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Background Brief on ...

# Health Information Technology

Health Information Infrastructure (**HII**) is a broad term to describe the policies, procedures, technologies and industry standards that facilitate secure and accurate sharing of electronic health information between providers, payers, patients and their guardians. Health Information Technology (**HIT**) describes both computer hardware and software that deals with collection, storage, retrieval, sharing or use of health care information data, and knowledge for communication and decision making.

This information is shared via Health Information Exchange (**HIE**), the secure electronic movement of health-related information. Health Information Organizations (**HIOs**) are formed by a group of stakeholders from an area or region to facilitate the electronic exchange of health-related information for the purpose of improving health care practices for a defined set of health care providers. This allows participating organizations to safely and securely utilize health information with authorized providers to improve and expedite the clinical decision-making process.

An important distinction should be made when referencing Electronic Medical Records (**EMRs**) and Electronic Health Records (**EHRs**). An EMR is the electronic record of health-related information on an individual that is created, gathered, managed, and consulted by licensed clinicians and staff for a single organization who are involved in the individual's health and care. An EHR is the aggregate electronic record of health-related information on an individual that is created and gathered cumulatively across more than one health care organization and is managed and consulted by licensed clinicians and staff involved in the individual's health care.

## **Federal Level**

### *Office of the National Coordinator for Health Information Technology (ONC)*

On April 27, 2004, President Bush issued Executive Order (EO) 13335 “to provide leadership for the development and nationwide implementation of an interoperable health information technology infrastructure to improve the quality and efficiency of health care.” EO 13335 established the position of a National Coordinator for Health Information Technology (IT) within the office of the Secretary of Health and Human Services. The National Coordinator was charged with coordinating federal health IT policies and programs and relevant executive branch agency outreach and consultation with public and private entities. As such, the National Coordinator provides the day-to-day leadership necessary for the development of a health IT infrastructure for the nation.

EO 13335 also charged the National Coordinator with developing, maintaining, and directing “... the implementation of a strategic plan to guide the nationwide implementation of interoperable health information technology in both the public and private health care sectors that will reduce medical errors, improve quality, and produce greater value for health care expenditures.”

Accordingly, the ONC has worked across the federal government to develop this ONC coordinated Federal Health IT Strategic Plan (the Plan), which identifies the federal activities necessary to achieve the nationwide implementation of this technology infrastructure throughout both the public and private sectors. The timeframe of the Plan is 2008-2012.

The Plan has two goals: patient-focused health care, and population health, with four objectives under each goal. The themes of privacy and security, interoperability, IT adoption, and collaborative governance recur across the goals, but they apply in very different ways to health care and population health.

### *American Recovery and Reinvestment Act (ARRA)*

February 17, 2009, Congress passed the American Recovery and Reinvestment Act (ARRA) at the request of President Barack Obama, which was a direct response to the economic crisis. One component of ARRA was Health Information Technology for Economic and Clinical Health (**HITECH**) Act, in an effort to reduce cost and improve quality and efficiency of health care.

HITECH implemented the following:

- Nineteen billion dollars allocated to Medicare/Medicaid HIT for five years;
- Officially established ONC within the Health and Human Services Department to promote development of nationwide interoperable HIT infrastructure;
- Incentives for early adopters who meaningfully use the measures;
- HIPAA laws expanded to protect patient health information;
- Prohibits sale of information unless written authorization;
- Increased civil monetary penalties for HIPAA violations; and
- Grant enforcement authority to state attorney general to enforce.

An important component of HITECH is meaningful use. Eligible health care professionals and hospitals can qualify for Medicare and Medicaid incentive payments when they adopt certified EHR technology and use it to achieve specified objectives.

### *Patient Protection and Affordable Care Act (PPACA)*

March 23, 2010, the Patient Protection and Affordable Act (PPACA) was passed. The PPACA emphasizes the use of HER and other HIT in provisions pertaining to measuring and enhancing quality, establishing new methods and models for delivering care, and achieving additional goals. The following highlights some of the more significant provisions of the PPACA concerning HIT and EHRs.

One of the most significant HIT/EHR related provisions in the PPACA requires the Secretary of the Department of Health and Human Services (the Secretary) to integrate the respective reporting mechanisms for the Physician Quality Reporting Initiative (**PQRI**) and the more recent electronic health record “meaningful use” incentives established by the HITECH Act. No later than January 1, 2012, the Secretary must develop a plan to integrate reporting on quality measures under PQRI with reporting requirements under the HITECH Act provisions pertaining to the meaningful use of EHR. Such integration must consist of the selection of measures, the reporting of which will demonstrate both meaningful use of EHR and quality of care furnished to an individual under PQRI.

### **State Level**

#### *Health Information Infrastructure Advisory Committee (HIIAC)*

In March of 2008, Governor Theodore Kulongoski issued Executive Order 08-09, which established the Health Information Infrastructure Advisory Committee (HIIAC). The purpose of HIIAC is to provide policy recommendations regarding the implementation of an Oregon health information system. The recommendations made by HIIAC in 2009 were adopted into the Oregon Health Fund Board’s plan for health reform and incorporated into the legislative proposals.

#### *House Bill 2009 (2009)*

House Bill 2009 established the Oregon Health Authority (**OHA**) and the Oregon Health Policy Board (**OHPB**) to lead the work for affordability and quality health care improvements. Additionally, House Bill 2009 established the Health Information Technology Oversight Council (**HITOC**), which coordinates Oregon’s public and private statewide efforts in EHR adoption and has created strategic and operational plans for the development of a statewide system for electronic health information exchange. Also, HITOC assists Oregon to meet the federal requirements that allow providers the eligibility to receive HIT stimulus funds available under ARRA.

#### *House Bill 3650 (2011)*

As Oregon moves forward with transforming its health care delivery system by means of House Bill 3650, it includes health information technology as well: “Each coordinated care organization uses health information technology to link services and care providers across the continuum of care to the greatest extent practicable.” Section 12 of the bill provides that “The Oregon Health Authority shall ensure the appropriate use of member information by coordinated care organizations, including the use of electronic health information and administrative data that is available when and where the data is needed to improve health and health care through a secure, confidential health information exchange.” “The Health Information Technology Oversight Council shall develop readily available informational materials that can be used by coordinated care organizations and providers to inform all participants in the health care workforce about the appropriate uses and limitations on disclosure of electronic health records, including need-based access and privacy mandates.”

### **Privacy and Security Laws**

#### *Health Insurance Portability and Accountability Act of 1996 (HIPAA)*

Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy and Security Rules protect the privacy of individually identifiable health information, and set national standards for the security of electronically protected health information.

#### *Informed Consent*

HIPAA incorporates informed consent by giving patients the right to authorize most uses of their personally identifiable data. In Oregon, providers participating in statewide HIE will be obligated by Oregon Administrative Rule (OAR) to provide patients with an opportunity to opt-out of participation in HIE. OARs detailing the specific language and procedure for informing patients are being drafted by HITOC staff, and will go through the rulemaking process prior to the launch of the statewide HIE services expected in 2012.

### *Trust*

HIPAA Privacy Rule establishes national standards to protect individuals' medical records and other personal health information and applies to health plans, health care clearinghouses, and those health care providers that conduct certain health care transactions electronically. The Rule requires appropriate safeguards to protect the privacy of personal health information, and sets limits and conditions on the uses and disclosures that may be made of such information without patient authorization. Additionally, the Rule gives patients rights over their health information, including the right to examine and obtain a copy of their health records, and to request corrections.

### *Policies and Procedures*

Organizations using Oregon's statewide HIE services will be required to sign a HIE Participation Agreement that provides the legal framework governing HIE through a common set of terms and conditions. Oregon's core HIE services include "Trust" services that ensure information is being sent and received securely by trusted parties, "Provider Directory" services to help participants route their messages to the appropriate parties, and "Messaging" services that allow participants to send a patient's health record data via a secure email method.

## **Finance**

### *Grants*

The State HIE Cooperative Agreement Program funds states' efforts to rapidly build capacity for exchanging health information across the health care system both within and across states. Awardees are responsible for increasing connectivity and enabling patient-centric information flow to improve the quality and efficiency of care. Key to this is the continual evolution and advancement of necessary governance, policies, technical services, business operations, and financing mechanisms for HIE over each state, territory, and State Designated Entities (SDEs) four-year performance period. This program is building on existing efforts to advance regional and state-level health information exchange while moving

toward nationwide interoperability. Oregon's Cooperative Agreement with ONC is for \$8,579,992.

Regional Extension Centers (**RECs**) will support and serve health care providers to help them quickly become adept and meaningful users of EHRs. RECs are designed to make sure that primary care clinicians get the help they need to use EHRs; to provide training and support services to assist in adopting EHRs, and to offer information and guidance to help with EHR implementation as needed. Under HITECH, \$677 million is allocated to support a nationwide system of RECs that cover every geographic region of the United States to ensure adequate support to health care providers in communities across the county. Oregon's REC is Oregon Community Health Information Network (**OCHIN**), which has received \$13,201,499 to this point.

### *Savings*

The Medicare EHR Incentive Program will provide incentive payments to eligible professionals, hospitals, and critical access hospitals (**CAHs**) that demonstrate meaningful use of certified EHR technology. Eligible professionals can receive up to \$44,000 over a five-year period under the Medicare EHR Incentive Program. There's an additional incentive for eligible professionals who provide services in a Health Professional Shortage Area (HPSA). To receive the maximum incentive payment, Medicare eligible professionals must begin participation by 2012. Incentive payments for eligible hospitals and CAHs are based on a number of factors, beginning with a \$2 million base payment. For 2015 and later, Medicare eligible professionals, hospitals and CAHs that do not successfully demonstrate meaningful use will have a payment adjustment in their Medicare reimbursement.

In addition to the EHR Incentive Program, savings resulting from HIT/HIE incur to providers and patients through better care coordination and to payers through avoided duplicative or unnecessary services; and the

savings are paid directly through ACO and CCO programs.

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