Incentives Needed to Kick-Start Health IT Adoption

Corporate executives ask feds to be a 'catalyst for change' and a collaborator with the private sector.

BY MARY ELLEN SCHNEIDER
Senior Writer

The federal government should use incentives—not unfunded mandates—to accelerate the adoption of health information technology, according to a panel of corporate executives.

And the government should coordinate the use of interoperable health information technology (IT) systems among its own agencies, the panel said.

The Health Information Technology Leadership Panel is made up of executives from companies that purchase a substantial amount of health care for their employees but have little direct involvement in the health care or IT sectors.

The panel was convened by the Department of Health and Human Services late last year to gather ideas about how IT has been successfully adopted in other sectors and how that could be applied to the health care arena.

"The leadership panel asked the federal government to approach health care in a new way—as a catalyst for change and as a collaborator," David J. Brailer, M.D., national coordinator for health information technology said in a statement.

The government should be looking for ways to help finance physician adoption of health IT and to allow providers to reap the benefits of the systems, the panel said.

The panel also recommended that the government be involved in promoting the development and adoption of health IT standards, as well as funding demonstrations and evaluations to learn implementation lessons and to disseminate best practices.

Private sector involvement should include the support of leading business organizations such as the National Business Group on Health and the Business Roundtable. This type of private sector involvement would result in wide public and political support for the adoption of health IT, the panel said.

Underinvesting in health IT could cause existing problems within the health care system to worsen, said Michael S. Barr, M.D., vice president for practice advocacy and improvement at the American College of Physicians.

Overall, the panel's conclusions support the message that the ACP and other groups have been trying to communicate, that the system-wide savings from implementing health IT exceed the costs. However, the report also notes that one of the challenges to adoption is that, currently, individual physicians assume the cost of IT without reaping the full savings.

"There are no surprises in the report," said Mark Leavitt, M.D., medical director for the Healthcare Information and Management Systems Society.

However, the panel's findings help to reinforce that incentives are a big part of the effort to spur health IT adoption. And the report also points out that the health care industry is lagging behind other sectors in its adoption of IT, he said.

The report outlines an appropriate, but limited, role for the federal government, said Dr. Leavitt, who is also the chair of the Certification Commission for Healthcare Information—a voluntary, private-sector initiative to certify health information technology products.

The federal government has a role in articulating a vision for health IT adoption and using its purchasing power to accelerate that adoption, Dr. Leavitt said. But federal officials should not overregulate the area or try to dictate the specific elements of IT systems, he said.

The government should steer clear of acting too quickly in certain areas, such as mandating untested standards, said David C. Kibbe, M.D., director of the Center for Health Information Technology at the American Academy of Family Physicians.

But the government does have a role to play by finding new money to help physician practices adopt electronic health records, Dr. Kibbe said. And federal officials should consider changes to the current physician payment system to reimburse primary care physicians adequately, he said.

In the meantime, officials at the AAFP have been trying to help physicians adopt the technology by working with EHR vendors to make the hardware and software more affordable.

AAFP has also been active in encouraging IT developers to work on interoperability options for EHRs. And they have been involved in efforts to bring about a national standard for reporting lab results to EHRs.

And the attention to health IT has been paying off. Dr. Kibbe said that he has seen new products and new vendors coming to the marketplace, and the number of practices adopting EHRs continues to climb. Some estimates now put the percentage of physician practices that have adopted EHRs at 25%, and Dr. Kibbe said he estimates that an additional 30% are strongly considering it.

"The train has left the station," Dr. Kibbe said. "It's unstoppable at this point. We're past the point where the use of EHRs in family medicine is a questionable transition." ∎

The Health Information Technology Leadership Panel report is available online at www.hhs.gov/healthit/HITFinalReport.pdf.

Medicare Hospital Database May Shift Doctor-Patient Relations

BY JOYCE FRIEDEN
Associate Editor, Practice Trends

WASHINGTON — The new database on hospital quality from the Centers for Medicare and Medicaid Services may herald a new era in patient assertiveness in terms of health care preferences, several experts said at a briefing sponsored by the Alliance for Health Reform.

"We're beginning a change in how doctor-patient relations are established and [considering] how paternalistic they have been, I think we'll see major changes in the future where they become less that way," said Elliot Sussman, M.D., president and CEO of Lehigh Valley Hospital and Health Network in Allentown, Pa.

"When people come into a community, they'll look at measures like this and say, 'Which are the kinds of places I want to be cared for at, and who are doctors on staff at those places?'" he commented.

In fact, such changes have already begun to occur, he said. "We've seen experiences where people change their doctor relationship because 'I really like Dr. Jones, but he's not on the staff of what seems to be the best hospital. Either he does that or I'm going to find myself a new physician.'"

CMS launched its "Hospital Compare" database on April 1. Available online at www.hospitalcompare.hhs.gov, the database looks at hospital performance on 17 different measures related to the treatment of three conditions: heart attacks, heart failure, and pneumonia. Users can search by hospital name or geographic location.

Gerald M. Shea, assistant to the president for government affairs at the AFL-CIO, said that the feeling of partnership that comes from empowering consumers should spill over onto the physician side of the equation.

"I could make the argument that there are very serious limits to how much consumers can drive change in the health decision making process," he said. "An equally fruitful strategy would be trying to change the preparation and education of physicians, so they come to this suggesting that a partnership would be a good idea."

In fact, physicians also have much to gain from being able to access hospital quality data, said Margaret E. O'Kane, president of the National Committee for Quality Assurance.

"Physicians have been working in an information vacuum as well—both doctors involved in performing particular procedures in the hospital, and the primary care physicians who are making referrals to specialists," she said. "We can't underestimate the impact that transparency has on changing everything. I feel very optimistic this will lead to lot of positive changes."

One panelist warned that empowerment does have its limits. Charles N. "Chip" Kahn, president of the Federation of American Hospitals, said that as databases such as Hospital Compare begin adding more measures, "it will be more and more difficult for the average consumer ... to figure things out other than, 'This is either an okay place or a dreadful place' and you obviously want to stay away from dreadful places."

In the end, he said, databases like this "are more about using accountability to improve care than they are about consumers making more decisions."

Ms. O'Kane said she was confident that "intermediaries" would rise up to help consumers interpret the database information.

And she also had a prediction.

"What we've seen so far is not hospitals that are excellent at everything or terrible at everything, but hospitals that are excellent at one thing and maybe not so great at others. As process engineering becomes more core to the hospitals, you'll see hospitals that will break out and be excellent across the board." ∎

DATA WATCH

Information Technology Used Mostly For Electronic Billing in 2003

73% — Electronic billing
17% — Electronic medical records
8% — Computerized prescription order entry

Note: Based on estimated data from the National Ambulatory Medical Care Survey of about 1,114 office-based physicians.
Source: Centers for Disease Control and Prevention