



Center for Health Transformation E-Newsletters

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August 2006

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Newt Notes

Typically the quietest month in Washington, August this year has brought with it some major shifting in the healthcare policy landscape.

We are optimistic that the executive order signed by President Bush on August 22nd will help accelerate momentum toward a 21st century health system. The order, "Promoting Quality and Efficient Health Care in Federal Government Administered or Sponsored Healthcare Programs," is designed to increase transparency and it addresses many of the key priorities to transform health and healthcare. In the future, when HHS, DoD, the VA, and FEHBP purchase or upgrade health IT systems, they will be required to comply with interoperability standards. Providers, health plans, and those providers contracting with the federal government systems will have to do the same.

While this law is a good step in the right direction, many of the benefits will not be seen for some time. Like the recently-issued final rules on Stark/Anti-kickback, there can be no impact until

interoperability standards are completed. The quality/transparency sections of the executive order call for the continuation of current efforts to standardize provider performance measures and release the data – at some point. An interim step to quickly get this vital information out is to release de-identified Medicare claims information. Data analytics can then easily identify who are the best performers and who are the worst.

One of the key questions, as we approach the upcoming elections, is how the outcome will affect policies related to health information technology and other areas of health and healthcare. There is some good news and bad news. The good news is that, with regard to health information technology, increased public disclosure of price and quality information, and a whole range of transparency and access issues, there is actually a bipartisan coalition building that is likely to be the same no matter who is in charge. The bad news is that in terms of how you would reorganize Medicare and Medicaid, there will be a radical difference between having Nancy Johnson (R-CT) chair the Ways and Means health subcommittee and having Pete Stark (D-CA) doing so. A Stark chairmanship would be unlikely to change the operation of the health system from a practical standpoint, since nothing Pete Stark would pass out of the health subcommittee will get through the Senate. Unfortunately, if nothing were to get through either body, the momentum for health transformation would stall.

On the other hand, if you get a weakened – but still Republican – majority in the House and Senate, I think the odds are very high that you will get Medicaid and Medicare reform on a bipartisan basis. It could even happen early next year. The reason is that budget pressures will force it to happen: both parties will have a vested interest in finding a common ground from which to launch the 2008 presidential campaign. I think you're not going to see any of the presidential candidates go to the hard left on health policy, because that's not where the country is. The country is center-right, and wants to move toward more choice, more transparency, and more quality in the health system.

I also want to note that health issues are not rising to be national political issues in the news media for two reasons. First, they are

frankly just being drowned out by larger noise – the Middle East, the border, you name it. There is a second reason they have not emerged as a partisan issue, and that is kind of good news: leaders of both parties have been coming together and agreeing on a whole variety of health transformation efforts. In the absence of friction, it is hard to get news coverage. Politicians agreeing does not make for a good news story, as there is no natural political ‘fight’ to focus on.

Second, the most interesting effort to solve the uninsured problem in America today is coming from Republican Governor Mitt Romney. So what you have in Massachusetts is a Republican governor working with a Democratic state legislature to find a bipartisan reform that is based on market-oriented principles. The result is no natural partisan battle cry on either the right or the left, and so we are gradually moving to a period of more improvements and greater access to health savings accounts, more people accessing consumer-oriented healthcare, greater effort to cover the uninsured through market solutions, etc. My prediction is this pattern will continue, and on both the state and federal levels we will see more action on healthcare than on other issues, which are more clearly divisive.

The politicians who will survive in November are the ones who are listening to their constituents and tackling issues head-on. Leaders who get it will come back to Washington, and the rest will stay home.

Event Reminder: ["Creating a 21st Century Medicaid System"](#)

The Center for Health Transformation will hold our second annual "Creating a 21st Century Medicaid System" event on September 27th at the Willard Hotel in Washington, DC. Our diverse and bipartisan list of distinguished speakers includes Governors Matt Blunt (R-MO), Ernie Fletcher (R-KY), Tim Kaine (D-VA), and Bill Richardson (D-NM).

New Members

The Center for Health Transformation would like to welcome our newest Charter Member, [Cancer Treatment Centers of America](#). We are also pleased to announce that [HealthPia America](#) and [Kelly Services](#) have joined the Center at the Premier level, and [One Economy Corporation](#) is our latest Associate Member.

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

[The State Transformation Project](#), led by CHT Project Director Jim Frogue, is dedicated to transforming health and healthcare at the state level. By building a network of key leaders within and between states, the project serves as a catalyst for state transformation and for changes at the federal level that enhance the transformational capacity of states. One of the project's key strategies is to help state leaders leverage the state government's role as employer, policymaker and provider of healthcare for the poor, disabled and frail elderly in order to drive the creation of a 21st Century Intelligent Health System.

An important focus of the project is providing an opportunity for states to learn from one another, in order to build state-wide and national momentum for the adoption of transformational solutions and policies. The project, which includes the involvement of governors and other key public and private sector state leaders, serves as a model for bipartisan collaboration on a variety of levels.

CHT's state network currently includes 38 states, and our aim is to soon be working with all 50. Among the key issues being addressed within the project are the uninsured, health justice transformation, health information technology, consumerism (including health savings accounts), the individual's right to know cost and quality information, optimal health management (with a strong focus on transforming the lives of people with diabetes and cancer) and Medicaid transformation.

An important feature of the project's Medicaid transformation initiative is an interactive State Map on the [CHT website](#), which provides a platform for states to share their Medicaid solutions. Twenty-two states have already contributed solutions, with new contributions (and modifications to posted submissions) being added on an ongoing basis. In addition, on September 27th, CHT will host our second annual "Creating a 21st Century Medicaid System" event. With four governors and 10 state health secretaries slated to participate, the conference promises to be one of the most important Medicaid events of the year.

In keeping with our Listen-Learn-Help-Lead model of leadership, the State Project constantly focuses on participating in state-based seminars, events and presentations. Our objective is to learn from the states, communicate the message and solutions of transformation throughout the country and expand and educate an ever-growing network of state leaders. To achieve these goals, Newt Gingrich and State Project Director Jim Frogue continue to travel across the country extensively, meeting with governors, state legislators, employers, providers and key vendors and associations. Their recent state events include:

On August 10th, Newt and Jim attended the Idea Raisers Summit in Orlando, Florida. Newt delivered a keynote speech to a packed house of several hundred legislators, staff, and citizens. Jim, meanwhile, participated on the Health Breakout session panel, which also included our good friend, former Florida Health Secretary Alan Levine. Jim also joined Dr. Michael Bond in hosting the Health IT discussion group, which was moderated by state representatives Gayle Harrell and Ed Homan.

Newt and Jim both spent time over the summer in Iowa. Jim visited on July 24th and again on August 11th for briefings with legislators and candidates. He also traveled to South Dakota on August 13th and 14th for meetings with state legislative leaders to discuss Medicaid reform and the Massachusetts 100% insurance coverage model.

On July 21st, Jim traveled to Minnesota to speak about health transformation to the Minnesota Academy of Conservative

Leadership, consisting of 85 legislative candidates and activists.

Newt joined Nathan Deal in Georgia on August 17th for the Gainesville Chamber of Commerce Healthcare Conference, resulting in some important media coverage about the importance of health transformation from the [Gainesville Times](#), [AccessNorthGA.com](#), and [WNEG TV News Channel 32](#).

On August 9th, Newt traveled to California to address the American Association of Diabetes Educators event, and on July 26th he spoke at Siemens' Annual Customer Symposium in Las Vegas.

With the upcoming election providing more and more opportunities to deliver the message of health transformation, the CHT State Project is planning a busy fall schedule.

For more information about the CHT State Project, please contact Jim Frogue at 202-375-2065.

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Transforming Example

Pfizer - Florida Healthy State Program

The Situation

The State of Florida, operating the fourth-largest Medicaid program in the U.S., faced a \$650 Million Medicaid budget shortfall in 2001. The state proposed reimbursement reductions for medical services and supplemental rebates from pharmaceutical manufacturers but was willing to consider proposals addressing the underlying health risks of the population to address the root cause of rising expenditures.

One of every ten Americans suffers from chronic disease, and medical costs for people with chronic diseases account for more than 70% of the \$1 trillion spent on healthcare each year in the

U.S. As in many parts of the country, low-income Floridians with chronic illnesses seek care designed to treat acute symptoms rather than addressing the underlying causes of chronic diseases. In the haste to locate a provider for their symptoms, Medicaid patients often end up using the emergency department for primary-care services, an expensive, inefficient solution that drives up the overall cost of healthcare. In fact, Medicaid patients are more than twice as likely as other non-Medicaid patients with the same type of illnesses to be admitted to the hospital via the emergency room because of an acute event.

The Solution

A unique, public-private partnership was created between Pfizer, Inc. and Florida's Agency for Health Care Administration involving the implementation of a large-scale, statewide disease management program that employs a patient-centered health approach for Medicaid beneficiaries suffering from heart failure, diabetes, hypertension, asthma, and any related co-morbidities and maps the intensity of the care treatment to the disease and risk severity of the individual. This network of 55 care managers at ten local hospitals taps into the experience and resources of community organizations and local physicians across the state. These specially trained and supported care managers reach more than 11,000 high-risk patients on a consistent basis to help them better navigate the healthcare system, connect and interact with physicians, understand their health conditions, and take positive steps to stay healthy.

In nearly all cases, individuals participating in the program have received more medical attention for their conditions than ever before. It also touches an additional 76,000 lower-risk patients through a broad array of educational interventions and 24-hour telephonic nursing support. The program has delivered more than 16,000 home health aids such as blood pressure cuffs for hypertensive patients, weight scales for heart failure patients, and peak flow meters and spacers for asthmatics while coordinating care with providers, conducting home visits and monitoring all clinical measures.

The Results: Better Health & Lower Costs

The Healthy State program guarantees to save the state \$33 million over two years. The combined results to date include a 15% decrease in patient hospital days/1000, and a 7% decrease in Emergency Department visits/ 1000. Individual behavior has also been improved through increased awareness and better self-management.

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

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CHT in the News

Gingrich Ranked 5th on Modern Healthcare's 'Most Powerful' List

CHT Founder Newt Gingrich is honored by *Modern Healthcare's* fifth annual '100 Most Powerful People in Healthcare' recognition program. ([Top 100 list](#); [cover story](#))

We Get What We Pay For

CHT Project Director David Merritt illustrates the benefits of outcomes-based payment structures. ([HealthDecisions.org](#))

States Must Lead in Policy Innovation

CHT Founder Newt Gingrich and CEO Nancy Desmond discuss the importance of states in creating a 21st Century Intelligent Health System and focus on progress being made through CHT's Georgia Project. ([James magazine](#))

A Test of Will: Border Security and Healthcare

CHT Founder Newt Gingrich and Project Director David Merritt call on legislators to address the issue of illegal immigration. ([The Arizona Republic](#))

Transforming Diabetes in Georgia

CHT Founder Newt Gingrich and Georgia Project Director Laura Linn describe the vision and scope of CHT's Healthy Georgia Diabetes and Obesity Project. (Published in Atlanta's [Business to Business Magazine](#)).

Can Health IT Transform Our Antiquated Healthcare System?

[Oncology News International](#) Interviews CHT Project David Merritt about innovations in health IT.

The Last, Best Hope for Healthcare

CHT Founder Newt Gingrich and Project Director David Merritt call on American business to act decisively to transform the health system. ([Chicago Sun-Times](#))

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Upcoming Events

Newt Gingrich to speak at the 2006 Freedom and Opportunity Luncheon

Wednesday, September 6, 2006

South Portland, MN

**Newt Gingrich to speak at AMGA's 2006 Institute for Quality Leadership
Channeling Technology to Enhance Quality and Efficiency Conference**

Monday, September 18, 2006

Minneapolis, MN

**Newt Gingrich to participate in a CANdid Conversation during the
ACS's Celebration on the Hill**

Tuesday, September 19, 2006

Washington, DC

Newt Gingrich to speak to Novartis

Wednesday, September 20, 2006

Lansdowne, VA

CHT's 2nd Annual "Creating a 21st Century Medicaid System" Event

Wednesday, September 27, 2006

Washington, DC

Newt Gingrich to speak to the American Academy of Family Physicians.

Thursday, September 28, 2006

Washington, DC

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