

Reports from the
State Alliance for e-Health



HIT and Medicaid: Opportunities for States

Part I of a three part series on the State Alliance for E-Health



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Medicaid's Role in Health IT and Electronic Health Information Exchange Activities

Shaun T. Alfreds, MBA, CPHIT



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Medicaid's Role in Supporting HIT and HIE: AHRQ UMass Project Scope



Goal: To define the challenges and opportunities that Medicaid programs face in relation to the adoption of clinical HIT and HIE

- National Advisory Committee established
- Explored key issues relating to Medicaid, HIT, and HIE through literature review and interviews
- Facilitated expert panel meeting including state and federal policy makers (Held May 26, 2006)
- ***Establishing a Foundation for Medicaid's Role in the Adoption of Health Information Technology: Opportunities, Challenges, and Considerations for the Future.*** AHRQ Publication No. 07-0046. Rockville, MD: Agency for Healthcare Research and Quality. April 2007.
- ***Clinical Health Information Technologies and the Role of Medicaid.*** Health Care Financing Review. Winter 2006-2007. Vol. 28 n.2.

Key Findings: Quality of Care at the Practice Level



- The health needs and the settings of care for Medicaid populations often differ from commercial populations
- Widespread adoption of HIT may contribute to improvements in health care quality and health outcomes for Medicaid populations
 - More efficient patient tracking
 - Improved chronic care management and preventative care
 - Improved coordination of care
 - Preventing adverse drug events
- Medicaid programs have an interest in supporting the adoption of HIT in safety net and long-term care settings

Key Findings: Efficiency and Cost Savings



- Medicaid agencies have demonstrated financial efficiencies through administrative HIE
- Potential additional efficiencies for HIE of clinical health data include:
 - Enhanced automation of prior approval processes
 - Reduction in medication costs through electronic formulary access and generic substitution
 - Reduction in medical errors and related costs
 - Quality monitoring and management of delivery systems
 - Detection of fraud and abuse
 - Enhanced provider participation

Key Findings: Legal Issues



- Laws and regulations common to all payers and providers
 - Federal and state specific laws and regulations
- Medicaid specific concerns
 - Medicaid Privacy Statute (MPS) disclosure standards appear to be consistent with HIPAA, but clarification is needed
 - Interactions with legal requirements of other publicly-funded programs
 - Medicaid’s fiduciary duty to act in “best interest of recipients”

Key Issues and Challenges for Medicaid In Relation to HIT and HIE



Legal and Regulatory

- Fiduciary responsibility to support higher quality, effective care for beneficiaries through HIT/HIE
- Medicaid Privacy Statute and relation to HIPAA
- MITA: guidance or regulation?
- Purchasing transparency

Fiscal Resources

- FMAP availability to support HIE, Demonstration Waivers, grants (DRA), payment policies, etc.

Provider Adoption Gap

- Specific providers serving Medicaid (LTC, RHC, CHC, etc.)

Consumer Role

- Consumer involvement (personal health records)
- Privacy and security of personal data
- Education and outreach (opt-in vs. opt-out)

Support the State Alliance on issues regarding the appropriate roles for publicly funded health programs in interoperable, electronic health information exchange (HIE).

- Develop and advance actionable policy statements, resolutions, and recommendations for referral to the State Alliance
- Principles of analysis:
 - Leadership / Governance
 - Consumer Role
 - Fiduciary Responsibility of Publicly Funded Health Programs
 - Interoperability
 - Structure of the Current Approaches Taken

Thank You!



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See Also:

National Governors Association Center for Best Practices State
Alliance for eHealth: www.nga.org/center/ehealth

University of Massachusetts Medical School Center for Health Policy
and Research

www.umassmed.edu/healthpolicy/HIT/PolicyDevelopment.aspx

The Strategic Role and Opportunities for Electronic Health Information and Exchange in Medicaid

Anthony Rodgers, Director
Arizona Health Care Cost Containment System
June 1, 2007



Definition of Terms

Health Information Technology (HIT)

- Technology and software applications that support electronic records for patient care management and clinical services
 - Examples: computer technology, data storage, care management systems, E-prescribing, computerized order entry systems

Health Information Exchange (HIE)

- Web based infrastructure to enable clinical record data sharing between health care organizations and providers
 - Examples: electronic continuity of care records, Patient Health Summary, electronic health records, claims/encounter data

Electronic Health Information (EHI)

- Health record information that is accessed, retrieve, stored and transmitted via the internet
 - Example: Electronic Medical Records (providers), Electronic Health Records (payers), Personal Health Records (consumers)
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HHS Strategic Framework

Goals for Information Technology Infrastructure and Exchange of Electronic Health Information

Goal 1: Informed Clinical Practice

Bring EHR directly into clinical practice to reduce medical errors and duplicative work, and enable clinicians to focus efforts more directly on improved patient care.

Goal 2: Interconnect Clinicians

Allow portability of information to move with consumers from one point of care to another. Will require interoperable infrastructure to help clinicians get access to critical health care information when their clinical and/or treatment decisions are being made.

Goal 3: Personalized Care

Consumer-centric information helps individuals manage their own wellness and assists with their personal health care decisions.

Goal 4: Improve Population Health

Population health improvement requires the collection of timely, accurate, and detailed clinical information to allow for the evaluation of health care delivery and the reporting of critical findings to public health officials, clinical trials and other research, and feedback to clinicians.

Public Policy Rational for Investment in Electronic Health Records and Health Information Exchange in Medicaid

- Ensures health information is available at point-of-care
 - Reduces medical errors
 - Avoids duplicate medical procedures
 - Improves coordination of care and quality
 - Supports value driven health care and transparency
 - Enhances medical practice
 - Improves healthcare system efficiency and reduces cost of care
 - Supports public health surveillance and emergency preparedness
-

Medicaid Transformation Grants for EHR/HIE

- HHS awarded \$103 million in system transformation grants to State Medicaid agencies
 - The 14 state Medicaid agencies are planning to use their system transformation grants for planning and development of electronic health information and health information exchange capability
 - This represents combined investment of \$61.1 million in transformation grant funds for EHR/HIE development in Medicaid
 - Second round of grants announced April 27, 2007.
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State Medicaid Programs Collaboration

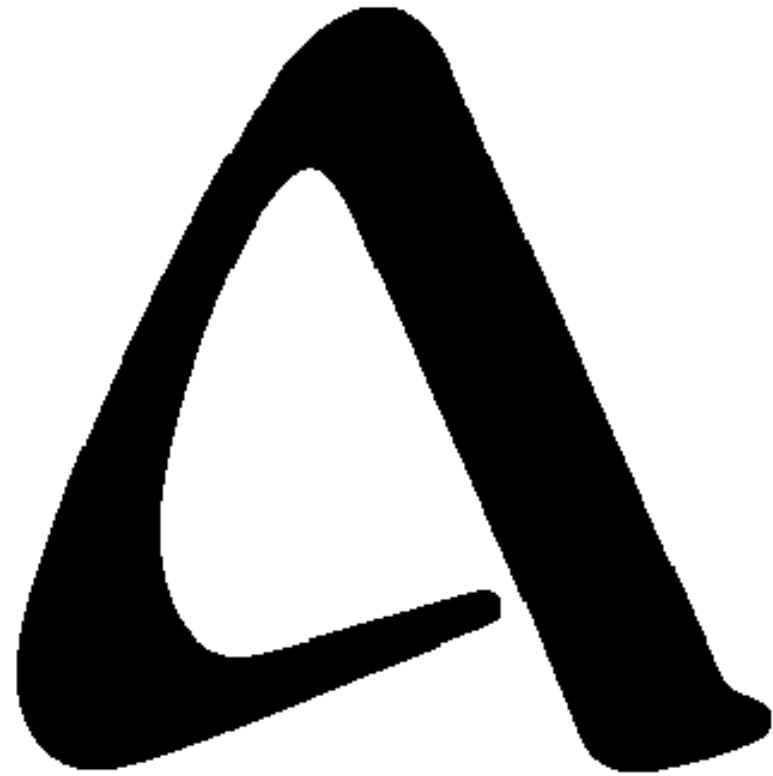
- **13 state Medicaid Transformation Grant recipients agreed to collaborate on:**
 - Project coordination
 - Explore joint planning and development opportunities
 - Maximize the chances of EHR/HIE Project success
 - Establish common vision for HIE among state Medicaid programs
 - Create a learning community to share lessons learned with other state Medicaid programs
 - Leverage each state's investment in EHR/HIE
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How State Medicaid Programs Can Move Forward with EHR/HIE

- State Medicaid programs should consider including a payer based electronic health record system as part of any acquisition of a new MMIS system
 - State Medicaid EHR systems should meet MITA standards to maximize federal participation
 - States should pursue a combination of funding sources for EHR/HIE development including federal Medicaid, public health, grants and user fees.
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How State Medicaid Programs Can Move Forward with EHR/HIE (cont'd)

- States should consider leveraging state employee health benefit programs along with Medicaid for development and deployment of EHR/HIE
 - States should consider including EHR/HIE requirements in Medicaid managed care contracts and provider contracts
 - State Medicaid Programs should agree to a common set of health information exchange standards consistent with Federal standards to assure health information can be exchanged between states
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Any Questions

- Among the Panelists?
- From the audience?
- You can either
 - Unmute and ask as part of the call or
 - Use Q and A option in your web-assisted audioconference.
- After the call, email questions and suggestions for future web-conferences to:
 - Health.hitch@ncsl.org

To follow up

- Feel free to contact us for more information at Health.chaps@ncsl.org
- For more program information and related links, and to see past programs: <http://www.ncsl.org/programs/health/webcast2.htm>
- This program was recorded and will be made available on line.

Speakers' resources

■ Arizona

- **AHCCCS HIE Utility Project Update**
<http://www.ahcccs.state.az.us/eHealth/>
- **AHCCCS eHealth Initiative Kickoff**
<http://www.ahcccs.state.az.us/eHealth/kickoff.asp>
- **Arizona E-Health Roadmap**
http://www.azgita.gov/tech_news/2006/Arizona%20Health-e%20Connection%20Roadmap.pdf

- **National Governors Association Center for Best Practices State Alliance for eHealth:**
www.nga.org/center/ehealth

- **University of Massachusetts Medical School Center for Health Policy and Research**
www.umassmed.edu/healthpolicy/HIT/PolicyDevelopment.aspx

- **University of Southern Maine Muskie School of Public Service Institute for Health Policy**
http://www.muskie.usm.maine.edu/research/research_institutes_ihp.jsp

Other Resources

- CMS Medicaid Transformation Grants (applications for the second round of grants are now available)
<http://www.cms.hhs.gov/MedicaidTransGrants/>
- Establishing a Foundation for Medicaid's Role in the Adoption of Health Information Technology: Opportunities, Challenges, and Considerations for the Future
http://healthit.ahrq.gov/portal/server.pt/gateway/PTARGS_0_1248_227105_0_0_18/UMASS%20Final%20Report.pdf
- Healthcare Financing Review Winter 2006-2007, Volume 28, Number 2
http://www.cms.hhs.gov/HealthCareFinancingReview/09_2006%20Edition.asp

Resources from NCSL

Related NCSL Projects

- **Health Information Technology Champions (HITCh)**

The HITCh partnership serves state legislators interested in health information technology (HIT) and health information exchange (HIE).

<http://www.hitchampions.org/>



Other NCSL Resources

- **State Health Notes articles on Health Information Technology**

<http://www.ncsl.org/programs/health/shn/hit.htm>

- **Medicaid main page**

<http://www.ncsl.org/programs/health/h-medicaid.htm>

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State Health Notes

<http://www.ncsl.org/shn/>

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