

# Adoption of Health Care IT Gaining Momentum

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More than 2 years after President Bush issued his call to action on the adoption of electronic health records, experts say there is growing pressure on physicians to heed that call.

While physician adoption of EHRs remains low—especially in small practices—the movement toward pay for performance could start to drive adoption, said Mureen Allen, senior associate for informatics and practice improvement at the American College of Physicians. And the certification of electronic health records by an independent body, which is slated to begin this summer, should help too. “The paradigm to some extent is changing.”

This month, many of the biggest players in health information technology will gather in Washington for National Health IT Week. More than 40 groups are slated to participate in this first-ever event, including medical professional societies such as the American Academy of Family Physicians, government agencies, a regional health information organization, and other public and private organizations.

The series of events follows on the heels of more than 2 years’ major actions in the health IT landscape starting with President Bush’s State of the Union address in January 2004 in which he called for the widespread adoption of interoperable EHRs within the decade.

A few months later, the Health and Human Services secretary appointed Dr. David J. Brailer as the first National Health Information Technology Coordinator. Dr. Brailer resigned from the post last month saying that he only planned to stay in the job for 2 years. Dr. Brailer said there is still a lot of work to be done in closing the adoption gap between large and small physician practices. His office has been focused on three strategies to close the gap—lowering costs, raising the benefits, and lowering the risks involved in purchasing an EHR system, he said during a teleconference announcing his resignation.

Last fall, HHS Secretary Mike Leavitt established the American Health Information Community, a federally chartered commission to advise the secretary on interoperability issues. HHS proposed allowing hospitals and other entities to give physicians health IT hardware, software, and training.

HHS also awarded three contracts to public and private groups to create processes for harmonizing information standards, certifying health IT products, and addressing variations in state laws on privacy and security practices.

And starting in January, prescription drug plans participating in the Medicare Part D program were required to begin supporting electronic prescribing. The regulation is optional for physicians and pharmacies.

Most recently, the Food and Drug Administration adopted the Systematized Nomenclature of Medicine (SNOMED) standard as the format for the highlights section of prescription drug labeling. The format will be required starting on June 30 for all new drugs and drugs approved within the last 5 years. The use of the SNOMED standards will make it easier for electronic systems to exchange FDA-approved labeling information, according to the agency.

One of the most significant developments has been the establishment of the Certification Commission on Health Information Technology (CCHIT). This group was formed in 2004 by the American Health Information Management Association, the Healthcare Information and Management Systems Society (HIMSS), and the National Alliance for Health Information Technology to develop criteria for the certification of EHRs.

CCHIT received a 3-year grant from HHS last fall to certify products in the ambulatory and inpatient settings, and to certify the systems’ networks. The announcement of the first certified products in the ambulatory setting is expected in late June or early July.

The means for objectively comparing EHR systems is “about to become a reality,” said CCHIT Chair Dr. Mark Leavitt. Current estimates put physician adoption of EHRs at around 14%. Dr. Leavitt

said he hopes that by taking some of the risk out of buying an EHR product it will boost those adoption figures.

“I think we are on track,” said Dave Roberts, vice president of government relations at HIMSS. While physicians still need to be educated about the value of EHRs, there are some other encouraging signs. For example, many states are becoming more interested in health IT and are helping to form regional health information organizations, he said.

These groups, called RHIOs, help to standardize the various regulations and business policies surrounding health information exchange. The federal government has funded more than 100 of these regional projects, and more efforts, supported by private industry or state governments, are underway, according to HHS.

“The states are really buying into this whole initiative,” Mr. Roberts said.

For the majority of physicians, it just has not made financial sense to purchase an EHR system, Dr. Allen said. However, some physicians are beginning to see a strategic advantage in the adoption of technology. One advantage stems from regulations that encourage electronic prescribing.

EHR adoption is inevitable, Dr. Allen said, if only because so many new physicians are being trained on EHRs, and it is not acceptable to them to go back to a paper system once they enter practice. And older physicians recognize that the change is coming, she said. ■

## POLICY & PRACTICE

### Boomers: Speed Alzheimer’s Drugs

Current treatments and policies fail to “adequately address [the] looming public health crisis” of Alzheimer’s disease, a survey of U.S. baby boomers has found. Most respondents (80%) said that they are willing to take experimental treatments that have the potential for stopping the disease and preserving their quality of life, “even if significant health risk was involved,” the study found. The Web-based survey was commissioned by Accelerate Cure/Treatments for Alzheimer’s Disease (ACT-AD), a coalition representing patients, caregivers, consumers, older Americans, researchers, and women’s health advocates. The survey was conducted by Opinion Research Corp., which sampled 1,009 Americans born between 1946 and 1964. When provided with basic information on Alzheimer’s disease, most respondents were extremely concerned about the potential impact on their health, quality of life, and finances as well as on the health care system, ACT-AD said in a statement. Boomers “place top priority on new drugs that could change the course of the disease, feel that FDA should give priority review to those drugs, expect the right to decide whether to use them, and are willing to accept a degree of risk with promising drugs,” according to the group. ACT-AD receives support from Elan Corp. and Wyeth Pharmaceuticals, which are developing treatments for Alzheimer’s.

### Part D Formulary Override Form

A coalition of physician and pharmacist organizations and insurers, led by the American Medical Association, has developed a form that all physicians can use to request a prior authorization or coverage of a nonformulary drug under Medicare’s Part D benefit. Partners include the American Psychiatric Association, the American Academy of Family Physicians, the American College of Physicians, the National Council on the Aging, the American Pharmacists Association, and America’s Health Insurance Plans. “Physicians will now have a simple one-page form to easily communicate to drug plans why a patient needs a specific drug when other similar drugs are also covered by the plan,” said AMA Board Member Dr. Edward Langston in a statement. With the form, physicians can explain why an alternate drug is needed, why a different dose is required, or why the formulary drug is not acceptable. It is available on the Centers for Medicare and Medicaid Services Web site and also at the AMA, AHIP, and AAFP Web sites.

### PBMs Say Generics Thwarted

At least 14 brand name drugs are due to go off-patent in the next 5 years, representing \$23 billion in potential savings to Medicare Part D, but pharmaceutical manufacturers are doing all they can to block generic competi-

tion, claims the Pharmaceutical Care Management Association in a new report. PCMA’s members—managed drug benefit plans—negotiate discounts with drug makers on behalf of employers and insurers and are under pressure to keep pharmaceutical prices down so they can offer competitively priced plans to Medicare beneficiaries. The organization says that this year alone, \$1.5 billion could be saved on four drugs due to lose exclusivity: Zoloft (sertraline), Zocor (simvastatin), Proscar (finasteride), and Pravachol (pravastatin). The Food and Drug Administration just approved a generic pravastatin. The savings assume that 90% of Medicare prescriptions would be switched to generics, and that the generic would cost 60% less than the brand. In 2007, seven popular products—Norvasc (amlodipine besylate), Ambien (zolpidem tartrate), Zyrtec (cetirizine), Lotrel (amlodipine/benazepril), Coreg (carvedilol), Lamisil (terbinafine), and Tequin (gatifloxacin), are due to lose patent protection, noted PCMA, which could lead to \$700 million in savings that year. But the group said that drug companies have opposed legislation that would speed generics to market or that would mandate generic substitution.

### Medicare Trustees Report

The federal Hospital Insurance Trust Fund—better known as Medicare Part A—is not adequately funded to meet the needs of future beneficiaries, according to the annual report of the Social Security and Medicare Trustees. “The Hospital Insurance Trust Fund is not adequately financed over the next 10 years,” the report said. “From the beginning of 2006 to the end of 2015, the assets of the Hospital Insurance Trust Fund are projected to decrease from \$286 billion to \$197 billion, which would be less than the recommended minimum level of 1 year’s expenditures.” The trustees added that “the financial outlook for the Medicare program continues to raise serious concerns.” Senate Majority Leader Dr. Bill Frist (R-Tenn.) took an upbeat approach to the report, pointing out that it showed the costs of the new Medicare prescription drug benefit are significantly lower than in previous reports. “However, the trustees also make it clear that much work remains to be done to address the growth of Medicare spending,” he said in a statement. The American Medical Association focused on the report’s projected “steep long-term cuts” in Medicare payments to physicians. “[This] report on the dire future of Medicare cries out for reforms to ensure that Medicare will be there for future generations,” Dr. Duane Cady, chair of the AMA board of trustees, said in a statement. “Congress must take an immediate step to preserve seniors’ access to physicians by tying Medicare physician payments to the cost of caring for seniors.”

—Nancy Nickell