



Center for Health Transformation E-Newsletters

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"Within ten years, every American must have a personal electronic medical record."

**President Bush, Remarks to American Association of Community Colleges
April 26, 2004**

Health information technology (IT) has enormous potential to increase quality, decrease cost, and significantly reduce the number of medical errors that result in death. The recent flurry of activity and rhetoric around health IT by government leaders is laudable. However, the pace at which the healthcare system is being transformed to an information-rich, electronically-based system is gravely inadequate.

CHT
Founder
Newt
Gingrich

Since the Institute of Medicine's landmark report, "[To Err is Human: Building a Safer Health System](#)," was released in 1999 citing 46,000 to 98,000 deaths a year in hospitals due to medical errors, 200,000 to 400,000 people have died-- 40,000 due to medication error alone. Electronic health records have proven to help catch deadly mistakes before they happen. Most people know that my bias is free market correction over government intervention, but when people are dying unnecessarily, it is time to take action.

The government takes necessary action when a plane crashes to identify and correct the problem in order to prevent further deaths. The government has acted in necessary ways to keep our food supply safe from diseases such as mad cow disease, but we have not seen a proportional response in health. Look at the intensity of the reaction to one cow with mad cow disease, from which no American has died. The investment we have made into keeping our food chain safe from this disease is working. Yet, we still have passivity about medication errors which kill 9,000 Americans a year. Every day we do not move to a system of health that uses health information technology, Americans die needlessly.

Action must be taken. Government leaders need to take action immediately to grow a national health information infrastructure. The right place to start is to invest in an electronic health record for every American. One option is to leverage the implementation of the

"Welcome to Medicare" physical that was created in the [Medicare Law of 2003](#). CMS could financially incentivize doctors to input the data from the physical into a personal, portable, electronic health record. I have surveyed various electronic health record (EHR) companies, and there is a general consensus that it would cost around \$66 million to set up and maintain an EHR for the 2.2 million seniors who become eligible for Medicare in 2004 for one year. That's less than .02% of the annual \$400 billion national health bill.

Other good options may exist, but the one option that is unacceptable is to let another month go by and have no progress. Massive public and private bureaucratic resistance will surface around any new idea that advances electronic records. Their bias will be to keep talking and studying while money is wasted on paper and while people continue to die because of inadequate information. It's time to take action.

The Center for Health Transformation would like to welcome our newest Charter member of the Center: [Booz Allen Hamilton](#). Please visit the [list of members](#) often to keep abreast of who is joining the Center.

A "[Member News](#)" page has recently been added to the CHT website. We encourage all members to send us information on any honors or awards for which your organization has been recognized, and we will post to the web site. Please email **awards and honors only** to info@healthtransformation.net.

Project Spotlight

Creative Incentives for HEALTH IT Forum set to take place at the Willard InterContinental Hotel, Washington, DC

"Within ten years, every American must have a personal electronic medical record."
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By executive order on April 27, 2004, President Bush established the position of the National Health Information Technology Coordinator to provide leadership for the development and nationwide implementation of an interoperable health information technology infrastructure to improve the quality and efficiency of healthcare. Included in its specific tasks, the President charged the new office with coordinating outreach with public and private parties of interest, including consumers, providers, payers, and administrators. On May 6, 2004, HHS Secretary Tommy Thompson hosted a Health Information Technology Summit and [announced the appointment of David J. Brailer, M.D., Ph.D.](#), to serve as the first National Health Information Technology Coordinator.

In support of the broad mission of achieving an interoperable health IT infrastructure and to

undertake a private sector initiative to assist Dr. Brailer in his charged task of coordinating private sector outreach and consultation, the Center for Health Transformation launched, on May 12, 2004, the [Interoperable Health IT Initiative](#). The general scope of this project is to achieve a 21st Century Intelligent Health System that is individually-centered, knowledge-based, information-rich and electronically connected. A principal strategy of the project is to leverage the input from industry, including the Center's membership – which uniquely encompasses the collection of private groups contemplated by the executive order -- to provide a broad-based and coordinated private sector contribution to the work of Dr. Brailer's new office.

NEAR-TERM PROJECT GOAL

The Executive Order mandates a report from HHS within 90 days on options to provide incentives in HHS, VA, and DOD programs and the Federal Employees Health Benefits Program that will promote the adoption of interoperable health information technology. Therefore, the first goal of the Center's Interoperable Health IT Initiative is to draft a report that catalogs what incentives might be effectively provided by the government healthcare purchasers that will promote the adoption of interoperable health information technology. The working title of the report is: "*Saving Lives & Saving Money by Creatively Incentivizing the Adoption of Interoperable Health Information Technology.*"

More information may be found on the [Interoperable Health Information Technology \(HIT\) Project Page](#).

Health IT "Open Forum." Newly appointed National Health Information Technology Coordinator, Dr. David Brailer, has agreed to provide a keynote address at The Center for Health Transformation's Forum on Creative Incentives for Health Information Technology on June 15, 2004 at the Willard InterContinental Hotel. [Read press release](#).

Business Leaders Discuss Healthcare Solutions. "Major Georgia employers, representatives from the Georgia Chamber of Commerce, Care Focused Purchasing and the HR Policy Association recently met with Former Speaker Newt Gingrich for a roundtable discussion on employer issues related to health care." [Read more](#).

Gingrich Organization Launches Health IT Effort. "The Center for Health Transformation, founded by former House Speaker Newt Gingrich (R-Ga.), has launched a program to promote the use of health care IT and a national health information infrastructure." [Read more](#).

Gingrich's Center for Health Transformation Makes Advancing Health IT Top Priority. The Center for Health Transformation (CHT) has launched the Interoperable Health Information Technology Initiative (HIT) to advance their vision of creating a 21st Century intelligent health and healthcare system. [Read press release](#).

Visit the [CHT in the News](#) section on the Center for Health Transformation's web site to read

more!

A "[Member News](#)" page has recently been added to the CHT website. We encourage all members to send us information on any honors or awards for which your organization has been recognized, and we will post to the web site. Please email **awards and honors only** to info@healthtransformation.net.

The next monthly member teleconference will be held the afternoon of Thursday, July 15th (exact time TBD). Access to this call is restricted to Charter, Premier and Associate members. If you would like more information about how to become a member of the Center, please contact us at **(202) 414-1800** or info@healthtransformation.net.

June 15th – Washington, DC. [Creative Incentives for HEALTH IT Forum](#) to be held in Washington, DC

June 17th -20th – Washington, DC. Newt Gingrich to participate at the American Enterprise Institute's World Forum

June 21st – Rhode Island. Newt Gingrich to top the bill at Congressman Patrick Kennedy's conference entitled "Frontiers of Healthcare" at Brown University

June 23rd – 25th – Ireland. Newt Gingrich to keynote at the Transforming Healthcare in the New Europe Conference

June 26th – 28th – Brussels. Newt Gingrich to speak to the Brussels Institute

July 15th – CHT Conference Call

For more information on these events or to view other CHT events, please visit <http://www.healthtransformation.net/events>.

Transforming Example Spotlight

The Center for Health Transformation is constantly seeking solutions that improve quality and lower cost. You may find numerous transforming examples on our website by visiting our [case](#)

[studies section](#). We encourage you to submit your own transforming example via the website!

This month's Transforming Example Spotlight: **Gold Standard Multimedia**

[Gold Standard Multimedia](#) is a leading developer of innovative drug information and medical education software and online services. The company focuses on transparency within the prescription drug market, aiding physicians by allowing them to obtain real-time information on both its patients and on the drugs prescribed.

Challenges in the coordination of patient care between providers, coupled with the growing volume of drug information, has created a level of unprecedented complexity in drug therapy selection and monitoring. It should be of no surprise that prescription drug benefits remain the fastest growing component of healthcare.

Gold Standard Multimedia introduces eMPowerRx, a wireless, real-time, patient care application that provides physicians with an unbiased drug information database integrated with health plan formularies. eMPowerRx has demonstrated an impact on overall medication utilization. When compared to an appropriately matched control group, physicians using the application write 4.1% fewer prescriptions every month. In conservative estimates, the return on investment per physician, only considering the decrease in prescription volume, is 4.5:1. Analyses are currently underway to quantify the economic impact patient safety has contributed when considering minimizing drug interactions and adverse drug events. Fraud and abuse, an entirely different issue draining healthcare resources, have been dramatically impacted by eMPowerRx. Although the impact is challenging to quantify, providers using the application qualify this impact daily in their practices. By having real-time, patient specific medication histories at the point of care, physicians can now make informed decisions about treatment options, ultimately "saving lives and saving money."

To read more about Gold Standard Multimedia's outcomes, please visit the [complete case study](#).



If you would like to become a member of the Center or are interested in financially sponsoring a specific project, please contact us at 202.414.1800 or info@healthtransformation.net. Please also visit our website at <http://www.healthtransformation.net/>.

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. These e-mails from Newt are updates about the Center for Health Transformation, 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.

The Center for Health Transformation does not provide lobbying services nor directly or indirectly participate in lobbying activities of any kind. The Center for Health Transformation further does not render legal advice, perform accounting services, nor act as an investment advisor or broker-dealer within the meaning of applicable state and federal securities laws.

