



Connecticut Business & Industry Association

TESTIMONY
BEFORE THE
PUBLIC HEALTH COMMITTEE
LEGISLATIVE OFFICE BUILDING
MARCH 10, 2008

My name is Eric George and I am Associate Counsel for the Connecticut Business & Industry Association (CBIA). CBIA represents approximately 10,000 businesses throughout Connecticut, the vast majority of which are small companies employing fewer than 50 people.

The issues of health care quality, cost and access are very important to the business community. After numerous years of double-digit and near-double-digit increases, health insurance has quickly become a product that many people and companies find they can no longer afford. In addition, the cost of health care directly affects businesses' ability to create new jobs. In fact, according to CBIA's latest membership survey, over two-thirds of our members indicated that rising health benefit costs alone are negatively affecting their ability to hire additional workers.

Addressing the issue of health care requires consideration of the three fundamental components to health care – quality, cost and access. Each of these components impacts the others and all must be considered when addressing the underlying problem. While Connecticut's businesses, and especially its small businesses, have been struggling to keep up with the cost of health care, there is growing recognition that improving the quality of health care will help reduce its cost. Since cost is the chief barrier to health care access, it stands to reason that if the cost of health care is reduced then health care access will increase. Therefore, the three pieces to the health care puzzle (quality, cost and access) must all be a part of the health care discussion.

CBIA supports the promotion of health information exchange (HIE) and electronic medical records (EMRs) as an effort to improve the quality of health care, reduce its cost and subsequently increase access to the uninsured. We believe that **SB 635, An Act Concerning Electronic Medical Records**, improves upon the important legislation adopted last year promoting EMRs and HIE.

SB 635 establishes a timetable for the implementation of the statewide HIE plan required under Subsection (b) of section 19a-25d of the 2008 supplement to the general statutes. In the event that the standards under the state plan differ from the national standards adopted by the Certification Commission for Health Information Technology, the bill

requires an explanation as to the reasons for the difference and an explanation as to how these state standards will guarantee interstate interoperability.

In terms of cost savings, the prospects of developing and implementing a nationwide HIE with fully realized EMRs would provide significant health care cost savings. Jan Walker, executive director of the Information Technology Leadership, Partners HealthCare System, and her colleagues found that if a nationwide adoption and implementation of level four HIE and interoperability occurred (this is the highest level of exchange and interoperability with the “transmission of structured messages containing standardized and coded data; [leading to an] idealized state in which all systems exchange information using the same formats and vocabularies”) then the country as a whole would realize a net savings of \$77.8 Billion. *Walker et al, The Value of Health Care Information Exchange and Interoperability, Health Affairs, Jan. 19, 2005.* Thus, the development and implementation of such an HIE and EMR system would carry with it significant value and the long term savings would far outweigh its costs.

In terms of improved quality, HIE and EMR development and implementation would allow doctors the ability to instantaneously access a patient’s medical history before providing care. This is significant in terms of allowing the caregiver to understand any preexisting conditions of the individual, including allergies, as well as potential drug interactions with medications currently taken by the patient. Ultimately, HIE and EMR development and implementation would allow physicians to avoid many negative, adverse events and improve outcomes.

One of the most significant issues that HIE and EMR development will have to deal with is the interoperability of the systems used by providers. Quite simply, if these systems are unable to exchange health information because they are incompatible, then they will not produce the cost and quality benefits intended by moving towards an HIE and EMR driven system of health care delivery.

Again, CBIA strongly urges you to support **SB 635**. Thank you for the opportunity to comment on this legislation.