



Trends in Health Information Exchange (HIE) and Links to Medicaid Led Quality Improvement

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Regional Quality Improvement Initiative

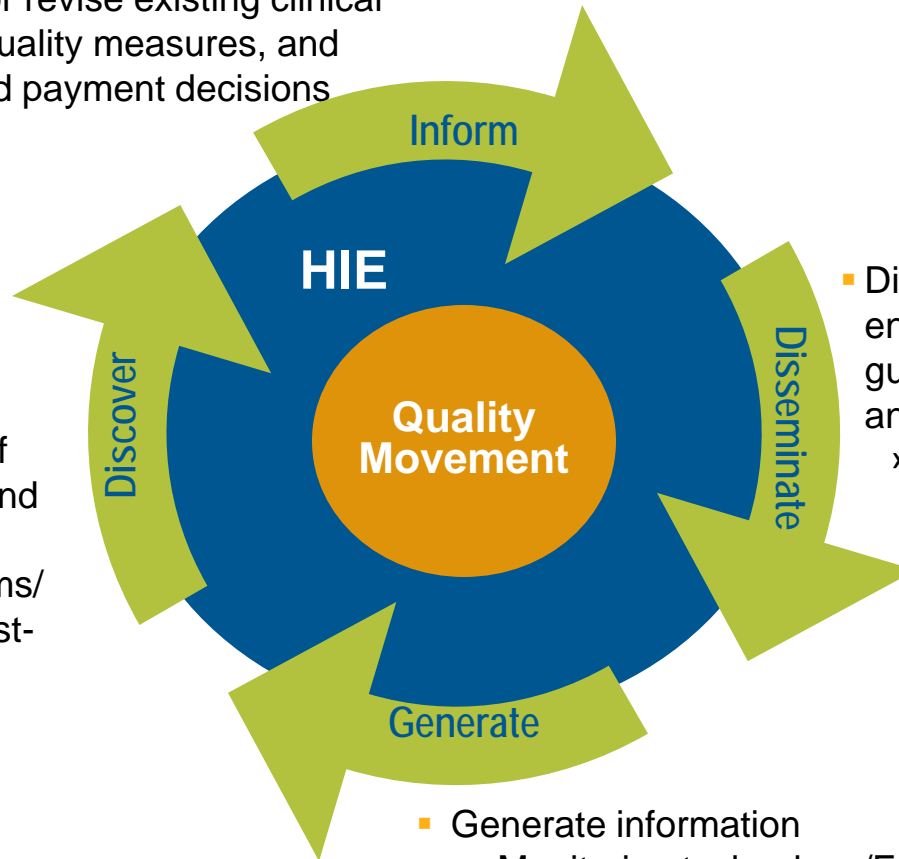
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Overview

- Overview of Health Information Exchange Initiatives
- HIE in State Medicaid Programs
- Medicaid Reform Drivers that Promote HIE and Quality

Health Information Exchange (HIE) Can Improve Understanding, Development, Adoption, and Reporting of Quality Measures

- Inform new or revise existing clinical guidelines, quality measures, and coverage and payment decisions



- Discover trends in prevention, diagnosis, under, over, or misuse of appropriate treatment, and health outcomes
 - » Applications/Algorithms/Tools: Data mining, post-marketing analysis

- Disseminate, support, and ensure adherence to clinical guidelines, quality measures, and coverage decisions
 - » Clinical decision support tools/EHRs

- Generate information
 - » Monitoring technology/EHRs/Registries
 - » Facilitation of clinical and economic research

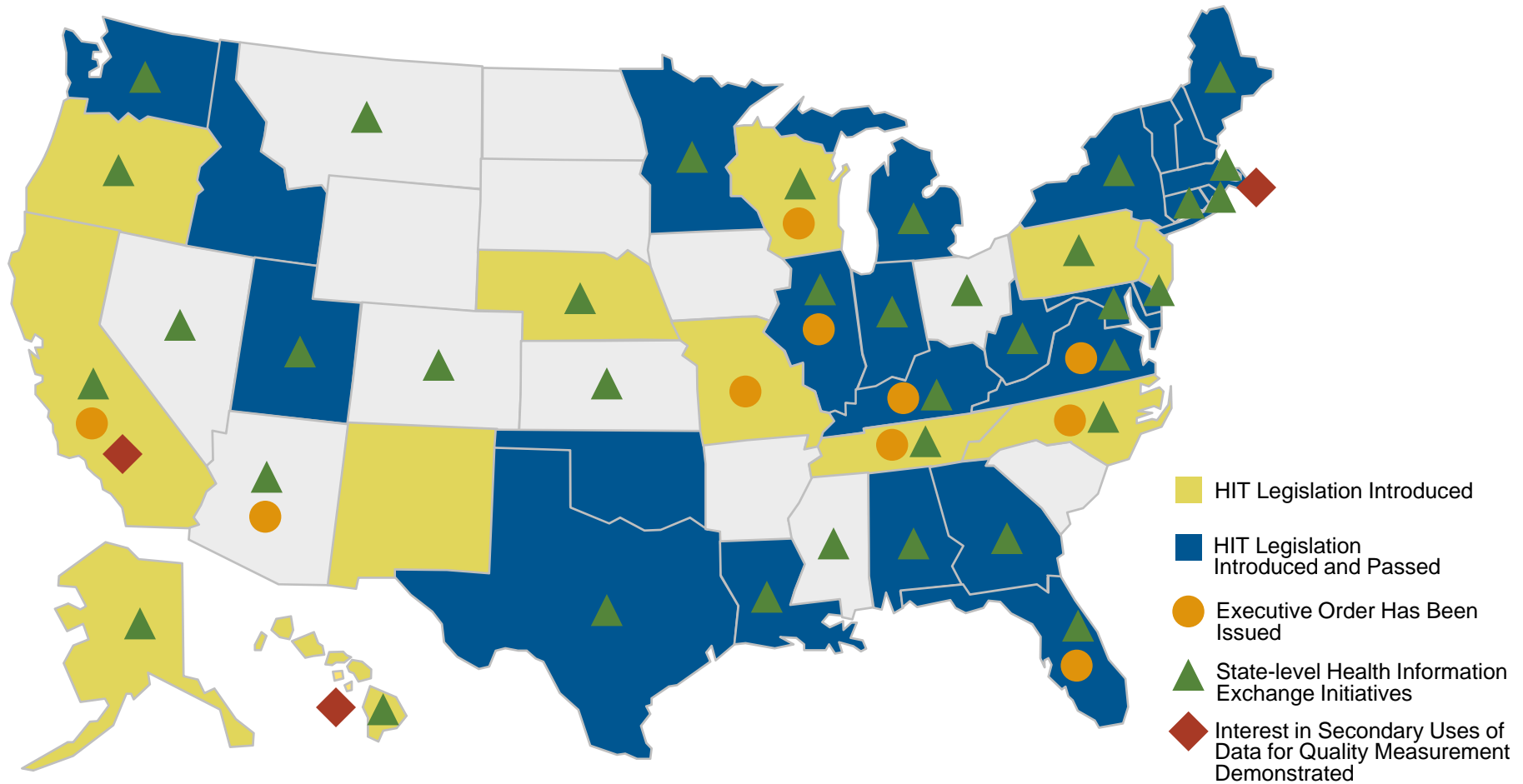


Overview of Health Information Exchange Initiatives



The intersection of business
strategy and public policy

Many States Demonstrating Interest and Investment in HIT, HIE, and Quality



Source: Adapted from Office of the National Coordinator for HIT presentation to the American Health Information Community
Note: Indiana, Hawaii, and Rhode Island are three examples of HIEs with particular interest in secondary data

No Two HIE Initiatives or Regional Health Information Organizations (RHIOs) Are Alike

- HIE initiatives and RHIOs, at the broadest level, are defined as multi-stakeholder entities that work to support and enable the exchange of health information across a state, region, or community
 - » Common goals are to foster improved care coordination, patient safety, and cost effective care delivery
- No one standard, industry-wide definition for an HIE initiative or RHIO exists
 - » Characteristics differ greatly from one to the next
- No single model exists to characterizes an HIE initiative or RHIO
 - » Participants, organization, structure, and activities are as varied as the communities represented
- Seen as the basic organizing structure for planning and designing infrastructure to facilitate statewide health data exchange
 - » Seen as critical building blocks of nationwide health information infrastructure

HIE Stakeholders are Diverse, Have Distinct Needs, and Bring Unique Perspectives

- HIE focus driven by core stakeholders and needs of the community
 - » Want involvement and collaboration from a cross-section of healthcare stakeholders
- States play a role as catalyst and convener, and statewide HIE initiatives are growing in number
- Stakeholders typically include:
 - »Physicians
 - »Patients
 - »Pharmacies
 - »Laboratories
 - »Long-term care spectrum
 - »Hospitals and health systems
 - »Private health plans
 - »Self-insured employers
 - »Public health agencies
 - »State government (including Medicaid)

Numerous, Diverse Initiatives Emerging Nationwide to Speed Exchange of Health Care Data

- Rapid growth
 - » Community, regional HIEs, and RHIOs rapidly emerging
 - » Many states have multiple projects
- Early development
 - » Most in nascent growth stages with limited funding
 - » Increasingly more HIEs emerging from planning or pilot phase to exchanging greater and broader types of data
- Diverse goals
 - » Exchange a variety of data types, most often administrative, including claims enrollment/eligibility, emergency room data, medication list, and lab and radiology results
 - » Have long-term goal for full service EHR across care settings, secondary data uses including public health surveillance and quality reporting

* To improve patient safety and quality, reduce costs, and create greater efficiencies by fostering state-wide electronic exchange of healthcare information across multiple localities and amongst many stakeholders

RHIO: regional health information organization
EHR: electronic health record
eRX: electronic prescribing



Broad Stakeholder Involvement and Clear Value Propositions with Early Wins Are Priorities

- HIE initiatives seek:
 - » Manageable projects with tangible benefits viewed as “early wins”
 - » Cross-section of healthcare stakeholders
- Project goals driven by core stakeholders and needs of the local community
- Identifying the “value proposition” for all involved seen as challenging but essential for successful implementation
 - » Most projects still striving and, in some cases, struggling to identify the value proposition for their multiple stakeholders

Major Barriers to HIE Pose Challenges for Many Stakeholders

- Sustainable funding models
- Physicians' willingness and incentive to participate in HIE initiatives and adopt HIT
- Liability concerns
- Privacy and security concerns
- Engendering public trust and securing consumer engagement
- Lack of uniform standards
- Market competition
- Federal leadership and public and private sector coordination
- Legislative hurdles
- Differing and sometimes competing priorities

Newly Emerging RHIOs Seek More Methodical Approaches...

Case Study: State of Maryland

- State has set aside \$10 million for activities
- Soliciting broad input and conducting multiple initiatives
 - » EHR Task Force exploring technologies' ability to lower costs, improve quality, and the infrastructure needed to connect them
 - » Health care sector workgroups examining HIE benefits and privacy and security barriers and solutions
 - » Cross-sector workgroup convened to inform development of “solution” RFP
 - » Three implementation planning grants forthcoming
 - » Intention to fund one RHIO implementation

...and Offer Valuable Lessons Learned on Fostering Collaboration Among Diverse Stakeholders

- Each health sector sees value in working with multiple stakeholders
- Soliciting input from multiple sectors helps to:
 - » Create a common voice
 - » Foster widespread support
 - » Identify shared value proposition
- However, process of managing multiple sectors, which often have conflicting views, is a big challenge
 - » Maryland created an “inter-sector” workgroup

Trends in Individual Providers and Physician Practice HIE Engagement

- Historically difficult to engage individual providers and small physician practices
 - » Business process change and cultural barriers
- Most HIEs rely on health plans and large provider practices to engage
- Nevertheless, some physicians proactively interested in shaping course are stepping forward (e.g., Texas Medical Association)
- Physicians need to understand clear and real value proposition
- Low cost mechanisms exist to foster physician engagement
 - » Application service provider (ASP) model
 - » Interim HIT-enabled services offer enhanced efficiencies to current data flow, yet cost less money and time than adoption of full-scale HIT systems
 - » Tiered or subsidized pricing – but some say “free” isn’t free enough

HIE Financing Trends

- Sustainable revenue model remains challenging
- Potential approaches include:
 - » Variable rate transaction model
 - » Nominal charges to physicians
- Some HIEs increasingly pursue secondary use of data
- Federal government and state legislatures considering funding alternatives

Broad National Activity Focused on the Intersection of Quality and HIE

- American Health Information Community (AHIC)
 - » The Quality Workgroup near-term charge to make recommendations that specify how certified HIT should capture, aggregate and report data for a core set of ambulatory and inpatient quality measures
 - » The AHIC successor likely to retain focus on quality
- Agency for Health Research and Quality (AHRQ)
 - » RFI on a National Health Data Steward Entity that would set uniform operating rules and standards for sharing and aggregating public and private sector data on quality and efficiency
- National Committee on Vital and Health Statistics (NCVHS)
 - » Quality workgroup
 - » Ad Hoc Workgroup for Secondary Uses of Health Data
- American Medical Informatics Association (AMIA)
 - » National framework on the acquisition and secondary use of health data
- Many legislative and industry proposal for a comparative effectiveness entity



HIE and State Medicaid Programs



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Limited Historical Role of State Medicaid Programs in HIE

- Historically, state Medicaid investment in HIT has been focused on program operations and administration
 - » Enrolling beneficiaries and providers
 - » Claims administration
 - » Program monitoring and reporting
 - State HIT investment has been largely driven by federal financial participation
 - » CMS pays 90 percent of state MMIS design, development, and installation costs
 - Increased federal and regional interest in real-time HIE to promote quality and control costs is peaking interest from states
 - Large near-term opportunities are likely to remain administrative in nature, but smaller strategic investments in HIE are likely to shape the state market for HIT services in the future
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Avalere Research Revealed Varied Perspectives on Why State Medicaid Programs are Minimally Involved With HIEs...

According to HIE initiatives, Medicaid:

- Could play many, integral roles (e.g., data source, data recipient, advisory capacity)
- Does not readily understand or see value proposition of HIE
- Functions in an administrative and political environment that limits receptivity
- Tends to interpret data sharing laws conservatively
- Operates cumbersome legacy claims systems

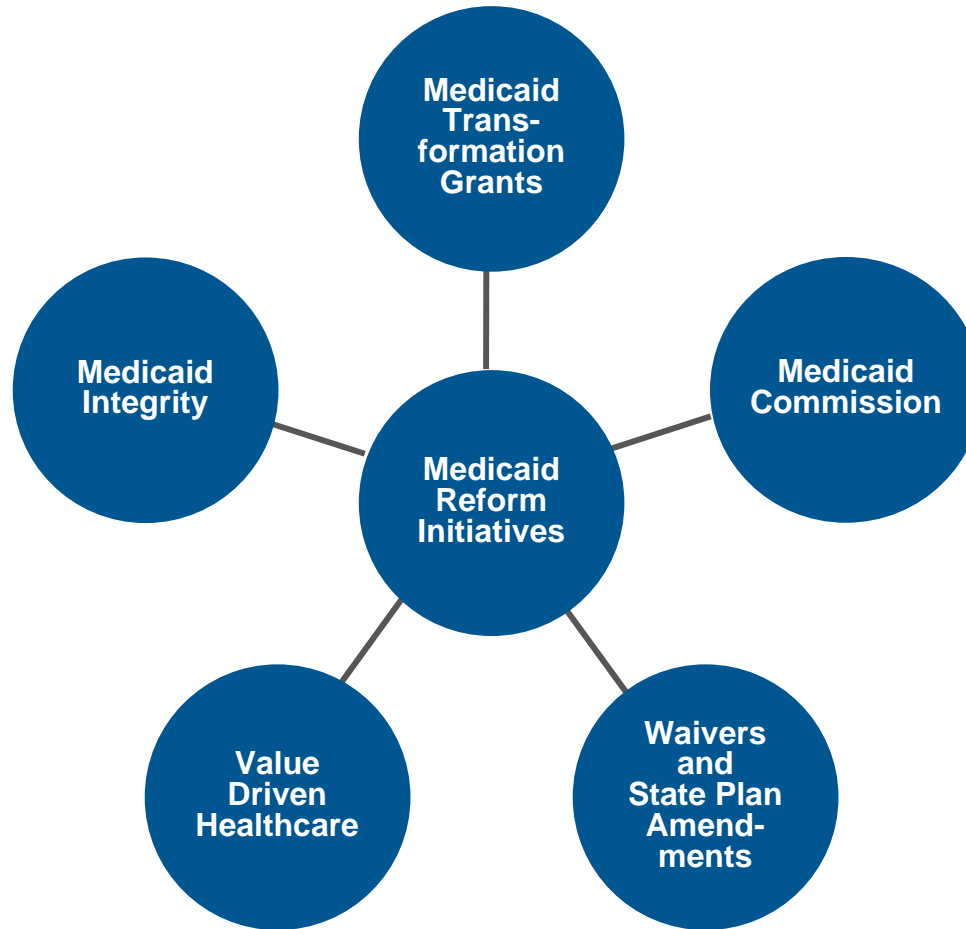
According to Medicaid:

- Lack of proven HIE value proposition makes Medicaid engagement in early stages risky
 - Priority investments focus on cost-effective program administration
 - Limited state and national leadership constrains state Medicaid's support of HIE
 - Limited staff and financial resources inhibit participation
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...Yet Methods to Engage Medicaid Exist

- HIE Initiatives must:
 - » Address specific Medicaid business problems (e.g., cost containment and quality improvement, program integrity, and physician participation)
 - » Highlight benefits to Medicaid as a payer for vulnerable populations (e.g., improving disparities, increasing care coordination, and managing churning)
 - » Demonstrate ROI showing Medicaid cost savings or efficiencies
- Medicaid should:
 - » Determine Medicaid priorities for community level exchange
 - » Work with state agencies and leadership to identify shared HIE needs and value
 - » Leverage contracts and purchasing (e.g., managed care, disease management, and transparency)
 - » Work with Medicare to use HIE to better manage dually eligible beneficiaries

Many Medicaid Reform Drivers Promote HIE and Quality



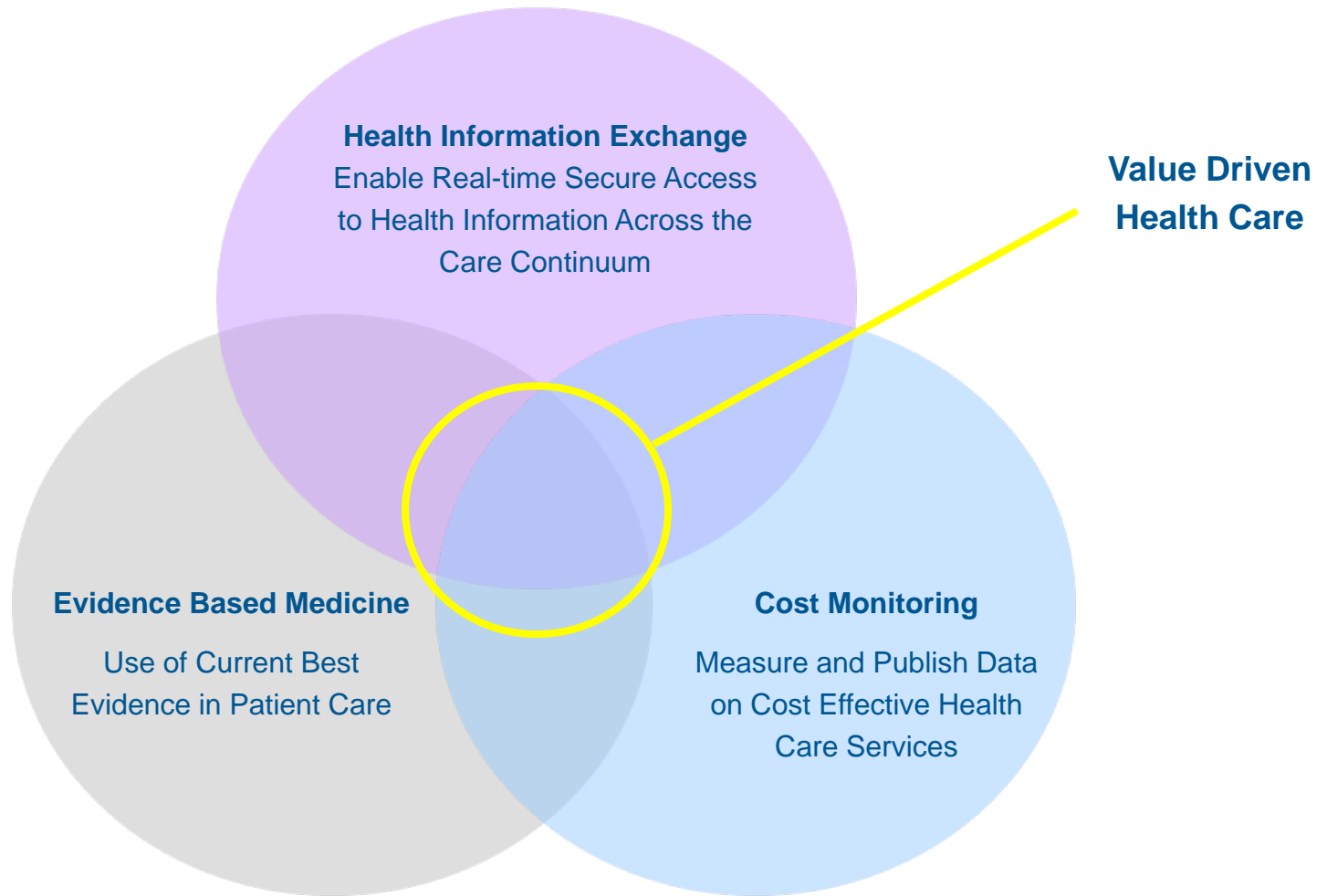
Notable Public and Private Initiatives Focus on Local Quality Improvement

- CMS issuing grants to state Medicaid programs for transformational projects that:
 - » Reduce waste, fraud, and abuse
 - » Reduce medical error rates and improve patient safety
 - » Advance use of EHRs, clinical decision support tools, eRx, and other IT improvements
- Secretary Leavitt encouraging states to develop value driven health care initiatives
 - » Report performance data and promote comparable quality measures
 - » Collaborate to build IT infrastructure to ensure access to data and promote transparency
 - » Provide consumers with information and incentives to choose providers based on quality/value
- Public and private transparency initiatives also aiming for cost or quality measurement and reporting
 - » 6 pilot “Better Quality Information to Improve Care for Medicare Beneficiaries” (BQI) groups* selected by AQA (March 2006) to test data aggregation and public reporting of commercial, Medicare, and other data
 - » Several large private insurers also initiated transparency programs in 2006

Medicaid Transformation Grants Promote HIE and Quality

- **West Virginia (5 projects, \$13.8M total)**
 - » Clinical data warehouse to promote greater access and analysis of info to support predictive modeling and disease management
 - » Chronic care model to focus on preventive and patient centered chronic care using medical home
 - » Transition from paper to electronic records that are linked to interoperable system for help with tracking treatment, outcomes, and utilization of services
 - **Arizona (1 project, \$11.7M total) and similar in Alabama (1 project, \$7.6M total)**
 - » Web based HIE to give Medicaid providers access to info at point of care
 - » EHR will include patient demographics, medication list and history, lab results, and inpatient information
 - **District of Columbia (1 project, \$9.9M total)**
 - » Several IT systems to support HIE across networks and promote coordinated, patient centered care
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Value Driven Health Care Is at the Intersection of HIE, EBM, and Cost Monitoring



Value Driven Health Care and “Value Exchanges” Are Still in the Early Stages

- Community leaders (67 recognized as of July 2007)
 - » Pre-existing groups of stakeholders working to advance some (or all) of the Four Cornerstones
 - » Recognized by Secretary, but receive no funding
 - Value Exchanges (12-18 selected in next year)
 - » Local collaborative foster needed data activities to enable quality and cost transparency
 - » Designated by the Secretary, and receive small support from AHRQ
 - 17 states signed an Executive Order or Statement of Support for the four cornerstones or took other significant steps in support of value-driven health care
 - » Commitment to help make health care quality and cost information available for health plan enrollees and to encourage health insurance plans, third party administrators, providers, and others with which they contract to take actions to achieve these goals
 - » Support from a number of other state programs and local governments
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Is There a Sustained Role for Medicaid?

- Take leadership position in HIE initiatives
 - Understand the current state and local HIE environment
 - » Stakeholders
 - » Goals
 - » Implementation status
 - Consider intersection of Medicaid priorities and local priorities (e.g., appropriate sites of care)
 - Bring resources and expertise to the table
 - Consider pilot initiatives
 - Encourage Governor to sign an Executive Order or Statement of Support for the four cornerstones
 - Partner with existing Community Leaders or emerging stakeholders in hopes to become a Community Leader
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Discussion Questions

- How do the RQI, Regional HIE and National Quality activities come together in a rational way?
- Are we striking the right balance between local experimentation and the need for some standardization?
- What national focus will provide the most help for the RQI initiatives underway?

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