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The Cornerstone: Special Edition

**Building a Value-Driven
Health Care System for
America**

Upcoming Events

Wednesday January 28, 2009
eHealth Initiative Webinar:
Understanding and Communicating
the Benefits of Electronic Prescribing
to Consumers. [Click here to register.](#)

March 18 & 19, 2009
**eHealth Collaborative Spring
Meeting in Chamberlain at the
AmericInn (more info to follow)**

May 14, 2009
**Treatment Group Kickoff Meeting
in Pierre**

October 7 & 8, 2009
**3rd Annual SD Health
Information Technology Summit**

eHealth Collaborative Update

The signing of an executive order by the Governor introduces a new look to the South Dakota eHealth Collaborative. The executive order defines the structure and membership of the collaborative along with the responsibility to oversee HIT initiatives throughout the state.

The South Dakota Department of Health and Dakota State University continue the search funding opportunities to support the eHealth Collaborative and its work in South Dakota. The Department of Health and Dakota State University will be turning to the Collaborative for letters of support or other input throughout the application process. The eHealth Collaborative is encouraged to send any ideas or suggestions for funding to sarah.zinter@state.sd.us.

Funding News: States Set the Agenda for Health Information Technology (article from Government Technology) (1/27/09)

"Should it pass as currently written, states would receive funds to offer low-interest loans to finance implementation of health IT as well as money to distribute grants to regional health information exchanges that will enable better coordination of care." -- Sen. Richard T. Moore, NCSL vice president

As Congress and the Obama administration hammer out a sweeping economic recovery package, states are poised to lead the way in many of the health initiatives. Aggressive growth in using health information technology or health IT is among the priorities in the stimulus package. In recent remarks, President Obama mentioned the goal of having all medical records computerized within five years.

Many states already have legislation that will advance this goal and other activity on electronic health information exchange. States have embraced health information technology as a way to reduce medical errors, improve health care quality, and streamline health care.

"This economic recovery plan not only makes health information technology a priority for all states with its incentives to improve quality and contain costs, but it also creates much-needed jobs in this emerging sector of health care," said Sen. Richard T. Moore, NCSL vice president. "Should it pass as currently written, states would receive funds to offer low-interest loans to finance implementation of health IT as well as money to distribute grants to regional health information exchanges that will enable better coordination of care."

Senator Moore, a principal architect of the landmark Massachusetts health care reform effort, is co-chair of NCSL's [Health Information Technology Champions](#) (HITCh) Project and a member of the National Governor's Association's State e-Health Alliance.

A preliminary summary of the House version of the stimulus package identified four health IT priorities:

- Invest \$20 billion in health information technology infrastructure, including Medicaid and Medicare incentives and state grants to encourage providers to use health IT.
- Develop standards that allow for the nationwide electronic exchange of health information.
- Generate savings through improvements in quality, care coordination, and reductions in medical errors.
- Strengthen privacy and security laws assuring that state laws are retained.

The National Conference of State Legislatures (NCSL) has developed a cadre of health IT policy experts from among its members. In this rapidly evolving arena, legislative

SPOTLIGHT on State Health Information Exchange Efforts

North Carolina

[North Carolina Healthcare Information and Communications Alliance, Inc. \(NCHICA\)](#)

Kansas

[Kansas Health Information Technology/Health Information Exchange Policy Initiative KHIT/HIEPI Final Report Summary Roadmap April 2006](#)

Washington

[Washington State Health Information Infrastructure: Final Report and Roadmap for State Action](#)

Links

eHealth Initiative The Cornerstone

US Health & Human Services September newsletter

AHIC

American Health Information Community

AHRO

Agency for Healthcare Research and Quality

HHS

U.S. Department of Health & Human Services

ONC

Office of the National Coordinator

HITSP

Healthcare Information Technology Standards Panel

SLHIE

State-level Health Information Exchange Consensus Project

NHIN

National Health Information Network

HRSA

Health Resources and Services Administration

NCSL

National Conference on State Legislatures

expertise in health IT policy is essential to identify best practices for the use of state and federal money.

States have addressed three major policy concerns regarding electronic medical information:

- *Privacy and Security:* Many consumers fear that an electronic system will make their medical histories more vulnerable to unauthorized exposure.
- *Health Information Exchange:* Systems used by providers must be interoperable and consumers, payers and providers need to develop new ways to work together to share information.
- *Health IT adoption issues:* A significant factor in the snail's paced adoption of health IT arises from the misalignment of costs and benefits across health care stakeholders. Providers may hesitate to purchase systems because cost savings accrue mainly to others.

So, what have state governments done? Vermont created a dedicated funding stream, through a fee on all health care claims, to help fund the adoption of electronic health records by small providers. Minnesota, Nevada and Rhode Island have updated their health data privacy laws to allow for electronic exchange of health information.

In 2007, the Minnesota Legislature created a first-in-the-nation requirement for all hospitals and health care providers to have interoperable electronic health records by 2015. In 2008, Massachusetts enacted a requirement that all hospitals and community health centers have electronic health records by October 2015.

Other states have put Medicaid at the center of their efforts. At least nine state Medicaid agencies have created electronic records using Medicaid claims data, and 27 other programs have plans under way. The State Alliance for e-Health is a high-level state policy council that is looking at the entire range of financing, privacy and governance issues states are facing.

To view the article online [click here](#).

More Articles on HIT and the Stimulus Package:

- [Technology Gets a Piece of Stimulus](#) (The New York Times) (1/25)
- [Health IT stimulus bill zips toward House floor](#) (Government Health IT) (1/23)
- [Health Policy Report](#) (Kaiser Daily Health Policy Report) (1/21)
- [New stimulus bill contains complete health IT act](#) (Government Health IT) (1/19)
- [House tees up \\$20B investment in health IT](#) (Government Health IT) (1/15)
- [U.S. health care overhaul needn't break bank: study](#) (The Washington Post) (1/09)
- [Health care could nab \\$100B payday](#) (Politico) (1/06)

Governance News

[Waste Feared in Digitizing Patient Records](#) (The Wall Street Journal) (1/22)

[Obama sees potential for healthcare gains](#) (Modern Healthcare) (1/20)

[HHS wants government to lead fight against identity theft](#) (Government Health IT) (1/20)

[National eHealth Collaborative pledges to maintain health IT momentum](#) (Gov. Health IT) (1/20)

[Obama ups the ante for national health IT](#) (Government Health IT) (1/08)

Education News

[Kentucky sets stage for role as health IT test bed](#) (Government Health IT) (1/26)

[CMS: Economic crisis may break Medicare by 2016](#) (HealthImaging.com) (1/21)

[Report: Health IT strategy should focus on communications](#) (Government Health IT) (1/12)

[Report: EMR market to grow 14% through 2012, spurred by PHRs](#) (HealthImaging.com) (1/06)

Technology News

[HHS recognizes health care IT specs](#) (Government Health IT) (1/22)

[Texas docs boosting care by receiving real-time data via mobile devices](#) (Healthcare IT News) (1/16)

[Knowledge on call: Finding new uses for smartphones](#) (AMNews.org) (1/05)

More News

[Health Care Growing Nationwide: Aging Boomers Spark Expansion Of Medical Fields](#) (The Courant) (1/21)

[Incentives Push More Doctors to E-Prescribe](#) (The Wall Street Journal) (1/21)

[CSC to modernize North Carolina MMIS](#) (Government Health IT) (1/20)