Feds Award Millions for Health Info Exchanges

BY MARY ELLEN SCHNEIDER

The federal government has awarded $162 million in grants to states to aid in the secure exchange of health information across different proprietary systems.

The grants will go to 16 states and qualified state-designated entities. The money was set aside under the American Recovery and Reinvestment Act of 2009. This final round of grants follows the release of $385 million to 40 states and qualified state-designed entities in February.

"What these awards will do is strengthen our health care system and speed our economic recovery," Kathleen Sebelius, Health and Human Services Secretary, said during a press briefing to announce the grants. "They help to unleash the power of health information technology to cut costs, eliminate paperwork, and best of all help doctors deliver higher-quality, coordinated care."

Despite the benefits of adopting electronic health records (EHRs), only about 20% of physicians and 10% of hospitals have implemented even a basic EHR system, Ms. Sebelius said. The goal in awarding these grants is that the states will be able to develop policies and frameworks based on nationally approved technical standards, which will allow physicians and hospitals to securely share information regardless of what type of EHR system they have.

States will need to begin by bringing all the parties to the table—from physicians and hospitals to health insurers and lawyers, said Dr. David Blumenthal, the national coordinator for health information technology. These groups will need to agree on the strategic and operational plans for creating health-information exchange in each state, he said.

Health IT officials at the federal level will work closely with the states on their plans for exchanging health data. But the states are in the best position to identify and credential physicians and hospitals that should be receiving and sending private and secure health information transmissions, Dr. Blumenthal said.

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The states are at different points in their implementation timeline based on their past work on health information exchange, Dr. Blumenthal added. But he said he expects that many states will have the technology and governance structures in place by 2013 to allow physicians and hospitals to meet the requirements established under the federal incentive program for EHR implementation.

Created under the Recovery Act, that program calls for physicians and hospitals to demonstrate the ability to exchange information by 2011; more robust exchange requirements start in 2013. ■

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