

HIMSS

Fact Sheet

“Electronic Health Records for Minnesota by 2015?”

Issue Summary

In an effort to improve the cost and quality of healthcare in Minnesota, Governor Tim Pawlenty signed into law legislation (Senate Bill 2) in May that mandates the use of healthcare information technology (HIT) among healthcare providers. The Omnibus Health and Human Services Finance Bill, among many things, requires that all healthcare providers implement interoperable electronic health records by January 1, 2015. To help achieve this goal, the bill authorizes \$14 million to assist rural providers in implementing electronic health records.ⁱ Specifics are as follows:

1. January 1, 2015: The bill states “By January 1, 2015, all hospitals and healthcare providers must have in place an interoperable electronic health records system within their hospital system or clinical practice setting.”
2. Electronic Health Record System Revolving Account and Loan Program: The bill authorizes \$14 million from the Minnesota Health Care Access Fund for one-time grants and loans to assist eligible providers in the installation or support of an interoperable electronic health records system. Eligible providers include community clinics and select rural healthcare facilities. All interoperable electronic health records systems supported by the funds must provide for the interoperable exchange of healthcare information between the applicant, and at a minimum, a hospital system, pharmacy, and a healthcare clinic or other physician group.
3. Additional Provisions: Additional provisions of the bill include the 1) \$4.1 million for pandemic flu planning and preparations; 2) the creation of uniform electronic transaction standards for health plans and providers; 3) a mandate that by January 15, 2009 providers can no longer use paper claims and eligibility transactions in Minnesota; and 4) \$2 million to begin modernization of an infectious disease reporting system.ⁱⁱ

Pros and Cons

The bill includes a small carrot but no stick to ensure achievement of the goal of having in place interoperable electronic health records among all hospitals and providers by 2015. To help achieve this goal, the bill authorizes \$14 million for the implementation and support of interoperable electronic health records. While the funding will assist select community and rural providers, no reimbursement mechanisms (additional grants/loans or incentives) are authorized to assist additional providers in achieving the same goal. The bill mandates that all hospitals and providers implement interoperable electronic health records by 2015 but does not include any penalties for a provider who does not

meet this goal. Therefore, without repercussions, the Governor cannot expect full adherence to the mandate and achievement of the goal.

Additional HIT Activities in Minnesota

Additional HIT activities in Minnesota include:

- Minnesota Advantage Health Plan: Taking effect in January 2008, all providers that contract with the Minnesota Advantage Health Plan, the state employee health benefits program, will be required to conduct pharmacy transactions through a single Pharmacy Benefits Manager, Navitus Health Solutions. The Minnesota Department of Employee Relations (DOER) expects the initiative to improve the quality of healthcare while lowering health plan costs paid by employees and taxpayers (<http://www.doer.state.mn.us/pbm.htm>).ⁱⁱⁱ
- Minnesota e-Health Initiative: The Minnesota e-Health Initiative is a 26 member advisory committee charged with assessing the current HIT use throughout the state and advising the Health Commissioner on implementing a statewide interoperable health information infrastructure, standards for HIT, and other HIT activities throughout the state (<http://www.health.state.mn.us/e-health/index.html>).^{iv}

HIMSS Government Relations Comments

HIMSS Government Relations will continue to monitor HIT activities in Minnesota, through the tracking of legislation and executive orders and collaborating with state officials. For additional information on HIT activities in Minnesota and throughout the United States, please contact HIMSS Office of State Government Relations at (703) 562-8800.

ⁱ “Minnesota State Employee Health Plan to Use E-Prescribing”. *Press Release*. Office of the Governor, Tim Pawlenty, Minnesota. Available at: <http://www.governor.state.mn.us/mediacenter/pressreleases/PROD008173.html>. Accessed on November 12, 2007.

ⁱⁱ “S F No. 2, Omnibus Health and Human Services Finance Bill”. Minnesota Senate. Available at: <http://www.revisor.leg.state.mn.us/bin/bldbill.php?bill=S0002.2.html&session=ls85>. Accessed on November 9, 2007.

ⁱⁱⁱ “New Cost Saving Measure for Advantage Health Plan”. *Memo to All State Employees*. Minnesota Department of Employee Relations. Available at: <http://www.doer.state.mn.us/pdf/PMBmemo.pdf>. Accessed on November 8, 2007.

^{iv} Minnesota e-Health Initiative. Available at: <http://www.health.state.mn.us/e-health/index.html>. Accessed on November 5, 2007.