

# Jim O’Neill: Unfit to Be the #2 Health Care Leader in America

December 18, 2024

Donald Trump’s nomination of Robert F. Kennedy, Jr. to lead the Department of Health and Human Services (HHS) has rightly drawn widespread attention and concern. But it is important that Trump’s dangerous choice to serve in the second-highest HHS seat as Deputy Secretary not be overshadowed: Jim O’Neill.

O’Neill served in HHS in the George W. Bush administration, eventually becoming principal associate deputy secretary.<sup>1</sup> Since then, O’Neill has primarily spent his career running investment funds with and for Peter Thiel. From 2012 to 2019, he served as managing director of Mithril Capital Management,<sup>2</sup> a venture capital fund co-founded by Thiel that funds businesses like Palantir and Helion Energy.<sup>3</sup> Before that, he was the managing director of Clarium Capital, a Thiel-led hedge fund.<sup>4</sup>

O’Neill has also supported right-wing billionaire pet projects and promoted extremist market libertarian ideas that could be devastating if he were to gain the power to implement them.

This report examines the highlights of O’Neill’s background, raising serious concerns about his nomination to serve at HHS – potentially alongside RJK, Jr.

## Dangerous de-regulatory and extremist ideas

O’Neill has often pushed for the federal government to have less authority to regulate industries and products, espousing viewpoints that could be dangerous or deadly if implemented.

- During Donald Trump’s first administration, O’Neill was rumored to be under consideration to lead the Food and Drug Administration (FDA). This set off warning bells among health care watchdogs, as O’Neill had given a talk in 2014 in which he advocated for pushing drugs onto the market without assessing whether or not they worked.<sup>5</sup> “Let people start using them, at their own risk,” he

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<sup>1</sup> <https://www.linkedin.com/in/jim-o-neill-5703138/>

<sup>2</sup> <https://www.linkedin.com/in/jim-o-neill-5703138/details/experience/>

<sup>3</sup> <https://www.mithril.com/our-companies/>

<sup>4</sup> <https://archive.ph/IXEdX>

<sup>5</sup> <https://youtu.be/9Y7oazjaSyE?si=ru28UCgt8ciEc3qy>

argued, “Let’s prove efficacy after they’ve been legalized.”<sup>6</sup> At the time, Public Citizen compared O’Neill’s proposal to 19th century “snake oil salesmen” who fooled people into purchasing ineffective products.<sup>7</sup> The idea of regulating medicines based only on safety is even worse than it sounds. It’s common sense that Big Pharma should not be permitted to sell drugs and devices that don’t work. But when it comes to drugs, there’s no such thing as a “safe” product divorced from efficacy. Drug products all have side effects and the relevant issue is their risk profile: do the benefits justify the risks? What does it mean to talk about a “safe” chemotherapy, for example? Whether it should be granted marketing approval, and the scope of that approval, can only be understood in the context of both its dangers and the benefits it offers.

- In his previous stint at HHS during the George W. Bush administration, O’Neill opposed FDA regulation of companies that use algorithms to perform laboratory tests, such as 23 and Me DNA testing.<sup>8</sup> A decade after he made this remark, it’s clear how dangerous such a concept is: With the development and proliferation of artificial intelligence, algorithms are omnipresent in the practice of medicine, including in diagnostic tools, medical devices, AI assistants to doctors and personalized medicine. This is not to mention AI’s use throughout the health care system, including potentially pernicious uses by private insurers to make medical authorization decisions. If the FDA and other parts of HHS do not regulate AI and algorithms, or do so with a light touch, rampant consumer abuses and preventable injuries, death and suffering are certain to follow.
- O’Neill has also indicated that people should be free to sell their organs, an exploitative and unethical practice that would disproportionately affect poor people.<sup>9</sup> O’Neill reportedly said at a talk: “There are plenty of healthy spare kidneys walking around, unused.”<sup>10</sup>
- Overall, O’Neill has indicated that health care should be run as a “free market,” believing that less regulatory protections would not harm patients but rather “allow innovation.” He has blamed “suffering’ under the current health care system not on corporate greed and a lack of proper access but on the lack of a

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<sup>6</sup> <https://www.washingtonpost.com/health/2024/11/25/jim-oneill-hhs-deputy-secretary/> and <https://www.statnews.com/2016/12/07/trump-fda-oneill/>

<sup>7</sup> <https://thehill.com/policy/healthcare/309539-trumps-rumored-fda-candidate-strikes-nerve/>

<sup>8</sup> <https://archive.ph/IXEdX>

<sup>9</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC3291132/>

<sup>10</sup> <https://archive.ph/mC88a>

sufficiently “free market.”<sup>11</sup> It’s hard to count the ways this perspective is wrongheaded and dangerous. For one thing, it suggests health care is a commodity and that people should get what they can pay for – and only what they can pay for. It rejects the moral, commonsense and widely held view that health care is a right.<sup>12</sup> Second, it ignores the fact that most health care decisions are not – or at least should not be – discretionary. When people have a medical emergency, they need care, whatever the price. Economists explain that health care demand is inelastic,<sup>13</sup> the consequence of which is that sellers have enormous leverage, in the absence of regulatory controls. Third, it ignores the fact that the government is the largest payer of medical care, by far; or, worse, may imply that the government should stop paying for medical care through Medicare, the Veterans Administration and Medicaid, among other programs. Taking just these factors into account makes clear that a “free market” for health care means much higher prices and denial of care for tens and tens of millions of Americans.

## Potential conflicts of interest

- Many of O’Neill’s investments, board positions, and career choices have resulted in ties to health care-related companies that could pose conflicts of interest if he joins HHS.
- He joined the board of directors of ADvantage Therapeutics in 2023, a pharmaceutical company developing treatments for neurodegenerative conditions.<sup>14</sup>
- His former firm, Mithril Capital, invests in various health care ventures including Auris and Neocis which develop medical robots, Fractyl which states it develops “breakthrough” diabetes treatments, Nuvia which develops high-performance computing and AI technologies including for health care purposes, and antibody technologies via Adimab and Adagio.<sup>15</sup>

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<sup>11</sup> <https://archive.ph/IXEdX>

<sup>12</sup> <https://news.gallup.com/poll/654101/health-coverage-government-responsibility.aspx>;  
<https://mountsaintvincent.edu/fishlinger-center-landmark-study-of-social-issues-affordable-health-care-a-right-or-a-privilege/>

<sup>13</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC5600717/>

<sup>14</sup> <https://www.politico.com/news/2024/11/26/trump-picks-jim-oneill-for-no-2-spot-at-hhs-00191827>

<sup>15</sup> <https://www.mithril.com/our-companies/>

## Other alarming, extremist projects

- O’Neill has served on the board of an organization that seeks to set up floating cities in the ocean to escape democratic governance.<sup>16</sup> The Seasteading Institute is a Thiel-backed organization founded by Milton Friedman’s grandson Patri Friedman.<sup>17</sup> Friedman has said of the Institute’s goal, “I envision tens of millions of people in an Apple or a Google country” where the people would not vote, but rather the companies would govern in what Friedman called “a successful dictatorship.”<sup>18</sup> O’Neill once introduced Patri Friedman at a Thiel Foundation event, saying “if I want to predict what I will be thinking a year from now, I just ask Patri what he’s thinking today.”<sup>19</sup>
- O’Neill appears to share Thiel’s obsession with anti-aging and potentially even achieving “immortality.”<sup>20</sup> Thiel himself has advocated for injecting blood from younger persons as part of the anti-aging process.<sup>21</sup> O’Neill’s public comments have not gone so far, but he has strongly advocated for medicines and technologies that purport to reverse aging<sup>22</sup> and spent time as the CEO of the anti-aging nonprofit SENS Research Foundation.<sup>23</sup>

## Recommendations

Senators should decline to confirm Jim O’Neill as Deputy Secretary of HHS. They should publicly state that they oppose his nomination based on his extreme views about de-regulating health care and his alarming efforts to create societies in which corporations have free rein to govern and profit at the expense of protecting everyday people.

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<sup>16</sup> <https://thehill.com/policy/healthcare/309539-trumps-rumored-fda-candidate-strikes-nerve/>

<sup>17</sup> <https://www.seasteading.org/>

<sup>18</sup> <https://www.sfgate.com/news/article/Patri-Friedman-makes-waves-with-seasteading-plan-2369999.php>

<sup>19</sup> <https://www.youtube.com/watch?v=rLjIOPsV6VU>, quote begins at 3:05

<sup>20</sup> <https://thehill.com/policy/healthcare/309539-trumps-rumored-fda-candidate-strikes-nerve/>

<sup>21</sup> <https://archive.ph/j3V4t>

<sup>22</sup> <https://archive.ph/IXEdX>

<sup>23</sup> <https://archive.ph/sHEJp>