# TESTIMONY BEFORE BUDGET SECTION
# HEALTH INFORMATION TECHNOLOGY ACTIVIES
# SEPTEMBER 22, 2010

Mr. Chairman, members of the committee, I am Sheldon Wolf, the ND Health Information Technology Director.

I am here today to provide you an update regarding the status of the health information technology activities pursuant to the 2009 Senate Bill No. 2332 on behalf of the Health information Technology Office and the Health Information Technology (HIT) Advisory Committee.

Section 2 of the bill established a health information technology planning loan fund for the purpose of providing low-interest loans to health care entities to assist those entities in improving health information technology infrastructure. The $5 million seed money for this fund came from the current earnings and the accumulated undivided dividends of the Bank of North Dakota.

Fourteen entities applied for the loan program with loan requests of $7.2 million and total project costs of approximately $16.9 million. The Health Information Technology Advisory Committee (HITAC) approved twelve applications (2 clinics

/ 10 critical access hospitals) totaling $5 million dollars. Currently 11 of the 12 entities have completed the required readiness assessment. Five of these 11 have completed and submitted the Bank of North Dakota Loan application and two of these have been approved by the Bank.

As indicated in my prior testimony, the HITAC applied for the State Health Information Exchange Cooperative Agreement. The application was submitted to the Office of the National Coordinator (ONC) in October 2009 for $5.34 million dollars.

This cooperative program was established to support states and/or State Designated Entities in establishing health information exchange (HIE) capacity among health care providers and hospitals in their jurisdictions. Such efforts at the state level will establish and implement appropriate governance, policies, and network services within the broader national framework to rapidly build capacity for connectivity between and among health care providers. State programs to promote HIE will help to realize the full potential of EHR's to improve coordination, efficiency, and quality of care. The HIE is needed to help providers exchange information as required by the Medicare and Medicaid incentive/disincentive program.

North Dakota was awarded the cooperative agreement with an effective date of March 15, 2010. The cooperative agreement required that we complete a strategic and operational plan and submit that plan to the ONC by September 27, 2010. The plan has been mostly completed and will be reviewed a final time by the HITAC tomorrow and will be submitted to the ONC on Monday. Due to the length of the plan, I have not provided a copy; however, you can view the plan online at http://www.healthit.nd.gov/strategic-and-operational-plans/. This plan was developed by completing an environment scan of providers, legislators, consumers and other stakeholders around the state of North Dakota.

Stakeholders have identified the following benefits of an HIE during the environmental scan.

- Continuity of care
- Improved quality of care
- Decreased errors
- Reconciliation of medications
- Reduce duplicate procedures and tests
- Lower costs
- Increased efficiencies

Additionally, the items to be available for exchange that the stakeholders would like to see in the initial phase of the HIE implementation are:

- Patient demographics
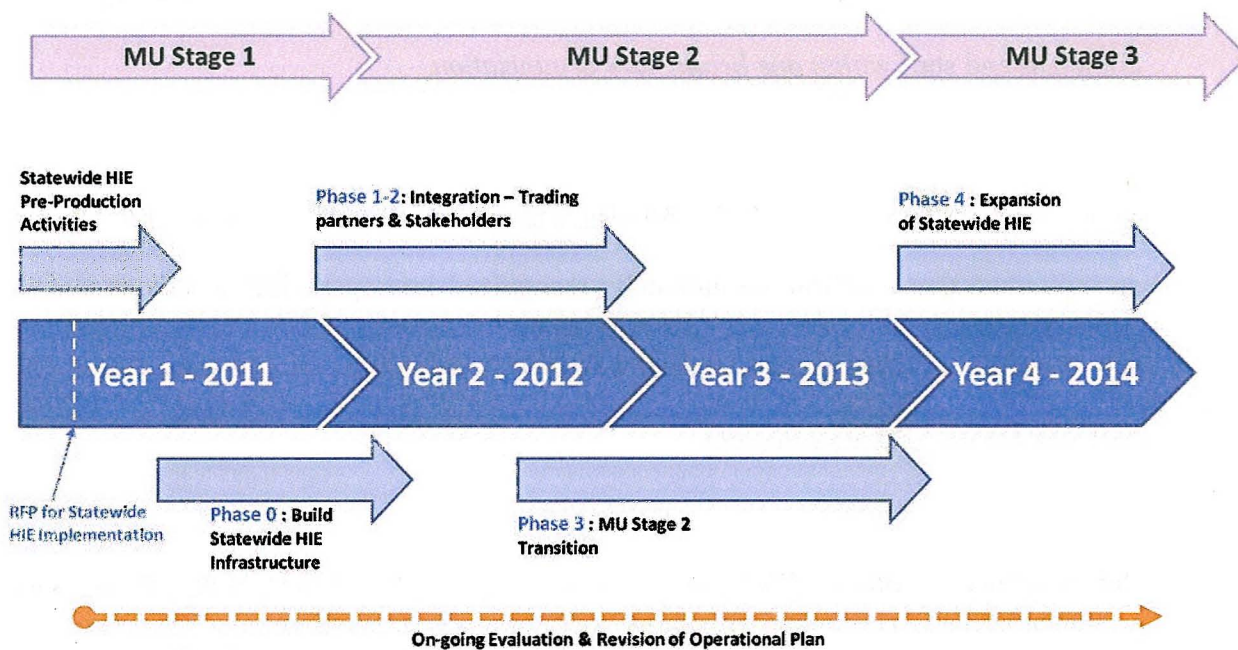- Chief complaint/condition

- Medications (including eprescribing)
- Allergies
- Latest lab/Images
- Immunizations

Below is a diagram of the anticipated health information exchange.
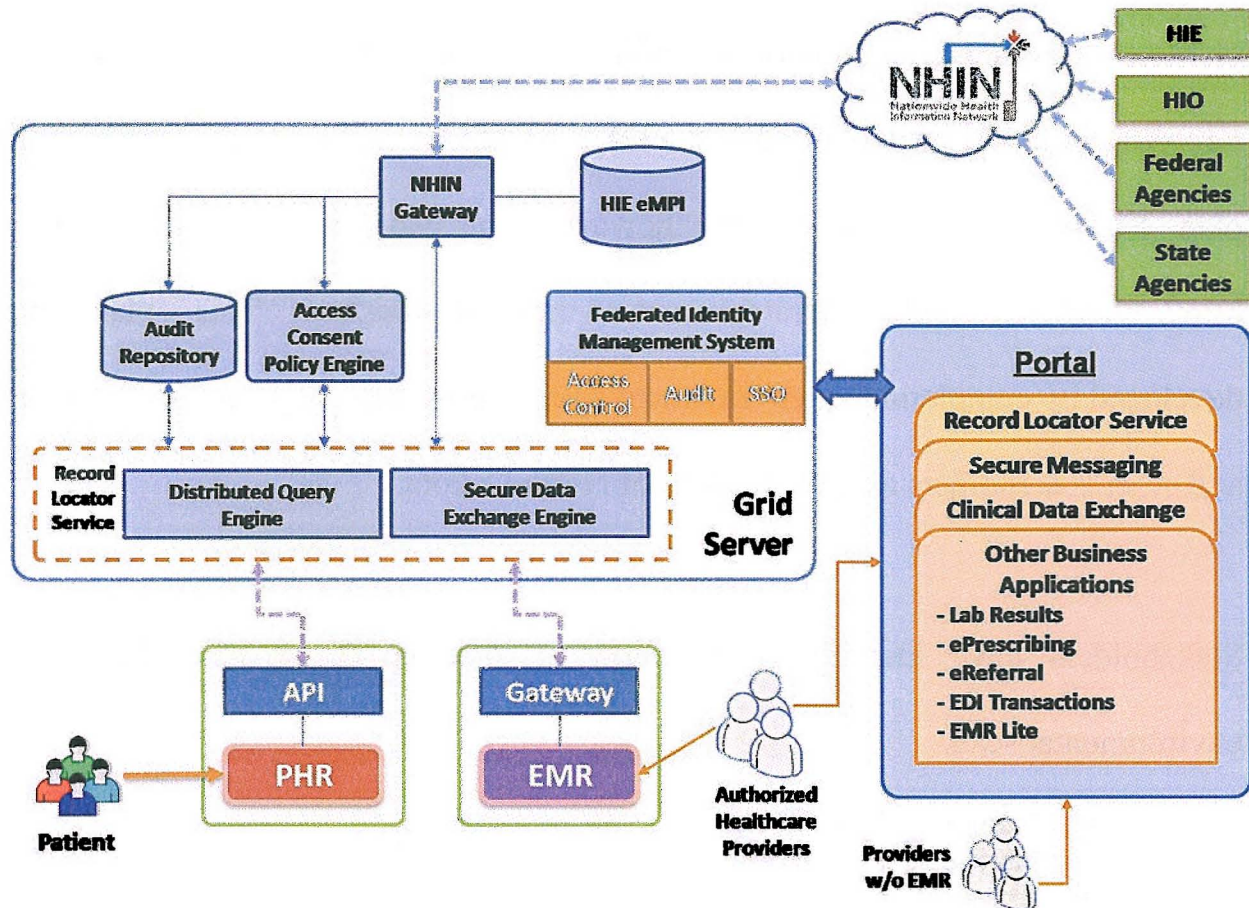


The next steps will be submission of the strategic and operational plans to the ONC on Monday September 27, 2010 and the start the process of implementing the health information exchange.

The time line included in the strategic and operational plan includes:

MU Stage 1 → MU Stage 2 → MU Stage 3

**Statewide HIE Pre-Production Activities**

**Phase 1-2: Integration – Trading partners & Stakeholders**

**Phase 4 : Expansion of Statewide HIE**

Year 1 - 2011 → Year 2 - 2012 → Year 3 - 2013 → Year 4 - 2014

**RFP for Statewide HIE Implementation**

**Phase 0 : Build Statewide HIE Infrastructure**

**Phase 3 : MU Stage 2 Transition**

On-going Evaluation & Revision of Operational Plan

I would be happy to answer any questions.  Thank you.

# Health Information Technology Definition

- **Electronic medical record (EMR):** An <u>electronic</u> record of <u>health-related information</u> on an individual that can be <u>created, gathered, managed, and consulted by authorized clinicians and staff</u> *within one health care organization.*

- **Electronic health record (EHR):** An <u>electronic</u> record of <u>health-related information</u> on an individual that conforms to nationally recognized interoperability standards and that can be <u>created, managed, and consulted by authorized clinicians and staff</u> *across more than one health care organization.*

- **Personal health record (PHR):** An electronic record of <u>health-related information</u> on an individual that conforms to nationally recognized interoperability standards and that can be drawn from multiple sources while being <u>managed, shared, and controlled</u> *by the individual.*

- **Health information exchange (HIE):** The electronic <u>movement of health-related information among organizations</u> according to nationally recognized standards.

- **Telehealth/Telemedicine:** The use of telecommunications and information technology to deliver health services and transmit health information over distance.