

CONVERSATIONS WITH MIKE MILKEN



Henry Waxman

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

Henry Waxman: I'm delighted to do this interview and podcast with you, Mike. I want to tell you how much I've admired you and all the work you've been doing, especially in the health area. If we get out of this whole COVID-19 crisis, I think a lot of it may be due to your work because I know you're spending an enormous amount of time on this issue.

Thank you, Henry. You were in the House of Representatives for 40 years, chairing the House, Health and Environment subcommittees, chairing Energy and Commerce. Among the many things you focused on were clean air, infant formulas, orphan drugs, air quality, food quality, and issues related to smoking. When I think about how public health and the environment in many ways has dominated your life, you have been a champion for many decades. What was it that led you to this focus on the importance of public health, and being one of its major advocates, and the environment very early in your career?

When I was first elected to public office, I thought that I ought to concentrate on some policy area. Not that I would exclude other areas, but I felt that if I became an expert that I could have a greater chance to get things accomplished. So I focused on health issues. There seems to be very little controversy over the fact that government had to be involved in these areas, whether it was biomedical research or healthcare services or

public health. The American people are looking to government to play a very big role. I got the chance to become chairman of the Health and Environment sub-committee after just two terms in the House. In that position I was able to hold hearings, talk to experts, talk to my colleagues on both sides of the aisle, and try to figure out what we could do in the areas of orphan drugs, which were drugs

for people with rare diseases; or the Medicaid program or the Medicare program, which were healthcare services or the National Institutes of Health. So we worked on these issues and I'm very proud of our accomplishments. Every piece of legislation that I authored into law, except for one, had bipartisan support because I actively sought cooperation with my Republican colleagues. I felt these were not partisan issues, although everything now is partisan, which is unfortunate. But I thought if we talked them out and looked at the different options, we could get better legislation by working together.

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Many people across the aisle would have talked about you being a fierce competitor. I viewed it differently. I viewed you were a fierce fighter for people's rights, children's rights, senior citizens' rights. To me, it was always easy to understand where you stood on an issue. I came to you in the early nineties in that I felt we needed to accelerate medical research. You were instrumental in our efforts between 1993 and 1998 when we put on that March and brought a half a million people to Washington and around the country to culminate the efforts of you and many others, which resulted in the tripling of the National Cancer Institute's budget and doubling of the NIH. Since then we've had over \$400 billion in incremental funding. It was an important period of time. I remember working with you then that we got considerable bipartisan support. I think we had 160 people in the House and 60 senators that I personally visited with during that period of time on the importance of both public health and medical research.

NIH has always been supported by Democrats, Republicans, independents; it's the gem of our federal government's activities in terms of health. I certainly did not agree with Newt Gingrich much of the time, but I have to credit him with doubling the amount of money that went to the NIH budget, for which I think he was absolutely right and championed a good cause. We've always had strong support for NIH. During this period of time, we found that many of the pharmaceutical companies were developing drugs that were based

on NIH research. They would take the basic research and translate it into pharmaceutical products that meant that we could reach people and give them cures. Senator [Orrin] Hatch and I authored a bill called the Hatch-Waxman Act, which said that we wanted to give an incentive for the private pharmaceutical industry to produce more drugs that would be beneficial to people. We wanted to give them those incentives not just to develop new drugs, but drugs for people with rare diseases. In the 1980s we adopted two bills, the Orphan Drug Act. They're called orphan drugs because it's often a small patient population suffering from a disease that was rare and often the drug companies didn't

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work on those drugs. They worked on drugs that had a larger market, so we gave greater incentives for them to develop drugs for people with rare diseases, and it's been a great success.

The Hatch-Waxman Act also said that we'd give the drug companies more time on their patent when they're at the FDA and doing all the testing to show that a drug is safe and effective. But at the same time, as soon as the patent ran out, we wanted to have competitor drugs, generic drugs, and let them go on

the market right away. Prior to that law, for a generic drug to go on the market it had to go through all the tests that the pioneer drug had to go through to show the safety and effectiveness of the generic, which was just the same drug. So we developed in that law an abbreviated new drug application so the generics could get approved just by showing that it was the same drug as the one that had already been approved, and it was on the market. That has saved trillions of dollars for the payment of drugs for government, for insurance companies, for individuals.

Even now I'm working on ideas for the Congress to try to figure out how to make dis-balanced system go back to that balance, which is out of place right now because a lot of drug companies spend a lot of money trying to figure out how to hold onto their monopoly. They need the monopoly. That's what a patent gives the manufacturer. But at some point we want competition because there's a consumer benefits from a market forces that produce lower prices.

Henry, as you know, we have been working with more than a hundred pharmaceutical biotech and bioscience companies. I think a recent example of that cooperation was Gilead's drug that was recently approved. Gilead gave some of the generic producers that were located particularly in Asia the rights to make this drug with no royalties to increase supply. Giving generic manufacturers the right to make this drug during this crisis is just an example of what you're seeing. In one of the podcasts I did with Alex

Gorsky, the CEO of J&J, they have committed to provide the entire world with their vaccine in conjunction with BARDA, free; billions of doses if it works. This is a very competitive industry, and as you pointed out, many companies were aggressive and trying to slow down the ability of generic manufacturers. In this case, as you can see, they have done the reverse.

Over the decades we've tried to convince people of the importance of public health. I've spoken to many people. One of the things that I've seen is the feeling that pandemics occurred in Asia, they occurred in Africa, but they didn't really occur in the United States. When you see the reaction in Asia, it was so much quicker. Hong Kong, probably quicker than anyone, as they remembered SARS. Early in January, people on the street were wearing masks in Hong Kong before the government even suggested that they should. It seems that people [in the U.S.] really weren't focused on what public health and what schools of public health were capable of doing. How do you believe this will change? If you were still in the leadership role in Congress, how would you change the focus going forward?

This is not a pandemic that has only affected Asia, and they were ahead of us in doing a very well-known strategy of

trying to see who was infected, tracing their contacts in order to stop the spread of the epidemic. I was chairman of the Health Subcommittee when the HIV-AIDS epidemic broke out in the early eighties. We didn't call it AIDS, we didn't call it HIV: we didn't know what it was. It was a very unusual disease that was spreading geometrically among gay men and it took a while for us to understand what was happening. It was a scary time. There were a lot of emotional reactions. Always rational people didn't understand what was going on and didn't, especially gay men, want to take tests that would show if they were affected because they would lose their jobs, they would lose their health coverage, and so much of our health coverage has been tied to jobs. There was no vaccine, there was no protection from discrimination.

A lot of those things have changed now, but at that time we started holding hearings. We listened to the experts. We needed to tackle the problem in a rational and traditional way that these kinds of diseases have been pursued through contact tracing and seeing who was infected. We should learn a lot today, and we need to change our public health system. We need to make sure that everybody's covered. We need to do contact tracing. That's not something unique to Asia. We've done it here in the United States and tackled

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other pandemics in the United States much more successfully. We've got to be able to have a public health system that will allow us to do that.

You were in leadership and focused on these issues during the height of the concern of HIV-AIDS. There was a young woman that our foundations supported, Elizabeth Glaser, as you remember, who formed her Pediatric AIDS Foundation. When Magic Johnson went on television to say he was retiring from the Lakers because he was diagnosed with HIV, most of the people in America thought he was going to die. But our healthcare medical research system, which has yet to produce a vaccine, responded with antivirals and other treatments, and Magic Johnson is alive and well. He's been active in many of our healthcare initiatives, including the Celebration of Science, that you participated in, to reaffirm the country's commitment to bioscience. Probably one of the greatest events I attended at the NIH was a discussion that noted we had gone from a woman having a 98 percent probability of passing HIV rates onto her child in childbirth to a 95 to 98 percent probability of not passing it on. President George W. Bush was instrumental in his support of this and so many other healthcare efforts in Africa. I think that surprised many people at that time.

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How do we take this COVID-19 crisis and say that, going forward, we are not going to be surprised again by a pandemic. As you've pointed out, our schools of public health that have dealt with pandemics in other parts of the world previously know what to do. It's testing. It's contact tracing. It's separation. It's following people that interact, and isolating them. So there is a plan. How would you lead our effort here, Henry, to emphasize the importance of going forward and being prepared in public health?

The first thing we need to do is to explain things in a credible way so that the public understands what is being done or why they're being asked to do things. Sometimes you can pass a law and force them to do things, but on the other hand, you can't force people, especially Americans, to do things as they refuse to do. One problem we had even before the COVID-19 problem was that even though we have vaccines that can prevent terrible diseases that used to kill people, especially children, even though we can prevent those diseases, there has been an increase in people thinking that they shouldn't have to bother to vaccinate their kids. Now it's the law that before your kids can go to school, they have to be vaccinated for childhood diseases because if people don't get vaccinated, we end up seeing diseases that should be gone come back.

Measles is a good example. We've had measles outbreaks because so many kids never got immunized, even though it was required that they get immunized. There were enough live viruses around that it started spreading, especially to people who hadn't immunized themselves. We've got to get the public to cooperate, but the essential thing of getting the public to cooperate is to be credible, to explain the situation, to be coercive in some ways. We have to insist that people get their children immunized. If we have a vaccine soon to stop COVID-19, I think everybody will want to take it. But there'll be some people who will not want to, and we'll have to deal with that. The only way that public health works is to have people accept it is because what's being explained is credible.

You were talking about HIV-AIDS. In the beginning there was no vaccine and there was no treatment. It was affecting gay men primarily and they surely didn't want to be tested without protections for their confidentiality and to avoid discrimination. We had to give them a sense of confidence to come in and get tested. We've done that under a number of pieces of legislation, and today the remarkable thing about AIDS is that biomedical research is developing pharmaceuticals that can contain the disease and stop its spread, even without a vaccine. So we made a lot of progress there, thanks to the research that's been done, the work of the pharmaceutical industry, and the work of public health and its forces. We've got to look to that as a model, although it's a little different. People want to know what they're doing is benefiting them and their family and the community in which they live.

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Henry, it's probably more vivid to me than to you, but I was in your office many, many years ago and you were going to hold a hearing. I asked you, 'why you holding a hearing on this subject?' You commented that while you've been talking to people and trying to point them in the right direction, sometimes holding a hearing lets them see the light much clearer. Do you feel now as you did then, that putting on a hearing many times gets people pointed in the right direction better than just talking to them on the telephone? Can you think back over all those hearings over all those years and identify one that might be memorable in showing them the light?

I think Congress has two responsibilities. We think about legislation, but oversight and investigations are probably even more important because we can see whether the laws are working as they were intended. Sometimes just putting a focus on a problem can help resolve it without legislation and it can have a dramatic impact. It could raise a priority for people in government to address the problem or people in the private sector to correct the problems. All those hearings are very important.

Probably the most important hearing that I held that changed things dramatically was the hearing with the tobacco executives. They came in voluntarily. We didn't subpoena them to testify and they took an oath to tell the truth and then they proceeded to lie. They said cigarette smoking does not harm health. That nicotine was not addictive, that they did not manipulate the nicotine levels to keep people smoking. They certainly wouldn't target children when they're advertising. And all of those things turned out to be the opposite of what they told us. That hearing didn't lead to legislation for at least 15 years. The hearing was in 1994. The tobacco control legislation wasn't adopted. Probably wrong on my math, but ...

Henry, it was 2009 ...

... and so just the hearing itself made a huge difference because people saw the tobacco industry in a different light. They saw men dressed in suits who were executives lie, and they realized that not only was their nicotine being manipulated to keep them smoking, but their view of tobacco was being manipulated. A lot of people stopped smoking and stop listening to those ads. We've seen a steady drop in tobacco smoking since 1994, and the law that passed in 2009 has helped. But most of the work that was done to reduce smoking rate was done before that law was even passed as a result of that hearing.

Henry, that hearing changed the course of history. I remember it well. In 1939, they put out a report that smoking could be harmful to your health. Many, many years later, in 1986, I remember reading an analysis that Marlboro was the most-valuable brand in the world. And in 1989, at one point the most valuable company in the world was Philip Morris [today Altria]. Think about the research from 1939 and still this brand was so valuable in 1986; at one point the company was the most valuable company in our country. Those hearings did change the course of history and I appreciate you bringing them up today. Even today, there are 300 million smokers in China. The number of people that die from different diseases outside the United States are in many cases smoking-related diseases; if not the number one, it's among one of the top two or three. At the Milken Institute, when we analyzed the cost to society, smoking is still one of the top three causes of negative side effects.

Henry, I want to thank you for a generation or two or three as a leader in public health, and as a leader in the environment. Thank you for joining us today; I've appreciated our friendship over the years.

Thank you, and so have I. And I continued to look to you and the Milken Institute for great things because that's where a lot of our progress in health is going to come from the work you're funding and the work your Institute is accomplishing.

