



Center for Health Transformation E-Newsletters

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CHT State Transformation News Digest (May 2007)

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Welcome

By Center for Health Transformation Founder Newt Gingrich

I would like to welcome you all to the inaugural issue of the CHT State Transformation News Digest.

States are – and will continue to be – the incubators of innovation. All across the country, forward-thinking governors and state legislatures are creating a 21st century intelligent health system that saves lives and saves money. The current gridlock in Washington ensures that states will remain at the forefront.

We applaud states for their remarkable strides in a number of ongoing initiatives, such as disease management programs, health information technology, transparency web sites, health saving accounts, and optimal health management programs. As a result, many Americans are living healthier lives.

Unfortunately, many of the profound outcomes of these initiatives are not widely known. This must change. Government at every level is desperate to find new solutions to the rising cost of healthcare.

An overwhelming 93 percent of Americans believe that they have the right to know price and quality information about their healthcare providers before making a health decision. Despite the understanding of this salient issue, adoption of transparency has been lethargic as result of powerful special interest groups, lobbyists, and politicians. Those groups that stand in the way of that knowledge will eventually lose.

It is an illusory perception that higher cost will result in high quality (versus lower cost results in low quality). For instance, in a recent study of the relationship between quality and Medicare spending, 42% of states had high-cost, low-quality programs. (See [CHT's latest handout for graph and further details.](#))

Knowledge is power. Our monthly digest will highlight innovative solutions within states and the efforts of Center for Health Transformation, as well as offer recommended reading.

This digest will act as a forum for debating the essential components of state transformation. For instance, which will be the first state to arrive at 100% e-prescribing? In the recommended reading section, see the new op-ed by Jim Frogue and Michael Ciamarra, "[Alabama vs. Georgia.](#)"

We look forward to your continued participation in transforming health and healthcare and hope the State Transformation News Digest will become a valuable part of our ever-growing health policy arsenal. To learn more, please visit www.healthtransformation.net.

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CHT in the States

Missouri Project

CHT is pleased to announce the launch of the Missouri Project. Those of you who have been involved in the Georgia Project will understand the great opportunity that exists to implement our innovative transformational solutions in defined geographic areas. In our work to transform health and implement solutions in Missouri, we will look to the successes and lessons learned in Georgia; the knowledge gained from both projects will uniquely inform our work to build similar coalitions and projects in other states.

The work of a state project centers on the effort to convene a coalition of leaders in order to identify and implement interventions that will save lives and save money within the state. In Georgia we have had success with several initiatives. For instance, in the Bridges to Excellence initiative, we are improving the state's infrastructure around the topic of diabetes and ensuring there are enough trained professionals to assist patients in their journey to optimal self-management of their condition.

In Missouri 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. We will prioritize the issues and begin creating a 21st Century Intelligent Health System model that saves lives and saves money for Missourians.

Jim Frogue, Director of CHT's Medicaid Transformation project, testified to the Special Committee on Healthcare Facilities of the Missouri House on April 23, 2007. He kicked off his remarks by reminding the legislators that promoting good health is the best way to address the long term challenges we face. He then focused on the lessons that Missouri policymakers can draw from the successful Medicaid programs in Arizona and Florida. Finally, he emphasized the need for Missouri to acquire the next generation of technological tools that can better coordinate care and instantly spot waste, fraud, and abuse. [Read Testimony](#)

To lead our efforts, we have hired Julie Eckstein, the Center's new Director of State Operations. We look forward to all of you getting to know Julie better, as she will serve an integral role on the CHT's team.

Julie joins us with an impressive resume. Most recently, she was the Director of the Missouri Department of Health and Senior Services, a cabinet position leading an agency with 2000 employees and a budget of over \$840 million. She was part of both the legislative Medicaid reform commission and the Executive branch Medicaid working group charged with transforming the state's Medicaid program and creating a replacement to implement after the sunset of the current program in June 2008. Julie also chaired the governor's Health IT task force and was highly involved in chronic disease efforts, including the launch of the Healthy Missourians initiative focused on overweight and obesity. Learn more about [Julie Eckstein](#).

If you have a presence in Missouri and would like to be a part of the exciting new Missouri Project, please contact Julie at jeckstein@gingrichgroup.com.

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Innovative Solutions within States

Minnesota's Smartbuy Program

How many state employee health plans can boast a zero-premium increase for three straight years? How many of those offered state employees a premium holiday in December of 2006? Answer: Minnesota.

In 2004, Minnesota Governor Pawlenty created the Smart Buy Alliance, a collaboration of the state, union groups, and several private healthcare purchasers' coalitions (representing both large and small businesses). This public/private partnership represents nearly three-fifths of the state's population. The alliance uses their buying power of healthcare purchasers to improve the quality and affordability of healthcare for all Minnesotans through common purchasing strategies. The four strategies are the following: rewarding or requiring "best in class" certification, adopting and utilizing uniform measures of quality and results, empowering consumers with easy access to information, and requiring the use of information technology.

Most recently, Smart Buy Alliance members joined the Buyers Health Care Action Group in the Bridges to Excellence (BTE) program. Minnesota is now the largest BTE program in the nation covering 780,000 lives including state employees and the state's Medicaid population, the University of Minnesota and 8 other large employers. This model of healthcare purchasing is an innovative idea that is saving lives and saving money. To learn more, visit the [Smart Buy Alliance's Web site](#)

Florida's Transparency efforts

Florida is on the cutting edge of moving toward a 21st Century Intelligent Health System – the work they've done to improve consumers' ability to access critical information before making a health decision has had a pronounced impact. Since 2005, Florida's health system, with the help of two public websites (<http://www.myfloridarx.com/> and <http://www.floridacomparecare.com/>), is empowering consumers and driving down the cost of care.

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Recommended Reading

We recommend that all of you read the following:

[A Guide for State Legislators: Creating an HSA State](#)

A new white paper designed as a resource for policymakers. Authored by CHT Senior Fellow [Ron Bachman](#), this document offers a market-based solution to providing affordable health insurance and lowering the number of uninsured Americans, outlining steps state legislatures and insurance commissioners can take to gain full advantage of health savings accounts and HSA-eligible high-deductible health plans.

[Alabama vs. Georgia – First to 100% E-prescribing](#)

In an original op-ed, CHT Project Director Jim Frogue and [Alabama Policy Institute](#) Vice President Michael Ciamarra propose a race to see which state can be the first to arrive at 100 percent e-prescribing. The authors point out that medication errors kill 7,000 American annually, injure over one million, and cost billions of dollars in emergency room visits and other complications. We can move CHT aggressively leads the effort to achieve 100 percent e-prescribing in Georgia ([Mobile Press-Register](#); [Alabama State House's Resolution](#))

[E-prescribing Can Also Cut Down on Fraud and Abuse](#)

The Florida state house and senate each just unanimously passed legislation championed by [Representative Gayle Harrell](#). The [Agency for Health Care Administration](#) will contract with a lead contractor to establish a website or portal through a search engine that draws medication history from existing pharmacy dispensing records held by various private sector organizations such as ([Allscripts](#), [Surescripts](#), and [Rx Hub](#), which possess e-prescription networks that have comprehensive medication history). The bill enables physicians to view comprehensive medication history with the patient's

permission. The portal must be secure, the healthcare provider verified, and all transmission of data, HIPAA-compliant. It will essentially be a search engine of all medication history for patients in Florida, which will go a long way toward weeding out fraud and abuse.

To view the larger bill that encompasses this new law, [click here](#).

For more about the legislation and Representative Harrell's work, see Geoff Oldfather's recent column in the *Stuart News*, "[E-prescriptions Could Cut Down on Drug Abuse](#)" (May 8, 2007).

State Transformation – Leading Examples from CHT's interactive State Map

In keeping with our Listen-Learn-Help-Lead model of leadership, the CHT website contains an interactive State Map, which provides a platform for states to share their solutions that save lives and save money. Currently, the key issues being addressed in the State Map are the uninsured, health justice transformation, and Medicaid transformation. *(Please note more issues will be added throughout the year.)*

This month, CHT would like to invite readers to visit [Arizona's Best Practices](#) in Medicaid contribution, an example of one of the most effective programs in the nation.

To view the state map, scroll to the bottom left-hand corner of CHT's homepage (www.healthtransformation.net). Important Note: In order to view the map, you must answer "Yes" when you are prompted to load Macromedia Flash. If you are not prompted and do not see the map on the lower left-hand corner of our CHT homepage, please visit <http://www.macromedia.com/software/flashplayer/> and click on "Get Flash Player 8." This is a free download.

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