

## Life In Brief

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**Political Party:** Republican Party

**Born:** September 26, 1970

**Birthplace:** Portsmouth, VA

**Ethnicity:** Other

### Education Summary:

- MPH, Johns Hopkins University School of Public Health, 1996
- BA, University of Maryland, College Park, 1993

### Family:

Husband: Sanjay Mishra

### Work History:

- Administrator, Centers for Medicare/Medicaid
- Vice President of Planning, Health & Hospital Corporation of Marion County
- Director, Association of State and Territorial Health Officials (ASTHO)
- President, Chief Executive Officer and Founder, SVC, Inc.

## Quick Summary

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**Former Medicaid consultant brought strong private sector and state-oriented instincts to CMS; leverages relationship with VP Mike Pence, who brought her into the administration from Indiana**

- Entered CMS position with Medicaid-heavy background
- First generation American grew up in a variety of locations; believes this experience made her an adaptable survivor

- Former consultant advised state governments on Medicaid, often focused on designing expansion waivers
- Verma's Healthy Indiana Plan (HIP) 2.0, which she developed for Pence, includes co-pays and premiums for Medicaid recipients
- Criticized by Democrats for Medicaid work requirement proposals and preferred Affordable Care Act (ACA) modifications
- Subject of multiple controversies related to CMS expenditures and her working relationship with Health and Human Services (HHS) Secretary Alex Azar

## Approach and Motivations

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**Careful to remain in Trump's good graces while she encouraging states to adopt consumer responsibility-oriented Medicaid reform**

- Criticism of ACA and Medicare for All earned Verma positive attention from Trump
- White House alliances (e.g. Pence) helped Verma survive bouts of negative press scrutiny and poor relationship with Azar
- Considers ACA's expansion of Medicaid to adults above the poverty line a threat to the program's fiscal viability
- Wants to give states leeway to introduce cost-sharing and incentives, which Verma believes will drive down overall Medicaid expenditures as beneficiaries take charge of their own health care

## Policy Position and Areas of Focus

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**Advocates for reducing government footprint in health care, including Medicaid and the ACA; Verma's CMS issued rule changes regarding price**

and record transparency for patients to drive down costs

**Medicaid: *Reducing government spending, increasing state flexibility***

- Architect of HIP 2.0; designed to encourage individual responsibility through cost-sharing incentives and penalties (e.g. removing beneficiaries from their plan for failing to contribute to their health savings account within 60 days)
- Changed waiver criteria to allow states to institute work requirements for Medicaid; plans have had mixed success in federal court

**Affordable Care Act: *Major critic***

- Supports repeal and replacement of the ACA; argued that CMS was ready for multiple scenarios if the law's status changes in court
- Blames the ACA for increasing premiums and making health care "unaffordable"
- Sharply reduced funding for Navigator programs, which spread awareness of and help consumers register for ACA marketplace

**Transparency in Health Care: *Enforcing transparency to lower costs for consumers***

- Believes consumer price knowledge and medical record access will lead to a cheaper and more competitive system
- Criticizes lack of price transparency for patients; released rule requiring hospitals to disclose prices over industry objections
- Interoperability and Patient Access final rule requires CMS-regulated payers to make patient records electronically accessible by January 2021; Verma envisions a system similar to mobile banking, where patients can access records on smartphones

## Core Communities

**Longtime Mike Pence ally has strong Indiana and state government connections; frequent industry event speaker**

**Indiana Governors: *Private consultant to IN leaders remains close Pence ally***

- Considered to be close ally of Mike Pence in the Trump administration
- Created first Healthy Indiana Plan under Gov. Mitch Daniels (R); donated \$2000 to Daniel's reelection campaign in 2008
- Had her own office at the state government center under Gov. Mike Pence; crafted HIP 2.0 to manage state Medicaid expansion
- Pence gave Verma the Sagamore of the Wabash award in 2016; top state honor

**State Medicaid Agencies: *Ran implementation of Republican-sought reforms and friendly with top advocacy group***

- While at SVC, Inc., her client list included contracts and subcontracts for states including IA, KY, OH, AR, SC, and TN
- Cited her familiarity with "day to day implementation" of health policy in states as a qualification for CMS job
- Praised for Medicaid expertise in 2017 speech by National Association of Medicaid Directors Matt Salo
- Spoke at 2019 National Association of Medicare Directors Fall Conference

**Health Care Industry: *Frequent speaker at industry events***

- Addresses variety of industry groups (e.g. Federation of American Hospitals, FAH)
- Uses speeches to highlight personal connections to different groups, including

experience working in hospitals (FAH) and doctors in her family (American Medical Assn.)

## Relevant Financial Information

### Affluent former consultant donates to IN Republicans

#### Political Donations

- Verma has exclusively donated to Indiana Republicans since 2008; largest contribution (\$2000) went to then-Gov. Mitch Daniels in 2008

#### Personal

- SVC Inc. earned over \$6 million from state contracts between 2011 and 2016
- 2016 financial disclosure lists \$2.1 million in “business income” from SVC, Inc. and a \$480,000 salary for Verma
- Verma sold SVC, Inc. to Michigan-based Health Management Associates in 2017; price of sale not disclosed

## Publications, Media and Speaking

In the Trump administration, maintained high visibility for non-cabinet member; op-eds and TV appearances aim to counter narrative that Trump administration was reducing health care coverage or benefits

### Publications: *Writes op-eds on hot-button health care issues appearing in national newspaper*

- Favorite Outlets: National papers (e.g. Washington Post)
- Favorite Subjects: Medicaid, Medicare, criticizing Democratic health care proposals (e.g. public option)

### Media: *Promotes and defends Trump health care agenda in TV interviews*

- Preferred Outlets: National broadcast (e.g. PBS) and cable outlets (e.g. CNBC, Fox News)
- Favorite Subjects: Failure of the ACA, Medicare and Medicaid reform
- Social Media Habits: Twitter account announces CMS actions and Verma’s TV appearances

### Speaking: *Discusses agenda in front of health industry and media audiences*

- Favorite Subjects: Medicaid reform, health care transparency
- Preferred Audience: Health care industry groups (e.g. National Association of Medicaid Directors), media events (e.g. Atlantic Live)

### Congressional Testimony: *Testifies on health care policy*

- EX: Testified before House Energy and Committee Subcommittee on Oversight and Investigations, October 2019

## Awards

- Sagamore of the Wabash, Office of IN Governor Mike Pence, 2016

## Family and Personal Background

Daughter of Indian immigrants shaped by upbringing, professional experience, and call to public service

- First generation American grew up in a variety of locations, including the Washington, D.C. suburbs and Taiwan; believes transient upbringing made her adaptable and a “survivor”
- Developed different political ideology from Democrat-supporting parents and has



acknowledged occasional family tension over politics

- Political convictions come from experience; cites formative experience working with government in a public hospital early in her career
- Chose public health field over practicing medicine for the opportunity to make a greater difference
- Claimed to have been an early supporter of President Trump; called him “someone I can relate to” because he opted for public service when it was not personally necessary
- Cites gratitude to the United States as primary motivator to enter public service; believes CMS role is her best opportunity to contribute

## Awards

- 2016 Sagamore of the Wabash award recipient; personal tribute is the “highest honor, which the Governor of Indiana bestows”

## Criticisms and Controversies

**Tenure in D.C. marked by feuds and controversy; simultaneous work for Hewlett Packard and state government in IN raised ethical concerns**

### Tension with HHS Leadership

- Relationship with former Secretary Tom Price characterized by acrimony and competitiveness
- Late 2019 press reports described animosity between Verma and Secretary Azar stemming from personal and policy disagreements
- Azar disapproved of Verma’s plan to replace the ACA, and Verma helped turn Trump against Azar’s plan to end drug rebates for pharmacy benefit managers

### Jewelry reimbursement request

- Requested a \$47,000 reimbursement from HHS after her items were stolen on a work trip; request included \$43,065 for jewelry
- Received \$2,852 for other items: HHS does not allow reimbursements for jewelry
- Some Congressional Democrats asked for her resignation

### Use of outside consultants at CMS

- Hired outside consultants for communications roles, who were paid a total of \$3 million
- Arranged for Verma to interview with high-profile news outlets and wrote her speeches
- Fed accusations that Verma used public money to burnish her own image

### Hewlett-Packard work

- HP paid SVC, Inc. \$1.2 million for “health consulting services” while Verma worked for IN
- HP had contracts under Verma’s purview in her role as a state contractor; won over \$500 million in contracts during this period, including on Verma-crafted HIP
- Then-IN House Health Committee Chair Ed Clere stated that there “appears to be the potential for conflict;” IN law does not forbid conflicts of interest among state contractors