



Rx: Health Care FYI #45

Subject: *44 Ways to Transform Health Care*
From: *Rep. Tim Murphy (PA-18)*

This is the 45th Health Care FYI during this session of Congress—all geared towards reforming our expensive health care system that wastes hundreds of billions of dollars and tens of thousands of lives. With health care costs rising dramatically for consumers, employers and the government, it is time to fix health care in America instead of continuing to refinance a broken system. Below is a list of all the Health Care FYIs offered. Details of each are available from my office.

- 1. Federal Spending for Healthcare:** The federal government spends nearly 45% or over \$430 billion of all annual mandatory spending on health care.¹
- 2. Electronic Medical Records:** EMRs will centralize all patient records and provide instant access to information to any health care provider in a secure and confidential manner. EMRs can help to save over \$162 billion per year.²
- 3. Electronic Prescribing:** Eliminating prescribing errors such as drug-to-drug interactions, and allergic reactions can save \$29 billion annually.³
- 4. Community Health Centers:** Community Health Centers save the Medicaid program 30 percent in annual spending.⁴
- 5. Know Thyself: The Importance of Patient Responsibility:** Patients should keep complete family medical histories to improve treatments and reduce misdiagnosis.
- 6. Promote more Volunteer Physicians at Community Health Centers:** Enlisting the support of more volunteer doctors at Community Health Centers will extend more care to the uninsured and underinsured, and fill current shortages of doctors (e.g. 13% vacancies for family physicians).⁵
- 7. Stop Paying for Hospital Acquired Infections:** A 1998 study reported preventable infections acquired in hospitals cost at least \$4.5 billion per year and contributed to more than 88,000 deaths—one death every 6 minutes.⁶
- 8. Reward Positive Performance in Hospitals:** Pay-for-performance programs for hospitals can reduce medical errors and reduce overall health care costs, as demonstrated by several private studies.
- 9. Integrated Health Care Saves Money:** Integrating treatment of mental illnesses with care for other chronic medical conditions (e.g. heart disease, depression) would save employers more than \$51 billion per year.⁷
- 10. Stop Wasting Prescription Drugs:** Over \$378 million could be saved annually by restocking unused, unopened, prescription drugs that are often discarded by long term care facilities.⁸
- 11. Primary Prevention Lowers Health Care Costs:** Health and Wellness programs sponsored by employers, health plans or government funding reduce the risk of disease before symptoms appear.
- 12. Information Technology Can Transform Health Care:** Patient records stored and shared electronically increases efficiency while assuring privacy and security. However, standards are needed to make sure medical records from different clinics and hospitals can communicate with each other.
- 13. Ensuring a Stable Vaccine Supply:** Vaccinations save more than \$52 billion in total health care costs and 33,000 childrens' lives annually.⁹ Stable domestic suppliers are needed to prevent shortages.
- 14. Cord Blood Stem Cells are Saving Lives:** Cord blood (stem cells from the blood contained in umbilical cord and placenta) and adult stem cells have been proven to treat 72 diseases without destroying human embryos.¹⁰
- 15. Extending the Shelf Life of Prescription Drugs:** Often the expiration dates of prescription drugs do not accurately reflect the true shelf life, which could save billions of dollars annually for discarded drugs.
- 16. Ending Defensive Medicine:** Surveys of physicians reported up to 90% of doctors order extra tests and procedures out of a fear of lawsuits.¹¹ Patients should carefully review medical decisions with their doctors to eliminate unnecessary tests and procedures to save \$50.6 billion annually.¹²
- 17. Paper Costs and Kills:** The outdated paper-based medical system costs over \$294 billion annually or 31% of all health care expenditures.¹³
- 18. Coordinating Care to Treat Chronic Disease:** Chronic diseases such as heart disease, lung disease, asthma, arthritis, depression and Alzheimer's account for over 75 percent of all health care spending.¹⁴ Coordinating the complex care for these patients will improve outcomes and lower cost dramatically.
- 19. Reducing American Obesity:** Obesity rates for children have tripled over the last three decades.¹⁵ Obesity adds \$75 billion to the nation's annual medical costs.¹⁶
- 20. Reporting Errors Improves Patient Safety:** To address the over 195,000 preventable annual deaths due to medical errors, obtaining accurate information on infection rates and medical and medication errors are necessary for health care providers to improve patient safety.¹⁷
- 21. Reducing the Costs of Uncompensated Care:** Promoting more effective use of outpatient clinics

- and Community Health Centers can improve patient outcomes and reduce the \$41 billion spent annually on uncompensated care for the uninsured and underinsured provided at emergency rooms.¹⁸
22. **Bad Medicine: Avoiding Counterfeit Drugs:** Consumers need to beware of counterfeit medicines on the market. In 2003, there were \$32 billion in counterfeit drugs purchased.¹⁹
 23. **Prenatal Care Saves Lives and Money:** Timely prenatal care can save up to \$300,000 per at risk child by detecting and preventing low-birth weight, premature birth and birth defects.²⁰ One million American women deliver babies annually without receiving prenatal care.²¹
 24. **Maternal Smoking During Pregnancy Increases Health Care Costs:** Enrolling mothers into smoking cessation programs will help reduce the \$2 billion annually in unnecessary complications associated with maternal smoking.²²
 25. **Taking your Medicine Can Reduce Health Care Costs:** Taking prescription medications properly can save 125,000 deaths and \$100 billion per year in additional costs.²³
 26. **Taking Control of Chronic Conditions: Patient Care Management Lowers Health Care Costs:** Individualized health plans for chronic condition patients that coordinate treatments among healthcare providers can reduce hospital readmissions. One hospital reduced readmissions rates by 50% for patients with heart disease.²⁴
 27. **Strengthening Medicaid: Reducing Waste, Fraud and Abuse:** By eliminating waste, fraud and abuse, Congress can strengthen Medicaid for the elderly, disabled and low-income Americans, and save tens of billions.
 28. **Protecting Patient Privacy for the 21st Century:** Electronic Medical Records must be kept secure to protect patient privacy. Technology can increase enforcement of current privacy laws and keep medical records away from unauthorized users.
 29. **Preparing for an Avian (Bird) Influenza Pandemic:** Increasing communication, implementing patient safety standards and stockpiling vaccines can reduce the impact of a flu outbreak.
 30. **Winning the War against Post Traumatic Stress Disorder:** One study reported 18% of soldiers redeployed from Iraq suffered symptoms of PTSD.²⁵ Social attitudes that are deeply critical of soldiers increases PTSD risk for veterans.
 31. **Informed Consumers Can Lower Prescription Drug Costs:** Comparing prescription drug costs over the Internet can result in cost savings of 40%.²⁶
 32. **Lowering Drug Costs for Medicare Patients:** A number of private companies and nonprofits offer free or discounted drug programs to lower costs and improve care for low-income seniors.
 33. **Critical Condition: The State of the Union's Health Care:** Our nation's health care system is tremendously wasteful. By taking a few steps to improve quality and patient safety, over \$300 billion could be saved every year to make health care more affordable for American families.²⁷
 34. **Empowering Health Care Consumers:** Educating patients about prevention, treatments, costs, and the quality of care lowers health care costs.
 35. **Ending Preventable Infections:** Reporting preventable infections acquired at hospitals and clinics increases patient safety efforts and will decrease 90,000 American deaths each year and \$50 billion in unnecessary medical expenses.²⁸
 36. **Improving Health Literacy:** Easy-to-understand health care materials with treatment instructions can save \$73 billion annually.²⁹
 37. **Lowering Long-Term Care Costs:** Providing tax incentives for the purchase of long-term care insurance when workers first enter the marketplace would decrease the \$194 billion annually spent on long-term care.³⁰
 38. **Winning the Race to Cure Breast Cancer:** Early detection of breast cancer in low-income populations can reduce the 40,970 deaths from breast cancer annually.³¹
 39. **Can Competition Lower Health Care Insurance Costs?** Giving families more choices in health insurance policies can increase health care coverage and decrease costs. A 25-year old male in good health could purchase a policy for \$960 a year in Kentucky. That policy would cost about \$5,880 in New Jersey.³²
 40. **Reducing Exposure to Secondhand Smoke:** Incentives such as lowering health care premiums and educating the public on the health risk of exposure will reduce the 3,000 adult nonsmokers killed from lung cancer and the additional \$10 billion spent annually.³³
 41. **Eliminating Preventable Medication Errors:** Allowing health care facilities to purchase electronic prescribing technologies for their doctors can reduce the over 1.5 million patients injured every year from preventable medication errors.³⁴
 42. **The Uninsured:** Require CMS to report those eligible but not enrolled in federal health care programs by age and income to allow policy makers to target health care coverage programs more accurately and effectively.
 43. **Consumers have the right to know the cost and quality of care:** Making available health care transparency information to families and employers can be used as benchmarks to negotiate lower health insurance costs.
 44. **Improving Emergency Care:** Supporting patient care management programs and rapid response teams in our nation's emergency rooms (ERs) can reduce overcrowding to lower the half a million times a year ambulances carrying sick patients are turned away from full ERs.³⁵

¹⁸ Kaiser Commission on Medicaid and the Uninsured, *The Cost of Care for the Uninsured: What Do We Spend & Why?* (May 2006).
¹⁹ World Health Organization, *Substandard and Counterfeit Medicines: Fact Sheet* (November 2005).
²⁰ Children's Alliance, *Prenatal Care*, April 2003; *Tennessee Birth Control Policy*, U.S. Office of Technology Assessment, 2002.
²¹ Health Resources and Services Administration, *Maternal and Child Health Report*, U.S. Department of Health and Human Services, 2005.
²² *USA Council on Drug Products*, *Issue Brief: Prescription: National Security*, 06/2005.
²³ *Medication Safety: A Consumer's Adherence to Prescriptions*, American Pharmacists Association, 2003.
²⁴ *Measuring the Impact of Healthcare Provider Networks*, 2004.
²⁵ *National Center for Post-Traumatic Stress Disorder: A Brief Primer on the Mental Health Impact of the War in Afghanistan and Iraq*, U.S. Department of Veterans Affairs, 2004.
²⁶ *Consumer Health Care: Empowering Medical Consumers*, August 2005.

²⁷ Institute of Medicine, *Hospital Based Emergency Care: At the Breaking Point*, National Academy of Sciences, June 14, 2006.