A CONVERSATION WITH GOVERNOR MATT MEYER

Announcer 00:00

Please welcome Executive Director, Global Programming and Events, Milken Institute, Conrad Kiechel.

Conrad Kiechel 00:12

Hello. Good morning, still. Hope everybody is settling in and looking forward to the next half day. And thank you for joining us for what will be an illuminating and insightful three-part lunch program. It's really been an exciting day and a half at this year's Future of Health Summit, with leaders from across the health ecosystem tackling some of the most pressing challenges facing health care today. Throughout these conversations, one question keeps coming up: As advances in science and technology continue to open new doors in medicine, how can we achieve better health for everyone? And that's at the very heart of our theme this year, Better Health Within Reach. Many of the needed solutions already exist. The real work is getting them to the people and the communities who are most in need of them. That work cannot happen in isolation. It takes partnership between the public and private sectors, research that's focused on real-world impact, and policymakers who create the conditions for ideas to become reality. And that's where this conference and the work of the Milken Institute throughout the year come in. Our conversations here are an opportunity to reflect on the exciting new possibilities within our grasp and how we can work together to achieve them. And so, to begin, we are honored to welcome to the stage the governor of the First State, Delaware's Matt Meyer, moderated by Sung Hee Choe, managing director of our FasterCures group. So please join me in welcoming them and enjoy the session. Thank you. Bye.

Sung Hee Choe 02:15

Thank you for that wonderful welcome. Governor, welcome—

Matt Meyer 02:19

Thank you, Sung Hee. Thank you.

Sung Hee Choe 02:20

—to the Milken Institute Future of Health Summit.

Matt Meyer 02:22

Good afternoon—morning—everyone.

Sung Hee Choe 02:24

Yes. We're in that in-between time, aren't we? But we are honored to have you here representing the first state of the United States of America. We're particularly excited to hear from you because, as we all know, states have a tremendous influence on how people experience care, expectations around having a doctor close to home, being able to get an appointment quickly, being able to receive care. Now, you have taken on several of these issues over the past year, and we'd love to hear from you on how you expect the people of Delaware, what they will experience as a result of these. Now, Conrad shared with us—we are assembled here under the banner of Better Health Within Reach. Now, I'd love to hear from you, what does that mean to you when you hear that, and where do you think that there is the biggest gap between what is possible and what the reality is for people today?

Matt Meyer 03:29

Thank you so much, Sung Hee, and thank you, everyone, for joining. To everyone at the Milken Institute, thank you for this convening. It's really valuable to a governor like me who's constantly looking for ideas, new forms of execution in an extremely complex and complicated health-care environment, to figure out ways that we can better serve our people in our first state. I should mention that we are The First State. For any of you who know *Talladega Nights*, Ricky Bobby: "If you're not first, you're last." And, I think you have the good fortune by being followed—we're being followed by another Delawarean, our first lady—or former First Lady—Jill Biden. So, it's truly an honor to be here. When we were pulling into this hotel—This hotel used to be the Mandarin. I actually used to ride my bike by here nearly every day before this building existed. I was in a program called Teach For America. I'm the only governor ever to have been in Teach For America. Thank you. Good. I taught in Anacostia, and that's sort of the foundation of a lot of what we're doing in Delaware, it comes from my experience not in health care but as a teacher, and seeing how—what we didn't call then but we call now, social determinants of health, how that contributes to our healthiness as a community and as a nation. So, we think a lot not just about traditional health-care structures but also our education system, nutrition systems, where kids are living, and the housing, which was ever present nearly every minute I was teaching at M.V. Leckie Elementary School down the street from here. That's the first thing. The second thought on your question is that 30 days ago, I had a child.

Sung Hee Choe 05:26

Congratulations.

Matt Meyer 05:27

Thank you. Let me start this story by telling you, baby's healthy, mama's healthy, all is good. My wife is an emergency room physician. She's actually the chair of the largest emergency department in the largest hospital in our state. So, she knows something about health care. And about six, seven days after the birth, postpartum, she started to have a fever, and she had several days of fever. There was swelling, and she thought she had an infection. She ended up going to the hospital and was admitted for a couple of days. They thought she might have sepsis. It was a scary few days for our family, just a week and a half ago, two weeks ago. And she got out. Everything's fine. By the grace of God, we're good. Got great care. A week

ago, we got a bill. They told us that it was not covered by health insurance. How is that? So, you didn't want her to go to the hospital? And she looked at it, she called the physician, who she knows personally through her work, and very quickly she came up with six keywords that the physician needed to add to the report that would then address the, whether it's the technology or the human being, their list, and within 24 hours, the situation was dealt with, and health insurance covered it. She's a physician. I'm a governor. What's the rest of America doing? And, so, we are cognizant every day in Delaware that we are working in a health insurance environment, a health-care environment that no human being in the planet would design like this. No one. The incentives in so many places are misaligned. Often, the physician or the nurse or the person who knows the most to make the best decision is not in the right place at the right time, certainly making decisions about payment or non-payment. And, so, we're doing what we can in a little state, The First State, but a little state, to lead in that regard.

Sung Hee Choe 07:38

Yeah. Well, thank you so much for sharing that, and congratulations to you. And thank goodness your wife is at home and healthy with the baby. But even before this experience, this health-care issue has been a real passion of yours. In fact, this summer, you passed a suite, I would say, of bills that tackle the affordability issue from a lot of different ways. Talk to us about that.

Matt Meyer 08:07

Sure. We are one of a small handful of states that—I signed into law a few months ago, Medicare reference pricing for cost. We're requiring, now, payers to allocate 11.5 percent of their medical costs to primary care. Like many places around the country, too few of our residents go to primary care. The consequence of that is my wife sees, at least once a week in our largest emergency room, there'll be 60, 65, 70, 80, 90 people waiting. Wait times of 14 hours, 16 hours. I lived in Kenya. That's not—we don't want to be comparing health-care wait times in our emergency room to other places. And the root cause of that is that people are not given the opportunity to go to the right place at the right time to get the right care for the right price. And, so, we're doing everything we can, whether it's with regard to pricing—we did one of the largest, even though we're little Delaware, one of the largest in the country's, of elimination of medical debt for about 20,000 Delawareans, which in many states in the country is a small number. In Delaware, it's a huge number. We eliminated, eradicated medical debt for 20,000 Delawareans. We, by law, are saying medical debt cannot go on a credit report. So, we're doing everything we can to address affordability issues. But let's be clear. We're putting a Band-Aid on a gaping wound, or a series of Band-Aids. No one would design our system this way, and we're hoping with some of the changes that have happened, what, 10 days ago in this country, we'll see different movement in health care than we've seen in the last couple of years.

Sung Hee Choe 09:59

It's certainly, as you mentioned—this commitment to affordability, it requires some long-term investments, doesn't it? And Delaware has just established, under your leadership, the first medical school—first four-year medical school. Why was that important to you to establish that in Delaware, and how does that also fit into your broader strategy or hope for what the workforce in Delaware would look like?

Matt Meyer 10:28

So, when you look at the issues we're having in Delaware, as is true in many other places in the country, when you look at problems of cost, of unavailability of medical professionals and medical facilities, a lot of it comes down to workforce: workforce shortages. We have an additional problem in Delaware that we are growing our population faster than nearly any state in the country on a percentage basis. We are the only state in the Mid-Atlantic that's growing in population right now. And one big reason for that is, for those of you that live in DC, there's a good chance when you go to the beach, you're coming to Delaware, and when you go to retire, you're going to go and live in Delaware, which is great for our state. It's kind of flattering for us Delawareans who are not used to being on the map, except for Joe and Jill Biden, who you're about to hear from. We're kind of on the map for our beaches, our quality of life, which is great and flattering, but it's creating huge problems in terms of when you have a lot of seniors coming into an area, you need health-care professionals. We are one of four states without a medical school. It was in my campaign platform when I ran for governor just two years ago, and we made it a top priority. And in about three months, we're going to start accepting applications to Delaware's first medical school in partnership with Thomas Jefferson. One thing, encourage people to apply. It's going to be an incredible opportunity if you're willing to go into rural health, medical education will be free. There's a good chance if you're interested in doing pediatrics in Delaware, your medical education will be free. And one thing that's going to be amazing about this medical school is we have in Delaware, thanks to my predecessors, my predecessor governors and others before me, we have the leading educational pathways program in the country. So, 75 percent, three-quarters of all public school students, choose a pathway in ninth grade and then follow that pathway, kind of like an apprenticeship. We are going to be integrating our medical school, its curriculum, into, actually, eighth, ninth, 10th grade, so there's a clear pathway for even middle schoolers who are interested in medical education to stay in our communities, to serve in the communities that need it most.

Sung Hee Choe 12:47

Yeah. I mean, the workforce is such an essential component, but when you think about solving this broader challenge and access, affordability, what other long-term investments do you hope to achieve in advancing these goals?

Matt Meyer 13:07

Well, again, the first thing is we are eager to see—immediately in front of us today, you talk about long-term goals, if Medicaid work requirements, which aren't really met, they're a pernicious attempt to reduce Medicaid rolls and take health care away from people that need it, if those actually go into—by the good fortune of our system, a judge has delayed their implementation a few months. Those should never go into effect. They're un-American. The ACA subsidies that went away—when you take health care away from people—my wife reminds me, she comes home from a shift and she reminds me, people talk about universal health care in this country, wanting universal health care as an aspiration, we have universal health care in this country. Universal health care is people going to the emergency room. And by EMTALA, by federal law, she cannot turn people away. So, we have universal health care, but we're sending people to the wrong place at the wrong time to get the wrong care for the wrong price. So, all that needs to happen is we need to reorient universal care to make sure there are incentives for people to get the right care at the right time. I think in many cases, it should be free, right? Free. I said it, free. Paid for by all of us, collectively. And what that would do, I believe it would unleash wealth for all of us. It would mean when you go to your local emergency room, for a serious emergency, you don't have to wait an hour or two or five or 10 or 15. The people who are in the emergency room are people who truly have emergencies,

much reduced population, and the experts in the emergency room can focus on emergency care rather than dialysis for immigrants and all this other stuff, mental health stuff that they're working on, just because our system's broken.

Sung Hee Choe 14:59

Now, I would be remiss if I did not acknowledge the audience that we bring together here at the summit: private sector, philanthropic sector. How would you like to see them work alongside you to advance health for all?

Matt Meyer 15:16

Great. The first thing is, what are governments good at? Governments are good at de-risking investments, right? You look at investments, you're like, "Oh, that's really risky. That's something our board or our funders don't want to take on but could ultimately be good to create value for people in our country and our community." Government's good at de-risking that, doing something, making some contribution or doing something to reduce your risk. What government's not good at is moving quickly. We're working on that in Delaware, but we're not good at moving quickly, and there are certain things where philanthropy can move quickly. We also have had some success in Delaware working with philanthropy on outcomes-based budgeting approaches: pay-for-success, social impact bonds. In my prior job, when I ran our state's largest county, we took some COVID money and bought one of the largest hotels in the state and turned it into a homeless shelter. And that homeless shelter partnered with ChristianaCare, with our hospital system, to provide respite care. And it's been an extraordinary success. The data shows it's been through-the-roof successful in taking people who are chronically unhoused, and, after a three-month program, they leave and a sizable percentage of them go into permanent stable housing. What we've tried to do is increase that number, the success number, and we formulated a proposal: we got a federal SIPPRA grant when Biden was president, partnered with philanthropy, where, it's a pay-for-success model, where philanthropy, if the private sector can manage people as they leave the facility to greater success levels, the government will actually pay philanthropy back for that. And the philanthropists have said, "Hey, if you pay us back, we're actually going to reinvest." So, it creates something that was not necessarily sustainable and introduces a sustainability approach. I should add one more thing on the medical school. We have funding through the federal Rural Health Transformation fund. I think you're going to see Dr. Oz later tonight. If you see Dr. Oz, please tell him thank you. I don't agree with everything this administration does, but when you find areas we can agree—we've partnered to improve health and livelihood in our state. There's a five-year timeline on the money, as there often is with government. We're partnering with philanthropy to set up an endowment to make sure that that concern about financial sustainability of the institution is not something we need to worry about long term.

Sung Hee Choe 17:46

Yeah. Well, thank you for providing those examples because I think when we come together at events like this summit, it is with the expectation that we will all work together and that there is not one sector alone that will solve the problems of our health-care system. And, so, I appreciate those specifics.

Matt Meyer 18:07

Thank you, Sung Hee. Yeah. Just one thing, just to make a direct, unabashed plea. I am a huge fan of outcomes-based budgeting, outcomes-based approaches. If there's anyone in this room who has, and it

annoys the heck out of my team because I will sit with you and talk with you about it to try to figure out, if you have some idea about how we can partner aligning incentives appropriately in health, or quite frankly in other areas: I am all ears.

Sung Hee Choe 18:36

Well, I think you'll have a lot of takers on that one. That is something that comes up in a lot of the conversations that we've had, actually over the past 24 hours. So, I hope your team is ready for the influx. Our time is coming to an end, but we often think about our government leaders and holding them accountable to their promises. So, if we were to be here together again a couple of years from now, what should we hold you accountable to? What are the metrics for success that we should be monitoring you on?

Matt Meyer 19:14

Well, number one, those of you who are in the DC area, when you retire to Delaware, I want you to be able to get a primary care doctor in Delaware. When you have your orthopedic surgery, you don't have to drive back to the DC area to see your orthopedic doctor, that's one metric, or wait four, five, six months for an MRI. We hope that kids in Delaware today, high school kids who want to be physicians—all my friends in high school who wanted to be doctors, who followed through with it, all left the state because they had to. There's no medical school in our state. The overwhelming majority of them never came back. So, we're hoping that when you measure Delawareans who go on to be physicians, they come to the state, and we hope quite a few kids who are educated outside the state come to the state. We also hope our hospitals and our physicians, according to national measures, provide an extraordinary level of care for a small state. The challenge is that the pricing is through the roof. We hope that the steps we've taken help to bring pricing down, and we hope that there's a much larger percentage of Delawareans who are going to primary care. Now, let me be clear. As I said at the outset, we are putting a Band-Aid on a gaping wound in that the national health-care environment is ridiculous. My hope nationally, if you ask, "What's the national metric?" I think that anybody who cannot afford to get health care should get free health care. I don't understand as a teacher—my background is education. Somebody asked me years ago, "How come in America education is free, but health care is not?" If I told you, your child, your nephew, your niece, your neighbors who don't have resources, do you want them to get free health care or free schools? I'm a parent. I want them to get both. How come we're choosing education and not health care? It's ridiculous. And what I see through my wife's eyes is that if we do that, and I know people talk about public option, talk about Medicaid for all, there are several ways it can be achieved, if we do that, it's going to unleash wealth for this country that my wife will see starting in the emergency room. I think all of us will recognize there's a value to us saying, "Hey, if you're not working for whatever reason, if you're an immigrant in our country, we still want you to get health care." If you are an immigrant in this room and have a communicable disease and aren't going to a doctor because you don't have health, I want you to go to the doctor and I want to incentivize you to go to a doctor. It's bad for my health and my family if you don't go. So, nationally, my metric is how do we make sure that we're not trying to put these Band-Aids on the health care at the state level to make sure that everyone truly has the health care that they deserve. This is 2026 America. The things that we can do to save people's lives are mind-blowing but somehow, we have not yet figured out as a society how to get everybody in our society a basic, decent level of care.

Sung Hee Choe 22:25

Yeah. Well, Governor, I think that one of the biggest takeaways I am taking away from this conversation is let's not just think of Delaware for its beautiful beaches on the Delaware Bay. My family has vacationed there and enjoys it thoroughly. But also, let's think of Delaware as being on the leading edge of world-class health care, but also quality and affordable health care. So, thank you so much for your leadership, and thank you so much for being with us today.

Matt Meyer 22:56

Thank you. Appreciate it.

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