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## Can a State HIE Help You Get Connected?

*Health Information Exchanges aim to link doctors and hospitals for better transfer of patient data. Here's what you should know about them.*

By Ken Terry | March 17, 2011

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Bill Russell, a geriatrician and vice president of clinical information for Erickson Living Management in Silver Spring, Md., looks forward to being able to get hospital information on his nursing home patients through a state-sponsored health information exchange (HIE) known as CRISP. Among other things, the HIE will help the hospital and ER physicians who care for his patients by giving them access to outpatient records.

Russell acknowledges that it will be difficult for physicians to assimilate all the new patient data that they will eventually get through HIEs. "If they're going to be drinking from a fire hose of information, it's a tremendous amount of extra work for doctors to process all of that information," he points out.

Still, he believes that if the outside data is properly structured and filtered and can be accessed through an EHR, it "can enrich your decision-making process."

Today, there are only 73 operational, multi-stakeholder HIEs throughout the country, according to the eHealth Initiative, an organization that tracks these exchanges. But the number is expected to grow rapidly in the next few years, partly because of the \$564 million in federal funds that are starting to flow to the states to accelerate the formation and expansion of HIEs.

Authorized by the American Recovery and Reinvestment Act of 2009, the money designated for HIE is intended to increase the interoperability of health IT systems, including electronic health records, and to support providers in their efforts to show "meaningful use" so they can obtain government incentives. Most states are funneling these stimulus funds to private, nonprofit organizations called "state-designated entities," or SDEs, which are responsible for administering HIE. In Maryland, for example, the SDE is CRISP.

While \$564 million sounds like a lot of money, it isn't when you're talking about HIEs in 56 states and territories, including the District of Columbia. But many states will build on existing HIEs, and some are getting money from other sources. For example, both the New York and Massachusetts legislatures have appropriated funds for HIE development; Vermont is assessing health plans for a percentage of claims;

and Maryland is getting extra HIE funding indirectly from payers through the state's hospital rate-setting mechanism.

The federal government's emphasis on information exchanges also is having a spillover effect in the private sector, notes Jennifer Covich, CEO of the eHealth Initiative. "People recognize that HIE is for real now, and the federal government is supporting it, so there's a lot of action in the industry and a ramp-up for the implementation phase."

What all of this means is that you may soon have access to an information exchange that goes beyond your local hospital system. If you have an EHR, this HIE will help you gain access to hospital, lab, and imaging data on your patients without spending big bucks on interfaces, and it will make it easier for you to show meaningful use. If you haven't made the EHR plunge yet, you should still be able to view patient care summaries and other clinical data on a Web portal.

As Russell indicates, there are plusses and minuses to this new world of information access. But it's the world we're entering, so here's some background about federally funded state HIEs and what to expect from them.

### **The goals of state HIEs**

So far, only a dozen states have actually received HIE funds from the federal Office of the National Coordinator for Health IT (ONC). But at the latest count, ONC had approved the HIE plans of 35 states. Among other things, the government wants all state HIEs to help healthcare providers receive structured lab results online, prescribe electronically, and exchange care summaries in 2011. The state-designated entities are also supposed to devise strategies to fill in gaps in the ability of providers to show meaningful use. And they must create strategies for public health reporting and quality reporting to the Centers for Medicare and Medicaid Services (CMS).

The states are taking a wide variety of approaches to achieving these goals, and some are much further ahead than others, notes Mickey Tripathi, president of the Massachusetts eHealth Collaborative (MAeHC). States that already have regional or local HIEs will build on those, while other states will use the federal grants as seed money to launch HIEs.

New Hampshire, for instance, is eligible for only \$5.5 million from ONC, Tripathi notes. But the state has several hospital-based HIEs that cover 75 percent of its ambulatory-care physicians. So in the grant application that MAeHC helped write for New Hampshire, the focus is on creating a "network of networks" that will help the existing HIEs fill in gaps and make their services available to all of the physicians in the area. In addition, the New Hampshire HIE will need to figure out how to link together practices and hospitals in regions where there are no networks.

### **Initial emphasis on hospital data**

The biggest question about the viability of the state HIE approach is whether it will help states to provide or augment the local connectivity required to improve the quality of care and lower costs. Mark Anderson, a veteran health IT consultant based in Montgomery, Texas, is skeptical.

"It still seems that the state HIEs are primarily built on how to get data out of the hospital to the doctor," Anderson observes. "They're talking about exchanging care summaries among doctors, but that's way off in the distance. It's all about getting lab and hospital data to the doctors. Connectivity has to be doctor to doctor — the primary-care physician to the specialist — to have a real impact on how care is delivered. But it doesn't seem to be a high priority to the states right now."

HIE leaders don't dispute the fact that their initial focus is on hospitals. In Maryland, for example, CRISP plans to have 10 hospitals online in the first quarter, but no physician practices except for some community health centers. But David Horrocks, CRISP's president, points out that the state HIE also has connections with Quest, LabCorp, and several imaging centers, which he believes will attract doctors by reducing their interface costs.

Marc Overhage, a physician and, until recently, president of the Indiana Health Information Exchange,, the largest HIE in the country, says it makes sense for the state HIEs to go after hospitals first, because "in most markets they produce the bulk of the outpatient lab results."

And, since funds are limited, he says, the state HIEs should connect large-volume providers first to maximize the amount of online data available to other providers.

### **How state HIE models vary**

A handful of states, including Maryland, Rhode Island, Vermont, and Utah, are using a "public utility model" to connect all of the state's providers to a single network that they can use to exchange information at the local level. Most other states seem to be doing variations on the "network of networks" concept. Under that approach, the state HIE functions as an organizer and supporter of local HIEs and a conduit for exchanging data between them.

Some states are hiring commercial vendors to provide the connectivity platforms for their HIEs. In Maryland and a few other states, that vendor is Axolotl, based in San Jose, Calif. Aside from providing CRISP with technical expertise on connectivity, Axolotl also offers a certified, Web-based EHR that can help doctors who don't have another EHR get connected quickly, Horrocks says.

MedChi, the state medical society, supports CRISP but is worried about Axolotl now being part of Ingenix, a subsidiary of UnitedHealth Group. "Our concern is that the [patient] data will be compromised by the insurers," says Gene Ransom, CEO of MedChi. "They'll collect it and try to use it to deny care to patients."

Though MedChi has a legitimate concern, CRISP's contract with Axolotl prohibits United from gaining access to the HIE data, says Horrocks.

### **Direct messaging for small practices**

Instead of relying on commercial vendors, some states are incorporating a new national standard for exchanging information that will also be used in the National Health Information Network (NHIN). Known as NHIN Direct, or the Direct Project, this is a messaging protocol that allows providers to exchange clinical data securely online. EHRs can be configured to accept Direct messaging without creating interfaces or buying additional software.

"In the early stage of meaningful use, a provider will be able to meet their exchange requirement and do coordination of care by using Direct to push a CCD [Continuity of Care Document] message to another provider who is known and trusted," explains Denise Webb, health IT coordinator for the Wisconsin Department of Health Services. "If I'm a primary-care physician and I want to refer my patient to a cardiologist who's on a different EHR, I can use Direct to securely send a clinical care summary. The other physician can then send me the result of the consult."

Wisconsin is using its \$9.4 million federal grant to build a network of networks that leverages the state's extensive HIEs. Fifteen large health systems in the state use the Epic EHR, which has its own HIE. The

Marshfield Clinic and Ministry Health Care are partnered in a separate HIE. And Milwaukee hospital systems exchange data through the Wisconsin Health Information Exchange (WHIE). Overall, about 70 percent of the state's physicians participate in local exchanges.

Besides linking up those networks, the state HIE — led by the Wisconsin medical and hospital associations, plus two other organizations — will focus on bringing non-affiliated practices and critical-access hospitals into the fold. It will do this partly by working with WITECH, the state's regional extension center for health IT, to identify physicians who need help in connecting to local networks. If a doctor is having trouble getting online results from a particular lab or in implementing the Direct messaging protocol, WITECH will refer the doctor to WHIE, which provides technical support for the state HIE.

### **Building new exchanges**

Tennessee has far fewer EHR users than Wisconsin does, but it does have a couple of operational HIEs in Kingsport and Memphis, and the state will help build more exchanges in Knoxville, Nashville, and Chattanooga. That's according to Didi Davis, acting CEO of CareSpark, the HIE based in Kingsport.

In contrast to Wisconsin, where most physicians link online to the HIE of their own group or healthcare system, Tennessee doctors will connect with one of these regional HIEs. For example, CareSpark covers eight counties in Tennessee (as well as nine in Virginia). In that region, there are 21 hospitals and roughly 1,500 doctors. "The state is going to push all those folks to connect to CareSpark," says Davis, adding that the state HIE will also link the regional exchanges as they come up.

CareSpark plans to use state funding to build its infrastructure and add new components, including Direct messaging. Local hospitals will use Direct to "push" their lab results and imaging reports to medical practices, and doctors can use the same method to exchange data with one another. Connectivity with reference labs is coming soon.

CareSpark will help physicians show meaningful use and qualify for government incentives, says Davis. Small-practice doctors who can't afford EHRs can use CareSpark's own "EHR lite" to demonstrate meaningful use, she adds.

### **A sustainable business model**

Even the most enthusiastic proponents of HIEs don't believe that the federal grants alone will put them over the top. For one thing, the grants will expire in four years, and users must be willing to pay fees after that to keep the HIEs going. For that to happen, there must be a business case for connectivity. What might help make that case are new reimbursement models — including bundled payments, shared savings, and value-based purchasing — that require better care coordination.

Meanwhile, Tripathi says, the federal grants are prompting most states to put a priority on developing health information exchanges. And if the states use flexible approaches that can go in whatever direction the market does, he says, it's likely that physicians will have greater connectivity than they would have had otherwise.

Indiana HIE pioneer Overhage also believes that the infusion of federal funds will facilitate HIE formation across the country. But even the government's immediate goals — sending lab results, prescriptions, and care summaries online — will require a lot of heavy lifting, he says. "This is hard work. We've been at it for at least 15 years, and we feel like we're maybe starting to see the top of the mountain."

## How to get connected

Private practice doctors who want to start exchanging information with each other and with their hospitals should first check with their state-designated entity (SDE) to find out whether their state has received a federal grant for supporting health information exchanges (HIEs), and, if so, where that money is going. A list of SDEs across the country can be found at [healthit.hhs.gov](http://healthit.hhs.gov) under the HITECH Programs.

A good source of information on community and regional HIEs is the eHealth Initiative. [Look up its latest report on national HIE activity](#), which will show you whether there any HIE projects in your area. You should also ask your local hospital or healthcare system whether it plans to create an HIE for the medical staff and, if so, how you can participate.

Finally, the use of the Direct Project protocol is expected to spread rapidly. But you'll need a third party similar to your Internet service provider (ISP) to send and receive Direct messages. Among the parties that will become "health ISPs" are EHR vendors, community and state HIEs, Surescripts (the company that sends electronic prescriptions to pharmacies), and MedPlus, a Quest Labs subsidiary that provides connectivity services.

## In Summary

The American Recovery and Reinvestment Act of 2009 designated funding for Health Information Exchanges to increase the interoperability of health IT systems. Most of that funding is going to state HIEs, also known as SDEs. Here's what's happening as state HIEs develop:

- State HIEs are mainly focused around connecting hospitals and connecting physicians and hospitals. Physician-to-physician interoperability is a future goal of HIEs.
- State HIEs are using a number of models to develop interoperability, including "public utility" models and "network of networks" models, and many are using Direct messaging to push secure messages from one provider or health system to another.
- Making a strong business case for connectivity will be critical to the success of HIEs, as federal funding will run out after four years. But right now things look good for private practice physicians: HIEs can help improve patient care and outcomes and help practices achieve meaningful use of their EHR.

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