



Center for Health Transformation E-Newsletters

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After we reviewed our eight strategies, which I reported to you in the last newsletter, we realized that if we did all eight, we would have turned American health and healthcare into a model for the world, and it could become the largest source of high paying jobs and foreign exchange earnings for the US. As people around the world get wealthier and want to live longer and better, American care must be the best type of care. As a first step we are proposing an Under Secretary of Commerce for Health to have someone high in the federal government get up every day trying to create more American jobs selling American health services and products around the world.

CHT
Founder
Newt
Gingrich

E-Health Records. Last month I had the opportunity to visit with key people in designing and implementing the British Electronic Health Record (EHR). Beginning this June, 55 million people in England will be getting an EHR. We believe it is possible to develop an EHR in America, beginning with the Medicare benchmark physical exams at 65, which are slated to start next January. We believe EHRs are a key step toward saving lives, improving health and saving money.

[Laura Linn](#) here at the Center for Health Transformation is our lead on EHRs and would be glad to talk with anyone you know who has interest in this area.

Travelocity. The creation of a buyers market in pharmaceutical drugs, by developing a comparative price system, modeled after Travelocity and Expedia as they work in the airline industry, is one of the most important developments of the next year. Without some market-focused breakthrough, the sheer cost of pharmaceuticals as Medicare is implemented will inevitably lead to government regulation of price control. That will be a disaster for the research and development that have made American pharmaceuticals the gold standard for the world.

We are actively talking with major players who have an interest in leading a Travelocity-like model for purchasing drugs at the lowest possible cost based on free market principles. Anyone

you know who is interested in that should contact [Melissa Ferguson](#) at the Center for Health Transformation.

Health Savings Accounts (HSAs). Health Savings Accounts, which we first described in [Chapter 5](#) of [Saving Lives & Saving Money](#) over a year ago, are now beginning to take off. The Bush Administration deserves great credit for moving regulations to Treasury in fourteen days. The bill was signed on December 8th. The initial regulations came out on December 22, 2003. [Assurant Health](#) (formerly known as Fortis Health) offered its first HSA on January 4, 2004.

[Assurant Health](#) reports that in the first 30 days the first 35 percent of the people buying an HSA were previously uninsured and this could prove to be a major solution to the question of the uninsured. Major efforts are underway in the federal government, the state government and the private sector to develop and launch HSA initiatives. [Lumenos](#) and others are leading the way in developing an information-rich HSA where you not only have an incentive to take care of yourself, but you have information both about your own health and better healthcare, and you have information about smart purchasing of health services and health goods.

We remain convinced that HSAs are the major step towards re-centering the system around the individual and we are interested in talking with anyone interested in further development of information rich HSAs. Please contact [Vince Haley](#) at the Center for Health Transformation for more information.

Vision of making 2004 the year of health transformation. As you can see from these initial activities there is a very real possibility that the cumulative effect of all these new developments will make 2004 the year of Health Transformation. With your help, the Center for Health Transformation will do all we can to make this possibility a reality.

The Center for Health Transformation would like to welcome our newest member of the Center: [Hospital Corporation of America](#).

Please visit the [list of members](#) often to keep abreast of who is joining the Center.

Member Meeting

Planning for our second quarterly member meeting is currently underway. The member meeting is set to take place on Wednesday, April 28, 2004 in Washington, DC. Access to this meeting is limited to Charter, Premier, Associate and Small Business Advisory Members only.

If you have any questions regarding the member meeting, please contact Amy Nyhuis at ANyhuis@gingrichgroup.com or call 202-414-1800.

Project Spotlight: State Transformation

Georgia Project Update. Newt was the featured speaker at the Georgia Hospital Association's 75th Annual Convention on February 18th in Atlanta. In his address, he discussed the enormous scale of change that will occur over the next 25 years, noting that healthcare must first catch up with technologies that are already being used by society at large. He also reviewed the key strategies to create a 21st Century Intelligent Health System, focusing in particular on the adoption of information-rich health savings accounts and an electronic health record, development of a new system of health justice, and creation of a buyers market for pharmaceuticals. Commenting on Georgia's move toward electronic prescribing, Newt applauded the direction but advised that patient safety must be the key driver and that there must be the ability for an expert system to review prescriptions in order to both detect errors and create efficiencies. Newt told the group, "You stand at the edge of the future. Georgia has the ability to provide the leadership to create a system where its citizens own their health, have resources in HSAs and receive care from the best system in the world."

Other recent activities in Georgia included a meeting on February 18th of the Georgia members of the Center for Health Transformation. The meeting focused on strategies to drive the adoption of health savings accounts and the electronic health record in Georgia, as well as the need for transparency in pharmaceutical transactions through the utilization of a Travelocity model. Leadership on all three national projects will be provided by the Georgia Project members.

In addition, Center CEO Nancy Desmond recently met with the CDC to discuss coordinated efforts toward chronic disease prevention and health promotion and also met with James Purcell of the Georgia Healthcare Leadership Council regarding coordinated activities on a Novo-Nordisk sponsored diabetes project in Georgia. Georgia Project Director Laura Linn participated in the recent HIMSS conference in Orlando, where Newt delivered the opening keynote, and also spent several days in Washington working on the national roll-out of the electronic health records project.

Additional meetings of the Georgia Project members with Newt are being scheduled for March

24th and 25th to further discuss and drive Georgia's role in leading health transformation. If you would like to learn more about the Georgia Project, please contact [Laura Linn](#).

Newt Gingrich gave the keynote address at the 2004 HIMSS (Healthcare Information and Management Systems Society) Annual Conference & Exhibition. Gingrich discussed three dramatic changes that have the potential for making 2004 a watershed year for changing healthcare in America. [Read more.](#)

Newt Gingrich outlines seven strategies for litigation reform advocates in "Business Insurance." [Read more.](#)

In an interview with the U.S. Chamber, Newt Gingrich answers questions on transforming healthcare, the Medicare Reform Bill, and Health Savings Accounts (HSAs). [Read more.](#)

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

Exclusive Monthly Member Teleconference - March 23rd

The next monthly member teleconference will be held on Tuesday, March 23rd at 2:00 p.m. Eastern.

Access to this call is restricted to Charter and Premier Members. If you would like more information about how to become a Charter or Premier Member of the Center, please contact us at **(202) 414-1800** or info@healthtransformation.net.

March 11th – Washington, DC - Newt Gingrich to speak at National Conference of State Legislatures.

March 17th – Washington, DC – Newt Gingrich to keynote at the National Association of Children’s Hospitals and Related Institutions.

March 20th – Phoenix, Arizona - Newt Gingrich to speak at the IDX Healthcare Executive Summit.

March 23rd - CHT Member Teleconference.

April 20th – Miami, Florida - Newt Gingrich to keynote IMS Health.

April 28th - Washington, DC. - CHT Quarterly Member Meeting.

April 29th-May 1st – Orlando, Florida. – Newt Gingrich to speak at the Long Term Care Forum.

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 <http://www.healthtransformation.net/cases/>. We encourage you to submit your own transforming example via the website.

This month's Transforming Example Spotlight:

Health Hero Network

[Health Hero Network](#) is a healthcare technology firm with the mission of transforming how chronic care is delivered in the U.S. The company has a portfolio of products and services for the proactive, daily monitoring and management of chronic health conditions.

The company develops and markets the Health Buddy® system which includes monitoring technologies (Health Buddy appliance and Health Buddy Web), clinical information databases,

Internet-enabled decision support tools, health management programs covering over 45 disease subject areas, and content development tools.

The Sunshine Network of the Veterans Health Administration implemented an expansive telemedicine technology initiative for Veterans. The technology was deployed to 791 Veterans with a chronic medical disease and 120 mental health patients. Daily compliance with answering the Health Buddy was 88%.

The following outcomes occurred:

- 40% reduction in ER visits
- 63% reduction in hospital admissions
- 60% reduction in hospital bed days of care
- 64% reduction in VHA nursing home admissions
- 88% reduction in nursing home bed days of care Increase in quality of life and functioning

For more information, 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.