NATIONAL GOVERNORS ASSOCIATION

Winter Meeting

Saturday, February 23, 2013

JW Marriott

1331 Pennsylvania Avenue NW,

Washington, DC 20004

Governor Jack Markell, Delaware, NGA Chair, Presiding

Governor Mary Fallin, Oklahoma, Vice Chair

Presentation by: Gregory D. Wasson, President and CEO Walgreens
CHAIRMAN MARKELL: Good morning everybody. That may be my only chance to use a gavel, so I just wanted to give it a try. I am Jack Markell, the governor of Delaware, and I get--

(Applause.)

CHAIRMAN MARKELL: Well thank you, Neal, that's very nice of you. Thank you.

(Applause.)

CHAIRMAN MARKELL: What a great way to get this meeting off to a good start. So as the Chair of the National Governors Association, I want to take this opportunity to welcome you to this 2013 NGA Winter Meeting.

May I have a motion for the adoption of the Rules of Procedure for the meeting?

(Motion made and seconded.)

CHAIRMAN MARKELL: Thank you. All in favor?

(A chorus of ayes.)
CHAIRMAN MARKELL: All right. Part of the rules require that any governor who wants to submit a new policy or resolution for adoption at this meeting will need a three-fourths vote to suspend the rules to do so. Please submit any proposal in writing to David Quam of the NGA staff by 5:00 p.m. on Sunday, February 24th.

I want to thank Governor Fallin, who is the Vice Chair of NGA, for being here and for her leadership. And I--go ahead. I heard a scattering of applause there.

(Applause.)

CHAIRMAN MARKELL: And I want to take this opportunity to welcome our newest governors. I am not sure all of them are here at the moment, but I would like to introduce them. And there are I think seven of them, so why don't you hold your applause until the end.


The governor of Indiana, Governor [Mike] Pence. Nice to see you.
The governor of Montana, Governor [Steve] Bullock.
The new governor of New Hampshire, Governor Maggie Hassan.
The governor of Puerto Rico, Governor [Alejandro] Garcia-Padilla. It's the third time today I got to use my Spanish accent, saying "Garcia-Padilla."
And the new governor of Washington State, Governor [Jay] Inslee.

(Applause.)

CHAIRMAN MARKELL: So congratulations to all of you. We are delighted to have you here. I also want to recognize our guests from the White House with whom we work very closely, the Office of Intergovernmental Affairs, David Agnew and Jewel James. Thank you very much for being here, as well.

(Applause.)

CHAIRMAN MARKELL: We have a significant international presence at the Winter Meeting this
year. I would like to take a moment to recognize our guests. We are joined today by the Mexican Ambassador to the United States, Ambassador [Eduardo] Medina-Mora. Thank you.  

(Applause.)

CHAIRMAN MARKELL: Thank you. And also, the Executive Secretary of the Mexico Conference of Governors.

With us once again is Madam Li Xiaolin, the President of the Chinese People's Association for Friendship with Foreign Countries, whom we are working with to plan another U.S.-China Governors Forum in Beijing this spring. Madam Li, thank you.  

(Applause.)

CHAIRMAN MARKELL: We are also joined by the Premier of Manitoba, a delegation from the Canada-United States Inter Parliamentary Group, and our friends from the Brazilian Embassy and the Taipei Economic and Cultural Representative Office. If you all could stand, please, thank you for being here. 

(Applause.)
CHAIRMAN MARKELL: Thank you. Thank you, very much. You honor us by being here.

So when I became Chair of the National Governors Association in July, I began my yearlong initiative. It's called "A Better Bottom Line: Employing People With Disabilities."

This initiative focuses on the roles both state government and businesses can play in advancing employment opportunities for people with disabilities to be gainfully employed in the labor market.

Now as governors we know how critical jobs and employment are to our constituents and to the economies of our states. And when barriers present a significant segment of our population from participating in the workforce, talent is being wasted and our economic competitiveness suffers.

For individuals with disabilities, employment outcomes have not improved since 1990. During the recent recession, employment realities for people with disabilities got even worse. Workers with disabilities left the workforce at five times the average rate. The median income for these
workers is less than two-thirds the median wages for other workers.

So that is why I chose this initiative: “Building a Better Bottom Line: Employing People with Disabilities.” We can do better, and we must do better.

An estimated 55 million Americans--that is, 1 in 5--has a disability. It is the largest minority population in our country. And disability crosses every demographic, and it is the one minority population that any one of us could fall into on any day.

Anybody who can work and wants to work should have the opportunity to do so. Advancing employment opportunities for individuals with disabilities is the right thing to do. It is the smart thing the government can do. I mean, this is an issue of workforce competitiveness. It is part of preparing for an aging workforce, for increasing the number of veterans returning to work, and for meeting the needs of businesses with skilled workers.

And, it makes good business sense.
Employers care about the skills that an individual brings to the job. It doesn't matter whether you are born with additional challenges or, as in the case of our wounded veterans, you acquire them later in life; what matters is a person's ability.

That is why we are opening this 2013 Winter Meeting with a discussion about why employing individuals with disabilities is better for businesses' bottom line. We will hear in just a couple of minutes from the CEO of Walgreens about why employing people with disabilities has been good for that Fortune 500 company.

And it is our jobs as the leaders of our states to make sure that people with disabilities are fully included in our society. That means part of the competitive workforce. Making a difference will not be easy, but it is most definitely worth it.

Employing people with disabilities means improving our constituent's quality of life, bending the cost curve on public benefits, and contributing to workforce competitiveness. It is an incredible win/win/win that cuts across party lines.
And the NGA initiative is absolutely dedicated to making a difference. We launched the initiative last July, and since then there has been a groundswell of support.

Many of you have contacted me to express your support and the support of your agency staffs, many of whom have shared the innovative practices underway in your states. We have convened representatives from the advocacy community. We have convened experts and business executives to inform our work. And as the initiative continues for the next six months, we are going to focus on educating both the private sector and the public sector as employers about accommodating people with disabilities in the workforce, in the workplace, and the benefits of doing so.

We are going to focus on how we support state governments in joining with business partners to develop strategies that promote the hiring and retention of individuals with disabilities in integrated employment, and we are going to focus on how we establish public-private partnerships that
result in increased employment of individuals with
disabilities.

Now my goal for this initiative is to provide all governors with examples of best practices and other resources for states to advance these goals, and to achieve these goals.

So this coming May, the NGA will hold two regional institutes to provide governors and their senior advisors with an opportunity to learn from each other, and to visit local companies to see firsthand how successful businesses are employing people with disabilities in high-skilled, competitive, and integrated settings.

The first session will be in Pittsburgh, and Governor [Tom] Corbett is going to be our host. And the second session is going to be in Seattle with Governor [Jay] Inslee as our host. And I encourage all of you to attend and to send teams from your states who work on these issues every day.

And finally, I want to take a moment to thank several organizations that have made important contributions to this initiative: Intel, Bank of
America, Rescare, Bloomberg Philanthropies, and Walgreens.

This cross-section of private sector support underscores the widespread enthusiasm that I have seen since the initiative began. We are pleased to have this broad support, because moving the needle on this issue—which is our objective—is going to require shared responsibility.

Already, support has been demonstrated, as I said, across political lines, across the public and private sectors, and across communities.

And before I introduce our speaker, I did want to mention that each of you should have gotten in your rooms a bag. It is a very attractive bag. It says "Building A Better Bottom Line." It was made by individuals with disabilities from Bank of America at a facility in Delaware. The bag is filled with cookies, popcorn, dog biscuits, coffee, notecards, and a number of other things, made by people with disabilities from around the country. And we are very grateful to many of you, to the first spouses, and to many of the folks who work on your staffs for
sending these items to us.

We really wanted to spotlight many of the things that people across the country with disabilities are already doing.

I am making special note of this because, if your [state] troopers are anything like mine, they could have taken your bag to their room to eat the cookies.

(Laughter.)

CHAIRMAN MARKELL: And if you've not seen it in your room, please ask them. We actually have a few more cookies available--

(Laughter.)

CHAIRMAN MARKELL: --but it was really intended for all of you and your spouses.

So now it is my great pleasure to introduce Greg Wasson, who is the CEO of Walgreens.

He has worked at Walgreens since 1988. He started as a pharmacy intern. He is now President and CEO. He has served on the Board of Directors since 2009.

Walgreens has demonstrated just an incredible . . . they have been an incredible leader and role model in terms of outstanding hiring and support
for people with disabilities.

It started as a pilot program on one distribution center in South Carolina. Their inclusion practices have now resulted in great increases in productivity and improvements in company culture. The practices have now been expanded to other distribution centers, and they are expanding to retail centers across the country.

I met Greg Wasson a few months ago when I was invited by Senator Tom Harkin and Congressman Pete Sessions to a meeting that they were hosting for business leaders up at a Walgreens distribution center near Hartford, Connecticut. And Mr. Wasson at that meeting was sharing with other business leaders, the CEOs of UPS, and OfficeMax, and others, his view that hiring people with disabilities is not about charity; it's about doing what's best for the business. And that is really much of the message that he brings to us today.

We are very, very fortunate to have him.

And with that, I ask you to join me in welcoming Greg Wasson.
(Applause.)

MR. WASSON: Thank you, Governor Markell, for that kind introduction. It is a pleasure to be here. Although I must say, getting up at 4:30 on a Saturday morning to catch a 6:00 a.m. flight, I was thinking this probably was a better idea three months ago.

(Laughter.)

MR. WASSON: But it is good to be here. You know, I did get the opportunity to go down and see our new store that is opening at 7th and H in Chinatown just before I got here. It is going to open in a couple of weeks. Maybe a humorous story, I was talking to our construction folks and I wanted to make sure that we had pharmacy signage in the building in Mandarin. And the construction guy said, yeah, we did, but we had to send the first sign back. Because when we translated it, it actually said "funeral parlor."

(Laughter.)

MR. WASSON: So we do try to fit into the local community. And I invite all of you, actually
if you get an opportunity, to go down there.

I will start by applauding all of you, and certainly the National Governors Association, on your initiative to improve employment opportunities for folks living with disabilities.

I think your Better Bottom Line initiative, governor, is spot on. Anyone that knows me now will not be surprised that I've put my remarks into three buckets for this morning.

First, I will give you a brief update on Walgreens, and I promise I won't turn that into a commercial.

Second, I will review our experience in employing folks with disabilities.

And third, and most importantly, I will discuss ways that I think we can work together with the NGA's Better Bottom Line initiative.

So let me start with my first bucket first by thanking all of you and your states for working with us over the last several years on tackling some of the nation's and your state's health care issues. Today as our health care system strives to expand
care and lower costs, we believe Walgreens is even
better positioned to help. If you have been in some
of our newly renovated stores, hopefully you will see
that we are not the old drugstore anymore. We are
trying to be, and we believe we are now becoming a
leading health care provider in communities and your
states across the country.

We have more than 8,000 stores. We are in
all 50 states and Puerto Rico. We have 70,000
health care service providers that we believe are on
the front line of health care. It includes more than
26,000 pharmacists whose time we are freeing up to
allow them to spend even more time providing services
such as medication therapy management.

We know that if people take their
medications, Governor, if they take their medications
properly, we can avoid billions of dollars in medical-
related costs.

We have also certified all of our
pharmacists to be able to provide immunizations and
vaccinations. We are actually now the second-largest
provider of immunizations and vaccinations to the
We have over 350 nurse practitioners who we are co-locating in stores across the country. And what we are trying to do is expand the scope of services we are able to offer in communities even further, beyond our pharmaceutical services, into acute and episodic care, primary care, and chronic care management.

We have over 400 health and fitness centers on the campuses of large employers where we are helping employers such as ourselves lower our health care costs and trying to lower that bend, or bend the curve.

We have nearly 200 medical campus pharmacies in health systems across the country, and we are working with many of them to help reduce readmission, which is obviously a costly impact to employers and government entities such as yourself.

And finally, we are the nation's largest provider of what we call specialty injectables and infused drugs, which is probably the fastest-growing sector of pharmacy.
So our goal is to advance the role of community pharmacy compliant health care and bring additional solutions to payers across the country. So hopefully I didn't turn that into a commercial. Forgive me if I did. With my 33 years with the company, I tend to get excited. So I will turn to my second bucket, and that is why we made the commitment to employing people with disabilities, how we are doing that, and the results that we are seeing so far.

One thing that we do believe is that you can do good while doing good business. And I think this is a great example. Giving folks with disabilities a chance to work is doing just that.

So we have recognized, as Governor Markell has said, that people with disabilities are a vastly underutilized workforce. These are folks who want to work. They can become qualified to work in a variety of positions with simple training, and they have a deep-down commitment to do the best job they can.

The fact is, a company of our size with
250,000 employees in locations in just about every community, we simply can't afford to overlook or underestimate any talent. And frankly I don't think any company can today. So that is the why behind our commitment. Now I will walk you through the how.

Our efforts began over 10 years ago with our senior vice president of supply chain and logistics, Randy Lewis, who just retired and is with us today--I believe over here somewhere. Randy's son, Austin, is autistic and Randy has had a lifelong dream of creating a work environment that would allow us to employ folks with disabilities. And he convinced us that it was the right thing to do.

So as the governor said, we decided we would start with the opening of our next distribution center, which was in Anderson, South Carolina, at the time in 2007. So here is how we did it.

We worked with the local agencies to train and attract people with disabilities for employment at the facility. We made sure we had the appropriate training for our managers at the distribution center. We committed to ensuring an exclusive
workplace for people with and without disabilities, working side by side. That was critical. And I want to be clear--this was not charity. This was business. Jobs and expectations were the same for folks whether they had a disability or not.

All employees were held to the same work standards and for the same pay.

We also set out to create a sustainable model that we could implement at our other existing distribution centers and/or roll out with our next generation of centers as we opened them.

So as I said, we opened our first center in Anderson in 2007. Two years later, with the [lessons] from Anderson, we opened our center in Windsor, Connecticut. Today, 43 percent of the employees at Anderson and 50 percent at Windsor have a cognitive or a physical disability.

And I can tell you, these folks have absolutely proven themselves. I've got a quick video, if we could play it right now, that could probably tell the story a little better than me standing up here.
(A video clip is shown.)

"VIDEO SPEAKER: This is not about charity. We didn't lower any of our performance standards. Every team member is expected to perform at the same high level, same pay, same performance, side by side.

"VIDEO SPEAKER: I need to learn from this person. I need to take things from them. I may be the manager, but, you know, I'm learning here from my team members.

"VIDEO SPEAKER: He walks and he talks in just a more positive way. I just know that he's going to make it now.

"VIDEO SPEAKER: Every parent with a child with a special need or autism, their hope is to outlive their child by one day. And I don't have that fear anymore. I don't feel like I have to outlive him by one day anymore.

"VIDEO SPEAKER: And I said, ‘Mom and Dad, I want to work at Walgreens.’ This is what I wanted, my heart—that's where my heart was. And since I came over here, I have fallen in love with this place.
I wouldn't trade this place for nothing.

"VIDEO SPEAKER: The surprising thing is, we started out wanting to change the workplace. What we found out was, we were the ones who were changed.

"VIDEO SPEAKER: And of course to be given this chance is just great for a lot of people, especially with special needs, to actually, like I said, basically come out, strive, be their own person and not feel like they're held down by anything.

"VIDEO SPEAKER: He said, 'This is my first check, and I took it home.' He said, 'My mother looked at it and she started crying. Why do you think she did that?' I said, 'I don't know. I don't know.' But I did know."

(End of video clip.)

MR. WASSON: So as the governor said, last summer we did host our first CEO summit on employing people with disabilities at our Windsor, Connecticut, center. During that summit, we gave all the attendees, including the governor, a tour and a firsthand look at what we do. And we also shared some of our results, which I will share with you now.
We gathered 400,000 hours of data across distribution centers and 31 job functions. This data has been studied, published, and peer-reviewed. It shows without a doubt that people with disabilities can perform as well as or better than employees as a whole.

Here's what we've seen: 20 percent fewer accidents in the distribution centers. 70 percent less workers comp costs. Lower absenteeism, and twice the retention. And that's not even counting the positive impact on our overall workplace culture.

Like Randy said in the video, we started out to change the workplace, but along the way we discovered that we were the ones, frankly, who were changed.

As a result, the managers who have worked at Anderson give it our highest rating. And those are the folks who have gone from maybe one distribution to others. Team members working there, with our without disabilities, turn in the highest performance in our supply chain.

So here is a very important point. We
learned that a commitment to employing people with disabilities did not require automation. So that meant we could do it everywhere; we could spread it.

On average over the last two years, one out of three new hires in our 20 distribution centers across the country has been a person with a disability. We now employ more than 1,000 people with disabilities in our distribution centers. That is about 10 percent of our total supply chain workforce. They earn the same compensation as their typically abled colleagues.

Now next up, we've been piloting a program around employing people with disabilities at our retail locations, which we call REDI, an acronym for Retail Employees with Disabilities Initiative.

Imagine the impact that we can have with our 8,000 stores in all 50 states and Puerto Rico. So we started with a pilot in Texas two years ago. We have expanded it to more than 150 stores throughout Texas, New York, Delaware, and Connecticut. And we recently announced an expansion of the program across the state of Wisconsin.
I want to thank Governor [Scott] Walker for the accommodation your state has extended us just a few weeks ago.

So altogether more than 200 folks across the country have completed their four weeks of training as service clerks using training developed with local community agencies. Many of them certainly in your states.

About 60 percent of the folks we have trained have been recommended for hire. So these folks are busting a myth that should have been busted a long time ago: that people with disabilities can't perform well in these kinds of public-facing, fast-paced, multi-tasking jobs.

Our new store clerks are proving that, with training, people with all sorts of disabilities can do quite well in a retail environment. That is encouraging.

Now we didn't, or couldn't, do this alone. We have collaborated with state and local agencies along the way, and providers that serve people with disabilities. And we have worked with them to help
us find qualified employees and develop the job training programs for them.

So that leads to my third and final bucket, and that's working together with states and agencies.

There are three ways that I hope we can work together to help you with your Bottom Line Initiative. And by "we," I am suggesting not just Walgreens but all companies that are moving in this direction.

I think first we can share our experience, including the ideas and suggestions that came out of our CEO summit last summer. We can share the pitfalls and the best practices that we have seen, and I think we can more importantly raise the visibility around the effort and, importantly, we can raise awareness of the bottom line business results. And that is what is critical.

The second way we can work together I think is more tangible. I think we can help your state agencies and their contractors work with each other, and work with the public sector--or private
sector. I think we can identify barriers and help untangle some red tape.

We can develop active partnerships with companies. That means creating a custom-tailored solution for each company and location. We found this cannot be a cookie-cutter approach; each company is different.

And I think we can help agencies identify ways to be as creative and flexible as possible, without breaking the rules of course, in applying regulations.

And finally, together I think we can support and encourage our schools to play a significant role in this effort, which can make a big difference as they help develop our youngsters and their work capabilities.

The third way we can work together is the simplest I believe of all, and that is just opening doors and eyes to what works.

So in that light, I would invite all of you to come and visit our distribution centers, and bring representatives from companies in your
states if you'd like. Certainly we will have team members and managers that will help you, and help them see the best practices and hear the best practices that we have.

And I think the important thing is, if you have companies come visit, you know, have them not just bring their leadership, but have them bring operators, because those are usually the ones that ask the right questions, the toughest questions, and we'll certainly host.

I had an old boss that told me years ago that the best form of management is show-and-tell versus just telling. And I think seeing it is believing. So if you want to see for yourself how employing people with disabilities can benefit companies, the workplace, and the entire workforce, just let us know and we will plan a visit.

So the reality is a true public-private partnership is a win/win/win for folks with disabilities, companies, and--certainly I believe--states. People with disabilities who want to work get a chance to work. They get a chance to earn a
living and contribute to the economy. And they gain independence and may become less in need of other assistance programs.

Companies like ours get a whole new pool of productive, enthusiastic, and empowered talent. And for states, certainly it can positively affect your economy.

A case in point, we're told that employing people with disabilities at our Anderson Center actually saved South Carolina $1 million in Medicaid services in two years.

So I think I am just about out of time, Governor. I've probably violated the No. 1 rule in business, which is don't share your trade secrets with other companies--

(Laughter.)

MR. WASSON: --but this certainly isn't something that we think we should keep to ourselves.

So with all the good that we can all do for these folks, our companies and the economy, that is a risk that I'm looking forward to taking.

So if it helps your states and companies
benefit, so be it. As Michelangelo said:

"The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low, and achieving our mark."

I can think of no better way for a company to do good while doing good business than employing folks with disabilities.

So thanks for the opportunity, and hopefully that has been beneficial.

(Applause.)

CHAIRMAN MARKELL: Greg, why don't you stay here. So we're going to open it up, and Greg is happy to take some questions. So please, let's just go ahead and get started.

Dan.

GOVERNOR [DAN] MALLOY: First of all, I want to thank you, Jack, for having decided that this was your personal project for your year at the helm here. It is a great project, and it will have long-lasting impact. Every person with disabilities who has previously not been employed and who we can have
employed as a result of the leadership being demonstrated by Walgreens and your leadership as well stands as a testament to our humanity and our willingness to save ourselves some money at the same time.

I have to say that I have visited the center. I took a tour with Randy, who is a great tour guide and very proud of what you all have accomplished.

If I remember correctly, your original goal was to have 25 percent of your employees with disabilities. You have blown through that to 50 percent, and I await the day you get to 80 percent.

What I will also tell my fellow governors is: Since I first went to the Walgreens site in Windsor, we have reached agreement with three additional companies to build large customer fulfillment centers, one of which is an online marketer of products who wasn't too happy with us when we decided that they should be subject to our sales tax, and now we have reached an agreement with them to collect that sales tax and to build a
customer fulfillment center.

But my point is, every time we are having a discussion about such a center, we are taking people to Walgreens to see what is going on. And I urge you all to come. Cathy and I would be happy to put you all up at the house for a night, if you agree to go see Walgreens in Windsor. It's about 20 minutes from the house we live in.

I do want to make one point. There is a tsunami of folks with disabilities who were once thought to be unemployable who are really employable. And this issue with autism and the spectrum means that we are all going to have a bigger problem to deal with in very short order. And then, quite frankly, if you look at the impact of the two wars that we have fought and continue to fight for some number of months additionally in one case, we have also produced a lot of people with disabilities.

There is nothing better we could do to honor the service of the men and women who have become injured and come home with disabilities than to find them a job. And there is nothing more cost-
effective than to do that and to make sure our
children with autism and other disabilities have a
job.

And this number on the Medicaid side is
extremely important, but it is all about all of the
other wraparound services that we are otherwise
providing which Walgreens in this case has stepped in
and has provided through a salary. So we need to do
all that we can to bring this about.

The final point: They are great partners.

We work with them. Our commissioners work with them.
We put all of our social service commissioners, and
instead of having them work in a silo, we meet in my
office on an ongoing basis. We talk about Walgreens
and what we are trying to get out of the companies
that do on a regular basis.

They didn't ask for much. The one change
that we had to make in the state of Connecticut is we
put a bus stop at their front door. That's it. We
put a bus stop at their front door. Instead of
having people unload themselves or load themselves
250 yards away, we simply agreed to bring the bus in,
having it stop right at the front door, discharge,
pick up people, and have them leave.

This is do-able everywhere. And so what I want to know is when you're going to build another one in Connecticut.

(Laughter.)

MR. WASSON: Well thanks so much for those kind remarks. You know, one of the things I will say, you're right, our goal was 20, 25 percent. We've far exceeded that. And I think that is the key, to set a high bar. Set a high goal, because it just challenges and forces everyone to go out and do things they didn't think were possible.

So thank you, very much.

CHAIRMAN MARKELL: Sean.

GOVERNOR [EAN] PARNELL: Thank you for being with us. One thing really intrigued me. You talked about the early stages of how you cast a vision for the workplace, and set this in motion, and how it actually emanated in large part from one of your executive officers.

Could you speak more fully to how you set
that vision internally? What kind of buy-in you got, and how that worked really from the internal perspective?

MR. WASSON: Yes, good question. I think first and foremost you need a champion. With any big-company initiative, you absolutely need a champion. So a lot of that credit goes to the guy that's behind me, Randy.

I also would say that in many cases you need it to happen in operations. You need a line representative that can kind of drive it within a facility. Tremendous support, obviously, from central HR, but it's best done in line operations, I would say.

You know, it's interesting. It was very easy to get a groundswell of momentum and support because people knew it was just the right thing to do. It was really more of the How. And once we figured out the How and began to really put focus on it, it just took on a life of its own.

One of the things that we are finding is that a lot of the barriers, frankly, that I am
talking about we've learned that we can remove were frankly, you know, some of the standard processes. For example, an online job application. We didn't realize at the time that in many cases we were blocking someone with a disability, that may not be able to navigate that, who could be a very good employee from even getting the opportunity. So No. 1, you have to have a champion. You have to empower them. And then stick it in operations, would be my perspective, you know, to where they can actually get it off the ground and then let it gain the momentum it did. Thanks, Governor.

CHAIRMAN MARKELL: John.

GOVERNOR [JOHN] KITZHABER: Yes, good morning. I also want to thank Governor Markell for putting this important issue on the agenda. And, Greg, for your leadership and your business.

I have a question that is related more to your core business, but I think it is valid. Obviously people with disabilities and people without disabilities need medical care. And my question
is, I used to practice emergency medicine, and increasingly we saw people showing up in the ER who didn't have emergency problems but needed some care that fit their work schedule.

And, you know, opening health care facilities in places like Walgreens makes imminent sense to me. The question I have is: As you move more into chronic care management--and maybe this is a question for our HR people--how do you deal with continuity of care, given the fact that in many cases you have a person with a chronic condition seeing five different physicians who don't know what they're doing. If people are getting more of that care there, how do you deal with that? And are you doing anything with electronic medical records for these folks?

MR. WASSON: Good, Governor. And that's exactly it. We have to be--we need connectivity. In my opinion, our health care system does not need further fragmentation. And certainly as we begin to expand our scope of services and try to allow our pharmacists to practice at the top of their
profession, co-locate nurse practitioners who can practice at the top of the profession, those two health care professionals combined can provide a high percentage of primary care in the country.

But we don't want to fragment. So we are investing in electronic medical records' connectivity. We want to be the primary care physician's partner--not a separate solution. So we think that access to affordable, high-quality care is absolutely something that we can help the nation with.

And to your point, IT--health care IT--is a big part of that. We have to connect with the physicians.

CHAIRMAN MARKELL: Neil.


Thank you very much.

It's not clear to me, when you're speaking about disabilities a little bit in the abstract or in general. Can you give me an example of the spectrum of disabilities that you are speaking about? I am thinking of myself. As an adult, I've acquired a
seizure syndrome. Epilepsy is a generic term.

There's very little known about it. It scares people.

Many people who have to contend with epilepsy and its arc of constant seizures to occasionally find themselves in a situation where they can't be employed. People are afraid to employ them. Will they be able to deal with it?

The other spectrum. You mentioned autism, but the entire spectrum of what constitutes disabilities. Some has to do with limbs. Some have to do with conditions that may be sporadic in nature. So I am interested. What is the spectrum of disability? How is the word "disability" defined for you at Walgreens?

And then second, how do you coordinate with those agencies that deal with helping people to be able to contend with life? I am a member of the Federation of the Blind, dealing with deaf children, those kinds of things. Do you have an ongoing relationship, or a contract with agencies, from Goodwill to the National Federation of the Blind, to
say the Epilepsy Society that may consist principally of parents and researchers and people who have been affected by it, as opposed to something perhaps more broad-based?

MR. WASSON: Good question. I'll take the first one, and without seeming, you know, being kind of too high a level, folks with all cognitive and physical disabilities we think are a candidate.

Now that doesn't mean we can employ every single individual, or every type of disability. But really what we are finding is we can indeed employ many more across the spectrum than we probably even realized.

For example, we used to have policies to where, you know, the No. 1 thing in a distribution center is you want to make sure you've got safety in lift trucks and so forth.

So in the past where we may have had--to your point--someone that may be missing a limb, you would not have thought that maybe they were a candidate, but then now we realize with the proper training frankly their accidents have gone down
across the spectrum.

So I would say, first of all I would not recommend limiting across any disability. It is really the training and the opportunity to figure out how you can put them to work.

As far as the agencies, that is probably the biggest opportunity I think together we have. And I think there are some great agencies out there that are trying to do some great things.

I think some of the things we see would be, many times to your point I think, we're working with several agencies that focus on maybe one situation, whereas it would be kind of good to kind of collaborate and work together.

The number one thing we need as we move forward, we have to find good partners. And spending time with the states, and spending time with agencies who can really be good partners. Because it's really about the sourcing. It's the identifying.

We can create the training internally ourselves. It's really working at finding partners who can help us source and bring people in that we
can take through the certification process and employ.

GOVERNOR MALLOY: Can I just add something to that? It's important, Governor, and our approach in Connecticut is, we're not asking these companies to provide the social services beyond the job.

Now they accommodate people. But for Instance, the rule is the person's got to be able to get to the job themselves. You don't transport the person. And this is about convincing people simply to open their doors, make positions available, and then the state and societies and interests, groups that have interests, they need to continue to do their part on behalf of these individuals in making sure they get the services outside of employment that they need.

And so we have got--we can't have employers think that we're also asking them to provide a full body of services. Otherwise, the whole--we believe, in Connecticut, the whole system breaks down.

CHAIRMAN MARKELL: Before I go to Governor
[Jay] Nixon, let me just say I think the question that Neil is asking is really at the core of what we are trying to get at in this whole initiative. We do have a session tomorrow where a number of governors, and we invite all of you, but a number of governors are going to be talking about specific things they are doing in their states on that point.

We are also going to have a panel of experts. For example, one of the things that we've heard, as we have been engaging with folks from around the country, one thing that too many of our agencies do is they will take a list of names to an employer and say: Can you please find employment opportunities for these people? As opposed to first going to the employer and saying: Can you please identify for me the skills that you're looking for? And then I can go back and check to see, you know, here are the people I have. They may have any range of disabilities. But the focus is of course on the ability rather than the disability. And I can tell you that as part of our initiative,
for the first part of your question, we have been consulting with and informed by people covering every possible disability.

And it has been an incredible educational process, and hopefully at some point Governor [Dennis] Daugaard can tell his own stories because he's got really amazing insights into this, as well.

Governor Nixon?

GOVERNOR NIXON: Yes. Everyone represented here also not only is involved in public policy but are also significant employers.

As you look at this from the business side toward the government side, what kind of initial adapters, what kind of tasks, what kind of opportunities are there? I mean, you know, literally millions of people represented as employees here, obviously we have to the taxpayers our fiduciary responsibility very similar to that you have to your shareholders and whatnot. What advice do you have to us in a public sector of types of either tasks or responsibility that might be quick adapters so that we could be not only partners in breaking down
barriers for you, but also partners in the actual accomplishment of employment of folks with disabilities?

MR. WASSON: I think the No. 1 thing, and I'm going to come back to Governor Markell's point as well, the No. 1 thing with an employer is to invite the agencies to come in and identify, so that we can help them with the services we're looking for.

In the retail setting, you know, we're finding that we can employ folks all the way from, you know, front cashier to plan-a-gramming and so forth. So there's really not a limit.

As far as the state, as far as if you're asking me how do I think you can employ folks with cognitive or physical disabilities, I wouldn't limit yourself. And that may sound like I don't quite have the answer, but I would not limit yourself. We are finding, as I said, that there are opportunities to employ folks that we never would have dreamed of before.

I will say this, that it has to be good
business. To make this sustainable, it absolutely has to make sense for the business. And that's the reason we constantly say, and Randy in his video said, it is not charity. And we want something that is sustainable.

So I would say, just don't limit yourself. Begin to identify tasks, you know, within the state that you believe that you have opportunities for, and then figure out and bring the agencies in, as Governor Markell talked about, and said, look, these may be some opportunities we're looking for some help. And then let them go back out and source candidates for you.

CHAIRMAN MARKELL: And, Jay, your question is also part of the initiative focused on the public sector as an employer.

I think Governor Fallin had a comment or question.

GOVERNOR FALLIN: Well thank you, Governor Markell, for your leadership on this issue. And it has certainly brought light to a lot of issues that we might not have considered as governors.
But I was intrigued by your comment that you saw a 70 percent drop in your workers’ compensation costs, because normally you might think that if someone has a disability that there may be a safety cost to that. But you're actually seeing less cost in your workers’ compensation costs, which is one of the big issues for businesses across the nation. So can you talk a little bit about that?

MR. WASSON: Yes. And thank you for bringing it up in fact. It's across the entire enterprise, not just folks with a disability but also our typically able folks.

And I think really what happens is, as you begin to really look at how you can best employ, and make sure that all hires are productive, you gain productivity and improve safety across the entire enterprise, that you may be able to transfer from the lessons from, you know, what you've done to make sure you can allow someone to do a specific task. That just translates across the entire enterprise. And that's what we talk about, the fact that it is not just an opportunity to employ someone
in an agency who may come in and say, hey, how can
you use our folks? It's really identifying the
needs and then really focusing on how it can help
your business, and then your entire enterprise
benefits from it.

CHAIRMAN MARKELL: Anybody else? Yes,
Dennis.

GOVERNOR DAUGAARD: Thank you, Governor.
Greg, thank you for your comments. One
question I wonder, and I don't know if this is to you
or to other governors that may be experienced in this
area: Do you come across employers who are worried
that, gee, if I open up the door to applicants with
disabilities and I don't hire them, then now I'm
worried about discrimination lawsuits? I'd rather
just not get into it. I don't have to worry about
those lawsuits, so I'm not going to open the door.

Do you see that at all?

MR. WASSON: We haven't. And we are
working with a lot of different employers who we've
brought in and let them see what we're doing.

You know, I think one of the common
questions we get may be, okay, if they're not performing, what do you do? And I think the answer, the simplest answer is always to come back with you treat someone with a disability the same way you deal [with] and treat a typically abled person.

So I think you have to be completely fair and consistent across the board. But we haven't really experienced that. I don't know if, Randy, Governors, I don't know if any of the governors have or want to bring it up, but certainly we haven't.

CHAIRMAN MARKELL: Anybody else?

(No response.)

CHAIRMAN MARKELL: Well, let's hear it for Greg.

(Applause.)

CHAIRMAN MARKELL: So multiply this by thousands, and that is the opportunity that we have. And it is not just about large businesses, but I think it is incredibly helpful. And I'm sure that Greg won't mind when you go and tell business leaders in your state that the CEO of Walgreens says this is not about charity, this is about good business.
And the more we can get that message out there, and Walgreens of course is not the only one; it's big business, it's medium-sized, it's small, and I just think we have an incredible opportunity. There are so many people across this country who have the desire, they have the willingness, they have the ability to do the job, and too often they are not given a shot. And we have a role to play. It is not our role alone, but I do think that we will find willing business partners across the country.

So we are very, very grateful to you, Greg, for your leadership. We look forward to continuing to work with you. And, again, I urge the governors tomorrow, we've got a great session moderated with Judy Woodruff where we can really get into this at the next level of detail.

So I know a lot of you are probably wondering, well, what does it mean in terms of what can I do differently in my state? And that is really what tomorrow is about, and it is really what this whole initiative is about.

So let us move on to the Public-Private
Partnership Awards. This is now in its seventh year. This award recognizes corporate fellows of NGA. It's companies that have partnered with the state to implement a program or a project or a service that positively impacts the citizens.

So each fall, governors are invited to nominate a corporate fellow company for work in his or her state that demonstrates a significant investment at the state level, to perform a public good in areas such as education, health, public safety, and the environment.

Winners are selected by a volunteer group with appointments by Governor Fallin, myself, and three other individuals vetted by the NGA staff. And I want to thank the members of the selection committee for their time and their energy and their thoughtfulness.

Many governors nominated corporate fellows for consideration. I understand the deliberations were very difficult because of the high quality of the nominations. One company is being selected, and without further delay I would like to invite one of
our newest governors, Governor Pence, to the podium
to present Indiana's winning nomination for the 2013
NGA Public-Private Partnership Award.

GOVERNOR PENCE: Thank you very much,
Governor Markell, and Governor Fallin, my fellow
governors, and honored guests.

Let me say how
inspired I was by Greg Wasson's and Walgreens'
example of corporate leadership in a public and
private partnership. What a blessing that was to
see: doing good while doing well.

It is my honor today at the NGA Winter
Meeting to present the Public-Private Partnership
Award. In Indiana I like to say that we want to be
the worst place in America to commit a serious crime,
but we also want to be the best place in America once
you've done your time to get a second chance. And
today's honoree is a part of a widening Indiana
success story between the public and private sector
that is a win for taxpayers and also a win for public
safety and a reduction in recidivism.

I would like to ask Tom Barnes, Senior
Vice President of ARAMARK, to join me at the podium
for this presentation.

Within the Indiana Department of
Corrections, ARAMARK has pioneered a program called
"Into Work." The partnership focuses on two primary
goals. First, it addresses the state's concern, of
course, about dwindling funding for vocational
training, and leverages its expertise in preparing
healthy and nutritious meals within a commercial
kitchen model at lower cost to taxpayers.

But second, it empowers correctional
professionals by using the Into Work program to
increase public safety and reduce recidivism through
successful re-entry programs.

It is clear that the statistics support
the fulfillment of both of these goals. ARAMARK
provides the Into Work program at no additional cost
to more than 27,000 offenders and 27 facilities.

Since 2005, the state has saved almost $85
million through this partnership for taxpayers. The
evidence of Into Work's success is that in January
2008 Indiana opted to apply a six-month credit to an
offender's sentence with a successful completion of
the 18-month Into Work Program.

The sentence reduction not only reduced
the prison population, but it saved taxpayer
resources. And the recidivism statistics for Into
Work graduates confirmed the power of vocational
training and employment upon release.

[Of] the year 2009 Into Work graduates that
have been released, 7.7 percent have reoffended. And
in 2010, only 4.1 percent have reoffended. The
average across our system in the state is
approximately 37 percent.

It is a win for taxpayers, a win for
public safety, and a win for Hoosiers who long for a
second chance. And so I invite my fellow governors
and our honored guests to join me in offering
congratulations to ARAMARK for imagining and
implementing this successful Public-Private
Partnership Program in the Hoosier State.

(Applause.)

(Award presented.)

CHAIRMAN MARKELL: It is now our pleasure
to hear from Governor Walker to talk about this
summer.

(Pause.)

GOVERNOR WALKER: I had to have a
different prop than we did in Williamsburg because
[Governor John ] Hickenlooper ate all my cheese.

(Laughter.)

GOVERNOR WALKER: We'll have plenty more
for you there as well. I can say that because I was
born in Colorado Springs, so I've got a shred
affinity for Colorado.

You know, Williamsburg was obviously a
great time last year at the annual meeting, and
Tonette and I invite all of you, all the governors,
your spouses, your families, your staff, and all the
supporters here at the NGA to join us August 1st
through the 4th in Milwaukee, Wisconsin, for the
annual meeting.

We don't have the kind of colonial history
that they do across the Potomac and down the way in
Williamsburg, but we have a little bit of different
history, which is why I'm wearing my Harley jacket
In August, the Harley-Davidson Motor Company celebrates its 110th Anniversary. And so as part of that, that's part of why there's a Road King out there. It's not my Road King; although, I have a 100th edition, anniversary edition Road King that I will be riding, but one of our great events during the annual meeting where we do a lot of good work, but we also have a lot of fun, will be at the Harley-Davidson Museum.

And as if that wasn't enough, there will be food, and entertainment, and a great time overall. If you've never heard of it, take a look because it's more than just a museum. It's really an interactive opportunity for you, for your families, and for your staff, but I've also got a challenge.

Now a couple of the governors have taken us up on that. Both Jack and Mary are going to join, and other governors are invited, but before we kick off that event we're going to take off from near the VA grounds on a ride. And I'm going to get my Harley out, and we're going to provide bikes and safety gear
to any governors and their spouses, or others who want to join us.

And just to make it a little bit extra safer, if you haven't ridden a motorcycle before, we will also provide a course for you at the Harley-Davidson dealership closest to your capitol and the Rider's Edge, but if you'd like to join us we're going to have a ride. Some veterans are going to join with us, and we will ride on in. It's a short ride, so you don't have to worry about riding too long.

But we thought it would be a great opportunity to share. Again, a little different than colonial history, but some good Harley-Davidson history.

Now if that wasn't enough--

(Laughter.)

GOVERNOR WALKER: --on the next night, we are going to be at Miller Park, the home of the Milwaukee Brewers. And for those of you who haven't seen that before, I know a lot of folks have great stadiums in your states as well, but ESPN named
Miller Park the best baseball stadium in all of Major League Baseball last year.

It's the only fan-shaped retractable roof in all of the professional leagues out there. It is a great opportunity. And we have a unique chance, because we're going to be on the field for an event that night. In fact, so much so that it's not just enjoying Miller Park and everything that's a part of it, we are literally going to be able to take batting practice.

So a couple of former Brewers are going to join us. It's a great time, again I know for a lot of governors, maybe your spouses, for some of us who have kids, a great chance to literally be on the field itself and enjoy batting practice as well as some other activities.

Beyond those two big events, we are also going to spend another night on Milwaukee's lake shore, on the shores of Lake Michigan, and we're going to be at the Discovery World Museum, which is literally a museum on top of Lake Michigan, where on one side we've got Summerfest, the home of the
world's largest music festival, and the other side
we've got Milwaukee's Art Museum, which is the first
Calatrava-designed art museum in all of North
America. And we're going to have a great time there.
So a lot of fun. . . . a lot of activity.
Obviously some good, important policy things we'll be
discussing in Milwaukee as part of the annual
meeting, but a lot of fun. And if that wasn't
enough, for not only all the governors here but for
your families, and staff, and others who are
interested, other things are going on throughout that
weekend.
The Milwaukee Air Show is going on with
the Thunderbirds right by where one of our events
will be at. And for those who want to come early or
stay late, Whistling Straits is one of the world's
greatest golf courses and is just up the way. We can
arrange times for you there, for those who love
golfing. And for those of you who have kids, or
grandkids, Wisconsin Dells is literally the world's
waterpark capital, and we can make arrangements if
you want to come early or stay late for that as well.
So a lot of great things. Again, we don't have the colonial history. I can't tell you that Patrick Henry and Thomas Jefferson stayed in my residence, but I can tell you it's pretty cool to hear the roar of a Harley, or to crack one of the balls out of the ballpark in Miller Park, and we hope that you will join us August 1st through the 4th.

So thanks.

(Applause.)

GOVERNOR [Peter] SHUMLIN: Hey, governor, I've just got one question to follow up, because I think you forgot an important part. You forgot to announce that I'm going to be bringing down Cabot Cheddar Cheese so Hickenlooper can have some edible cheese while we're down there in Milwaukee.

(Laughter.)

That's what I was going to ask. There's going to be plenty of cheese, I assume.

CHAIRMAN MARKELL: Well, we all look forward to seeing you in Milwaukee this summer, Governor Walker. Thank you very much.

That concludes this session. We are a
little bit ahead of schedule, which is how we intended, and the governors-only session begins at 12:45.

So thank you all for coming.

(Whereupon, at 12:12 p.m., Saturday, February 23, 2013, the plenary session was recessed, to reconvene at 9:30 a.m., Sunday, February 24, 2013.)
NATIONAL GOVERNORS ASSOCIATION

Winter Meeting

Sunday, February 24, 2013

JW Marriott

1331 Pennsylvania Avenue NW,
Washington, D.C. 20004

Governor Jack Markell, Delaware, NGA Chair, Presiding

Governor Mary Fallin, Oklahoma, Vice Chair

Presentation of Leaders, Speakers

Moderator: Judy Woodruff, Co-Anchor and
Senior Correspondent, PBS Newshour

Panelists:

Neill Christopher, Vice President of Manufacturing Operations, Acadia Windows & Doors

Judith F. Heumann, Special Advisor for International Disability Rights, U.S. Department of State

Joan M. McGovern, Vice President, University Collaboration Community Engagement, JPMorgan Chase

Carl E. Van Horn, Ph.D., Professor of Public Policy and Director, Heldrich Center for Workforce Development, Rutgers, the State U. of New Jersey
CHAIRMAN MARKELL: Well good morning, everybody. I want to welcome all of you. I want to thank my colleagues for joining me for this moderated discussion on employing people with disabilities.

We began our discussion yesterday on this topic during the open plenary when Greg Wasson, the CEO of Walgreens, shared the story of Walgreens. We thought it was very, very compelling, why employing people with disabilities has been good for the company and good for the company's bottom line.

Today I am excited to start a discussion amongst governors that really takes it to the next level, about how states can support businesses in implementing programs to include these individuals with disabilities.

As you will see today, advancing employment opportunities for these folks is an issue that cuts across partisan lines, as you can tell by the governors sitting around the table now. It is really about building a competitive workforce and
ensuring that everybody who can and everybody who wants to work really should have the opportunity to do so.

So the focus on today's conversation is really about leadership. And as I've talked with companies that have successfully increased their employment of people with disabilities, I have heard time and time again how important leadership is as a really critical factor. The commitment has to start at the top.

Successful efforts to employ people with disabilities starts and continues with that strong leadership. And as governors, we have just an incredible opportunity to spur action in our states to make it easier for businesses to employ people with disabilities.

And we are very fortunate today to have as our moderator one of our most prominent journalists, a seasoned veteran of more than 35 years of experience covering the White House and nine presidential elections.

Judy Woodruff is co-anchor of PBS's
Newshour. Her body of work includes a 2011 Documentary on Nancy Reagan, a 2007 project on Young Americans. She also hosts her own show on Bloomberg Television, "Conversations With Judy Woodruff."

She's a founding co-chair of the International Women’s Media Foundation; a former recipient of the Edward R. Murrow Lifetime Achievement Award; a mother of three; a disability advocate; and we are just really, really fortunate to have her today to moderate this session.

So please join me in welcoming our esteemed moderator, Judy Woodruff.

(Applause.)

MS. WOODRUFF: Thank you very much. Thank you. Thank you, Governor Markell. I am delighted to be here with all of you. I am just especially pleased that you are highlighting this issue: the important issue of employment and work for people with disabilities. And I am so glad to take part in facilitating this particular discussion, coming on the heels of yesterday's comments by Mr. Wasson of Walgreens. And I know you had a wonderful
I am the mother of a son with significant physical disabilities since he was a teenager, so I have seen firsthand how those with challenges the rest of us don't have a much more difficult time getting an education and getting a job, when all they want to do, in my view, is to become contributing members of society just as the rest of us.

I have yet to meet a person with disabilities who has the capability of holding down a job who would rather sit back and do nothing and let others take care of him or her.

For our son, Jeff, who lives in an active community designed for people with disabilities, his work is at a college athletic center in Maryland where he spends six hours a week keeping track of student IDs, monitoring security and the use of exercise equipment. It sounds like a small job and a little amount of time, and he would love to work more. But it is a critically important part of his week.

He had only been working there for one
month, originally as a volunteer, when he spoke up and asked when he would start to be paid.

(Laughter.)

MS. WOODRUFF: He got a check starting the next month. And he takes his job so seriously that when the college president's wife came to use the exercise facility for the first time, without an official ID because she had just arrived, Jeffrey would not let her come in--

(Laughter.)

MS. WOODRUFF: --until someone vouched for her. He didn't lose his job, and they laugh about it today.

But through Jeffrey, my husband and I have seen what a difference it makes in his sense of self-worth to be able to perform work that is needed, to have people counting on him every day, and to be able to make a meaningful contribution.

And we do want to talk this morning about how that is happening around the country, in the private sector, and in the public sector.

We have a superb panel to help facilitate
this conversation. I want to introduce them now. We are going to hear from them first, and then we are going to bring all the governors in to be part of the discussion.

First I would like to introduce Joan McGovern, who is there seated to Governor Markell's left. She is a vice president at JPMorgan Chase. She is the Community Engagement Manager with Corporate Technology, and she is responsible for university collaborations.

Seated to the right of Governor Markell and Governor Fallin, thank you to you as well as the vice chair of the governors, thank you very much for hosting this, to her right is Neill Christopher. He is the Vice President of Manufacturing Operations at Acadia Windows and Doors in Baltimore, Maryland. It is a company that was founded in 1947, and they have over 60 employees.

On your right, in the center, is Judith Heumann. Judy Heumann is a Special Advisor on International Disability Rights at the U.S. State Department. She has spent more than 30 years
advancing the rights of those with disabilities internationally and here in the U.S. at every level of government.

And our fourth panelist is seated on your left. He is Carl Van Horn, Professor of Public Policy and Director of the Heldrich Center for Workforce Development at Rutgers, the State University of New Jersey. He is a labor economist.

So it is a superb group of individuals to help take part in our conversation today, and I want to begin with you, Joan McGovern, and ask you to kick it off by just talking about, from your corporate perspective, what have you seen about what it is like to bring people with disabilities in, the possibilities, the challenges.

MS. McGOVERN: Thanks, Judy, and good morning, everyone, and Governor Markell, Governor Fallin, NGA association. Thank you very much for this opportunity.

I've got to say, I'm thrilled for the level of focus that this issue is being given today. So congratulations to everyone on that.
From 2004 to 2009 I managed an initiative within JPMorgan Chase that actually reflected--took a look at people with disabilities and how do we reflect them across the firm, full spectrum, end to end, in our products, services, policies, procedures?

And it started with the tone at the top. Our CEO, corporate senior executives, business executives, managers throughout the firm, that was the directive: This is where we're going to go and how we're going to do it. So from the leadership perspective, they were engaged. And that was extremely critical.

Moving forward then, several other items that I took a look at, and with the support of the firm, was the pipeline. What was the outreach? And where were we recruiting? And what needed to be enhanced?

From there, taking a look at hiring. The focus was going to be on skills. If an individual wanted a position at JPMorgan Chase and they had the skills, we then wanted to engage them and see how would they become a part of our culture.
Ensuring productivity. How do we accommodate? What are the accommodations that would be needed? What might we need to expect? And what needed to be enhanced once again to ensure that those accommodations in fact could be carried forward?

Communications. Communications internally and also communications externally. What are the various channels? And what did we need to do there? And we moved forward on those.

Then, wrapping up with technology. How do we ensure technology is accessible?

And probably most important, how do we grow? And how do we broaden and retain this level of employment within the firm?

We realized that people with disabilities that were looking to have a position at JPMorgan Chase, their approach is sometimes different. But that difference needed to be embraced. And it was in that difference that we found the huge opportunity: an effective way to do business.

And it wasn't just a matter of bringing individuals into the firm, but how do we retain them?
And actually we didn't want to have in two to three
months a revolving door, so it is an issue of
placement. The numbers come in, and then what
happens to the individuals.

No, we wanted to take a look from the
beginning and say how do we retain? What are the
retention practices that we need to put in place to
enhance the careers? It's not just a job. How do we
enhance the careers?

So from that moment on, we started to look
and say: All right, the individuals that we have,
people with disabilities that we do hire, have them
be our advocates to partner with every single policy,
procedure, service, business. Use them as subject-
matter experts within the firm with our products and
services and channels to our clients.

And along the way, what was so important
day to day was the job coaches through the state voc[ational]
rehab organizations that we dealt with. Those were
individuals that were able to partner and support us
as we continued to do business, but actually were
able to assist us with working with the employees
that had disabilities.

For your consideration today, I would ask you to be smart. This is not a broad-brush initiative. There's not one size that fits all here.

So, for example, knowing the volume, and also knowing the quality of your pipeline within your state. If there are disability Veterans, disabled Vets that may be coming into your particular main large cities as they come back from the war, as they come back from the Middle East, as they come back into your state, work with that population.

If it happens to be a large population of a deaf community that's within your state, take a look at that and reach out and work with those individuals.

So the ask for today would be: Focus on people with disabilities. Hold focus sessions with them. Take a look--for example, one of the other items that we did was to look at the skills. So we worked with the state voc[ational] rehab organizations and put together a means where we were able to set up a
statewide database where we would be able as a firm to upload our positions, but then also too we were able to see what were the candidates that were available.

So it wasn't the voc rehab, the vocational rehab organizations going out to the various different companies; there was a one-and-done that was able and made it very, very efficient.

Measure retention and incent on that, as opposed to just placement.

Also, job coaches. Again, there may just be an opportunity there with the, dare I say, the economy. There's a possibility to take a look at those individuals that have retired, those that may be on unemployment, and maybe there is a way to work them into the job coach pipeline in order to assist the various different corporations and companies moving forward, and in particular the small business market.

Transportation, the last item I'd like to speak about. That's actually from a remote access perspective one of the areas that we heard
individuals saying: I've been accepted for a position; now what do I do? How do I get there?

      Well we needed them to be able to cross the threshold. So we had to work with the Department of Transportation in some instances to make that happen.

      And then also in some other states we worked with them. Instead of having a separate service of transportation for individuals that have disabilities to come to our employment, we actually turned around and said let's take a look at what is the transportation situation right now and maybe we just get different types of vehicles with the taxi and limousine commission that actually can be called upon to be able to accommodate a person with a disability.

      So just wrapping up, candidates with disabilities that can get to us, that have the skills, they work.

      Thank you for your time.

      (Applause.)

      MS. WOODRUFF: Thank you, very much. And
if I could just follow up with a quick question, how
many cities, or how many states was JPMorgan Chase?

MS. McGOVERN: This was across the

country.

MS. WOODRUFF: Across the country?

MS. McGOVERN: Um-hmm.

MS. WOODRUFF: All right, let's turn next
to Neill Christopher from Baltimore. Welcome.

MR. CHRISTOPHER: Good morning. Thank you
for inviting us back to the National Governors
Association.

We have a different story because we are a
much smaller employer. We have 60 employees located
in northeastern Baltimore County. We have been in
business since the late 1940s, and as our name
implies we make windows and doors.

We didn't start out to hire people with
disabilities. We were approached by a job developer
from the ARC of the Northern and Chesapeake Region
who answered an ad that we placed in the local
newspaper.

As an employer, we were looking for good
employees. That was really our only criteria. The
job developer actually called me and asked: Do you
hire people with disabilities?

And I said: I'd like to think that we do,
but this is not a safe environment. We have machines
that are capable of amputation. We have pieces of
glass in our factory as big as the windows you see in
this room (indicating). We have forklifts that move
throughout the building.

We would like to think that we could
accommodate people with disabilities, but it's
probably not a safe environment. And the job
developer, Jan Stauffer, was very smart. She said to
me: Can I have 15 minutes of your time?

And I thought, 15 minutes is exactly the
right amount of time to brush her off.

(Laughter.)

MR. CHRISTOPHER: So I invited her to our
facility. But in the meantime, from the time we made
the initial contact, I had gone to our saw operators
and the people that run the saws that cut the
profiles for the windows and doors and said: What do
you need to be more effective?

And they said, if you can have somebody put in the weather stripping, the fuzzy stuff that goes around your windows, if you had somebody to put that in, we could fly.

And I remember that Jan had said the people that she was bringing as prospective employees liked repetitive work. And to me, that seemed like it might be a good fit.

So we brought our first person in from the ARC. Joan is right. It has to be a top-down initiative. But it also has to be a bottom-up initiative, because I had to get the buy-in of the owners of our company. But more than that, I had to get the buy-in of all the line-level workers that would be working side by side with our new employees who came from the ARC.

And they asked some very good questions. They had the same concerns and the same trepidations about safety, about logistics, about how would all this work. But we found that the ARC was a very good partner. And I will say many times today that we
could not have done this without the ARC.

The ARC provided those important things that Joan talked about: job coaches. And they provide transportation. For a small company like us, that is not an option. But the ARC comes in and does that work for us and provides us with very capable employees.

Our first employee was Robin Baughman. She came to us in 2003 and did a terrific job, and we figured, great. We hired some people with disabilities. But Robin looked around and she saw some other jobs in the plant, and she said I'd like to try putting the hardware on the windows.

And that is actually a pretty complex job. We have many iterations of products. And we thought it might be a possibility. We waited until a little bit of a slow time, and we gave her a chance to do that, and she soared. She did a terrific job.

But now we didn't have anybody to put the wool pile in the windows and doors. So we had to go back to the ARC and say, hey, we need another person. And the same thing happened. The process grew.
When we had at that point three people from the ARC, I was approached by Jan once again. A lot of our employees come from the Social Security Administration's Transitioning Youth Program. She said, I have a young lady that's about to graduate from high school. Would you be interested in hiring her?

And I said, sure, what high school is she coming from? And she said, the Maryland School For the Blind. And I said, what are you telling me? And she said, well, Jess is blind but I think it might be a good fit.

We brought Jessica in, and her mom, and her dad. Her dad is an engineer. Her mom is a teacher in the Harford County Schools. Very bright people, all of them, very articulate. Jess is blind and has developmental disabilities. And we gave it a shot.

And remember, the job coaches are what make it work. The people we had hired up to that point, the job coaches had been with us for a week, maybe two. With Jessica, the job coach was there for
six weeks. That had nothing to do with Jessica, and
it had everything to do with me, because I was very
concerned.

Finally, the ARC had to kind of trick me. They said, you know we need this job coach at another
place. Can you give her up for just a day? I said, okay, we can try this for a day. And Jessica was
fine. This was our concern as a manufacturer.

I have had the opportunity to talk to the
Social Security Advisory Board, and that is one of
the points that we were asked: What keeps companies
from hiring people with disabilities?

And I will say the No. 1 factor is
fear. And that is why I like opportunities like
this, and especially opportunities to talk to other
manufacturers and say: Come to our plant. Let us
show you how it can work. Let us show you the people
in our plant. Take a tour. You will notice Jess
because she has a yellow hard-hat so the forklift
operators can see her. But tell me the other five
people in this plant that have disabilities. They
can't do it. Because we have been able to mainstream
all of these employees through these job coaches like everybody.

The people from the ARC just want a job. They want an opportunity to look around themselves and see another job. We have been fortunate in that we are a small enough company that we can let them look at other jobs, and we can give them an opportunity to try it. And there has not been one time in the 10 years that we have been doing this where someone has not been able to achieve what they thought they could achieve by looking around.

And that is a tremendous testimony to them, to their job coaches, and to the process of the ARC itself. We really very much appreciate this opportunity to talk to you and to share our story because the world is going to change in another way. The Baby Boomers are all retiring. And when we get to that, we are going to be--all of us are going to be looking to hire people from pools that are not being tapped now. And people with disabilities are going to be one of those pools.

It works very well. The top-down is
important. You have to have the buy-in of management. The bottom-up is important. You have to have the buy-in from the people that are going to be working side by side.

But those two things are really the best part of the process. Because as I said earlier, safety was a big concern. At the time we partnered with the ARC, we partnered with MOSHA Consultation (OSHA in Maryland) and we were looking to have a way to make our workplace safer.

What we found is that everything we did to make our workplace safer for the people with disabilities made it safer for all of us. And as of Friday, we have worked 2,230 days without a lost-time accident. This is I think because of our partnership with the ARC, and of course MOSHA consultation.

The other thing it did, it made us a stronger company. Because it made us interact with one another in ways we didn't normally interact.

About the time we first talked to the ARC, one of the owners of the company came and brought a bunch of chess and checkers sets, about 30 of them,
and said I want to put these in the lunchroom, and I want people that don't normally work together to sit down and play games and wire our brains differently, that we can interact on a different level.

And that was a great exercise, but that's what it was, an exercise. What we found when we started to look at ways of accommodating people with disabilities is that was a real exercise with real benefit. And every good idea--every good idea--didn't come from me, and it didn't come from the job coaches of the ARC, although they were instrumental in implementing them, it came from the men and women that worked side by side with our employees from the ARC.

They were the ones that found a way for Jess to locate, a way from her work station to the lunchroom, and to the ladies room, so she could move around. They were the ones that found ways so she could communicate her needs throughout the day.

And the third thing it did--and really the best thing it did--it made us a kinder company, because we cared about one another. And we started
caring about the people from the ARC.

If I'm having a tough day--in manufacturing you have some--I can go out into the plant and I can talk to Jess, or Jordan, or Charles McGee, and I will always walk back to my office with a smile on my face because they're so happy with what they've done, and they're so proud of what they've done.

I want to share one more story, if I may. Jordan Barnes, a young man who's come to us from the ARC, his brother is a Baltimore City police officer. And he idolizes his brother. He worships his brother. And what Jordan did with his first paycheck was take his brother to dinner. And he was so proud that he was able to do that.

He took his cellphone, and he had pictures of his brother, and his brother's wife, now he has a nephew. He's so excited about that. The best part of all this is the normalcy of it. That when I would sit in our company lunchroom, there are disabled people at my table, there are people from Nigeria, and Sudan, there are people from where our plant is
located, but it's normal. That's the way of doing business, and that's been the best part of our experience, how it's made us a kinder and more compassionate company.

Thank you.

(Applause.)

MS. WOODRUFF: Thank you, Neill Christopher, especially for those personal anecdotes, which I think make your experience come to life for all of us.

MR. CHRISTOPHER: Thank you.

MS. WOODRUFF: Judy Heumann, now advising the State Department, but you have had experience throughout government, outside government from an NGO perspective. Talk about what it looks like from where you are.

MS. HEUMANN: Thank you very much, and I went over before to speak to Governor Markell and tell you thank you so much for elevating the issue of employment of disabled people.

Because as everyone has been saying yesterday and today, this is really about leadership.
And leaders are the ones who have to really give the direction at the state level, at the corporate level, public and private sector.

For me, I had polio in 1949, so I grew up with a disability. And we have certainly seen many significant changes in the United States and around the world where more disabled people are actually going to school, being educated, having greater opportunities to be able to enter the workforce.

And we are talking about people with all types of disabilities. So individuals who may not have graduated from high school to individuals who have post-doctorate degrees. People have all types of qualifications. And when we look at the issue of diversity, which I think is very important, all states are looking at the issue of diversity in the workforce.

And part of the question is: How do we really deliver a message that allows both employees of state government and of the citizenry at large to understand that we see disabled individuals with all types of disabilities from all backgrounds being a
meaningful part of our workforce.

So what I have experienced over my growing many years of work in different jobs is we need to look for different opportunities.

In the federal government right now there's something called "Schedule A." Schedule A started in the Carter Administration and it is still a program which is being worked on, but I think Schedule A is a very important part of what the federal government is doing.

It is overseen by the Office of Personnel Management, and every agency is required to have a Schedule A manager. That Schedule A manager has responsibility to work with all of the hiring managers within their agency. And that also, in addition to giving them information on what their obligations are under Schedule A, also does begin to get people to start thinking about what needs to happen when we are trying to get people into the pipeline.

So at State we have been doing a number of things, because we have many different opportunities.
We have a very, very big internship program with hundreds and hundreds of individuals who are either staying in school in high school, or through graduate programs who have an interest in international work apply for positions as interns at State.

But we decided that it was important to be able to really allow disabled people to know that we were including them in this mix. Because I think one of the issues that we're having to deal with is, while leaders may have this as a vision, frequently the people that we are reaching out to in the case of disabled people aren't really convinced by this.

They don't necessarily see disabled people on your staffs. They don't necessarily see real focused outreach to bring disabled people in to different jobs.

So we decided it was important to get a message out. So we have done training of hiring managers. We have been increasing the number of job fairs. We had a job fair in November which had about 150 disabled individuals of all types of qualifications who came.
We had hiring managers at that job fair so they could actually talk to people and potentially offer jobs for people, because Schedule A enables disabled people who are qualified for positions to move into positions faster. So that is also a real benefit for the hiring manager.

But we have also been doing work with community colleges and universities where we have been reaching out to them and to their various associations.

There is a group called AHED, which focuses with the disabled student services around the United States. We have people who have gone out and spoken at their meetings to let them know that we are looking for people, and again we are doing specific work to help ensure that disabled youth have a better understanding that we are looking for them to come into the job market.

But we are also talking to various organizations that the State Department supports. And like state governments, we have grants and contracts with many entities, and we have also been
driving that home with the grantees and contractors that the inclusion of disabled people in the workforce is a critical part of the work that we are doing. We are including it in language that is being written when people are applying for grants.

And then we are going out and actually meeting with people in various organizations that typically were not doing work, including both the subject matter of disability and disabled people in the workforce.

We meet with the heads of the organizations, and then they have to speak with their staff because they are coming in to let us know what it is that they are doing. That is really beginning to have a permeating effect across the institution. And similar work is being done in other government agencies.

For me, I think the issue of mentorships, internships, ensuring that as governors you have a visible team of senior people across your agencies who are responsible to report back to you about what it is that they are concretely doing in whatever your
priority areas are. And, to remember the fact that when we are looking at disabled individuals, we are looking at people with many different levels of expertise, and we are also looking at people who come into the workforce or not because onset of disability occurs at different stages in people's lives.

So there are people like myself who had our disability when we were young, persons with developmental disabilities, blind people, deaf people, but then there are many individuals who acquired disabilities for a variety of reasons--some in the workforce, some while they're working, but not on the job. And we want to make sure that we are able to keep those people in the workforce.

I think that is very important that we are also able to look at people who are working, who may acquire a disability for whatever the reason, and what are we specifically doing to ensure that people are not going off on disability benefits?

I hear this story all the time. A person who didn't have a disability, who had a job, who acquired a disability, who went to someone in their
profession to say what can I do to keep my job? And
frequently people are told: Go on disability
benefits.

Well there are many reasons we do not want
that to happen. And for those people who don't want
to go on benefits, they figure out how to stay in
their job. But there are too many people who are
leaving the workforce because we are not holding
managers accountable to ensure that someone who
acquires a disability in fact stays in the workforce,
that we make reasonable and appropriate
accommodations to allow them to make that happen.

And let me just conclude by saying,
because we are looking at people who have
disabilities at different onsets, when we are looking
at individuals who acquired their disabilities when
they're younger, really involving parents early on is
critically important--and I mean really early.

So all of your states have early
intervention programs. It is important to be getting
messages to parents when their children are just
born, or just identified as having a disability, that
there is an expectation that their child will be able
to work. And, that we are really here to assist them
to be able to continue to get that positive message.

And that message is really given in the
messaging at the state level. So in the branding
that you are doing, are disabled people clearly a
part, and a visible part, of what's happening? And
if not, what can you do?

We are ensuring, for example, that the
secretary and other senior people, when they're going
out, that disabled people are a part of the meetings;
that in the speeches that they're giving on whatever
the subject, that we try to get disability included.
Because it is an across-the-board issue.

And then of course with people who are
becoming older, we want people to see that, even if
they're acquiring a disability, we want them to be
able to stay in the workforce. And for those
individuals who have grown up not seeing disabled
people as a meaningful part of the workforce, we are
really having to change all of our mindsets to help
people realize that, if they have the qualifications,
and governments and others will help people get those qualifications if they need additional training but have been in the workforce, that that's our objective.

Thank you.

MS. WOODRUFF: Thank you. Judy, if I could just follow up with one question to you, when you were finishing your education did you have an expectation that you would be able to find employment?

MS. HEUMANN: So my parents were very focused on my getting a job, but there weren't a lot of people around me talking about being able to get a job. I was lucky, and I became a client of the Department of Rehabilitation in New York, and so they helped me go to university, which was very important. But I would say that the most job coaching I ever got was when I was like in the fifth grade. I was in special education classes, and there was a speech therapist. And I was able to--I had a lot of friends who had cerebral palsy who had speech disabilities. And, I remember her name,
Mrs. Malikoff, she took me aside one day and she said: You know, you should be a speech therapist because you could get an MRS degree and you could work in a hospital.

So when I was in the fifth grade I had no idea what an MRS degree was--

(Laughter.)

MS. HEUMANN: --and that's really the extent of job coaching, or job training that I got.

But I wanted to be a teacher. So I actually minored in education, because my friends with disabilities said don't tell the Department of Rehabilitation you want to be a teacher because they'll only pay for you to go to school to get a job in an area that other people have been able to get jobs in.

And in New York City at that time there were no people who used wheelchairs that had been hired as teachers. So I majored in speech pathology, to be that speech therapist--which I never was--and minored in education. And then had to sue the Board of Education to get my job, because I was rejected because I couldn't walk, and got my job and taught
for three years in New York. And then went to
Berkeley and started doing other work.

MS. WOODRUFF: Fascinating. It's an
uneven course--

MS. HEUMANN: Even today, and I think
that's why the leadership issue is so very, very
important. Children need to start seeing themselves
with different disabilities in a work environment.

MS. WOODRUFF: It starts when they're very
young.

The fourth panelist we want to hear from
is Carl Van Horn. As we mentioned, professor at
Rutgers. He's a labor economist. He is somebody who
has done research on all these questions we are
discussing this morning.

Professor Van Horn, you have already been
working, you told me, with a number of the governors.

PROFESSOR VAN HORN: I have. And thank
you very much, Governors, for inviting me today.

I have had the privilege to work for most
of the governors of New Jersey in both parties for a
number of years. And so I have I think a very
personal understanding of how important your role is
in advancing any issue in the state, and certainly an
issue like this.

I just want to start with a couple of data
points. I am a professor, so I want to get these out
on the table.

First is that there are millions of
disabled workers who are working today, but there are
millions more than can be working and are productive.
There are about 10 percent of the U.S. population who
reports a permanent disability, at 20 million people.
As has already been mentioned, we are
likely to see that increase as the size of our
population of older Americans increases. And they
are going to get age-onset disabilities.

Right now, about one in five of workers in the
United States is over 55, and a decade from now it
will be one in four. And many of those people will have
age-onset disabilities, whether it's hearing,
muscular-skeletal problems, and vision, and so on.

Unfortunately, as I think you all know by
now, the unemployment rate amongst people with
disabilities is twice the national average. But perhaps more important, the labor force participation rate, the percentage of them who are in the workforce, is only about 21 percent. Now in the U.S. population it is almost 70 percent. So it is obviously extraordinarily low. And yet, as we've already heard today, there are millions of employers who hire people with disabilities and find it to be a very successful experience. In fact, in a recent national survey, nearly one in five American employers says it has hired a person with a disability, including about half of the larger firms in the United States. So obviously there are many productive people in the workforce right today, and the kinds of testimonies we have heard today are so important in overcoming what I think Neill identified, which is the attitude of managers about the barriers to hiring a person with a disability. They exist mainly between their ears rather than in reality. Because once they
experience, and especially they hear from people who have had successful experiences, those attitudes change.

The other [thing] that people talk about all the time is that it is difficult to accommodate people with disabilities; it's going to cost a lot of money.

Well again, in a national survey conducted Recently, six in 10 employers said that the cost of accommodation was zero to minimal. And those who did have to make an accommodation said the average cost was $500. So it isn't actually the huge barrier financially that people may think.

Now we have done research at the Heldrich Center on what governors have done around the country, and many of the governors in this room today have been taking that leadership role already. And so if I don't mention a state, I apologize in advance; I may have forgotten somebody--and I'm sure we will hear from you later.

But there are five areas where I think governors have been very important. Of course we
have already mentioned leadership. And the leadership is specifically around identifying their state as an employment-first state. There are 16 states that have done this.

What that means really is to take the symbolic leadership role and say that we are making a public commitment to advancing an integrated competitive employment for people with disabilities, which is raising awareness and making sure that state government agencies are working closely with industry to dispel some of the myths that are associated with the cost of hiring individuals with disabilities, and trying to change expectations.

I am pleased to say that Governor [Chris] Christie of our state has been one of those governors to take a leadership role.

But even beyond that, driving down into the bureaucracy of state government, it is so important, and I think you've heard it already in our case studies here, that state government plays such an important role in coordinating services to work with employers who are interested in hiring people
with disabilities. And we have done a number of case studies--and I am happy to make these available to you through the NGA staff--of how states have succeeded in working with employers who want to hire people with disabilities.

And in almost every case, what it has come down to is finding, as was suggested already by Joan, a good partner for the employer to work with. In some cases that was a state agency, a state vocation and rehabilitation agency; a labor department. In other cases, it was a community provider that coordinated those services.

Because from the standpoint of the employer, they are looking at a potentially productive worker, and they are not able to or interested in trying to disentangle the alphabet soup of complex government programs. It is hard enough for all of us to disentangle that sometimes, but if a good community provider, or a good state agency plays that role, those barriers that the disabled person sometimes encounters can disappear right away.

So we did a report that was called "Ready
and Able." And really what it talks about is how the workforce is there, and we have to make them able to get into it. A lot of this work was supported by the Kessler Foundation, which is one of the largest foundations focusing on disability in the United States.

And you heard from Mr. Wasson yesterday that Walgreens was one of those that did work with a community provider. And so that made them successful.

But so this role of the governor making sure that his or her subordinate agencies are working together to meet those needs is absolutely critical. Because employers will hire people with disabilities if those barriers are lowered.

A third area where states have led is in acting as model employers, and showing that they are making the commitment themselves to hire people with disabilities. And by my count, there are at least six to 10 states that are already doing this. And how do they do this? By providing capital funding for the accommodations in state government, even though they
may be minimal; by supporting disability awareness training; and of course by encouraging state managers and internships and other opportunities for young people to come into state government. And there are a number of states that are doing that.

A fourth area is in the field of providing incentives to encourage firms to hire people with disabilities. And these come in a couple of different buckets.

There are several states that have disability employment tax credits, which support wages paid to employees for child care, transportation expenses, and so on. And these are--there are variations on them, but the whole idea of course is to give an extra boost to those companies that are willing to go ahead and do that.

Another of course is in the area of state procurement preferences for disability-owned small businesses, included a lot of times along with preferences for women- and minority-owned businesses. And several states have done that, as well.

And last--and I think this is a very
interesting model--low-interest loan programs and technical assistance to companies that are willing to hire people with disabilities in order to make their workplaces accessible.

In the state of Maine, for example, the citizens of Maine approved $20 million in bond issues which were then let out through a competitive process through their state's finance agency to help especially small forms--and of course Maine is a place that has a lot of very small businesses--to make those extra accommodations they can't afford to make on their own.

And last is providing a special marketing of the various federal tax incentive programs.

So in all these different ways, governors already are leading. And I think what this initiative will do--I congratulate the governors for doing this--will raise this to another level.

Because there clearly is a need. And instead of looking at it just as a challenge that is difficult to surmount, I think you are helping make people realize this is an opportunity that can be seized.
Thank you, very much.

(Applause.)

MS. WOODRUFF: Thank you, Professor Van Horn. Now we want to I think get as many of you Governors involved in this discussion as we can. And I know that a number of you, probably all of you, have had a level of experience with the issues we are discussing.

There are a couple of you, I am told, who particularly have something to say. I am going to turn to you, Governor [Dennis] Daugaard of South Dakota, because I know you have worked with Governor Markell at the experts roundtable and in some other respects. We would like to hear from you.

GOVERNOR DAUGAARD: Thank you.

Yes, I was invited by Governor Markell to participate with him last October in the roundtable that some of you have made mention of, and that was a great experience for me.

And, Governor Markell, I must say, I am impressed and appreciate your bringing this as your initiative. And it is much more than I thought it
would be. I am really impressed with the practical, real, concrete suggestions that I gleaned in October, and I am gleaning again today and yesterday. So thanks for doing this.

And I am embarrassed to say that I haven't done a lot as governor in this area. I want to do more. And I am embarrassed to say because I have some connection with that.

One of the things that Governor Markell asked me to do is to relate a story that I related last October, so I am going to do that.

I grew up in eastern South Dakota, near the Minnesota border. There it's the flat Great Plains, so flat that if your dog runs away you can see him for several days.

(Laughter.)

GOVERNOR DAUGAARD: But it is all corn, and soybean country, and it has been farm country for over a century.

My grandparents came from Denmark in 1903 and bought--and they were teenagers. They got married in Iowa, and then bought a small farm in
South Dakota where my father was born three years later, right in the farmhouse there on that farm where they had bought.

Dad was born profoundly deaf. He couldn't hear at all. I had to laugh once when I was with him at a doctor's appointment where the nurse tried to take his temperature with one of those ear canal thermometers, and of course Dad had no ear canal, so she was very frustrated. But Dad had no hearing at all.

He was one of four children. Two children were profoundly deaf like Dad, and two were normal hearing. Back in those days of course it was still farming with horses. And so as I was growing up, Dad would tell me about how they'd get up in the morning, and they were still using oil lamps when he was younger, and they would get up in the morning when it was still dark. And my grandfather would go out and milk the cows for milk for the household.

My Uncle Howard would harness the horses and feed them and get them ready for the field work. And Dad would feed the cattle and hogs. Then they
would come back in for breakfast. And that was the beginning of their farm days.

Dad talked about how in those days of course when they went to Dell Rapids, which was about 10 miles away, they would harness the horses to a wagon and they would go to town and they would do their business. And on the way home, about 10 miles, involving several corners and turns, they really could just go to sleep because the horses knew the way home.

But that was life back on the farm in those days. Dad and his sister Frieda, when they were school age, attended the South Dakota School for the Deaf in Sioux Falls, which was about 25 miles away, too far to go in those days every day. Prior to automobile transportation that they could afford, they rode the train from Dell Rapids to Sioux Falls, and they would live in Sioux Falls at the dorm there, come home on some weekends.

In those days, technology was very limited and there were very few services for the deaf. My mother, Florence, was born in Council Bluffs, Iowa.
She was born severely deaf. She had some hearing, but only if you spoke very loudly and she was looking right at you and could get lip cues, or if she had her hearing aid on and was looking right at you. But she had severe hearing loss.

Mom and Dad met in their late 30s and got married and settled down on our family farm. Dad's parents were gone by then. And Mom and Dad lived there right in the same farmhouse where Dad had been born. And both of my parents taught me the value of hard work, and I saw their pride in self-sufficiency.

When I was growing up, we had a herd of milk cows, Holstein dairy cows. So for me it was up every morning at 5:00 to milk the cows with Dad, and then back at it every evening after school. The farm wasn't big enough to make a going of it with just that quarter section that we had, so Dad always had an off-farm job, too. And I remember when the economy faltered and the cabinet-making shop where Dad was a cabinet-maker closed, and Dad could not find work. And I was very little, but I remember
still today how my parents argued in sign language--
which is very vigorous and quiet.

(Laughter.)

GOVERNOR DAUGAARD: And how they argued
about unemployment. Dad did not want to accept
unemployment. Mom was worried about food on the
table. And ultimately Dad found a job as a janitor
in Sioux Falls where he ended up demonstrating that
same kind of loyalty to the employer, where he worked
for another 10 years, and my Mom also worked there as
a janitor for 10 years.

He was trying to make farm payments at the
time, so he would farm during the day, and work as a
janitor at night. And I don't know how he kept it
up, but he did. Both my parents knew the meaning of
hard work.

When I was growing up, technology began to
offer a few products to help the deaf. A microphone,
I am told, was hung in the crib when I was an infant.
So then when I would cry, it would cause a light, a
switch-activated light to flash in the bedroom so my
parents would know I was crying, or my two sisters
were crying.

But beyond those devices, there really wasn't much more to help the deaf. They really needed to help themselves. And that's true I think about a lot of citizens with disabilities. I believe that in this world people with disabilities often develop higher levels of determination and accomplishment because they have to.

With the support of their friends, though, I think those with disabilities can dream just as we all do. Whether one has disabilities or not, we are all challenged to remember that everyone is a product of their own aspirations. And if we aspire too low, we will achieve too low. If we aspire higher, we will achieve higher. And it doesn't matter whether we have a disability or not.

Some people look at people with disabilities and say he can't, or she can't. They focus on the disability. And of course more important for all of us, whether we have a disability or not, is what's inside. Persons with disabilities are no different than those without disabilities.
They are the same in the most important way. We all have our own will, and a person is going to fail if they think like failure.

When my parents were first married and my mother became pregnant a year later, some people, even our own family, wondered how can they raise children, those two deaf people? How will the children learn anything? How will they learn to talk? And they were focusing on the disability.

They didn't realize how determined were my parents. They didn't know how hard they were willing to work. And my sisters and I did—we were high achievers, because our parents instilled the right values in us.

My sisters were at the top of their classes and are successful in their careers, and of course I went into politics—sorry, Mom—

(Laughter.)

GOVERNOR DAUGAARD: My father helped Linda and me when we built our home. When Linda and I got married, we bought that little farmhouse from my parents. They were still living. And then we moved
in with them.

And then we built our own home with our own hands across the yard, and I would never have done that if my father hadn't said: You can do this. And we hired someone to dig the basement and pour the foundation, but after that we did everything. We framed it. We sheathed it. We installed the windows. We wired it. We plumbed it. And I would never have had the courage to even try that if my Dad had not said we can do this, and we did.

When I was growing up, my sisters and I were the interpreters for Dad and Mom when outsiders came to the farm, or when we went out in public. If Dad had an appointment with the doctor, I would go and interpret. I needed to get on the phone to call first, and Dad would go to the doctor's office, and more often than not if I wasn't there, they would have to communicate by writing on a piece of paper back and forth to communicate.

When a television show was playing, Dad would watch the pictures but the conversations were inaccessible to him. If Dad wanted to contact one of
his deaf friends, I would have to call the neighbor
so the neighbor could walk over to the deaf friend's
house, see if he was home. He'd walk back home. I
would tell Dad, yes, Arvin's home, you can go visit
him. Or Dad would just take the chance and go 25
miles to see Arvin and find him not at home.

Today, if Dad were still living, I could
call Dad on my cellphone. I could dial a video relay
service and reach a relay operator. And the relay
operator would call my Dad's Internet protocol
address, and a light would flash on the top of the
television, and Dad would pick up the remote--and he
did this while he was still alive--he would push the
button on the remote and suddenly instead of watching
the CBS Evening News he would be looking at a video
interpreter.

She'd say, "Hi, Dad, it's Dennis calling.
How are you?" And so we could converse. I'm on the
phone in my car, or in my office, and Dad's in the
living room watching television. And of course
changes didn't happen overnight, and Dad had to adapt
to them. He couldn't watch television in his
underwear anymore.

(Laughter.)

GOVERNOR DAUGAARD: The point I'm making here, though, and I know it seems like I'm off on a tangent, but technology has provided many new tools to workers with disabilities. And whether they are video relay services, or electric wheelchairs, or whatever they may be, a lot of technology has made the world of work more accessible to citizens with disability than it ever was before.

In South Dakota in our Custer State Park, the State Game Lodge has a guest suite named for President Calvin Coolidge, because in 1927 President Coolidge in the days before air conditioning wanted to get out of hot and humid D.C. in the summer, and so he went to our Custer State Park in the Black Hills. And he liked it so much he stayed for three months and made it the Summer White House.

So one of the suites is named for Calvin Coolidge. And I mention that because he said something once that I think is important. In fact, I cut it out and I've got it taped on my desk in the
capitol.

He said: Nothing in the world can take the place of persistence. Talent will not. Nothing is more common than unsuccessful men with talent. Genius will not. Unrewarded genius is almost a proverb. Education will not. The world is full of educated derelicts. Persistence and determination alone are omnipotent.

And so today we talked about and recognized people like my parents who surmount their disabilities and achieve success in the world of work. And these are people who've worked harder than most. They had to. They are people with determination and courage, and I am honored when I am among them.

We also honor their employers who know that the most valuable worker is the one that is loyal, dependable, and gives an honest day's work for an honest day's pay, whether that worker is disabled or not.

And these employers know that hiring people with disabilities is good business. They know
that adversity builds character, and people with
classer are good employees.

So thanks for giving me your time and
attention. I have enjoyed this panel. I have
enjoyed being with you last October, Jack. And I
thank all the employers here who open their minds and
job sites to workers with disabilities, because by
helping them you are helping yourselves, but your
efforts also unlock doors formerly closed to workers
with disabilities. And they give workers like my
parents a chance to live their lives so they can
provide for their little boys back home.

(Extended applause.)

MS. WOODRUFF: Governor Daugaard, thank
you very much for that powerful personal story. I
think you could tell by the reaction how much
everybody was touched by that.

Before we move on to another governor, I
just want to ask you one short follow-up question.
And that is: Because of your own experience and what
you have seen and what you have lived, what is one
thing that you think a governor, you as a governor,
can do to make employing people with disabilities more possible, more realistic for employers in your state and other states?

GOVERNOR DAUGAARD: Well I think, and I have been very impressed as I said yesterday and today, with the very practical steps that are offered to talk about the leadership from the top. Involve people with disabilities in announcements. Identify employment first as a policy that your state is going to follow.

And by "employment first" we mean that citizens with disabilities, first and foremost, the best service that the government can give [them] is [to] help with finding employment. And also I think what Judith said earlier, to help parents understand that if they have a child with disability, they can inculcate in that child the notion that “I am expected to work when I become an adult,” instead of the notion that “I'm disabled and so I can't work.”

And it is all really in one's head. And so for those with disabilities who want to work, we should be racing to find them opportunities to work
because it is mutually beneficial.

MS. WOODRUFF: Thank you. All right, I would like to turn next to Governor [Dan] Malloy of Connecticut, because it's my understanding you have worked with Walgreens. We heard from Walgreens' CEO yesterday. Do you want to tell us a little bit about your experience?

GOVERNOR MALLOY: I spoke about our experience yesterday with the governors at Walgreens and how we used that distribution center as a model, a role model, and bring people in and out of there on a constant basis. And we have three additional centers being built nearby, and it is our hope that every one will model Walgreens on that.

But we have taken kind of a holistic approach. One of the big problems for people with disabilities who can work is frequently they can only work part-time. And a choice between working part-time with no benefits, but causing you to lose benefits that you might have under Medicaid, has been a gigantic problem.

So we designed a particular program,
MedConnect, in Connecticut, which says if you're a person with disabilities and you get a job, we're still going to provide the health benefits that you need if they're not provided through your employer. It just makes sense. You want people to have fulfilling lives. You want them to get the experience that they need. You want them to have the experience of working.

So this is a common-sense approach to make sure that people with disabilities do not have to choose between whether they are going to see their doctor or whether they are going to work.

In the Walgreens situation, they provide the full level of benefits. But a lot of the smaller employers are not in a position to do that.

We also have a whole Connect-To-Work program where we work with people with disabilities to link them with employers that we know are willing to employ them, or at least give them a shot, and certainly give them an interview. It is an activist program. And all of our social service agencies are heavily involved in this.
We have another program ConnectAbility, which works across disabilities and across all age groups to remove other barriers that prevent people from being able to work. We offer information tools and technical assistance to job seekers, and we offer to help train employers on how to interact and how to employ a person with disabilities.

A lot of people have a desire in their heart to do it, they just don't have the experience to do it. So we are trying to build a system that removes the barriers to those employers employing people with disabilities.

And finally, we also have a distance learning initiative in which we try to make sure that people can learn from a distance, get the skill set that they need, that they will then be able to use in an employment situation.

So we have taken this very holistic. I get all of my social service commissioners together on a regular basis. We talk about employing people with disabilities.

I mentioned this yesterday. Two of the
reasons that we are very interested in doing this and are so committed to it in Connecticut are twofold. We have seen an increase of disabled veterans as a result of these two wars, and that pipeline is going to continue even long after the wars are over, as people get to a level of rehabilitation that might allow them to be employed part-time or full-time.

We owe it. We owe it to these patriots to make sure that they have a job. And we should do everything in our power with respect to that.

And then this other issue, and that is that more people are being diagnosed with autism. We know that. The numbers have gone up significantly. Our training and educating of people with autism is increasing on a regular basis. That means that more people, even with severe autism, are going to be able to work at least part-time if not full-time.

We have got to make sure the job pipeline is there. Otherwise, what we are talking about doing--and we have got to get away from this--is warehousing people. And we have done that in our
country for a long period of time, and some of our
states, including mine, have made some real progress
on that, away from large warehouses to smaller
warehouses. But the best place to spend your day if
you have disabilities, if you have autism, if you are
a Veteran who has been injured, is in a job--full-
time or part-time. And it is our obligation to break
down the barriers that otherwise prevent it.

MS. WOODRUFF: All right. Thank you very
much.

I would like to turn now to Governor
[Terry] Branstad of Iowa who has his own--I guess--set of
experiences.

GOVERNOR BRANSTAD: Judy, thank you very
much.

First of all, I want to acknowledge Emily
Hillman who is a disabled business owner from
Independence, Iowa. She contributed coffee products
that are part of the goodie bags that Governor and
Mrs. Markell distributed. So we are real proud of
her and is an example of somebody who is a disabled
person who started her own business and is being
successful.

We also have embarked on a program in Iowa called "The Skilled Iowa Initiative." This is designed to improve middle-skill--we have a middle-skills gap in our state. When the lieutenant governor and I travel all throughout the state, we talk to employers all the time that have jobs available, but they can't find people with the right skill set.

So we actually . . . it's a public-private partnership. We've gotten some private-sector business people to contribute to this, to help people upgrade their skills. This program is not just limited to people with disabilities, but we are specifically focusing on maximizing the opportunity for people to improve their skills and their competitiveness, and people with disabilities are an important part of this.

We also, our state agencies are partnering and collaborating with the private sector with on-the-job customized training, as well--and customized to the individual's needs to help so that
they have the skill sets for those jobs that are out
there in the marketplace.

And we have some Iowa companies like
Casey's and Hi-V and the Rock Island Arsenal, and
many of our state agencies that are actively involved
in this.

Iowa also has a transition program for
youth with disabilities to assist them in making the
transition from high school to the workplace, or on
to higher education.

Iowa has expanded our opportunities, too,
through virtual access points for people seeking
employment. And we have one-stop career centers
throughout the State. And we also now have
carousels available, literally, in all 99 counties
and these one-stop career centers are open on
Saturdays so that they are more accessible to people
to assist Iowans with disabilities seeking career and
business counseling as well.

So we recognize this is critically
important. You may know that Senator [Tom] Harkin from
Iowa has been a real advocate, and we have worked
with his staff as well on seeing how Iowa can be a leader on these very important issues for many of our citizens.

MS. WOODRUFF: Is there--just a quick follow-up, Governor, is there an obstacle to doing more of what you've done? I mean, what would you say is the main thing that is holding you back? Is it just funding? Is it--what would you say it is?

GOVERNOR BRANSTAD: I think the other speakers have really addressed this. You know, part of it is a mindset. You've got to get people to think outside the box a little bit. And hearing from other employers that have had good success, I think Governor Daugaard very eloquently pointed out that people with disabilities often have greater determination. They have less absenteeism. They are just really great employees. And those businesses that have had experience hiring people with disabilities find that out and become really good advocates.

So we have to really utilize those people with the businesses that have had the successes. We
heard from Walgreens yesterday. As advocates to convince others to try it.

And the experience has been good. There are some of the barriers that you've heard with regard to transportation and other things, and it's got to be individualized. So it does vary depending upon the individual and also depending upon the workplace.

So we need to really customize it to meet the needs of the individual, but also with the accommodations that might be necessary. But as you have heard, those often are not that expensive.

MS. WOODRUFF: I want to call on Governor [Gary] Herbert of Utah, because I understand you have also been thinking about this issue and have your own experiences in Utah.

GOVERNOR HERBERT: Well thank you, Judy. And I think we all think about it, and we are thinking about it more than we have in the past, thanks to Governor Markell, our Chairman. We thank you for bringing this issue.

As I have reflected upon it, I think all
of us are touched and impacted with people with
disabilities—either we have them in our family; I
have in my family a couple with special needs
children. We have friends, acquaintances that we
work with that have disabilities. And I would
suggest to us all that we all have limitations, we
have disabilities. Some are more noticeable than
others, but we all are kind of in that group of
humanity where we are not perfect.

So again I appreciate this issue being
brought forward, and I just say Amen to all that has
been said already, and let me just be brief because
we are running out of time.

I have a lady that works for me as part of
my director of Department of Workforce Services, and
she has been very good at reaching out with our
Department of Workforce Services to those with
disabilities. She is a graduate of Brigham Young
University with a 3.9 GPA, a very smart lady, and she
has worked in the public and private sectors. She
has studied abroad, worked abroad.

She actually was part of Governor
[Robert] Ehrlich's cabinet here in Maryland--in the neighboring state of Maryland--and actually was the secretary of the first-in-the-nation cabinet-level Department of Disabilities, and did some great work there. She ran for lieutenant governor, actually, in Maryland. She's been very successful in public and private life. She moved back to Utah, and we put her over at the Department of Workforce Services, and she has done some great things.

We have in fact what's called the Utah's People With Disabilities Network which she helped organize, which is designed in fact to reach out to the businesses, of which we have about 328 of small, medium, large businesses, and helped them connect with people with disabilities, actually targeting hiring people with disabilities for their open positions they have in their businesses.

They have, twice a year, a job fair. We have training at the companies so that they learn how to in fact deal with folks with disabilities and provide opportunities in their work environment to make it comfortable for them.
Chris has done a great job in reaching out. She has done such a great job in fact that I just promoted her to be my budget director and the director of our office of management and budget. Again, she set a high bar for all of us to follow with what she's done in her other Department of Workforce Services.

But her goal now is to improve Utah's government efficiency by 25 percent over the next four years. At the end of the day, it's not what she's done, it really is kind of what she's overcome, too, because she is blind. She's just an inspiration, and a motivation for anybody she's around. Just like Governor Daugaard's parents are, and Judith, and your inspirational message, and others that we know that really motivate us to do more, to make sure that we're giving them every opportunity.

I know if Chris Cox was here to talk to you today, she would tell you that, one, she had good role models. Her own family. People around her that encouraged her. As Judith and Dennis have said, it
really is somewhat of a mindset. The people that we've heard about today have got that can-do spirit. We need to make sure that they believe they can do it. But we also need to say, and we believe you can, too. And that's kind of that mindset and shift that we all need to embrace.

It's not a matter of what you can't do, it's what you can do. And we ought to find opportunities to help them.

When I told Chris--and Chris's résumé I was reading before I came over, it's like six pages long. I mean, here's a lady who can do and is doing it in remarkable ways. But she said: People with disabilities are just like everybody else. You know, they want to have a home, and a family, and they want to be able to go out and contribute to society and have a job and give back and help others.

And that is really the desire we all have. There's no difference. There really is no difference. We have differences in limitations. We all have liabilities. And it's really us working
together that's the important thing.

At the end of this, again, I appreciate Governor Markell bringing this to our attention, because what we are able to do now is learn from each other’s best practices; probably be a little more sensitive to those that we may--I won't say ignore is the right term--but maybe are a little more ambivalent in our activities and lives and say, you know, we need to reach out more.

And I would suggest it's not just government that needs to reach out. It's our private organizations. We've got great examples of private businesses who are finding ways to employ those with disabilities, giving them an opportunity, and improving their bottom line in the process. It's win-win all the way around.

So again, this is a great forum for us to learn from each other and I think at the end of the day we are all trying to find ways to give extended opportunities to those who have disabilities so that they can give back to society and help us all grow and progress together.
So thanks, Jack. Again, this is a great discussion.

MS. WOODRUFF: Thank you, very much, Governor Herbert. I know our time is drawing close. We may have a few additional minutes. Governor Markell, do you want to clarify?

A few more minutes. I want to make sure everybody who wants to contribute to this discussion who has an experience of your own that you think the others would benefit from—Governor [Scott] Walker, I want to call on you because I know this is an area of interest, and I want to give you a chance to weigh in.

GOVERNOR WALKER: Well, thank you.

And again, thanks, Governor Markell, we'll add to the circus—or the chorus, I should say, not to the circus—

(Laughter.)

GOVERNOR WALKER: I was thinking back to Delavan, where I grew up, which was the home of one of the circuses. It also happened to be the home of the School for the Deaf in Wisconsin. So, Dennis, you actually made me tear up a little bit, not
because of anyone in my family, but both my neighbors were deaf. So, thank you for mentioning that.

And I think, as Gary just mentioned, thank you for reinforcing to all of us the message that all the speakers have mentioned about how powerful this is.

The only thing I would just add, and Governor Markell and I were talking about this earlier, is we've got a program in Wisconsin very similar to what we heard yesterday from Greg in terms of Walgreens. Walgreens is expanding in Wisconsin, as well, but a program where we work with a number of our hospitals where, again as Greg mentioned yesterday, it's not just about finding people with disabilities, finding positions for them, but rather working with employers to find out where their needs are at.

Governor Branstad mentioned this in terms of Iowa, finding out where there are skill shortages. In our case, some of the most exceptional jobs that they found in our hospitals were areas where they had incredible needs. And in particular one of the
places we toured with a number of our hospitals was where they were sterilizing surgical equipment. And they needed to find people without any error rate, because obviously there is no error rate in there.

And so in working with some state and other agencies, a number of our hospitals were able to find people where they had a tremendous need there, and in other areas regarding health care, but in particular where we had people who could do repetitive work, do it excellent every time, and found great fulfillment.

It was wonderful in terms of not only the work but some of the therapeutic work that was done with that. And in return, the hospitals got dedicated, well-prepared, well-focused employees. And we heard about that.

The other thing I mentioned--I mentioned this to Jack as well earlier--that I had the honor of going out to one of our employers, who is part of it--it's called in our state Take Your Legislator To Work Day--but I made an exception and went out as the governor as well to one of our work sites. And we
had a company in Menomonee Falls, Wisconsin, where a young man named Patrick works at a company where they make wristbands for festivals, or events like that, or sometimes amusement parks--they'll give you a band each day. And they actually do pretty amazing business. It's something like a million or more of these wristbands each year.

He coordinates all this. He makes sure that it's work, that it's lined up, that it's set up. He has a developmental disability, but Patrick, we found from the employer, not only is it good for them in terms of feeling good about doing this, they said he has increased their productivity. The other employees are excited. It's been a morale boost, and people look forward to coming to work when he's there because of the motivation he gives to the other employees who may not have the same developmental disability that he has but, as Gary appropriately pointed out, we all have our own deficiencies one way or the other.

But it just reinforces what we have heard from a number of the speakers here today, and heard
yesterday, that it just adds tremendous value to the company.

And so it is not just about "doing good," it's about doing well, and that is what we found in Wisconsin.

MS. WOODRUFF: I am curious to know, what does your office or the state government need to do to begin to identify those employers who have certain needs that can be filled by people with disabilities? How does that--what is that process like? And I'd like to hear from you, and anybody else who wants to weight in on that.

GOVERNOR WALKER: Yes, I would just add, and I think Dennis said this, we have learned a lot of useful information. And just hearing Terry actually talk about Iowa, for us it is one of those going beyond just focusing on people with disabilities to tying it in to what probably all of us are focused on: workforce development.

We hear over and over again from employers, whether it is in manufacturing, in health care and information technology, that there are jobs
available but there are skills gaps. And to the extent that we can plug in people with disabilities who may have expertise, either full-time or part-time, as we just heard, it's a benefit not just to help people with disabilities and their families' support networks, but it sounds like if we could do a better job of that it would be a benefit to our employers.

MS. WOODRUFF: Judy Heumann, you have your hand up.

MS. HEUMANN: So I would like to say that all of you are employers, and you are some of the biggest employers in your states.

What I had said earlier I would like to reiterate. That is--and some of you are doing this--it's really important I think to have a team of your senior people that are being held accountable. And there has been a lot of work going on for many years with rehab and your state departments of labor where they are working more closely together with One Stops and various other programs, getting information about what they are actually doing and how the numbers are
moving up or not.

I think also looking at what you are doing with the Department of Rehabilitation. It's like 80 percent federal, 20 percent state. Some states are not meeting that match, but I think it is a program that if you are really holding people accountable, it is one that is really focused on working with the public and the private sector.

And so I think it is something to look at, because otherwise dollars aren't coming into the state.

There is a new program that's currently being pushed forward which some of you may want to look at. It's the Promise Program. It's focusing on work readiness for individuals who are in high school and are on SSI, and it is currently out. So your states are able to apply for it, and I would encourage you to look at that, too.

But at the end of the day, all of you who are sitting at this table are doing it not just because it's an initiative of Governor Markell's, but it's one that you want your state to see, [that] you are
committed to diversity and disability is a part of diversity.

So making this a nonpartisan issue, where we can year after year see increasing numbers of disabled people being maintained, advancing, and recruited in the public and private sector I think will produce all of the results that you have all discussed. So that disability is no longer kind of an edge issue, but one which we discuss when we look at race, and gender, and age, and other groups.

MS. WOODRUFF: Does anybody else want to weigh in on the points that Judy just made? Because I also want to hear—I would like maybe to hear again from Joan McGovern, and Neill Christopher, and anybody else about what's stopping this from happening. What are the pressure points that we should be focused on this morning? I mean, what is holding it back in any place where it is being held back?

Professor Van Horn, or Joan, or Neill, you've got your hand up.

MR. CHRISTOPHER: Judy, I had mentioned
earlier that fear can be an issue. And I think that it is our job as employers to share our success stories, to get in front of any organization that we can, be it local groups, PTAs, wherever we can share our story. Because it's an interesting one, and it is a compelling one.

PTAs work because we have young people coming into the workforce. Any opportunity that you have as employers to tell your success stories. Does it always work? No, it doesn't always work. But the successes very much outweigh the failures.

So it is our job to be the advocates. It is our job to be in front of as many people as we can, be it through the Internet, be it through public speaking, be it by making ourselves available to go and mentor someone who is thinking about hiring and maybe sitting on the fence.

I have to say that the ARC of the Greater Chesapeake Region has used me, and I've got a 100-percent success rate because they come into our plant and they see what we've done. And it changes people's minds, which is all it's about.
I think everybody wants to do the right thing, but there's always that fear. There's that concern. And this was brought up earlier, one of the concerns is how much will this cost? Well we're in that same boat, and our cost was, as was said, less than $500. It's $500 well worth spent. And the track record of our employees with disabilities bears this out.

They are always at their quotas. They are always among the best attendees that we have in our organizations. They are always happy to be at work. And they are always leading the rest of us by their enthusiasm and ability.

MS. WOODRUFF: The ARC is in all 50 states? Is that right? I'm not clear on that.

Judy, do you know?

MS. HEUMANN: Yes.

MS. WOODRUFF: That's right? Okay.

Governor Herbert.

GOVERNOR HERBERT: The question of what is the obstacle, again I think a lot of it is because there is a question in some minds of can they do the
work? And, you know, that's a stigma that's out
there that needs to be changed as we find more and
more how capable these folks are. And with a little
training and accommodations, they can be even better
and more productive than those who we consider not
disabled.

In Utah we have a faith-based organization
called Deseret Industries sponsored by the Church
of Jesus Christ of Latter Day Saints. They have been
involved in this for many, many years. Kind of
picture a Goodwill store, you know, used products and
things, but it has a lot of labor.

It is designed to be a training ground for
people that need help and work, and for people with
disabilities. One, it teaches them how to work, and
they convince themselves, hey, I can work. I can do
the job. So it reinforces their self-estimations of
their capabilities. And then it also shows to the
private sector world out there that folks are doing
the work. They've already been doing the work
successfully.

And so through about a two-year training
period of working with Deseret Industries, these people transition from unemployment to private sector employment because of a faith-based organization stepping up and helping with the training.

But it teaches them that they can do it, and it teaches other people that they can do it, also.

MS. WOODRUFF: An example of all the sectors working together.

Professor Van Horn.

PROFESSOR VAN HORN: I just wanted to add that--and I think it has been said by many of the governors--that the best way to address this question is to help employers find qualified workers, which is I think what all governors want to do. And then, if that person happens to have a disability, to make sure that that does not become a barrier to that person getting a competitive job. Because as we have said before, the idea that people who are disabled cannot work of course is a myth, and there are many qualified people.

And I think there is some momentum. I am
optimistic because I see not just the companies they
heard today, but many of the largest, especially
retail companies, in the United States, whether it's
Wal-Mart, CVS, Lowes, Sears, Toys-R-Us, they're all
going out and recruiting people with disabilities and
wanting to hire them because they know that it's a
successful business practice.

Where state governments' role and the
governors' role I think is to make sure that whatever
services are necessary to have that person get a
full-time or part-time job are provided. And, that
when the employers seeking a qualified worker, that
disabled workers are also a priority on the list of
people who are qualified to work.

So I am really optimistic that there's
some momentum here, not just because of this meeting
but because of what I see going on in the private
sector, a change of attitude, a greater sensitivity
to it, and a better understanding of the business
case because it really is an opportunity for them to
have productive workers and to make money, which is
what they're all about.
MS. WOODRUFF: And I think it is great to
end--Joan McGovern.

MS. McGOVERN: Judy, just one last answer

is, just to be able to take a look at people with
disabilities that we bring in as employees, again
they work with our products and services.

So for example in the areas of the ATMs,
working with the Lighthouse for the Blind in a
partnership with them, also in a partnership with the
state agencies to enhance the products. And then
that becomes the demonstration that it's not just a
discussion but it's actually demonstrating to that
population that, yes, we understand your needs. We
value your contribution, and come work with us and
for us. And the same thing, as we heard earlier
today, with video relay.

There was an employee that came and asked
for that as an accommodation, and then took it a step
forward and said there's a large deaf population in
my community. Could we do this as a channel to reach
out to them, to make the type of business and the
type of how I work reach out to them? And it was
like, let's go for it. Let's do it.

And so success stories all around. But

thank you, again.

MS. WOODRUFF: Well thank you for that.

And I was just going to say, like Professor Van Horn, it's great to end on a note of realistic optimism.

Because of this conversation, I think we have all learned something from the personal stories that we have heard and the experiences that the governors have had.

And from those of you who were on the panel, I want to thank all of you: Professor Van Horn, Ms. McGovern, Mr. Christopher, and Judy Heumann, thank you.

I throw it back to Governor Markell.

CHAIRMAN MARKELL: Thank you, Judy.

Before I close up, I think Governor [Jay] Nixon had something he wanted to say.

GOVERNOR NIXON: Just on this topic real quickly, I mean we talked yesterday at some length about Medicaid and waivers and whatnot. We were able to work through over about a three-year process and
get what we called Partnership For Hope, but it's technically a Medicaid waiver for work training, work hardening, and other services.

We are the only state in the country that has it. If there's other governors who would like to see that process and how you go through that, I at least know where the tussles are through the bureaucracy. It has provided us now for about 2,500 families, and we're going to add another 1,000 families to it this year.

We focused on folks with disabilities beyond the age of 18 because of the challenge you have of basically during high school ages there's a lot of socialization around, a lot of training there, and what we were seeing in Missouri those were falling off and heading into much darker lives without opportunities. So we just cleaved off that 18-and-above section and put together a waiver that included local, state, and federal, and worked our way through the process.

And like I said before, we will have 3,500 folks that had been on waiting lists for services,
all sorts of services, job coaches, work hardening, physical rehabilitation services, some of those have been on waiting lists for up to five, seven, eight, nine years, we've been able to get those down. And it is our hope that within 20 months we will have that waiting list down to nothing, so that those services will be directly provided there.

It has been an incredible program for me.

Just a personal note, one of the first people in it was a young fellow who when he graduated from high school was able to, through physical training, able to walk all the way around the track. And his whole high school class applauded for him as he made the quarter-mile.

High school ended. The services ended. He couldn't afford them. And within a few years they were carrying him up and down steps to get to his bedroom. Well that fellow was one of the first guys in this program and now has a job working at a theater.

I mean, there are countless stories, but
the bottom line is there are ways to make it through
existing programs, and we have--anybody who wants to
get to me, or my policy folks, we can be helpful.

But there are ways to get those, and get that
developmental disability waiting list down.

The other thing we found, we had a cap at
X amount, I think it was $12,000 or whatever. But we
found that families that were involved in the
process, the vast majority of them accessed far fewer
services than the cap because they only took what
ey knew, because we communicated on the very front
that if you only take what you need, then we will be
able to serve more people.

So we have exceeded every target, as far
as the number of people serviced, by explaining to
the families that only access exactly what you need,
and what you can do is help others that are in line
behind you. And so instead of having--you know, we
originally thought we'd get 1,000. We got 1,500. We
originally thought we would get 2,000. We got 2,500.
We are now in a situation I think we will vastly
exceed 3,500 families and move that waiting list down
to zero.
We call the program Partnership For Hope. It is actually a prevention waiver. You are trying to prevent folks from having to go into institutions later in life because of physical disabilities. And so we have a lot of stuff on that, if people want to know how to bang on the right fed's doors and force them to do stuff.

VICE CHAIR FALLIN: Judy, thank you so much for moderating this panel for us. And I want to thank Governor Markell for all of his work to bring an issue to light that many times is not discussed as much as it should be across our nation. And we certainly have heard some great examples of how we can help our very special Americans, special families across our nation.

We want to thank the companies that have stepped forward to create great partnerships. We too in Oklahoma have some great partnerships and great programs and have made some great success in helping those with disabilities be able to find great quality of life, and work, and just improve the whole situation of how they live their lives.
One of the things that came to light in listening to all these discussions is that in our state we have a very low unemployment rate. And so we have a challenge between employers needing employees, but yet also employees, those are unemployed, looking for jobs, and how do you match the two together?

So we established a website through our Department of Commerce called OKjobsmatch.com and it takes skill sets of employees who put their résumés—we have about 50,000 résumés in there—and puts the employers into the system itself that needs skill sets.

One of the areas that have just come to my light in thinking about all of this is we need to integrate those who have disabilities with those skill sets into this job match program so that we can better hook up our employers with those who are looking for—skill sets, and employees, and match them.

And so thank you for some great information here in how we can better integrate our
special Oklahomans into the system.

I just want to add one last thing. In listening to Governor Daugaard's story--and I've known Governor Daugaard for a very long time--but, Governor, I just want to say your story about your parents is absolutely remarkable, a true American story of true grit, hard work, never giving up, and persevering. But I want to say your parents' greatest accomplishment has been producing a son who is the CEO and taking care of a whole state, and that is you, Governor.

(Applause.)

CHAIRMAN MARKELL: I certainly agree with that. Let me, if I could, Judy, thank you very much. I think you really helped us elevate the conversation today and we so much appreciate your taking the time.

To all the panelists, we're very grateful to you. I thought you did a great job and were very insightful, and I really want to thank the other governors who participated as well. I thought it was really interesting.

The NGA staff has done a phenomenal job on
this project. We've still got several months to go, and we are very excited by what's to come.

I also want to thank my Secretary of Health and Social Services in Delaware, Rita Landgraf, who is sitting back here, who has really been a lifelong advocate for people with disabilities. And she is actually our cabinet secretary, as well as Missy Weir from my Washington team.

I do want to take an opportunity just for a moment to remind everybody about the Governors Institutes that are coming up in May. One is going to be in Pittsburgh, hosted by Governor [Tom] Corbett, and we really appreciate that. One is going to be in Washington State hosted by Governor [Jay] Inslee. And it is intended for governors and senior advisors. And I will tell you that the purpose of this--I mean it's going to take it even one level more specific in terms of very practical, tangible things that states can do.

And I think we talked about a bunch of them here. Governor Herbert was talking about that
sort of the can-do, and the expectations that we set,
and I can tell you one of the things that we've heard
over and over again, and it came up a couple of times
in this conversation today, is for our young people.
Instead of getting them prepared to sign up for
benefits when they're 17, get them accustomed to the
fact that when they turn 17, 18, they're going to be
able to work, and they're going to be able to
continue education in some cases.

So I think that is really important, that
whole expectations issue.

I do want--Governor Branstad mentioned the
work that has been done by Senator Harkin. We would
not be in a position to do this work if it were not
for the incredible leadership that Senator Harkin has
demonstrated over the course of time. And I want to
thank Indian Parado from his staff who is here today,
who has been extraordinarily helpful in terms of us
developing our work.

Senator Harkin has been joined in Congress
by a number of others. I do want to point out
specifically Congressman Pete Sessions from Texas,
who has been really a very forceful advocate as well. They are not the only two, but they are two of the real leaders in this arena.

We have I think an incredible opportunity here. I really think we have got an incredible opportunity to move the needle. I do think that Governor Daugaard, by your telling your story, I mean I think that story, your story, will move people in a way that frankly a bunch of policy books never could.

And I am hopeful that the governors who were here today will share that with other governors, and I am hopeful--and when you combine that story and the emotion behind it, the real emotion behind it, and when you combine it with the very practical kinds of things that we can do, I mean that's sort of the Holy Grail. And I think that is what is going to come out of these Governors Institutes.

And so I really do encourage people to attend. I know it is a commitment of time, but I do think in this case a day, or a day-and-a-half of your time with some really practical information and conversation is going to have the potential of
positively and profoundly impacting hundreds of thousands of people across this country.

So we really appreciate everybody spending so much time on it today. And that concludes our special session. Thank you.

(Applause.)

(Whereupon, at 11:20 a.m., Sunday, February 24, 2013, the plenary session was recessed, to reconvene at 9:00 a.m., Monday, February 25, 2013.)
NATIONAL GOVERNORS ASSOCIATION

Winter Meeting

Monday, February 25, 2013

JW Marriott
1331 Pennsylvania Avenue NW,
Washington, DC 20004

Governor Jack Markell, Delaware, NGA Chair, Presiding

Governor Mary Fallin, Oklahoma, Vice Chair

Presentation of Where Personal Responsibility Meets Government Responsibility

Guest: Dr. Mehmet Oz, M.D., Host, The Dr. Oz Show
CHAIRMAN MARKELL: Good morning, everybody. We have got a lot to do this morning. We have got a great speaker, and I want to get to him quickly.

Before that, Governor [Terry] Branstad--Terry, you had something you wanted to say?

GOVERNOR BRANSTAD: Thank you, Governor Markell. I am circulating a petition. I want to encourage the governors to join me to try to save wrestling as an Olympic sport. It is one of the original--

(Applause.)

GOVERNOR BRANSTAD: --sports, and I think it is crazy to see that eliminated. I happen to be from Iowa where we have Dan Gable, who is a living legend, and we have young people that grow up dreaming to be an Olympic Gold Medal winner in wrestling.

Anyway, we are circulating a petition. I have talked to a number of you already, but we would
love to have all the governors, or as many as possible, sign on to that.

So please see me, and we will intend to send that out in the near future to the Olympic Committee, which . . . they're headquartered in Switzerland.

CHAIRMAN MARKELL: Thank you, Terry.

So last year we redesigned and streamlined our policy process to ensure that we are reflecting the priorities of the nation's governors. This year we are renewing those policies for two years so they will align with the beginning of each new Congress.

I am going to ask each committee to provide a report on its policies, and we will vote on them. The packet in front of you reflects those policies as adopted by the NGA Standing Committee. They require a two-thirds vote of those present and voting.

So, first Governor [Tom] Corbett is Chair of the Economic Development and Commerce Committee. Can you please report the Committee's policies.

GOVERNOR CORBETT: Thank you, Governor.
On Saturday the Economic Development and Commerce Committee met to consider three policies for renewal. They are EDC-01, Commerce; EDC-02, Transportation and Infrastructure; and EDC-03, Public Finance. And on behalf of the committee I recommend the adoption of the policies en bloc.

CHAIRMAN MARKELL: Is there a second?

(Motion seconded.)

CHAIRMAN MARKELL: All in favor?

(A chorus of ayes.)

CHAIRMAN MARKELL: All opposed?

(No response.)

CHAIRMAN MARKELL: The ayes have it.

Thank you.

Governor Malloy--is Dan here? Is Gary here, Herbert? Gary, would you as, I guess, vice chair of the Education and Workforce Committee please report on the work of that committee?

GOVERNOR [Gary] HERBERT: Thank you, Mr. Chairman. I would make the motion to move adoption of the following three EDW policies en bloc:

EDW-1, K-12 Education Reform; EDW-2, Child Nutrition;
and EDW-3, Building A World Class Workforce. So

move.

CHAIRMAN MARKELL: Do I have a second?

Motion seconded.

CHAIRMAN MARKELL: All in favor?

A chorus of ayes.

CHAIRMAN MARKELL: All opposed?

No response.

CHAIRMAN MARKELL: The ayes have it.

Thank you.

Governor O'Malley? Who is the--is Brian

here? All right, then, let me skip for a second to

Governor Daugaard as Chair of the Natural Resources

Committee. Would you please give the policy report

of that.

GOVERNOR [Dennis] DAUGAARD: Thank you, Governor.

The Natural Resources Committee met

yesterday and voted to amend two policies and

reaffirm one. We unanimously recommend the three

policies: NR-1, Environmental Protection; NR-2,

Domestic Energy; and NR-3, Natural Resources. And I

now move that we approve them en bloc.
CHAIRMAN MARKELL: Okay, thank you. Do I have a second?

(Motion seconded.)

CHAIRMAN MARKELL: All in favor?

(A chorus of ayes.)

CHAIRMAN MARKELL: Anybody opposed?

(No response.)

CHAIRMAN MARKELL: The ayes have it. And Governor O'Malley, if you could, in connection with your Chairmanship of your committee, I guess the Health Committee.

GOVERNOR [Martin] O'MALLEY: It would be my honor, Mr. Chairman.

CHAIRMAN MARKELL: Thank you. Please report on your committee's work.

GOVERNOR O'MALLEY: Will do. On Saturday the committee and Governor [Brian] Sandoval, my co-chair, we passed several . . . five policies, one on Temporary Assistance to Needy Families; the second on Homeland Security and Emergency Management; the third on Armed Forces; the fourth on Public Safety Communications; and the fifth on Health. And I now move that we
approve these five policies as amended. They are before all members.

CHAIRMAN MARKELL: All right, do I have a second?

(Motion seconded.)

CHAIRMAN MARKELL: All in favor?

(A chorus of ayes.)

CHAIRMAN MARKELL: Anybody opposed?

(No response.)

CHAIRMAN MARKELL: The ayes have it.

Thank you.

With that, what we really came here for this morning. Delaware has—you know, we are a small state—but we have a few favorite sons and daughters. We all know the Vice President, of course, is a Delawarean. Joe Flacco played at the University of Delaware, which makes it close. And Mehmet Oz is a native Delawarean. And Dr. Oz is extremely well respected in our state, and well beyond.

His wife, Lisa, is with him here today. We have known each other for quite a long time now. He is obviously a very familiar face as America's
doctor, Vice Chair and Professor of Surgery at Columbia University. He has made a career out of educating us on all facets of health, answering tough questions on the Oprah Winfrey Show, and now on the Dr. Oz Show. Three-and-a-half million viewers tune in daily to watch the show.

He has authored seven New York Times bestsellers. He has been named one of the 100 most influential people by Time Magazine, a Global Leader of Tomorrow by the World Economic Forum. The list goes on and on.

I will also say that students in Delaware are benefiting very much from his terrific program, HealthCorps--I don't know if you're going to talk about that today . . . you'll mention it today.

Dr. Oz is a great doctor, a nationally renowned expert on the issues of health, and just an incredible guy. Let's give it up for Dr. Oz.

(Applause.)

(A PowerPoint presentation follows:)

DR. OZ: Thank you, Jack. Chris just reminded me to mention that I live in New Jersey.
DR. OZ: But my wife's family is from Pennsylvania. I work in New York. I pay taxes everywhere.

DR. OZ: It is a great honor to talk a little bit today about a theme that I think will interest many of you, because it has huge budgetary implications. But I thought I would also speak very personally about what you may be able to do in your own lives.

I had the great honor of spending a few hours with your spouses yesterday, which gave me a lot of intel about what you guys are worried about. I don't know if that came up in conversation last night, but it will come up eventually in the future.

Let me start off with a little bit of my background. I am a cardiac surgeon. I still practice medicine at Columbia University in New York Presbyterian Hospital. And one of my specialty areas is heart replacement therapy.
And what I learned doing heart transplants, mechanical hearts, and developing these technologies is that you have to give people bad news a lot of times. And what you learn to do is to give them bad news by telling the truth, but you also keep their respect at the same time. That's your biggest challenge as our state leaders.

And part of the mission I have for today is to give you some points that may be valuable as you try to establish that ability to give people news they don't want to hear, whether it's about addiction issues they have, or their weight, or the budget that you're going to have to deal with, and still have them remember energetically that you are on the right path.

This is my office [referring to screen]. It looks like many of your offices, I'm quite certain. And oftentimes you get lost in that domain. But I have been able to focus on a few things that I think might be able to pull us out of that doldrum.

The first is that state responsibility,
and in my opinion personal responsibility, meet right here in the waistlines of our nation. And there are a lot of reasons I say that, and I'm going to present some numbers to support this.

But the fundamental debate actually is the role of the state versus the role of the individual when it comes to health. This is how many folks view their citizens: slovenly lying around having a beer. Yet, when we try to get state involvement and try to pull those pieces together, this is what it often looks like, where people are pushing the door as hard as they can but the door is not opening because they are not reading the sign.

And when we try to allow the legislative solutions to some of these problems, we trip up as well. So how do you find that balancing act? I think there is a tightrope that's walkable in a fairly safe way, but it mandates that we understand a few fundamental principles about how we message the health information.

Remember, when I speak about health--and I say this on the show a lot--it's not just about
medicine; it's about life. Iconically, all of us
have ancestors that lived in small towns and communities where there was always a leader—that's what you are—and there was always a healer. And that healer played an important role, not doing surgery and giving you pills or herbs, but they actually played a role giving you a place to be heard. It's about life.

And it is that more holistic view of the role of health that drives us, because none of us can establish or expect to live in a healthy state if it's not a wealthy state, but the converse is true as well. You can't have true wealth if you're not healthy.

I spent a lot of time with Oprah, as Jack mentioned. I did about 80 shows with her over the course of my career. And I learned a few interesting insights that allowed her to be so successful, but that I think will color in the lines of this debate as well.

First off, people do not change what they do based on what they know. They change what they do based on how they feel. And when we appreciate that insight, we begin to think differently about
delivering certain messages. I will give you some examples in a few minutes.

Second, the message has to be delivered with caring energy, because it does matter to people how they hear the message.

And finally, and most importantly, if you remember nothing else in what I say today, it’s that we have to make it easy for people to do the right thing. Sometimes that means passing laws, rules, regulations that allow that to effortlessly happen, but we have to grease the road to success so people slip down it more elegantly.

About 20 percent extra brain energy is required just to think, to come up with a new idea. The reason we automate our lives is because we don't want to expend that energy wastefully, so we don't bother thinking. It's not because people are dumb, or foolish, or misguided; it actually is our natural human desire not to have to reinvent the wheel every day. That is why I think we can do things to make it easier to do the right thing.

So let me show you one slide on numbers of
mortality. This is an estimate, a pretty good estimate, of premature mortality causes. Some of it is genetic. Some of them are environmental. Forget about those. Look at the purple part of this pie-graph. That is medical access. That is the reality that about 10 percent of the time if you don't have access to health care, you don't have a doctor, it's like having a ship full of oil pulling into a dock. And when that tanker rubs up against the coastline inadvertently and spews its oil across the bay, that is expensive to clean up.

That is, unfortunately, what happens to people who don't have access to care. It costs us a lot more. And I am speaking about this as a physician now more than in any other capacity. It costs us more because it is much more difficult to pick up the pieces when everything comes crumbling down.

The red area is a major category that we are going to focus on, which is behavior. Primarily, it's issues of obesity, sedentary lifestyles, and tobacco.

Let's start off with access. On the show
we have gone around the country doing free screenings. I think these are very scalable. They are very affordable. They are sponsored by local health care facilities.

They take 15 minutes. Let me show you a quick video of what that experience is like.

(Video clip follows:)

"VIDEO AUDIO: From our very first day, we have had one simple mission for the show: To empower you to take control of your health.

"We try to accomplish that every day here in the studio. But each year, we also hit the road to bring our message directly to you. This year we launched our biggest program ever, helping thousands of Americans get lifesaving screenings.

"Now, this year, we have embarked on our most ambitious campaign yet. We created the 15-minute physical to bring life-saving screenings to everyone. And instead of focusing on just one city, we are going nationwide.

"Philadelphia, Pittsburgh, Washington, DC, Tampa, Portland, and our latest stop: Kansas
City, Missouri.

"Welcome, Kansas City. The Heartland of America. You're going to meet folks who are scared about finding out their numbers. So we've got to look them in the eyes and have them trust us that we can make a difference.

"Instead of fear, they'll leave here with joy. People who could be your mother--

"VIDEO AUDIO: So happy you're here.
"VIDEO AUDIO: Father, sister, or brother.
"Does it hurt when I press on it?
"Your neighbor in need.
"VIDEO AUDIO: 159/100.
"VIDEO AUDIO: I have been neglecting my health.
"VIDEO AUDIO: All coming together to face their fears.
"VIDEO AUDIO: My biggest fear, nobody would listen to me.
"VIDEO AUDIO: When the day was over,
1,000 people met with a doctor.
"And you haven't been screened in a while?
"VIDEO AUDIO: No, it's been about three years.

"VIDEO AUDIO: Taking charge of their health, some for the very first time in their lives."

(End of video clip.)

DR. OZ: These programs have been incredibly successful, and I want to point out that almost everyone who comes to these clinics has insurance--I'm sorry, they have jobs. Many times they don't have insurance, but they have jobs. These are hardworking people who have not been able, for one reason or another, to get access to care in the way they would have envisioned it.

And in 15 minutes, it takes five minutes to give you the key numbers that drive health, it takes about 10 minutes to educate you about what to do about those numbers, and for the rest of your life you know a lot more about the major drivers of longevity.

I am going to cover some of those for you today because I want to give you some of the highlights of what messages we offer, because they
are simple, they're elegant, they're seamless, and
they make it easier again to do the right thing.

Let me shift from access to tobacco usage.

This is a chart of the amount of total tobacco we
consume in this country. You notice that we sort of
dipped around 2002-2003, and we're slowly climbing
back up in part because we have other sources of
tobacco now.

And this is something I know many of you
struggle with, but this is how I talk about lung
disease. This is what a healthy, normal lung looks
like. See how it's fluffy and pink and you can just
see the vitality that would come into it when life-
sustaining oxygen pours through it.

When you tell a smoker to stop smoking--it
has been looked at many times--the reason it fails is
because you are reminding them how incompetent they
are. You are reminding them why they don't value
themselves. Because people who smoke generally got
addicted when they were teens, generally want to stop
by the time they're 30, and when you tell them it's
bad for them, you remind them of the fact that they
couldn't control their own destiny. So they get anxious, and what do they do? They smoke. It's their coping mechanism.

We tried to do a large trial on smokers at Columbia University sponsored by the NIH. The one thing they asked was that we make sure we didn't have depressed people in the trial. We had to cancel the trial. We couldn't find a single smoker who was not clinically depressed.

Now the fundamental insight you have to gain then is what do you do to help these folks? And I would argue you have to take a couple of different tacks. One is, show them what is really happening. This [*indicating screen*] is what a smoker's lung looks like. You can't hide from that. I don't have to say it's bad for you. Just look at the darn thing.

At 11 o'clock you see that little moth-eaten appearance? That's emphysema. The dark tarry deposits, that's pretty evident as well from the cigarettes.

And when you see that, you have a visceral awareness and understanding of why this matters to...
you. But the second big insight you have to offer is
that there are certain times when you can change
people's minds.

As a heart surgeon, I don't have a lot of
control what people do after the surgery. I've
already done my work and they are on their way. So I
long ago pledged I would never operate on smokers.
And I don't.

I don't say that because I dislike
smokers; I say it because I care about them. Because
what I tell them is, when you come to see me, if you
don't stop smoking you obviously don't value this
process, and we're not going to go ahead. But I can
work with you, and we can get you to stop. Now is
our moment of change.

And I don't remember failing in that
endeavor. People don't recognize that the success
rate for stopping smoking is about 5 percent if you
do it on your own, cold turkey. You can do it, but
it is 5 percent.

If you do it with the support of
appropriate mechanisms, including sometimes
medications, it's closer to 45 percent. And smokers begin to think about it differently. The key message, and I'm going to come back to this because this is an important theme for us, is the reason to do this is because you need to care about yourself as much as we care about you. That changes the dynamic of the message energetically that people are hearing. It is not a finger-wagging issue. It is because we care about you that we have to make it difficult for you to smoke.

Now why does that matter? The true cost--this is Cleveland Clinic data--the true cost of a pack of cigarettes to your health budget is $35 a pack. That is what it really costs. Forget about what's charged, and how we game that; it's $35 a pack. Smoking increases absenteeism. It decreases intelligence in the workforce. People who smoke have to leave their job to go smoke. They recognize, they get--you know, they have these beliefs, like they'll stay thin if they smoke. It's true. You won't gain weight if you smoke. It's not the right way to lose weight, but it
People think they will accelerate their path up the corporate chain if they smoke. Do you know why they think that? It's true. People who smoke bond with smokers in the executive branch of their company, and they get accelerated up the path.

All that said and done, we have to make it uncool to smoke. And it is a huge economic drain, an equality drain on the workforce as well. Not hiring smokers in your states we estimate, on average, reduces your health care budget by about 15 percent within five years.

So once you have that ammo, then the question becomes what are you going to do about it? And I would argue, one smart thing to do is to do what hospitals have been able to do, and in 21 of the 50 states can be done now, which is you force people to not hire smokers.

It is an uncomfortable conversation, but I do think it gives you the clout to be able to dramatically reduce the amount of money you spend in your state on health care. And one day this will be
true I think for the state employees, as well, that they won't be allowed to smoke because it's just too darn expensive to cover those costs.

Let me shift gears to another area. This, unfortunately, is a major crisis for us. And if this is in fact what some of the classics looked like, maybe they wouldn't be so popular. But this is a modern version of what would have to have been crafted if we were going to focus on this.

Let me start off with the ravages of obesity and why I care about it. This is an aorta, the major tube that courses down the back near your spine that carries blood to your body, and those are two kidneys. Notice the kidney on the right is big and plump and robust looking. The kidney on the left is shriveled like a raisin, and the blood vessel going to it, you notice the clot in there, that's a dead kidney.

You don't know this, by the way, when you get blood tests normally because your body only needs one kidney. But we see this progressively as a sign of atherosclerosis, hardening of the arteries.
But let me bring this up in a different context, because hardening of the arteries happens in the kidneys, it happens in the male organ--which is one of the reasons this came up in our conversation with your spouses by the way: issues of intimacy--but it also, because for the male it is the dipstick of health. If that part of your body is not working, it's not because you don't care; it's because other parts of your body aren't working, either.

It is also happening in your brain. But it especially happens here. This is the major blood vessel in the front of the heart. That yellow plaque we know starts when you're 18, 20 years of age. From Korean War data, from killed GIs, it starts to grow when you're 25, 35, 45--it ruptures [indicating slide]. Did you see the plaque rupture, that yellow plaque? Now you've got an open sore on the inside of the major blood vessel feeding your heart.

Your body has to heal that cut. So it forms a scab on top of it, a blood clot. And right there, boom! You just saw--you just witnessed the leading cause of death in your states.
Now that might be intimidating, initially, the thought that it could happen so quickly. The good news is, the most common time for a heart attack is Monday mornings, so we're through that already.

(Laughter.)

DR. OZ: But the other bit of good news is that once you recognize that it wasn't the plaque that killed this person, it was the scab on top of the plaque, you then begin to appreciate that you control your destiny.

Literally, what you have for lunch today and who you fight with this afternoon can change the odds of your having a major cardiac crisis tomorrow. And when we begin to appreciate that, we can make a big dent in how we take care of folks.

And the major drivers of this are very predictable. I mentioned blood pressure earlier on where that person was getting their blood pressure taken in the clinic. Blood pressure is such a major driver of aging because it causes holes in our arteries that we have to repair, and repair it with plaster. What's the body's plaster? The body's
plaster is cholesterol.

If you have high-quality HDL cholesterol, you get nice, thin spackling. You make lousy LDL cholesterol, it's cheap stuff, it pours out, it crumbles, and you have to form a scab like I just showed you, and it kills you.

The ideal blood pressure, the optimal blood pressure, is 115/75. Jot that down. The blood pressure that most of you panic over is 140/90. The life expectancy difference between those two, 10 years, because blood pressure is the No. 1 cause of aging. Cigarettes come behind for the same reason: nicotine damages the arteries, plaster has to heal it, and so on and so forth.

That is why this slide is so important. This is an image of our expected health care spending at a national level. The 19.6 number is what we estimate is the average growth rate over the next eight to 10 years. The omental obesity—the belly fat increase—is 24 percent-plus.

I guarantee you—Jack didn't mention this, but one thing I also did, I went to Wharton Business
School when I was in med school, and I studied health care finance. I guarantee you there is no way our health budget will increase at that rate unless we deal with omental obesity.

Because that process of dealing with cardiovascular crises, cancer rates, and all the things that go along with the weight that we're carrying as a nation dramatically drive our health care budget, and will increase it at least 5 percent more than you think, which is why this is a national security issue at a certain point if you don't deal with this.

So what works? Why can't we lose weight? Well, conventional diets depend on willpower. People think I'm just going to muscle my way through that. There are a dozen redundant systems in the body that force us to eat.

How many of you--put your hands up--despite being governors, how many of you can hold your breath indefinitely underwater?

(No response.)

DR. OZ: None of you? Not a one. It's
impossible. It violates the basic understanding of mammalian physiology.

Likewise, you cannot lose weight by trying to lose weight because your biology will always beat your willpower.

The second thing we do is we don't measure the right stuff. It doesn't, frankly, matter what your weight is. It matters what your waist is. If your waist, which is a better predictor of your health risk, is greater than half your height, that's a problem. Complications start to occur.

Let's do the math. With my height, I'm 6'1" tall; 6 times 12 equals 72, plus 1 equals 73 inches, my height, divided in half, 36.5 inches. If my waist size is more than 36.5 inches, then I am at risk for cardiovascular disease.

The problem in our society is that men after the age of 40 never buy a new belt size, do they? They just slip the belt beneath the fat, and they waltz around like this. And so they actually mislead themselves into thinking that that 32-inch
waist they have is still what they're carrying around
at age 45, when truly it is significantly greater.  

Now why, why, why, is the waist more important? Because of this. Take that yellow pad away. I'll come back to that in a second. See the liver there in the upper lefthand corner? The gall bladder is the green thing. You just had breakfast. Your food is now moving through your stomach towards the small intestine.

It will mix with the bile there, which is like soap. It washes the food. As it washes the food, it breaks down the small particles that allow it to get absorbed through the wall of the small intestine.

Where does that food go? It goes up to the big vein called the portal vein. That vein carries nutrients to the liver. If they are high-quality nutrients, your liver loves it. It will convert it to whatever you need.

But if it is junk, if it is simple carbs, especially, it turns your liver to foie gras. As your liver gets fatty, which one-quarter of the population has now, you begin to do something else.
It becomes toxic. It begins to release toxic cholesterol, and that yellow pad called the omentum—sounds like "momentum" without the "m"—it gets ponderously large as it gets pulled across the screen. That's why I care about belly fat.

It's not the fat beneath the skin. It's not the jiggly arms or the big thighs. That will cost folks some dates, but that is not what causes disease. What kills us is that belly fat. And that is beneath the muscle. That is uniquely placed there because our ancestors needed to store fat in times of famine.

Stress is the No. 1 reason that we accumulate fat there. And the reason that that is true is because historically what would [cause] stress, chronic stress, was a famine. We didn't have enough food in the environment. You have turned on hormones to force you to eat.

They turn on a series of hormones called cannabinoids. How many of you've smoked pot?

*(No response.)*

DR. OZ: Any pot smokers?
(Laughter.)

DR. OZ: I didn't think so. So when folks smoke pot, the reason they get the munchies is because it turns on those same receptors in their brain. So they eat things they don't even like, and they eat lots of them.

Your constituents are doing that day in and day out. They can't understand why it's happening. And we actually have designed foods very specifically to tap into that.

When you add sugar to the bliss point, you actually--it's like crack cocaine for the brain. The fat creates this mouthy feeling that you want to have. It also helps with that warmed-over taste that some people don't like. You know, there are all kinds of things that have been added to our food supply. Salt is probably the best example because it's magical.

It makes everything taste a little bit better than it really is. And these are properties that force us to do just that.

Now stress is not just from the outside.
There are many things that cause stress. Foods are a particular cause. Now most of you may not remember this, but without any question your ability to lose weight is linked to your having breakfast.

But Pop Tarts, sugary cereals, they don't count. It actually has to be a high-fiber breakfast, because you have a valve inside your intestines that literally squeezes down, that shuts down the food flowing through the intestinal tract that allows you to hold on to food longer.

So having fiber for breakfast works. It turns out that leptin is important. You've never heard of leptin, but you will from now on. Leptin sounds like leprechaun. It's the chemical your fat sends to your brain to say, "Hey, I'm here. I'm here. You don't have to keep eating."

Interestingly, some foods don't turn it on. High-fructose foods don't seem to. It's one of the reasons we believe--we don't know for sure, but we believe that when you drink a soft drink, a soda, at a meal you will not only have the drink, which is 160 calories, but you will eat independent of that,
not counting that, an extra 125 calories.

Now the entire obesity epidemic is about
100 calories a day. Think about it. 100 calories a
day is 12 pounds in a year. You multiply that by 2
years, that's how overweight we are, 25 pounds. So
these are simple little insights that you begin to
remember.

Now the biology of blubber isn't
supporting the use of these kinds of simple
carbohydrates, especially if they're adulterated. We
make this mistake all the time. Yogurt. A lot of
people think, oh, I'm going to be healthy. I'm going
to drink nonfat milk, or nonfat yogurt. Big
mistake.

If you take the fat out of yogurt, what's
left? Sugar. It's a sugar drink, if it's dairy.
Instead, you actually want the fat in the milk. It
was made that way for a reason. The milk is very
satiating. It seems to independently of everything
else calm your fat cells so they're not inflamed so
you don't accumulate fat.

They have done trials on this.
Interestingly, over and over again the 2 percent fat, or even whole fat milk, seems to be better off if you want to lose weight. That's why giving people diet soda doesn't work. Every single trial ever done on diet sodas has shown they don't help you lose weight.

Why? Because your brain is smart. Your brain says, they gave me sweet but they didn't give me calories. I'm looking for the good stuff, nutrients. And so all you're doing is reminding yourself to eat.

So the system is simple to understand, and once you appreciate that, you've got to change it. This is one of the best examples: ghrelin. It's the hormone that makes your stomach growl when you're hungry.

If you wait until you are hungry to sit down and eat, you will probably have over the course of 30 minutes three times more than you want to eat. And it takes 30 minutes for the ghrelin to naturally, biologically, come back to normal.

Well, you know, 30 minutes you can do a lot of damage. So you should never sit down when
you're hungry. In fact, I would argue that every one of you, as busy as you are, should never walk around without nuts in your pocket. Keep them in your desk drawer, in your car, wherever you are. You should always have nuts.

And a few minutes before you go anywhere where you have to eat something, put the nuts in your mouth. Those 100 calories will dramatically cut down ghrelin. When you sit down to eat, you won't be craving the food that's in front of you anymore. And many of the things you've got to speak at and attend, those food sources are not the best for you anyway. So these are simple little ways for us to, again, nudge the biology of blubber in the right direction.

Let me move to another category. It was in that first slide when I talked about how half of our health care budget is changeable, fixable. Sedentary lifestyle. If you sit, for every hour you sit, I should say, at your job your mortality rate increases 11 percent. Now that is a pretty big penalty to pay.
It turns out that sedentary lifestyle is important not just because you get to move around, but it is also important because it avoids frailty, which is the major dagger. If I got rid of all the cancer in America, in each of your states, got rid of all the cancer, we would live on average 2.8 years longer. That's it. A little more than two years longer.

Why? Because what kills people is not the cancer, *per se*, it's that they're too frail to either weather the treatment for the cancer or recover afterwards. Same for heart disease.

So when you go around the world looking at the places where people live a long time, we find that over and over again. So what do you do about it? You've got to build muscle mass.

The way you do that is by pushing yourself. Look in the wild at what happens--well, before that, when you don't push yourself you end up with bone problems, things like osteoporosis, shown here on the right, and you have medications for it but they're expensive and they don't work nearly as
well as resistance training, which is really what we ought to be focused on in our communities.

Getting people to recognize this means reminding them what they used to do. So let's take that image into the wild. Here is a cheetah chasing its prey. Look at the musculature and how powerful it is as it chases after its meal.

Now watch what happens if you can go full speed as well, because it's very doable.

(Laughter.)

DR. OZ: Ask yourself, when was the last time you went at full speed? When was the last time you gave it everything you had? Our bodies were designed to do that. Our average fitness at age 17 is the same as age 65. I'm going to say that again:

Although we peak in our physical abilities at age 27, we jump the highest, lift the most, our ability to endure activities--running, jogging, rowing, whatever--at age 17 is the same at 65.

Our species hunted its prey, not by out-running them or out-muscling them; we out-endured them. We had the ability to sweat and breathe in a
way that could catch them.

When they look at how humans used to catch antelopes, after two hours the animal would fall over and faint from being exhausted. We'd just come up behind it and eat it. So we had that ability.

But we've forgotten that. And it actually is in our genome. We need to chip away at the external crust that holds us back.

So what have you all done about this? Let me take you through some best practices, to show we have about 200 people who work on the program and we have a big medical unit. So we spent some time sort of pulling together what states have done.

I'm going to go through some best practices, and I am going to give you some thoughts that I think might be actionable that you can take home and begin to use, and I'll answer some questions if we have time.

Texas had a big Texas roundup initiative, fitness festivals and races, these big competitions that are now organized where one company or one school will fight against another company or school.
and they'll compare their ratings. And all of it is done online, and online training opportunities are huge.

Now when we started the show, which I do with Oprah, we started a Web business with it. And that website gets about 100 million page views a month now. And part of the reason that I mention that is there is a voracious appetite for unadulterated health information.

If you're not trying to hawk something to somebody, trying to sell something to somebody, that's the way to do it. Give them information they trust.

So the Department of Defense approached us, and we are now building the fitness portion of the Army's website. This is what all our veterans will be using that will allow them and their families, and even the employees of the military, to be able to benefit from a slew of different tools. Again, no advertising on this site, just a service that these veterans will get.

These are buildable endeavors. The
infrastructure exists here. If you do nothing else, go home tonight and take the real-age test. It will tell you how old your body thinks you are. Because, frankly, no one cares about your chronologic age; that's just there for the biography. It's how old your body thinks you are, your physiologic age, that matters.

So the real-age test based on 30,000 articles is a test that we have that actually helps define that. Twenty-five million Americans have taken it. Every single individual I think who is curious about their health needs a barometer, a scorecard of how they're doing.

These are tips. We have ways now of getting people personalized recommendations, very sophisticated social media tools to give you advice. Because, you know what, when you get sick, what's the first thing you do? You ask your friends how to manage it.

These are tools that are available. They're very scalable and they're inexpensive. And the military is building them for our soldiers, and
we could use them for our state employees to start
with, and maybe further on down the road.

California has got a Let's Get Healthy
Task Force, designing a long-term plan. I mention
them because they built their own dashboard of health
indicators. I think you ought to think about this
for each of your states.

How we assess, how we gauge how healthy we
are, the numbers we're going to play against. So
let's figure out how we're going to get graded, and
then start to keep score. So that dashboard that
California crafted is a model for many of you.

You've done it. Other states have done
this, as well. But I think it's a very clever way of
being able to agree on a unified set of ideas.

When we do those 15-minute physicals, we
agree on five numbers. We're going to check your
blood pressure, your cholesterol, your blood sugar,
and how your waist is, and your weight. We know
those numbers.

We create a little biopsy of the
community, a punch biopsy that we then can give as a
report card back to the mayor, or the governor of those states. That's why we do them. And then, because those governors care about the folks who live in their state and appreciate the bigger scale of the issue when you're not healthy, they can use that as ammo to push through changes like how affordable or accessible fresh fruits and vegetables are.

It also in California was a big issue because disparities were costing them a lot of money because of uncovered individuals.

In New York, it's more about the city of New York than the state of New York, for the most part, on this slide, but the smoking bans, which did not hurt restaurant business; trans fats being removed. But once everybody knew the rules, all the restaurants shifted over to non-trans fat sources.

And again, we have too often socialized expenses and privatized profits. And this allows I think a more sophisticated way of dealing with those socialized costs so we can share them more evenly. Because, again, if you create rules that
everyone can follow, then they will all do the right thing. Otherwise, people will cherry-pick and profit accordingly.

The public calorie counts and the avoidance of large sodas are good examples of those. I personally think each state is going to have to find their own way of going down this path. That is why I started off the presentation with this debate between the role of the public sector and individual responsibility, but I think it is worth putting this on the docket.

And if you ask Mike Bloomberg was this good or bad? He'll say it doesn't, frankly, matter. People are talking about it. If we're talking about the impact of large sodas, that in itself was worth the risk politically to get that conversation going. There are many other states. Pennsylvania's got its school meals that really work well with fantastic improvements in some of the major urban areas like Philadelphia.

Massachusetts-In-Motion works. Iowa's Blue Zones are fabulous. The Blue
Zones are the places in the world where we live the longest.

When you go and look at these places to find out what makes them live a long time, they are simple things done well. Real food. Whole food. The activity that I mentioned earlier, the social infrastructure. That is what Iowa is recreating.

Michigan's got its 4x4 tool.

And Oregon has got some of the best coordinated care planning in the nation. And that allows, of course, us to avoid unnecessary care.

And one little tip to all of you in your messages to your consumers: it ought to be about second opinions. It's not about them making mistakes, or the doctors not being good; if you--and only 10 percent of Americans get second opinions for medical care. But over and over again we have seen that roughly a third of the time, one in three times, a second opinion will change your diagnosis or your therapy.

Think about that. The difference between the instance of re-operative back surgery in Boston
and Houston is 10-fold--10 times. How can the exact same
operation be done 10 times more often in one place
than another?

Again, maybe the number is 5, maybe it
should be 10 or 1, who knows, but it cannot be a 10-
fold difference. So second opinions are . . . and, again,
why don't people get second opinions?

"It's just a minor procedure, why would I
bother?"

Well a "minor procedure," my friends, is a
procedure on somebody else. If it's a procedure on
you, it is not "minor."

(Laughter.)

DR. OZ: And I think that is the mindset
when you message it out that people ought to keep in
mind.

All right, one of the things a lot of
states have done is adopt HealthCorps, which Jack
kindly mentioned. HealthCorps is our Children's
Health Education Foundation. It's in 14 states now
and the District of Columbia.

It is basically the Peace Corps. In fact,
Timmy Shriver has been very supportive and is on the board of the entity, and California, when Maria [Shriver] was first lady, was a big and still is a big supporter of the program. But the Peace Corps was created by Sarge Shriver. And the basic concept was, you take energetic college kids, give them a month or two of training, and then put them off in Botswana and build dams.

We take those same energetic college kids that want to give back--and there are lots of them--and we put them through a month course about how to teach, and how to teach about health. And then we put them in school systems around the country.

And you know what? They teach the kids about what to eat, and they share with the kids how to get better exercise habits. But what they really do is they give the kids mental resilience. That is what health is all about.

The reason you should be caring about health is because if people can control what's happening in their bodies, they can change the world outside their bodies. But if they can't even take
care of their own habits, how could they possibly
think they can make a difference anywhere else?

When kids hear that message, it resonates
with them. It's cool for them. It's about a kid a
couple of years older than them sharing insights with
them about the world. And all of a sudden, the big
conversation happens in the hallway, and they change
what they are going to do in their life.

We have touched the lives of about 40,000
kids every year in this country. HealthCorps is a
very inexpensive program. It costs about $1 per year
of life per kid. I encourage you all to look into
HealthCorps.org. The content itself you're welcome
to use for free. Again, it's a 501(c)(3). It's
primarily privately funded with a lot of public-
private partnerships that we have with major states
that I mentioned here. But it allows us to thrive
and play a role and gives you a model. It gives you
an army of young people who are going to go home to
their parents, and they're going to fight with them
anyway, but they open the fridge up and they say,
“Mom, what gives?” You've got high-fructose corn syrup
in here!

Or, Dad, you're not going to walk?

Simple things that allow a conversation to take place. So instead of kids being the Achilles heel of our society, they become the backbone. Because they are the future, and they always have been the future.

We take organs into the schools, literally, real organs. And I don't care where it might be, whether it's the gym class, or it's a regular class system, and we work within the teachers' unions and the systems in order to get these volunteers to play an active role.

And they live in these schools for the whole year, as they take these kids through a life-changing awakening of how critical, how vital the temple of the soul is--the most valuable thing they will ever be given.

How do I drive this point home? There are a couple of ways of driving it home. Let me leave you with a couple of action steps that might be helpful.
The first is going to be a little bit more fun. This is a playful path to health. You know, I'm at 30 Rockefeller Center, so I am across from Jimmy Fallon and right downstairs from *Saturday Night Live*. So we have a lot of input on comedy issues.

Here are the five tips they came up with:

- Change your state song to a workout routine;
- Trade a 5K option for paying parking tickets;
- I love this one--Start a potato chip buy-back program similar to a gun swap.

*(Laughter.)*

DR. OZ: I think this could be big. You can pay state income tax refunds in organic vegetables.

And finally--this should please everybody--you can pass a constitutional amendment on marriage requiring a minimum number of sit-ups.

So I think there are many ways of messaging this, but there are some simple tips that I do think make sense.
One is, I would copy your colleagues in this room, the brightest people who know how to change the way we deliver health in our states, and that is where we win the battle.

We’re not going to win the battle for health in Washington. We’re going to win the battle for health in our kitchens, in our living rooms, in our bedrooms. That’s where we’re going to win it.

I think you ought to have your own health dashboard, depending on what your state specifics are, customized to them.

Business wants to play a role. I’ll never forget, when I first brought HealthCorps to the leadership of New York, the first sort of question, or my question was about the logistics, and they said: Forget it. Just do it.

And I said, why? And they said, because we don't know how to get the private sector involved, and they don't know how to get involved.

Think about your biggest city in each of your states. And one of the biggest business leaders--and let's say they want to help with the
health care system, or they want to fix the school
Concerned Business Councils give people a pathway to
be able to help if they want to help, and they're out
there.

I want, thirdly, to use your DMV. We have
been asked by Governor [Chris] Christie to use the New Jersey
State DMV to message organ donation. So we are
creating PSAs to go out in a cool way, in a more
elegant way, in a more celebratory way, getting folks
to realize that organs can't go to heaven with you.
You know, God knows we need them here. And get
people to donate. It's a simple concept, and I don't
want to focus on that, but the thought dawned on me
that the DMV has a unique ability to message to
people.

You have all that information. You
control it. People open their DMV mail. You can
give them tips that actually are valuable to them
when you're giving them other critical bits of
information. Those messages, even if it's Help
Lines, might be valuable for folks.
And we can extrapolate from the message that we're going to give on organs—which by the way I'd be welcome to help any states who desire that, as well—but we can move it past that into other basic health scenarios.

Junk food-free zones ought to be a part of this. And you each ought to have a Governor's Olympics. And I'm not talking about a state event where you have the best athletes competing, I'm talking about schools. The tenth grade of one school competing with the tenth grade of another school to see who walks the most in that month, or that calendar year.

You know, simple things like that that allow teachers to have an excuse to talk to the kids about health. And this can happen from business to business as well. And when these folks celebrate themselves for having walked--in HealthCorps we do this by keeping all the schools competing. So a tenth-grade teacher will get the kids to wear pedometers and measure how much they walk. And over the course of a month, they learn a lot about this.
For a dollar, actually it's more like half a dollar, investment for a kid, you've got a program that seems to make sense.

Now when you go home today, what should you do? I think you ought to think about 15-minute physicals. Your local hospitals will fund these. They're incredibly inexpensive to run.

You can screen thousands of people for almost nothing. And you allow a conversation to take place in more of a festival-like setting. It's not scary.

I mentioned earlier that almost everybody who comes to our 15-minute physicals has a job, but a lot don't have insurance. Give them a way of crawling back out of the abyss of darkness and fear over not having the health care they need, and give them an opportunity. Because they don't have the right to health, but they have the right to access, a chance to get that health.

HealthCorps is out there. It's yours.

There are other programs. The First Lady, I just taped a show with her that's going to air on Thursday
for the Let's Move Program.

You know about these, but HealthCorps is a version of this. It's inexpensive. It's customized. And you should own it. It should be your program in your state modified as you need it to be. And that is why we built it to be malleable. It's a widget that you can insert.

I don't think you ought to hire smokers.

I know it's hard to do. Twenty-one states in this country allow private companies not to hire smokers; twenty-nine don't. I appreciate that you have all been through this and this conversation. It is, from my perspective, indefensible for us to spend 15 percent more money at the same time to let people hurt themselves.

We have to be smarter than this. For every complex solution--rather, for every complex problem there is an easy solution--it's usually wrong. In this case, we actually have a solution that is going to be complex but that will work, which is to find out ways of making it at least legal in every one of the states in America for employers not
to have to hire a smoker. And if it is messaged
right: I care about you. I am here for you. I will
pay for your smoking cessation. I want to hire you,
but I can't do it if you're doing this. I think that
message will actually resonate, as opposed to the
finger-wagging fear that many have.
And finally, keep nuts in your pockets.
So, thank you very much.
(Applause.)

CHAIRMAN MARKELL: Questions?
(No response.)
CHAIRMAN MARKELL: I know we could do this
for a very long time. It was actually tremendous,
but we've got to get moving in a few minutes. Are
there one or two questions?
(No response.)

DR. OZ: I'll start calling on people. I
can tell you--do you want me to tell you what I told
your spouses? So just so you're well-armed, one of
them--I did not bring this up--one of the women asked
about the singlemost important thing to do for
longevity that was easy.
And I said: Without question, more sexual activity. And then they started asking very pointed questions about that. So we started delving into the reality of 80 percent of the time when there's erectile dysfunction, it's physical, not mental. We got past all that. Then they started asking me about, you know, what the real numbers are.

So I said the average American is intimate once a week. If we could go from once a week to twice a week, which is very achievable for this highly performing group of individuals, we would actually increase your life expectancies three years and it would be a lot more fun.

(Laughter.)

DR. OZ: So that's your goal I think when you go home. Go from once to twice a week. It should be very, very sustainable.

(Laughter.)

DR. OZ: Jack, thank you very much.

CHAIRMAN MARKELL: Thank you.

(Applause.)

CHAIRMAN MARKELL: I think it is fully
appropriate that that be the last word of our
conference.

(Laughter.)

CHAIRMAN MARKELL: So I want to thank
Dr. Oz. That was tremendous. Every time that I hear
you, I get new insights and very actionable ones as
well. So we really appreciate it.

So we have got to leave because the buses
are going to leave promptly at 10:05. So please
proceed directly to the Avenue Grill. Board the
buses there.

I want to remind everybody of Milwaukee,
August 1 through 4. I know the Walkers are working
very hard to make it a lot of fun, and I am sure we
will have a great program there.

I want to thank all of the folks who have
come for the last couple of days. I think it has
been a very productive conference. When we do
adjourn, I would ask that the audience, if you could
stay in your seats while the governors get out of
here, because we are on a really tight timeline to
get to the buses to get over to the White House.
So great to see everybody, and with that we are adjourned.

Thank you.

(Whereupon, at 9:58 a.m., Monday, February 25, 2013, the last plenary session of the conference was adjourned.)