



FY08 Funding for the Office of the National Coordinator for Health IT

Background:

Since April 2004, the Office of the National Coordinator for Health IT (ONC) at the Department of Health and Human Services has been responsible for coordinating federal agency and industry efforts on the development of a Nationwide Health Information Network (NHIN) to improve the quality, patient safety, access to care, and cost effectiveness of healthcare delivery in the U.S. The Institute of Medicine Report, *To Err is Human*, 1998, believes that “the NHIN and associated healthcare IT initiatives could reduce significantly the 44,000 - 98,000 unnecessary deaths in U.S. hospitals due to preventable medical errors.”

ONC provides leadership and federal funding for industry initiatives to develop common solutions around privacy and security, standards harmonization, certification of electronic health record products, and NHIN trial implementations. H.R. 3043, the FY 2008 Labor/Health & Human Service (HHS)/Education Appropriations bill has now passed the House and Senate. The House provided \$61.0M for ONC, while the Senate allocated \$73.5M. Although both versions of the bill are well below the \$118M in the President’s Budget request, the Senate version gets closer to the funding level required to accelerate initiatives to improve care delivery in the United States. A conference committee must now reconcile the House and Senate version of this legislation and finalize an appropriations bill for the President to sign.

Projected Fund Allocations:

Based on full funding of the program, ONC would be able to achieve the following:

Standards: Over \$17M to continue the work of the Healthcare IT Standards Panel (HITSP) and the Certification Commission for Health IT (CCHIT) to coordinate the harmonization of IT standards, to advance technology interoperability across the U.S. The initiative will advance the date when providers and patients (including those who seek care at both local hospitals and federal healthcare facilities) will be able to exchange necessary healthcare information to improve the quality of care delivered.

Privacy and Security: Over \$19M to coordinate state-level efforts to secure consumers’ electronic health data; respect consumers’ privacy; and ensure necessary healthcare information can be transmitted across state lines to ensure timely access to care, whether the care involves telemedicine, prescription fills, or patient transfer from a remote location to a larger facility.

Architecture: Over \$60M to expand the size of the communities and regional networks participating in the development and testing of the NHIN.

AHIC 2.0: Nearly \$11M to transition the American Health Information Community (AHIC) to a public-private non-profit successor to ensure all stakeholders have access to the discussion.

Call to Action:

In order to accelerate adoption of electronic health records and other HIT products and achieve improved quality of care and a reduction in the cost of healthcare delivery, HIMSS supports funding the Office of the National Coordinator for Health IT at the Senate-passed level of \$73.5M. ONC will have to decide what projects cannot be funded to reach this reduced level of funding. We recognize the need for a comprehensive report detailing the federal plan for implementation of health IT, as called for by the House Appropriations Committee report, and we believe that increasing funding for ONC will directly support this particular activity. We urge inclusion of the Senate approved amount as the minimum level of funding in the Conference Report on H.R. 3043, the FY 2008 Appropriations Act for Labor/HHS/Education.