



Center for Health Transformation E-Newsletters

Welcome!

This is the inaugural email distributed by the Center for Health Transformation. The Center for Health Transformation, founded by Speaker Newt Gingrich, is dedicated to saving lives and saving money through driving transformational solutions and policies throughout the system. The e-mail below is a sample of the e-mail updates that are periodically sent to members of the Center for Health Transformation from Newt, providing an insider's view of key events and opportunities for transformation. Some of you have already signed up for membership in the Center. Others are being sent this email as an invitation to membership.

If you would like to become a corporate/association member of the Center for Health Transformation or are interested in financially sponsoring a specific project, please contact us: (202) 414-1800 or info@healthtransformation.net. Please also visit our website, <http://www.healthtransformation.net>.

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Newt Notes

Newt on Medicare, Prescription Drugs, Patient Safety, Bioterrorism Preparedness, and CBO.

Newt testified for the Senate Select Committee on Aging, June 3, 2003. The following are excerpts from his remarks.

The full transcript can be found at
<http://www.healthtransformation.net/news/notes/2003/longevity03.asp>.

"...I'm a Theodore Roosevelt Republican. I believe the federal government has an absolute obligation to mandate safety and health standards. I like the idea if I go to McDonalds that the water is drinkable and the beef is actually beef. And I want the delivery system to be free market, but I want the rules of the game within which the delivery system competes to be established by the government, which was the Theodore Roosevelt breakthrough with the Food and Drug Act, for example..."

"I believe that the Medicare bill absolutely should have a very powerful section on patient safety...I also believe that institutions like AARP would be very supportive of establishing a higher standard for the country on computerized order entry of drugs which will save a substantial number of lives, on electronic prescriptions, on a number of other steps that could be done...you could require, for example, that within three to five years every hospital in the country would either have an intensivist onsite or an electronic intensive care unit. There is no question this saves lives. And these are things that are not going to happen for a practical reason inside the current system. No hospital administrator can take on his doctors when his doctors are the primary source of his patients for the hospital. And so the system is just grid locked today..."

"I would argue that the biological threat to this country is four times as great as the nuclear threat and that we should have the equivalent of Eisenhower's interstate highway system as an investment in Internet technology for biological survival in a real threat....But on balance, this bill should not leave the House and Senate without a very strong patient safety component that includes these kind of breakthroughs..."

"The best people I talk to believe this bill will actually cost less than the current system if you do it right, and that it will not cost more. Now, whether we get CBO (The Congressional Budget Office) to score that is an argument I'm having with CBO. (Giving a financial cost or financial savings to a bill is called scoring) But if you look at the scale of the breakthroughs with co-morbidity management, with electronic prescriptions, with computer order

Newt describes the Medicare situation as follows in an internal memo:

"...In one of Charlie Cook's recent publications, he said, "I have noticed two things about senior citizens. First, they tend to have a great deal of time on their hands. Second, they don't mind telling anyone what they think about things." He goes on to say, "...Seniors want...a modest premium, minimal co-pay, no gaps, no restrictions on what drugs physicians can prescribe and unlimited coverage... and Medicare is their vehicle of choice... In short, the proposals passed ... by the House and Senate bear very little, if any, resemblance to the benefit they have in mind. This is a good example of the threats Republicans face in writing a Medicare Drug bill conference report."

"The optimal Medicare Drug Benefit would provide for citizen choice with government subsidy of the least expensive medically appropriate drug - including over the counter when medically appropriate. (It is idiotic that the moment Claritin, one of the most prescribed drugs the year before it went over-the-counter, ceased to be considered a real solution from the doctor after it did not require a prescription.) Congress has a chance to offer a drug benefit that is politically acceptable within the budget amount the Bush Administration wants. It's called a "personal health formulary" modeled after the travel websites Travelocity/Expedia/Orbitz. Medicare, through websites and 1-800 numbers should give seniors the list of all the medically appropriate drugs for their condition and largely subsidize the least expensive solution. The same subsidy would go toward other drug in that solution class with the citizen paying the difference." (A more detailed description of this "personal health formulary" can be found on our website at the following address:

<http://www.healthtransformation.net/projects/suppdocs/TravelocityModelPersonalHealthFormulary.pdf>).

"This Medicare conference is much more dangerous and requires much more creativity than any conference in the last few years."

"Senior citizens do talk, will analyze the benefit from their own perspective and will think a government designed benefit that is very complex and financially inadequate is a betrayal... "

-- Newt

Exclusive Monthly Member Call - August 14

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Newt Gingrich will lead a briefing on Medicare, via conference call, with Premier and Charter Members of the Center for Health Transformation on Thursday, August 14 from 10:00-11:00. Newt will take questions, share his personal insights and discuss such Medicare topics as:

- * The current state of the Medicare bill in Congress and likely activity for the fall
- * The addition of a prescription drug benefit
- * What activities and opportunities members have to impact the bill, specifically in the area of prevention, wellness, quality, and patient safety
- * The strategy the Center is undertaking to advance the transformation agenda in the bill

This is the first of what will be monthly conference calls with Center Premier and Charter Members. If you would like more information about how to become a Premier or Charter Member of the Center, please contact us at (202) 414-1800 or info@healthtransformation.net

Project Spotlight - Diabetes Health Transformation Project

Center Projects are built out based on sponsorship and member interest. Current CHT projects include 1) Medicare Transformation 2) Transformational

Human Resources 3) Patient Safety 4) 21st Century Health Justice 5) Diabetes 6) State Transformations

The Gingrich Group has completed an extensive research project on Diabetes in America. This research consisted of 10 focus groups, 12 intensive interviews with people who successfully manage their diabetes, and 2 large national surveys of over 1000 people each. The findings are packed with insights on 1) the public attitudes and knowledge of diabetes 2) effective messengers about diabetes to the public 3) potential solutions and how to raise awareness 4) the motivation and behavior patterns of those who transition to successfully managing disease. In addition to the new research, CHT staff completed a comprehensive environmental scan of diabetes in America. These findings will be distributed to government employees and dues paying Members of the Center for Health Transformation. ([Click here to find out more about membership levels](#)).

Examples of the findings include:

- * Of the 15 plus statements of eye-popping diabetes facts we tested, the one that communicated the seriousness of diabetes the most was, "Diabetes kills more Americans each year than AIDS and Breast Cancer Combined."
- * The survey found that when given a list of four major risk factors of diabetes (weight, race/ethnicity, family history, and child's birth weight) as well as two misnomers (stress, eat a lot of sweets), only 14% answered 5-6 of the risk factors questions correctly, whereas 21% got almost all the questions wrong.
- * 74% of Americans think it is important that the government plan an initiative to get everyone tested for diabetes
- * 77% of Americans would take a free diabetes test at their workplace or in their pharmacy

Upcoming CHT Event - Financial Executive Summit

Financial Executive Summit - The Healthcare Cost Equation Luncheon and Program Featuring:

- **Newt Gingrich**
Founder Center for Health Transformation
- **Bill Novelli**
Executive Director & CEO, AARP
- **Sreedhar Potarazu**
President & CEO, VitalSpring Technologies

July 23, 2003 11:45 - 1:30,
The Ritz Carlton Hotel, Tysons Corner Virginia

For more information contact, Sarah Murphy smurphy@gingrichgroup.com or
(202) 414-1313

Transforming Example Spotlight - ActiveHealth Management

The Center for Health Transformation is constantly seeking solutions that improve quality and lower cost. You can find numerous transforming examples on our website by visiting,

<http://www.healthtransformation.net/cases/>. You can also submit your own transforming example via the site. Here is an example of the case studies you will find.

Situation:

According to the 2002 Institute of Medicine Report, between 44,000 - 98,000 hospital deaths occurred because of medical error, and an estimated cost of \$17 billion can be linked to medical errors.

Solution:

ActiveHealth's flagship CareEngineSMService detects medical errors by scanning physician, hospital, pharmacy, and laboratory claims for individual patients. The technology then applies the information against evidence-based clinical knowledge for the purpose of identifying patients that are not getting best care. designed to identify highly specific patient problems, such as misdiagnoses, flawed surgical or medical management, and a variety of pharmacy issues such as drug-to-drug, drug-to-disease, and drug-to-metabolic interactions, or lack of follow-up or preventive treatment. It also uncovers potential conditions that have not been treated, including complications presented when a patient has more than one disease. Once a problem is identified, ActiveHealth professionals intervene with their practicing physician and necessary critical information.

Outcomes: Better Health & Lower Cost

ActiveHealth's tools uncovered 20,000 clinical issues in one year in a 56,000 Medicare+ Choice plan. Also, an academic group conducted a prospective, randomized clinical study of 50,000 managed care members by utilizing ActiveHealth Management tools with 25,000 members. The group discovered 2,000 instances where doctors intervened and/or provided recommendations. Using ActiveHealth's tools resulted in the following:

- * 15% decrease in hospital bed days per 1000 members
- * 19% decrease in hospital paid claims
- * 5.5% decrease in overall paid claims

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Ask us questions or send us feedback.

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