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Mission: to transform the health care system through information and technology to improve patient safety and health care quality, lower costs, and coordinate care.

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Health I.T. Bill Remains Stalled in House

More than six months after the Senate unanimously passed groundbreaking legislation to promote the use of health information technology, the House last month finally appeared to be taking up the issue. Two different House committees passed their own versions in June, with Floor consideration apparently imminent. In the face of policy differences and possibly acrimony between the two Committee chairmen, however, negotiations have apparently stalled.

According to parties familiar with the discussions, the bill is hung up substantively on the issues of privacy and a timeline for transitioning from ICD-9 coding to ICD-10. The Ways and Means Committee version of H.R. 4157 would set in motion a process by which the Secretary of Health and Human Services could preempt state privacy laws. By contrast, the Energy and Commerce bill explicitly maintains the status quo on health privacy. The Ways and Means bill also included a requirement, not in the Energy and Commerce bill, that the more expansive ICD-10 coding scheme be implemented by 2009, which has drawn opposition from health plans. Staff-level negotiations on these points are rumored to have stalled and the issues are apparently in the laps of Energy and Commerce Chairman Joe Barton (R-TX) and Ways and Means Chairman Bill Thomas (R-CA). A Congressional Budget Office analysis estimating that certain provisions would cost the federal government \$38 million was [initially blamed for slowing the bill's progress](#) to the House floor, but is not apparently the source of the impasse any longer.

CBO Concludes Energy & Commerce Health I.T. Bill Unlikely to Have Impact

The Congressional Budget Office (CBO) has asserted that the version of H.R. 4157 that passed the Energy and Commerce Committee [would not significantly affect either the rate at which the use of health technology will grow or how well that technology will be designed and implemented](#). The CBO critique of the bill echoes calls by Caucus co-chairmen Tim Murphy (R-PA) and Patrick Kennedy (D-RI) for more expansive efforts to promote adoption of I.T. by providers and to spur creation of health information networks that allow data to be shared securely. Unlike the bipartisan [Murphy-Kennedy 21st Century Health Information Act \(H.R. 2234\)](#) and S. 1418, which passed the Senate unanimously, the committee's bill (and the Ways and Means Committee's bill) includes virtually no incentives. Murphy and Kennedy have pushed for a more robust federal leadership role to drive rapid transition to digital record keeping.

New Cardiac Care Alliance Launched

On June 21, 2006, 29 health care agencies and organizations announced the formation of the [Alliance for Cardiac Care Excellence](#). The membership of the alliance includes the Centers for Medicare and Medicaid Services, the American Heart Association, the Institute for Healthcare Improvement, and the National Committee for Quality Assurance. The initial goal of the alliance is to ensure that 95 percent of eligible adult patients receive care for heart attack or heart failure that meets a set of seven quality measurement consensus standards endorsed by the National Quality Forum (NQF) and reported on the U.S. Department of Health and Human Services' [Hospital Compare](#) website. Currently an estimated 85 percent of eligible patients receive this standard of care. The target date to reach this goal is December 31, 2006-and by December 31, 2007, the alliance hopes to ensure that 95 percent of hospitalized heart attack and heart failure patients receive care meeting the full set of 12 cardiac care quality measurement standards endorsed by NQF.

Society of Thoracic Surgeons to Share Quality Data with Wellpoint

The Society of Thoracic Surgeons (STS) will collaborate for the first time with a major health plan, Wellpoint, Inc., in order to [provide performance information about hospitals and surgery groups](#) located in states served by Wellpoint health plans. The data are from STS' National Adult Cardiac Surgery Database, which includes process and outcomes information for more than 700 participants on more than 3 million cardiac procedures. STS will provide Wellpoint with a series of reports highlighting performance on approximately 15 quality measurement consensus standards that have been endorsed by the National Quality Forum, including the use of beta blockers before and after surgery, as well as infection and mortality rates. Wellpoint has stated that over time it intends to incorporate these performance measures into its pay-for-performance and quality improvement programs.

Institute of Medicine: High Rate of Premature Births in the United States is a Public Health Concern

A recently released Institute of Medicine (IOM) report titled, [Preterm Birth: Causes, Consequences, and Prevention](#), finds that in 2005, 12.5 percent of births in the United States were preterm (occurring at less than 37 weeks of gestation; a full-term pregnancy is 38-42 weeks)-a 30 percent increase over the 1981 rates. Further, the report estimates that the economic burden of these preterm births in 2005 was \$26.2 billion (or \$51,600 per infant), with most of these expenses going toward infant medical care. The report calls for a multidisciplinary research agenda aimed at improving the prediction and prevention of preterm labor and better understanding of the health and developmental problems to which preterm infants are more vulnerable. In addition, the report recommends that guidelines be issued to further reduce the number of multiple births-a significant risk factor for preterm birth-that result from infertility treatments.

Report Finds That Health Savings Accounts Often Do Not Increase Consumer Cost Sharing

Health Savings Accounts (HSAs) are a form of medical savings accounts that permit individuals to save money tax-free with which to pay their out-of-pocket health care expenses. Proponents of HSAs claim that they can reduce medical care costs because they increase consumer cost sharing, resulting in more cost conscious choices due to individuals spending their own money. However, a recent study published in Health Affairs finds that, in combination with high-deductible health insurance plans, [HSAs actually reduce cost sharing for many consumers](#)-in particular, for those that spend the least and most on health care. The researchers state that those patients responsible for half of all medical spending (7.7 percent of the population) would see no change, or even a decline, in cost-sharing under HSAs. Therefore, the authors conclude that in order to make HSA/high-deductible plans more effective in controlling medical spending, cost-sharing would have to be raised substantially among those who spend the most on health care.

Nursing Home Complaints Can Offer Accurate Signal of Quality Concerns

A recent study published in Medical Care Research and Review finds that [nursing home consumer complaints appear to offer a real-time signal of quality concerns](#). As the basis for analysis, the researchers used 1998 - 2002 data from the On-Line Survey Certification and Reporting (OSCAR) database—a longitudinal database containing information for all Medicare- and Medicaid-certified nursing home providers. OSCAR includes nationwide data on consumer complaints; deficiencies in quality as reported by state survey agencies, which conduct inspections every 9 to 15 months; and staffing information. The study finds that consumer complaints correlated strongly with deficiency citations and lower-than-average staffing ratios (with "average" being determined by the staffing ratios of other facilities within the same state and year). These associations were consistent across states and also held whether the complaints were substantiated through investigation or not. The researchers concluded that using consumer complaints can add value to the overall nursing home quality picture, since they are relatively timely, salient, and interpretable, especially when compared with surveys that are conducted once a year.

Commission Announces First Certified Electronic Health Records

The first round of ambulatory [electronic health record products \(EHRs\) have been certified](#) by the Certification Commission for Healthcare Information Technology ([CCHIT](#)). Eighteen products met the criteria and will carry the "CCHIT Certified" label.

CCHIT certification indicates that EHR products meet base-line levels of functionality, interoperability and security in compliance with CCHIT's published criteria. This impartial seal of approval is intended to pave the way for adoption of health IT products by limiting providers' risk associated with investing in EHRs. CCHIT is continuing to evaluate products, and additional results will be announced at the end of the month and quarterly thereafter.

New Legislation to Safeguard Federal Health Information Introduced

On June 21, Rep. Corrine Brown (D-FL) introduced a bill to protect federal health information. This legislation, known as the [Data Theft Prevention Act of 2006 \(H.R. 5661\)](#), would prohibit the unauthorized removal or use of personal health information contained in a database owned, operated, or maintained by the Federal Government. Under this legislation, it would be illegal for an individual to knowingly and without authorization view, use, download, or remove any means of identification or individually identifiable health information that is in a Federal database; or transfer such means of identification or individually identifiable health information to, or store such means of identification or individually identifiable health information in, any computer, network, database, or other format used to store information that is not a Federal database. Violators could be fined or imprisoned not more than one year, or both.

New Study Finds Medication Errors at Every Step of Process

On June 22, a new study released by Johns Hopkins Children's Center showed that [errors occurred at all points in the medication process](#). Researchers analyzed 19 months of data

from a voluntary error-reporting system in use at the center from 2001 to 2003 and found that errors occurred in all steps of the medication process. Of the 1010 medication errors reviewed, 298 (30%) were prescribing errors, 245 (24%) were dispensing errors, 410 (41%) were administration errors, and 57 (6%) involved medication administration records (MAR). In response to those findings, the center has created several programs to reduce and prevent such errors, including a computerized ordering tool for pediatric chemotherapy, an online infusion calculator for IV infusions, and an online total parenteral nutrition calculator for premature babies. The study can be found in the June issue of Quality & Safety in Healthcare.

HHS Announces New HIPAA Privacy Decision Tool for Emergency Preparedness Planning

On July 5, the Department of Health and Human Services (HHS) published a new Web-based interactive decision tool designed to assist emergency preparedness and recovery planners in determining how to access and use health information about persons with disabilities consistent with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule. The tool will guide emergency preparedness and recovery planners through a series of questions regarding how the HIPAA Privacy Rule applies to a particular disclosure. By helping users focus on the source of the information being disclosed, to whom it is being disclosed, and for what purpose, users will better meet the needs of the elderly or persons with disabilities in the event of an evacuation. The Decision Tool: HIPAA Privacy Rule & Disclosures for Public Health -- Emergency Preparedness is accessible on the HHS website at <http://www.hhs.gov/ocr/hipaa/decisiontool/>.

First NHIN Forum Draws More than 500 People

The first [Nationwide Health Information Network \(NHIN\) Forum](#) held on June 28 - 29 in Bethesda, Maryland, drew more than 500 people. At the request of the Office of the National Coordinator for Health IT (ONC), forum participants offered hundreds of comments on the functional requirements for NHIN. Now the National Committee on Vital and Health Statistics will spend the summer assessing those comments and melding them with others in a first stab at a requirements document. By the end of September, NCVHS will gather input and make recommendations on an initial set of functional requirements for the network

Four federal contractors, Accenture, Computer Sciences Corp., IBM and Northrop Grumman, explained their various approaches to creating prototype networks for exchanging healthcare data. The federal government last year awarded four contracts totaling \$18.6 million to consortiums led by the contractors to develop prototype networks that could eventually serve as models for a NHIN. Breakout sessions were also held on EHRs, PHRs, privacy and biosurveillance.

VA Receives "Innovations in Government Award" for its Electronic Health Records

The Department of Veterans Affairs' (VA) model system of electronic health records, developed with extensive involvement of front-line healthcare providers, has [won the prestigious "Innovations in American Government Award."](#) The annual award, sponsored by Harvard University's Ash Institute for Democratic Governance and Innovation at the Kennedy School of Government and administered in partnership with the Council for Excellence in Government, honors excellence and creativity in the public sector. "This great honor is testimony to the vision of healthcare professionals throughout VA," said the Honorable R. James Nicholson, Secretary of Veterans Affairs. "Our electronic health records are without peer and ensure that our nation's veterans receive the best care this country can provide." While healthcare costs in the United States continue to soar, VA is reducing costs and errors while increasing safety and efficiency.

Rhode Island Assembly Approves \$20 Million Health Information Exchange

The Rhode Island General Assembly approved as part of the state budget a [\\$20 million revenue bond to fund a health information exchange](#) to allow providers with electronic health records to share their information safely and securely. "The Health Information Exchange will make Rhode Island a national model in the use of information technology in our health care system," said Governor Donald Carcieri. The revenue bond commits the state to helping fund the new health information system contingent on contributions by other stakeholders such as private health plans and the federal government. Rhode Island was one of the initial recipients of a \$5 million grant from the Agency for Healthcare Research and Quality to begin building an information exchange.

Senate Appropriators Propose Small Increase for Health I.T.

The Senate Labor-HHS-Education Appropriations Subcommittee reported out a bill that would provide \$113.2 million for health information technology in fiscal year 2007. That funding level represents a \$2 million increase over FY2006, but is well short of the \$169 million requested by the Administration or the \$148 million in the House bill. The Senate bill still needs to be approved by the full committee and the full Senate. The House also has yet to act on the bill reported out by the Appropriations Committee. Observers do not expect that a Labor-HHS-Education spending bill will be finalized before the November elections.

Leavitt: Deny State Contracts to Companies That Resist Federal Standards

From iHealthBeat:

HHS Secretary Mike Leavitt told four governors attending the annual Southern Governors Association conference that denying state contracts to health care companies that do not use federally approved software standards would aid the effort to adopt electronic health records, the [AP/Biloxi Sun-Herald](#) reports.

Federal agencies beginning this fall will not give business to companies that resist using those standards, which are key to ensuring that providers' computer systems are

compatible, Leavitt said. Also, some large private companies have agreed to withhold business from health care companies that have not committed to the federal standards, according to Leavitt.

Govs. Kathleen Blanco (D-La.), Haley Barbour (R-Miss.), Ernie Fletcher (R-Ken.) and Timothy Kaine (D-Va.) attended Monday's panel discussion. The governors all were supportive of EHRs but did not commit to Leavitt's proposal to withhold state contracts (Simpson, AP/Biloxi *Sun-Herald*, 7/18).

Drug Tracking Technology Delayed

From iHealthBeat:

An FDA official on Tuesday told the House Government Reform Criminal Justice Subcommittee that electronic tracking is the "most promising technology" for monitoring prescription drugs, but the FDA task force studying the issue has agreed to give companies additional time to determine how to install the technology, *CongressDaily* reports.

Randall Lutter, the FDA's associate commissioner for policy and planning, said the task force recommended that private distributors phase in the technology and track just the products most susceptible to counterfeiting and diversion. Lutter said a 2004 FDA report called for the technology to be installed industrywide by 2007 but that deadline is no longer feasible, *CongressDaily* reports.

Electronic tags on product packaging would let distributors and wholesalers monitor drugs throughout the supply chain and reduce the amount of counterfeited drugs that pass through the system. Also, electronic tracking would help distributors meet a new federal regulation - which goes into effect in December - that requires them to provide wholesalers with a written log of a drug's path from manufacturer to pharmacy, *CongressDaily* reports.

Paper Questions Electronic Health Record Benefits

From iHealthBeat:

A paper in the current issue of *Health Affairs* says that it is unclear whether electronic health records will reduce health care costs or improve care, [Healthcare IT News](#) reports.

The paper, which looked at studies on EHRs in ambulatory care, finds that the technology can increase costs, decrease physician productivity and does not change provider-to-patient ratios. Dr. Jaan Sidorov, author of the study and an associate in the department of general internal medicine at Geisinger Medical Center in Pennsylvania, said the research also could be applied to hospitals and other inpatient settings, *Healthcare IT News* reports.

"Absent other fundamental interventions that alter medical practice, it is unlikely that the U.S. health care bill will decline as a result of the EHR alone," Sidorov said.

Without improvements in care quality and efficiency, the installation and maintenance costs of EHRs likely will be passed on to patients, according to the report. Also, EHRs' ability to reduce medical errors still is unclear, the report finds (Broder, *Healthcare IT News*, 7/11).

IHI Promising Practice of the Month: Improving Care by Reducing Waits

Reducing the amount of time patients spend trying to get medical appointments or sitting around waiting to be seen by providers isn't just about keeping tempers cool. When patients have easier access to care, all sorts of benefits accrue, chief among them better health outcomes. By implementing what's called "advanced access" office practices also discover they can see more patients in a given month and have far fewer no-shows. For more information, click [here](#).

The House 21st Century Health Care Caucus thanks the following organizations for their contributions to this newsletter:

HIMSS (Healthcare Information and Management Systems Society) is the healthcare industry's membership organization exclusively focused on providing leadership for the optimal use of healthcare information technology and management systems for the betterment of human health. HIMSS frames and leads healthcare public policy and industry practices through its advocacy, educational and professional development initiatives designed to promote information and management systems' contributions to ensuring quality patient care. On the web at www.himss.org. (Items 8-14)

The Institute for Healthcare Improvement (IHI) is a not-for-profit organization leading the improvement of health care throughout the world. Founded in 1991 and based in Boston, MA, IHI is a catalyst for change, cultivating innovative concepts for improving patient care and implementing programs for putting those ideas into action. Thousands of health care providers participate in IHI's groundbreaking work. To find out more, go to www.ihl.org. (Item 19)

The National Quality Forum (NQF) is a private membership organization created to develop and implement a national strategy for healthcare quality measurement and reporting. NQF's mission is to dramatically improve quality of care. Its portfolio includes the endorsement of performance measurement consensus standards, educational programs for health care leaders on key environmental trends, and award recognition programs. NQF, a non-profit organization with diverse stakeholders across the public and private health sectors, was established in 1999 and is based in Washington, DC. NQF's Executive Institute works to assist healthcare leaders in making quality health care the key business strategy of their institutions and the healthcare enterprise overall. To find out more, go to www.qualityforum.org and www.NQFExecutiveInstitute.org. (Items 3-7)