

**Pennsylvania Healthcare Information and Management Systems Society  
Testimony to the House Insurance Committee  
Pennsylvania House of Representatives  
Ambler, PA  
April 22, 2010**

Chairman DeLuca, Vice Chairman Frankel, committee members, staff, ladies and gentlemen, thank you for the opportunity to speak today regarding the benefits of health information exchange and the proposed legislation in House Bill 2106.

A health information exchange will allow the secure and reliable exchange of health data between providers, payers, consumers, public health agencies and other stakeholders. This will make healthcare delivery in Pennsylvania more cost efficient and consumer friendly.

There are 193 health information exchanges across the U.S. in some stage of operation, including one in Pennsylvania, the Keystone Health Information Exchange. A recent survey of benefits by those participating in health information exchanges revealed higher than expected benefits, even in early stages of adoption.

The perceived value of health information exchange in terms of improved quality and timeliness of clinical decisions and diagnoses increased 300 percent among those surveyed. The value of health information exchange in terms of improved access to accurate patient data increased 12 percent from initial expectations.

The Pennsylvania Healthcare Information and Management Systems Society (HIMSS) believes a strong Authority is key to establishing the financial and operational model for a successful HIE and the fulfillment of obligations associated with the Commonwealth's recent commitment from the federal government of \$17 million in ARRA funding.

Pennsylvania HIMSS is comprised of nearly 2,000 healthcare professionals from medical centers, health systems, health information technology vendors and consulting firms representing some of the largest employers in Pennsylvania.

House Bill 2106 puts forward the establishment of an Authority, which we support. We strongly urge the Committee to consider amendments to the currently proposed legislation that will strengthen the Commonwealth's ability to improve the quality and reduce the cost of care while at the same time protect the privacy rights of citizens.

The current bill is written in such a way as to prohibit the use of data within the health information exchange to be used for quality initiatives. While Pennsylvania HIMSS recognizes the importance of protecting the privacy of consumers, the ability to aggregate health data and conduct analytics that can provide clinical and business intelligence for utilization management is critical in order to drive down costs and improve quality.

Other states can serve as an example to the Commonwealth. The Greater Rochester Regional Health Information Organization is part of New York State's HITEC research consortium that includes Columbia University, University of Rochester, Cornell University and SUNY Albany. This consortium conducts qualitative and quantitative research using patient-protected, de-identified clinical information and claims data that flow through the exchange. Studies underway include:

1. The effects of electronic prescribing alerts on physician prescription behavior,
2. The changes to clinical workflow efficiency and quality outcomes in standalone versus interoperating electronic medical record systems,
3. The effect of patient information exchange on ordering patterns and quality outcomes.

Pennsylvania HIMSS strongly supports the use of de-identified health data for quality improvement initiatives.

The second amendment we urge the Committee to make relates to the proposed loan preferences for providers. The current language gives loan preference to applications which provide direct patient access to healthcare information, which Pennsylvania HIMSS interprets as personal health records, or PHRs.

We recognize that a key component of healthcare reform must include consumer-directed care management and that PHRs are one way that consumers are beginning to get more involved in their care process. However, we believe the loan program would have a bigger impact on reducing cost and improving quality if providers were encouraged to submit loan applications that included a convincing cost-benefit analysis that did not necessarily require a PHR component.

PHRs are not yet a proven method for improving quality and reducing the cost of healthcare. There are many ways a provider may use health information technology that are more proven. Examples include computerized physician orders and electronic prescriptions to reduce medication errors, or the use of telephony integration (CTI) systems to monitor patients with chronic conditions at home to reduce hospital readmissions. Pennsylvania HIMSS supports a focus on loan incentives which are benefits driven.

Health information exchange is a critical piece of the healthcare reform puzzle. Most healthcare delivery occurs in the physician's office and the typical primary care physician works with 229 other physicians in 117 different practices on care coordination issues. We urge the Committee to consider amending House Bill 2106 as suggested today in order to position the Commonwealth for the greatest potential benefits that health information exchange has to offer.

Thank you.