

Center for Health Transformation E-Newsletters

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April 2006

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Newt Notes

The most exciting development of the past few weeks is what has been happening up in Massachusetts. The health bill that Governor Romney signed into law this month has tremendous potential to effect major change in the American health system.

We agree entirely with Governor Romney and Massachusetts legislators that our goal should be 100% insurance coverage for all Americans. Individuals without coverage often do not receive quality medical attention on par with those who do have insurance. We also believe strongly that personal responsibility is vital to creating a 21st Century Intelligent Health System. Individuals who can afford to purchase health insurance and simply choose not to place an unnecessary burden on a system that is on the verge of collapse; these free-riders undermine the entire health system by placing the onus of responsibility on taxpayers.

The Romney plan attempts to bring everyone into the system. The individual mandate requires those who earn enough to afford insurance to purchase coverage, and subsidies will be made available to those individuals who cannot afford insurance on their own. We agree strongly with this principle, but the details are crucial when it comes to the structure of this plan. Under the new bill, Massachusetts residents earning more than 300% of the federal poverty level (approximately \$30,000 for an individual) will not be eligible for any subsidies. State House officials had originally promised that there would be new plans available at about \$200 a

month, but industry experts are now predicting that the cheapest plan will likely cost at least \$325 a month. This estimate totals about \$4000 per year, or about 1/5 of a \$30,000 annual take-home income.

While in theory the plan should be affordable if the whole state contributes to the cost, the reality is that Massachusetts has an exhaustive list of health coverage regulations prohibiting insurers from offering more basic, pared-down policies with higher deductibles. (This is yet another reminder that America must establish a cross-state insurance market that gives individuals the freedom to shop for insurance plans in states other than their own.)

In our estimation, Massachusetts residents earning little more than \$30,000 a year are in jeopardy of being priced out of the system. In the event that this occurs, Governor Romney will be in grave danger of repeating the mistakes of his predecessor, Mike Dukakis, whose 1988 health plan was hailed as a save-all but eventually collapsed when poorly-devised payment structures created a malaise of unfulfilled promises. We propose that a more realistic approach might be to limit the mandate to those individuals earning upwards of \$54,000 per year.

While the Commonwealth's plan will naturally endure tremendous scrutiny from those who assert that the law will not work as intended, Massachusetts leaders are to be commended for this bipartisan proposal to tackle the enormous challenge of finding real solutions for creating a sustainable health system. I hope that Massachusetts' initiative to provide affordable, quality health insurance for all continues to ignite even more debate around the subject of how to best address our nation's uninsured crisis and the critical problems within the health system at large.

On a different note, I am pleased to report that our work on accelerating the Right-to-Know movement continues to build. Leaders in Washington are now demanding that Medicare disclose its data, and CHT is helping to carry the message to the states. During my recent trip to Sioux Falls, South Dakota, our work on accelerating the Right-to-Know movement played a key role. My

host in South Dakota was state senator and majority whip Tom Dempster, who is the recognized leader in South Dakota healthcare policy.

Senator Dempster is responsible for passing legislation in 2005 that requires all hospitals in the state to post the prices of their 25 most commonly-performed procedures. The law takes full effect on July 1, 2006, and will be the first of its kind in the country. The Sioux Falls Argus Leader did a poll last year that found 85 percent of South Dakotans supported this law. Senator Dempster said he looks forward to working with CHT to develop transformational ideas relating to Medicaid, health insurance, and their state employee health plan.

Also, last month the Center held a two-day Pandemic Influenza Strategic Simulation with our partner and CHT member, Booz Allen Hamilton. The exercise, hosted by the U.S. Chamber of Commerce at their Washington headquarters, was sponsored by MedImmune and Securitas. We were honored to be joined by 150 leaders of pandemic influenza preparedness planning drawn from federal, state, and international government organizations, as well as by business and health sector leaders.

Thanks both to Booz Allen's excellent facilitation of the event and the insights shared by all who attended, participants have told us that they regarded the event as a great success. We expect to release a report of strategic simulation's results and findings by the close of this month. (For more information, please contact Robert Egge, the director of CHT's Health Preparedness and Homeland Security Project, at 202-375-2001 or regge@gingrichgroup.com.)

Finally, I want to take a moment here to challenge the Congress to put forth genuine effort to fix major faults compromising the quality of our health system. The House absolutely must pass a health IT bill this year. Hurricane season is fast approaching – how many lives will be lost this year to our disconnected, paper-based health system?

New Members

The Center for Health Transformation would like to welcome our newest Charter member, [BlueCross BlueShield Association](#), and our newest Premier member, [MedAssets](#).

We would also like to note that the [InterAmerican College of Physicians and Surgeons](#) has renewed at the Associate level.

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

CHT Joins Launch of RHIO Wiki Website

On April 11, CHT partnered with the [College of Healthcare Information Management Executives \(CHIME\)](#) and the [eHealth Initiative \(eHI\)](#) to launch the [RHIO Wiki](#), the country's only online, real-time resource, discussion forum, and blog for community IT leaders from across the country. The new site, sponsored by McKesson, is designed to educate and provide a voice to the many stakeholders in healthcare information exchange – clinicians, employers, health plans, suppliers, hospitals, laboratories, pharmacies, patients, and public health agencies.

The RHIO Wiki will allow users to search a virtual information library on local and regional efforts, as well as communicate their questions, challenges, expertise and ideas. Our website is dedicated to health information exchange topics, and each participating organization is supplying initial content. Like the widely-accessed Wikipedia site, the RHIO Wiki allows any user to freely create and edit the content. Users can also read or add content, keep up-to-date via the site's Current Events page, easily view recent changes to pages, and upload entire files onto the

RHIO Wiki.

"The RHIO Wiki is the only online, real-time clearinghouse of ideas, information and solutions for those working with health information exchanges," said CHT Health IT Project Director David Merritt, praising the "powerful collaboration" which generated the new unique, grassroots forum that is the RHIO Wiki.

The ability to edit RHIO Wiki content and participate in the discussion forums will first be available to members of CHT, CHIME, and eHI. The general public will not have this functionality until this summer, but can view the Wiki and all of its content now.

The site can be accessed at <http://www.rhiowiki.com/>

[Watch the Video: Remarks by Speaker Gingrich on launch of the RHIO Wiki](#)

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Transforming Example

HealthTrio

HealthTrio connect™ PHR is an Internet-based health management tool that returns remarkable results associated with user participation, compliance and cost savings.

Situation

A St. Louis-based health plan, providing coverage for 230,000 lives, was faced with the challenge of attracting and retaining accounts in a marketplace dominated by profit-challenged employers, many of whom have been considering dropping their health insurance benefits completely. The health plan decided that a health management program was one way to continue to keep its products affordable for its subscribers and their employers by improving the personal health of its patient population.

Solution

The health plan created a health improvement program, with a

consumer-centered approach focusing on patients taking charge of their own health. After a search for enabling technology, the health plan chose HealthTrio connect™ PHR, an Internet-based health management tool from HealthTrio. HealthTrio connect PHR was chosen for its unique cross-stakeholder Personal Health Record (PHR), the depth of functionality in the patient portal and the product's ability to be implemented quickly. In its first year, the program returned remarkable results in terms of user participation, compliance and cost savings.

The program was developed based on the premise that members should be both accountable and responsible for wellness and health behaviors. It was designed to:

- Foster a corporate culture that focuses on wellness and rewards employees who get and stay healthy,
- Offer incentives that include richer benefits and reduced out-of-pocket expenses to members who agree to manage their health, and
- Provide consumers with online tools.

HealthTrio connect's Personal Health Record (PHR) enables consumers to record health activities, set reminders and access customized health information on topics relevant to each individual health situation.

Better Health & Lower Costs

Consumers welcomed the opportunity to participate in programs that improved their overall health while lowering their monthly health insurance premiums. Compliance with health screening, including mammograms and prostate exams was over 80%. Over 85% of those participating in this program accessed their on-line health information at least twice that year. By utilizing this approach, the employer experienced a 25% decrease in medical expenditures.

For more information, visit [CHT website](#) and view the [Transforming Example](#)

CHT in the News

Diabetes in the 21st Century

CHT CEO Nancy Desmond and Project Director Laura Linn illustrate the Center's efforts to transform diabetes care in the *Atlanta Business Chronicle's Healthcare Quarterly* (3 stories): "Diabetes' Costly Toll;" "Program Bridges the Gap;" and "Ounce of Prevention Less Costly than Pound of Cure."

National Health IT Coordinator Resigns

David Merritt, Health IT Project Director, praises the accomplishments of Dr. David Brailer. (*Modern Healthcare*)

Gingrich Advocates Health Solutions

At a consumer-driven healthcare forum in New Hampshire, CHT Founder Newt Gingrich challenges leaders to transform the health system. (*Associated Press*)

CHT Joins Launch of RHIO Wiki Website

CHT, CHIME and eHealth Initiative partner to launch the RHIO Wiki in order to advance knowledge of health information exchange. (iHealthBeat; Healthcare IT News; Modern Healthcare, Health IT World News)

Gingrich Calls for Changes to U.S. Health System

At a speech in Michigan, CHT Founder Newt Gingrich calls for health transformation on a national scale. (*Detroit Free Press*)

Tackling Health Transformation at Harvard

Participating in the Tosteson health policy lecture series, Newt Gingrich urges Harvard University students and faculty to help create a health system for the 21st century. (*The Daily Free Press (Boston University)*)

The 21st Century Intelligent Health System

Project Director David Merritt shares CHT's vision of the future of healthcare in *MD Net Guide* ('Feature Article,' March edition).

A Healthy Medicare Drug Plan

CHT Founder Newt Gingrich and Project Director David Merritt write

an op-ed on Medicare transformation for the *Boston Globe*.

Desmond and Gingrich Among Georgia's Most Influential

CHT CEO Nancy Desmond and Founder Newt Gingrich are named to *James* magazine's list of "Most Influential Georgians for 2006."

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Upcoming Events

Newt Gingrich to speak at the [National Breast Cancer Coalition Fund's Annual Advocacy Conference](#)

Monday, May 1, 2006

Washington, DC

Newt Gingrich to speak at the [American Hospital Association Annual Membership Meeting](#)

Monday, May 1, 2006

Washington, DC

Newt Gingrich to speak to the St. Barnabas Health System

Thursday, May 4, 2006

Pittsburgh, PA

Newt Gingrich to speak at the [Medicaid/Medicare Workshops for State and Local Healthcare Administrators Consumer-Centric Medicaid - The Future is NOW](#)

Monday, May 8, 2006

San Francisco, CA

[CHT Member Meeting](#)

Friday, May 12, 2006

Atlanta, GA

Newt Gingrich to speak at Covisint

Wednesday, May 17, 2006

Detroit, MI

Newt Gingrich to speak at the [National Conference of State Legislatures](#)

Friday, May 19, 2006
Washington, DC

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