

Using Information Technology to Drive Improvement in Healthcare

Overview of Trends at the National, State and Local Levels

Fourth Annual Courage to Improve Conference

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Overview of Presentation

- What's happening at the national level...Administration, Congress, Private Sector
- What's happening in states and regions across the country
- Common principles emerging and key imperatives for moving forward

A Little Background About Us

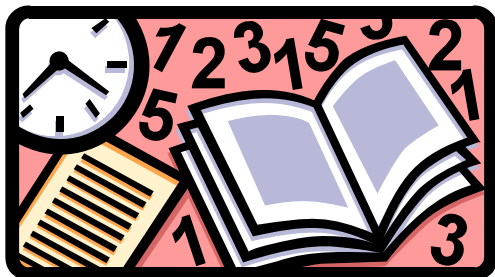
eHI's Mission and Focus

- **Our Mission:** Improve the quality, safety, and efficiency of healthcare through information and information technology
- **Areas of Focus:**
 - **Finding common ground** among the multiple constituencies in healthcare on policies and practices for transforming healthcare with HIT—**at the national level**
 - **Building a bridge** between rapidly emerging national policies and best practices and efforts at the state, regional and community levels
 - Placing a special focus on **mobilization of information--** to support improvements in **quality**
 - **Directly supporting state, regional and community stakeholders** utilizing our multi-stakeholder-developed common principles, policies and practices

Collaboration is the Key to Our Success: eHI's Multi-Stakeholder Membership

- Consumer and patient groups
- Employers, healthcare purchasers, and payers
- Health care information technology suppliers
- Hospitals and other providers
- Pharmaceutical and medical device manufacturers
- Pharmacies, laboratories and other ancillary providers
- Practicing clinicians and clinician groups
- Public health agencies
- Quality improvement organizations
- Research and academic institutions
- State, regional and community-based health information organizations

eHI is the “Go-to” Organization for States, Regions and Communities



Knowledge



Hands-on Help

eHealth Initiative
Improves Health
and Healthcare
through
Information and
Information
Technology



Advocacy



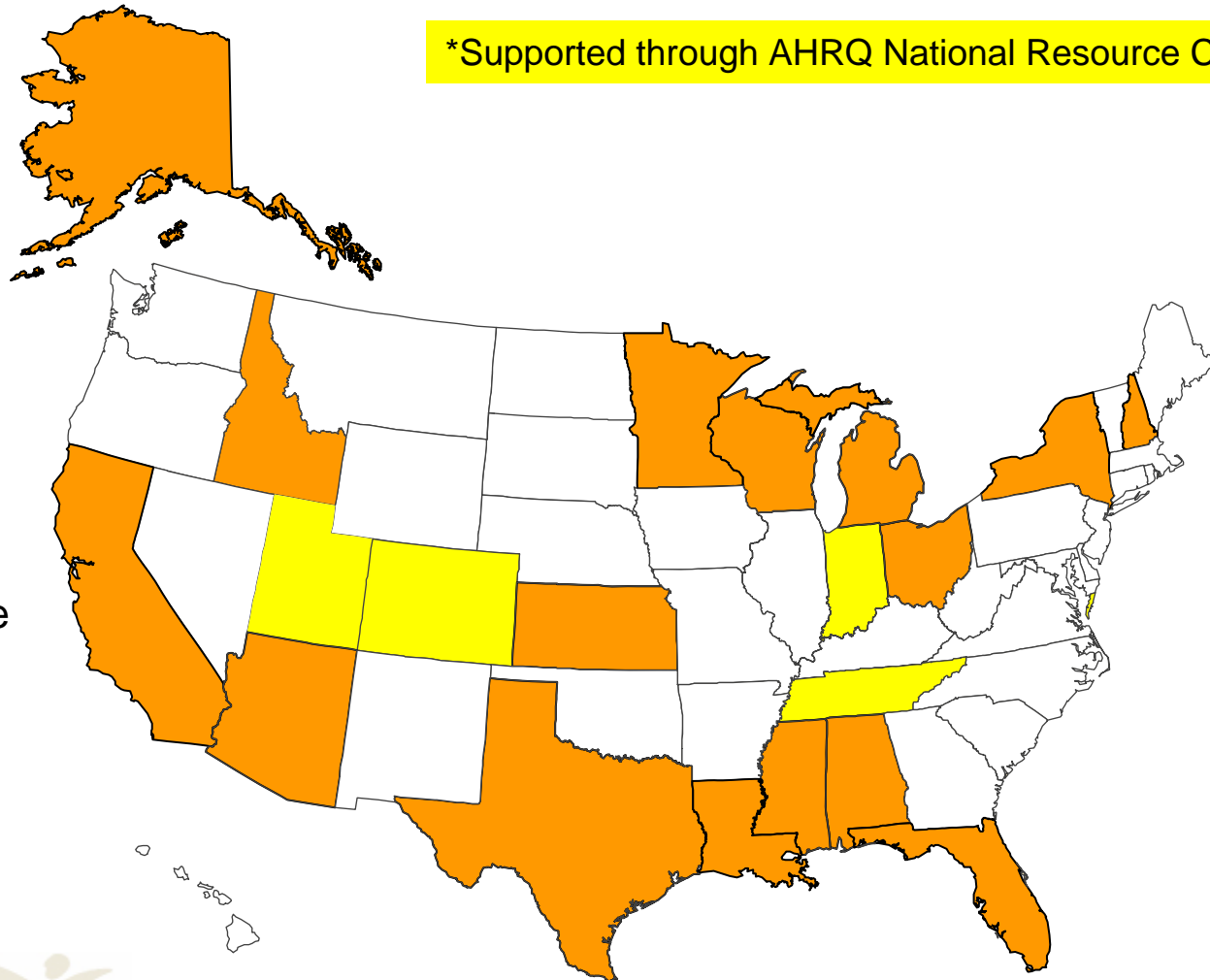
Grants

eHI's Connecting Communities Membership and State Partners

- eHI has built a coalition of more than 280 state, regional and community-based collaboratives focused on improving quality through health information exchange
- eHI has been on the ground supporting 22 state leaders who are developing plans for HIT and health information exchange

eHI Provides Hands-on Help to States

- Alabama
- Alaska
- Arizona
- California
- Colorado*
- Delaware*
- Florida
- Idaho
- Indiana*
- Kansas
- Louisiana
- Michigan
- Minnesota
- Mississippi
- New Hampshire
- New York
- Ohio
- Rhode Island*
- Tennessee*
- Texas
- Utah*
- Wisconsin



What Problem Are We Trying to Solve?

- Improving the quality, safety and efficiency of healthcare through information and information technology
- Mobilizing information electronically to assure the right care is provided to right patient at the right time, every time
- Without reliable information, markets cannot work¹.
 - Physicians don't know how well they are doing compared to their peers,
 - Consumers don't know which doctor or hospital to pick,
 - Payers/purchasers cannot reward better performance.
 - Researchers don't have easy access to the information they need to identify new therapies, and assess the results of those they've already developed

1. Arrow, Kenneth J., Uncertainty and the Welfare Economics of Medical Care, *The American Economic Review*, Vol. LIII, No. 5, December 1963, pp. 941-973.

Rapidly Emerging National Policy

National Trends

What's Happening in Congress?

- Both Senate and House have passed legislation related to health information technology – in conference (informally)
 - Senate Bill - *Wired for Health Care Quality Act* (S. 1418), passed 11/18/05
 - House Bill - *Health Information Technology Promotion Act* (H.R. 4157), passed 7/27/06

National Trends

What's Happening in Congress?

- Key Components of the Bills
 - Role of Government (both Senate and House)
 - Some grants and funding (in both, but more in Senate bill)
 - Safe harbors and Stark exceptions for HIT (in House but not the Senate bill)
 - Importance of IT standards
 - Linkage of HIT funding to quality measurement (Senate only)

National Trends

What's Happening in the Administration?

- Executive Order on *Promoting Quality and Efficient Health Care in Federal Government Administered or Sponsored Health Care Programs* signed by President Bush (8/22/06)
- Release of final CMS and OIG safe harbor rules for certain e-prescribing and EHR technologies (8/8/06)
- American Health Information Community led by DHHS Sec. Leavitt playing a critical role in moving the healthcare IT agenda
- Number of contracts out of HHS continue to move forward to drive standards for interoperability

President Bush's Executive Order

Directs Federal Agencies that Administer or Sponsor Federal Health Insurance Programs to

- **Increase Transparency In Pricing.** The Executive Order directs Federal agencies to share with beneficiaries information about prices paid to health care providers for procedures.
- **Increase Transparency In Quality.** The Executive Order directs Federal agencies to share with beneficiaries information on the quality of services provided by doctors, hospitals, and other health care providers.
- **Encourage Adoption Of Health Information Technology (IT) Standards.** The Executive Order directs Federal agencies to use improved health IT systems to facilitate the rapid exchange of health information.
- **Provide Options That Promote Quality And Efficiency In Health Care.** The Executive Order directs Federal agencies to develop and identify approaches that facilitate high quality and efficient care.

Executive Order: Key Provisions

Implementation Date

- “Agencies shall comply with the requirements of this order by January 1, 2007”

Covered Agencies

- “Agency“ defined as an agency of the Federal Government that administers or sponsors a Federal health care program
- Includes FEHBP, Medicare and programs operated directly by IHS, TRICARE DoD, and the VA
- Excludes state-operated or funded federally subsidized programs such as Medicaid, SCHIP, or services provided to VA beneficiaries under 38 USC 1703

Executive Order: Key HIT Provisions

- As each Agency **implements, acquires or upgrades HIT systems for direct exchange of health information between agencies and non-Federal entities**, it shall utilize where available, HIT systems and products that meet recognized interoperability standards
- Each Agency **shall require in contracts or agreements with health care providers, health plans, or health insurance issuers** that as each provider, plan or issuer implements, acquires, or upgrades HIT systems, it shall utilize, where available, HIT systems and products that meet recognized interoperability standards

Executive Order: Key Transparency of Quality Measurements Provisions

- In general, each agency shall implement programs measuring the quality of services supplied by health care providers to the beneficiaries or enrollees of a Federal health care program.
- Such programs shall be based upon standards established by multi-stakeholder entities identified by the Secretary or by another agency subject to this order.
- Each agency shall develop its quality measurements in collaboration with similar initiatives in the private and non-Federal public sectors.
- An agency satisfies the requirements of this subsection if it participates in the aggregation of claims and other appropriate data for the purposes of quality measurement.
- Such aggregation shall be based upon standards established by multi-stakeholder entities identified by the Secretary or by another agency subject to this order.

Executive Order: Key Transparency of Quality Measurements Provisions

- **Transparency of Pricing Information**
 - Each agency shall make available (or provide for the availability) to the beneficiaries or enrollees of a Federal health care program (and, at the option of the agency, to the public) the prices that it, its health insurance issuers, or its health insurance plans pay for procedures to providers in the health care program with which the agency, issuer, or plan contracts.
 - Each agency shall also, in collaboration with multi-stakeholder groups such as those described in subsection (b)(1), participate in the development of information regarding the overall costs of services for common episodes of care and the treatment of common chronic diseases.

Executive Order: Key Transparency of Quality Measurements Provisions

- **Promoting Quality and Efficiency of Care**
 - Each agency shall develop and identify, for beneficiaries, enrollees, and providers, approaches that encourage and facilitate the provision and receipt of high-quality and efficient health care.
 - Such approaches may include pay-for-performance models of reimbursement consistent with current law.
 - An agency will satisfy the requirements of this subsection if it makes available to beneficiaries or enrollees consumer-directed health care insurance products.

Administration Activities: Work Continues with 4 Contracts

▪ Standards Harmonization Process

- \$3.3M Base Year
- ANSI (Prime), ATI, Booz Allen, and HIMSS
- Formed HIT Standards Panel (HITSP)
- Develop, prototype, & evaluate harmonization process for achieving set of HIT standards that will support interoperability among health care software applications, particularly EHRs

▪ Compliance Certification Process

- \$2.7M Base Year
- Certification Commission for HIT (Prime)
- Develop criteria and evaluation process for certify EHRs and the infrastructure or network components through which they interoperate
- Ambulatory EHR certification criteria due in December 2005; process by January 2006

▪ NHIN Prototypes

- \$18.6M to four consortia
- Prime contracts awarded to four consortia led by Accenture, CSC, IBM, and Northrop Grumman
- Develop prototypes for NHIN architectures using harmonized standards and certified products; testing proposed strategies to face the privacy and security challenges

▪ Privacy and Security Solutions

- \$11.5M Base Year
- RTI (Prime) with National Governors Association
- Formed Health Information Security and Privacy Collaboration (HIPSC)
- Work with state and territorial governments to assess and develop plans to address variations in policies and laws that affect P&S practices that pose challenges to interoperability

Significant Increase in Activity at the State and Local Levels

State Level Activity

What's Happening?

- Over half the states in the country are developing or implementing plans related to health information technology
- Emphasis on quality, patient safety and curbing rising healthcare costs rank high as the primary drivers for state leadership around health information technology.

State Level Activity: eHI Survey Results

Stage 1
AWARENESS
15%

- Recognition of the need for HIE among multiple stakeholders in your state, region, or community
- No coordinated, statewide activity

Stage 2
REGIONAL
ACTIVITY
17%

- Regional or community-specific HIE activity
- Silos of HIE activity with possibly some cross-over
- No coordinated, statewide activity

Stage 3
STATE
LEADERSHIP
25%

- Either legislation has been passed or an executive order issued
- Statewide planning initiative being formulated

Stage 4
STATEWIDE
PLANNING
29%

- Well underway with coordinated, statewide planning
- Structures in place have statewide representation
- Clear on how to deliver statewide plan

Stage 5
STATEWIDE
PLAN
8%

- Plan / Roadmap complete and accepted
- Plan / Roadmap communicated to the public

Stage 6
STATEWIDE
IMPLEMENTATION
6%

- Implementation of state plan or Roadmap is well underway, with key milestones completed

eHI's Recent Analysis of Leadership by Governors

- Ten executive orders were issued by U.S. governors calling for HIT and HIE to improve health and healthcare
 - Arizona, 2005
 - California, 2006
 - Florida, 2004
 - Illinois, 2006
 - Kansas, 2004
 - Missouri, 2006
 - North Carolina, 1994
 - Tennessee, 2006
 - Virginia, 2006
 - Wisconsin, 2005

eHI's Recent Analysis of State Legislative Activity

- **HIT State Legislative Activity Is on the Rise.** State legislatures are increasingly recognizing the importance of IT in driving health and healthcare improvements. In 2005 and 2006:
 - 38 state legislatures introduced 121 bills which specifically focus on HIT
 - 36 bills were passed in 24 state legislatures and signed into law.

eHI's Recent Analysis of State Legislative Activity

Focus of HIT State Legislative Action

- The authorization of a commission, committee, council or task force to develop recommendations
- The development of a study, set of recommendations, or a plan for HIT
- The integration of quality goals within HIT-related activities; or
- The authorization of a grant or loan program designed to support HIT

eHI's Recent Analysis of State Legislative Activity

Primary Focus of State Policy Is on Creation of Commissions to Develop Recommendations and Plans for HIT

- Fifty-three bills were introduced in 2005 and 2006 in 25 states, and 19 bills passed in 14 states, calling for the creation of a commission, committee, council or task force to provide leadership or recommendations on HIT and/or health information exchange.
- Fifty-three bills were introduced in 2005 and 2006 in 24 states, and 21 bills passed in 15 states, calling for a study, set of recommendations, strategies or a plan for HIT adoption and/or health information exchange.

eHI's Recent Analysis of State Legislative Activity

State Policy Makers Providing Funding Support

- 15 bills were introduced in 11 states in 2005 and 2006 which call for the incorporation of financing strategies, such as grant or loan programs, in the recommendations, strategies and plans authorized by the legislation. Seven bills in six states passed and were signed into law
- 27 bills were introduced in 16 states in 2005 and 2006 which either call for the authorization or appropriation of funding for HIT or health information exchange-related activities. Eight bills in seven states passed and were signed into law.

eHI's State Survey Results

Various State Roles

- Participant in the dialogue
- Serving as convener
- Staffing planning activities/project management role
- Providing funds
- Commissioning or funding a study
- Providing education to stakeholders
- Requiring use of standards
- Providing financial incentives through Medicaid
- Providing financial incentives in role as purchaser

eHI's State Survey Results

- 38 states are **participating** in a state-wide or local **dialogue** related to HIT and HIE,
- 21 states are actually **convening stakeholders** for planning, communication and coordination.
- 16 states are **providing staff** to plan activities or serve in a project management role
- 17 states are **providing funds** to support regional and local efforts

Common State Planning Model

- Public-private sector steering group with a set of working groups focused on specific issues
- Making decisions about what to do first...assessing cost, value, feasibility, and urgency
- Inventory of current activities
- Development of an incremental roadmap that gets to their long-range vision—mobilization of information to support care delivery – but focuses on high value incremental steps first
- eHI has been actively helping states on the ground

Regional and Local Activity

What's Happening?

- More than 280 state, regional and community-based activities are engaged in eHI's Connecting Communities membership
- This year's report on eHI's third annual survey of state, regional and community-based health information exchange initiatives shows at least 165 initiatives

Highlights of 2006 Survey

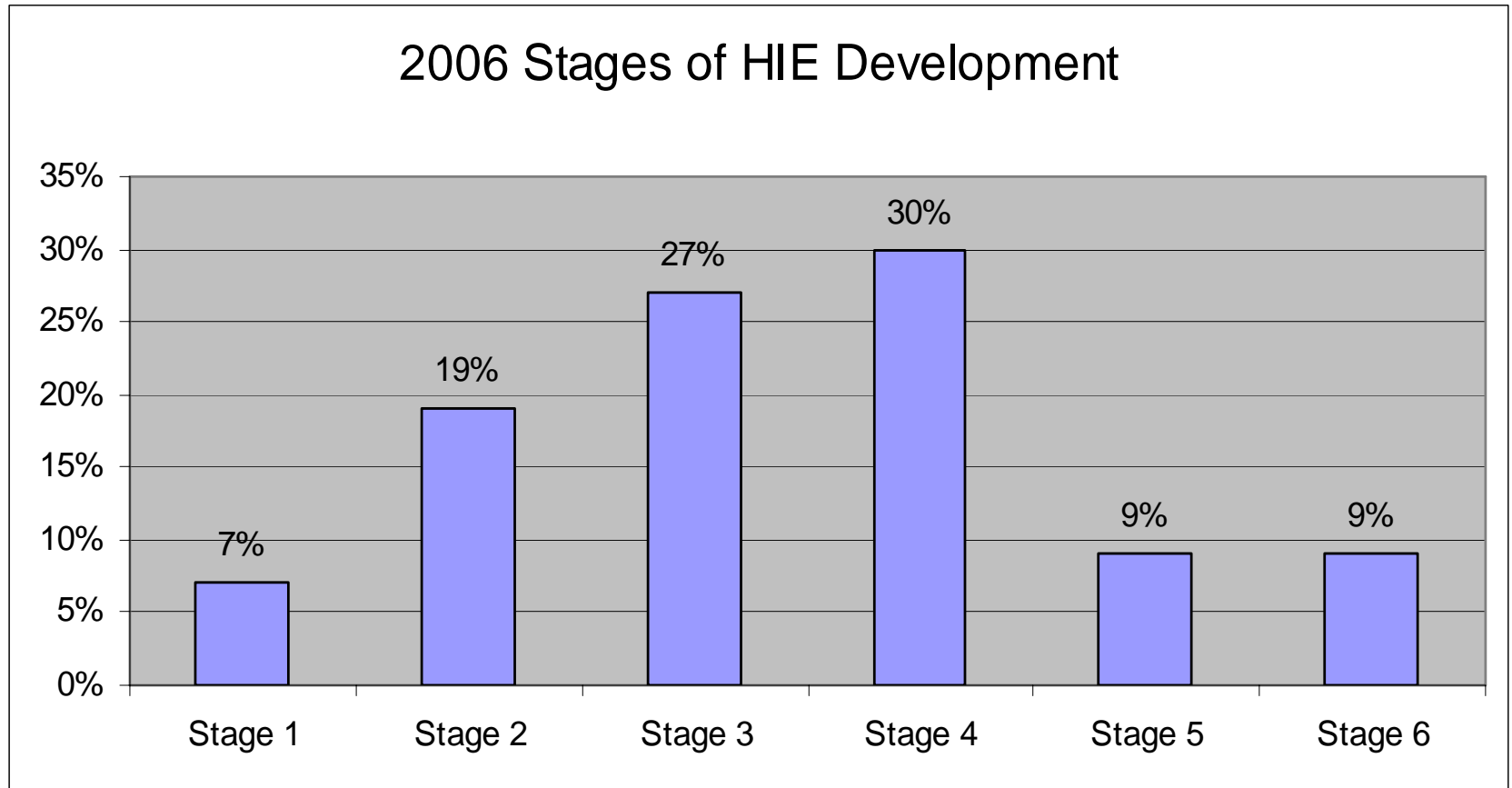
- Fielded in May 2006
- Includes 165 responses from health information exchange (HIE) initiatives located in 49 states, the District of Columbia and Puerto Rico.

Key Findings of Just Released Survey

- Policy development, planning, and HIE implementation activities are taking place at various levels of the system....survey results indicate trends
 - Health information exchange activities primarily occurring at the local levels: 79% of community-level initiatives focused on HIE
 - Needs assessment, goal definition, policies and plans happening at both levels of the system: 20% of community level activities are focusing on this, while 42% of state level focused activities are focused on this

Key Findings

Stages of Development



Key Findings

- Primary Drivers for Health Information Exchange
 - Interest in improving quality (92%)
 - Interest in improving safety (82%)
 - Inefficiencies experienced by providers (70%), and
 - Rising healthcare costs (56%)

Key Findings

- Over 20 percent of respondents are exchanging clinical data
 - Laboratory – 26%
 - Claims – 26%
 - ED Episodes – 23%
 - Dictation – 22%
 - Inpatient Episodes – 22%
 - Outpatient Lab – 22%
 - Radiology 20%
 - Outpatient Prescriptions – 18%

Key Findings

- Services designed to support care delivery processes continue to be the primary focus of HIE exchange efforts
 - Clinical documentation (26 percent)
 - Results delivery (25 percent)
 - Consultation/referral (24 percent)
 - Electronic referral processing (23 percent)
 - Alerts to providers (20 percent)

Key Findings

- HIE efforts are continuing to offer services focused on quality improvement, positioning them for "value-based healthcare" support
 - 20 percent of all respondents are currently providing disease or chronic care management services
 - 11 percent of respondents are providing quality performance reporting for purchasers or payers, while an additional 7 percent expect to provide this service within six months.
 - 10 percent are providing quality performance reporting for clinicians, with an additional 14 percent intending to add this service within six months.

Key Findings

- Engagement of the multiple stakeholders in healthcare is expanding considerably.
Largest increases in:
 - Hospitals – 96%
 - Health plans – 69%
 - Employers – 54%
 - Primary care physicians – 91%

Key Findings

- Health information exchange efforts are significantly increasing efforts to connect with physicians.
 - 91 percent of HIE efforts engaging primary care physicians and 77 percent engaging specialty care physicians,
 - Offering services directly to physician practices.
 - Eighty-six percent of respondents have an approach in place that enables access to data by physician practices that have electronic health records (EHRs)
 - 83 percent offer data access to those who do not have an EHR

Key Findings

- The most common methods that HIE initiatives are using to engage clinicians is outreach through
 - Hospital systems
 - Medical societies
 - Quality improvement organizations
 - Health plans
- In some cases, direct visits and phone calls to the physician practice.

Key Findings

- Increasing evidence of funding by
 - Hospitals - 24 percent
 - Payers – 21 percent
 - Physician practices - 16 percent
 - Labs - 13 percent

Opportunity to Transform Healthcare

- The confluence of efforts surrounding not only information technology and health information exchange, but also requirements for and the alignment of incentives with quality improvement, create a **near-term opportunity for transformation** in the U.S. healthcare system.

eHI's Parallel Pathways Framework

Rapidly emerging interest in aligning quality improvement initiatives with the HIT and health information exchange infrastructure required



Opportunity to Transform Healthcare

- Health information exchange initiatives are beginning to explore expanding their services
 - Offer an approach for supporting quality improvement that builds multi-stakeholder trust
 - Creates a policy and technical infrastructure for information sharing
 - With mutual agreement among providers, purchasers and payers.

Opportunity to Transform Healthcare

- As pressures on the system for quality and efficiency improvement continue to grow, policy makers at the national, state, and local levels should look to align policies for both quality and HIT, enabling the infrastructure currently being built in communities across America to support the mobilization of data for care delivery, to also support the infrastructure being contemplated to improve quality and efficiency.

Opportunity to Transform Healthcare

- Both efforts require trust, the engagement of multiple stakeholders, special attention to information sharing policies related to privacy and confidentiality, and an electronic data infrastructure--and can benefit from being addressed in a complementary fashion.

Key Take-aways

- Health information technology is here and **interoperability** or **health information exchange** is the key area of focus
- Rapid changes in policy at the national, state and local levels
- Every stakeholder group is getting engaged...
- National standards and state best practices are emerging to support interoperability and quality

Key Take-aways

- There is a near term opportunity....in the convergence of movements on both **HIT and quality**
- Mobilizing health information is going to **dramatically improve the quality and safety of healthcare both in Maryland and in the U.S.**

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