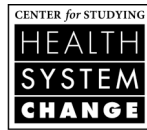


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Providing Insights that Contribute
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Connecting the Electronic Dots Among Disparate Health Providers

Loss of Competitive Advantage, Fears of Data Misuse Hinder Sharing of Patient Clinical Data

WASHINGTON, D.C.—Barriers to sharing patient clinical data electronically among unaffiliated hospitals, doctors and others remain high as concerns about loss of competitive advantage and data misuse hinder willingness to participate in local health information exchanges, according to a study released today by the Center for Studying Health System Change (HSC) and the National Institute for Health Care Management (NIHCM) Foundation.

Funded by the U.S. Agency for Healthcare Research and Quality, the study examined stakeholder perspectives—hospitals, physicians, health plans, employers and others—on participation in four health information exchanges (HIEs).

HIEs are organizations that support the electronic sharing of clinical data among independent hospitals, physicians and other health care stakeholders in a community. By offering physicians more timely and complete medical records at the point of care, HIEs have the potential to improve health care quality and efficiency, for example, by improving care coordination and reducing duplication of services. Moreover, exchanges potentially can aggregate clinical data across patients for uses other than direct patient care, such as quality improvement and pay-for-performance (P4P) activities, public health, and clinical research.

According to the study, the more mature exchanges—Cincinnati-based HealthBridge and the Indiana Health Information Exchange (IHIE) based in Indianapolis—have achieved some viability by meeting a specific business need for more efficient delivery of hospital test results to physicians. The newer exchanges—CareSpark, serving northeast Tennessee and southwest Virginia, and the Tampa Bay Regional Health Information Organization (RHIO)—have struggled to identify and finance initial services without a similar critical mass of hospital participation.

“Stakeholder concerns about loss of competitive advantage and data misuse are compounded by a lack of consensus on how to finance health information exchanges,” said Joy Grossman, Ph.D., an HSC senior researcher and coauthor of the study with Kathryn Kushner, M.A., a NIHCM program manager, and Elizabeth November, J.D., M.P.H., an HSC health research analyst.

“Attracting a critical mass of hospitals, doctors and health plans to contribute enough patient data to make data exchange valuable to physicians or other users requires these parties to collaborate by sharing a key competitive asset: patients and their data,” Kushner said.

The study’s findings are detailed in a new HSC-NIHCM Research Brief—*Creating Sustainable Local Health Information Exchanges: Can Barriers to Stakeholder Participation Be Overcome?*—available online at www.hschange.org/CONTENT/970/.

—MORE—

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The study found that provider organizations still face substantial disincentives and few incentives to share data with unaffiliated organizations. Beyond the hospital systems in Cincinnati and Indianapolis, stakeholders were unwilling to pay enough collectively for the same set of services to sustain HIEs. Generally, neither health plans nor employers were willing to fund core clinical data exchange as a benefit for patients. Employers typically also did not see themselves funding HIEs to support quality initiatives, and health plans had few incentives to deviate from company-wide pay-for-performance strategies to participate in local efforts.

In the face of these barriers, the mature HIEs can be viewed as extremely successful in fostering clinical data exchange, according to the study. The transaction model used by HealthBridge and IHIE to engage hospital systems also has been used in other communities to get clinical data exchange off the ground. However, CareSpark's and Tampa Bay RHIO's experiences highlight the substantial effort required to gain sufficient stakeholder buy in for core clinical data exchange.

“The complexities of implementing an HIE in these four communities suggest that achieving the broad vision of health information exchange will take even longer to achieve. Community-wide quality reporting and P4P via HIEs will likely occur only in select communities where exchanges technically are able to aggregate data at the patient and provider levels to support such activities and have provider and health plan buy in,” the study concludes.

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The Center for Studying Health System Change is a nonpartisan policy research organization committed to providing objective and timely research on the nation's changing health system to help inform policy makers and contribute to better health care policy. HSC, based in Washington, D.C., is funded in part by the Robert Wood Johnson Foundation and affiliated with Mathematica Policy Research, Inc.

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The NIHCM Foundation is a nonprofit, nonpartisan organization dedicated to improving the effectiveness, efficiency, and quality of America's health care system. The Foundation conducts research, policy analysis and educational activities on a range of health care issues. It fosters dialogue between the private health care industry and government to find workable solutions to health system problems.