Why Health IT?

Health information technology (health IT) allows comprehensive management of medical information and its secure exchange between health care consumers and providers. Broad use of HIT has the potential to improve health care quality, prevent medical errors, increase the efficiency of care provision and reduce unnecessary health care costs, increase administrative efficiencies, decrease paperwork, expand access to affordable care, and improve population health. (from ONC website)

Health Reform Goals within HB 2009	HIT and HIE as Tools to Enable Reform	Outcomes
Direct steps to lower the cost of medical inflation as well as actions to establish foundational delivery system infrastructure to support coordinated cost containment Develop standard formats and processes for eligibility verification, claims, payment and remittance advice transactions and electronic administrative transactions	Effective use of the growing array of information technologies in health care enables clinicians to: ▪ Ensure a newly prescribed medication does not conflict with existing medications. ▪ Avoid duplicate tests because the previous results can be transmitted electronically. ▪ Readily access clinical guidelines and other evidence-based information most relevant to the patient's current condition. ▪ Avoid medication and other errors due to illegible or misinterpreted handwriting. ▪ Improve continuity of care by being able to exchange information with patients' other providers. ▪ Receive reminders about preventive services that patients are due to receive. ▪ Receive alerts when a prescribed action may be contraindicated. ▪ Improve clinical workflow processes to achieve greater efficiencies while also improving outcomes. ▪ Access a patient's record from home when receiving a call at night. In addition, HIT has the potential to reduce health care spending by increasing efficiency. A few examples of opportunities to use HIT to reduce administrative and clinical costs for hospitals or practices include[1]: ▪ Directly dictating to an electronic health record versus paying for transcription services. ▪ No longer having to pull, manage, and	In 2007, the Office for Oregon Health Policy and Research and the Oregon Health Quality Corporation sponsored a study of the potential impact of widespread HIT on health care spending in Oregon. The researchers found that the widespread adoption of advanced health information technology, including electronic health records (EHR) systems with capabilities for the authorized and secure electronic exchange of information between hospitals, physicians and other service providers, could result in a net savings of $1.0 to $1.3 billion per year within 12 years. This level of savings would yield a net reduction of 4.3% to 5.9% on Oregon's health expenditures [2] Standardizing forms and processes for administrative transactions. Potential cost avoidance: up to **$42M in 3 years, up to $350M in 10 years**[3]

[1] Adapted from: Minnesota e-Health. 2008. Vision to Action: The Minnesota e-Health Initiative, Report to the Minnesota Legislature. Minnesota Department of Health. .

[2] D. Witter and T. Ricciardi. 2007. Potential Impact of Widespread Adoption of Advanced Health Information Technologies on Oregon Health Expenditures. Oregon Health Care Quality Corporation and Office for Oregon Health Policy and Research. Available at: http://www.q-corp.org/q-corp/images/public/pdfs/OR-HIT%20Impact%20Final.pdf

[3] Calculations based on findings from: Minnesota Department of Health Staff. (2007, November 13). Administrative Efficiency Background Information Prepared for the Health Care Transformation Task Force.

	store paper records. ▪ Reducing duplication of services and repeated tests. ▪ Experiencing enhanced revenue capture and fewer claims denials. ▪ Having fewer pharmacy call-backs. ▪ Increasing productivity by decreasing time spent tracking down health information. ▪ Alerting physicians if a generic version of a prescribed drug is available. ▪ Contributing to lower malpractice premiums.	
Create a Clinical Improvement Assessment Project to develop and adopt standard sets of evidence-based guidelines	Effective use of the growing array of information technologies in health care enables clinicians to: ▪ Readily access clinical guidelines and other evidence-based information most relevant to the patient's current condition.	* Among the four clinical conditions studied—myocardial infarction, congestive heart failure, coronary artery bypass grafting, and pneumonia, higher technology scores were generally associated with decreased adjusted odds ratios for fatal hospitalizations. * Among all hospitalizations, a 10-point increase in automation of notes and records was associated with a 15 percent decrease in the adjusted odds of hospital death. * Hospitals with more advanced order entry capability experienced decreases of 9 percent and 55 percent, respectively, in the adjusted odds of death for myocardial infarction and coronary artery bypass graft procedures. * Facilities with higher scores in decision support were associated with a 16 percent decrease in the adjusted odds of complications for all causes of hospitalizations. * For nearly all clinical conditions, higher scores on automated test results, order entry, and decision support were overwhelmingly associated with lower hospital costs.[4] Clinical Improvement Assessment: to promote use of evidence- based health care. Potential cost avoidance: up to **$650M in 3 years, up to $4.2B in 10 years**.[5] (Electronic clinical prompts of evidence-based guidelines have the

[4] R. Amarasingham, et al. 2009. Clinical Information Technologies and Inpatient Outcomes: A Multiple Hospital Study. *Archives of Internal Medicine* 169(2):108-14.

[5] Schoen, C., Guterman, S., Shih, A., Lau, J., Kasimow, S., Gauthier, A., & Davis, K. (2007, December). Bending the Curve: Options for Achieving Savings and Improving Value in U.S. Health Spending. The Commonwealth Fund.

		greatest opportunity for maximizing cost savings and quality improvements).
Establish a Payment Reform Council and work with provide sector to develop strategies for reforming health care payment systems Develop uniform contracting standards for the purchase of health care, including quality standards and performance measures, evidence-based guidelines and a statewide drug formulary that may be used by publicly funded health benefit plans.	Modifying that payment system to reward cost-effective providers who are able to deliver high-quality, high-value care can encourage the types of cost-effective practices that will improve population health and reduce spending over time. Using data derived from HIE, payment reform strategies can be effectively developed and fairly applied. Uniform contracting can ensure that health information is being exchanged in compliance with meaningful use standards, and will enable purchasers of health care to make purchasing decisions based on performance and value.	
Restructure systems to provide comprehensive services for patients with multiple conditions in one clinical location. Develop policies and incentives to integrate behavioral health care Support Community Health Worker programs that recruit and train members of underserved communities to provide culturally and linguistically competent health services within that community. Promote population-based approaches and ensure language access by creating statewide pool of certified interpreters and utilizing technology for telemedicine	HIT can also have tremendous value in increased patient satisfaction and patient engagement by: ▪ Enabling the patient to access their health information online, including links to tailored prevention, disease management, and other information resources. ▪ Allowing patients to contact their providers through email. ▪ Synchronizing information as a patient moves between a clinic, hospital, and long-term care facility and making the patient's records available at whichever site the patient visits. ▪ Easily graphing and displaying a person's key biometric data over time. Effective use of the growing array of information technologies in health care enables clinicians to: ▪ Support delivery of telehealth and telemedicine services, enabling patient access to care otherwise unavailable in their community.	
Establish and continuously refine uniform, statewide health care quality standards for use by all purchasers of health care, third party payers and health care providers as quality performance benchmarks.	In the future, stakeholders, including consumers, purchasers, providers, policymakers, researchers, accrediting and oversight bodies, will rely on transparent reporting of quality performance and quality improvement to inform their decision making about care. Information technology and the sharing of health information across a network of regional health information entities using	

	data from electronic health records (EHRs), personal health records (PHRs), and strong clinical decision support (CDS) systems will assist providers in ensuring that the right care is delivered to the right patient - every time. Consumers and policymakers will use these same systems to understand how well the nation as a whole and individual providers are doing in improving care and health status in accordance with national, regional, and local priorities[6].	
Develop an All-Payer Claims Database	An All-Payer Claims Database can be developed as a integrated function within an HIE structure. Benefits of an All-Payer Claims Data Collection Program: ▪ Helps businesses to know where they stand with respect to their coverage's costs and included services. ▪ Allows businesses to choose insurance products for employees based on price and quality. ▪ Provides consumers with access to information to help them make informed decisions with their health care providers about which providers and treatments are most effective and efficient. ▪ Supports provider efforts to design targeted quality improvement initiatives. ▪ Enables providers to compare their own performance with those of their peers. ▪ Eables the OHA to identify communities that provide cost-effective care and learn from their successes ▪ Allows for targeted population health initiatives. Allows reform efforts to be evaluated so that successful initiatives can be identified and replicated.	

[6] American Health Information Community (AHIC) Quality Workgroup Vision Summary Document (January, 2007).