

Life In Brief

Current Title: Secretary of Health & Human Services

Political Party: Republican Party

Born: June 17, 1967

Birthplace: Johnstown, PA

Ethnicity: White/Caucasian

Marital Status: Married

Education:

- Dartmouth College (NH), AB, 1988
- Yale Law School (CT), JD, 1991

Family:

2 children

Work History:

- Law Clerk for Judge J. Michael Luttig, U.S. Court of Appeals for the Fourth Circuit, 1991-1992
- Law Clerk for Associate Justice Antonin Scalia, Supreme Court of the United States, 1992-1993
- Associate Independent Counsel for Kenneth W. Starr, Office of the Independent Counsel, 1994-1996
- Associate, advancing to Partner, Wiley Rein, 1996-2001
- Senior Vice President of Corporate Affairs and Communications, Eli Lilly & Company, 2007-2009
- Vice President, Eli Lilly & Company, U.S. Managed Healthcare Services and the Puerto Rico affiliate, 2009-2012
- President, Lilly USA, LLC, a division of Eli Lilly & Company, 2012-2017

- Chairman and Founder, Seraphim Strategies, LLC, 2017-2017

Quick Summary

While his conservative legal background and pharmaceutical executive experience inform a limited government vision for the health care system, Azar has sought pragmatic solutions working for a president untied to Republican health care orthodoxy

- Clerked for Supreme Court Justice Scalia before investigating the Clintons in Ken Starr's independent council office
- Held high-level posts in the Bush Administration's Department of Health and Human Services (HHS) before taking top lobbying role with Eli Lilly
- Lilly USA increased insulin prices under Azar
- Affordable Care Act (ACA) critic believes free market principles of choice and competition can lower health insurance lower costs
- Publicly endorses policies at odds with his previous stances and former industry
- Implemented measures with bipartisan approval to reduce opioid-related deaths

Approach and Motivations

Combines conservative philosophy with accommodation on drug pricing; counterbalance to more ideological White House advisors

- Internalized principle that government action often leads to "diminished markets" as a law student; seeks to deregulate and decentralize health care market based on this axiom
- Guided by belief that price availability for consumers will lead to lower health care prices

- Former pharma executive has endorsed measured approach to lowering drug prices, while urging Trump away from more drastic proposals favored by Democrats
- Resists more ideological WH advisors in policy debates, including Domestic Policy Council Director Joe Grogan and former Chief of Staff Mick Mulvaney

Policy Position and Areas of Focus

Azar is one of the faces of Trump Administration health insurance, prescription drug, and opioid policy

Health Insurance: *Reforming the system through choice and competition*

- Criticizes the ACA as a costly and destabilizing expansion of a broken, government-driven system; has opposed full repeal of the law due to lack of a Republican alternative
- Believes enhanced competition and price transparency for consumers are the keys to lowering health care costs
- Working to transition Medicare and Medicaid to a value-based system, where providers are reimbursed based on outcomes instead of fee-for-service

Prescription Drugs: *Attempting to lower prices through HHS rule changes*

- Supports allowing states to import prescription drugs from Canada, reversing his previous position; requires Canadian participation and faces significant hurdles
- Rule finalized in 2019 allows Medicare Advantage plans to use “step therapy” (requiring patients to start treatment with

cheaper drugs before moving to more expensive options) for Part B drugs, with modest projected cost savings

- Introduced a rule in 2019 requiring drug companies to disclose the price of prescription drugs in advertising; struck down in federal court

Opioid Addiction: *Tackling urgent public health crisis through measures with bipartisan support*

- Implementing Trump Administration “5-Point Strategy” against opioid crisis; HHS has funneled billions to local communities
- Supports “harm reduction” strategies, including increasing naloxone prescriptions

Core Communities

Communities mirror career trajectory, from conservative law to the pharmaceutical industry

Conservative Law: *Relationships with high-profile conservative jurists and influential legal society propelled career*

- Clerked for conservative circuit judges Alex Kozinski (9th) and J. Michael Luttig (4th) and Supreme Court Justice Antonin Scalia; called himself a “devoted protégé of Justice Scalia”
- Worked for Independent Council Ken Starr on investigations related to former President Bill Clinton and his family
- Spoke at 2018 Federalist Society National Lawyers Convention; praised conservative legal organization as a “support group for those who care about our founding principles”

Bush 43 Alumni: *Top subordinates served with Azar in previous GOP administration's HHS*

- Director of the Center for Medicare Demetrios Kouzoukas and Deputy Secretary Eric Hargan occupied Deputy General Counsel position between 2003 and 2008
- Hargan held Principal Associate Deputy Secretary role between 2005 and 2007, while Azar was Deputy Secretary

Pharma Industry: *Former exec with industry ties*

- Former board member of lobbying group Biotechnology Innovation Organization
- Collected \$46,500 in speaking fees for pharma events after leaving Eli Lilly
- Consulting firm Seraphim Strategies clients include the National Pharmaceutical Council

Indiana Policymakers: *Knew key figures in Indianapolis*

- Developed relationships with VP Mike Pence and CMS head Seema Verma
- Contributed to VP Mike Pence's campaigns for governor

Political History

- General Counsel, Department of Health and Human Services, 2001-2005
- Deputy Secretary, Law Clerk for Justice Antonin Scalia, 2005-2007

Relevant Financial Information

Wealthy former executive has donated exclusively to Republicans over the last two decades; bulk of contributions have been to Indiana candidates

Political Donations

- Azar has donated nearly \$47,000 to Republican candidates since 1998

- Top recipients include Mitt Romney (2012 presidential campaign), IN Senator Todd Young, former IN Senator Daniel Coats, Mike Pence, and Jeb Bush (2016 presidential campaign)
- Approximately 60% of contributions have been to candidates running in Indiana

Personal

- Azar earned \$2 million in his last year as an Eli Lilly executive; collected \$1.6 million in severance and up \$1 million in profit from selling company stock

Publications, Media and Speaking

Visible Cabinet member writes op-eds and frequently appears on TV to defend Administration health policy; discusses health care in front of policy and industry audiences

Publications: *Publishes op-eds in daily newspapers to amplify administration health care messaging*

- Favorite Outlets: USA Today, McClatchy papers (e.g. Kansas City Star), NY Post, Washington Post, WSJ
- Favorite Subjects: Disease response, health care costs, opioids, drug prices, e-cigarettes

Media: *Frequent administration surrogate on national media discusses health policy and crisis response*

- Preferred Outlets: National broadcast and cable
- Favorite Subjects: ACA, drug prices, Medicare, coronavirus response
- Social Media Habits: Twitter account announces HHS actions, which have recently revolved around the COVID-19 response

Speaking: *Discusses health care policy at think tanks, policy forums, industry associations*

- Favorite Subjects: Drug prices, health insurance, mental health, disease outbreaks
- Preferred Audience: Think tanks (e.g. American Enterprise Institute), policy forums (e.g. World Health Care Congress), industry associations (American Association of Nurse Practitioners)

Congressional Testimony: *Testifies on HHS budget*

- Testified before the House Appropriations Labor, HHS, and Education Subcommittee about the administration's 2021 FY budget request, February 2020
- Testified before the House Energy and Commerce Subcommittee on Health about the administration's FY 2021 budget request, February 2020

Professional Affiliations

- Member of Board of Directors, American Council on Germany, 2010-2018
- Member of Board of Directors, Indianapolis Symphony Orchestra, 2008-2018
- Executive Committee Member, Healthcare Leadership Council, 2012-2017
- Treasurer, Healthcare Leadership Council, 2013-2017
- Member of Board of Trustee, Healthcare Leadership Council, 2008-2017
- Executive Committee Member, Yale Law School Association, 2010-2013
- Vice President, Yale Law School Association, 2011-2013
- Member of Board of Directors/Chairman of Human Resource Committee, Indianapolis Airport Authority, 2009-2012

- Member of Board of Directors, National Association of Manufacturers, 2008-2012

Awards

- Surgeon General's Medallion (Surgeon General of the United States Public Health Service, 2007)

Family and Personal Background

Son of a doctor from a rural region of Maryland joined conservative network at Yale Law School

- Son of an ophthalmologist; senior Alex Azar has practiced medicine for thirty years and runs the Azar Eye Institute in Salisbury, MD
- Maryland Eastern Shore native says he still feels connected to rural region and returns regularly
- Lifelong conservative said he found friends through the Federalist Society at Yale Law School

Criticisms and Controversies

Azar faced criticism for insulin price increases at Lilly USA under his leadership; tension between him and CMS Administrator Seema Verma has drawn press scrutiny

- | Eli | Lilly | tenure |
|---|-------|--------|
| <ul style="list-style-type: none">• While Azar was President of Eli Lilly's U.S. affiliate, the price of the company's most popular insulin drug doubled in 5 years• This practice contrasted with President Trump's stated desire to lower prescription drug costs and led most Democrats to oppose Azar's nomination | | |

Verma

tension

- In late 2019, press reports depicted a deteriorating relationship between Azar and Verma
- The Secretary and Administrator clashed over policy; 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
- Verma claimed that Azar presided over a sexist "boys club" at HHS; Azar reportedly regarded Verma as abrasive and willing to use accusations to achieve her goals
- VP Pence summoned them to a meeting in December 2019 in an attempt to resolve differences