



THE NEWSLETTER OF THE HEALTH INDUSTRY MANAGEMENT/BIOTECHNOLOGY ALUMNI ASSOCIATION • KELLOGG SCHOOL OF MANAGEMENT • NORTHWESTERN UNIVERSITY  
SUMMER 2008

## DAVID DRANOVE TO HEAD HEALTH AT KELLOGG

Dean Dipak Jain has recently announced that he has asked Professor David Dranove to head up a new Kellogg Program, entitled the Health Enterprise Management Program, which will be a closer integration of the Health Industry Management and the Biotechnology Programs.



David Dranove

The combined entity will generally be known as Health at Kellogg, and will consist of two tracks. One of the tracks will be oriented towards students who are interested in “product-oriented” careers in pharmaceuticals, biotechnology and medical devices. The other track will focus on students who are interested in “service-oriented” careers in healthcare consulting; healthcare financial services (investment banking; venture capital, etc.); healthcare institutional management; and public and private health insurance. Alicia

Löffler, PhD will oversee the first track and Joel Shalowitz, MD, MBA will oversee the second track.

The program is still in its transition stages so more details will be outlined at a later date. One important feature will be that there will be a required introductory course (HEMA 440) which will cover the full scope of the healthcare enterprise. The course will be taught jointly by Professors Shalowitz and

## SAVE THE DATES: OCTOBER 31 AND NOVEMBER 1, 2008

For the first time, the **MacEachern Symposium** and the student-led the **Business of Healthcare Conference** will be held in tandem this fall. The MacEachern Symposium will be held on Friday, October 31st; the Business of Healthcare Conference is now being scheduled for Saturday, November 1st. The MacEachern Symposium will be held at the James L. Allen Center on the Evanston Campus; the following day the Business of Healthcare conference will be held at the Jacobs Center, also on the Evanston Campus.

A special feature at this year's twenty-first MacEachern Symposium will be a “Forecasting Luncheon,” featuring some top economists and policy wonks prognosticating on what the then-

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## AN UPDATE ON DAVID DRANOVE:

In 1991 Kellogg lured David Dranove from the University of Chicago Graduate School of Business where he had been teaching as an Associate Professor of Business Economics since 1983. Dranove soon became a Professor in Kellogg's Department of Management and Strategy as well as a Professor of Health Industry Management. He recently served as Chairman of the Department of Management and Strategy, and now holds the Walter McNerney Distinguished Professorship in Health Industry Management.

David is one of the leading healthcare economists in the U.S. Although he started out with an undergraduate degree in biology from Cornell (like many, with medicine in his thoughts for the future) he decided the clinical world of medical practice was not for him. However, he became increasingly interested in the business of healthcare. He took an MBA from Cornell, yet wanted more. His professors suggested he pursue his graduate work at Stanford, which he did, graduating in 1983 with a Ph.D. in Economics. While at Stanford, David studied under Professor Alain Enthoven, and has maintained a strong interest in healthcare and medical economics, pharmaco-economic and health insurance issues throughout his career.

His very popular and rigorous "Healthcare Economics" class is highly subscribed to by budding consultants and by students in Health Industry Management. David, working with Management and Strategy colleagues David Besanko, Scott Schaeffer and Mark Shanley, has also helped to re-invigorate the introductory strategy course taught to Kellogg students. Their collaborative efforts have also resulted in a widely praised text book, *The Economics of Strategy*, which was published in 1995, and updated several times.

David is an active researcher and collaborator on healthcare related research topics, whose resultant articles have included: "Medical Bankruptcy: Myth versus Fact" (with Michael Millenson) *Health Affairs*, and "Is More Information Better? The Effects of Report Cards on Cardiovascular Providers and Consumers" (with Mark Satterthwaite, David Kessler, and Mark McClellan) *Journal of Political Economy* (June 2003) which won an NIH Best Paper of the Year Award as well as Kellogg's Stanley Reiter Award for Best Paper by a Kellogg faculty member. Indeed,

David has more than 50 articles in refereed journals, such as *Health Services Research*, *The Journal of Health Economics*, *Health Affairs* and in the *RAND Journal of Economics*. Professor Dranove also has six books to his credit, including *The Economic Evolution of American Healthcare: From Marcus Welby to Managed Care*, *What's Your Life Worth*, *Kellogg on Strategy* (with Sonia Marciano), and *Code Red*.

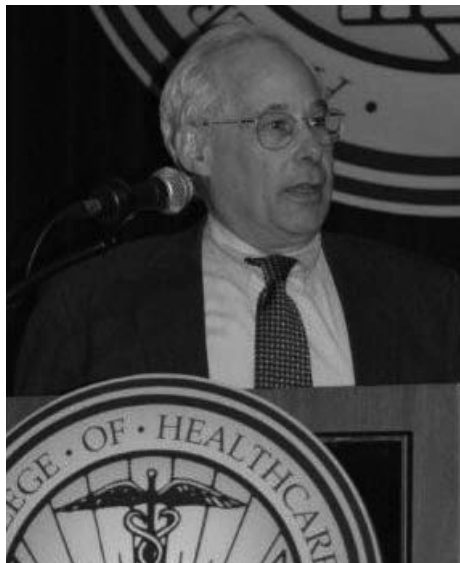
These books and articles are representative examples of David's willingness to challenge conventional wisdom by exploring new approaches to issues. Indeed, he and his co-authors have won several writing awards for their publications the American Academy of Medical Administrators top prize several times. David garnered the John D. Thompson Prize in Health Services Research in 1993 from AUPHA early in his career.

Additionally, David has gained a reputation as an expert economist for governmental bodies, in particular, the Federal Trade Commission, when antitrust and healthcare related mergers arise. David also heads a health economics research unit at Kellogg called CHIME, the Center for Health Industry Market Economics. He has been the principal investigator on more than 20 grants. As well he has served on the board of directors of several organizations, both healthcare-related and outside of the field.

A sports aficionado and fan of alternative rock music, David and his wife Deborah have two sons: Michael and David.

## HEALTHCARE QUALITY GURU DON BERWICK GIVES MACEachern LECTURE AT ACHE

The American College of Healthcare Executives held its annual Congress on Healthcare Leadership March 10-13, 2008, at the Hyatt Regency Hotel in Chicago.



Donald Berwick, MD, delivers the 2008 Malcolm MacEachern Memorial Lecture at ACHE.

One of the features of this yearly educational forum, attended by more than 5,000 healthcare executives from around the US and the globe is the Malcolm MacEachern Memorial Lecture, sponsored by Kellogg's Health Industry Management Alumni Association since 1961. Alumni Board President Patty Riskind represented Northwestern at the head table for the luncheon for 2,000 attendees at which the MacEachern lecture was held.

Donald Berwick, MD, President and CEO of the Institute for Healthcare Improvement in Boston

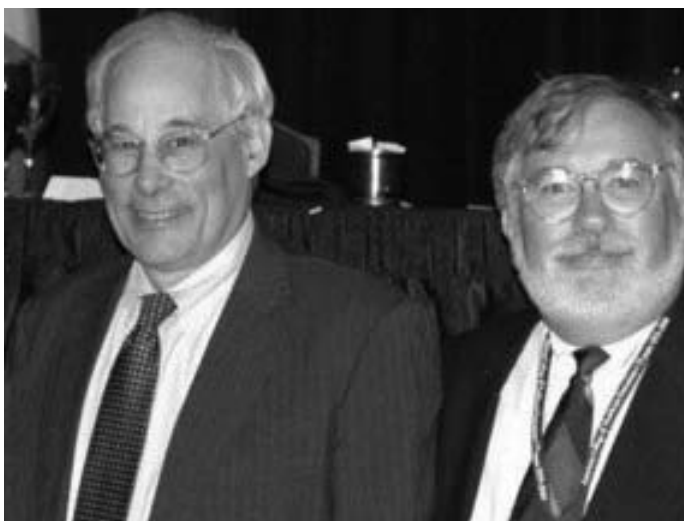


Nancy Hartman (L) joined by Joel Shalowitz, MD, MBA (R) in saying hello to Isobel MacEachern Soans, daughter of Dr. Malcolm MacEachern, at the lecture held at the ACHE annually in Dr. Mac's honor.

was the keynote speaker. Berwick is one of the leading lights in the healthcare quality movement. Improving patient safety involves more than the mere installation of technologies, techniques and rules, stated Berwick in his address. In the complex, interdependent world of providing healthcare, protecting patients from medically induced harm requires broad cultural changes and medical process redesigns. Berwick also focused on the educational and leadership tasks needed to implement these changes as well as the re-focusing needed to move from the

status quo to new models of executive leadership and governance to achieve these goals.

The Malcolm MacEachern, MD, Memorial Lecture was set up by Kellogg to honor the founder and first director of its Health Industry Management program.



Malcolm MacEachern Lecturer Donald Berwick, MD, joined by Jim Drury, Asst. Program Director, At the ACHE Congress on Healthcare.



## VENTURE SUMMIT TARGETS HEALTHCARE INNOVATORS

**Prologue:** Kellogg's Healthcare and Biotech Alumni Board Chair, Patty Riskind is president and CEO of PatientImpact, an Evanston company that was featured in a March 17th Chicago Tribune article, by Ann Meyer. Excerpts from that article follow.

### Companies that service health-care providers show excellent profit potential as country ages.

Patty Riskind's Internet company is getting physicians to improve their bedside manner. Her 3-year-old Evanston company, PatientImpact LLC, surveys patients about their experiences at a doctor's office, clinic or hospital, and delivers the results to healthcare providers so they can improve their practices.

The response rate from patients is 45 percent, much higher than other online surveys typically receive, said Riskind, the firm's chief executive who self-financed the start-up. "Patients rarely get surveyed when they go to the doctor, so it's like, "Wow the doctor is asking for my feedback," she said.

PatientImpact is one of about 100 young companies who presented at the Midwest Venture Summit. The event includes a prize of \$70,000 to one company in honor of angel investor Bob Geras' 70th birthday.

### Eye on segment

Health-care start-ups are well represented this year, and many investors have a keen eye on the segment." One out of every six dollars of (gross domestic product) is going into health care. That's worth paying attention to," said Brian Scullion, MD, MBA, principle at William Blair & Co. in Chicago and a Kellogg '97 graduate.



Healthcare entrepreneur Patty Riskind won top honors at Venture Capital Summit.

The market for health-care innovation is growing rapidly with the aging of the population, said David Koo, senior partner at RoundTable Healthcare Partners, a health-care-focused private-equity firm in Lake Forest. The 65-and-older segment represents about 13 percent of the total U.S. population but 45 percent of the nation's health-care expenditures. The segment is expected to hit 20 percent of the U.S. population in about 20 years, he said. "There are lots of interesting ways to play on that trend," he said.

### Targeting Providers

Instead of marketing to those consumers directly, companies that target health-care providers might have an easier time making money, Koo said, because 87 percent of health-care expenditures are paid for by government or private insur-

ance. As a result, many business-to-business health-care start-ups are being created.

Medical Technology Systems Inc., a Chicago start-up, is looking for \$500,000 to \$600,000 in investment funds to bring to market an automated wheelchair seating system that reduces pressure sores by alternating posture approximately every 10 minutes.

"There are a huge number of elderly people who are going to need to sit in wheelchairs, and this system will improve their quality of life," said Mohsen Makhsous, co-founder and chief scientist who is also an assistant professor in the department of physical therapy and human movement sciences at Northwestern University.

The company has received several grants from the National Institutes of Health, but now needs funds to produce the product and roll it out to market, said Steve Wasko, president of Wasko Associates, an executive adviser to the company.

The start-up plans to sell its product, the Intelligent Pressure Ulcer Prevention Cushion, to wheelchair users through hospitals, rehab centers and therapists. But Makhsous also sees future opportunities for similar seating systems in cars; trucks and airplanes that will help prevent lower back pain among travelers.

### Internet-based services

Although new medical devices and pharmaceuticals generally take

*Continued on page 6...*

# VENTURE SUMMIT TARGETS HEALTHCARE INNOVATORS

## CONTINUED

years to develop and launch, many entrepreneurs are finding easier ways to tap into the growing health-care market with information companies and through Internet-based services designed to improve the patient experience, said investor Koo.

Emile Cambry Jr., who just finished course work at Northwestern University's Kellogg School of Management, is launching SavvyDoc.com with partner Dr. William Dorsey. The Web site will let patients make appointments online with doctors and dentists and provide a platform for doctors to present profiles or videos, said Cambry.

The site, currently in private testing, is loosely modeled on OpenTable, which gives consumers a way to make restaurant reservations online, he said. Patients will be able to log on to SavvyDoc.com to see when a doctor or dentist has an opening. "The physician isn't charged unless someone attends that appointment," said Cambry, who is looking for \$3 million to roll out the concept to 10 major markets.

Meantime, Riskind at PatientImpact hopes to raise \$3 million to \$5 million from investors. The company serves about 1,400 providers, and Riskind projects the number will grow to 3,500 this year.



HIM/B Board Chairman Patty Riskind (with Jim Drury) representing Kellogg at the MacEachern Luncheon head table.

### Growing interest

The company has received growing interest from hospitals this year because of a new government requirement for patient satisfaction information, said Riskind, who worked in the health-care industry for 20 years, providing information for strategic planning and marketing. Government scores will be available to the public, spurring many providers to turn to PatientImpact's private assessments.

Most of PatientImpact's surveys are delivered and completed via email.

Doctors pay for the feedback because they want to know where to improve.

"We've seen physicians change their behavior," Riskind said. When they see low scores, they

might turn to their peers and say, "What are you doing differently? What should I be doing?" she said.

**Epilogue:** Uber angel investor Bob Geras handed an effusive Patricia Riskind, President and CEO of PatientImpact LLC, a check for \$70,000 during the sold out 2008 Midwest Venture Summit (MVS) in Chicago. Geras regaled the crowd with his wit and wisdom peppered with George Carlin and John Lennon quotes, before announcing the name of the company he had selected from among the 24 early stage presentations. PatientImpact helps healthcare providers better understand their patient customers through its proprietary web-based outcomes measurement application that captures patient feedback in real time. Geras reviewed all 24 business plans prior to the event and chose

*the winner on key investment criteria including: differentiated product, market opportunity, and management team. Geras chose the award sum to celebrate his 70th birthday by “giving back to a community that has given him so much.”*

*“I’m thrilled to be recognized by the Midwest Venture Summit and Bob Geras; the \$70,000 is just what our company needs to accelerate our sales and marketing initiative,” says Patricia Riskind. “PatientImpact is the kind of company that can really put this money to use. Patricia had bootstrapped it for four years with her own cash. This is a situation where even a modest infusion of cash can really take her to the next level. She represents the best type of Chicago entrepreneurial spirit,” says Bob Geras, CEO of LaSalle Investments.*

*The Midwest Venture Summit is the premier venture capital event for entrepreneurs and investors in the 13 state “Greater Midwest” area and draws attendees from IA, IL, IN, KY, MI, MN, MO, NE, ND, OH, Western PA, SD and WI. Prior year MVS presenting companies have received over \$222 million in VC funding to date.*

***Congratulations, Patty!***

## Academy Health: 25th Anniversary Fete



Professor Edward F.X. Hughes, MD, MPH, was recognized as a Founding Member of the Association for Health Services Research (now Academy Health), now 25 years old.



AHSR Founders honored.



Founding Members discuss early meeting and issues; among the panelists were the following founders: Stuart Altman, Brandeis University; Ronald Andersen, University of California, Los Angeles; Robert Brook RAND Corporation; Gordon DeFries, University of North Carolina at chapel Hill; Cliff Gaus, Health Professor, Inc.; Edward Hughes, Northwestern University; Representative Mitch Greenlick, Oregon State House of Representative; Lawrence Lewin, Executive Consultant; Barbara McNeil, Harvard Business School; William Pierskalla, University of California, Los Angeles.



## KOTLER, SHALOWITZ PEN NEW BOOK ON STRATEGIC MARKETING IN HEALTHCARE

Joel Shalowitz has teamed up with Kellogg's marketing guru Phil Kotler, and with marketing consultant Robert J. Stevens, to produce a comprehensive new volume on marketing for healthcare organizations. The 576 page book is entitled *Strategic Marketing For Health Care Organizations: Building A Customer-Driven Health System*. The publisher is Jossey-Bass. One of the key attributes of the book is that it looks at marketing all along the value chain from pharma, biotech and medical devices along to hospitals, medical groups and managed care and health insurance.

The text offers an authoritative introduction to strategic marketing in health care and presents a wealth of ideas for gaining the competitive edge in the health care arena. Step by step the authors show how real companies build and implement effective strategies. It includes mar-

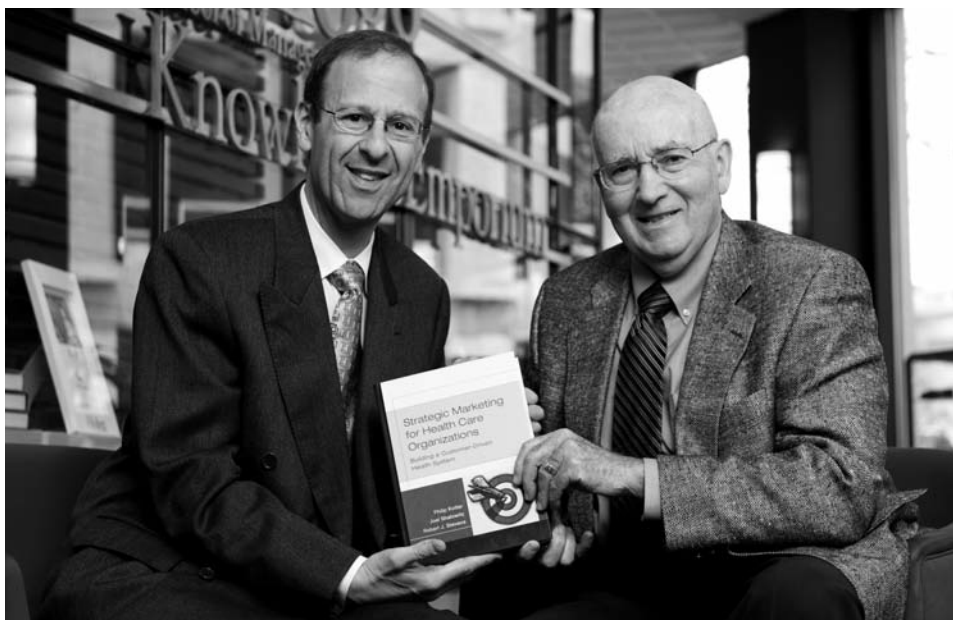
keting approaches through a wide range of perspectives: hospitals, physician practices, social marketing, international health, managed care, medical devices, pharmaceuticals, and biotechnology.

The book is divided into four parts, following a managerial process.

- Part One (Chapters One to Four) deals with understanding the health care system and the role of marketing. We define a health care system, the providers and institutions it comprises, the determinants of health care utilization, and the role played by strategy and marketing planning.
- Part Two (Chapters Five to Eight) describes ways to analyze the users of the health care systems. We explain how consumers and businesses

make their health care decisions, how marketing information can be gathered, and how health care organizations can segment, target, and distinctively position their products and services within the health care marketplace.

- Part Three (Chapters Nine to Fourteen) examines the various tools of the marketing mix available to health care providers. The main tools are product and service development, branding, pricing, distribution, and communication and promotion.
- Part Four (Chapter Fifteen) explains how health care providers can organize their marketing resources, implement their marketing plans, and use control tools to reach their stated goals.



Joel Shalowitz and Philip Kotler show off their new joint venture.

The authors of this new volume are mostly familiar to Kellogg audiences:

**Philip Kotler** is the S.C. Johnson & Son Professor of International Marketing at Kellogg. He has been honored as one of the world's leading marketing thinkers. He received his M.A. degree in economics from the University of Chicago and his Ph.D. Degree at Massachusetts Institute of Technology (M.I.T.). He has published over one hundred articles and forty books including *Marketing Management*.



## NEW BOOK, CONTINUED

**Joel Shalowitz** is professor and director of the Health Industry Management Program at Kellogg. He is also a professor of medicine and preventive medicine at the Northwestern University Feinberg School of Medicine. He received his bachelor's and M.D. degrees from Brown University and completed his internal residency and his M.B.A. degree from Northwestern University. He also completed post-graduate medical training at Northwestern. He currently teaches courses on the U/S health care system as well as international health care systems. Dr. Shalowitz received a Fulbright Scholarship in 2004 to the Schulich School of Business at York University in Toronto, where he is now a visiting professor. In 2007 he was a Fulbright Senior Specialist and visiting professor at Keio University Medical School in Tokyo.

**Robert J. Stevens** is president of Health Centric Marketing Services, a health care marketing research firm. He teaches executives health care marketing as an Adjunct Professor at the School of Public Health at the University of North Carolina-Chapel Hill. Bob has a B.A. from Colgate University, an M.A. from Duke University and M.B.A. degree from the Kellogg School at Northwestern University. His background includes executive marketing positions with a health care consumer package goods company and a health care system.

## FACULTY SALUTE '08 GRADS IN HEALTHCARE/BIOTECH PROGRAMS



HEMA Faculty and students saluted the end of the school year and, in a few days, graduation. Front row (from left): Professors Leemore Dafny, Joel Shalowitz, David Dranove, student Seth Benson, and research Asst. Professor Andrew Sfekas. Second row (from left): Prof. E.F.X. Hughes, students: Brian Flyg, Xiaolei (Ed) Zhang, Sean Pokorny, MD, Noah Brown, Professor Tim Calkins and Asst. Program Director Jim Drury.



New graduates Virginia Houck (l) Hamilton Shawn and Ed Tufaro(r) relax at the program celebration.

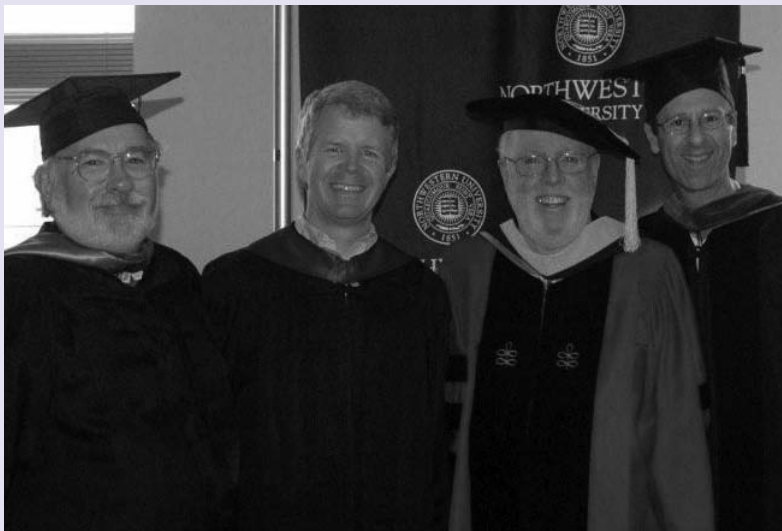
## MEDICAL INNOVATION COURSE WOWS STUDENTS

Professor Alicia Löffler (Kellogg) has developed a new course which focuses on medical devices. Joining Alicia Löffler in teaching in the course are Professors Mike Marasco (of the McCormick School of Engineering), Patrick McCarthy (of the Weinberg School) and Clinton Francis (of NU's Law School). "Medical Innovation", leads students through the innovation life cycle from ideation to prototyping and includes topics on legal protection, market sizing and business plan development.

"Medical Innovation", is a two quarter course with 80+ students. It focuses on identifying unmet clinical needs followed by medical technology solutions to address these needs. Teams developed a product/prototype for different medical specialties in cardiology, neurology, surgery, radiology, ENT, orthopedics or emergency medicine. Students presented their "elevator pitch" for the prototypes to executives from leading health-care corporations: Baxter, Edwards Lifesciences, Covidien,

Boston Scientific, Medtronic and Abbott, to name a few. Each team receives up to \$15,000 to fund a prototype medical device. Teams will then present their business plans to venture capitalists as a final class project.

### KELLOGG GRADUATION 2008



A quick "photo opportunity" before the graduation ceremony began: Asst. Program Director Jim Drury (l) with Professors Tim Calkins, Edward F.X. Hughes and Joel Shalowitz.



2008 L.G. Lavengood Award Winner as Kellogg's Teacher of the Year, Harry Kraemer has a reflective moment on stage prior to his speech to the graduates. Beside him is Kellogg benefactor Adolfo Autrey.

## SAVE THE DATES: CONTINUED

imminent national election will mean for healthcare delivery, health and life sciences research and health policy.



Professor Mark V. Pauly, Bendheim Professor; Professor of Health Care Systems, Business and Public Policy, Insurance and Risk Management, and Economics, Wharton School, University of Pennsylvania.

Prior to the luncheon, the morning of the 31st will be devoted to the symposium. This year's presentation, the 32nd keynote lecture, The MacEachern Address, will be given by **Mark V. Pauly, PhD**, the Bendheim Professor at the Wharton School, University of Pennsylvania, where he is also Professor of Healthcare Systems, Insurance and Risk Management, Business and Public Policy and of Economics. An internationally known expert on health economics, insurance and policy, he has been a consultant to many leading hospital associations, pharmaceutical firms and policy institutes and is an acknowledged thought leader in the field of healthcare.



The Honorable Tony Clement, Health Minister of Canada.

Also on the program will be the **Honorable Tony Clement**, Minister for Health for the Government of Canada.

As Health Minister, Mr. Clement has overseen the creation of the Canadian Partnership Against Cancer and the establishment of the Mental Health Commission as well as primary care reform, a successful Telehealth system, and leadership of the department as it responded to SARS.

Prior to this, Mr. Clement was a member of Ontario's provincial legislature from 1995 to 2003, and during that time held a number of cabinet portfolios. He has a Bachelor of Arts in political science and a law degree from the University of Toronto and was a practicing lawyer before entering the government. As Minister of Health he oversees a 28 billion dollar (Canadian) budget and is responsible to Parliament for some

20 health-related laws and associated regulatory bodies that oversee the programs and policies of the Department.

There will also be several panels during the symposium, as well as at the luncheon, most of which is currently being planned. Likewise, the Business of Healthcare conference is still in the planning stages, and more will be shared with you at a later date. But we encourage you to hold both dates on your calendar.

## HARVARD PROFESSOR REGINA HERZLINGER, PhD, DELIVERS 31ST MACEachern LECTURE

The James L Allen Center was the venue last fall for the 31st iteration of the lecture set up to honor the founder of the Health Industry Management Program, Malcolm MacEachern, MD.

Regina Herzlinger, PhD, Nancy R. McPherson Professor of Business Administration at the Harvard Business School and Senior Fellow at the Manhattan Institute, gave the 2007 Malcolm MacEachern Memorial Lecture based on research for her new book, *Who Killed Health Care? America's \$2 Trillion Medical Problem – And the Consumer-Driven Cure*. Indeed, Dr. Herzlinger has often been referred to as the “Godmother of Consumer-Driven Health Care.”

Dr. Herzlinger started her lecture identifying symptoms of the death of healthcare in the U.S.; among them:

- Very uneven quality-nearly 300,000 killed by hospital errors in the last 3 years
- It hurts our global competitiveness when GM pays \$1600/per employee for healthcare, Toyota only \$100.
- 40 million+ residents of U.S are uninsured

She identified the killers as: hospitals, insurers and the U.S. Government.

Professor Herzlinger offered that Consumer-Driven Healthcare would help rectify the situation. She suggested a look at Switzerland



Harvard Business School Professor Regina Herzlinger, PhD, gives 31st Malcolm MacEachern Lecture.



as a role model for what we should aim for in healthcare:

- All consumers buy their own health insurance (no Medicaid)
- Insurers risk-adjust each other
- Excellent consumer info about price and quality in insurance plans
- Swiss spend 11% of GDP on healthcare, U.S. spends 17%

Professor Herzlinger then went on to lay out her consumer driven healthcare would work and how it would impact patients, doctors, pharma and device firms, hospitals insurers and the government.

Dr. Herzlinger was the first woman to be tenured at the Harvard Business School. Professor Herzlinger received her Bachelor's Degree from MIT and her doctorate from Harvard Business School.

She is widely recognized for her innovative research in health care, including her early predictions of the unraveling of managed care and the rise of consumer-driven health care, as well as health care's evolving into focused factories - two terms which she coined. Dr. Herzlinger's research has been profiled in industry journals and business publications, most recently in *The Economist* and *Fortune*.

For her research and writing, she has won the American College of Healthcare Executives' James A. Hamilton Book of the Year Award twice, the Academy of Healthcare Executives Research Award three times, the HFMA's Board of Directors award, and *Management Accounting's* research prize. She has twice been elected one of the "100 Most Powerful People in

Healthcare" by *Modern Healthcare*. Dr. Herzlinger is a frequent keynoter at the annual meetings of large health care and business groups and she is proud to have been elected by her students as one of the outstanding instructors of the Harvard Business School MBA Class.

Dr. Herzlinger's authority on health care was solidified by the success of her previous books: in *Market-Driven Health Care*, she addressed the need to reform the way health care is supplied; in *Consumer-Driven Health Care*, she reviewed the way health insurance is supplied. With her newest achievement, *Who Killed Health Care?*, Dr. Herzlinger issues a call to arms to revolutionize our health care system with a consumer-driven cure.



The Godmother of Consumer-Driven Healthcare discusses reforming the U.S. healthcare system, before a rapt audience at the James L. Allen Center.

## HEALTH AT KELLOGG'S COMBINED FORCES PACKS POWERFUL EXEC ED PUNCH

One of Kellogg's Centers of Excellence is its highly regarded Executive Education division, centered at its conference center, the James L. Allen Center.

Under this umbrella of executive education both the Health Industry Management program and the Biotech program have carved out strong niches as important players in the national healthcare and Life Sciences marketplace.

In collaboration with **The Johns Hopkins Medical School**, the **Center for Biotechnology** has developed twin programs "Business for Scientists" and its counterpart "Science for Managers". The initial Business for Scientists was offered at Johns Hopkins Medical School and brought Kellogg faculty to Baltimore to review the basics of business plan development for medical scholars and scientists associated with that organization. A similar offering was then given in Chicago, entitled "Business for Scientists and Engineers", to faculty from Northwestern's Feinberg School of Medicine, the McCormick School Engineering and the Weinberg College of Arts and Sciences faculty. The three-module course provided offerings in leadership, team building and the management of research and innovation. Participants were challenged and provided with useful tools and techniques to participate in an entrepreneurial start up, or to better run their department or their lab.

Another program offering was with the United Nations' **World Intellectual Property Organization** (WIPO). The course offered was "Strategies for the Management of Intellectual Property", and it added a global reach to the Center's offerings. The course will be repeated in June 2008.

An educational offering, called the Stem Cell Symposium, for 140 Chicago grade and high school and junior college teachers, among others, was also organized earlier this year by **Kellogg's Center for Biotechnology** along with the **Biotech Institute** and the **Chicago Council on Science and Technology**. The program addressed the science, ethics and policies regarding stem cell research. This program better enabled these teachers to both engage their students about biotech topics but to also to clearly address questions about national policy in this area. [See accompanying article on Stem Cell Research at Northwestern]

The Health Industry Management Program (HIMP) continues to be one of the most active and successful programs within MBA schools that offering healthcare-related executive education. HIMP has had many influential and prestigious clients over the last fifteen years. These programs provided dividends which enabled the HIM Program to put more than \$1 million in a student scholarship fund for healthcare majors, which has since grown into a \$4 million fund.

The revenue from these educational programs has also assisted the Program in paying for research materials, course buy-offs, professional journals and publications, and attendance at professional/research meetings for faculty in the HIM Program.

HIMP has had a long, robust and fruitful relationship with the **American Orthopaedic Association**, a prestigious national and international society for leading orthopaedic surgeons. We have developed and held over 18 leadership seminars for the associations members and will continue to hold programs for them in 2008/2009. These programs fell into an initial set of 3 weekend programs focusing on various aspects of leadership development. These sessions proved to be extremely successful and those orthopods who completed the initial set of 3 modules (I, II, III) wanted more. Again a survey was made of AOA member's needs, an RFP was sent to 20 business schools for responses and Kellogg was again selected to offer modules IV, V and VI, which are now being presented through 2009.

In addition, for more than 10 years the HIM Program has organized a week-long executive education program entitled "Strategic Marketing for the Healthcare Industry." The program is held in cooperation with **Healthcare Communications and Marketing Association** (formerly MMA, the Medical Marketing Association). The program is offered each year in

October (or November) and attracts marketers in the pharmaceutical, medical device, biotech and diagnostics industries. It has been very well received by those attending the program and generally attracts 40 or more attendees each year.

This year HIMP also presented the 16th Annual Institute for Nursing Leadership, with the **Illinois Organization for Nurse Leaders**, in February of 2008. This 4-day program attracts nurse executives from IL and other Midwestern states as well as from around the U.S. It has attracted about 40-50 attendees the last several years.

A new client last year was the **American Medical Association**. The AMA CEO Michael Maves, MD contacted HIMP about developing a board education program for the AMA Board of Directors, for heads of major committees as well as for senior AMA staff. We developed a four-day program aimed at developing organizational change. The participants were extremely enthusiastic in their praise for the program. Dr. Maves has contacted us about developing a program in October of 2008 for AMA leaders and state Medical Society CEO's.

The program also provides support to Prof. Edwards F.X. Hughes, MD, for several programs he has brought to campus. The first is an annual program for AHIP, **America's Health Insurance Plans**, and the nation's premier association for health insurance executives based in Washington, D.C. The association has a credentialing program whereby those interested in becoming a certified health insurance executive are required to take a series of contin-

uing education modules, of which a major component is a week-long executive education program at Kellogg. This program was initially at Wharton, but it moved to Kellogg 12 years ago where it has stayed. There have been 60-65 attendees (executives and physicians) in recent programs.

The second program of which Prof. Hughes is Academic Director is for RAPS, the **Regulatory Affairs Professional Society**, based in Rockville, MD. The association's 8,000 members are executives of pharmaceutical, medical device and related companies who are responsible for getting state, national and international regulatory agencies to approve or license medical pharmaceutical or biotech products. We do two programs per year for this group, one in June and one in December.

As well, Professor Thomas Prince, PhD, serves as Academic Director for several programs run for the membership of the **American Dental Association**. The ADA's two programs are the ADA/Kellogg Executive Management Program and also the ADA's Institute for Diversity in Leadership.

The ADA/Kellogg Executive Management Program now in its fourth year is designed for dentists seeking to broaden business knowledge. The program is based on the core curriculum of Kellogg MBA students, with study areas covering business strategy, organizational leadership, marketing finance, accounting, economics, quantitative methods and information systems. Program participants spend three rigorous five-day sessions at Northwestern University's Chicago campus.

The Diversity Institute is a year-long educational experience for 12 emerging dental leaders. The program seeks to build a lifetime network of supportive relationships among alumni as they move on to other leadership roles for their communities and the profession. The emphasis of the Institute is on building personal leadership skills. The Institute class attends a series of three training sessions conducted in a small group setting by faculty from the Kellogg School of Management. Participants hone their skills by completing an individual leadership project, with guidance of Kellogg faculty and mentors from the profession.

Finally, HIMP's Assistant Director, James Drury serves as the Academic Director of an Executive Education Division annual 4-day program for the AAPD. Each year about 35 selected dentists attend as a cohort 3 four-day modules over a 3-year period of time. The program for this leadership program covers a wide variety of topics which aim to equip pediatric dentists with a skill set which will make them more comfortable in leadership roles. This program is held each December at the Allen Center

Each of these programs has been custom-designed for the sponsors of the program. Our evaluations have shown that overwhelmingly these programs have been very well-received by the program constituents, as well as by the sponsoring organizations. Indeed, several sponsors have increased the number of programs requested from us over the years. This good working relationship has enabled us to meet our goal of putting more than \$4 million into a student scholarship fund for healthcare majors.



## STEM CELL RESEARCH AT NORTHWESTERN FEATURED AT A CONFERENCE SPONSORED BY THE CENTER FOR BIOTECHNOLOGY

*This article is an excerpt from one which appeared in CenterPiece (Spring2008) a magazine about research scholarship, technology, collaboration, and outreach at Northwestern University*

Mention stem cell research and most people will have a strong reaction. Some oppose it. Many do not understand it. Others see it as an amazing source of revolutionary medical advancement.

Many research scientists and teachers at Northwestern fall into the third group. They have seen the potential of stem cells in treating diseases and conditions such as Parkinson's, juvenile diabetes, spinal cord injuries, and cancer.

Stem cells are undifferentiated cells that can both renew or replicate themselves and differentiate into other specialized cells. In other words, stem cells can divide indefinitely to provide as much tissue as needed for therapy, and they can be coaxed to develop into virtually any type of body cell.

The science of stem cell technology is fairly new. In 1998 a team of scientists from the University of Wisconsin-Madison was the first to isolate stem cells and keep them alive in the laboratory. Last year two American scientists—Mario R. Capecchi of the University of Utah and Oliver Smithies of the University of North Carolina— and



John Kellser and Sam Stupp

Welsh scientist Sir Martin J. Evans from Cardiff University won the Nobel Prize in Physiology or Medicine for their “discoveries of principles for introducing specific gene modifications in mice by the use of embryonic stem cells.”

What has pulled this scientific discovery into the headlines so that nearly every American has an opinion about stem cells is their source: human embryos. Embryonic stem cells are derived from a very early stage in human development. These cells are pluripotent, meaning that they have the potential to produce all of the body's cell types. There also are other types of stem cells.

### **Politics and Moral and Ethical Issues**

The furor arising from the creation of embryonic stem cell lines comes from those who find moral or ethi-

cal issues with the cells' origins and the process and means by which they are derived, explains Laurie Zoloth, Professor of Bioethics and Medical Humanities and Religion, and director of Northwestern's Center for Bioethics, Science and Society.

The furor arising from the creation of embryonic the sensitivity to these moral and ethical issues that prompted President George W. Bush's decision to limit federal funds for research only to stem cell lines made from embryos that were destroyed before August 9, 2001—the day he announced his policy. He claimed there were “more than 60 genetically diverse stem cell lines enough “to explore the promise and potential before have discovered that all of the stem cell lines derived August 9,

David Joel



2001 are contaminated with animal molecules from the culture medium used to sustain them.

Although public opinion now stands at more than 60 percent in favor of greater federal support for this research, the president has twice vetoed the Stem Cell Research Enhancement Act. According to Northwestern scientists who have testified in support of the act, limiting stem cell research has only delayed advances in this science. Therefore, several states have considered legislation or funding mechanisms to support this research and to attract and retain stem cell researchers.

The Illinois legislature passed the Illinois Regenerative Medicine Act in August 2007, permitting the Illinois Regenerative Medicine Institute (IRMI) to conduct stem cell research on cells from any source. In 2006 three Northwestern scientists received IRMI stem cell grants totaling almost \$3.5 million: Guillermo Ameer, biomedical engi-



Mary J.C. Hendrix

neering; Mary J.C. Hendrix, president and scientific director of the Children's Memorial Research Center and professor in The Robert H. Lurie Comprehensive Cancer Center of Northwestern University and at the Feinberg School of Medicine; and Xiaozhong A. Wang, biochemistry, molecular biology and cell biology. These researchers and others at Northwestern currently are doing pioneering work on stem cells.

### **Controlling Malignant Tumor Cells**

With support from IRMI and the National Cancer Institute, Hendrix and her colleagues have discovered that a protein governing the development of human embryonic stem cells also inhibits the growth and spread of malignant melanoma, the deadliest skin cancer. The protein, called Lefty, suppresses aggressive breast cancer cells as well. Lefty is secreted predominately by human embryonic stem cells and not by stem cells isolated from amniotic fluid, umbilical cord blood, adult bone marrow and placental cells.

This groundbreaking work by Hendrix and her colleagues is illuminating how aggressive melanoma cells, by becoming more like unspecialized stem cells, gain enhanced abilities to migrate, invade, and metastasize while remaining virtually undetected by the immune system

Results of the study are described in an article in the March 3 online version of the Proceedings of the National Academy of Sciences.



Laurie Zoloth

### **Repairing Damaged Spinal Cords**

In 2005 Northwestern University was named a Center of Excellence in Translational Human Stem Cell Research by the National Institutes of Health, one of two institutions to receive the prestigious NIH Center of Excellence grant. The principal investigator at Northwestern is John A. Kessler Professor of neurology, at the Feinberg School of Medicine.

Dr. Kessler directs research on the factors that influence the differentiation of human embryonic stem cells and works on combining unique biomaterials and human embryonic stem cells as a possible means to repair damaged spinal cords. Kessler is working with Samuel Stupp, Professor of Materials Science and Engineering, and of Chemistry and Medicine, and Director of the Institute for Bionanotechnology

*Continued on page 20...*

## DAVID DRANOVE TO HEAD HEALTH AT KELLOGG CONTINUED

Löffler. It is anticipated that several sections of the course will be taught, which will enhance availability to both full-time and part-time students.

When the faculty looked at a redesign of the curriculum for the new program, they took into account the needs and schedules of both full-time and part-time students. While students may chose to major in one track or the other, it is also possible to design a curriculum which will signify that you have special competencies in both concentrations within the Program. In general the requirements and the courses in each major are identified in the sidebar about the HEMA major.

Dranove also wants to re-invigorate the MacEachern Symposium with some new features, and plans to have it more closely allied with the Business of Healthcare Conference. More about this activity in an accompanying article. [See Save the Dates: October 31st and November 1st]

Professor Dranove laid out the rational for the new major. He said: Despite the distinction between a “services” track and a “products” track, there are several good reasons to combine HIMT and BIOT into a single major.

- Students in both majors share common interests and would like the opportunity to create a single health community.



Joel Shalowitz



Alicia Löffler

- There is a body of common knowledge (both institutional and conceptual) that students in both tracks should know. The new major will feature a common core course. There are additional courses in areas such as health economics and strategic management that inform students in both tracks.
- Students are often uncertain about which track they prefer and they highly value more flexibility in completing their major. Some students end up taking 4 or 5 combined courses in HIMT and BIOT without completing either major.
- Students in traditional biomedical products management are currently served by both majors.
- Two separate majors diffuses Kellogg's identity as a leading school for managers in the health sector.

The consolidation will also allow Professor Dranove to re-configure some of the office space in the 5th floor of the Jacobs Center. He plans on putting in a study room for students taking courses in the Health at Kellogg curriculum.

## The Health Enterprise Management (HEMA) Major

The major requirements are as follows:

- 1) **All students must take HEMA 440**, Introduction to Health Enterprise Management
- 2) **All students must take 3 additional courses** within either the *Health Industry Track* or the *Biotech and Medical Products Track*.
- 3) Of the 3 additional courses, **one must be specific to the chosen track**.

### *Required course*

HEMA 440 Introduction to Health Enterprise Management

### *Courses that count towards both the Health Industry and Biotech and Medical Products Tracks*

MGMT 444 Healthcare Economics

INTL 442 International Health Industry Management

MORS 454A/

HEMA 452B Advanced Strategic Management in Healthcare

### *Courses specific to the Health Industry Track*

HEMA 451 Legal Issues in Healthcare

HEMA 512 Health Industry Management Practicum

HEMA 441 Health Policy

ACCT 432 Info Technology in Healthcare Management

ACCT 479 Financial Assessment of Healthcare Entities

MGMT 469 Empirical Methods in Strategy

HEMA 911 Healthcare System Financing (tentative title)

### *Courses specific to the Biotech and Medical Products Track*

HEMA 513 Biotech and Medical Products Practicum

HEMA 915 Medical Innovations I

HEMA 916 Medical Innovations II

MGMT 463 Management of Technology

HEMA 914 Biomedical Marketing

FINC 932 Case Studies in Venture Investment

TECH 441 Intellectual Capital Management

HEMA 453 Managerial Challenges in Pharma, Biotech, and Device

## STEM CELL RESEARCH AT NORTHWESTERN CONTINUED

in Medicine, and his research group on regenerating the spinal cord. The nature of this research requires the marriage of medicine with technology, which is why Kessler and Stupp make such a powerful team.

By injecting molecules that were designed to self-assemble into nanostructures in spinal tissue, they have been able to rescue and regrow rapidly damaged neurons. The nanofibers—thousands of times thinner than a human hair—are the key to not only preventing the formation of harmful scar tissue that inhibits spinal cord healing, but also to stimulating the body into regenerating lost or damaged cells. Similar to earlier experiments that promoted bone growth, the Kessler-Stupp researchers now have successfully grown nerve cells using an artificial three-dimensional network of nanofibers, an important technique in regenerative medicine.

### **Developing Replacement Blood Vessels**

The funding given Guillermo Ameer, Professor of Biomedical Engineering, helps support studies of stem cell-based vascular tissue engineering to develop replacement blood vessels. Ameer and his collaborators believe their research may eventually eliminate the need to harvest existing blood vessels from patients with vascular disease in order to improve the performance of vascular grafts. For the in vivo approach to tissue or organ replacement, Ameer and his

research team develop scaffolds and techniques conducive to the reconstitution or maintenance of normal tissue microarchitecture. Disruption of normal tissue microarchitecture can lead to scarring or degeneration resulting in loss of or impaired function. Thus, they are working with and studying novel biomaterials and processing techniques to produce scaffolds suitable for tissue engineering. In particular they are interested in understanding the effects of scaffold characteristics on cellular and tissue development in order to prevent deleterious processes.

### **Using Bone Marrow Cells to Treat Autoimmune Conditions**

In the Feinberg Division of Immunotherapy for autoimmune diseases, division chief Richard K. Burt, Professor of Medicine, leads a multidisciplinary clinic- and laboratory-based program developing ways to use bone marrow stem cells and immune cells to treat conditions such as lupus, multiple sclerosis, rheumatoid arthritis, Crohn's disease, systemic sclerosis, myasthenia gravis, chronic inflammatory demyelinating polyneuropathy, and autoimmune blindness.

Researchers in this program have used adult stem cell injections to repair the immune systems of patients with early-onset Type 1 diabetes. After the therapy, patients did not require insulin for up to 35 months.

Also in the study, patients with Type 1 diabetes were treated with a high dose of immune suppression drugs followed by an intravenous injection of their own blood stem cells, which had previously been removed and treated. Burt said this is the first time, to his knowledge, that patients with Type 1 diabetes have been treated with their own stem cells.

"I think this treatment helped the body regenerate its immune system," said Burt, senior author of the study that was published in the *Journal of the American Medical Association*.

### **Using a Patients' Own Adult Stem Cells for Treating Blocked Arteries**

Douglas W. Losordo, director of Feinberg's Cardiovascular Research Institute and director of cardiovascular regenerative medicine at Northwestern Memorial Hospital, is an interventional cardiologist with an established basic science laboratory studying endothelial cell and stem cell biology, angiogenesis, and tissue repair and regeneration. He has launched the first U.S. trial in which a purified form of a subject's own adult stem cells is transplanted into leg muscles with severely blocked arteries to try to grow new small blood vessels and restore circulation. The first two subjects in the 20-site national trial recently underwent the stem





Douglas W. Losordo

cell transplant process at Northwestern Memorial Hospital.

The Northwestern-led Phase I/IIa study includes 75 people from around the country and targets patients who have exhausted all other medical options—including angioplasty, stents, and bypass surgery—to repair blocked circulation in their legs.

“They’re at the end of the therapeutic road and they’re ultimately facing potential amputation,” said Losordo, principal national investigator for the study. “This is hopefully a way to help them avoid that.

“The stem cells themselves can assemble into blood vessels,” Losordo said. “They can also secrete growth factors that stimulate and recruit other stem cells to come into the tissue and help with the repair. It’s an amazing biology we’re trying to leverage in these folks.”

“Northwestern Memorial Hospital has a major clinical program in bone marrow stem cell transplantation,” adds Kessler. “People sometimes forget that bone marrow transplantation is a stem cell therapy that has been used for more than 20 years.” Children’s Memorial Hospital also has an active program in pediatric bone marrow transplantation.

Kessler, Losordo, Stupp, Wang, and Zoloth are but a few of the many Northwestern research scientists who study stem cells, their origins and applications. Kessler, Losordo and Zoloth were among the speakers who represented the University at a conference held at Northwestern on February 22, the first of several planned nationwide by the Biotechnology Institute, a subsidiary of BIO, the national biotech association, and the National Academies. More than 140 people—including local high school and junior college educators—gathered to explore the minefields of teaching stem cell technology and other controversial sciences. The effort was sponsored at Northwestern by the **Biotechnology Center at the Kellogg School of Management**, the Office of STEM Education Partnerships, and the Office for Research Development along with the Chicago Council on Science and Technology and other regional university, industry and state partners.

## THE CHEST FOUNDATION AND KELLOGG START STUDENT CASE COMPETITION

Chicago is facing an asthma epidemic, which affects 630,000 children and adults each year. Asthma attacks send more than 70,000 Chicagoans to the emergency room annually, and Chicago's hospitalization rate for children with asthma is 70% higher than the national average. Chicago's annual asthma death rate is one of the highest in the nation at 120 deaths per year. Between 10% and 40% of people suffering from asthma remain undiagnosed. Among those who have been diagnosed and are experiencing breathing problems, 40% are not receiving treatment. The problem of undiagnosed and untreated asthma is particularly severe among Chicago's least advantaged communities.

The purpose of this competition is to encourage teams of students to develop new and creative sustainable organizational models that will provide the informational and behavioral assistance required to substantially increase the identification, education, prevention, and treatment of asthma among underserved populations in Chicago. The winning team will receive \$2,000 and the runner-up will receive \$1,000.

Each team will be assigned an advisor on behalf of The CHEST Foundation who will provide counsel on the proposals, as needed. These advisors are seasoned professionals from the health-care industry and social enterprise whose insights will enrich the quality of the proposals and provide

participants with additional knowledge of the subject area.

The two top teams will be selected as finalists and will give featured presentations at a dinner on May 8, 2008 that will be attended by the judges, along with leaders from business and government. At the conclusion of the dinner, the panel of judges will decide on a winner and a runner-up. The winning team and runner-up will receive \$2,000 and \$1,000 in prize money, respectively. This case competition is the collaborative effort of The CHEST Foundation, the Larry and Carol Levy Social Entrepreneurship Lab, and Kellogg's Social Impact Club, Health Industry Management Program, and Healthcare and Biotechnology Club.

### International Healthcare at Kellogg



Kellogg's Executive Education's 2008 International Hospital Management Program participants are pictured with Professor Joel Shalowitz (center), who taught a session to the Thai public hospital administrators.



Kellogg's James L Center was the venue for the 2008 International Hospital Management Program. Some of the participants are pictured with Dr. Edward F.X. Hughes (center). Dr. Hughes also gave a lecture to the attending hospital administrators from Thailand.

## MCNERNEY FAMILY DONATES WALT'S PAPERS TO AHA HISTORY CENTER

The Family of Walter J. McNerney, late Herman Smith Professor of Health Policy at Kellogg, have donated his papers, correspondence, books and other materials to the Center of Hospital and Healthcare History.

A reception was held on March 11th to officially acknowledge the transfer of these documents, at which many members of the McNerney Family were in attendance as well as former colleagues and friends of Walt's. W. James McNerney, Jr., Chairman and CEO of Boeing Corporation, spoke on behalf of the family, saying how pleased the family was to find a "good home" for the many boxes of archival material stored at the McNerney family residence.

Prior to Walt's teaching career at Kellogg, he held academic careers at the University of Michigan and Pittsburgh and as CEO of the Blue Cross Association, then at the Blue Cross and Blue Shield Association



At the reception following the transfer of Walt McNerney's papers to the AHA's Center for Health Administration History, a sizeable gathering of family and friends were in attendance, some who are pictured here: Jeanette Harlowe of the History Center; Jim Drury; AHA Sr. Vice Presidents Barbara Harness Lorsback (KSM '83), Program Director and Professor Joel Shalowitz, MD (KSM '82); Mrs. Sharon McNerney and husband Dan McNerney(son); Jennifer McNerney (daughter KSM '78) and Prof. Thomas Prince.

## TWO OBITUARIES

*Ave Atque Vale. We bade farewell to two friends of the Health Industry Management Program this winter.*

### **John D. Soans**

John D. Soans, husband for Isobel MacEachern Soans, died in late December 2007. Born in England in 1920, John excelled academically and was active in sports, especially cricket. During WW II he joined the Royal Air Force and was a decorated member of the RAF's 53rd Squadron. After the war, he met Isobel in Montreal. They later married and moved to Chicago, where John entered the automobile business, importing and selling British cars in Chicago. He later began a firm involved in custom painting cars for clients such as General Motors.

### **Shirley H. McNerney**

Shirley Hamilton McNerney, wife of the late Walter J. McNerney passed away in early April 2008 at the age of 81. She was the daughter of the late James A. Hamilton, founder of and professor at the Health Administration program at the University of Minnesota, and a well-known hospital consultant. Shirley was a loving mother of W. James (Jim) McNerney, Jr.; Peter H.; Jennifer A.; the Rev'd Daniel; and Richard; and the beloved grandmother to many. She and Walt, Kellogg's Herman Smith Professor (Emeritus) of Health Policy, were great fans of Northwestern University and supporters of its Kellogg School.

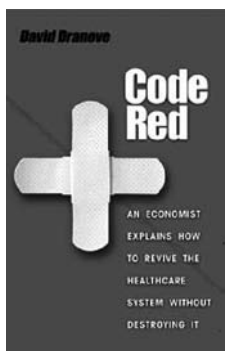


## TRANSITION TIME

Passing the baton: Several months ago the folks in the Health Industry management Program bade farewell to Marge Kaffenberger (l), our departmental assistant, as she took her retirement from the University, and said welcome to Jeanne Laseman, who replaced her as departmental assistant.



## KELLOGG'S DAVID DRANOVE EXPLAINS HOW TO REVIVE THE U.S. HEALTHCARE SYSTEM IN HIS NEW BOOK



The U.S. healthcare system is in critical condition—but this should come as a surprise to no one. Yet until now the solutions proposed have been unworkable, pie-in-the-sky plans that have had little chance of becoming law and even less of succeeding. In *Code Red*, a 281 page volume published by Princeton University Press in 2008, Dranove, one of the nation's leading experts on the economics of healthcare, proposes a set of feasible solutions that address access, efficiency, and quality.

Dranove offers pragmatic remedies, some of them controversial, all of them crucially needed to restore the system to vitality. He pays special attention to the plight of the uninsured, and proposes a new direction that promises to make premier healthcare for all Americans a national reality.

Setting his story against the backdrop of healthcare in the United States from the early twentieth century to the present day, he reveals why a century of private and public sector efforts to reform the ailing system have largely failed. He draws on insights from economics to diagnose the root causes of rising costs and diminishing access to quality care, such as inadequate information, perverse incentives, and malfunctioning insurance markets.

Dranove describes the ongoing efforts to revive the system—including the rise of consumerism, the quality movement, and initiatives to expand access—and argues that these efforts are doomed to fail without more fundamental, systemic, market-based reforms. In this book, *Code Red: An Economist Explains How to Revive the Healthcare System without Destroying It*, Dranove lays the foundation for a thriving healthcare system and is indispensable for anyone trying to make sense of the thorny issues of healthcare reform.

Dranove divides his book into two parts: I) Diagnosing the condition (made up of four chapters: 1) Accidental Healthcare system; 2) Paging Doctor Welby; 3) Therapy for an Aging Health Economy; 4) The Managed Care Prescription), and II) Searching for Cures (Also four chapters): 5) Self-Help; 6) The Quality Revolution; 7) Mending the Safety Net; 8) Recovering the American Healthcare System.

David Dranove is the Walter McNerney Distinguished Professor of Health Industry Management at Northwestern University's Kellogg School. His books include *What's Your Life Worth?* and *The Economic Evolution of American Health Care* (Princeton).

## TOP STUDENT AWARDEES

Edward Tufaro



Edward Tufaro, Health Industry Management's Top Student for 2008, with wife Katrina and Son Christopher, age 4, and new baby Maria. After graduation, Ed will be working at the 14 - hospital Memorial Hermann Healthcare System in Houston, TX.



Jodie Zimmerman

The top student in the Biotechnology program is Jodie Zimmerman. A Canadian, Jodi graduated from Queen's University, and will be heading to New York City after graduation to work as a consultant with Boston Consulting Group.

## HEALTHCARE AND LIFE SCIENCES CASES USED IN A VARIETY KELLOGG CLASSES AND EXECUTIVE EDUCATION PROGRAMS

Professor	Department/Program	Course #	Case
Sarang Deo	Operations	OPNS 430	Shouldice Hospital
Jan Van Mieghem	Operations	OPNS 430	Bariatric Surgery
Marty Lariviere	Operations	OPNS 912	The Edison Hospital Maternity Ward Revenue Cycle Management at Lake-Cook Physicians Ophthalmic Consultants of Boston and Dr. Bradford J. Shingleton
Julie Hennessy	Marketing	MTK 430	Datril and Invisalign Cases
Julie Hennessy	Marketing	MTK 466	EMI and CT Scanner
Julie Hennessy	Marketing	MTK 466	Biaxin and Zithromax
Tim Calkins	Marketing	BIOT 914-0 Bio-Medical Marketing	EXACT Sciences Corp: Commercializing a Diagnostic Test MedImmune: FluMist Introduction Crestor CardioThoracic Systems Eli Lilly: Xigris (A) Marketing Antidepressants: Prozac and Paxil Eli Lilly: Developing Cymbalta Zimmer: The Gender Specific Knee Product Team Cialis: Getting Ready to Market Circle Gastronenterology Products
Yi Qian	Marketing	MTK 450	Cialis
Gregory Carpenter	Marketing	MTK 466	Baxter (A)
Ben Jones	International	INTL 466	"Cipla"
Yuk-Fai Fong	Management and Strategy	MGMT 452	The Pharmaceutical Industry in the 1990s
James Shein	Management and Strategy	MGMT 934 (Managing Turnarounds)	The Case of The Unhealthy Hospital"
Leemore Dafney	Management and Strategy	MGMT 431	Istituto Clinico Humanitas
Jeanne Brett	Management and Organizations	MORS 470	Brookside Hospital vs. Block Computer system (negotiation case)
Daniel Diermeier	MEDS		Reintroduce Thalidomide?(B)
Daniel Diermeier	MEDS		Reintroduce Thalidomide?(A)
Daniel Diermeier	SEEK Social Enterprise	SEEK 441 sec 61	United Learning (A)
Daniel Diermeier	SEEK	SEEK 441 sec 71	The Politics of Tobacco Control (A):
Annette Krauss	SEEK	SEEK 956	Global Health Initiative
Rakesh V. Vohra	MECN Managerial Economics	MECN 460-1 Pricing Strategies	Medicines CompanyCase
Michael Radnor	MORS Management & Organizations	MORS 926 Sustainable Innovation	Biopure Case Oxfam and the Campaign to Bring Affordable HIV treatment to S. Africa
Michael Radnor	MORS Management & Organizations	MORS 926 Sustainable Innovation	Healthstore
Tim Thompson	Finance	FIN	Humana: Managing in a Turbulent Industry
Thomas Prince	Accounting/HIMP	Acct. 479	McGill University Health Center case
Alicia Loeffler	Biotech		Scios
Alicia Loeffler	Biotech		Abgenix
Alicia Loeffler	Biotech		Millennium
Alicia Loeffler	Biotech		Cardio-Geni
Alicia Loeffler	Biotech		Vertex
Alicia Loeffler	Biotech		Genomic Health
Yael Hochberg	Biotech		Onsite Rx and MAP Pharma



## MISSION STATEMENT

"THE MISSION OF THE HEALTH INDUSTRY MANAGEMENT PROGRAM IS TO PREPARE STUDENTS, THROUGH THE INTEGRATION OF TEACHING, RESEARCH AND COMMUNITY SERVICE ACTIVITIES, TO PLAY LEADING MANAGERIAL ROLES IN A VARIETY OF POSITIONS OVER THE COURSE OF THEIR CAREERS IN THE HEALTHCARE FIELD. THE PURPOSE OF OUR EFFORTS IS TO IMPROVE THE HEALTH STATUS OF THE POPULATIONS SERVED BY OUR GRADUATES AND FACULTY."



## MISSION STATEMENT

"BIOTECHNOLOGY AIMS TO FIND NEW BENEFITS FOR SOCIETY WITH THE DEVELOPMENT OF PRODUCTS THAT WILL CURE, TREAT AND PREVENT HUMAN DISEASES, PREVENT HUNGER AND INCREASE SUSTAINABILITY OF THE PLANET'S AGRICULTURAL AND ENVIRONMENTAL RESOURCES. TOWARDS THIS MISSION THE KELLOGG CENTER FOR BIOTECHNOLOGY CORE PURPOSE IS TO DEVELOP KELLOGG AS THE MAJOR GLOBAL FORCE **SHAPING** THE MANAGEMENT OF BIOTECHNOLOGY. THIS INCLUDES EDUCATIONAL, RESEARCH AND TECHNOLOGY ENHANCEMENT ACTIVITIES."