



## Center for Health Transformation E-Newsletters

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June 2007

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## Newt Notes

I am pleased to share with all of you the exciting news that our official launch of CHT's new Missouri Project, held on June 19 in St. Louis, was a remarkable success.

First and foremost, I want to extend special thanks to GlaxoSmithKline and Anthem Blue Cross Blue Shield for their continuing partnership with the Center and for their generous contributions in support of the event launch.

Our launch was held at the Chase Park Plaza in St. Louis, and the headlining event was a luncheon for over 125 influential leaders from around the state at which we discussed how Missouri fits into the Center's vision of a 21st Century Intelligent Health System that saves lives and saves money. My keynote speech delivered to the luncheon audience, "The Missouri Project: The Opportunity Before Us" laid out CHT's vision for health transformation and defined goals related to our plans to ultimately create a health system in Missouri in which people live longer, are healthier, and every citizen has access to necessary care.

To gain additional in-depth insight into the state, prior to the lunch, CHT CEO Nancy Desmond and I hosted an executive roundtable with 40 attendees representing leading employers, health organizations, and legislators in the state. Specific goals and areas of focus for the Missouri Project were also discussed, revolving around such key issues as covering the uninsured and improving prevention and wellness through education and promoting individual and cultural change. *(For further details on the Missouri Project and the June 19 launch, please see the [Project Spotlight](#) section of the newsletter.)*

Julie Ecsktein, who also serves as our new Director of State Operations at the Center, deserves credit for pulling together the diverse group of innovative and forward-thinking leaders who joined us at this groundbreaking event to launch our effort in

Missouri. We think Julie can build a collaboration of leaders that will truly effect real change, and her level of talent and passion about saving lives and saving money was a main reason we selected Missouri as the second state, after Georgia, in which we are building out a 21st century state model.

Following the luncheon, we held a press conference with an impressive gathering of leading local television news, radio, and print press media outlets. We were thrilled to have such a high media interest in this event, and are encouraged that the exposure generated by the luncheon, press conference, and individual interviews regarding the event aired on stations such as KMOX radio (1120 AM), KTRS radio (550 AM), and the news broadcasts of local St. Louis affiliates for Fox, NBC, and CBS. *(See [CHT in the News section of the newsletter](#) for a complete list of links to live stories posted online.)*

In particular, there was one interview that I gave to a reporter from MiLatino media I thought exemplified exactly what we are trying to do in Missouri. MiLatino.com, a Latino website targeting second-generation, acculturated, bilingual Latinos, has a growing presence in the Midwest, and this was a terrific opportunity to deliver our message to their audience – on their terms. *([Click here](#) to view the interview online).*

Eliminating health disparities is an essential part of the system we must create. Minority populations in the U.S experience a higher prevalence of diabetes and other chronic conditions, and the average life span of most minority populations still lag behind whites. We cannot transform healthcare without instituting real change – this means addressing the unique challenges faced by minorities in our health system.

We know the system will get less expensive as people get healthier. And lowering costs is key to increasing access, plain and simple.

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## Members Update

The Center for Health Transformation would like to welcome our newest Associate member [Disease Management Association of America](#).

We are also pleased to recognize [Healthways](#) for renewing and upgrading from an Associate to a Charter membership.

We are also pleased to recognize [Wyeth](#) for renewing at the Premier 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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## CHT in the News

### **Budgets Cuts to Medical Research Will Cost Lives**

In an original op-ed, Newt Gingrich and G. Steven Burrill make the case for increased funding for the National Institutes of Health. (Op-ed: *San Francisco Chronicle*; Accompanying CHT white paper: "*Ensuring Progress in the Fight Against Disease through Sustained Biomedical Research Funding*")

### **Covering the Uninsured — Markets or Mandates?**

CHT Founder Newt Gingrich discusses consumer-driven solutions for insuring 45 million Americans. (*The La Crosse Tribune*)

### **E-prescribing: The Race Is On**

In a new op-ed, CHT Project Director Wayne Oliver and Georgia State Rep. Ron Stephens (Savannah) respond to the challenge issued by Jim Frogue and Michael Ciamarra in "*Alabama vs. Georgia.*"

### **Gingrich, CHT to Host Luncheon to Launch Missouri Project**

On June 19, the Center will host local leaders in St. Louis to discuss goals for health transformation in Missouri. (*Media advisory*)

### **CHT Statement Regarding the Nature of Member Relationships**

CHT CEO Nancy Desmond and Founder Newt Gingrich respond to a June 11 Associated Press article questioning the possible relationship between financial interests of members of the Center for Health Transformation and views held by the Center. (*Press release; statement*)

### **Editorial Board Interview: Newt Gingrich on Health Transformation**

CHT Founder Newt Gingrich sits down the editorial board of the Argus Leader (Sioux Falls, S.D.), stressing the need to achieve 100% insurance coverage through the adoption health IT and proven best practices, an invigorated focus personal responsibility, prevention and proper disease management. (*Story; video*)

### **CHT Visits Sanford Health**

Newt Gingrich and the CHT Team bring the principles of health transformation to an on-site visit to Sanford Health in Sioux Falls, S.D. (*The Argus-Leader; Keloland TV*)

### **The Uninsured: Curing the Disease, Not Just Treating the Symptoms**

In the *Des Moines Register*, CHT Founder Newt Gingrich and Project Director David Merritt discuss how to extend coverage to 45 million uninsured Americans.

### **'Nique and Newt's Full-Court Press on Diabetes**

On June 11, NBA Hall-of-Famer Dominique Wilkins will join CHT founder Newt Gingrich in Atlanta to announce a joint effort to fight diabetes in Georgia and beyond. (*Media advisory*)

### **CHT Press Releases "Paper Kills"**

*Paper Kills: Transforming Health and Healthcare with Information Technology* was edited by CHT project director David Merritt and features contributions from the leading

minds in healthcare. ([Press release](#))

### **Paper Kills**

Exclusive preview: [HealthLeaders News](#) features an article adapted from the text of Speaker Newt Gingrich's introduction to the latest release from CHT Press, [Paper Kills: Transforming Health and Healthcare with Information Technology](#).

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## **Project Spotlight**

### **The Missouri Project: Creating a 21st Century Intelligent Health System**

Nancy Desmond and I first announced plans to launch the Missouri Project in April of this year, committing the organization to the mission of creating a healthy Missouri in which knowledge saves lives and saves money for all Missourians. The Project is an opportunity to replicate the successes of CHT's groundbreaking Georgia Project, launched in 2003, which includes initiatives related to diabetes and obesity, e-prescribing, eliminating minority health disparities, creating affordable coverage for all and increasing access to cost and quality information. In both states, we see a unique opportunity to generate and implement projects to test solutions that promote value-based healthcare, increase access, and reduce costs.

Missouri faces a variety of health challenges, including bearing the burden of a greater-than-average population of people aged 65 and older (80% of whom have at least one chronic disease). Sixty percent of Missouri adults are obese or overweight, almost double the rate recorded in 1990. Moreover, nearly 30% of adults in Missouri use tobacco – Missouri ranks third in the nation for adult smokers – leading to the deaths of more than 10,300 Missourians annually.

However, there is a lot going on in Missouri already that leads us to believe this is the ideal environment to accelerate transformation. In fact, Missouri is already poised to become a leader in transformation. In the area of health information technology, there are several projects that are already being organized in the St. Louis and Kansas city areas. Also, there is clearly a willingness to transform the Medicaid system, which is now scheduled to sunset in July of next year.

Pay-for-performance initiatives, transparency, the right to know, innovative solutions to covering the uninsured, and accelerating the value-driven healthcare movement are other areas in which Missouri could serve as an important model for other states.

The impact of the consumerism movement, for example, is already being felt. Earlier this month, in a bold effort to increase access to the health system, the Missouri legislature passed (and Governor Matt Blunt signed) [HB 818](#), the Missouri Health Insurance Portability and Accountability Act. Missouri is now the first state to permit pretax contributions from small business owners to their employees' individually selected policies. This legislation is sure to have a profound impact on the health of Missourians: according to a study by America's Health Insurance Plans (AHIP), only 42 percent of Missouri small businesses offer health insurance. (Barriers listed as

contributing factors included 1) the hassle of selecting a plan each year; 2) employer contribution and employee participation requirements; 3) the lack of retention among employees; and 4) the high cost of group premiums.)

HB 818 will be a critical tool in Missouri, as it aims to remove onerous bureaucratic barriers to access. The law permits funneling individual premiums through the Cafeteria 125, which allows pretax contributions for both employers and employees, incentivizing both to contribute and equalizing the tax discrimination that has favored those purchasing health insurance through group plans. It also allows self-employed business owners a state tax credit for personal health premiums, and adds an HSA plan to the state risk pool and Missouri state employees' health benefit package (providing this tax-advantaged option for those who do not qualify for an individual plan from a private carrier and do not work for the state). *(For further analysis of the bill, [click here.](#))*

"The employers here are committed to change," said Eckstien, noting that the June 19 luncheon in St. Louis helped lay the groundwork steps that will help guide health transformation in Missouri. "Once the big issues have been prioritized, we will hit the ground running to develop interventions or initiatives that can help us achieve defined goals."

Later this summer, we will convene an advisory board (comprised of CHT members) who will assist in conducting an environmental scan of current initiatives in the state, unmet needs and gaps, opportunities influenced by community and political realities, and much more. To become involved in the Missouri Project, contact Julie Eckstein at [jeckstein@gingrichgroup.com](mailto:jeckstein@gingrichgroup.com).

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## Transforming Example

In a departure from our typical format to highlight specific innovative solutions offered by companies and/or state programs, we would like to take this opportunity to share with you a different kind of "Transforming Example."

This past Sunday, the San Francisco Chronicle published a new op-ed from CHT: "**Budget Cuts to Medical Research Will Cost Lives.**" Authored by CHT founder Newt Gingrich and G. Steven Burrill (CEO of Burrill & Co., a merchant bank investing in the life sciences, and chair of the Campaign for Medical Research) this original article makes a compelling case for increased funding for the National Institutes of Health, arguing that the recent "start-stop" funding approach has hindered efficient research planning, slowed the rate of progress and discouraged young scientists from entering or remaining in basic research.

This issue could not be more timely, as the appropriations process for this year is just getting under way. On June 22, the Senate Appropriations Committee approved a 2.8% increase for NIH (disregarding a portion included within the same appropriation for the State Department-administered Global HIV/AIDS Program). While this is larger than either the Administration or House proposals, none of the three go far enough. There remains time to increase the FY2008 NIH appropriation in the months ahead, and

the Center urges Congress and the Administration to do so.

As illustrated clearly in the op-ed (and the accompanying CHT white paper, "**Ensuring Progress in the Fight Against Disease through Sustained Biomedical Research Funding**," which may be accessed at [www.healthtransformation.net](http://www.healthtransformation.net)), this issue is of paramount importance to our nation's ability to meet the challenges of the future – both in terms of saving lives and saving money.

Please read on for the full text of the op-ed.

### **Budget Cuts to Medical Research will Cost Lives**

G. Steven Burrill and Newt Gingrich

*(Originally published in the San Francisco Chronicle, 6/24/07)*

One of the most significant of America's many remarkable accomplishments during the 20th century was the improved health of its citizens. The life expectancy of Americans expanded by three decades, an increase of more than 60 percent, from 47 to 77 years of age, according to the National Center for Health Statistics. The partnership between government, through the National Institutes of Health, and entrepreneurial scientists, was central to this success, transforming the nation over the course of the century into the global leader of biomedical research. In the process, the NIH earned outstanding returns for American taxpayers as measured by better health, more efficient care and economic growth.

Recognizing both the strong contribution of the NIH to past medical successes and its great potential, elected leaders joined together on a bipartisan basis to double the NIH's budget between 1998 and 2003. This resulted in further strengthening the biomedical research enterprise, a renaissance in our understanding of disease mechanisms and the emergence of new diagnostic and therapeutic approaches for many disorders that long have eluded scientists.

Yet this extraordinary achievement is threatened. NIH funding has been flat since 2004, undermining the gains earned through the doubling of the budget and slowing the pace of progress in biomedical research. The Bush administration's proposed fiscal year 2008 budget would cut \$329 million from last year's allocation of \$28.6 billion. Biomedical inflation significantly compounds the impact of this reduction. This is exactly the wrong course for the country. Investment in the NIH should be expanded, not cut.

The American people agree that biomedical research should be a top priority. In a recent survey conducted by ResearchAmerica, 91 percent of those surveyed agreed that scientific research is "very important" to reducing diseases such as cancer. It's not surprising, then, that 83 percent of those polled indicated they were more likely to vote for a candidate who supported increased funding "to find cures and prevent disease" ([www.researchamerica.org](http://www.researchamerica.org)).

Over the last 30 years, the government invested an average of only \$44 per year in each American through the NIH -- about the cost of basic cell phone service for one month. This investment allowed the NIH to directly fund more than a quarter of the country's biomedical research, priming the pump for life-saving advances. In addition, thousands of excellent young scientists were trained through NIH funds, building the scientific power and workforce that fostered American dominance in biomedical

research.

The result is that during these same 30 years, deaths from heart disease and stroke decreased by almost two-thirds and chronic disability among older Americans during the last two decades dropped by almost a third ([www.nih.gov](http://www.nih.gov)). Similar results are beginning to accrue for many other diseases, including cancer and diabetes. Thanks to NIH-funded research, we are living longer and better lives.

A renewed commitment to NIH is warranted for these reasons:

Every day, the benefits of past medical innovations help millions of Americans, in every community in every state and every congressional district; funding NIH is an investment in our nation's future, not a fiscal burden.

The recent "start-stop" funding approach has hindered efficient research planning, slowed the rate of progress and discouraged young scientists from entering or remaining in basic research.

The federal government under-invests in biomedical research. The best economic analysis indicates that Americans value the resulting benefits of biomedical progress many times more than the amount the federal government invests to support this work.

Investments in basic biomedical research also benefit America by stimulating the biotech industry, one of the most important components of the nation's economy. Consider the near-daily announcements of genetic discoveries, the rapid progress in unraveling the deep mysteries of the brain and the new tools that allow us to prevent disorders before they take root. How soon we unlock these insights -- and whether the pace of these discoveries will allow for them to be developed and delivered to us and our loved ones -- will depend on the budgetary choices now being debated by our elected leaders.

The National Institutes of Health Reform Act, approved by Congress in 2006, contained the authorization of an increase of 8 percent for the agency in 2008. The House Appropriations Committee vote on June 7 calling for a 2.6 percent increase for NIH does not go far enough. The House, Senate and the Bush administration should follow the 8 percent increase authorization, and make a choice now to secure longer, healthier lives for Americans with this as the benchmark for future years.

*G. Steven Burrill is CEO of Burrill & Co., a merchant bank investing in the life sciences, and chairs the Campaign for Medical Research. Former House Speaker Newt Gingrich is the founder of the Center for Health Transformation ([www.healthtransformation.net](http://www.healthtransformation.net)). The Society for Neuroscience, a member of the Campaign for Medical Research and the Center for Health Transformation, also contributed to this commentary.*

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## Upcoming Events

**Newt Gingrich to speak at the [Southern Legislative Conference](#)**

*Atlanta, GA*  
July 16, 2007

**Robert Egge to be a panelist at the [Genetic Alliance Conference](#)**

*Bethesda, MD*  
July 25, 2007

**Newt Gingrich to speak at the [Genetic Alliance Conference](#)**

*Bethesda, MD*  
July 29, 2007

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