

FACT SHEET: Health Information Technology

Concept: SB 452A will provide support for the accelerated adoption of health information technology and the eventual development of a statewide system for electronic health information exchange.

Purpose: Physicians and patients often do not have the information they need to make informed health care decisions. In an age defined by significant advancements in technology and electronic information exchange, a significant portion of the health care industry remains dependent on paper records and fax, mail, and telephone transactions. Furthermore, clinicians often do not have point-of-access care to clinical support guidelines and other tools to help them maximize quality of care. More widespread use of health information technology (HIT) has the potential to improve health system efficiency, safety, and performance and reduce costs in the long-term by reducing duplicative or unnecessary care, strengthening disease management efforts, and improving care coordination. Researchers have found that the widespread adoption of advanced health information technology across Oregon could result in a net savings of \$1.0 to \$1.3 billion per year within 12 years.

Although Oregon's physicians have adopted health information technology at a faster rate than providers in other states, more than 40% of providers in the state still work in practices or clinics that do not use electronic health records. Barriers to adoption, particularly for primary care practitioners and providers working in small practices and rural areas, include: cost, lack of proper preparation for adoption and integration of new technologies into practice workflow, and uncertainty about which systems are appropriate.

This bill would establish a Health Information Technology Oversight Council (Council) within the Office for Oregon Health Policy and Research. The Council would represent the diversity of the state and a wide range of stakeholder representatives, including consumers, providers, and privacy and security experts. The Council would be responsible for: setting ambitious goals for the state related to health information technology utilization, developing a strategic plan to meet these goals, and measuring statewide progress in achieving these goals. The Council would also establish a purchasing collaborative to help providers identify high-quality electronic health record products and support services and obtain more affordable rates for these products and services. This collaborative would include primary care providers, practices serving a large percent of Oregon Health Plan patients, and small and rural practices. The Council would also develop strategies to leverage community resources to further expand HIT adoption, educate the public and providers about the risks and benefits of HIT investments, and fairly reimburse providers who utilize HIT. Lastly, SB 452A gives the Council the option of establishing a health information technology loan program.

Furthermore, the Council would coordinate a strategy to ensure that the HIT systems adopted by providers across the state are interoperable and can exchange information and data in an accurate, effective, secure and consistent manner. As a first step, the Council would support and provide oversight to the Department of Human Services as it develops an electronic health record bank for Oregon Health Plan recipients. This record bank will serve as a model to create statewide exchange of health information in the future.

SB 452A was drafted to align with the Federal Recovery and Reinvestment Act, which dedicates significant federal funds to states to support the widespread adoption of interoperable HIT. By supporting a Council to coordinate HIT policy for the state, this bill will ensure that Oregon will be positioned to take full advantage of the federal match and grant opportunities made available through the stimulus package.

This initiative was recommended to the Governor and the Legislature by the Oregon Health Fund Board as it looked to improving the efficiency and quality of the healthcare delivery of system in Oregon and control healthcare costs.

Impact if Not Approved: Chronic health conditions are one of the key drivers of healthcare costs for the state, in large part because it is impossible to manage the care of patients with chronic illness without well-coordinated systems of care. Developing highly effective, high performing systems of care is difficult, if not impossible, without the widespread adoption of interoperable electronic health records and other health information technology. A significant portion of health care providers in Oregon that are not currently utilizing health information technology work in solo practices, rural setting, and serve a large proportion of Oregon Health Plan patients. Since these providers face the largest challenges in affording the implementation and maintenance of health information technology systems, adoption will continue to be slow within these groups without support from the state.

Other Possible Solutions: The alternative is to attempt these planning and design efforts in individual agencies in a less timely, less integrated, and perhaps less effective manner.

Other Supporters: The Governor's Health Information Infrastructure Advisory Committee (HIIAC) and the Oregon Health Fund Board.

Fiscal Impact: \$509,198 TF (\$351,347 GF, \$157,851 FF).

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