

Gregg Malkary

From: Jason Nelson [jason@fiercemarkets.com]
Sent: Friday, August 26, 2005 9:04 AM
To: gmalkary@spyglass-consulting.com
Subject: FW: | 08.25.05 | Walter Reed gets the ax; Intel turns to healthcare

From: Dan Gattuso [mailto:dan@fiercemarkets.com]
Sent: Friday, August 26, 2005 12:02 PM
To: 'Jason Nelson'
Subject: FW: | 08.25.05 | Walter Reed gets the ax; Intel turns to healthcare

-----Original Message-----

From: FierceHealthcare [mailto:editors@fiercehealthcare.com]
Sent: Thursday, August 25, 2005 1:14 PM
To: dan@fiercemarkets.com
Subject: | 08.25.05 | Walter Reed gets the ax; Intel turns to healthcare

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Also Noted: Spotlight On... Galvanon wins Baylor contract; US seniors warm to Medicare Part D; Shortage of pain management specialists; and **much more...**

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1. Panel votes to close Walter Reed Medical Center

A federal commission voted this morning to officially close the US Army's historic Walter Reed Medical Center. Critics had argued against closing the storied facility in Washington, DC, which has treated presidents and generations of soldiers wounded in wars in Europe, Southeast Asia and most recently Afghanistan and Iraq. Under the Pentagon's new plan, existing operations at the hospital will be shifted to a new facility in Bethesda, Maryland, currently the site of the National Naval Medical Center. Construction costs for the new complex, which will also be named Walter

Reed, are estimated at \$989 million. The Defense Department has pledged that the new facility will be a "state of the art marvel." Washington, DC, will lose about 5,600 healthcare jobs as a result.

- see this [story](#) from The New York Times
- see this [story](#) from the AP

2. Chutes & Ladders: Wall Street insider named to FDA post

Wall Street reacted favorably to the appointment of Dr. Scott Gottlieb to the FDA's No. 2 job this week. Critics, however, are questioning Gottlieb's ties to investors and his stance on fast-track approval for new drugs. The *Seattle Times*, which recently ran a series exposing questionable business relationships between prominent medical researchers and Wall Street, writes that the appointment may "send exactly the wrong message." Gottlieb denies any potential conflict of interest and said he will give up his job as a newsletter writer covering biotech for *Forbes* to move over to the FDA post.

- see this [story](#) from the Seattle Times

ALSO: Is the FDA putting its foot down on DTC ads? BrandWeek reports nine warning letters were sent to pharma companies in July in response to problem spots. [Story](#)

3. HIT: Intel launches healthcare push, focus on wireless

Intel is the latest big technology company to turn its attention to the healthcare sector this month. On Wednesday, Intel Digital Health Group general manager Louis Burns gave a keynote speech at InfoWorld, talking up the ever-popular theme of all the good things technology can do for healthcare if only we'd let it. The Intel executive said new technologies like wireless and electronic medical records will help both business and government control rising healthcare costs. Burns noted that some estimates suggest that spending could grow to as much as 25 percent of gross domestic product if left unchecked. Burns also described a project which uses wireless technology to remotely monitor the health of Parkinson's patients.

Last week, Intel launched a "digital communities" initiative which seeks to encourage cities across the US to adopt wireless technology to streamline government and municipal operations. Burns suggested that WiMax could offer one solution for cities hoping to help local hospitals share data.

- see this [story](#) from the Inquirer
- see this [blog entry](#) from ZD Net

4. Trend: RFID use at hospitals growing rapidly

Despite the reservations of privacy advocates and others concerned about the implications of the tracking technology, many hospitals are planning to adopt RFID systems, according to a new survey released this week. Spyglass Consulting found that 45 percent of healthcare CIOs plan to implement RFID at their facilities by the end of next year. The consultancy interviewed 100 health care CIOs for their views on the subject. These days about 10 percent of hospitals use RFID. According to Spyglass, "active" RFID applications, which track tagged items as they move through a hospital system or facility, are currently far more popular than "passive" systems which require the use of an RFID reader.

- see this [story](#) from eWeek

5. California AG to broaden price-gouging suit

The California attorney general is expected to announce that the state is significantly expanding a lawsuit against two pharma companies accused of unfairly setting prices for prescription drugs. As many as three dozen additional pharmaceutical companies could be named as defendants in the case, according to a spokeswoman for Attorney General Bill Lockyer. California sued Abbott Pharmaceuticals and Wyeth in 2003, accusing the two companies of unfairly setting the prices they charge MediCal, the state's program for low-income residents.

The issue of prescription drug pricing in California is a contentious one, of course. Residents will vote on the issue in a special election in November. Proposition 79 would effectively ban pharma companies found guilty of manipulating prices from doing business with the state. The industry backs the more modest Proposition 78, which contains no such restriction.

- see this [story](#) from the Boston Globe

ALSO NOTED

TODAY'S SPOTLIGHT... Galvanon wins Baylor contract

In a major step forward for the maker of automated patient registration kiosks, Galvanon announced that it has signed a multimillion-dollar deal with the Baylor Health System to install its patient self-registration systems at 15 hospitals, clinics and ambulatory surgery centers in Dallas. Supporters say self-registration holds the promise of drastically reduced wait times for patients and improved administrative efficiency. [Release](#)

> American seniors are warming to Medicare Part D, according to research by the Kaiser Family Foundation. KFF said 22 percent of seniors interviewed in its August poll say they plan to enroll, up from 9 percent in its last poll. [Story](#)

> Massachusetts officials say they will probe the sale of cosmetics by physicians due to the increasing popularity of anti-aging creams like Botox. [Story](#)

> A massive disease management pilot underway in Texas is examining how the approach works with a group of 50,000 patients. [Story](#)

> A shortage of pain management specialists has implications for thousands of Americans living with chronic pain. [Story](#)

> Boston-based MedAptus says it has successfully deployed its Electronic Charge Capture Software to Tablet PCs. [Story](#)

And Finally... Canadian doctors are apparently deciding life is better back home. [Story](#)

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