



## PHIX Could Pave the Way for Faster, Better Patient Care

Presented  
April 22, 2010

To  
Pennsylvania House of  
Representatives  
Professional Licensure  
Committee

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Good morning Chairman Deluca and members of the House Professional Licensure Committee. I am Darlene Kauffman, associate director of payer relations with the Pennsylvania Medical Society. Along with Dr. Scott Shapiro, I currently represent the Medical Society on the advisory committee of the Pennsylvania Health Information Exchange, or PHIX. I am presenting the Medical Society's testimony here today on behalf of Dr. Shapiro and our president, James Goodyear.

I want to thank you for the opportunity to share with you today the Society's thoughts on House Bill 2106 and on the issue of health information technology in general.

Let me begin by saying that physicians wholeheartedly embrace technological advancements in medicine. However, for the most part their interest in the field of technology typically resides in the area of clinical advancements: better and faster diagnostic tools, more advanced surgical instrumentation, and more effective drug therapies. When it comes to health information technology, the learning curve is a bit steeper for many physicians. Having said that, I believe that the vast majority of physicians support these changes and fully recognize the critical role they have on the overall quality of care delivered to their patients.

The work of PHIX is a daunting undertaking. For all intents and purposes, it is the platform, or information highway, upon which medical records, diagnostic images, and lab results will be shared

with an individual's physician or other health care provider. I cannot begin to express to you how valuable it would be for a cardiologist to encounter a chronic heart patient suffering from an acute cardiac event in the emergency room at 3 AM and be able to view a cardiac echo done three months ago in San Francisco—or even the hospital just across town. Not to mention having the patient's medical history at her finger tips. Better care. Faster care. More cost effective care. I hope we can all look forward to that.

Let me turn now to the details of House Bill 2106 and share with you some of our concerns.

First, and perhaps of most concern, is that House Bill 2106 proposes to place PHIX under the Department

of Community and Economic Development, or DCED. The health insurers, physicians and other providers, hospitals, and representatives from the legislature and executive branches of state government that serve on the PHIX advisory council view this project as a separate public/private authority. Ultimately, PHIX will provide services to the Department of Public Welfare, the Department of Health, and perhaps even the Pennsylvania Health Care Cost Containment Council. While I appreciate the potential economic impact that PHIX may have, DCED has had little involvement with PHIX thus far and does not have the inherent knowledge to deal with the intricacies of health information technology.

**Other concerns include:**

- House Bill 2106 establishes a health information exchange authority that lacks private sector input. In fact, the only private sector input on this authority would be from hospitals. And, with only one proposed seat to be filled by a physician, private practice physicians will have very little input in a system that will directly impact thousands of physicians and millions of their patients.
- House Bill 2106 would empower this authority to, among other things, develop clinical goals. Clinical goals or clinical practice protocols are not within the scope of PHIX.

Again, the purpose of PHIX is to design, build, and maintain a health information exchange. A good analogy would be Pennsylvania's Department of Transportation. PennDOT designs, oversees the construction of, and maintains our state's highways. They do not design cars, dictate what color they are, or determine whether the car was the most appropriate or cost-effective vehicle for the trip.

- This legislation would prohibit the collection and analysis of de-identified data. While we agree that the role of PHIX is not to engage in "data analysis," such data has immense value in improving the quality of care. Furthermore, de-identified data represents a potential revenue source for PHIX, subsequently lowering the subscription fees to physicians, hospitals, and other providers.
- Prohibiting access to aggregated, de-identified protected health information to users of quality care studies would be short-sighted at best. Don't get me wrong: extracted data should not be used to compare one physician against another or make the case that one hospital is better than the next. But data could be used to improve quality outcomes, disease management, and population assessments.

- Lastly, House Bill 2106 would establish a second role for PHIX: a mechanism to finance health information technology. It would establish a loan program that would receive funds from the federal government and distribute them to purchasers of electronic health records systems. Under the American Recovery and Reinvestment Act, the federal government "may" provide states with funds to loan to help health care providers acquire EHR systems. The federal government, however, has decided not to grant loan funds to states for this purpose. More importantly, most of the ARRA grant programs are already well under way and many are granted directly to private entities rather than the state.

While we have concerns about House Bill 2106 as it is presently drafted, I have to applaud Rep. King for undertaking such a complex issue. As you can see, the future of quality health care does not rest solely on the clinical skills of your physician. Rather, it rests with a physician whose clinical skills are enhanced, not encumbered, by a limitless array of patient data.

The Pennsylvania Medical Society supports the establishment of PHIX as a public/private authority that would build and maintain the statewide infrastructure. Eventually,

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PHIX will connect to similar systems in other states and regions to enable electronic health information exchange throughout the commonwealth and beyond. We believe, however, that there are certain principles that are foundational for the success of such an endeavor.

First, the system has to be accessible by all providers—even solo practitioners. That means that the system must be as easily accessed as the Internet and use of the system must be completely voluntary.

Second, PHIX should be implemented and financed in a fair and equitable manner. Information technology is expensive. And it is safe to say that we will all need to participate in its financing. We believe that those who benefit from health information exchange should pay for it. State and federal government, insurers, hospitals and other health care facilities, and physicians will share the benefit and should share the cost.

Third, the scope of PHIX should be limited. PHIX should have the authority to build and maintain the health information exchange infrastructure and provide de-identified

clinical data that would be used for research and for quality initiatives. Such data would be enormously useful to organizations, such as quality improvement and research organizations, the Chronic Care Commission, the Department of Health, and many other public and private organizations.

Ultimately, as with any other technological advancement, physicians' primary focus is to provide the best quality of care to their patients. We believe that if executed properly, PHIX can help us to meet that objective more efficiently and cost effectively and with better clinical outcomes.

Thank you again Chairman Deluca for the opportunity to share with you some thoughts we at the Pennsylvania Medical Society have regarding PHIX and health information technology in general.

To the best of my ability, I would be happy to answer any questions that you may have.