen obviously the virtual nature of this and how you can work virtually, but as importantly, the virtual nature of being able to interact with your members and your customers overall. The third thing we've seen is the ability to use a lot more analytics and being

able to pinpoint the interventions that we feel you need for your members, and being much more personalized in the approach. It's really improved our ability to get to the problem quicker for our member and be able to have an intervention. So I would say that there's some great learnings and any company should take advantage of it.

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**Bruce, one of the podcasts we did was with Tom Wyatt, the CEO of KinderCare, and he told us that many of his early childcare centers have stayed open in order to serve frontline workers. How are you interacting with your partners? Have you seen more collaboration to help each other across businesses and different industries?**

I think the general business community has come together in so many different ways and really has lifted up in assisting in this crisis. Once a week I have a call with about a hundred CEOs that I started right when we began this crisis because I was confused on what was going on. I didn't have all the visibility. And I found by pulling a cross-sectional group of CEOs together, it really gave everyone visibility into the various different supply chains within healthcare. People can learn about testing, about what's going on in providers, to what's going on with the supply chain on PPE, to what's going on from a payer point of view. We made a number of policy changes as a result of those interactions.

We also feel that it is our responsibility to help stand up the system. So one of the things that we've been very focused on is how do we make it easier for people to get access to care? Whether that's waving our copays or waiving – for COVID overall – any kind of out-of-pocket expenses.

We've funded about a billion dollars of accelerated capital into the providers to ensure that they have the cash flow in this time of depressed utilization. We've also reduced a lot of administrative burden that's in the normal course of this and have taken that away – all for our partners to be able to orient getting care and the access-to-care for the people that need it.

**One of the things we've seen, particularly in bioscience research, is collaboration between people who theoretically were competitors with one another. This is one of the things that gives me hope that we're going to find a solution. This teamwork you have been talking about, have you ever seen collaboration between companies, competitors in the healthcare industry at this level before?**

I have not. I have not. I would extend that to the federal and state regulatory agencies. Working with CMS, and Alex [Azar] at HHS, and the Administration – and just the waivers that they've come out with to allow this industry to expand, and to be much more oriented to the digital side and remote care. I'll give credit to the supply team – McKesson and Cardinal and other ones. Their coordination of delivery of supplies – if one has a bunch of masks and the other doesn't and their customer needs it, they will supply their competitor customers with masks. I see the same thing with the various labs out there if one needs reagents.

This ability to create a system that is oriented to a common ground has just been so powerful, so powerful. In our organization we're oriented to helping providers in their needs, and now we're loaning money to providers. I just find it to be very motivating in so many different perspectives and a learning opportunity for us as we think about going forward.

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**Bruce, as I mentioned before, what we have seen in bioscience is unprecedented. The willingness to share patents or to waive patents. And the response, as you said, at HHS, at BARDA, at FDA, at CDC – everyone working together to try to accelerate a solution. When I think back over five decades, I have never seen cooperation at this level, and I**

agree with you, it should be a sign of great optimism that we are rising to meet this challenge.

Bruce, I want to thank you for joining us today. Your company plays such an essential role in protecting the lives of senior citizens, and we want to thank you again for yours and your team's service to our country.

Thank you for doing this. I think your ability to bring others together and listening to different perspectives, makes us all better, and so we appreciate you doing that.

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