

Bridging the HIT and Medicaid Chasm: Leveraging HIT to Improve Health Care

September 27, 2006
MMIS Conference

Session Goals

- Introduce current Federal efforts to align Medicaid agencies with HIT initiatives
 - Agency for Healthcare Research and Quality
 - Office of the National Coordinator (ONC) Update
 - Federal Health Architecture
 - CMS Quality Improvement Roadmap and MITA
- Discuss challenges faced by Medicaid IT systems and staff
- Develop recommendations for CMS and AHRQ to facilitate the successful integration of Medicaid IT with the HIT/HIE movement

Health Information Technology

“The application of information processing involving both computer hardware and software that deals with the storage, retrieval, sharing, and use of health care information, data, and knowledge for communication and decision making.”

-Office of the National Coordinator 2004-

Health Information Exchange

“The sharing of clinical and administrative data across the boundaries of health care institutions and other health data repositories.”

–AHRQ, 2005–

AHRQ Project: Establishing a Foundation for Medicaid's Role in Supporting HIT and HIE

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 in the literature and through interviews
 - HIT and HIE to improve the quality of healthcare delivery
 - HIT and HIE to improve Medicaid agency efficiencies
 - Business and legal challenges
- Arranged and facilitated an expert meeting of HIT experts and policy makers at the state and federal level (Held May 26, 2006)
- White paper that identifies knowledge gaps, lessons learned, and key considerations for policy makers to be available on AHRQ website

Key Findings: Quality of Care

- Medicaid populations are likely to experience improvements in health care quality and health outcomes with appropriate use of clinical HIT and HIE
 - More efficient patient tracking
 - Improved chronic care management and preventative care
 - Improved coordination of care
 - Adverse drug event prevention
 - Data integration for quality measurement and benchmarking
 - Effective public health monitoring and reporting
- For this to occur, adoption and use of HIT by Medicaid providers and agencies is essential
 - The safety net and long-term care settings need particular assistance
 - Participation in regional HIE will facilitate broader adoption by payers and providers

Key Findings: Efficiency and Savings

- Medicaid agencies have demonstrated financial efficiencies through administrative HIE
- Potential efficiencies for HIE of clinical health data include:
 - Better automation of the prior approval process
 - Reduction in medication costs through electronic formulary access and generic substitution
 - Improved detection of fraud, abuse, and inappropriate care
 - Promote provider efficiency by pushing clinically relevant claims data
 - Reduction in medical errors
 - Improved coordination and integration of health data with public health and other state and federal agencies
- To achieve these efficiencies Medicaid agencies need to address internal IT needs
 - Internal investments to facilitate HIE capacity in MMIS through MITA and other innovations

Key Findings: Issues and Challenges

For Medicaid to achieve cost, efficiency, and quality improvements while promoting system-wide adoption of HIT and HIE, key issues must be addressed, including:

- Clarification of the business case for Medicaid's participation in HIT and HIE initiatives
- Guidance on financial resources available for Medicaid agencies
- Clarification of the legal and regulatory opportunities and limitations regarding Medicaid's use of HIT and HIE
- Development and demonstration of appropriate mechanisms that support HIT adoption for selected providers participating in the Medicaid program

Considerations for Federal Policy Makers

- Provide guidance to states on Medicaid-specific legal and regulatory issues relating to health information exchange
 - The interpretation of the Medicaid Privacy Statute in the context of HIPAA and HIT/HIE
 - The specific requirements and standards for HIE
- Support states in seeking opportunities to improve the quality of care and efficiency of operations through HIT and HIE
 - Champion HIT and HIE in Medicaid
 - Alignment of Medicaid and Medicare quality improvement
- Encourage states to use MITA to support the modernization of MMIS
- Encourage and provide guidance states to explore potential financing mechanisms to promote HIT and HIE
 - Using existing mechanisms at CMS to support HIT and HIE in Medicaid agencies

Considerations for State Policy Makers

- State executive leadership and legislatures are needed to champion Medicaid agency involvement in HIT and HIE
 - Driving attention to and prioritizing HIT as a key quality improvement tool
 - Working to address specific state security and privacy laws
- Support higher quality health care for their recipients and programmatic efficiencies through HIT and HIE
 - Supporting MMIS modernization in accordance with the MITA initiative
 - Participating in state and regional HIT and HIE initiatives
 - Supporting the flow of information to clinicians
- Support HIT adoption and use by clinicians and providers
 - Examining provider payment rules that promote HIT adoption
 - Examining the use of 1115 Waivers
 - Leveraging contracts with managed care organizations

Considerations for Further Research and Policy Development

- Create an objective forum where lessons learned, new developments, and the opportunities /challenges of HIT/HIE could be shared by Medicaid agencies and other stakeholders
 - Objective, public, and private
 - Topic based
 - Medicaid claims and MMIS
 - EHR and PHR initiatives
 - HIE
 - Program administration
- Economic and policy analysis from the Medicaid perspective
 - Business case scenarios including FFP and MITA considerations
 - Cost-benefit analyses for both Medicaid and other state agencies
 - Population health studies related to Medicaid participation in HIE
- Research and development of the integration of behavioral health and other “high- risk” population data with HIT initiatives

Questions and Discussion

- How do we reduce the risk of, and facilitate, Medicaid investment in new technologies to improve healthcare quality?
- How do we facilitate better communication w/in Medicaid agencies between policy staff and IT staff?
- How can Medicaid agencies leverage their buying power to facilitate more control of their IT design and support?

Thank You!

For Further Information

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