



**Pennsylvania House of Representatives
Insurance Committee**

**Public Hearing
On
House Bill 2106, Printer's Number 2936
Pennsylvania Health Information Exchange Authority
Ambler, Pennsylvania**

Public Statement

Of

**Michael Fiaschetti
Market President
Central Markets**

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Chairman DeLuca, Chairman Micozzie, my name is Michael Fiaschetti and I am the Market President for Highmark Blue Shield. Thank you for allowing us to submit for the House Insurance Committee's public hearing record comments on House Bill 2106, Printer's Number, 2936, which creates the Pennsylvania Health Information Exchange Authority.

As Market President, I am responsible for Highmark's health insurance business in a 21 county region of Pennsylvania including central Pennsylvania and the Lehigh Valley. I have been an executive in the health insurance industry and in managed care for over 25 years with over 13 years as an executive with Highmark. During this time period I have worked closely with doctors and hospitals in developing arrangements for the delivery of care for members served through our organization. I have witnessed on a first hand basis the need for quality improvements through the use of evidence based medicine in all aspects of healthcare. Improvements in quality will serve to improve patient health outcomes, patient safety, reduce waste and lower costs. Today, more than ever, the use of health information technology is a critical tool in enabling improvements in healthcare delivery quality.

In the fall of 2008 Highmark was solicited by the Governor's Office of Healthcare Reform (GOHCR) to have a representative be part of the PHIX advisory committee, a committee that includes numerous constituents in healthcare and healthcare financing. I was appointed by Highmark to join this committee to assist the GOHCR in the oversight of the development of a plan to create an authority that would manage a Pennsylvania statewide health information technology network. The purpose of this network is to connect providers of care together to gain timely access to patient information. The goal, of course, is to improve health care quality and patient safety. As stated in the draft business plan, "to significantly improve the quality and efficiency of care by allowing immediate access to critical information about a patient when health care practitioners most need it-at the point of care." In addition to improve patient safety and quality through the use of timely information, health information technology should also help eliminate duplicate procedures and therefore have a significant impact in lowering the cost of health care.

Subsequent to the PHIX advisory group, Highmark was also solicited to participate in the GOHCR Patient Centered Medical Home (PCMH) initiative. Dr. Donald Fischer, Highmark's Chief Medical Officer has participated in this initiative and Highmark has contributed both time and financial resources to support this initiative as well. This initiative is one that provides resources and incentives for primary care physicians to improve the process of caring for chronically ill patients such as patients with Diabetes. Once again, the goal of this initiative is to find a better model to more effectively care for patients to improve the quality of the care and lower the overall costs of caring for chronically ill people.

Having been involved in these issues for many years and knowing the positive impact that both the PHIX and PCMH initiatives can have, we applaud the GOHCR for its work in these areas and support the creation of a public-private authority to continue to carry out the work of these initiatives. We believe that the PHIX authority should include not only the work necessary to manage the statewide health information technology network, but it should also be authorized to carry on the work necessary to continue to pilot initiatives such as the PCMH and other provider initiatives that will improve quality and lower health care costs for the citizens of Pennsylvania. The use of health information technology by health care provider in Pennsylvania is closely linked to a provider's ability to improve quality and efficiency, such as the work being piloted in the PCMH pilot programs. We see these programs as inextricably linked.

We support the creation of the PHIX authority but also feel strongly that the authority should be self sustaining through the achievement of health care cost savings and through a rational funding structure that does not include taxes on health insurance members or serves in any way to further erode the affordability of or access to quality health care in the state of Pennsylvania.

We greatly appreciate the opportunity to present for the public hearing record our comments on House Bill 2106. Highmark has a long standing track record of supporting the citizens of Pennsylvania with its mission of high quality affordable health care for the people we serve in this state. We will continue to focus on finding ways to improve quality and lower costs and are ready to work in a public-private partnership to help further the mission of affordable quality and access. To that end, outlined below are the significant financial commitments that we have made on a range of health information technology projects:

- The Highmark Health Information Technology (HIT) Grant Program has committed \$29 million to Pennsylvania physicians to reduce the initial costs of acquiring electronic prescribing and/or electronic health record technology in their practice. This technology improves patient safety and quality while increasing cost efficiency.
- The Pittsburgh Regional Health Initiative (PRHI) has been designated CMS' community partner for the Electronic Health Records (EHR) Demonstration Pilot. Highmark has committed \$1 million to the PRHI to support its efforts in the development and deployment of training curriculum and coaching techniques to engage Western Pennsylvania physician practices in the meaningful use of health information technologies.
- Highmark has committed \$1 million to the Pennsylvania Mountains Healthcare Alliance (PMHA) to support the purchase of critical network hardware to allow for the construction of a high speed, secure network for interconnectivity. The grant has helped to finance the project to expand telemedicine and shared services for hospitals in a 21-county region of rural Pennsylvania.

- Highmark is participating in and financing a three year pilot (\$5.1 million from 2009-2011) with the Governor's Office of Health Care Reform, the Chronic Care Initiative, a multi-payer, multi-stakeholder collaborative focused on the advancement of the Wagner/MacColl Institute Chronic Care Model in primary care physician office practice. The model is a comprehensive approach supporting primary care physicians and practices in their role in improving the management of chronic illness, activating patients in self-management, redesigning primary care service delivery through advancement of National Committee for Quality Assurance Patient Centered Medical Home designation, advocating the use of clinical information systems and decision support to proactively manage patient populations and engagement of community resources to support patients in attaining and sustaining improved health and wellness.
- Highmark is a Platinum Supporter of the Pennsylvania eHealth Initiative (PAeHI). The PAeHI was created to convene all interested stakeholders for the purpose of encouraging the development and use of electronic medical records (EMR) in Pennsylvania along with health information exchanges (HIE) to interconnect all healthcare stakeholders, which will ultimately tie into a national system allowing patients and health care providers to securely access medical records regionally and throughout the country.