



Center for Health Transformation E-Newsletters

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June 2005

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Newt Notes

Landing in Paris on Sunday, May 29 was an encounter with history. Europe was entering a week of political turmoil. On that Sunday the French people decisively rejected the European Union Constitution and in the process repudiated their entire elite leadership from both right and left. Just three days earlier, the German Socialist government had lost its ninth state election in a row and Chancellor Schröder had called for a general election in September, a year earlier than people expected. The following Wednesday, with more than twice the turnout they had had in the previous European parliamentary elections, the Dutch renounced the European Constitution by an amazing 63% of the vote. It was clear that European elite leadership was being shaken and every assumption about the future of the European Union was being tested.

The implications are significant, and will certainly affect the U.S. health sector. The most immediate impacts will extend to those companies actively competing in Europe through direct investments or exports. But over time even "domestic" U.S. health companies – if such distinctions even make sense in today's global economy – will feel the implications of these elections as well.

Of these three elections, pundits have focused on France and the Netherlands, where voters decisively rejected the proposed EU Constitution draft. I suspect, however, that historians will judge the regional election in Germany to have been more important. The French and Dutch elections reflected the muddle that is European politics today. It's about horse-trading and jockeying for advantage. Nothing particularly surprising

about that. The relative decline of the countries that have historically dominated the EU institutions, such as France, Germany and the Netherlands, is eroding their ability to dictate terms to others. The French and the Dutch don't much like being asked to compromise and their elections reflect it.

But these elections are symptoms. The German election points to cause.

The German election held in the state of North Rhine-Westphalia was a stinging defeat for Chancellor Gerard Schröder's Social Democrats (SPD). This industrial state is the country's largest, claiming almost one fifth of Germany's voters; the SPD had routinely prevailed in its elections for almost forty years. North Rhine-Westphalia is the heart of the German economic experiment, and voters told Schröder what is painfully apparent – the experiment has failed. With a stagnant economy punctuated by chronic unemployment pushing 12%, Germans realize they are swiftly falling to the periphery of the world's powers. Even relative to other countries within the EU, the trend lines are unmistakable and, for Germans, alarming.

Germany offers a sad but compelling example of our point at CHT that some systems are so deeply rooted and self-reinforcing that the only viable response is transformation. Just as many have counseled with the U.S. health system, Schröder has been trying to get by with piecemeal reforms. Yet the economy continues to fail as the underlying problems fester.

Germany's malaise is unfortunate. But it does offer opportunities. First, Germany presents a stark illustration to people across Europe about the perils of a statist economic model. It should buttress market advocates as they push back against the worst instincts in Brussels regarding healthcare and other programs.

And it helps those of us pushing for transformation of the U.S. healthcare system as well. Our system will look much like Germany's in only about twenty years, should we continue our current drift. I recently participated in a health policy forum with a very prominent Democratic leader. Interestingly, we both agreed that the current political, economic, and cultural dynamics are pushing the U.S. health system toward the kind of government-controlled, single-payer model that now prevails in Europe.

Ask Schröder how that's working out.

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New Members

The Center for Health Transformation would like to welcome our newest Charter Member: [FHC](#); and our newest Associate Members of the Center: [InterAmerican College of Physicians and Surgeons](#) and the [International Surgery and Training Institute](#).

We would also like to recognize [MedImpact](#), who has recently renewed as a Charter

Member; [Lumenos](#), [NDC Health](#) and [Wellstar](#) who have recently renewed as Premier Members; and [Abovehealth](#), [AHCA](#), [CognetX](#), [Healthation](#), [HERAE, LLC](#), [MedInitatives](#), [PKC Corporation](#) and [WorldDoc](#), who have all renewed as Associate Members.

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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Project Spotlight:

2nd Quarterly Member Meeting – June 6th, 2005

Our 2nd Quarterly Member Meeting was the first the Center has ever held outside of Washington, D.C. We departed from our usual format in order to hold our meeting in New York City in concert with the Healthcare Information and Management Systems Society (HIMSS) Summit, an event sponsored in part by CHT, the Agency for Healthcare Research and Quality (AHRQ), the Department of Defense, and the Department of Veterans Affairs.

The HIMSS Summit brought together an influential group of health leaders to discuss the future of health and healthcare in America. We were excited to join so many public and private sector decision-makers to discuss the effort to transform health in America through the application of intelligent and interoperable health information technology.

CHT Founder Newt Gingrich presented the opening keynote address at the summit. Other speakers at the event included HHS Secretary Michael Leavitt, National HIT Coordinator David Brailer, AHRQ Director Carolyn M. Clancy, J. Patrick Kelly (Vice President of Pfizer, Inc.) and David Sundwall (Executive Director of the Utah Department of Health). Following his keynote address, Speaker Gingrich accepted the 2005 HIMSS Advocacy Award for "demonstrating extraordinary leadership in advocating for the inclusion of healthcare information management and technology to improve healthcare quality."

CHT Founder Newt Gingrich accepts the 2005 HIMSS Advocacy Award from Pamela Wirth (HIMSS Chair, Board of Directors)

CHT Member Meeting Highlights

Our Member Meeting was condensed so that visitors could attend the HIMSS events. After Speaker Gingrich delivered his HIMSS keynote, CHT Members proceeded to the Marriot's SOHO Complex for our 2nd Quarterly Member Meeting. Center for Health Transformation CEO and President Nancy Desmond welcomed Members to the meeting and presented a synopsis of recent CHT projects, events, and achievements. Project Directors Robert Egge and David Merritt also presented updates on their projects, 'Accelerating Health Innovation' and 'Health Information Technology' respectively. Speaker Gingrich closed the program with a speech to members.

This quarter was defined by unprecedented media coverage for CHT, indicative of our accelerating reach and impact in the sphere of health and healthcare. For his contributions to saving lives and saving money in America, Speaker Gingrich received numerous awards this quarter: The 2005 HIMSS Advocacy Award for Bipartisan Leadership, the 2005 National Minority Health Month Foundation's Award for contributions to the elimination of diabetes in the minority community, and WEDI's Louis Sullivan Award, which honors individuals' leadership vision and achievements in advancing healthcare quality and efficiency. In addition, Speaker Gingrich and Nancy Desmond were named to the "Georgia's Most Influential" list in James magazine, and Project Director David Merritt was selected as a keynote speaker for the Kryptiq Connectivity Summit and the GA Statewide E-Health Summit. As Nancy and Speaker Gingrich both noted in their comments at the meeting, none of this would have been possible without the support and leadership provided by our members, who we consider joint recipients of each and every award and honor bestowed upon the

Center. (For more on CHT's reach and impact this quarter, please visit the website, www.healthtransformation.net)

Project Update: Health Information Technology

Project Director David Merritt provided an update on the Center's HIT project, including our recent role in bringing dramatic visibility to a bipartisan bill to accelerate the adoption of interoperable HIT. The 21st Century Health Information Act of 2005 (HR 2234) was introduced in the House of Representatives by Congressmen Tim Murphy (R-PA) and Patrick Kennedy (D-RI). Senate Majority Leader Bill Frist (R-TN) and Senator Hillary Clinton (D-NY) are expected to soon introduce a broad health IT bill also focused on driving interoperable HIT. (For more information on CHT's support of the legislation, please read our Open Letter to Congress, the CHT press release, or news coverage of the May 11 press conference on Capitol Hill.)

Legislation to develop interoperable HIT and to promote the adoption of Electronic Health Records (EHRs) is an interim step toward an even more powerful system – what we call a “personal health knowledge system.” Getting to such a system should be the long-term goal for current EHR vendors and their technologies. In order to effect rapid transformation in the area of health IT, CHT will focus on three areas: removing the legislative and regulatory barriers to widespread HIT adoption, developing a set of ‘best practices’ to help advance Regional Health Information Organizations (RHIOs), and reforming the ‘scoring’ processes at CBO and OMB so that IT investment is not myopically regarded as a flat cost. (Please visit the HIT Project section of our website.)

Project Update: Accelerating Health Innovation

Our newest project, Accelerating Health Innovation Project, which is being led by Project Director Robert Egge, developed out of the CHT “Intellectual Property” roundtable discussion held at the March 2005 1st Quarterly Member Meeting. Its purpose is to accelerate the discovery, development, and delivery of new medicines, devices, and practices that will lead to longer, healthier lives at lower cost.

The Center has made health innovation acceleration a priority because the record shows that public and private investments have generated benefits to America and the world that far exceed their costs. Further, the record amassed by policies such as the Orphan Drug Act of 1983 show that we can, indeed, stimulate innovation by shaping market incentives and lowering regulatory barriers. We believe that increasing America's commitment to health innovation isn't just an opportunity-- it's a moral imperative.

To reach these objectives, the Center will work with allied patient advocacy groups, our members and other experts to identify and drive policies encouraging health innovation. A major part of the undertaking will be a communications effort to ensure that key leaders, as well as the public at large, understand that health innovation is absolutely central to saving lives and saving money – and to preserving American jobs and America's leadership in the world market.

(For more information on the Center's Accelerating Health Innovation Project, please contact Robert Egge at 202-375-2001)

The HIMSS Summit: Secretary Leavitt Announces New Steps to Advance HIT

During his keynote address to the HIMSS summit, HHS Secretary Leavitt announced the creation of a national collaboration (and four requests for proposals (RFPs) relating to interoperability standards) that will advance the Bush Administration's goal that every American will have an electronic health record within ten years. The collaboration is to be a standards and policy entity under the name of the American Health Information Community (AHIC). The public-private collaboration, to be led by Sec. Leavitt and funded by HHS, will “be composed of 17 commissioners selected through a nomination process and recognized as ‘big picture thinkers’ representing several key constituencies and disciplines.” (HIMSS news, 6/6). The announcement comes just a few days after HHS released a report on potential nationwide health information exchange and interoperability: the Summary of Nationwide Health Information Network Request Information Responses. (Read the HHS press release, 6/3)

According to HHS, AHIC will “help nationwide transition to electronic health records -- including common standards and interoperability -- in a smooth, market-led way. The AHIC, which will be formed under the auspices of the Federal Advisory Committee Act, will provide input and recommendations to HHS on how to make health records digital and interoperable, and assure that the privacy and security of those records are protected.” (Read the HHS press release, 6/6)

National HIT Coordinator David Brailer will also soon issue four RFPs intended to generate processes for “setting data standards, certification, and architecture for an Internet-based nationwide health information exchange, as well as assess patient privacy and security policies.” (HHS press release, 6/6)

As America’s largest healthcare payor, the federal government has the unique ability to influence the rapid adoption of standards for HIT interoperability. Secretary Leavitt stressed that the government’s contribution should be the result of a joint effort, that the federal government would be involved but would not mandate standards, and that the industry must “accept and lead on collaborative solutions.” (*Visit the HHS website for more information*)

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Upcoming Events

UPCOMING EVENTS

June 15th - GA – David Merritt to Keynote Georgia e-Health Summit

June 21st – DC - Newt Gingrich to speak to the Veterans Affairs Senior Leaders on health

June 22nd – NY - Newt Gingrich to speak to Novo Nordisk Roundtable

June 30th – GA – CHT to participate in a Georgia Employers – Bridges to Excellence Event

July 14th – TX – Newt Gingrich to speak to Novo Nordisk Roundtable

July 15th – NM – Newt Gingrich to speak to San Juan Regional Medical Center Board of Directors

July 21st – DC – CHT Member only conference call at 3:00pm

July 22nd – DC – Newt Gingrich to participate in the National Commission for Quality Long-Term Care public forum/meeting

July 27th – GA – CHT to participate in a Novo Nordisk Roundtable

July 27th – NM – Jim Frogue to speak to Greater Albuquerque Chamber of Commerce on innovations in consumer-directed care

August 5th – TX – Newt Gingrich to speak on Medicaid to the American Legislative Exchange Council’s annual meeting in Dallas

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

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Transforming Example

Virginia Mason Medical Center (Seattle, WA)

Virginia Mason Medical Center decreases stroke incidence by 70% through implementing a quality program.

Anticoagulation therapy is used when the heart tends to beat out of rhythm --a condition known as atrial fibrillation. Patients with this condition are at an increased risk of stroke but can decrease their risk by taking Warfarin Sodium (popular name is Coumadin.) which thins the blood. However, Coumadin must be carefully regulated. After completing an institutional chart review, Virginia Mason Medical Center found that this treatment was associated with a high rate of adverse drug reactions—either major bleeding (blood too thin) or stroke (caused by blood clotting).

Virginia Mason Medical Center established the Comprehensive Anticoagulation Clinic Program. Since the implementation of this program, The Virginia Mason Medical Center has been able to decrease the incidence of stroke by 70% and the incidence of major bleeding by 72% in patients participating in the program.

For more information visit the [CHT website](#) and view the transforming solution

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CHT in the News

Rx for America: A Healthy Dose of Information Technology

Newt Gingrich and David Merritt urge widespread adoption of interoperable HIT in a recent editorial for *The Forward*.

Stark, Anti-Kickback and the EHR

In HHN's *Most Wired* Magazine, CHT Founder Newt Gingrich, CEO Nancy Desmond and Project Director David Merritt illustrate how regulatory barriers prohibit willing health providers from adopting HIT

Challenging Convention in Palm Springs

Newt Gingrich presents a "sweeping vision" of healthcare transformation in a speech to the California Association of Physician Groups

Let's Save 18,000 Lives A Year

CHT Founder Newt Gingrich and Project Director David Merritt offer transforming solutions for expanding healthcare coverage to the uninsured

Gingrich Urges Health Leaders to Accelerate HIT Adoption

Computerworld reports on Newt Gingrich's speech to attendees of the Workgroup for

Electronic Data Interchange's (WEDI) annual convention in Baltimore

All-Star Bipartisan Cast Supports HIT Bill

CHT Founder Newt Gingrich and Senator Hillary Clinton (D-NY) join Congressmen Tim Murphy (R-PA) and Patrick Kennedy (D-RI) as they present their transformational new bipartisan health bill, the 21st Century Health Information Act of 2005 [[HR 2234](#)]; [For additional media coverage...](#)

Making the Connection: Helping Health Care Providers Collaborate Via Health Information Networks

CHT Founder Newt Gingrich participates in an Alliance for Health Reform and Commonwealth Fund briefing forum to discuss the issue of HIT interoperability. *Watch the event on the [KaiserNetwork.org's Healthcast](#), or read about it in CQ Healthbeat.*

Speaker Gingrich Joins in Launch of Transformational HIT Product

Newt Gingrich and the Center for Health Transformation participate in the launch of the iHealthRecord. *Read about it in [The Philadelphia Inquirer](#) and [CQ Healthbeat](#).*

The Federal Government Should Pay for Its Failure to Secure the Borders

In an editorial in the *Miami Herald*, Newt Gingrich and David Merritt [Project Director, CHT] discuss the federal government's failure to secure the borders and the financially devastating impact of that failure on state and local governments. [Read the CHT editorial in the Miami Herald.](#)

Visit the [Center for Health Transformation](#) website to read more!

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