

United States Senate
WASHINGTON, DC 20510

January 26, 2010

Via Electronic Transmission

Jonathan Gruber, PhD.
Professor of Economics
MIT Department of Economics
50 Memorial Drive, E52-355
Cambridge, MA 02142-1347

Dear Dr. Gruber:

As the senior senators from Iowa and Wyoming and Ranking Members of the United States Committees on Finance (Finance Committee) and Health, Education, Labor and Pensions (HELP Committee), we have a duty to conduct oversight of the executive branch, including the activities of the Department of Health and Human Services (HHS or the Department). This duty includes monitoring HHS activities and conducting oversight to ensure that taxpayer dollars are used appropriately and in accordance with applicable law.

We are writing in response to recent news reports that you received nearly \$400,000 from HHS in exchange for providing technical assistance in evaluating various health care reform legislative proposals. During this same time, you have been actively promoting and defending the Administration's preferred health care reform policies both before Congress and in the media. This includes your participation in the Finance Committee's May 12, 2009, Roundtable Discussion entitled "Financing Comprehensive Health Care Reform"; the HELP Committee's June 11, 2009 hearing entitled "Healthcare Reform"; and the HELP Committee's November 3, 2009 hearing entitled, "Increasing Health Costs Facing Small Businesses." On occasions such as these, it appears that you advanced the Administration's agenda without disclosing the fact that you were receiving federal remuneration.

We are advocates of transparency in the operation of government and in the use of taxpayer dollars. While the propriety of your advocating for Administration positions in the media and other venues while failing to disclose your financial ties to the Administration has been called into question, we are especially concerned by your advocacy before the United States Congress.

When an academic leader comes before Congress to advocate a position, Congress should have confidence that the witness is both independent and objective and not being paid to assist the Administration in its efforts. In this case, we are concerned that neither you nor the Department chose to inform Congress of your substantial ties in advance of, during, or any time after, your testimony before the Finance and HELP Committees. In fact, the biography you submitted for the Finance Committee's Roundtable Discussion makes no mention of these financial ties or affiliations.

In July, Senator Enzi wrote to HHS Secretary Sebelius requesting among other information, a list of all outside consultants with the Department and copies of their agreements. HHS was unresponsive to this request, which should have revealed your relationship with the Department. Senator Enzi recently wrote again to reiterate this request to HHS Secretary Sebelius and to ask for additional information concerning your relationship with the Department. Senator Grassley also wrote to Secretary Sebelius requesting that HHS require any individuals under contract with the Department to disclose that fact publicly prior to any testimony before Congress. Additionally, Senator Grassley requested that HHS provide a complete list of individuals who are currently under contract, or have been under contract at any point last year, to assist the Department in any aspect of the health care reform process.

As we are sure you will agree, disclosure of financial relationships with the Administration is the best way of ensuring full transparency and preventing future questions regarding individuals that are both paid by the Administration and advocate Administration positions before Congress. If the health care reform debate has shown us anything, it is that our government can greatly benefit from more openness and transparency.

In order to better understand the extent and nature of your financial relationship with the Administration as well as your advocacy of Administration policies, we request written responses to the following questions and document requests by no later than Tuesday, February 23, 2010. When preparing responses, please restate the question and provide the responsive information.

1. Please identify each contract, grant or cooperative agreement you have executed with the federal government, including the White House and HHS and its operating divisions, during the past five years. For each contract, please respond to the following:
 - a. Please provide a description of the work to be performed/ performed under the contract, grant or cooperative agreement.
 - b. Who is the federal official that serves as your contact under the contract, grant or cooperative agreement?
 - c. What are the start and end dates of the contract, grant or cooperative agreement?
 - d. What is the amount of compensation pursuant to the contract, grant or cooperative agreement?
 - e. Please provide a copy of the contract, grant or cooperative agreement.
 - f. Please provide a copy of all deliverables under the contract, grant or cooperative agreement.
2. Please identify which of the contracts identified in response to question 1 are "sole-source" contracts. For each sole-source contract identified, please respond to the following:

- a. What are the reasons why the contract was awarded on a sole-source basis?
 - b. Who is the federal official that made the determination to award the contract on a sole-source basis?
 - c. Who is the federal official with whom you negotiated the sole source contract?
3. Please identify each contract, grant or cooperative agreement you have executed with state or local governments during the past five years. For each contract, grant or cooperative agreement, please respond to the following:
 - a. Please provide a description of the work to be performed/ performed under the contract, grant or cooperative agreement.
 - b. Who is the state or local official that serves as your contact under the contract, grant or cooperative agreement?
 - c. What are the start and end dates of the contract, grant or cooperative agreement?
 - d. What is the amount of compensation pursuant to the contract, grant or cooperative agreement?
 - e. Please provide a copy of the contract, grant or cooperative agreement.
 - f. Please provide a copy of all deliverables under the contract, grant or cooperative agreement.
4. Please identify each contract or grant you have executed with private entities or individuals during the past five years. For each contract or grant, please respond to the following:
 - a. Please provide a description of the work to be performed/ performed under the contract or grant.
 - b. Who serves as your contact under the contract or grant?
 - c. What are the start and end dates of the contract or grant?
 - d. What is the amount of compensation pursuant to the contract or grant?
 - e. Please provide a copy of the contract or grant.
 - f. Please provide a copy of all deliverables under the contract or grant.
5. Please identify all interviews given or statements made to the media on health care reform since the commencement of your federally funded work related to health care reform. For each interview or statement, please respond to the following:
 - a. To whom the interview was given or statement was made?

- b. On what date was the interview given or statement made?
 - c. What was the substance of your statements during the interview or in your statement?
 - d. On what date was the interview or statement published or broadcasted?
 - e. If you submitted a biography for the interview or statement, please provide a copy of the biography.
 - f. Did you indicate during the interview or when you gave your statement that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform?
 - g. If asked during the interview or when you gave your statement if you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, did you answer in the positive?
 - h. If you indicated during the interview or when you gave your statement that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, was this in response to a question or was this offered voluntarily?
6. Please identify all speaking engagements you have done on health care reform since the commencement of your federally funded work related to health care reform. For each speaking engagement, please respond to the following:
- a. On what date did the speaking engagement take place?
 - b. What was the name of the event at which you spoke and who was the sponsor?
 - c. If you participated in a panel discussion, what was the subject of the panel and what was the substance of your remarks?
 - d. If you gave a speech, what was the substance of your speech?
 - e. Please provide a copy of prepared remarks.
 - f. If you submitted a biography for the speaking engagement, please provide a copy of the biography.
 - g. Did you indicate during the speaking engagement that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform?
 - h. If asked during the speaking engagement if you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, did you answer in the positive?

- i. If you indicated during the speaking engagement that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, was this in response to a question or was this offered voluntarily?
7. Please identify all Congressional hearings and roundtable discussions on health care reform in which you have testified since the commencement of your federally funded work related to health care reform. For each hearing or roundtable, please respond to the following:
 - a. On what date did the Congressional hearing or roundtable discussion take place?
 - b. What was the subject of the hearing or roundtable discussion and what was the substance of your remarks?
 - c. Please provide a copy of prepared remarks.
 - d. If you submitted a biography for the Congressional hearing or roundtable discussion, please provide a copy of the biography.
 - e. Did you indicate during the Congressional hearing or roundtable discussion that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform?
 - f. If asked during the Congressional hearing or roundtable discussion if you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, did you answer in the positive?
 - g. If you indicated during the Congressional hearing or roundtable discussion that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, was this in response to a question or was this offered voluntarily?
8. Please identify written works you have authored or co-authored on health care reform since the commencement of your federally funded work related to health care reform. For each written work, please respond to the following:
 - a. On what date and in which publication was the work published?
 - b. What was the substance of your written work?
 - c. Please provide a copy of the written work.
 - d. If you submitted a biography with the written work, please provide a copy of the biography.
 - e. Did you indicate in the written work that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform?

- f. If asked when submitting the written work if you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, did you answer in the positive?
 - g. If you indicated in the written work that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform, was this in response to a publisher requirement or was this offered voluntarily?
- 9. Do you serve or have you served on the Congressional Budget Office (CBO) Panel of Health Advisers? If so, please respond to the following:
 - a. Please provide dates of service on the CBO Panel of Health Advisers.
 - b. Did you disclose to CBO that you were a paid consultant of HHS or otherwise received federal remuneration for work related to health care reform? If so,
 - 1. To whom did you make this disclosure?
 - 2. When was this disclosure made?
 - 3. In what form was this disclosure made?
 - 4. If this disclosure was made electronically or in writing, please provide a copy of the disclosure.
 - c. Did you disclose to CBO that your work for HHS related to health care reform included engaging in economic modeling on health care reform similar to modeling performed by CBO? If so,
 - 1. To whom did you make this disclosure?
 - 2. When was this disclosure made?
 - 3. In what form was this disclosure made?
 - 4. If this disclosure was made electronically or in writing, please provide a copy of the disclosure.
- 10. Please identify all meetings or conference calls you participated in with White House officials related to health care reform. For each meeting, please respond to the following:
 - a. Where and on what date did the meeting take place?
 - b. Who attended the meeting?
 - c. What was the subject of the meeting?

- d. Was your participation pursuant to a grant, contract or cooperative agreement with the federal government that you have identified in response to question 1? If so, please identify the grant, contract or cooperative agreement. If not, how were you compensated for your time?

In cooperating with the Committees' review, no documents, records, data or information related to these matters shall be destroyed, modified, removed or otherwise made inaccessible to the Committees.

Thank you for your attention to this important matter. Should you have any questions regarding this letter, please contact Christopher Armstrong or Michael Park of Senator Grassley's Committee staff at (202) 224-4515 or Amy Shank of Senator Enzi's Committee staff at (202) 224-6770. All formal correspondence should be sent electronically in PDF format to Brian_Downey@finance-rep.senate.gov or via facsimile to (202) 228-2131.

Sincerely,



Charles E. Grassley
United States Senator
Ranking Member
Committee on Finance



Michael B. Enzi
United States Senator
Ranking Member
Committee on Health, Education, Labor and Pensions

cc: Susan Hockfield, Ph.D.
President
Massachusetts Institute of Technology