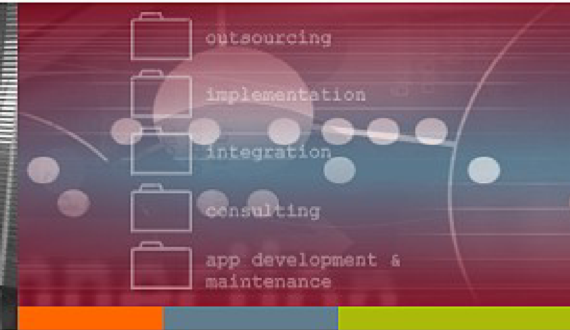
Information Sharing and Certification

Two Trends in US Healthcare IT



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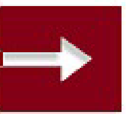


Agenda

- What’s a RHIO and why are they important?
  - The Government perspective
  - The Market perspective
  - The vendor perspective
- Are RHIOs real?
  - RHIO Status in the US
- Why Certification?
  - The Government perspective
  - The Market Perspective
  - The vendor perspective
- Are we certified yet?
  - CCHIT Status
- Questions

What's a RHIO and Why Are They Important?

The Government Perspective

- US Healthcare costs comprise over 15% of US GDP and growing
  - Government must find a way to reduce growth in healthcare expenditures without significant government intervention
- The network will fix everything!
  - An efficient healthcare network will promote information sharing which in turn will support more efficient and effective delivery of healthcare
- RHIOs are such a good idea every community will want one
  - Government providing research and seed grant money only
- Once you build it we'll figure out how to connect it all
  - NHIN projects
  - Recent ONCHIT publicity
- This is really important but it's someone else's job to pay for it
  - Current Federal actions

The Market Perspective

- Yes, we're all for information sharing, but. . .
  - Ultimately benefits the patient
  - Theoretically should lower costs
- Hospitals like the idea but have other priorities (and no money)
  - Need EXR first
  - Worried they will foot the bill for docs
  - Don't see immediate benefit
- Payers like the idea but aren't sure providers are committed
  - See real benefit in lowering medical costs
  - Better information for medical management
  - Less duplication and unnecessary treatment
- Physicians like the idea but don't have the time or money to work on it
  - Most don't have EXR to create or access shared information
  - Skeptical about revenue impact
  - Agree the patient will benefit

The Vendor Perspective

- We love the idea!
  - Next step in revenue generation after EXRs
  - New buyers in the market (government, RHIOs, others)
  - New product opportunities
- But, other vendors have to work with our products
  - Expensive to engineer interoperability
  - Integration within our product line first
- And, it’s hard to tell who’s the buyer
  - Who’s got the money?
  - Who will operate the RHIO?
  - Who do we work for?

RHIO Status in the US

The Status of RHIOs

Most RHIOs are in early stages of their life cycle. In reality, only a rare few have models for ongoing sustainability and financial viability.

By the end of 2005*:

- **12%** will have recognized the need for a RHIO ***(Stage1)***
- **14%** will be defining goals, getting organized, setting up legal and governance structures ***(Stage 2)***
- **15%** will be defining needs, developing business plans, securing funding ***(Stage 3)***
- **37%** will be well underway with implementation ***(Stage 4)***
- **12%** will be fully operational, exchanging data, have a sustainable business model ***(Stage 5)***
- **11%** will be expanding to a broader coalition of stakeholders ***(Stage 6)***

***Based on 109 respondents to eHealth Initiative's Second Annual Survey of State, Regional and Community-based Health Information Exchange Initiatives and Organizations, conducted May 2005.** Complete survey results are available at: *http://ccbh.ehealthinitiative.org/communities/register_download.mspx*

RHIO Success Factors

Six key factors correlate with the success of RHIOs and their ability to make progress.

1. Dedicated ***leadership*** that can mobilize the community

2. A clear compelling ***vision and mission***

3. A ***specific initiative*** that has low technical risk, clear value, and can be accomplished quickly
   - With plans to incrementally add capabilities and stakeholders – building value over time

4. A ***neutral, non-profit*** governing organization

5. Defined ***geography*** with providers that serve a common patient population

6. ***Funding*** – including ongoing commitments from those who will benefit

Typical RHIO Approaches

No single model exists for a successful RHIO, but there are some common focused initiatives that are emerging.

Most RHIOs start with one or more targeted initiatives:

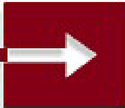
1. Distributing ***test results*** from hospitals/laboratories to physicians
   – Represents a common, tried-and-true first step
2. Aggregating and sharing ***clinical data*** across a defined community
   – Some begin with individual hospitals and health systems then expand
   – Many target Emergency Departments as the primary point of access
   – Data typically includes allergies, diagnoses, medications and test results
3. Deploying a common ***patient registry*** to manage chronic disease
   – Often undertaken by RHIOs with strong public health component
4. Offering ***IT products and services*** to community physicians
   – Typically start with test results and/or e-prescribing
   – Some progress to offering electronic health records (EXRs) – often with multiple vendor options
5. Connecting ***rural hospitals/physicians*** with tertiary providers
   – Typically inpatient-focused, addressing transfer of care issues

Expected Stakeholder Benefits

Each of the common tactical initiatives is associated with a range of stakeholder benefits.

Approach	Expected Stakeholder Benefits
1. Distributing ***test results*** from hospitals/laboratories to community physicians	■ ***Suppliers:*** Reduced costs (strong ROI) ■ ***Providers:*** Improved workflow ■ ***Patients:*** Reduced waits for results; improved continuity of care
2. Aggregating and sharing ***clinical data*** across a defined community	■ ***Payers:*** Reduced duplicate services ■ ***Providers:*** Reduced medical errors ■ ***Patients:*** Improved continuity of care
3. Deploying a common ***patient registry*** to manage chronic disease	■ ***Payers:*** Reduced hospitalizations, ED visits; improved population health status ■ ***Providers:*** Improved quality of care; increased revenue (P4P) ■ ***Patients:*** Improved health status
4. Offering ***IT products and services*** (eRx, EXR) to physicians	■ ***Payers:*** Improved formulary compliance, population health status ■ ***Providers:*** Affordable access to advanced IT
5. Connecting ***rural hospitals/ physicians*** with tertiary providers	■ ***Providers:*** Improved use of resources ■ ***Patients:*** Improved continuity of care

Why Certification?



The Government Perspective

- The Ambulatory EXR market is not mature enough to encourage physicians to invest.
- We eventually want EXRs to have some minimum functionality to support pay for performance and other government initiatives.
- We're convinced government can make the biggest impact on healthcare by improving office based care.
- We don't think the market will build in the interoperability needed to support RHIOs and the NHIN without incentives.
- Government doesn't want to mandate nor pay for EXR functionality.

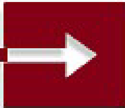
The Market Perspective

- Physicians without an EXR think certification will get them a more reliable product. Physicians with an EXR don’t particularly care.
- Physicians are worried that the cost of certification will be passed on to the them.
- Hospitals like the idea as long as their vendor’s product is certified.
- Payers like the idea if it encourages more physicians to use EXRs.

The Vendor Perspective

- The high end vendors like certification since it will showcase the functionality they provide.
- Smaller vendors are worried that certification will put them at a disadvantage if they can't meet the standards or if they have to invest to do so.
- Everyone is concerned about the transparency, cost and "fairness" of the process.

Are we certified yet?



CCHIT Status

- Established Sept 2004 by AHIMA, HIMSS, and the Alliance, as association sponsored effort. Awarded government contract for certification in Sep 2005.
- Phase I - Oct 05 to Sept 06
  - Develop, pilot test and assess certification for ambulatory EXRs
- Phase 2 - Oct 06 to Sept 07
  - Develop, pilot test and assess certification for inpatient EXRs
- Phase 3 - Oct 07 to Sept 08
  - Develop, pilot test and assess certification for network and infrastructure components through which EXRs interoperate

CCHIT Status

- 5 volunteer workgroups:
  - Functionality
  - Interoperability
  - Security and Reliability
  - Certification process
  - Use case and test plan
- Certification development process
  - Gather Information
  - Develop criteria
  - Develop test process
  - Pilot test
  - Finalization
  - Launch commercial certification

CCHIT Status

- Pilot test for Ambulatory EXR started Jan 06
- Commercial launch expected Q2 06
- Organizational development underway for Phase 2 (inpatient EXR)

Questions?