

## Center for Health Transformation (CHT)

*Information technology and consumer responsibility to reduce health care costs*

**Organization Description:** CHT is a private organization, founded by former House Speaker Newt Gingrich (R-GA), dedicated to the transformation of the current health care system in America. The Center's membership is comprised of health care providers, government leaders, large and small employers, research institutions, universities, professional and industry associations, solution providers, and patient and disease advocacy groups. Its goal is to accelerate the adoption of new technologies and policies to help improve the health care system.

**Proposal Summary:** CHT's health reform proposals focus on empowering consumers to be responsible for managing their health and health care. Its recommendations seek to expand the use of health information technology (IT), improve quality, reduce the prevalence of chronic illnesses, and limit health care spending. CHT proposes that the health care system be transformed to a completely electronically-based structure, to ensure rapid diffusion of information. CHT advocates that the Medicare program should offer higher reimbursement rates to physicians and hospitals as an incentive to adopt electronic health records and take part in quality initiatives. CHT promotes market-based reforms to increase individual responsibility for obtaining coverage, specifically focusing on health savings accounts (HSAs). It also supports establishing an accurate system for capturing health care costs to increase transparency in the system. CHT's policy positions are expressed through a series of publications and speeches by Gingrich and other staff.

- **Coverage:** CHT proposes to insure all Americans within five years using market-based reforms, which will reduce barriers to purchasing coverage and increase affordability by lowering premium costs. Under the proposal, coverage would be delivered through HSAs to increase individual responsibility. This would reduce costs and encourage prudent purchasing of health care services. CHT recommends that Congress modify current laws governing HSAs to permit beneficiaries to earn rewards for healthy lifestyle activities, to allow enrollees to use HSAs to pay health insurance premiums, and to give consumers the option to purchase an HSA without a high deductible health plan. Furthermore, CHT encourages states to relax insurance regulations so that residents can purchase individual health plans from insurers in other states. It also suggests using tax credits as a mechanism to encourage individuals and small-businesses to purchase coverage. CHT proposes to convert Medicaid to a system of vouchers and tax credits for low-income individuals. It supports requiring individuals who can afford coverage to purchase health insurance. CHT also encourages policies that support state efforts to cover the uninsured.
- **Wellness & Prevention:** CHT supports focusing on early detection and prevention of chronic illness. It recommends that Congress create a public-private advisory group to focus on chronic illness and disease management programs. CHT also focuses on reducing the incidence of Type-2 diabetes through an array of screening and prevention programs.
- **Quality:** CHT proposes to establish a credible and accurate system for capturing the costs and benefits of proposed medical procedures. This promotes improved outcomes and reduced costs by assessing the return on investment for medical procedures. CHT recommends that Congress release de-identified Medicare claims data in order to build a database of cost, quality, and performance data on both procedures and providers. It

seeks to create a national system of best practices and performance measures. CHT also supports reimbursing physicians and facilities based on health outcomes. It recommends making medical error reporting mandatory for all providers.

- *Health IT:* CHT recommends creating secure electronic health records and e-prescribing with expert systems to maximize accuracy, minimize errors, reduce inefficiencies and improve care. CHT believes that insurers, especially Medicare, should create incentives for providers to purchase health IT through higher reimbursement rates or federal loan programs. CHT also recommends passing an exemption to the Stark and Anti-kickback statutes to permit hospitals to provide community physicians with health IT systems.
- *Cost:* CHT supports using electronic systems to eliminate paper and contain administrative costs. CHT supports passing medical liability reform.
- *Other:* CHT seeks to reduce prescription drug prices and increase transparency. It recommends strengthening the public health infrastructure to detect a public health crisis and prevent bioterrorism.

**Proposal Date:** 2005-2007

Sources: *Health Action Agenda for the 110<sup>th</sup> Congress*, <http://www.healthtransformation.net/content/Files/Health%20Action%20Agenda%20for%20the%20110th%20Congress%20FINAL%20TO%20POST.pdf>; *Saving Lives and Saving Money in the 21<sup>st</sup> Century*, <http://www.healthtransformation.net/content/Files/WP-SLSM%2021st%20Cent-12-21-05%20v2.pdf>; *Build Eisenhower's Highway System for Today's Needs*, [http://www.healthtransformation.net/news/cht\\_articles\\_and\\_op\\_ed/4212.cfm](http://www.healthtransformation.net/news/cht_articles_and_op_ed/4212.cfm); *Trust America's Ingenuity to Fix our Troubling Healthcare Issues*, [http://www.healthtransformation.net/news/cht\\_articles\\_and\\_op\\_ed/4716.cfm](http://www.healthtransformation.net/news/cht_articles_and_op_ed/4716.cfm); *Reform Payment Models to Transform Health*, [http://www.healthtransformation.net/news/cht\\_articles\\_and\\_op\\_ed/4078.cfm](http://www.healthtransformation.net/news/cht_articles_and_op_ed/4078.cfm); *Let's Save 18,000 Lives a Year*, [http://www.healthtransformation.net/news/our\\_take\\_on\\_the\\_news/1442.cfm](http://www.healthtransformation.net/news/our_take_on_the_news/1442.cfm).