

# Joan Shorenstein Center on the Press, Politics and Public Policy

## Discussion Paper Series

#D-52, June 2009

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### **Getting It for Free: When Foundations Provide the News on Health**

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Joan Shorenstein Center

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*Washington Post* Executive Editor Marcus Brauchli was asked at a meeting early this year with reporters why *The Post* had used two stories from something called Kaiser Health News.

Up until a few months before, the paper would not have considered taking content from a nonprofit organization, yet in this meeting to discuss the monumental challenges confronting the industry, Brauchli was asked if such an arrangement was “the wave of the future.”

The answer was, in fact, yes. Even before *The Post* published the two stories from KHN, news organizations were taking content from or partnering with investigative websites funded by universities and foundations — the most high-profile being *ProPublica*.

Today, newspaper owners and editors are looking beyond their own newsrooms and boardrooms for support amid an unprecedented financial crisis that threatens the survival of the industry. The departure of experienced journalists and the diminishing amount of money for reporting means we are witnessing a decline not only in quantity but also in the variety of content newspapers produce. For them, the work of these nonprofits is a modest, positive trend helping to counteract the retreat and contraction at traditional news organizations.

Health care ranks among the top concerns of Americans, and the Obama administration is taking on an ambitious overhaul of health policy. Yet many U.S. newspapers no longer have the resources and expertise to cover it effectively. To help meet that demand, the Kaiser Family Foundation has launched Kaiser Health News — a nonprofit health news service that, it says, “will provide free, in-depth coverage to readers and news organizations.”

Who better to do this? The Kaiser Family Foundation, with a \$500 million endowment and an annual budget of \$40 million, has been a major force in health policy research. Its former website (55,000 subscribers and 100,000 views daily) offered free reports, a daily aggregation of health policy news coverage. The site has been transformed into [kaiserhealthnews.org](http://kaiserhealthnews.org).

While Kaiser is putting the most money into journalism, foundations in several states also are supporting nonprofit news models that produce health care stories, which they provide free to media outlets.

For the newspaper editor, and for readers, choosing Kaiser's journalism or that of other nonprofit funders raises questions that go to the heart of the journalistic enterprise and its role in American democracy: Does the very availability of content about a pet issue of a particular foundation mean that coverage will be skewed? Does nonprofit journalism mean lower standards? How does a newspaper safeguard integrity and independence?

Professor Roy Peter Clark, senior scholar at the Poynter Institute for Media Studies, called this a time of "interesting failure...a time of great experimentation when old, old standards are re-imagined and reinvented; a time when many news organizations find the need to lower their standards rather than not publishing at all."

Kaiser does not lobby Congress and it is not an advocacy organization, but a review of its website makes clear the foundation's interest in health care reform. Journalists producing stories for the KHN must in no way be mouthpieces for reform — a challenge for editors at Kaiser and the papers that use its journalism. The editors at Kaiser said they can do this with integrity, but admit it is tricky.

Brauchli told *The Post* staff that stories would be considered individually. Is that good enough?

### **The Kaiser Plan**

The mission of Kaiser Health News is straightforward: “Providing in-depth coverage of today’s ever more complex health issues and developments.” Those are the words of Drew Altman, president and CEO of the Kaiser Family Foundation, and the force behind the creation of KHN. Altman is also the force behind the re-creation in 1991 of the Kaiser Family Foundation as an information organization for health care.

When industrialist Henry J. Kaiser and his wife Bess established the Henry J. Kaiser Family Foundation in 1948, its goal was to meet “the unmet health care needs of the citizenry.” Kaiser, who had made a fortune as a shipbuilder in California during World War II, became even richer after he formed Kaiser Aluminum and Kaiser Steel. Later he founded Kaiser Motors, and was involved in large construction projects and real estate. During the war, as his shipbuilding business expanded, Kaiser, who was interested in public health, organized Kaiser Permanente health care for his workers and their families, making it public in 1945. In the early days, the foundation literally helped build the Kaiser Permanente Health Care Plan by providing funding for the nonprofit health plan’s facilities and hospitals.

By the early 1980s, some 15 years after Henry Kaiser’s death, the Kaiser Family Foundation had become legally and financially independent of Kaiser Permanente and any other family-run business and had an independent board and professional staff.

When he arrived in 1991, Altman began remaking the foundation to have an impact on health policy through nonpartisan analysis and research, sometimes with other nonprofit research organizations or with major media companies, as well as through vigorous communications programs.

In explaining Kaiser Health News, Altman said it is crucial to understand the foundation's long-standing commitment to health journalism, which began more than 15 years ago with a media fellowship program to train health care reporters to understand health policy so they could explain it to policy makers. That commitment continued with polling relationships with major news organizations, including National Public Radio, *The Washington Post*, *USA Today*, and ABC News. "Lots of people are trying to establish answers to journalism's problems — we are trying to do it from Kaiser's perspective," Altman said.

Altman said he began thinking about the idea of creating a news service in 2006, and presented it to his board in March 2007. "It is part of a very long-term institutional development strategy. KHN builds on our history as a research and information organization," he said. "This is what we are. Now, we will be a provider through a news organization."

Altman believes that these difficult economic times offer a special opportunity for nonprofits to play a role in journalism: "We don't have to worry about bottom line, investors and advisers." But, at the same time, he is dubious about some nonprofit models because the interests of donors can change, or the foundation's leadership changes and that can result in a change in the mission of the journalism the nonprofit is funding.

"What is different about Kaiser," Altman said, "is that it is not dependent on specific funders. Most major costs will be supported by our endowment and has

been built into our own costs. We don't do grants. We put money aside for this before the economy fell apart." Kaiser Health News has a budget of \$2.5 million for this year, and that will increase to nearly \$3 million for next year.

Harvard Professor Robert Blendon, who is a co-director of a project with the Kaiser foundation, said Altman understood the downturn in the media industry and recognized that his foundation could fill the void in qualitative health care journalism. "This will have real value because of the economics of the industry," Blendon said.

Matt James, a senior vice president at Kaiser who developed and oversees KHN, said the California-based foundation became increasingly concerned about the falloff in its media fellows program. News organizations had stopped encouraging reporters to apply as the bottom line in journalism started to deteriorate. "We thought: What could we do with health journalism? We believe journalism is a cornerstone to a thriving democracy. If you want folks to understand complex health issues, you need the media."

They considered purchasing a magazine and changing it into a platform for health journalism. "But then you own it, and it might not work," James said. "What we decided was to be platform agnostic — create the good journalism and it will find the platform." After much discussion internally and with outside experts such as Bill Kovach, a former newspaper editor and curator of the Neiman Foundation, and Dr. Tim Johnson, medical correspondent for ABC News, they came up with Kaiser Health News.

James, who joined Kaiser in 1991 after a decade as a press secretary in the House and Senate, said the foundation had to address some threshold questions, including the name of the news service. *Post* editor Brauchli told them he

preferred they not use Kaiser, worried readers would think there was some relationship to its “corporate cousin,” Kaiser Permanente, when in fact the Kaiser Family Foundation has no affiliation with the health insurance company.

The name was staying. “We are a brand,” James said. But there would be transparency: “We need to be straight up and say who we are and what we are doing.” Hence the tag line on stories that have Kaiser Health News in the byline: “Kaiser Health News is an independent news service that provides coverage of the policy and politics of health care. KHN is a service of the Kaiser Family Foundation.” In addition, KHN reporters tell their sources up front that they are not part of Kaiser Permanente and are editorially separate from the foundation.

The next threshold question, James said, was: Who do you to get to run it? “We knew we needed really high-quality people to communicate credibility,” he said. Last fall, Kaiser hired Laurie McGinley, a senior editor at *The Wall Street Journal* with a specialty in health care and economics, and Peggy Girshman, a top editor at *Congressional Quarterly* and formerly with National Public Radio, to run the news service, which is based in Washington, D.C. Next, James said they needed to pick a staff that would be “among the best in reporting health care stories in the way we want to tell them.”

KHN hired John Fairhall, formerly assistant managing editor at *The Baltimore Sun* where he oversaw projects and coverage of health and science. Fairhall wrote one of the first pieces KHN produced for *The Washington Post* Health section, on the newly uninsured; he is also editing copy. Julie Appleby, who covered the health care industry for *USA Today*; Mary Agnes Carey, another CQ veteran, most recently as associate editor of CQ Healthbeat; and Jordan Rau, who covered

California's health care plan for *The Los Angeles Times*, have been brought on as senior correspondents.

But KHN is not just about a powerful in-house staff, Altman said. "I want it to be a home and a distribution vehicle for freelancers and independent journalists "who are struggling and give them a chance to do great work."

McGinley said they already have made good on that, pointing to a centerpiece story published March 9 in the Health and Science section of *The Philadelphia Inquirer*. Written by Carol Ann Campbell, a reporter who had been laid off by *The Newark Star Ledger*, the article examined a program in Camden, N.J., which is successfully reducing visits to hospital emergency rooms through residential visits by health workers. Karl Stark, editor of *The Inquirer's* Health and Science section, welcomed the opportunity be a platform for Kaiser. "The story has had ramifications about emergency rooms all over the country," he said.

The official launch of Kaiser Health News was June 1 when a new free-standing website was unveiled, but the early collaboration with *The Inquirer* and *The Post* signaled the kind of relationships KHN hopes to have and the kinds of stories the news service wants to produce. As Altman described it: "We want to create a home that gives journalists time and space to explain stories that mainstream organizations don't have the time to do — stories such as how health policy plays out in the real world, not just policy making."

The details of how all this will work are still evolving. The basic idea is to partner with specific news organizations for specific content. "Some stories will have a predestined home — there will be a group of papers we have to take care of," McGinley said. Other stories will go directly to the KHN website and will be available free to anyone who wants to pick them up (as will the partnership



stories once they have been published by the newspaper). “There will be stories we pursue regardless and try to get them out there,” she added.

McGinley said KHN has less leverage than an investigative website such as *ProPublica*, which often gets exclusive material and offers to work with a media organization on that. “We aren’t trying to be an investigative website,” she said, “That doesn’t mean we won’t do tough stories and write about things that don’t work.”

James describes Kaiser as “very entrepreneurial.” Citing the foundation’s polling projects, he said they varied with each news organization, and he thinks it will be the same with Kaiser Health News. Regional papers, he expects, will be more interested in short pieces and fact boxes that explain, for example, COBRA extension. “Some editors will call and pitch a story to us, and we will call some and pitch. They will be jointly edited,” James said. “We are doing the work for papers.”

An advantage for a newspaper or website taking Kaiser Health News over say an Associated Press health care story (other than being free), McGinley said, is expertise — “quality journalism and credibility,” is how she put it. Blendon agreed, “This is a health news service, many of the wires are simply not as good on health issues.”

The news service, which operates without support from advertising, will take some funding from other nonprofits. The SCAN Foundation, which cares about aging issues, has given a \$200,000 grant for each of the next three years to support health care stories about aging and seniors. “Given Medicare and long-term care, that certainly won’t be a stretch,” McGinley said. She described the

arrangement “as not so different from the public broadcasting model when X foundation gives money to support work on subject X.”

While Kaiser certainly is interested in reaching a broad audience of readers, James and Altman have a target audience in their sights. James described two concentric circles: At the center are health policy opinion leaders, Capitol Hill, academics, reporters and people involved in the health care system; the bigger circle is opinion leaders interested in health.

Central to KHN’s mission is “a great website.” James said they plan to include a lot of original reporting beyond the published stories on the site, including blogs, interviews, video presentations that eventually could be syndicated. “The idea is to encourage more balanced and lively discussion of these issues than normally occurs in news stories,” he said. One element of the website is a daily health news tidbit for insiders. “We won’t do daily news per se,” James said, “but part of our philanthropic mission is to make available what is happening to readers who otherwise would have to pay for that information from newsletters.”

It is an untested model, and Altman and his associates are defining success within a narrow niche. “It is not about eyeballs,” Altman said, “Rather it is whether this is viewed as a place where special explanatory journalism is being done on the big issues that isn’t being done in the mainstream media. It is additive — not duplicative.”

McGinley said she recognizes that “*The Post* and *The Times* will have access we will never have.” She also acknowledged the institutional pride of the major papers: “It would be great to be in the A section of the big three papers — but that is not the point, they don’t need it.” Brauchli, *The Post*’s executive editor agreed: “We are not going to surrender coverage of policy we care about.”

Instead, McGinley talks about stories that spin off health care reform — profiles, explainers and analysis. One example she cited was a story that ran in *The Inquirer* explaining whether to offer Medicare to people age 55 to 64. Other examples are stories such as what is happening with high-deductible health care plans or stories about health delivery systems such as the piece on Camden’s emergency room care. “What is liberating is not having to beat the competition, but to get the information out,” McGinley said.

What may strike some as surprising, given its target audience, is that Kaiser Health News is not about influencing policy changes, Altman said; in fact, “that would be wrong....People will believe that when they see what we are doing.” He said that could take three years, noting that when he launched Kaiser as a health information organization in 1991, “people assumed we had all sorts of agendas. What I learned then was that you can say it, but you have to show it. Our job is to explain.”

Still, the inevitable question comes up: How does Kaiser Health News avoid being perceived as having an agenda, especially when the foundation has a history of focusing on health care reform? McGinley said she is sensitive to bias. But at the same time, she said to look at the mainstream media. “Truth is everyone knows the health care system is broken and something has to be done, but there are huge differences of opinion on what to do.” She said she will be very careful to reflect those.

As for using Kaiser’s research, McGinley said, “We would be stupid if we didn’t talk to them. A lot of roads lead to Kaiser in terms of health care policy research. We would be depriving readers if we didn’t quote Kaiser.”

So far, McGinley said she is “encouraged by how open editors have been — they don’t seem worried that this is coming from a foundation.” And from her point of view: “I’m not worried about conflicts of interest because I am not getting any orders from the foundation. We have been given editorial control of the news.” A point reinforced by Altman, who said, “Those two pieces in *The Washington Post* were not discussed with me. I read them for the first time in *The Post*. These are my rules.” But McGinley, like her bosses, recognizes that “lots of newspaper editors don’t know that, and we realize that we have to prove independence in the stories we write.”

McGinley said the bigger challenge is space. “Papers have to run what happened yesterday,” she said, “So what is the capacity for using other explanatory material?” Some of the placement will be limited by shrinking news holes, making websites a more likely target, and that includes new nonprofit online media, such as MinnPost and Voice of San Diego.

At the end of the day, Blendon said, “Market issues will decide who is using it and if it is being used the way Kaiser wants.”

### **Just How Bad Is It in Newsrooms?**

There is no doubt about the urgency of the economic challenges facing journalism, and the threat to newsgathering caused by the recession as well as migration of readers to the web. A study published in March 2009 by the Project for Excellence in Journalism showed that revenues at newspapers have fallen 23 percent in two years; the stock of publicly traded newspaper companies fell 83 percent in 2008. That trend has continued this year. *The Rocky Mountain News* in Denver, *The Ann Arbor News* and *The Seattle-Post Intelligencer* closed, with more

papers perilously close to that fate. This, of course, has led to massive cost-cutting and consolidation.

More than 70 percent of U.S. newspaper editors and publishers responding to a survey this spring by the Associated Press Managing Editors said their ability to inform readers has diminished because of the cuts. By the end of 2009, PEJ estimates that a quarter of all newsroom jobs that existed in 2001 will have disappeared. Half of the states no longer have a newspaper with a staff in Washington, D.C., to report on the impact of the government's actions on their region.

Clark from the Poynter Institute said news organizations are confronting the "ethics of resources," which means less journalism in the public interest.

A survey in March of health care journalists by the Kaiser Family Foundation and the Association of Health Care Journalists (granted, very interested parties), underscored Clark's concern. It found that more than nine in 10 health journalists said bottom line pressures were hurting the quality of coverage of health issues, including travel and educational opportunities to increase their expertise. About 40 percent said the number of health reporters at their outlet had gone down and a similar percent said it was likely that their position would be eliminated in the next three years.

Kyun Song, a health care reporter at *The Seattle Times* (now the only daily newspaper serving Seattle), described what has happened in her newsroom: "Since 2006, our staff has been cut from six people covering health care to a one-person section, and I am the only one left....So for example, before we used to have someone cover the aging beat — how older people are dealing with health

care issues, or the emergency room. Now we don't have any option but to drop those issues...."

What is of particular consequence is that studies have shown that Americans get the majority of their news about health care from the media.<sup>1</sup> As Steve Coll, former managing editor of *The Washington Post* and now president of the New America Foundation, said: "We are taking the most ambitious change in health care insurance since perhaps the 1930's without adequate, independent reporting on how this is happening, the cost, the role of interest groups and most importantly what it means for individual Americans."

While resources for all types of news are shrinking, demand on the web is increasing. Kaiser and the Association of Health Care Journalists conclude that the web has the potential to expand the news hole for health journalism "exponentially and introduce a 'golden age' of health journalism, allowing for depth, scope and links that are not possible in other media."

But at the same time, the speed and volume of the web put much more pressure on the quality of health journalism.

Perhaps one of the most worrisome findings of the survey on the state of health care journalism was that 44 percent of respondents said their news organization frequently or sometimes reports stories on press releases without substantial additional reporting or contacting independent sources.

### **It's Happening in Some States, Too**

While Kaiser has the resources and ambition to place its journalism nationally — whether in newspapers or on websites, several nonprofits have created models to support independent quality health care journalism in their states.

The California HealthCare Foundation gave former *Los Angeles Times* editor Michael Parks a \$239,000 grant and six months to partner with California-based newspapers to produce stories on health care issues that concern Californians. That is what Parks said he has done with the support of the University of Southern California Annenberg School for Communication, where he is a professor. Parks hired three veteran California reporters and an editor as staff for the Center for California Health Care Journalism and went about soliciting business.

The first target: *The Merced Sun-Star*, and conversations with executive editor Mike Tharpe. The result was a series of articles over three days last fall about a proposed medical school at University of California Merced. “Sowing Hope,” which also included multimedia presentations, was reported and written by Deborah Schoch, a former *Los Angeles Times* reporter on contract with the center, and Danielle Gaines, the *Sun-Star*’s education reporter. Richard Kipling, a long-time *LA Times* editor also on contract with the center, edited the package. Parks hired a freelance photographer (formerly of the *LA Times*) to provide the still and video images.

All the work is done out of the paper’s newsroom. “We do this with them, not for them,” is the way Parks explained the center’s model. Mike Tharpe, executive of *The Sun-Star* has said there was “no way” his paper with a circulation of 20,000 could have done this project without the partnership.

At *The Fresno Bee*, Parks talked to the editor about three or four possible stories, and they settled on an examination of the high death rate from diabetes in the Central Valley. Parks hired Natalya Shulyakovskaya, who had reported for *The Orange County Register*, to look at the data — the kind of work she had done at

*The Register*. Barbara Anderson of *The Bee* did the principle reporting. The two produced a series of stories about why so many were dying in the region and what could be done about it. Parks said the paper simply could not have done the number crunching.

“These are labor-intensive stories — we go big and deep, and they promote a degree of civic engagement with health issues,” Parks said. “We want to help build the conversation: Is this medical school a good idea? We want people to be concerned about why people are dying in the Central Valley in large numbers.”

In Santa Cruz, the subject was the county’s low rate for Medicare reimbursement — so low that doctors were turning away elderly patients. The reporter, Jocelyn Wiener, formerly of *The Sacramento Bee*, and two staff writers at *The Santa Cruz Sentinel* found older people were even showing up at Planned Parenthood clinics for medical help. Parks said the three-day series was “such a stunner in the community” that the area’s congressman plans legislation calling for \$50 million in increased reimbursement rates to physicians treating Medicare patients in Santa Cruz.

The center partnered with the paper in Escondido to explore why some California hospital districts are better than others, again having Shulyakovskaya examine complex data sets. In Redding, the partnership looked at the long-term effect of big fires on lung disease. “These are stories that don’t get done as newsrooms get stripped and they have impact,” Parks said. “There are policy questions and implications.”

Parks said there are three elements to his model. First is the partnership: “We ought to partner; editors tend to be smarter about their communities.” Second, Parks wants solution-based journalism: “This is not just about dropping a



problem on the table and applauding ourselves for having exposed it. We should offer various solutions — not as advocates but as reporters, who analyze and explain them.” Third is adding capacity to newsrooms. “In Merced we had a good reporter who had never done a big project and paired her with Schoch, who had.”

While Kaiser is creating a news organization, the center wants to increase capacity within news organizations, bringing in expert journalists who can work with traditional media and emerging media to explain complex health issues.

Parks said in the beginning they studied California health care websites to understand the key issues facing the state. Initially, they made some cold calls to papers, but now he said they are coming to him. “We have a fairly frank discussion. I need a commitment on standards and space from the editor, and even the publisher; ‘yes, you have final say — but you have nonstaff going into your newspaper.’ Transparency is essential.” There is “a truth box” with every story explaining the partnership, the funding by the foundation and the independence of the center.

Informing what the center does is the mission of the California HealthCare Foundation to “educate and engage the citizens of California about complex health care issues, and to improve the delivery and financing of health care in the state.” The foundation, which describes itself as “an independent philanthropy,” was established in 1996 with assets that belonged to the state from the sale of WellPoint stock after BlueCross was converted from a nonprofit to the for-profit WellPoint Inc.

Echoing Kaiser's Matt James, Spencer Sherman, the foundation's director of publishing and communications, said the best way to get the public involved in a conversation is through the media.

The relationship with the foundation is not unlike KHN with the Kaiser Family Foundation. It offers help in finding good sources. Parks said the foundation does not suggest or review stories and doesn't see the work until it is published. "The reporters report to Kipling, and he reports to me," Parks said. "I report to no one. It's paramount that it is journalistically credible."

Sherman, too, said that to be successful it is necessary to have a firewall between the foundation and the center, and editorial control is worked out between the center and the papers. "The newspaper has to have the control to decide what it publishes, and we have to be prepared that not every story, every sidebar, every video presentation will be directly in our sweet spot."

Before launching the pilot project, the foundation conducted a study to determine whether there was a willingness among California media to engage with a nonprofit, nonpartisan organization. There was, especially given the significant economic pressure the industry was experiencing. The pilot project, Sherman said, "would demonstrate whether there was a market for us to increase the depth and breadth of health care policy coverage in the state." As far as the foundation is concerned that has been demonstrated.

In mid April, the board approved a three-year grant of \$3.46 million to officially launch and run the Center for California Health Care Journalism. The program will be administrated by Annenberg, with Parks in charge. The staff is being expanded to include an editor in chief, a managing editor, three reporters and a multimedia journalist. Parks said there are plans to build a "very innovative

website” so that the center’s work and materials can become a resource for health journalists and policy makers.

“We considered the pilot very successful,” Sherman said, pointing to high-quality reporting and strong relationships that have been built with news organizations. “The response has been enthusiastic — a significant demand for more stories.” But most important for the foundation is that the stories have focused attention on its mission of improving health care in the state, he said, citing the Merced and Santa Cruz series.

(In May, another nonprofit reporting initiative launched in California. The Center for Investigative Reporting announced it will partner with news organizations, journalism schools and other institutions in the state “to produce in-depth multimedia journalism and to develop innovative ways to inform and engage Californians on issues that affect them in their communities and in their daily lives.” The funding comes from a grant of \$1.2 million over three years from the James Irvine Foundation. The William and Flora Hewlett Foundation also awarded a grant of \$1.2 million for the same time period, primarily for reporting on education.)

In Kansas, Mike Shields, managing editor of Kansas Health Institute News Service ([khi.org](http://khi.org)), said he finds himself in the odd position of having the largest state house bureau as well as being the largest provider of health news in Kansas. Shields, a former city editor at *The Lawrence Journal World*, gets his funding from the Kansas Health Institute, a non-partisan Topeka-based research organization.

KHI’s primary support comes from the Kansas Health Foundation, which describes itself as “a private philanthropy dedicated to improving the health of

all Kansans.” The foundation, which awards millions of dollars each year in grants, traces its beginnings to funds from the 1985 sale of Wesley Medical Center in Wichita. In 1995, the foundation created the Kansas Health Institute to provide information without an agenda to Kansas policymakers, particularly at the state legislature.

As it was doing research, Shields said, the institute saw how much was not being covered by state newspapers, and about three years ago, the idea of creating a health news service was conceived; its targets would be decision makers, legislators, academics, health care professionals, and it would be delivered as a website. The staff, which came from newspapers, is supplemented by freelance photographers and reporters. The news service produces some “wonkish” stories, Shields said, but also stories that have broader appeal — and those they push out to newspapers.

The website has a daily digest of original stories, with a centerpiece package that changes every Monday — one centerpiece looked at the consequences of budget cuts by Kansas legislators on local public health departments and related services. The staff covers hearings at the state house, and the news service has a stringer in Washington, D.C. Shields said they don’t use wires, but made a place for Kaiser articles, and have talked about collaboration with Kaiser to round out the site with some national coverage. “A lot of our coverage is on rural health issues,” he said. “We see everything through a Kansas prism.” Shields added, “Kaiser’s mission is news without an agenda, same as ours. It’s a good fit.”

The new service accepts no ads; its \$300,000 annual budget is provided by the institute. “They expect a good product and we try to maintain a firewall between the research and the news side, but we do use their research,” Shields said. Every

story has a tag line explaining that the author “is a staff writer for KHI News Service, which specializes in health issues facing Kansans.”

Shields said the news service found “pretty much broad acceptance” from Kansas newspapers. “Health care coverage was never all that strong in our market to begin with,” he said. “Some papers might have a health care reporter who does business or feature stories, but not much policy. With all the layoffs, it is much leaner.” He had anticipated it would take a lot of explaining: “We are a different kind of entity. We hope we are viewed as another news source. We work hard at that.”

Shields said it has helped that Kansas is a small state and that he and his staff have personal relationships with journalists in the state. He has yet to crack the two largest papers, *The Kansas City Star* and *The Wichita Eagle*, “which have a strong culture of doing it themselves. If they don’t do it — it doesn’t get done,” Shields said. But he added that so far he hasn’t directly marketed it to them.

The news service’s entire list of stories is available on the website, and selected stories are sent to all members of the Kansas Press Association. The papers shape the stories a bit, Shields said, and there are ongoing discussions about partnering. The Topeka paper asked for a series on Medicaid and several newspapers used a story on then-Gov. Kathleen Sibelius’s decision to deny permits to two coal plants. “Our whole point is to get the information out,” he said.

That also is the point for Carol Gentry, editor of Health News Florida, a free online news service ([floridahealthnews.org](http://floridahealthnews.org)). But as Gentry puts it, “We are the poor cousins of those other operations....I am stretching dollars till they scream.”

Gentry, who covered health and medicine for *The St. Petersburg Times* for 10 years, *The Tampa Tribune* for two and *The Wall Street Journal* for three years, said: "I wanted to find a way to cover health issues that weren't being covered." She reached out to the Winter Park Health Foundation in late 2006 and made her plea, "How do I do this online?" Winter Park, a private foundation focusing on its community's health issues, was interested. The foundation contacted the Florida Health Policy Center ("dedicated to providing Florida health policy-makers with access to neutral, objective analysis of health issues and the effective communication of information") about seed money.

Gentry launched Health News Florida in March 2007 as an aggregation website with \$59,000 from three of the Florida Health Policy Center's foundation members. By the end of the year, seven member foundations approved grants totaling \$175,000 to support the news service; none of them, Gentry said, has tried to influence coverage. She hired a managing editor, a Tallahassee correspondent who knew health care and freelancers. The website tracked bills on health issues before the legislature and posted a calendar of events, a column by Gentry summarizing health studies and news briefs.

The key challenge has been funders. Gentry has had no revenue source other than the foundations. But this year, she redesigned the website with a place for ads and added consumer news, an opinion and analysis page, and a week in review. So far, only the Kaiser Family Foundation has purchased an ad. "The depressing reality," Gentry said, "is that there is a business model, but the advertising it generates doesn't amount to much money."

One bright spot has been that in the daily e-Alerts summaries of breaking health care related news she sends to everyone ("thousands") who signs up for the

website, there is a spot for an ad. Gentry said “advertisers are starting to discover that we are the perfect venue for promoting conferences and meetings.”

Gentry said the site continues to link to news about health legislation and has one or two original stories every day. “Journalists who get our e-Alerts still need to convince editors to use our work. And that has been tough,” she said.

Reporters and editors who know health care have left the papers, “and the ones left don’t seem to understand us. Editors dismiss us as bloggers and don’t take the time to study what we do and see the benefit.” Gentry persuaded her board to let state papers run the service’s work for free providing that Health News Florida is credited, and *The Miami Herald* has run some stories. But shrinking news holes and the decision by major papers in Florida to share content have been other obstacles.

Still, Gentry is optimistic about her website. “They need us because we are covering issues important to the public and we understand the system. Most editors don’t know the difference between Medicare and Medicaid, let alone why it is important to cover other health insurance issues,” she said. Health News Florida has done stories on why Medicare pays a different amount to beneficiaries depending on where they live; covered sales abuses in Medicare marketing plans. Gentry said hers is the only media outlet regularly covering the state board of medicine. She said they are having impact — a bill was introduced in Congress to correct the Medicare payment rate issue.

Right now, Gentry said, papers are doing health stories as revenue enhancers — topics that attract advertising, such as medical fitness. Gentry said she is trying to stretch the definition of health care as far as she can and fill as many gaps that aren’t being covered in the policy area — food stamps, poverty, environmental

issues. “My goal is more eyeballs. Then I can charge more for ads, and then I can pay more for freelancers and do more stories.”

Gentry has relied on “viral marketing,” or word-of-mouth, to attract subscribers to her daily e-Alerts. In addition to the media, she said she is reaching state government; health professionals, including hospital and insurance executives; educators; health care advocates; and “ordinary folk.”

Part of the problem for Gentry is that she is trying to do this from the outside, unlike Parks and Shields. In California and Kansas, the foundations saw the need and went looking for people to do the work. Gentry defined the need and has had to go looking for the support. “If there is going to be a future for this, we have to find a way to do this kind of journalism,” she said. “A lot of states don’t have people with deep pockets.”

Matt James of Kaiser is encouraged about the future of these different models, noting there are a lot more nonprofit funders for health care than for other issues, and that has allowed for the development of health news services. He hopes over time they will find ways to partner and share content, creating what he calls “a web” of regional and national health care coverage. “Carol Gentry gets a good idea for a story,” James said, “but doesn’t have a reporter to do it — that is what our freelance budget is for, and it goes up on both of our websites.”

### **It’s All About Editorial Independence and Credibility**

It doesn’t have to come from newspapers — that’s Brauchli’s view. “Newspapers set editorially high standards and used this as an excuse not to put in perfectly good content from elsewhere,” he said. That doesn’t mean he is about to ask Kaiser Health News to cover the debate on health care reform for *The Washington*



*Post*. “At *The Post*, there are certain areas we have to do ourselves — that define who we are,” Brauchli said. “In a time of limited resources, we will focus on what we do well.”

But he has no problem going to KHN for an assortment of stories about health as long as they are well labeled and *The Post* edits them. “Whether the content comes from Kaiser or *ProPublica*, we edit it,” Brauchli said. “There is no loss of editorial control because they are not in control, we are.”

The person at *The Post* in control of that process is Frances Stead Sellers, editor of the paper’s weekly Health section. She has run a number of stories from and with KHN, including stories on the newly uninsured, medical interpreters for immigrant communities, and a first-person account by a laid-off journalist on how he is managing health insurance for his family with aid provided by the stimulus bill. “Kaiser gives us the opportunity to explain policy through the experience of our readers,” she said. “For me, it means expanding resources and brain power.”

With nearly no staff left in her section because of a buyout and a huge readership for health policy on Capitol Hill and for stories about everyday health concerns among the region’s readers, Sellers is appreciative of her partnership with KHN. Referring to a chart explaining the COBRA subsidy in the stimulus that ran with the journalist’s story, she said, “I guess I could have pulled the chart together from government and consumer websites, but Kaiser can actually report it.” On the piece about people too well off to qualify for health insurance but too poor to pay for COBRA, Sellers said, “Ceci Connelly [*The Post* national health care reporter] could have done an excellent job on this. But then she couldn’t be chasing something else on health care reform.”

And it is a two-way street. “We are useful to them — we’re a great outlet,” Sellers said. “A story runs in *The Post* and it will be picked up by other news organizations.”

So far, it has been a very collaborative process as each side tries to figure out in a congenial way what is a whole new venture for both. Sellers said because *The Post* has had a long-standing relationship with Kaiser (using its research and partnering on polling projects), there already was a trust level. “They use our standards,” she said. “If it was a foundation with a political point of view, like Heritage or the Center for American Progress, would we have felt as comfortable? Probably not.”

Sellers sends ideas to Kaiser’s editors and they present some to her. They talk as stories develop, and KHN will localize stories, reporting out of the Washington area and using Washington experts. Still the stories are meant to reach a national audience, too. “We are getting at national trends, even if it is reported locally,” she said.

Karl Stark, *The Philadelphia Inquirer* health and science editor, said the nonprofit aspect is really not an issue. Like Sellers, he worked with some of the journalists at KHN and had seen the foundation’s health care work for a long time. “We have a comfort zone.” But he too said it would be very hard to do this with someone they didn’t have this kind of track record with. “Yeah, they’re a nonprofit, but there are multiple levels of trust. We said, ‘these are really good people and let’s try it. It will expand our horizon.’”

Health care is only going to become more important, expensive and complicated, and, Stark said, “We need to establish smart partners.” If Kaiser does this right,

he said, “it will bring more of the wisdom of the research into the public domain, and humanize it.”

Discussing the article he published from Kaiser Health News that focused on finding better care at a lower cost for people who are frequent emergency room patients, Stark said, “They pitched this story. I wanted to see them in action on a story that I knew a lot about, and had other sources. They listened to what we needed and were very responsive — we needed it to be more local and they put in more about Philadelphia hospitals.”

Just as the other editors, Stark said transparency was important — “to show readers where this came from, and to say they are different from Kaiser Permanente.” He ran a box with the Camden story that went further than the one KHN puts on its stories: “Kaiser Health News is a new service of the Kaiser Family Foundation, a nonpartisan health care policy research organization unaffiliated with Kaiser Permanente.” Stark, who edited the story, said he worried people might think “news is being bought, and that is a perception problem.”

Stark said there is a tremendous appetite for health care coverage in the Philadelphia market, and even though his section has pretty much held its own, “there’s a lot our six reporters can’t get to. We have a D.C. reporter stretched a million ways on health reform, and we need help.” He said Pennsylvania is the second or third oldest state by percentage, and Medicare is a huge issue. There are 60 or 70 hospitals in their coverage area, as well as scores of nursing homes — areas he said they can hardly cover because it is so vast. “If Kaiser can add to the process and make us smarter — that is what I am about.”

*Politico's* executive editor John Harris has published *ProPublica's* investigative work and sees the benefit of such partnerships: "It's been an entirely congenial and mutually advantageous relationship. From their vantage point, *Politico* is a good platform — we are good at promotion, and our site gets a lot of traffic by the kind of intensely engaged readers they are trying to reach. From our vantage point, *Politico* is too young, and our editing bench is not yet deep enough to be regularly producing in-depth investigative or accountability journalism. So we are glad to work with an outside group." And, Harris said, that could include Kaiser.

Harris is keenly aware of the concerns of taking non-staff copy, but said, "What is important is to understand that it is not like we just take their work and publish it." They work closely with *ProPublica* editors, who often make changes based on *Politico's* suggestions. Harris said it is not much different than working with a freelance writer, only in this case the sophistication and level of engagement is much higher, noting that among *ProPublica* editors he has worked with is Steve Engelberg, formerly of *The New York Times*.

Also lessening risk, Harris said, is that *ProPublica* has a reputation of its own to protect. "I feel like they have a very strong stake in making sure their work is accurate and responsible, no matter that it is running first on the *Politico* site. My sense is that the Kaiser group is similarly responsible and has assembled serious journalists — not people who would be comfortable putting an agenda before journalistic standards."

KHN editor McGinley underscored that point. It is a matter of fact that the Kaiser Foundation has done research on how to make the U.S. health care system better, she said. "While there is not a written policy on it, you could surmise the

foundation is in favor of reform.” Kaiser Health News, McGinley quickly added, does not have a position. “We don’t do editorials.”

That is what Brauchli is mindful of. “I am on the lookout for appearance of bias, an agenda,” he said when he considers using content from nonprofits. “The perception that you’re independent is essential; your standards are fair in treatment of all subjects. People have to see our work as fair.”

Still, by relying on outside providers, editors give up some independence in framing issues, even if the reporting is straight down the line and unbiased; this would be especially true for those news organizations that don’t have an exclusive arrangement with Kaiser. A number of experts interviewed cited NPR as an example because some of its programming exists because of who finances it. And that raises the question: Is this content being used only because it is free and it exists?

Blendon isn’t concerned about this: “Editors will use free stuff for what they don’t have the resources to do.” Kaiser may decide on 20 issues for its website, he said. “The key is not what they produce but what editors choose. They are not obligated to use it any more than to use the AP, which they pay for.” The real problem is shrinking budgets for specialty writing, particularly at smaller newspapers, he said. “Prestige papers can negotiate stories. They want something in depth on AIDS and women — Kaiser can make that happen.”

And yes, Kaiser does have an agenda, Blendon said. “They care about health care more than the editor of *The Washington Post*, and they can be more in depth than *The Washington Post* can.”

Blendon said each institution's self interest is being recognized. Kaiser believes stories that are more sophisticated will get more attention — and that will have an impact on health care policy. "It validates they are doing something important, and advances their reputation," he said. The news organizations get content from a specialist, and they get to use their resources for other subjects.

### **Conclusion: A Good Idea, With Caveats**

A comprehensive report on the state of the media by the Project for Excellence in Journalism should put to rest doubt about whether using content from Kaiser or other nonprofits is "the wave of the future": "It is unlikely to ever reach the point where newsrooms could operate at the levels of newsgathering they once did," the report, released in March 2009 concluded, adding that the challenge for newsrooms will be to "find someone else to pay for what is most valuable in the news and analysis they produce...."

Simply put: the financial model that has sustained news organizations has ceased to work successfully. The question is, how they can be made functional again? News organizations are forming content partnerships to stay in business. They are finding what works — without competing but helping each side. Those relationships range from newspapers within a region sharing stories to relationships with niche journalism providers, such as Kaiser Health News.

Jacob Weisberg, editor in chief of *Slate*, said some news organizations "are looking for subsidies" from government, endowments, nonprofits, universities. This should not be viewed as a disaster, he added. "Hybrids have always supported news gathering."

Weisberg said he would rather have an interest group subsidize coverage than nothing, noting that some environmental coverage on NPR, which he calls a “complicated hybrid,” is funded by an environmental organization. “But editors are making decisions and listeners are getting the work of trained, professional journalists. It is the job of editors to insulate journalism from an agenda,” Weisberg said. “America’s contribution is an independent press, not a free press, and that independence is threatened if its goal is to advance an agenda.” Or as Ken Auletta, who writes about the media for *The New Yorker*, said: “You don’t want a guy involved in X business with all these friends involved in your journalism — you need to figure out a wall so you don’t lose credibility.”

Roy Clark reminds us that “in the history of the last 100 years of American journalism it is fair to say lots of papers published stuff that was left on their doorsteps. Some of the responsible ones would take what we would call press releases and rewrite them and publish as a nugget or send a reporter to knock on a door. There is no pristine immaculate golden age.”

Technology has moved journalism and the media to a place where obviously there are many more sources of publishing, originating and reporting. The question now is what is responsible behavior for journalists in the face of the opportunity to publish material they haven’t produced? For Clark, the guide for the new era is simple: “Transparency is the antidote to most problems. In this case, the more transparent the better,” he said. “It’s bad to run press releases and make it seem as if reported by the paper.”

Adapting good and responsible standards and practices to this new set of circumstances is crucial for an editor, according to Steve Coll. “It’s the fact of the matter that anyone who is editing ought to scrutinize any information and

reporting and producing in an atmosphere of complete integrity and independence,” he said. “Are funders adhering to the same social contract that we expect from our newsrooms? They need to stay out; the editor decides, and that editor is held accountable to readers. Then you must ask a basic threshold question: Is it publishable? Is the essence of my daily basic file being subverted by the availability of this information?”

Health care is very important, Coll said, so the availability of free content on the subject doesn’t worry him. “What is the actual danger in health care journalism? I don’t think we are suffering from too much at the moment,” he said.

But others do worry. “The exigencies of circumstance can compromise standards,” said Ted Gup, a former journalist and recently named chair of the journalism department at Emerson College. “Part of my concern is not just that some of these sources have agendas, but that the mere availability of content may skew coverage.”

The deployment of declining resources reflects what people want to know versus what they need to know, Gup continued. “We can’t have what we cover defined by the charity or magnanimity of others. It has to be defined by all of society’s vulnerabilities.” Gup said he also worries that dependence on free content will lead to an erosion of reporting and a failure of journalists to keep abreast of what is happening, leaving the public at risk. He pointed to the Bernard Madoff scandal as an example. “Editing is not the same as generating — the system atrophies.”

Ed Wasserman, a professor of journalism at Washington and Lee University, expressed concerns about the free content model, too. As Wasserman sees it, sources are becoming authors. “Instead of the health care reporter calling Kaiser



for information, the source is my contributor. That is a very different model," he said. "Something is lost. It's not corrupt, but the reader is losing something: an independent intelligence filtering it and thinking about it."

Wasserman said that independence has been a cornerstone that distinguishes journalism from public relations. "You don't want people to purport they are providing you with a record of events in which they have an interest," he said.

No one thinking about these issues is dismissing the concerns about independence or advocacy being promoted under the guise of neutral journalism. The possibilities are real. But as Harris of *Politico* put it, "The answer is to be alert to the concerns and try to avoid them, while seeking to encourage the number of outlets producing serious journalism under this new model."

Auletta noted that troubled papers already are taking much more news from the Associated Press. He wants to encourage these papers to experiment and find ways to keep readers engaged. "They gotta try," he said.

The reality for the news business, and for readers, is that the traditional model of journalism is collapsing and the new model is imperfect. "There are no pure choices," Clark said. "But there are better choices, and better methods, and worse choices and worse methods."

The big question, really the only question, Clark said, is who is going to pay for good, quality journalism. His answer: "Nobody knows." But he is sure about one thing: "To the extent that there are fewer reporters, fewer editors, fewer copy editors and fewer beats, fewer people covering the state legislatures, we have already lowered our standards."

By picking up the tab and providing these stories, nonprofits such as Kaiser free up editors and reporters to spend limited money on other kinds of stories and balance their coverage. And, as Tom Rosenstiel, director of the Project for Excellence in Journalism, said, “The news organization gets high-value content, and Kaiser, in this case, gets major brand dissemination. It’s a win-win.”

Most of the experts interviewed expressed hope that this trend can be supported. They also agreed that objections about the dilution of independence and journalistic standards can be addressed by developing codes of conduct, for lack of a better phrase, so that both editors and readers can have confidence in the work produced by Kaiser or *ProPublica*, or a variety of other nonprofits. “If the outside organization understands how journalism should be practiced — standards, ethics, approach — that will ensure society is better served and preserve the profession,” Brauchli said.

“Newspapers wanted to be all things,” *The Post* editor said. “We have to get over it. We have to know why people come to us and deliver what they want, and there has to be total clarity on what they see.”

## **Endnotes**

<sup>1</sup> A 2006 survey by the Pew Research Center for the People and the Press found that 77 percent of newspaper readers said they “spend a lot of time” reading health and medical news, a level of attention that far outpaced stories about business, sports or entertainment.