Richard L. Scott

A Lifelong Advocate For Patient Rights

Born in Bloomington, Illinois and raised in Kansas City, MO, Richard Scott is considered one of America's foremost health care entrepreneurs. The son of a truck driver and JC Penney clerk, Scott has spent his career working to provide innovative, affordable, high quality health care services by emphasizing a patient-centric approach to cost and care. Scott is the founder of two health care providers, Columbia Hospital Corporation and Solantic Corporation, and he currently serves as Chairman of Solantic, which builds and operates innovative, cost and service conscious urgent care facilities throughout Florida. Scott also started Conservatives for Patients' Rights, an organization founded to defend free market principles in health care while the White House and Congress contemplated a full-blown government overhaul of the industry.

An Early Entrepreneur

After high school and one year of community college, Scott enlisted in the United States Navy, where he served 29 months on active duty including on the USS Glover as a radar man. Scott then enrolled at the University of Missouri-Kansas City and, while also working full-time at a local grocery store, he made his first significant foray into the business world by buying two Kansas City doughnut shops for his mother to manage.

Following graduation from UMKC with a bachelor's degree in business administration Scott earned a law degree from Southern Methodist University. He stayed in Dallas, working for the city's largest law firm Johnson & Swanson primarily representing companies in the healthcare, oil and gas and communication industries. His specialization was in health care mergers and acquisitions and it was during his work on these transactions that he recognized how patients could be better served by improving hospital efficiency, which would lead to lower costs and better outcomes.

In the Spring of 1987, while still practicing law, Scott put together a six billion dollar finance package and made an offer to purchase HCA, Inc. When the offer was rejected, Scott started Columbia with his entire life savings of $125,000 on October 19, 1987, the same day the stock market dropped almost 22 percent.

Some of Scott's reforms included reducing mortality risks after cardiovascular surgery.

Making Hospitals Less Costly For Patients

Beginning with two El Paso, Texas hospitals in 1988 and continuing for the next nine years, Columbia purchased hospitals and instituted practices that made them more efficient, allowing patients to pay less while receiving better outcomes. In 1994, Scott made a successful bid for HCA, Inc., which at that time owned approximately 100 hospitals, and the company's name changed to Columbia/HCA. By the end of 1995,

Scott had added 80 more hospitals to the network, primarily in rural communities, and implemented his signature cost-saving practices throughout the organization.

Some of Scott's most successful reforms significantly improved patient care and enabled Columbia/HCA to take a leadership role in reducing death rates after bypass surgery. Reforms included an innovative system of ranking Columbia's almost 100 open heart programs across the country for mortality. He also created efficient ways to reduce waste and streamline procedures. In the ten years he operated Columbia, supply costs went down from over 16.8% percent of revenue per year to less than 13.5% percent per year.

As Columbia/HCA's cost-savings measures spread across the industry, consumers also benefited - especially when it came to health care costs and health insurance premiums. In 1989, just a year after Columbia purchased its first hospital in El Paso, health care inflation was over 18 percent per year. By 1996, health care inflation had dropped to just 0.8%, while wages rose by 3.3% that same year.

"Scott's credo is a classic: quality care doesn't have to come at a premium price."
-TIME Magazine

Under Scott, Columbia had a "best demonstrated practices" group that constantly worked on ways to reduce costs, improve outcomes and benefit patients. Columbia's success also resulted in approximately two billion dollars in funding for charitable foundations, many of which focus on ways to improve healthcare in America.

In 1997, Columbia was recognized by *Business Week* as one of the 50 Best Performing Companies of the S&P 500. *TIME* magazine praised Columbia resoundingly: "Scott's credo is a classic: quality care doesn't have to come at a premium price. But it's the way Scott is accomplishing that goal that is transforming how American hospitals do business. In an industry notorious for waste and inefficiency, Scott aggressively consolidates operations and imposes cost controls."

When Scott left Columbia in 1997 at the age of 44, it was the 43rd most admired company in America. It had grown to become the world's largest health care company with more than 340 hospitals, 135 surgery centers, and 550 home health locations in 37 states and two foreign countries. Columbia's annual revenues exceeded $20 billion, and employed more than 285,000 people, making it the 7th largest U.S. employer and the 12th largest employer worldwide. Though Columbia owned only five percent of the hospitals in the country in 1997, the company operated more than a quarter of the Top 100 hospitals in American, as ranked by Mercer/HCIA.

Continuing To Innovate

In late 1997, Scott purchased a controlling interest in *America's Health Network*, which later merged with Fox Entertainment to become *The Health Network* and later *Discovery Health*. In June 1998, *America's Health Network* showed the first live birth on the Internet. In 2001, Scott co-founded Solantic Corporation, which operates unique and innovative urgent care centers across Florida. These centers provide urgent care for

patients with no insurance, patients who cannot get in to see their personal physician or patients who prefer not to go to the emergency room for less serious health care needs. Solantic was the first urgent care center operator to have menu boards similar to Starbucks, listing all prices up front.

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Solantic also serves workers who have been injured on the job, and those in need of routine physicals, immunizations and flu shots. Solantic actually offers a flu vaccine guarantee. Anyone who contracts the flu virus after receiving the vaccine at a Solantic clinic will receive a free flu exam with a doctor, a flu test and a treatment recommendation.

Solantic also has a Three-Day Feel Better Guarantee. Patients whose condition has not improved three days after their initial Solantic visit have the opportunity to return to be treated for free.

In July 2007, Solantic completed a deal to expand the company into Wal-Mart Super Centers in Florida, and the company now has 27 locations across Florida.

Conservatives for Patients' Rights

In March 2009, Scott launched Conservatives for Patients' Rights (CPR), an advocacy group dedicated to the free market principles of choice, competition, accountability and personal responsibility in health care. Modeling the organization after his own efforts in the industry, the goal of CPR was simply to prevent further government encroachment on the rights of patients. Seeded with $5 million from Scott, the group produced a thirty-minute documentary entitled *Faces of Government-Run Health Care,* which told the frustrating and tragic stories of Canadian and British patients who have languished under Canada's Medicare and the UK's National Health Service.

To date, the group has aired numerous ads on national television and radio to help educate Americans about the direction of legislation in Congress.

Through his efforts to oppose more government involvement in health care, Scott has been a guest on dozens of national television and radio programs including CNN's *Situation Room with Wolf Blitzer*, FOX News' *Hannity*, and radio's *Laura Ingraham Show,* to name a few. He has been profiled in Fortune Magazine, the New York Times, and in the first weeks of August, was singled out by the White House as one of the leading opponents of the proposed government-run public option plan.

Giving Back

Throughout his career, Scott has been involved in a variety of charitable activities including serving on the National Board of the United Way from 1997 to 2003. From 1999 to 2003, Scott worked with World Vision to create a primary health care system in Bunyala, a poor area of Kenya. In 1993, Scott initiated a scholarship program for high school graduates of his Kansas City high school and he funds a scholarship to one low

income student each year at SMU Law School. Scott also funds an entrepreneurship contest at George Washington University, the school where his daughter received her bachelor's degree in Business Administration.

Scott is a board member of Associated Industries of Florida, known as "The Voice of Florida Business" in the Sunshine State. Associated Industries of Florida has represented the principles of prosperity and free enterprise before the three branches of state government since 1920. A voluntary association of diversified businesses, AIF was created to foster an economic climate in Florida conducive to the growth, development, and welfare of industry and business and the people of the state.

Scott continues to work on behalf of patients rights. His success in making hospitals more efficient has made health care more affordable for countless patients. His success in the growth of urgent care centers that provide patients with needed information (including up front prices for care), as well as direct and timely access to doctors, has provided Floridians with accessible and affordable care for many medical needs.
Scott continues to look for opportunities to innovate and improve health care service and lower patients'medical costs.