



Center for Health Transformation E-Newsletters

If you are interested in receiving the Center for Health Transformation's E-Newsletter, please contact us at info@healthtransformation.net

March 2005

► In this issue:

▣ March 2005

March 2005

Newt Notes

This month the Centers for Disease Control and Prevention (CDC) released a study concluding that fewer than 1 in 3 hospital emergency and outpatient departments use Electronic Health Records (EHRs). Once again, when it comes to digitization and facilitation of valuable information, the healthcare industry has been exposed for its inexcusable lag behind other economic sectors. While 3 out of 4 doctors' offices use computerized billing systems, only about 17 percent use EHRs in their businesses.

The CDC's report was another disappointing yet necessary reminder that we still have a long way to go in promoting wide-scale acceptance of information technology as fundamental to the attainment of higher quality healthcare at lower overall cost.

A paper-based system of healthcare is an ignorant system: the highly fragmented and compartmentalized system of storing vital health information in a paper format kills the equivalent of a plane load of Americans every day. In a nation where preventable medical errors are the fifth leading cause of death, it is a moral outrage that we do not yet have a framework in place for the rapid adoption of interoperable HIT. As many as 98,000 Americans dying each year because of preventable medical errors is not a statistic – it is a tragedy. What is essential now is that leaders considering HIT adoption must begin planning with a comprehensive, community-wide vision inspired by a commitment to interoperability.

On the positive side, PricewaterhouseCoopers has released a report detailing the myriad benefits commensurate with the establishment of digital hospitals. PwC spotlighted the all-digital Indiana Heart Hospital, which used integrated technologies to achieve 85% fewer medication errors, a 45% reduction in transcription and dictation costs, and 65% fewer denials/delays from providers.

According to the report, digital hospitals also boast improved operating revenues and a shorter average length of stay than typical hospitals. Complementary findings reported this month in a study by WellPoint and the software vendor Wellinx indicate that electronic prescribing can reduce costs as well; for physicians in the study who used e-prescriptions, drug costs were 2 percent less in the second quarter of 2003, as opposed to the 8 percent increase that non e-prescribing doctors experienced.

Plainly, when used appropriately, health

information technologies are affording individuals safer health resources and at the same time granting providers more time and money to spend on their patients. But before we celebrate the benefits of digitized healthcare, we must remember that no new technology will gain rapid adoption without adequate investment. In order to get us where we need to be in healthcare, 1 percent of all federal health spending – nearly \$7 billion – should be invested in IT infrastructure projects.

Harnessing the Momentum

The question is not if we can have better health with interoperable HIT, but rather when we are going to fully commit ourselves to that effort. Everyone – from the individual to the physician to the insurer – has a stake in quality healthcare. The challenge for each of us is to decide how much input we want to have within the burgeoning public debate on the issue.

Several articles appearing in national media this month point to HIT's growing momentum. In its March 15 health section, The Washington Post devoted two articles to the growing marketplace for personal health records, and detailed for readers the many benefits of a digitized health structure that promotes accessibility and reduces medical errors. Also in top news, the Boston Globe reported that prominent Brigham and Women's Hospital joined other groundbreaking hospitals in the move to better health with its decision to adopt barcode technology as a means to reduce errors.

As public awareness of HIT benefits grows, so do the incentives for private companies to join the dialogue. Microsoft has recognized the

potential boon HIT could be for the company, and has announced an initiative for pharmaceutical IT using industry standards already in place.

Key initiatives in the states point to an HIT revolution as well. Kentucky Governor Ernie Fletcher signed into law this month a bill that will create the nation's first statewide electronic health network. The bill's sponsor, State Senator Daniel Mongiardo, said that the idea was similar to the concept of information-sharing made famous by Napster, but systems are required to be HIPAA-compliant and sensitive to privacy issues. The next step is for Governor Fletcher to appoint members to an e-Health Network Board comprised of patient representatives, healthcare providers, and other stakeholders. Getting all the interests at the same table is indispensable to real progress in health transformation, and we hope that the program succeeds so that Kentucky is able to teach other states about bringing healthcare into the 21st Century.

Other recent examples of HIT initiatives:

- In a March 15 press conference with HHS Secretary Michael Leavitt, New York Governor George Pataki announced a plan to spend \$1 billion on HIT in Medicaid for the purposes of e-prescribing, EHRs, and regional health information networks (RHIOs).
- In another attempt to use HIT to reign in Medicaid costs, North Carolina this month implemented a computer program to help detect overpayment. .
- Earlier this month, the Centers for Medicare and Medicaid (CMS) announced that it will use HIT to simplify drug purchasing under the new prescription drug benefit.

- On March 8, WellPoint helped Georgia to launch its telemedicine network. Soon patients in rural Georgia will benefit from the nation's first coordinated network of HIT – enabled hospitals and clinics.

Clearly, HIT is fast becoming the crux on which the future of better health and healthcare depends. We urge those who think they have a valuable insight into the best models of computerized healthcare to step forward and contribute to the debate. The solvency of our economic system depends upon us finding workable solutions to the healthcare cost crisis. But most importantly, it is morally imperative that we commit ourselves to accelerating HIT adoption in order to create a system we can be proud of: healthcare that is marked by safety and justice.

Transforming Examples

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

One of the biggest problems in trying to eliminate patient safety errors in hospitals is getting people to report the problem in the first place. For a variety of reasons many people will not step forward and report near misses or errors. Without that, no steps can be taken to correct the problem.

The Partnership for Health and Accountability (PHA) has formed a coalition of 3 essential groups: providers, communities, and individuals that come together in a non-punitive environment to share ideas and methods for improving the care and safety of all patients in the state.

Each hospital has a Peer Review contact that is protected under Georgia law. Data from the hospital is sent to the Peer Review contact for PHA. PHA conducts an analysis of the data, makes comparisons, and shares best practices among member hospitals.

The non-punitive aspect allows for the fair and honest reporting of errors so that they can be prevented. Having this analysis allows for the development of strategies that will benefit all and punish none.

Hospitals are given the opportunity to apply for annual Patient Safety Awards and each year hospitals in several size categories are chosen for this prestigious award. The means and methodologies used in the winner hospitals are also shared with everyone in the state so that others can benefit from this unique learning opportunity.

The Emory University Rollins School of Public Health found that hospitals participating more intensively in PHA activities had greater improvement than other hospitals.

In a study of the Core Measures of Acute Myocardial Infarction, Pneumonia, and Heart Failure, Georgia experienced sizeable variation in 8 of the 9 measures under study in 2002. In 2004, Georgia has considerably less variation in all 9 measures, with 5 of the 9 measures having substantial statistical change for the better.

To read more about [The Partnership for Health and Accountability, Georgia Hospital Association](#) transforming solution, please visit the complete case study.

—New Members

The Center for Health Transformation would like to welcome our newest Associate Member of the Center: [Vocera](#).

We would also like to recognize [Omedtrix](#) who

has recently renewed as a Premier Member.

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

__CHT In the News

Health Care Transformation: It's a Bipartisan Thing

The possibilities are endless when Republicans and Democrats band together for real health reform. A Providence Journal article discusses Washington's latest bipartisan duo, Newt Gingrich and Patrick Kennedy.

Better Healthcare for the 21st Century

In Health Care's Most Wired Magazine, CHT Founder Newt Gingrich and CEO Nancy Desmond urge community leaders to bring new information technology to the forefront of the health care transformation process.

"Transform It, Don't Reform It"

In a Washington Post Op-Ed, CHT Founder Newt Gingrich discusses bringing Medicaid into the 21st Century: a fundamental transformation of the program is vital if Medicaid is to satisfy the separate and distinct needs of the several groups it covers.

Reaching Across the Aisle for Quality Health Care

CHT Founder Newt Gingrich and Senator Hillary Clinton Receive the 2005 NCQA Health Quality Award. Read the [press release](#).

Upcoming Events

April 1st – Dallas, TX - Newt Gingrich to speak at Novo Nordisk's first annual Diabetes Summit

April 8th – Louisville, KY – Newt Gingrich to speak to Medical News

April 13th – Washington, DC – Newt Gingrich to the National Association of Home Care

April 20th – Salem, OR - Newt Gingrich to speak to The Healthcare, Ethics, Quality and Costs Conference

April 22nd – Denver, CO – Newt Gingrich to speak to the Academy of Managed Care Pharmacy

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

[Back to Top](#)
