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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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GAO Recommends Clearer Strategy to Link Quality Reporting, I.T.

Many observers, including the Medicare Payment Advisory Commission, have recognized the potential of quality reporting and pay-for-performance programs to drive the use of information technology in health care. In response to a Congressional request, the Government Accountability Office has now issued a report urging the Department of Health and Human Services to take a more focused approach to delivering on that promise. The Senate Finance Committee asked the GAO to examine (1) hospital processes to collect and submit quality data, (2) the extent to which information technology facilitates hospitals' collection and submission of quality data, and (3) whether CMS has taken steps to promote the use of IT systems to facilitate the collection and submission of hospital quality data. In its report, entitled [“HHS Should Specify Steps and Time Frame for Using Information Technology to Collect and Submit Data”](#) (GAO-07-320), the GAO recommends that the Secretary of HHS identify the specific steps the department plans to take to promote the use of HIT for the collection and submission of data for CMS's hospital quality measures and inform interested parties

about those steps, the expected time frame, and associated milestones. CMS concurred with these recommendations.

IRS Allows Non-Profits to give Assistance for EHRs

The [IRS has ruled](#) that non-profit hospitals may permissibly help physicians pay for electronic health records. Last August, HHS and CMS issued rulings that hospital assistance to physicians for IT would be given safe harbor from federal anti-kickback laws, and would be granted an exemption from Stark laws prohibiting financial inducements for referrals. The short IRS [memorandum](#), barely a page of text, gives non-profit hospitals clearance to utilize the new safe harbor to subsidize the cost of providing electronic health records systems software and technical support to affiliated physicians without fear of losing their non-profit status. “We will not treat the benefits a hospital provides to its medical staff physicians as impermissible private benefits or inurement in violation of section 501(c)(3) of the Internal Revenue Code if the benefits fall within the range of health IT items and services that are permissible under the HHS EHR regulations,” reads the memorandum.

U.S. Senate Recognizes National Health IT Week

On May 15th, the U.S. Senate passed [Senate Resolution 202](#) by unanimous consent designating May 14 – 18 as National Health Information Technology Week. Sponsored by Senators Stabenow, Snowe and Whitehouse, the resolution states that the Senate: (1) recognizes the value of information technology and management systems in transforming health care for all people in the United States; (2) designates the period beginning on May 14, 2007, and ending on May 18, 2007, as ‘National Health Information Technology Week’; and (3) encourages the use of information technology and management systems to transform the health care system in the United States. Caucus Co-Chairs Patrick Kennedy (D-RI) and Tim Murphy (R-PA) introduced similar legislation, H.Con.Res.149, in the U.S. House of Representatives.

Patient-Centered Primary Care Collaborative Launched

During the week of May 7th, the Patient-Centered Primary Care Collaborative was launched to focus on advancing a new primary-care model called the "Patient-Centered Medical Home". The model includes a personal physician for a patient, a physician-directed medical practice, a whole person orientation, coordinated and/or integrated care, quality and safety measures, enhanced access, a reimbursement system with appropriate incentives for the patient and the physician, along with the appropriate use of information technology. The PCPCC web site (<https://www.patientcenteredprimarycare.org>) includes more info on the project, including presentations and its legislative agenda focus. The founding PCPCC members include business organization, several leading primary care physician specialty societies, and representatives of other provider organizations..

National Quality Forum Endorses Evidence-Based Practices to Treat Addiction

In May 2007, the National Quality Forum (NQF) released newly endorsed national voluntary consensus standards on [evidence-based practices to treat substance use conditions](#) consisting of eleven practices pertaining to diagnosing, treating, and continuing care management of individuals with substance use conditions. NQF also provisionally endorsed [35 new performance measures for ambulatory and hospital care](#) for two years, pending field testing and issued two issues briefs: [The Promise of Personal Health Records for Quality Improvement](#) and [Strengthening Pediatric Quality Measurement and Reporting](#).

WHO Releases Nine Patient Safety Solutions

The World Health Organization's (WHO) Collaborating Centre for Patient Safety Solutions recently released [nine life-saving Patient Safety Solutions](#) designed to reduce harm caused by human error in medical systems around the globe. The solutions focus on look-alike and sound-alike medications, correct patient identification, effective patient hand-over communication, performance of correct procedure at the correct body site, proper control of concentrated electrolyte solutions, medication accuracy during care transitions, catheter and tubing mis-connections, single use of injection needles, and hand hygiene. "These solutions offer to WHO Member States a major new resource to assist their hospitals in avoiding preventable deaths and injuries" says Dennis O'Leary, M.D., President of The Joint Commission. "Countries around the world now face both the opportunity and the challenge to translate these solutions into tangible actions that actually save lives."

The WHO Collaborating Centre for Patient Safety Solutions was initiated in 2005 and is comprised of The Joint Commission and Joint Commission International.

Jury Still Out on High-Performance Health Plan Networks

The Center for Studying Health System Change (HSC) recently released an issue brief, ["High-Performance Health Plan Networks: Early Experiences"](#), summarizing the results of an in-depth study it conducted on high-performance networks. High-performance health plan networks are plans structured to encourage beneficiaries to visit providers who score well on quality and efficiency measures, usually by instituting tiered networks with differential cost-sharing structures.

The study found that while employers are interested in high-performance health plan networks, actual adoption has been slow, and that it is "too soon to assess the impact of high-performance networks on service use, costs, and quality because there is not yet enough volume in these networks." However, the study does outline a few "early lessons learned," including: open and honest communication with providers is critical when developing and implementing these networks, success of high-performance networks is dependent on assessment of both costs and quality, more uniform measures of provider performance are needed, and purchaser support is important since the healthcare systems is based on employer-sponsored insurance. The study was based on information collected during Community Tracking Study (CTS) site visits and interviews with

approximately 20 representatives of national and regional health plans, providers, employers, and benefits consultants.

GAO Study Reveals Quality Problems in Nursing Homes

A recent [study by the Government Accountability Office \(GAO\)](#) finds substandard care in a “small but significant share” of nursing homes throughout the country. While the study notes long-term progress within the industry, 19 percent of nursing homes were found either to have caused actual harm to residents or to have placed residents in immediate jeopardy, and there were significant state-to-state variations in the percentage of homes with deficiencies (from a low of 2 percent of facilities with serious quality deficiencies in one state to a high of almost 51 percent in another).

The study finds that these variations may reflect difficulties in recruiting and sustaining a cadre of state-specific surveyors with the “knowledge, experience, and confidence to perform the job well.” In addition, the GAO report finds that penalties for quality violations to date have been only mildly effective, inducing just “temporary compliance.”

This study reflects a trend of improvement in nursing home care quality beginning with the landmark Omnibus Budget Reconciliation Act (1987.) This legislation put new emphasis on measuring the actual quality of care received in homes, rather than facilities’ capacity to provide high quality care.

Heart Attack Treatments Shows Improvement Worldwide

A recent study published in the *Journal of the American Medical Association* finds [significant improvement in the treatment of heart attack victims](#) between 1999 and 2006. The study examines 44,372 patients in 14 different countries and reveals an 18 percent decrease in hospital deaths for patients with the most severe form of heart attack, as well as a decline in the number of patients experiencing heart failure or cardiogenic shock following hospitalization for heart attacks or severe chest pain. The researchers conclude that these reductions in mortality and morbidity correspond with the adoption of more state-of-the art patient management approaches, such as angioplasty and pharmacological therapy, including beta-blockers, statins, and ACE inhibitors.

Attendees at Annual World Health Care Congress Express Support for P4P

A [survey](#) taken at the [Fourth Annual World Health Care Congress](#) in Washington, D.C last month showed that a 69 percent of the attendees want to see the federal government move faster to establish pay-for-performance (P4P). The attendees included both purchasers and providers, approximately 50 percent of whom also agreed that they would like to see P4P advance more quickly. Herb Kuhn, acting deputy administrator of the Centers for Medicare & Medicaid Services (CMS) was pleased to hear that P4P is considered important. “We are working hard to implement changes,” Kuhn said. “We believe that quality and efficiency makes sense and it’s an effort long overdue.” Some criticism for P4P was expressed by American Medical Association (AMA) President-

Elect William Plested, MD, who noted that “[P4P should only be pursued] after extensive evaluation of the probable negatives [and should be done with] the greatest caution.”

CMS Considers Ending Hospital Payments for Preventable Errors

Responding to a statutory requirement, CMS is taking public comment on a proposal to [stop paying hospitals to treat preventable conditions](#) such as catheter-related urinary tract infections, bed sores, leaving objects in a patient during surgery, and wrong-type blood transfusions. According to the [CMS notice of proposed rulemaking](#), each of the hospital-acquired conditions specified has high frequency or burden, clear guidelines for prevention, and currently results in a higher payment under Medicare payment practices. Currently, these conditions are coded as complicating conditions or comorbidities, which result in payment at a higher DRG. Under the proposal, the higher payment would not be triggered. Comments are due by June 12.

New Batch of Health IT Bills Debuts in the House, Senate

from iHealthBeat (5/25/07)

House and Senate legislators this week introduced a variety of ways to standardize clinical IT and electronic health records, although staffers with the Senate Finance Committee said that time and money would prevent the passage of any comprehensive legislation this year, *Technology Daily* reports.

Sen. Sheldon Whitehouse (D-R.I.), who on Monday introduced a package of health IT bills, said a consolidation of efforts is necessary and should be "headed by technology and business leaders who understand the dire need for health IT and are motivated to work quickly to get this system up and running."

The "limited financial and statutory weight" of the Office of the National Coordinator for Health IT has restricted it from developing a national framework, so "a more powerful entity is required to motivate this enterprise," Whitehouse said.

Rep. Bart Gordon (D-Tenn.) on Tuesday also introduced a measure that would direct the National Institute of Standards and Technology to standardize IT tools and EHRs. HHS "has failed in moving forward" on President Bush's goal of widespread EHR adoption by 2014, Louis Finkel, Gordon's policy and outreach director, said.

Finkel also said that the NIST proposal should be enacted now to lay the foundation for the rest of the national IT framework, adding that NIST is a "natural fit" to establish standards meeting the approval of physicians.

House Science and Technology Committee members on Wednesday approved a bill sponsored by Rep. David Wu (D-Ore.) that would help universities educate and train medical professionals on new technology.

Christine Bechtel, vice president of public policy and governmental relations for the eHealth Initiative, said, "The Senate Finance Committee is a more difficult environment because of budgetary restrictions, but we know that the individual members of the

committee on both sides of the aisle are highly supportive of health IT adoption" (Sternstein, *Technology Daily*, 5/24).

Privacy, Ownership Issues Make Patients Cautious About PHRs

from iHealthBeat (5/23/07)

Health consumers have not yet embraced personal health records because they are being promoted by health plans and employers, and patients are concerned that they may be used against them, according to the second part of a series on PHRs in [*Modern Healthcare*](#).

Edward Fotsch -- CEO of Medem, a PHR provider -- said the key is for PHRs to be provided by a trusted third party, such as a patient's physician. Physicians, however, are concerned about liability concerns, legal issues and trusting the accuracy of the data.

The confusion surrounding PHRs is due to a misunderstanding of their definition, Fotsch said. "A [PHR] is, by definition, an online collection of structured data" where particular types of data should be entered and displayed, and they should feature a secure e-mail connection between physician and patient, Fotsch said.

A lack of business case and clinical evidence supporting the use of PHRs also has led physicians to be indifferent toward them, Michael Zaroukian, chief medical information officer at Michigan State University, said.

A lot of the new issues that PHRs create are because they upset the traditional model of physicians owning the patients' health records, Nicolas Terry, co-director of the St. Louis University School of Law's Center for Health Law Studies, said. Terry said that HIPAA privacy rules have not been updated with the new technology and that what is needed is a "global privacy standard" that can be applicable wherever patient data is stored.

The Altarum Institute in January presented a report to the American Health Information Community on 30 publicly available PHR privacy and security policies and found that PHR providers:

- Do not say much about the disclosure of secondary uses of data;
- Pay minimal attention to ownership of data after a business relationship has ended;
- Do not define legal terms such as "personal health information" or "de-identified" patient data; and
- Do not have formal mechanisms to enforce written policies.

AHIC has recommended that HHS develop standards for medication history, registration information and technical specifications for transporting data, but they have not adopted them yet, *Modern Healthcare* reports (Robeznieks, *Modern Healthcare*, 5/22).

Federal Health IT Office Moves Forward With National Network

from iHealthBeat (5/23/07)

The Office of the National Coordinator for Health IT is planning its first trials of the Nationwide Health Information Network, which will connect state and regional health groups using electronic health records, [Tech Insider/Government Executive](#) reports.

ONCHIT will award up to 10 one-year contracts to create the larger network that will allow physicians nationwide to exchange and view EHRs on every patient. Up to one-third of the contracts will be awarded to small businesses, but there is no time frame for when the awards will be given, ONCHIT said.

The national coordinator's office in November 2005 awarded contracts to Accenture, Computer Science Corporation, IBM and Northrop Grumman to develop the regional prototypes through partnerships with regional health care organizations. The upcoming trial is the next stage of testing how the system will operate on a larger scale, [Tech Insider/Government Executive](#) reports.

IHI Promising Practice of the Month: Engaging Trustees in Patient Safety

Clinical staff are not the only ones who can prevent unnecessary harm and errors in hospitals; boards of trustees have a significant role to play too. That's why the Institute for Healthcare Improvement has made board engagement in patient safety a hallmark of the recently launched 5 Million Lives Campaign. A growing number of hospital trustees are demonstrating what is possible. Click [here](#) to read more.

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 1-4)

The [Institute for Healthcare Improvement](http://www.ihf.org) (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.ihf.org. (Item 15)

The [National Quality Forum](http://www.qualityforum.org) (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 5-10)