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UNBROKEN

Since losing his son to opioids, Gary Mendell has been on a mission to shake up the system

Former hotel executive Gary Mendell donated \$5 million to start the nonprofit Shatterproof to combat addiction. He expects to double his organization's revenue this year to about \$17 million.

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Photos by Mark Abramson for the Chronicle

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Gary Mendell always operated in high gear. The entrepreneur made himself rich, co-founding in 1985 the HEI hotel conglomerate and later raising more than \$1 billion for private-equity funds.

But after his son Brian died in the fall of 2011, Mendell struggled to get out of bed. He was convinced he was the only person in Connecticut to lose a child to opioid addiction. He berated himself for failing to keep his son safe. He agonized about what else he might have done.

What really cut his legs out from under him, Mendell says, was extensive reading of scientific research on what works and what doesn't in treating substance-use disorders. It wasn't that Brian didn't have access to care — his family paid for eight treatment programs in eight years. It was that much of the treatment was not scientifically sound, the senior Mendell came to learn. And Brian was hardly unique. About one in 10 people with substance-use disorders is treated; of those who do get help, just a third receive treatment that meets minimal standards of care, according to the U.S. Surgeon General.



Mendell lies on his late son's bed in his home in Easton, Conn. The family has not changed the sheets since Brian Mendell's death in 2011 after eight years battling a substance use disorder.

“If he had been treated with the systems and the procedures and the protocols that have been proven to work through research that was done over the last 30 years, my son would probably be alive,” Mendell says. Today, the 61-year-old Mendell is again at full throttle. His agenda is deeply personal and wildly ambitious: overhaul the quality of and payment for addiction treatment, tighten doctors’ prescribing practices, and get health-care providers to screen early and often for substance abuse. He donated \$5 million to found Shatterproof, a nonprofit that Mendell aims to increase in size and influence to parallel other major disease-focused charities such as the National Heart Association.

“It sounds crazy,” says Thomas McLellan, a former Obama administration official and an addiction expert who has advocated for years for addiction to be treated as a chronic disease. “Except it’s him.”

Shatterproof has helped battle successfully for a number of state-level policy efforts, including laws creating or strengthening prescription-drug monitoring programs. Mendell recently got 16

major health-insurance companies — who together provide coverage for 248 million people — to adopt basic principles of care that will inform the types of treatment they pay for, something experts say will bring invaluable market forces to bear on an inert system. Donors and foundations are taking note. Six-year-old Shatterproof had total revenue of \$8.5 million in 2017 and is on track to more than double that in 2018. Supporters include the Helmsley Charitable Trust.

“For many other diseases, whatever is known is being used, and to create further improvement in health or lowering of mortality and morbidity it is going to take billions and billions of dollars of scientific research to discover new medicines or new vaccines,” Mendell says.

For addiction, he tells donors, it is different.

“We don’t have to spend billions of dollars for new vaccines or new medications. We could cut the opioid epidemic by more than half with simply implementing what we already know.”

Poor Understanding

For years, researchers and doctors have known that a combination of factors including genetics, environment, cultural norms, and access to social support mean some individuals are predisposed to substance-use disorders. And that sustained substance use can produce profound changes in brain function affecting inhibition, motivation, stress tolerance, pleasure, and reward.

The changes persist long after use stops. Some are irreparable. A substance-use disorder is best categorized as a chronic brain disease, therefore, and treatment must be long-term and highly personalized. Medication can be effective for some.

But that science has been slow to make its way into practice in most of the country’s more than 14,000 substance-abuse treatment programs, much less into everyday primary care paid for by insurers. Reasons include a disadvantageous payment system, aging infrastructure, and stigma: Addiction continues to be widely viewed as a character flaw or lifestyle choice and those unable to quit as undisciplined and selfish.



In the weeks following his son's death, Mendell was convinced he was the only parent in the state to lose a child to a substance use disorder

Less than 15 percent of medical schools have any courses on the topic. This despite data that shows that more than 10 million full-time workers have a substance-use disorder and that substance misuse costs the country \$442 billion annually in lost productivity and other costs.

Most treatment programs operate separately from the general health-care system. They often emphasize short-term detoxification, some with residential stays of 30, 60, or 90 days. A limited number of programs include FDA-approved medications as part of treatment. Most have insufficient outpatient care and monitoring, if they provide any at all.

“A lot of patients don’t get to 30 days,” says Robert DuPont, president of the Institute for Behavior and Health and an addiction expert. “Then the question is, what happens after they leave the programs? There are a lot of people who leave drug-free programs who relapse, who overdose.”

Insurance companies still cover just a fraction of all treatment costs. Most of the available money is in the form of federal block grants to the states. That's hugely problematic, says McLellan, who helped write the watershed 2016 "Surgeon General's Report on Alcohol, Drugs, and Health." Existing providers "have not been trained, have not been reimbursed properly, to deliver the kind of care that can work," McLellan says.

The Mendell family got a glimpse of what effective treatment could have done for Brian Mendell. The second-to-last time he went to rehab, he was prescribed Suboxone, a medication proven to help individuals with opioid dependency. He had started using as a teenager and on the medication was faring better than he had in years, says Gary Mendell. But when Brian subsequently moved to a sober-living house, the staff there took him off of Suboxone — medications are dismissed by some in the treatment world as substituting one drug for another.

Soon thereafter Brian spiraled downward.

Harnessing Grief

Brian committed suicide in October 2011 at the age of 25. In a note, he cited shame related to his drug use as well as a lack of trust in the treatment he had received.

Afterward, Gary Mendell considered opening a sober-living house in Bridgeport, Conn. He decided that wasn't enough. Studying the landscape, Mendell saw what experts already understood. Because addiction had not historically been regarded as a disease, employees did not demand from their employers health plans that included such treatment. Carriers, therefore, felt little pressure to pay for it under their general health-care offerings. And that, in turn, meant an absence of market forces to drive quality and quantity.

"Gary has skills and experience that nobody else comes close to."

"That is what shapes health care," McLellan says. "It shapes it as much as science. It shapes it as much as political action. That market force has been absent."

Moreover, Mendell realized that consumers like his family didn't know what good treatment was or how to get it. Prescribing practices and regulations were too lackadaisical. Mendell also saw a dearth of leadership. While other diseases like diabetes and cancer had big organizations, there was no dedicated group for substance-use disorders. All of that had to change, Mendell decided. "I care about one thing: consumers getting the best possible care," he says.



Mendell speaks publicly about his loss as a means to combat widespread shame and stigma that he describes as a major hurdle in improving treatment.

In the early years following his son's death, Mendell was a man "on fire," says McLellan. The two shared a sad intimacy: McLellan, too, had lost an adult son to addiction. Mendell called the addiction expert relentlessly, often early in the morning, to ask questions.

That intensity sometimes played out in interesting ways. McLellan, now a member of Shatterproof's scientific board, remembers a trip to California for a meeting at the Conrad N. Hilton Foundation, one of the few big grant makers spending money on substance-abuse prevention.

“We go to the Hilton Foundation, and he says, with a calm, clear voice, ‘You know, you really haven’t made much impact. I think what you really could do is dissolve this part of your foundation and give me the money and I’ll do a better job,’ ” McLellan recounts.

“Not only was that outrageous, he didn’t know that it was outrageous,” McLellan says.

Blunt Style

When asked about the Hilton Foundation meeting, Mendell says that after several years at the helm of Shatterproof, he is now more tactful. But he makes no apologies for his urgency or his focus on quantifiable results. And donors and partners say they are drawn to him for that very reason.

“It could be offensive if it wasn’t coming from somebody who lost a child,” says David Panzirer, a trustee of the Helmsley Charitable Trust. “I think the fact that Gary lives in those shoes and understands all too well the pain that drug addiction causes, he has a certain credibility that some of the other folks don’t.”

In recent years, Helmsley has made two grants totaling \$850,000 to Shatterproof. It’s an unusual investment for the foundation — most of its grants go to medical research and health programs, says Panzirer.

“There is no road map for Gary to do what he is doing,” the commercial real-estate executive and philanthropist says. “You bet on people and organizations, and we found Gary and his diligence and his approach to be very compelling.”



The Mendell family paid for Brian to go through eight treatment programs in eight years. The senior Mendell later learned that the treatment was not based on up-to-date medical research.

In 2016, Gary Henson approached Shatterproof with \$200,000, donations his investment-industry colleagues had made after his son died of an opioid overdose in 2015. Henson aimed to start his own nonprofit. But after colleagues told him about Shatterproof, he realized Mendell was several years ahead of him. Henson, president of Tortoise Investments, near Kansas City, made a trip to New York where he told Mendell he wanted to give the money to Shatterproof, and he wanted a seat on the nonprofit's board.

A big check wasn't enough, Mendell responded. Henson would have to prove his worth.

"I so appreciated that," Henson says, adding he subsequently spent hours interviewing with Mendell and others to earn his seat. "I hadn't been interviewed in 15 years. What it showed me was that they had a true process around who they want to work with and who they want to help drive Shatterproof going forward."

And then there are the strides Mendell has made to reduce stigma with his willingness to talk about his own loss. Britt Doyle, who lost the mother of his three children in an opioid-related death, says Mendell's credibility comes from the combination of his business background and his ability to connect with people by sharing stories of profound personal loss. "That allows others to open up and feel comfortable sharing their deepest fears and secrets about this whole disease, which is the worst part about it," says Doyle, who has worked with Shatterproof to lobby in the California state legislature on prescription-drug monitoring.

Talking Business

The Mental Health Parity and Addiction Equity Act and the Affordable Care Act now mandate that substance-use treatment be covered by insurers at levels comparable to coverage for other illnesses. But practice remains something else entirely. Commercial insurers paid for only about 27 percent of all addiction treatment in 2016.

To try to shrink the insurance-company payment gap and bridge research and practice, Shatterproof assembled a slate of researchers, health-policy experts, and insurance-market experts under what it named the Substance Use Disorder Task Force. The group studied the issues from the vantage points of the consumers, providers, payers, and licensers. There was a breakthrough in November when Mendell drew top executives from a dozen major health-insurance companies to a meeting in Washington hosted by the Pew Charitable Trusts. The objective: to get the companies to agree on the quality of treatment to be paid for, spelled out in eight principles of care derived from the 2016 Surgeon General's Report.



Mendell's corporate-executive background makes him an unusual and highly credible figure in his nonprofit fundraising and public advocacy, say those who know his work.

It is crucial that big insurance carriers move in tandem to pay for high-quality addiction treatment — any one company forging ahead solo would be swamped with demand. “It was also necessary for there to be unimpeachable, unarguable standards for what constitutes ‘effective care,’ ” says McLellan. “This would not have worked if the standards had been ginned up by the insurers themselves — everyone would have been suspicious of those standards.” Sixteen companies have since signed on, essentially pledging to pay for more proven treatment and less junk. That should create incentive for existing providers to improve and for new providers to enter the market, experts say.

It wasn't so much that Mendell twisted the arms of health-insurance executives, say McLellan and DuPont. CEOs know full well it is in their companies' interests to see more people get better treatment, in no small part because untreated addiction is wildly expensive, driving up costs for things like emergency-room visits and infectious-disease care.

But it was Mendell's extensive corporate connections and ability to talk business, they say, that got the health-insurance company executives into the room and set them rowing in the same direction.

"What he has done is a very big deal," DuPont says. "Gary has skills and experience that nobody else comes close to."

Painful Reminders

Mendell and others at Shatterproof, which has a full-time staff of 33, have a long to-do list. Near the top of that list is raising \$6 million to build a provider ratings system — which will be updated once or twice a year — to evaluate how treatment programs are delivering on the newly adopted eight principles of care. Private insurance companies will pay for at least a third of the cost of the ratings system, Mendell says, and he has already received interest from grant makers.

Legislative work at the state level has included backing bills to create statewide prescription database systems that doctors and others refer to when prescribing and doling out opioids. That can help deter people from abusing prescription drugs by hopping from doctor to doctor or pharmacy to pharmacy to get more prescription refills.

"Gary lives in those shoes and understands all too well the pain that drug addiction causes."

Mendell says he and others are keeping a close eye on the White House plan, which he said hits the right notes but lacks specifics and urgency. Among other things, Shatterproof is calling for a federal law that requires every doctor who prescribes opioids to take a course every three years to keep their licenses with the FDA. And federal block grant dollars should only go to providers that treat people based on research paid for by the federal government, Mendell says.

The pain of losing Brian, Mendell says, doesn't go away. He doesn't want it to. It's an intimate reminder of his son, felt most acutely on the weekends when the work slows.

It's a cause that needs leadership, he says, and the work is now his life.

“I’m a fiduciary for anyone who donates money to Shatterproof, and I want to make sure that money is spent the absolutely best way to save lives. On an emotional level, I’m a fiduciary for every parent who has lost a child. And every parent who has children today who are living and doing well, to make sure that as few of them as possible become addicted.”



“This is my life. I can make this happen,” Mendell says of improving the quality of and access to evidence-based treatment. He regards himself as accountable to every family that has lost a child to addiction.