

THE WEXLER GROUP

1317 F Street, N.W.
Suite 600
Washington D.C. 20004
202-638-2121
202-638-7045 Telecopy

MEMORANDUM

September 27, 1993

TO: Carol Rasco
FROM: Betsey Wright *BW*
RE: Rural Hospital Administrators' request

The administrator of my hometown hospital in Alpine, Texas, chairs a monthly teleconference with a couple dozen other rural hospital administrators. The teleconference is on the 1st Monday of each month and begins at 12 noon CST (1:00 pm EST).

Would it be possible to schedule you or another administration official to talk to ~~him~~ ^{them} by phone on either October 4 or November 17?

↑
in L.R.

↑
open

Accept if as I assume I will do it by teleconference from DC?

A Unit of Hill and Knowlton Inc.

FAX TRANSMISSION

TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

HealthNet

HSC 1C162
3601 4th Street
Lubbock, Texas 79430
Office: (806) 743-1872 Fax: (806) 743-~~1862~~ **2233**

From: *Steve Cotton* Phone: *(806) 743-1872*
Subject: *Ms. Rasco's Participation in Teleconference*
on November 1st

To: *Rosalyn Miller, Asst to Ms. Rasco*

Organization: *Domestic Policy Office, The White House*

Date: *10/21/93* Total Pages: _____ Fax No. *(202) 458-2878*

Comments:

Dear Ms. Miller -
Please review the attached material and confirm with me at your earliest convenience that this is on Ms. Rasco's calendar so we have been advised by Betsey Wright. A copy of Betsey's memo to us (to Richard Arnold) is attached.
** We would appreciate receiving a faxed ltr ASAP so we could attach it to our promotional notices to all those invited to be part of the teleconference (administrators). I will FedEx an info pack to you for your and Ms. Rasco's review. I will touch base with you again the morning of the 1st. Please call if you or Ms. Rasco need anything else -*
Thank you,
Steve Cotton



STEVE J. COTTON
Director of Marketing and Program Development

HealthNet
HSC 1C162
3601 4th Street
Lubbock, Texas 79430
Office: (806) 743-1872
Fax: (806) 743-2233

nam
10/21/93

**TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER****HealthNet**

Office of the Director of Marketing and Program Development

3601 4th Street, Suite 1C-162
Lubbock, Texas 79430
(806) 743-1872

October 21, 1993

Ms. Carol Rasco
Assistant to the President
for Domestic Policy
The White House
West Wing, 2nd Floor
Washington, D.C. 20500

Dear Ms. Rasco:

Thank you for agreeing to Betsy Wright's request to participate in our monthly HealthNet Administrators' Telephone Conference scheduled for Monday, November 1, 1993 from 1:00 pm to 2:00 pm EST. The purpose of our teleconferences is to connect key policymakers in federal and state agencies, the Texas Hospital Association, the Center for Rural Health Initiatives, and the Texas Rural Health Association with rural hospital administrators in discussing major issues related to rural health care. Our goal is to facilitate constructive communication among these influential members of our Rural Health Services Network throughout Texas and eastern New Mexico, and to provide them periodic updates on policy and regulatory developments.

In order to provide you background information on HealthNet and our network, I will Federal Express this week an infopack to Ms. Rosalyn Miller of your staff for your attention. I will include our Executive Overview briefing charts which we provide to Members of Congress, the Texas Legislature and others. Please feel free to share this information with anyone at the White House you believe might benefit from it. I am also sending a videotape explaining what we do at HealthNet in support of rural health care in both the telemedical consultation and distance-learning areas.

Mr. Richard Arnold, the administrator at the Big Bend Regional Medical Center in Alpine, Texas, is a real leader in rural health care in the Southwest and is our host for these teleconferences. By participating, we would ask you to comment on the implications of the President's health care proposals for rural America, rural hospitals and health care providers, and respond to administrators' general questions or comments reflecting their unique perspectives.

Ms. Carol Rasco
October 21, 1993
Page 2


Of particular interest to our senior managerial audience are the possible implications of the President's proposals for the survival of rural hospitals, the future of telemedical consultation systems and health care distance learning networks like HealthNet, the problem of a shortage of rural primary care physicians, the prospects for Administration support for reimbursement for telemedical services for supportive physicians willing to utilize telemedical strategies to improve rural patient access to care, and related issues. Certainly, we want you to feel free as well to discuss issues of particular concern to the President, First Lady and Vice President, all of whom we understand are quite well-informed on the problems of rural providers.

The format we have established for these teleconferences is that our guest speaker is introduced to the audience by Mr. Arnold and then opens the discussion with some remarks about the topic, then responds to questions from administrators. I am enclosing a list of the administrators on our network who will be likely participants in the teleconference.

I have already requested a bio from your office and we will be promoting the program and your participation starting today. To join us on November 1st, all you will need to do is call this phone number: (907)258-5610 at 1:00 EST and your call will be linked to all other participants. If you have any questions or special requirements, please call me at Texas Tech University in Lubbock (806)743-1872 or Richard Arnold in Alpine, Texas at (915)837-3447. If you experience any difficulty in making the phone connection, please call the HealthNet office at my number above or (806)743-2640.

We sincerely appreciate your graciousness in agreeing to visit with our network members and we look forward very much to a discussion of the President's vision for improved rural health care.

Sincerely,



Steve J. Cotton
Director, Marketing and Program Development
HealthNet

xc: Richard Arnold, BBRMC
Dr. Bill McCaughan, HealthNet Exec. Dir.
Sherald Ramirez, Director/Education Services
Betsey Wright, The Wexler Group

THE WEXLER GROUP

1217 F Street, N.W.

Suite 600

Washington D.C. 20004

202-688-2121

202-688-7045 Telecopy

MEMORANDUM

September 29, 1993

TO: Richard Arnold
FROM: Betsey Wright
RE: Teleconference Bonanza!

Carol Rasco, Assistant to the President for Domestic Policy, has agreed to participate in the November 1 teleconference with your group of rural hospital administrators.

Please work with Carol's assistant, Rosalyn Kelly, who address and phone numbers are below to confirm the logistics. It would be most helpful to the White House if you would send a letter to Carol explaining "who and what and why" the group on the teleconference is.

Let me know if I can help in any other way.

cc: Rosalyn Kelly
 The White House
 West Wing
 Washington, DC 20500
 202-456-2249

*Hillary's -
 principle adv:
 - used to
 work in
 Clinton
 Cabinet in
 Arkansas
 > own life
 experiences
 (disabled
 child)*

HealthNet's Rural Health Satellite Distance Learning Network

Accredited Continuing Education Courses Beamed Via Satellite From TTUHSC





Hospital Administrators

| | | |
|------------------|---|-------------------------|
| Richard Arnold | Big Bend Regional Medical Center | (915) 837-3447 |
| Tom Nance | Atlanta Memorial Hospital | (903) 796-4151 |
| Ron Galloway | Reagan Memorial Hospital | (915) 884-2561 |
| David Hughes | Golden Plains Community Hospital | (806) 273-2851 |
| Mike Click | Brownfield Regional Medical Center | (806) 637-3551 |
| Robert Ezzell | Hemphill County Hospital | (806) 323-6422 |
| Frances Smith | Childress Regional Medical Center | (817) 937-6371 |
| Jim Smith | Goodall-Witcher Hospital | (817) 675-8322 |
| Clark Moody | Kristi Lee Manor Nursing Home | (915) 728-5247 |
| Wendell Alford | Mitchell County Hospital | (915) 728-3431 |
| Marsha Rickard | Mitchell County Hospital, Valley Fair Lodge | |
| David D. Clark | Crosbyton Clinic Hospital | (806) 675-2382 |
| Larry Krupala | Cuero Community Hospital | (512) 275-6191 |
| Scott Evans | Val Verde Memorial Hospital | (210) 775-8566 |
| Edward Rodgers | Yoakum County Hospital | (806) 592-2121 |
| Joe Stevens | Plains Memorial Hospital | (806) 647-2191 |
| Gary Moore | Maverick County Hospital District | (210) 773-5321 |
| Robert E. Vernor | Pecos County Memorial Hospital | (915) 336-2241 |
| Jerry Durr | Hill Country Memorial Hospital | (210) 997-4353 |
| Bill Neely | Parmer County Community Hospital | (806) 247-2754 |
| Douglas Langley | Memorial Hospital Gonzales | (210) 672-7581 Ext. 205 |
| Michael Keller | Hl-Plains Hospital | (806) 839-2471 |
| Ron Rives | Deaf Smith General Hospital | (806) 364-2141 |
| Ernie Parisi | Medina Community Hospital | (210) 426-5363 |
| Harold Boening | Otto Kaiser Memorial Hospital | (210) 583-3401 |
| Steve Kuehler | Knox County Hospital | (817) 658-3535 |
| Arla Jeffcoat | Medical Arts Hospital | (806) 872-2183 |
| Diane Gage | Llano Memorial Hospital | (915) 247-5040 |
| Bill Boswell | McCamey Hospital | (915) 652-8626 |
| Richard Murphy | Muleshoe Area Medical Center | (806) 272-4524 |
| Gerry Phillips | Crockett County Hospital | (915) 392-2671 Ext. 302 |
| Bob Charron | Memorial Hospital Palestine | (903) 729-6981 |
| Charles Van Tine | Ochiltree General Hospital | (806) 435-3606 |
| | Methodist Hospital | (806) 296-5531 |
| Henry Hawley | South Plains Health Provider Organization | (806) 293-8561 |



Hospital Administrators

| | | |
|------------------------|--------------------------------|----------------|
| Maritta Reed | Garza Memorial Hospital | (806) 495-2828 |
| Sr. Carol Boschert, PA | Presidio Family Health Clinic | (915) 229-4246 |
| Ella Raye Lovejoy | Fisher County Hospital | (915) 735-2256 |
| Valerie Miller | Lincoln County Medical Center | (505) 257-7381 |
| Robert E. Butler | Angelo Community Hospital | (915) 949-9511 |
| John Colter | Memorial Hospital Seminole | (915) 758-5811 |
| Leroy Schaffner | Seymour Hospital | (817) 888-5572 |
| Tim Lancaster | D.M. Cogdell Memorial Hospital | (915) 573-6374 |
| Al LaRochelle | Hansford Hospital | (806) 659-2535 |
| Louise Landers | Lynn County Hospital | (806) 998-4533 |
| Richard Lee | Culberson County Hospital | (915) 283-2760 |

Satellite system links rural locations with specialists

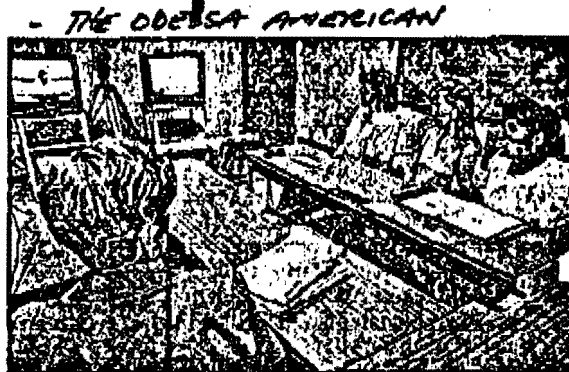
By Rhonda Duey
The American 7-31-93

If rural health-care providers have been watching a lot of TV lately, it's been for a good cause.

Since 1990, technology has opened a door for rural physicians, nurses and other health professionals to communicate via satellite with specialists in Lubbock and Odessa through the Texas Tech University HealthNet system. The system has been in place in Alpine and Fort Stockton for more than three years and recently became operational in Presidio.

The program was piloted as MEDNET in 1990 to determine its feasibility, Steve Cotton, Tech's director of marketing and program development, said. Two aspects of the program were evaluated to determine their ability to enhance rural health care, Cotton said.

"The first tool was two-way interactive video to link up the rural doctor and patient with a health-care specialist here at the (Health Sciences Center) through real-time TV," Cotton said. "The other tool was the use of satellite broadcasting technology to beam out to rural hospitals and their staffs continuing education programs."



The Odessa American: Matt Brunworth

The Healthnet system at Texas Tech University Regional Academic Health Center is used Thursday by nurses taking a pathophysiology course. Through the audio/video link, Zassar Gatson, far right, Vanessa Wilson and Vicki Flowers are able to take Dr. John Pelley's class in Odessa while he is in Lubbock. At left is coordinator Gayleen Ienatsch.

The program attempts to bridge the distance gap that plagues rural health-care providers. Cotton cited professional isolation and "lack of an infrastructure to support health-care professionals and their patients" as some of the hurdles facing rural doctors.

Cotton said that the HealthNet system "makes a difference in the quality of the

Please see HEALTHNET/9A

HealthNet

health care provided and in the morale of the rural health-care professional."

The Alpine link has made dramatic differences in several people's lives. The very first test of the system was for a newborn experiencing respiratory problems. A Texas Tech neonatologist visited with the family physician, listened to the lab reports and viewed the X-rays, then identified the problem as acute metabolic acidosis and suggested treatment to stabilize the infant until she could be transferred to the nearest neonatal unit 160 miles away.

JoAnn Lister, grant project coordinator for Big Bend Regional Medical Center in Alpine, cited another example of the system's usefulness. A local rancher had cut his hand, and the wound became infected despite use of antibiotics. He soon broke out in blotches, and the local physician called for a consultation.

The specialist in Lubbock took one look at the blotches and told the man to fly to Lubbock right away, Lister said. "The specialist got up from the consultation and said, 'Are you coming?' The guy said, 'Yes,' and the specialist said, 'I'll go and reserve an operating room for you right now.'"

The man was able to fly to Lubbock immediately. "They had to cut all the way to the bone right away (to get rid of the infection)," said Lister. "Otherwise, he would have lost his hand, and probably his life."

Lister estimated that Alpine has had almost 300 consultations since the program came on line.

Claude R. Dawson is the TV producer and director for the Odessa HealthNet link. He said that most of the consultations are beamed to Lubbock rather than Odessa, because there are more specialists available there.

"They have access to specialists in the same building," he said. "We rely on private physicians, and without them being compensated, it's pretty difficult."

Dawson added that Texas Tech is working with Medicare and Medicaid to obtain reimbursement for consult physicians, but right now they provide their services free of charge. Lister said that the rural patients are billed by their local physician, but no additional charge is added for the HealthNet consultation.

Dr. Charles Tarvin, professor of

obstetrics and gynecology at Texas Tech University Regional Academic Health Center in Odessa, said the system is still "a little foreign," but overall it works more effectively than he'd expected.

"I can see the physical exam being carried out," he said. "The clarity is real good."

Tarvin does not have a problem with the lack of compensation. "It's supposed to be a service, not a money-making operation," he said.

The program is funded partly through a grant that pays for the telephone costs and partly through state funding, since it is still considered a research project. Even though the initial start-up cost for each rural site is expensive, around \$5,000, the program often saves money in the long run, since fewer patients need to be transported to the bigger hospitals that are hundreds of miles away.

Money also can be saved through the educational facet of the program. While continuing education courses are mandated by various licensing and accrediting agencies, most rural health professionals find it difficult to find the time to drive vast distances to attend seminars and workshops.

Lister said that the Alpine hospital currently is trying to get nursing education programs beamed into Sul Ross State University. Although the charge would be \$100 per semester per student, Lister said this would be less expensive than taking time off from work to drive to Odessa for classes.

Cotton said that the Rural Health Satellite Network currently provides about 15 one-hour programs that are beamed from the studio out to rural hospitals on the network. Toll-free numbers allow two-way communication, he said.

Dawson added that students at the Odessa Texas Tech site can take video classes from Lubbock instructors.

In addition to providing continuing education credit, the programs enable rural providers to maintain professional contact. "These are well-trained, competent medical professionals who enable (the rural providers) to keep their skills sharp and stay abreast of new developments," Cotton said. In all, the HealthNet system promises an efficient way to span the vast distances separating rural health-care professionals from the resources they desperately need. "This is doing for rural areas what highways did in the '50s," said Lister. "It brings rural areas closer to technology."

G O V E R N O R R I C H A R D S

talks about health care in Texas

Richards: It's kind to call them reviewers. "Hasslers" is what I call them. They are really not reviewing anything. Their whole purpose in life is to call and hassle either a doctor's office or treatment centers. For instance, centers that treat alcoholism and addiction face constant demand to justify the treatment they provide and the kind of coverage patients have. This type of hassle takes a great deal of a provider's time and as a consequence, many just throw up their hands and say, "I'd rather just forget it than get the payment," which is exactly what the "reviewer" is counting on. It is my understanding that they are being paid, too, based on the amount of money they are able to shave off the bills.

ROSS: A bounty system?

Richards: Yes, which is simply outrageous to me.

ROSS: As state treasurer, you had a reputation for problem-solving and consensus building. Will you apply the same methods to the health insurance crisis?

Richards: When something works for me, I stick with it. As you know, my office has formed a short-term task force, of which you are a part, to look at health care needs in the state and propose some recommendations for legislation. The task force will be working with health care providers and are very anxious to see the report of your Ad Hoc Committee on Financing and Availability of Health Insurance. I learned a long time ago that you can find solutions to problems if all the parties involved in the problem are a part of the solution. The integral role that health care providers in Texas play in searching for solutions is just as important as their role in calling attention to the problems.

ROSS: The health-care problems that plague rural Texas are well-documented; we lead the country in hospital closures. Ninety-plus counties have no hospital

obstetrical care, and there are black holes the size of Georgia where there is no medical care at all. In the last legislative session, you actively helped us and other groups persuade Gov Clements to sign the rural health bill -- the Omnibus Health Care Rescue Act (HB18). But how do we find the money to fund the infrastructure the rural health bill tried to put into place?



I LEARNED A LONG TIME AGO THAT YOU CAN FIND SOLUTIONS TO PROBLEMS IF ALL THE PARTIES INVOLVED IN THE PROBLEM ARE A PART OF THE SOLUTION

Richards: It is incumbent upon us, when we put the budget together this time, to try to get the monies there. But even more important than state-level funding is whether or not we secure equitable federal reimbursement for health care services in rural areas that is roughly equivalent to what you get in cities. I think the presumption that it costs less to treat patients in rural areas has really hurt health care in rural Texas.

In addition to funding, we also can work smarter. One bright spot for rural medicine is telemedicine. I want to see an expansion of the Texas Tech MED-NET system that uses satellite hookups to link rural medicine with the expertise at metropolitan medical centers. I think expanding that system into south Texas would be tremendously helpful along the border.

ROSS: South Texas' proximity to Mexico poses some unique health problems. Physicians and allied

health personnel see the consequences of those problems in their emergency rooms, treating otherwise preventable injuries and diseases. You have taken a strong stand on environmental health; would you comment on your environmental program?

Richards: Well, we're going to enforce the law. That'll be a change. And the second thing that we're going to do is to make certain that the people I appoint to the environmental agencies are sensitive to the problems of environmental health. Very few people see the environment as a health and death issue, yet

Medical Tribune



THE PHYSICIAN'S NEWSPAPER

Thursday, September 5, 1991

Volume 3

Rural doctors consult via television

By Tom Abate

A two-way television link between a rural West Texas hospital and a large university center hundreds of miles away is allowing family doctors to get instant patient consults from specialists.

James Luecke, M.D., a family practitioner at Big Bend Hospital in Alpine, Texas, has used the link for consultations on bone, cardiac and endocrine problems.

With five family practitioners and no specialists on staff, Big Bend Hospital has greatly benefited from the hookup with Texas Tech University Health Sciences center in Lubbock, which is 220 miles away, Dr. Luecke said.

"I really think this is the wave of the future," said Dr. Luecke, who practices in the town of 6,000 people.

Nine-month-old Aida Porras is thriving today because the two-way television link let Dr. Luecke show the girl's chest x-ray to a neonatologist at Texas Tech. Big Bend had just started using the TV transmission when hospital

See back of section, page 8



A sophisticated television link allows Dr. Hartman in Lubbock, Texas, to direct a colleague 250 miles away in removing a melanoma from a patient's finger.

Television system links to large centers for patient care

Continued from page 1

staff encountered Aida, born with meconium aspiration.

Dr. Luecke asked to consult with a neonatologist and Marian Myers, M.D., appeared on the screen. "She was able to look at that x-ray and tell right away what it was," Dr. Luecke said.

Dr. Myers recommended that Aida be given intravenous sodium bicarbonate and oxygen therapy.

Soon the child was strong enough to make the three-hour ambulance ride to the nearest neonatal intensive-care unit.

Another hospital in Fort Stockton, Texas, has just been hooked up to Texas Tech via two-way television, Dr. Luecke said.

The two-way television hookup evolved from an earlier project called MEDNET, which provided one-way satellite broadcasts of



A Texas Tech psychiatrist

medical education programs hospitals in rural West Texas

The success of that program convinced Texas Tech that rural doctors were ready for a more ambitious experiment in two-way television

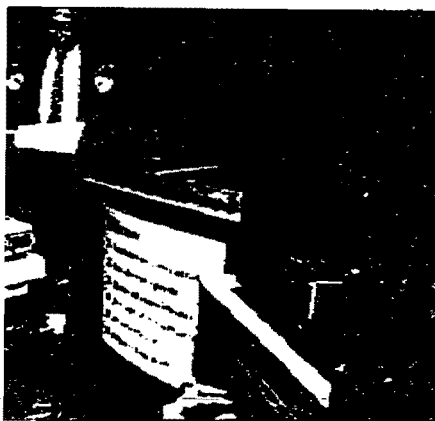
TEXAS TECH
UNIVERSITY
HEALTH SCIENCES CENTER

WILLIAM T. MCCAUGHAN, Ed.D.
Executive Director

HealthNet
HSC 10162
3601 4th Street
Lubbock, Texas 79430

Office: (806) 743-1872

links rural MDs patient consults



offers expertise for use by rural physician:

is to 27
as.
im con-
doctors
ous ex-
on.

"We have demonstrated it
spades the life-saving capabilities
of the system and the usefulness of
long-distance consultation," said
Darryl Williams, M.D., dean of the
Texas Tech School of Medicine.

"The program is designed to
speak very easily to rural hospitals
anywhere," said associate dean Jay
Wheeler, M.D.

A \$4 million state and federal
grant funded the program, said J. To
Hartman, M.D., director of MED
NET at Texas Tech. "Rural hospitals
could not have afforded to develop
these services on their own."



TEXAS TECH UNIVERSITY HEALTH SCIENCES CENTER

HealthNet

Lubbock, Texas 79430
(806) 743-2640

HealthNet

Executive Summary

The problem of rural health care delivery has been more than just a shortage of personnel. Several social, economic, demographic and regulatory factors make it difficult for rural practitioners and rural hospitals to deliver health care services at the levels needed by rural residents. In West Texas, the vast distance between communities compounds the situation even more.

In an effort to address these issues in its West Texas service area, the Texas Tech University Health Sciences Center turned to telecommunications technologies to help bridge the gap existing between the services rural practitioners needed to provide and the resources which were available for their use. Through three separate demonstration projects -- MEDNET, KARENET and Tech Link -- using different technologies, Texas Tech proved the potential of modern telecommunications to deliver improved and expanded levels of health care and educational services in rural and under-served areas.

With the success and potential of MEDNET, KARENET and Tech Link clearly demonstrated, the Texas Tech University Health Sciences Center created *HealthNet* to integrate these and other rural outreach programs into a comprehensive effort addressing the needs of rural health practitioners which, in turn, has increased the quality of life of many residents of West Texas.

TTUHSC is also working with other state agencies in addressing the use of the telecommunications technologies of *HealthNet* in the maintenance of the rural community infrastructure, including public education, public program administration, public safety, and legal services. Through linking state agencies to field personnel and clients in rural communities, these infrastructures are being strengthened.

The telecommunications system that links the four campuses of TTUHSC is based on compressed digital video/audio/data technologies. The system is used to provide educational and administrative communications among the campuses. The impact of this system includes:

- Maximized utilization of faculty
- Reduction of administrative and faculty travel among campuses
- Enhanced educational programs at both the undergraduate and graduate levels through the sharing of the faculty resources of each campus.

This inter-campus, two-way, interactive system also serves as a major leg of the TTUHSC Rural Telemedicine System. This system enables interactive video consultations among family practice physicians, nurse practitioners and physicians assistants serving as primary care providers in rural West Texas and medical specialists at all campuses of the TTUHSC. This service is resulting in increased access and an increased level of both quality and quantity of health care in rural communities. It has enabled the health-care component of the rural community infrastructure to remain viable and healthy. TTUHSC *HealthNet* is embarking on an active program of Telemedicine research and applications activities to expand the potential of this growing field in rural health care.

The satellite-based continuing education network (live one-way video and interactive audio) is being used to extend the resources of TTUHSC to professionals in service in over 50 rural communities through providing continuing education for physicians, nurses and allied health professionals. This has reduced professional isolation and has enabled rural practitioners to be exposed to the latest in thinking and developments in their respective fields. Studies have shown that as a result of this continuing education, there has been a measurable increase in the quality of patient care.

Ongoing research is being conducted by *HealthNet* in the applications of technology to rural health care needs. One area being actively explored is the application of rapidly developing digital technologies to the satellite-based network. It is anticipated that this will result in dramatically increased efficiencies through reduced satellite transmission costs and increased availability of time for delivery of services.

Texas Tech University Health Sciences Center *HealthNet* is committed to its mission of using telecommunications technology and other health care delivery innovations to improve health care in rural and under served areas.