

Corporate Cabinet Profile Series



Name: Tom Price

Cabinet Title: Secretary of Health and Human Services

Corporate Connections: Innate Immunotherapeutics

U.S. Rep. Tom Price, a wealthy physician-turned-Republican congressman from Georgia, opposed the Affordable Care Act (also known as Obamacare) and favors options to privatize Medicare.¹ He recently became the target of questions surrounding stock trades he made in health care stocks while he was introducing legislation that could affect those companies. (Public Citizen has called for an investigation.) If confirmed as the head of the Department of Health and Human Services, Price would be the presumptive point person within the executive branch to work with Republican leaders in Congress on their promised effort to repeal Obamacare.

- Price, whose net worth has been estimated between \$7 million² and \$13.5 million,³ has extensive stock holdings. Although most of these are in diversified funds,⁴ he does own stock in some individual companies, including some that fall under the purview of HHS.⁵ He traded more than \$300,000 in health care stocks over four years while he was consistently introducing legislation that could affect those companies, according to the Wall Street Journal.⁶ These included purchases in August 2016 of between \$50,000 and \$100,000 in shares of an Australian firm that is testing a drug to treat an advanced form of multiple sclerosis. The stock of that company, Innate Immunotherapeutics, has doubled in value since Price purchased it. Price bought the stock two days after U.S. Rep. Chris Collins (R-N.Y.) purchased between \$500,000 and \$1 million of the company's stock. Collins serves on Immuno's board.
- Physician specialists have made more than \$3 million in contributions to Price since he won election to Congress in 2004. These include more than \$900,000 in contributions from orthopedic surgeons, Price's personal medical specialty.⁷
- Of \$15 million that Price has received in campaign contributions throughout his career, 45 percent has come from political action committees (PACs). These include cumulative contributions of more than \$50,000 each from the American Medical Association, American

¹ http://www.nytimes.com/2016/11/30/opinion/tom-price-a-radical-choice-for-health-secretary.html?mtrref=www.google.com&assetType=opinion&_r=0

² <http://media.cq.com/50Richest/>

³ <https://www.opensecrets.org/pfds/summary.php?cid=N00026160&year=2014>

⁴ http://clerk.house.gov/public_disc/financial-pdfs/2015/9109866.pdf

⁵ <http://www.pbs.org/newshour/rundown/investments-trumps-hhs-pick-raise-questions-conflict-interest/>

⁶ <http://www.wsj.com/articles/donald-trumps-pick-for-health-secretary-traded-medical-stocks-while-in-house-1482451061>

⁷ <http://www.thenewstribune.com/news/politics-government/article121086913.html>

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Association of Orthopaedic Surgeons, American College of Cardiology and several other health care trade associations.⁸

- The organization funneling the most contributions to Price in 2016 has been MiMedx, which makes regenerative wound care products and is involved in a dispute with the U.S. Food and Drug Administration that could jeopardize its ability to market a product that provides more than 10 percent of its revenue.⁹ MiMedx's PAC has given \$10,000 this cycle and its employees directly gave an additional \$11,800.¹⁰

⁸ <https://www.opensecrets.org/politicians/contrib.php?cycle=Career&cid=N00026160&type=l>

⁹ <http://www.salon.com/2016/12/15/donald-trumps-hhs-pick-received-thousands-in-donations-from-corporations-with-business-awaiting-agency-approval/>

¹⁰ <http://www.salon.com/2016/12/15/donald-trumps-hhs-pick-received-thousands-in-donations-from-corporations-with-business-awaiting-agency-approval/>