



Connecticut Business & Industry Association

TESTIMONY
BEFORE THE
PUBLIC HEALTH COMMITTEE
LEGISLATIVE OFFICE BUILDING
MARCH 2, 2010

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.

Both nationally and here in Connecticut, the health care system is in need of repair.

More needs to be done to improve the health of our citizens. Employers find health care costs rising faster than other input costs. Some providers are unable to generate sufficient patient revenue to cover costs. Some patients cannot get timely access to optimal care. And too many individuals remain without health insurance, engage in unhealthy behaviors and live in unhealthy environments.

For the business community, the issues of health care quality, cost and access are critical. 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.

With that, CBIA strongly 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 **HB 5354, An Act to Provide Incentives for Hospitals to Adopt Electronic Health Records**, improves upon the important legislation recently adopted promoting EMRs and HIE.

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 **HB 5354**. Thank you for the opportunity to comment on this legislation.