

GE plans to invest \$6B to lower health care costs

May 7 2009, By STEPHEN MANNING , AP Business Writer

(AP) -- General Electric Co. said Thursday that it will invest \$6 billion over the next six years in an attempt to lower the cost of health care and improve the quality of medical care in underserved regions of the United States and abroad.

The broad program sets goals of reducing [health care costs](#) by 15 percent through \$3 billion of spending on new, lower cost medical technology. The initiative also plans to broaden the use of tools such as [electronic medical records](#) and other medical information technology, with the hope of providing more advanced care to 100 million additional people each year.

That will include \$2 billion of financing for rural health care systems in the United States to adopt medical IT systems. It will also expand clinics in Cambodia and provide additional funding for maternal health care programs in Bangladesh.

"Health care needs new solutions," said GE CEO Jeffrey Immelt. "We must combine technology with innovations and smarter processes that help doctors and hospitals deliver better health care to more people at a lower cost."

The company, which has struggled over the past year due to the recession and problems at its GE Capital financing arm, has said that health care and energy are two likely growth areas over the next several years.

GE plans to use its NBC television networks as a way to increase consumer knowledge about health, and will launch a daily program devoted to health in June on MSNBC.

The Fairfield, Conn.-based GE is one of the world's largest industrial companies, making products like jet engines, household appliances and light bulbs. It also has a large health care division, which produces diagnostic equipment for hospitals and medical information technology systems.

GE has dubbed the program "healthymagination," saying it is on par with its "ecomagination" initiative that focuses on cleaner energy projects like [wind turbines](#) and more efficient electric grids.

As part of "healthymagination," GE plans to appoint a [health care](#) advisory board that includes former Sens. Tom Daschle and Bill Frist.

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