



Center for Health Transformation E-Newsletters

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Newt Notes

This has been an extraordinary year for CHT, thanks in no small part to the sustained and widespread support of our members.

Our unique and powerful collaboration of leaders – whose depth we continue to build upon – is the key to our past and future successes. I am grateful every day for the unrelenting commitment our members have shown in our shared effort to create a 21st Century Intelligent Health System that saves lives and saves money. (This month's Project Spotlight, below, highlights some of our biggest accomplishments of the year.)

As 2006 draws to a close and we reflect on the past year, I think it is important to note that our steady forward march is having a real impact. Issues we championed remained at the forefront of the national debate. The private sector and the states have been instrumental in advancing health transformation to deliver more choice of higher quality at lower cost for every American, and inroads are being made on the federal level as well.

We are pleased to report to you that before the 109th Congress

adjourned, lawmakers passed several significant health bills which are key to creating a 21st Century Intelligent Health System.

First, Congress recently passed (and the President is about to sign) legislation that will dramatically expand and improve access to Health Savings Accounts. The new law will allow one-time rollovers from HRAs, FSAs and IRAs into an individual's HSA. It will also permit HSA owners to contribute up to the annual High Deductible Health Plan (HDHP) maximum, regardless of their plan's deductible (\$2850 for single coverage and \$5650 for family coverage in 2007). Employers will now be able to offer higher HSA contributions to lower-paid employees if they choose, thereby improving the attractiveness of HSAs for those less-highly compensated workers. Both Congress and the President deserve substantial credit for including these provisions in the final omnibus tax package.

Second, legislators voted to freeze Medicare physician payment rates, so doctors no longer face the 5% reduction in payments that were scheduled to take effect in 2007. The Congress also voted to include a transformational pay-for-performance and transparency-promoting initiative into Medicare: in the second half of next year, doctors who report data on the quality of care they provide (against a set of determined standards) qualify for a 1.5% bonus.

The House and Senate also passed the National Institutes of Health Reform Act of 2006 ([HR 6164](#)), a bill designed to reform the agency and to give it a budget increase (a 7% increase of \$2 billion for 2007 and an 8.2% increase of \$2.5 billion for 2008, pending the final appropriations process). The NIH reauthorization bill requires the Institute to create a \$1.5 billion "common fund" to support promising research across multiple institutes and centers and mandates that the agency create a standardized electronic system to catalog all research activities.

In addition, the Congress approved the biodefense initiative, a measure that generates incentives for private biodefense research and development. The Senate bill, the "Pandemic and All-Hazards Preparedness Act" ([S 3678](#)), codifies a Biodefense Medical Countermeasure Development Fund with \$500 million in annual

grants to aid biotech companies in the development of bioterror-related vaccines and therapies. Congress also passed new requirements for the HHS Secretary to set benchmarks for states and localities receiving federal grant money to prepare for health emergencies. The government will also require states to begin matching the funds in 2009 and to perform – and report on – regular drills to identify weaknesses in their emergency-response systems. And finally, Congress passed the Pets Evacuation and Transportation Standards (PETS) Act, requiring state and local agencies to include animals in disaster plans. The Act helps ensure that pets and service animals will no longer be separated from their families during disasters – thereby preventing the mental trauma suffered during Katrina by those forced to leave their pets behind (and the physical trauma experienced by the many residents who refused to evacuate without their pets).

Other health items that passed in the waning hours of the 109th session included legislation related to long-term care, AIDS, and FDA reform. Congress voted to establish a federal program for respite care for individuals providing long-term care for relatives and authorizes grants to respite care service providers ([HR 3248](#)); to require dietary supplement manufacturers to report to FDA ([S 3546](#)); and to reauthorize the Ryan White CARE Act that provides about \$2 billion in funds for state-level treatment of people with HIV and AIDS ([HR 6143](#)).

Lastly, we are pleased to report that on December 7, acting Food and Drug Administration commissioner Andrew von Eschenbach was confirmed by the Senate. As we continue to work for the adoption of solutions for transforming the health system's ability to respond to 21st century challenges, we look forward to building upon the strong relationship we have developed with his new office.

While we prepare to face the challenges of a new year, we ought to keep in mind that our work is really just beginning. We must continue to convey the power of the market to truly increase choice and access and bring down costs. Many transformative health policies that gained momentum in 2006 – such as HSAs and Pay-for-Performance initiatives – are in danger of being dismantled by

the new Congress. Countless other vital issues remain unresolved. As the leaders of the health transformation movement, in 2007 it will be our collective responsibility to ensure that we make the most of every opportunity to transform health and healthcare in America through the application of proven life- and money-saving solutions.

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Members Updates

The Center for Health Transformation would like to welcome our newest Charter member [Gallup Organization](#); our newest Premier members: [sanofi-aventis](#) and [United Cerebral Palsy](#).

The Center for Health Transformation would also like to recognize the following members for renewing at the Charter level: [Siemens](#); at the Platinum level: [BellSouth](#) and [UPS](#); and at the Association level: [National Association of Psychiatric Health Systems](#).

Please visit the [list of members](#) often to keep abreast of who is joining the Center or the "[Member News](#)" page to learn about the awards or honors won by our members.

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Project Spotlight

2006 Year in Review

2006 was certainly a watershed year for the Center for Health Transformation. We witnessed the continued expansion of our collective reach and impact, measured by a series of successes in growing public- and private- sector support for our principles of transformation.

We can qualify the Center's success by various measures, but none is more important than recognizing the value of our unique

collaboration of leaders. Without our network of partnerships, the vision of a 21st Century Intelligent Health System would have no hope of ever becoming reality.

One of the year's most exciting accomplishments was the publication of [The Art of Transformation](#), the inaugural book from the newly-launched CHT Press. Co-authored by CHT founder Newt Gingrich and CEO Nancy Desmond, this guide to planning and leading large-scale change is available for sale on Amazon.com and the Center for Health Transformation website (www.healthtransformation.net). CHT Press also published two workbooks, the *Florida Transforming Examples Workbook* and the *Medicaid Solutions Workbook*.

With regard to reach and impact related to the mass media, 2006 has been an incredible year for the Center. With several weeks left in the year, earned media for 2006 is already approaching close to 400 stories in over 500 major media outlets, with 30 original CHT op-eds and white papers printed in publications such as *The Wall Street Journal*, *Clinical Diabetes*, *BusinessWeek*, *Modern Healthcare*, *Washington Times*, *Baltimore Sun*, *Boston Globe*, National Review Online and *Investor's Business Daily*. The Center was also featured in over 20 cover stories and/or feature articles published by outlets such as *Reader's Digest*, *Health Data Management*, *Atlanta Hospital News*, *Provider* and *James magazine*.

The biggest newsmaker of the year, without a doubt, was the recognition of CHT founder Newt Gingrich as 5th-ranked individual in *Modern Healthcare's* annual "Most Powerful People in Healthcare" survey (behind Bill Gates, President Bush, and Senators Bill Frist and Hillary Clinton, respectively). The honor was a shining moment for CHT, indeed, indicative of all the hard work put forward by the Center and each of our members.

Other honors received in 2006 – to name just a few – included Newt Gingrich's National Hispanic Youth Initiative Award (presented by the Interamerican College of Physicians and Surgeons), project director David Merritt's appointment to Virginia Governor Timothy M. Kaine's Health Information Technology (IT) Council, project

director Laura Linn's nomination to serve on the JCAHO Healthcare Information Technology Advisory Panel, and the recognition of Newt Gingrich and Nancy Desmond on James magazine's "Most Influential Georgians" list.

The Center in 2006 expanded its outreach to legislators and other government leaders. A total of 36 states are now working with the Center, and we have 22 "Best Practices in Medicaid" submissions posted to the State Map on our website. Additionally, several members of the CHT team, including Speaker Gingrich, were invited to give official testimony in both a federal and state capacity, including before the U.S. House Energy & Commerce Committee's health subcommittee, the U.S. House Committee on Government Reform (Subcommittee on the Federal Workforce and Agency Organization), the Medicaid Commission and the newly-created Georgia Healthcare Transformation Senate Study Committee.

The Center hosted a variety of educational events this year that were designed to stimulate health transformation. Our Health Transformation Summit in Florida, which included a speech by Newt Gingrich to the Florida House of Representatives, was just one of the highlights. Other events included a two-day Avian Flu Strategic Simulation, a call-to-action for Alzheimer's at the National Press Club, the second annual "Creating a 21st Century Medicaid System" conference and the "Making Provider Healthcare Prices Transparent" event. CHT also held a series of roundtables and training on a range of issues, including long-term care, cancer, health IT, diabetes and consumerism.

Four new CHT projects were launched in 2006: the Alzheimer's Project, the 21st Century Intelligent Hospital Project, Ending Cancer as a Cause of Death Project and the Right-to-Know: Pricing of Devices Project. Many of our current projects have advanced considerably, most notably, the Healthy Georgia Diabetes & Obesity Program. Twenty-six employers in Georgia (including BellSouth, Cingular, GE, IBM, International Paper, Marriott International, Southern Company, UPS and Xerox) have joined with the State of Georgia as active participants in our program, along with all the major insurers and hundreds of physicians We are

thankful for the continued commitment of the many CHT members involved in the project, as their leadership is vital to all we are accomplishing.

Last but not least, the CHT website received a major facelift in 2006, adding new content and building upon existing initiatives. We launched the Alzheimer's project page and the RHIO Wiki and introduced two new news-related website items, the "Health Industry News" list and the "Georgia News" page (see the right-hand column on CHT's homepage at <http://www.healthtransformation.net/home/>).

Most recently, CHT has also added a "[Breakthroughs and Innovations News](#)" page (accessible from the drop-down 'News' menu tab on the homepage), a space dedicated to serve as a clearinghouse for groundbreaking new medical innovations designed to save lives and save money, with a particular focus on disease management/prevention and tools which promote optimal health management. And finally, just this month, the Center launched our newest web feature, the "[Media Clips](#)" page, which features exclusive audio and video clips from the Center for Health Transformation (accessible from the 'Resources' tab on the homepage).

We thank you all for your hard work in 2006 and we look forward to our continued success in 2007. Happy Holidays!

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Transforming Example

Best Practices in Medicaid – Idaho

(The following transforming example was derived from selected excerpts from the state of Idaho's contribution to CHT's 'Best Practices in Medicaid' State Map. The following passage represents only a brief portion of *Idaho's comprehensive Best Practices submission*.)

Consumer-directed care demonstrations (include number of beneficiaries served now and in any expansion plans)

Idaho Medicaid is increasing consumer involvement in health care purchasing through two new initiatives: 1) self-directed care for persons with disabilities, and 2) preventive health assistance benefits, which will provide support to eligible Medicaid participants for self-directed weight loss and tobacco cessation efforts.

Idaho Medicaid's new self-directed service option will develop community supports modeled after the National Cash and Counseling Demonstration. This service option will enable participants in Idaho's new Medicaid Enhanced Plan to have greater freedom to manage their own care. The option, which will be implemented in the fall of 2006, will be available to individuals that meet the eligibility requirements for Idaho Medicaid's 1915 (c) Home and Community-Based Waiver for Adults with Developmental Disabilities. It is estimated that up to 200 participants will choose to direct their own care under this option.

Preventive health assistance (PHA) benefits will be available to Idaho Medicaid participants who indicate that they would like to improve their health behaviors. Initially, the health behaviors linked to PHA benefits will be weight loss and tobacco cessation. Weight management participants will complete activities to bring their body mass index (BMI) to a healthy level. Tobacco cessation participants will complete activities to end their dependency on tobacco products. Participants can earn PHA credits by indicating their desire to change their behavior and can spend these credits on a pre-approved list of products and services that will support behavior change goals. Idaho Medicaid has budgeted for the participation of 24,000 adults in state fiscal year 2007.

For more information, visit the CHT website and view the Idaho "Best Practices in Medicaid" submission (accessible via the [State Map on CHT's homepage](#)).

CHT in the News

CHT Speaks before GA HIT & Transparency Advisory Board

CHT Founder Nancy Desmond and Georgia Project Director Laura Linn join DCH Commissioner Dr. Rhonda Medows in calling for goals for health IT adoption and transparency.

([Press release](#); [Agenda](#); [GA Dept. of Community Health](#))

CHT Hosts Alzheimer's Forum

CHT Founder Newt Gingrich joined a panel of experts in leading a call-to-action to combat the impending Alzheimer's disease epidemic. ([CHT press release](#); [UPI](#); [CQ HealthBeat](#))

CHT Calls for Action on Health IT

Newt Gingrich and David Merritt call ON Congress to pass legislation encouraging the adoption of health information technology. ([Atlanta Journal-Constitution](#); [iHealthBeat special audio report](#))

CHT Remembers Dr. Robert Lipson, WellStar CEO and President

"Rob Lipson was a dear friend and visionary leader who will be greatly missed," said Newt Gingrich. ([Marietta Daily Journal](#); [Atlanta Journal-Constitution](#))

The Left Playing Medi-scare, Again

CHT Founder Newt Gingrich and Project Director David Merritt respond to a flawed study from Families USA in a new CHT opinion-editorial. ([Atlanta Journal-Constitution](#), [The Washington Times](#))

CHT Urges CMS to Revisit Bundling Provision

CHT Founder Newt Gingrich calls on CMS to improve access to quality cancer care by closing a Part B loophole that encourages anti-competitive practices. ([Press Release](#))

The Columbus Program: Building a Community Model of a 21st Century Intelligent Health System

CHT's Newt Gingrich, PhD and Laura Linn, RN, MN co-author an article with Steven B. Leichter, MD, FACP, FACE, et.al. ([Clinical](#))

Diabetes)

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Upcoming Events

Newt Gingrich to participate in a live webcast presented by Siemens. Saving Lives and Saving Money: Transforming Health and Healthcare in the 21st Century is sponsored by Microsoft and Intel. [Click here to register](#)

Tuesday, January 9, 2007

David Merritt to speak at the World Congress, Health & Human Capital Conference, "Best Practices in Developing Health Information Access Programs for Employees"

Thursday, January 18, 2007

Washington, DC

Newt Gingrich to speak to Barr Laboratories

Monday, January 22, 2007

Key Biscayne, FL

Jim Frogue to speak at the American Association of Preferred Providers Organization's "Leadership Circle Roundtable"

Tuesday, January 30, 2007

San Diego, CA

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