

The Bad Doctor
Bill Frist's long record of corporate vices
by Doug Ireland

While TV gushed last week over the Republican's new Senate majority leader, Bill Frist, intervening in a traffic accident, portraying the former heart surgeon as a "Good Samaritan," in truth the GOP has simply replaced a racist with a corporate crook. Frist was born rich, and got richer, thanks to massive criminal fraud by the family business. The basis of the Frist family fortune is HCA Inc. (Hospital Corporation of America), the largest for-profit hospital chain in the country, which was founded by Frist's father and brother. And, just as Karl Rove was engineering the scuttling of Trent Lott and the elevation of Frist, the Bush Justice Department suddenly ended a near-decadel long federal investigation into how HCA for years had defrauded Medicaid, Medicare and Tricare (the federal program that covers the military and their families), giving the greedy health-care behemoths' executives a sweetheart settlement that kept them out of the can.

The government's case was that HCA kept two sets of books and fraudulently overbilled the government. The deal meant that HCA agreed to pay the government \$631 million for its lucrative scams, which, on top of previous fines, brought the total government penalties against the health-care conglomerate to a whopping \$1.7 billion, the largest fraud settlement in history, breaking the old record set by Drexel Burnham.

The deal also meant that HCA can continue to participate in Medicare. And, as part of the Bushies' deal shutting down what Deputy Assistant FBI Director Thomas Kubic called "one of the FBI's highest-priority white-collar crime investigations," no criminal charges were brought against the top HCA execs who presided over the illegal bilking of federal programs designed to aid the poor, and that includes Senator Frist's brother, Thomas, HCA's former CEO (and current director), who's been described by Forbes magazine as "one of the richest men in America," with a personal fortune estimated at close to \$2 billion.

What did HCA do? It inflated its expenses and billed the government for the overrun; it billed the government for services ineligible for reimbursement (like advertising and marketing costs). HCA violated both law and medical ethics when, as Forbes put it, "the company increased Medicare billings by exaggerating the seriousness of the illnesses they were treating. It also granted doctors partnerships in company hospitals as a kickback for the doctors' referring patients to HCA. In addition, it gave doctors loans that were never expected to be paid back, free rent, free office furniture, and free drugs from hospital pharmacies."

This is the ethical climate that reigned in the Frist family's money machine. In an unguarded moment, Senator Frist told the Boston Globe that conversations with his doctor father about the family calling were like "benign versions of the Godfather and Michael Corleone." Apparently the senator considers defrauding the government "benign." So too does the Bush White House, which dictated the Justice Department deal with HCA that let the crooks escape jail just as Frist was being anointed the Senate's majority leader. A pure coincidence in timing, of course.

The senator has always claimed no current connection to HCA because the \$26 million he and his wife hold in the company's stock is in a so-called "blind trust." But it was the family's dirty money that bought Frist a place in the Senate. In 1994, Frist, who'd never bothered to vote before first running for the Senate that year, spent some \$3.4 million of his personal fortune to buy the seat from Tennessee (HCA's headquarters) that he now occupies. Moreover, "In the Senate, Frist has used his influence to further HCA's cause by stopping a strong patients' bill of rights, gridlocking a mandatory Medicare prescription-drug benefit, and promoting caps on damages for victims who sue negligent hospitals like HCA's," points out Jamie Court, executive director of the Santa Monica based Foundation for Taxpayer and Consumer Rights, who adds, "The Senate should not replace a racist with a principal backer of one of the largest corporate swindles ever perpetrated against the American public. If Frist was a patriot first, he would have sold his HCA stock long ago."

But Frist's pandering to the lobbyists of the voracious health-care industry knows no bounds. "Frist isn't the senator from Tennessee, he's the senator from the state of Health Care Industry Influence, he's gotten more than \$2 million from the health-care sector, giving him the dubious distinction of raising more cash from health-care interests than 98 percent of his colleagues," says Nick Nyhart, executive director of Public Campaign.

Consider the special servicing he gave to pharmaceutical giant Eli Lilly. In another example of his "patriotism," Frist engineered the insertion into the Homeland Security bill of a provision that would protect Eli Lilly from lawsuits over Thimerosal, a mercury-based preservative used in its vaccines. Thousands of lawsuits have been filed against Lilly by parents who believe Thimerosal caused autism and other neurological maladies in their kids. The Frist-authored rider shields Lilly by forcing those lawsuits into a special "vaccine court," where they can be easily scuttled, potentially saving Lilly hundreds of millions. The pharmaceutical industry was the largest single contributor to the National Republican Senatorial Campaign Committee that Frist chaired, ladling out some \$4 million, and Lilly was the single biggest contributor to the GOP from that industry, having given \$1.6 million in the last election cycle, 79 percent of it to Republicans.

The good Dr. Frist voted against patients' rights to sue their HMOs for failure to provide adequate treatment, and voted to give tax subsidies to HMOs and insurance companies to offer prescription drugs to seniors, rather than providing them through Medicare. Frist has, of course, personally raked it in from the interested industries, gobbling up \$123,750 in campaign cash from the HMOs and \$265,023 from the pharmaceutical industry. Frist also took \$130,204 from the food-processing industry, and then helped kill a bill putting teeth into the USDA's authority to crack down on processing plants that violate federal standards for bacterial and viral infection of meat and poultry.

There's a lot more, like this, so much that it leads to an inescapable conclusion: In the Senate, "Good Samaritan" Frist has almost daily violated the injunction of the physicians' Hippocratic oath: "First, do no harm."