BEST PRACTICES AND LESSONS LEARNED ABOUT EHR ADOPTION IN MEDICAID

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DISCUSSION POINTS

- Importance of establishing the value proposition for EHR adoption in Medicaid
- Reengineering the Medicaid Health Information Technology
- Strategic Planning for Medicaid HIT

ESTABLISHING THE VALUE PROPOSITION OF EHR ADOPTION AND HEALTH INFORMATION EXCHANGE

IMPORTANCE OF BUILDING A BUSINESS CASE FOR ADOPTION OF ELECTRONIC HEALTH RECORDS

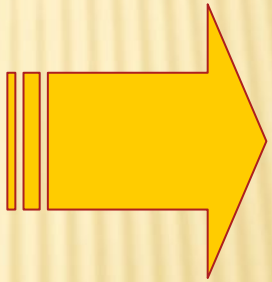
- **Business case:** The adoption and meaningful use of electronic health records systems and the ability to exchange health information between Medicaid of healthcare delivery systems providers, hospitals, and nursing homes will save Medicaid program 2% to 5% annually in avoided medical costs from reduction in medical errors, duplicate ancillary services, and hospital admissions.
  - Estimated development, implementation, and operations costs for statewide adoption of electronic health records systems and a health information exchange infrastructure is several hundred million over a five year system development life cycle.
  - The EHR implementation cost to the Medicaid agency will vary based on the level of adoption support to achieve meaningful use the agency must provide hospitals and providers over 5 year EHR development and adoption life cycle
  - Hospitals and healthcare providers bare significant cost for development and implementation, Medicaid/Medicare EHR incentives only offset a portion of the cost.
  - Commercial health plans and other public payer who would receive significant business value from EHR adoption initiative should be encouraged to provide EHR adoption financial support.

RETURN ON INVESTMENT: WIDE SPREAD ADOPTION OF ELECTRONIC HEALTH INFORMATION (EHI) TECHNOLOGIES

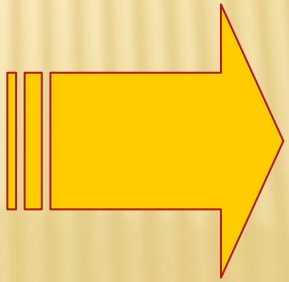
Improved Health Care Quality and Healthcare Cost Performance

ROI of EHI at Point of Care:

- Improved Patient Safety
- Reduced Complications Rates
- Reduced Cost per Patient Episode of Care
- Enhanced cost & quality performance accountability
- Improved Quality Performance

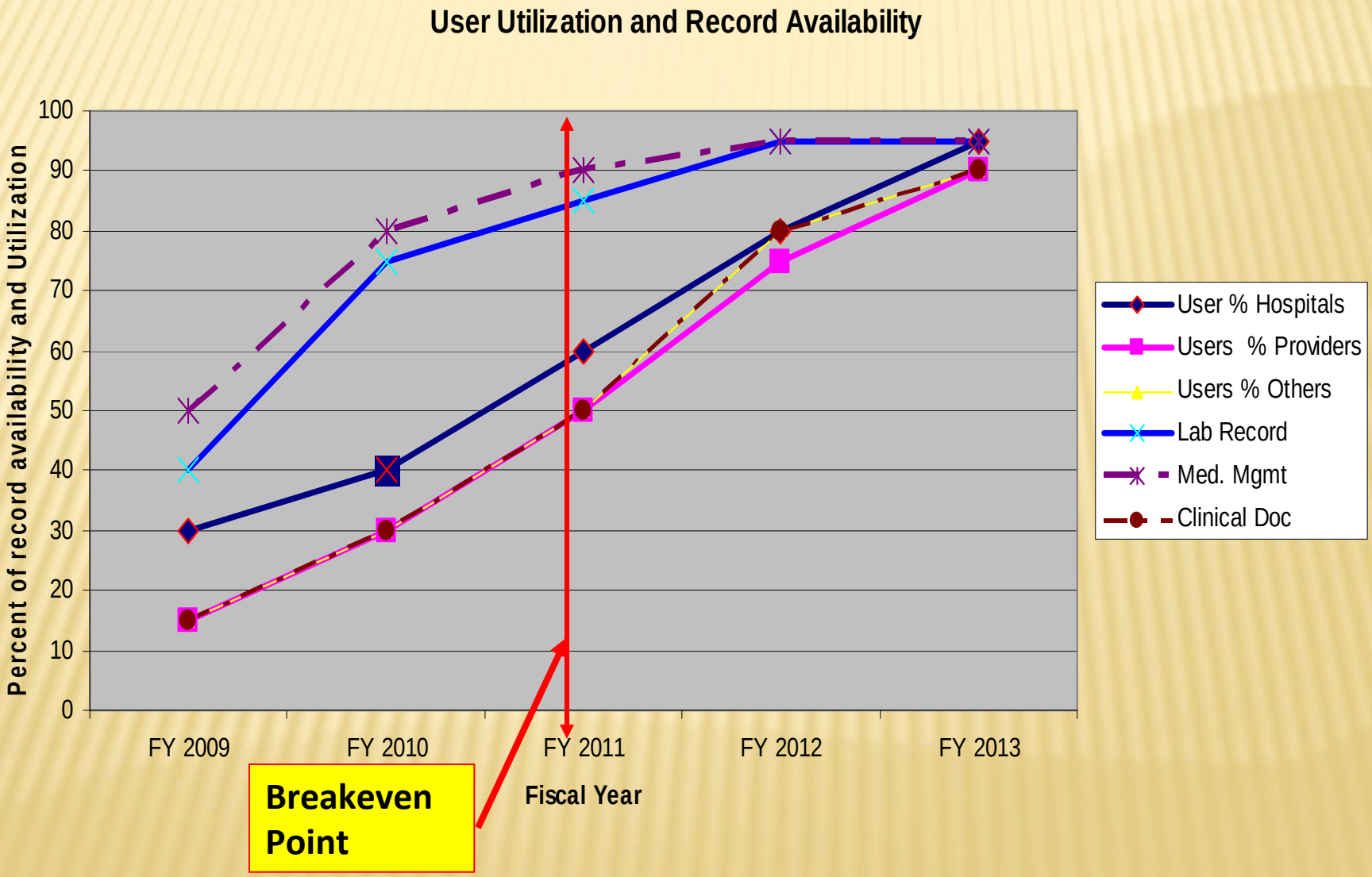


Better Outcomes

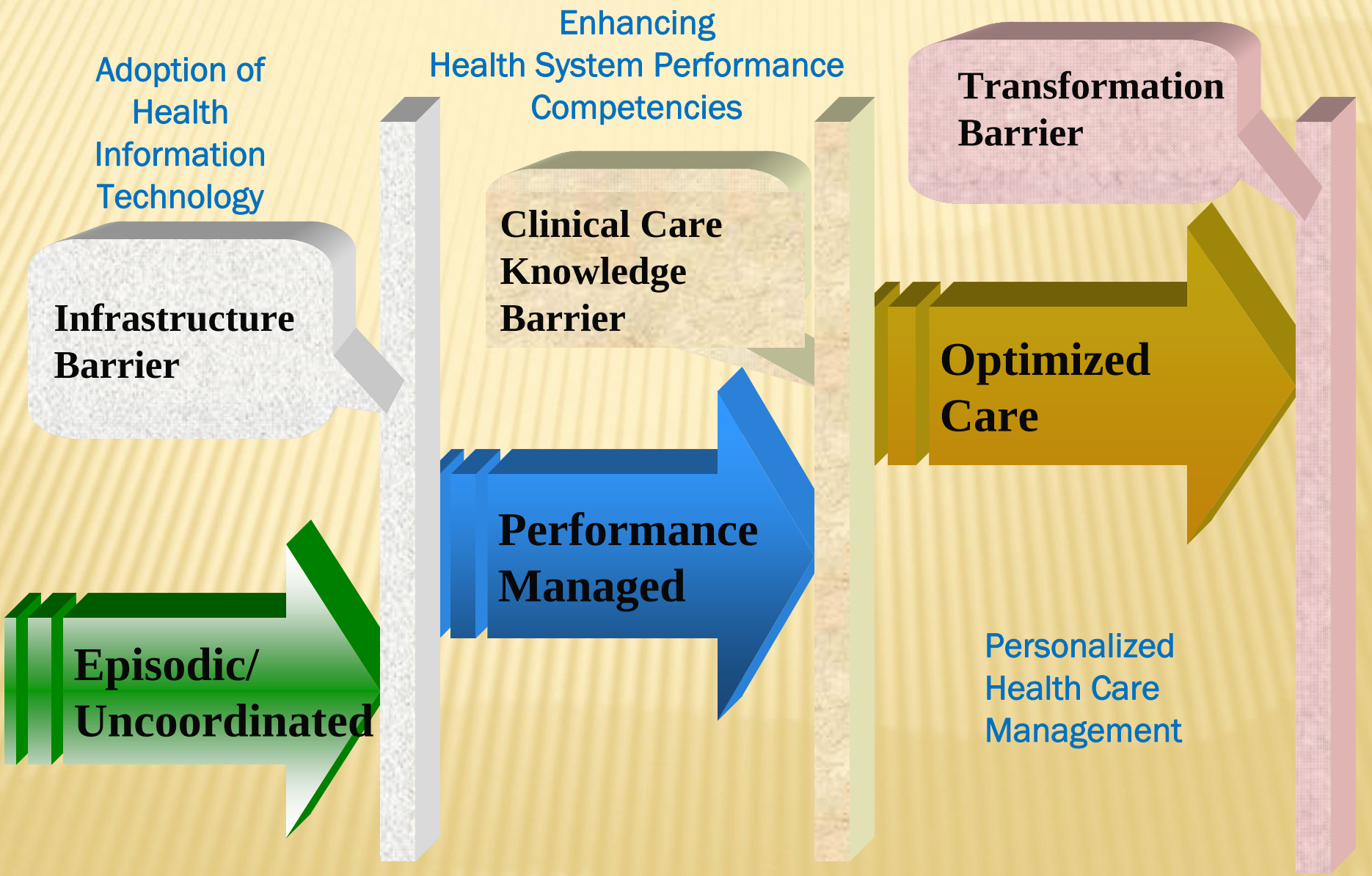


Lower Costs

MAPPING USER UTILIZATION AND RECORD AVAILABILITY

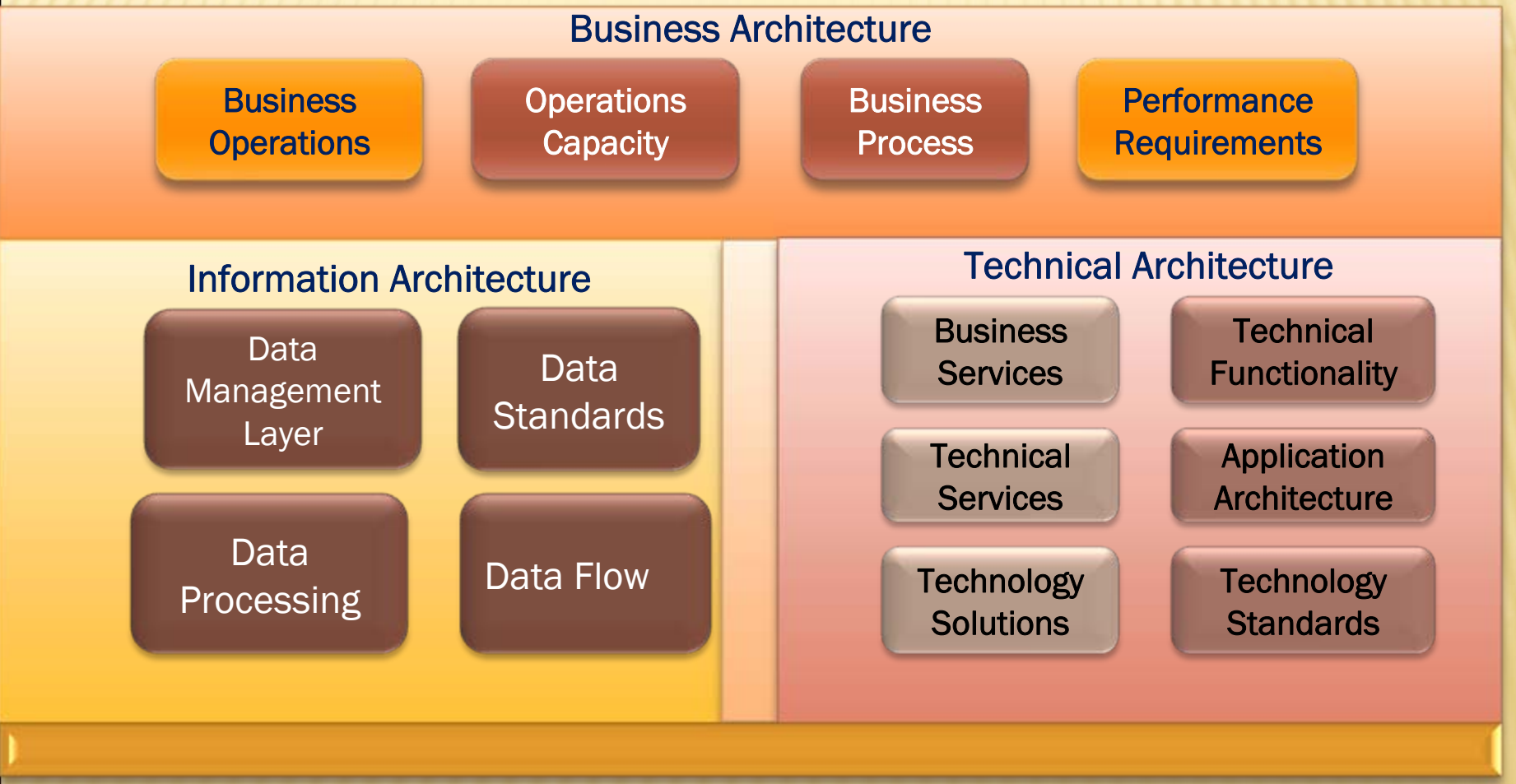


OVERCOMING THE BARRIERS TO HEALTHCARE SYSTEM TRANSFORMATION



REENGINEERING THE MMIS SYSTEM COMPONENTS TO SUPPORT EHR ADOPTION

REDESIGNING MEDICAID INFORMATION TECHNOLOGY FRAMEWORK



UNDERSTANDING THE HEALTH INFORMATION EXCHANGE PLATFORM ARCHITECTURE

Value Added Web Services

- Collaborative Knowledge Management
- Web Services Application
- Data Analysis Applications

Platform Services

- Medicaid Health Data Integration and Translation Layer
- Health Data Management Layer
- Medicaid Health Data Publication Layer

Security and Consent Policy

Data Sources


Radiology

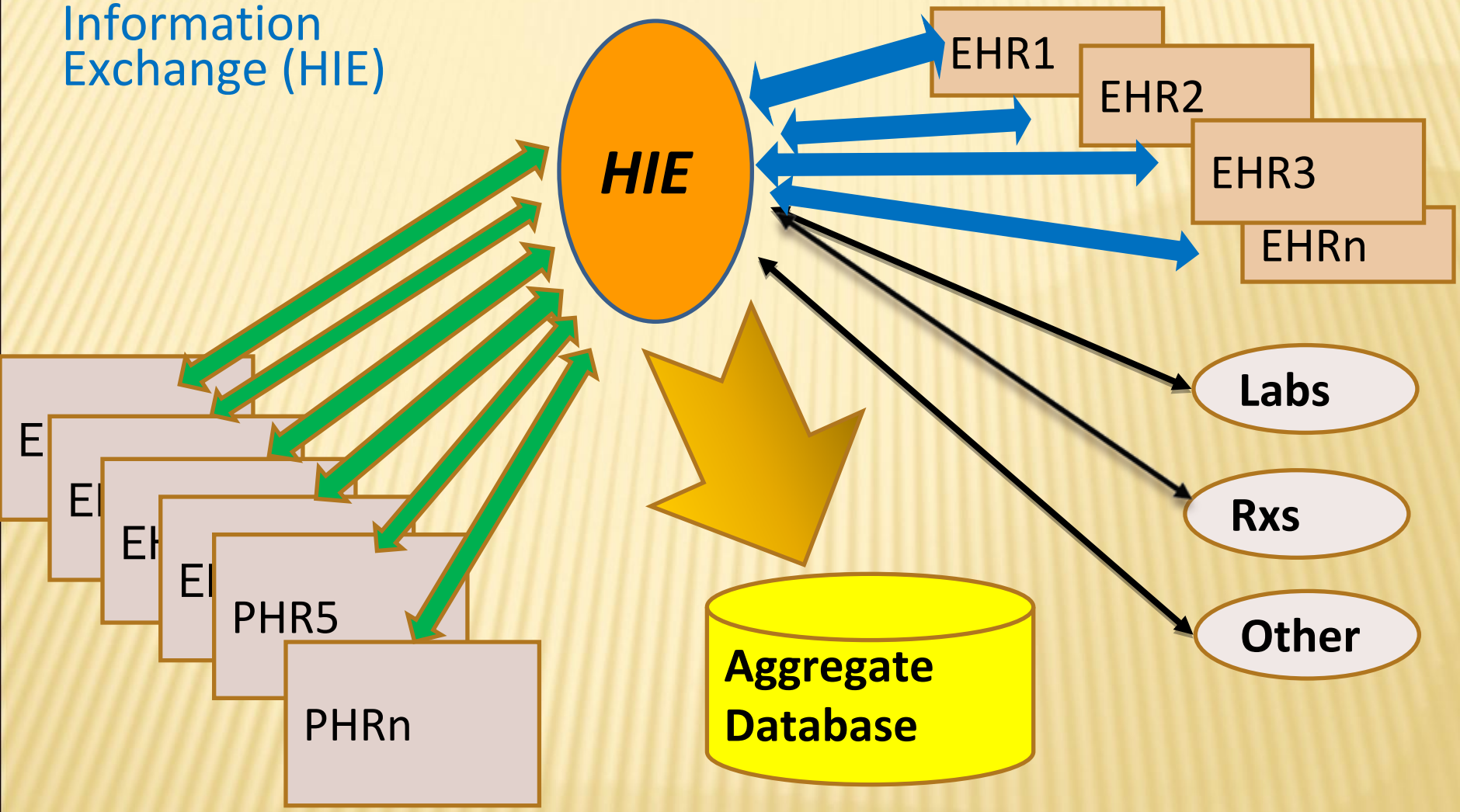
Rx History


Administrative


EHR


Clinical Lab

Statewide Health Information Exchange (HIE)

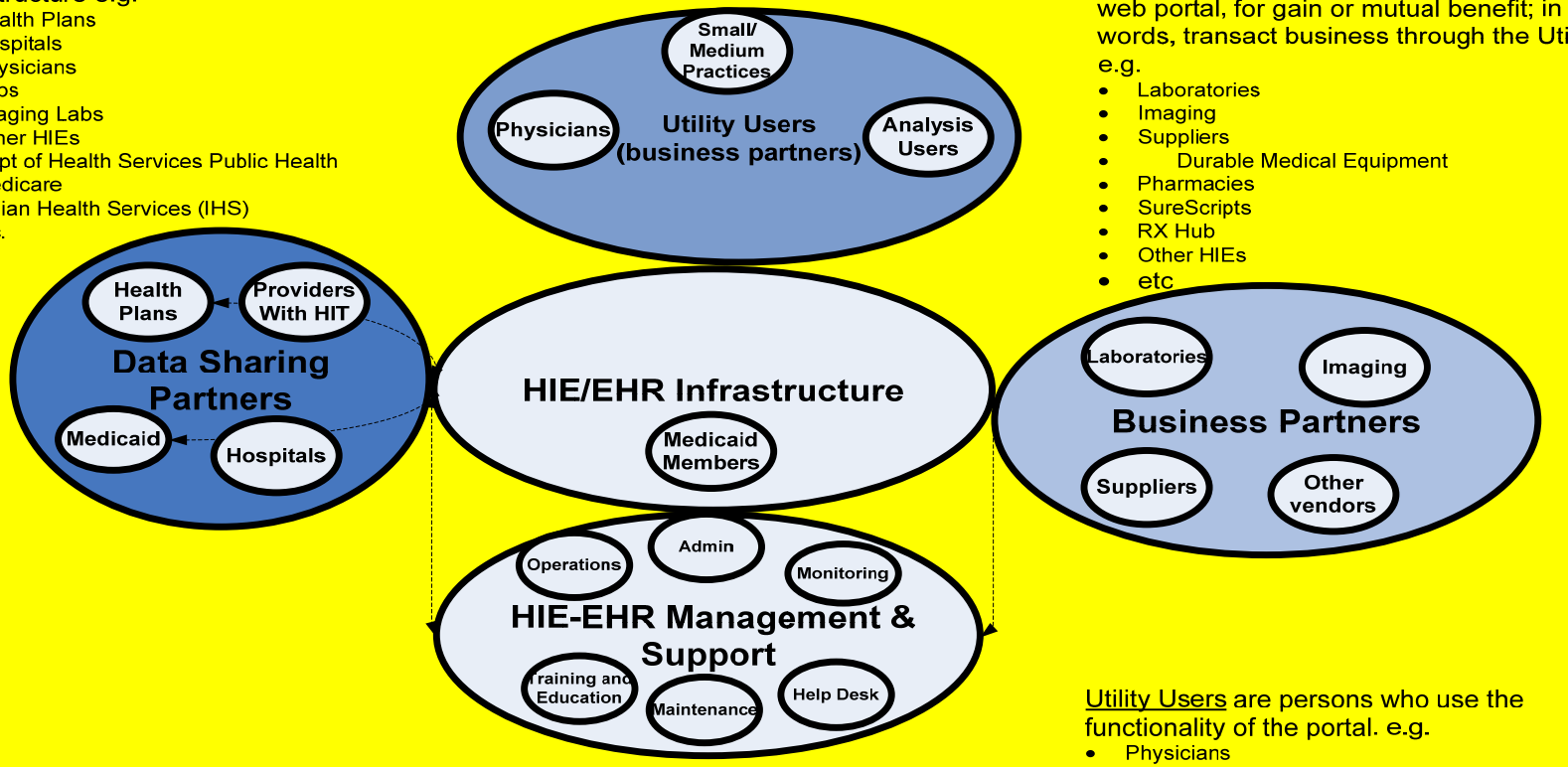


- Highly desirable to couple with HIE

The Relationships Development For State Level Health Information Exchange

Data Partners are organizations that share or exchange data through the HIE-EHR Infrastructure e.g.

- Health Plans
- Hospitals
- Physicians
- Labs
- Imaging Labs
- Other HIEs
- Dept of Health Services Public Health
- Medicare
- Indian Health Services (IHS)
- etc.



Business Partners are organizations that expose web content and applications through the Utility web portal, for gain or mutual benefit; in other words, transact business through the Utility. e.g.

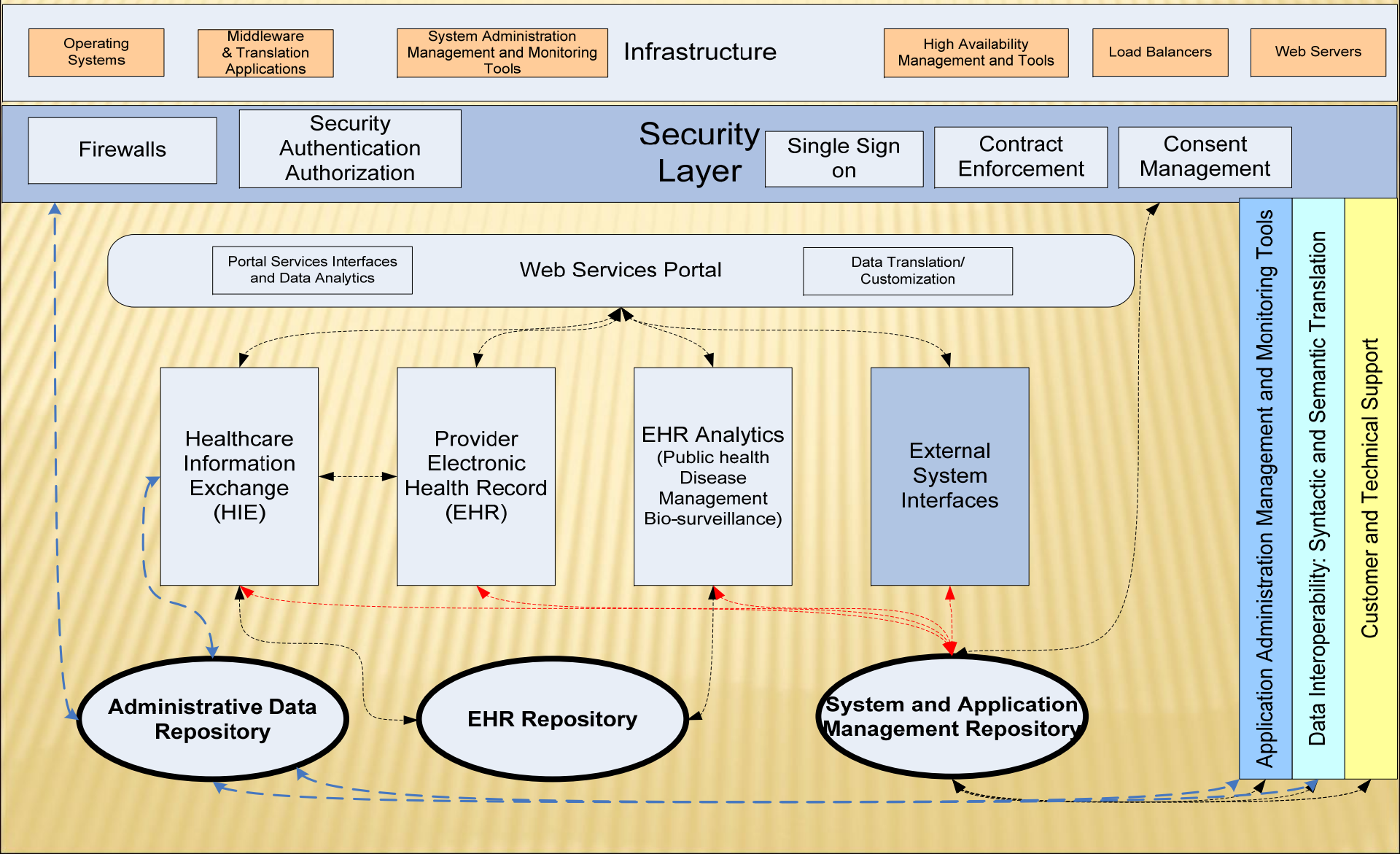
- Laboratories
- Imaging
- Suppliers
- Durable Medical Equipment
- Pharmacies
- SureScripts
- RX Hub
- Other HIEs
- etc

Utility Users are persons who use the functionality of the portal. e.g.

- Physicians
- Small/medium Practices
- Analysis users (TBD)
- Emergency Depts
- Dept of Public Safety
- Department of Health Services
- etc

Administrative and management users use the portal to access administrative and management applications supported by the portal.

Medicaid HIT Infrastructure Platform Design



STRATEGIC PLANNING FOR MEDICAID HIT

ISSUES AND CHALLENGES

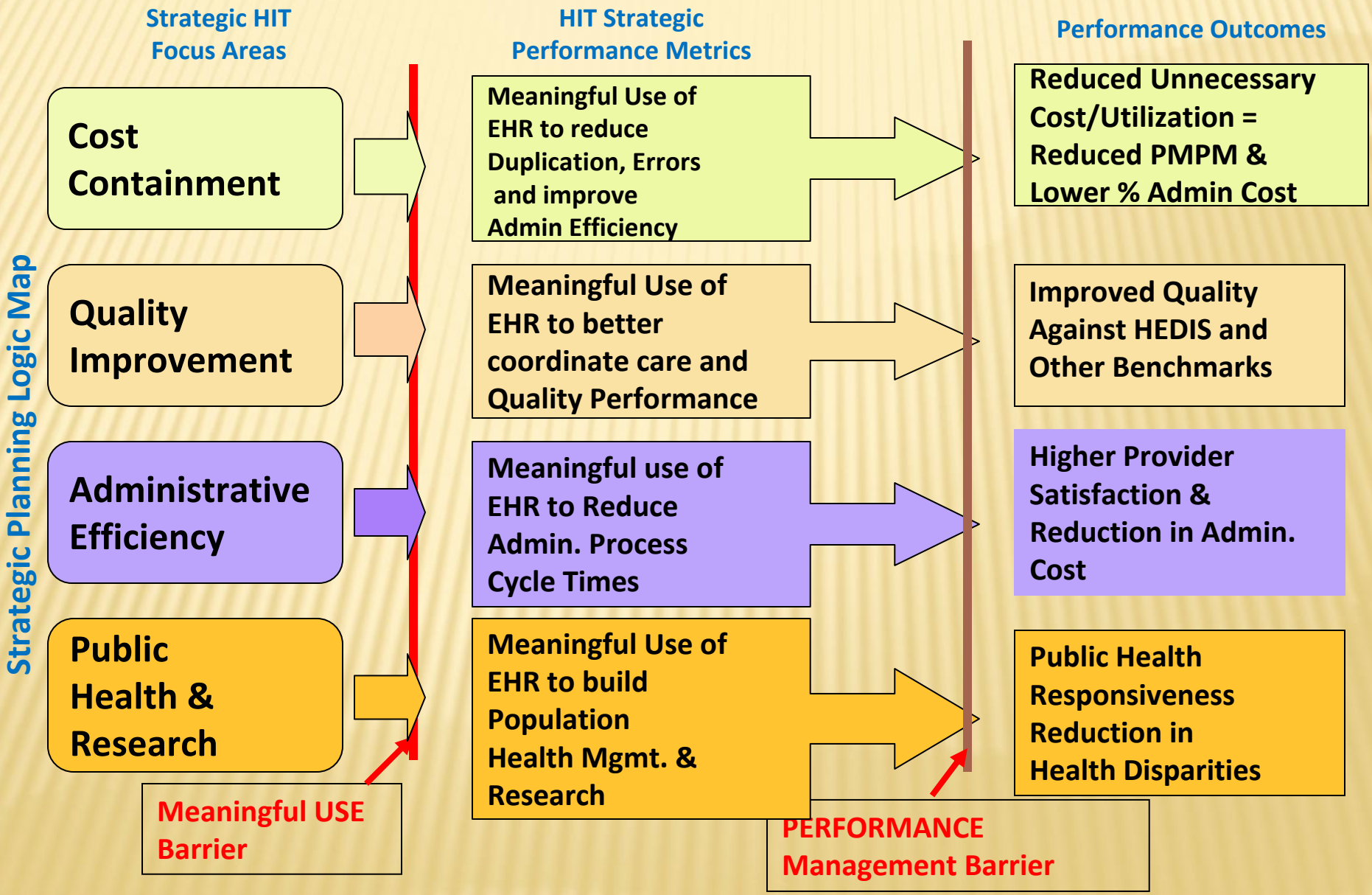
Medicaid programs can face a number of issues and challenges to long term success in HIT.

- The long development and implementation cycle for HIT
- The multi year EHR implementation costs to the Medicaid agency.
- Hospitals and healthcare providers willingness to bare any significant cost for EHR development and implementation, (Medicaid/Medicare EHR incentives only offset a portion of the cost).
- The coordinated participation and support of managed care and commercial health plans and other public payers and the integration with state level HIE.

COMPONENTS OF HIT STRATEGIC PLANNING

- Environmental Scan of the provider networks readiness, barriers to adoption, opportunities, and current available resources and assets that can be leveraged.
- Gap Analysis to determine the level of effort to optimize the level of adoption and bi-directional exchange of health information that will provide a adequate return of investment.
- MMIS integration requirements and solutions to exchange administrative and clinical information.
- EHR adoptions strategies, action steps, timeline and resources that is focused on maximizing EHR adoption, meaningful use and return on investment.
- Effective management of Medicaid EHR Incentive program
- On-going monitoring and evaluation of results

Building a Strategic Roadmap to Achieving Performance Outcomes from HIT in Healthcare



PHASES OF STATEWIDE HIT PLANNING & IMPLEMENTATION

- **ASSESSMENT** – Statewide Assessment or environmental scan of HIE and EHR adoption and Gap Analysis;
- **PLANNING** –Governance development, strategic HIT plan, HIE business case, prioritized listing needs, resource inventory, HIT goals, documentation of functional and technical platform requirements;
- **ORGANIZING** – HIE Governance oversight structure, HIE business and system operations, policy framework, vendor contracting and business agreements, and legal/regulatory authorities;
- **IMPLEMENTATION** – building HIE to statewide scale, connecting to the national health information exchange infrastructure, maintenance of HIE operations;
- **MEANINGFUL USE**- EHR adoption, clinical practice workflow redesign, improved continuity and quality of care, quality reporting, outcome monitoring.

IN CONCLUSION

- States need to determine the required level of EHR adoption that will provide a maximum return on investment.
- Successful statewide adoption and meaningful use of EHR in Medicaid requires:
  - Leadership
  - Effective planning
  - Re-engineering the Medicaid MMIS IT infrastructure
  - Effective EHR adoption strategies and management of EHR incentives to support maximum adoption
  - Collaborating with Medicaid managed care plans
- Integrate Medicaid EHR adoption strategy with the state level HIE strategic plan.
- Coordination with key stakeholders.
- Establish who in the Medicaid organization is responsible for optimizing the value of EHR adoption.

THANK YOU