

Medical Professional Services, Inc. (MPS)

31 Crescent Street
Middletown, CT 06457

Douglas S. Arnold, M.B.A.
Executive Director

860-344-6129
email: darnold@mpsphysicians.com

Medical Professional Services, Inc. & eHealthConnecticut Testimony

Senate Bill 403 An Act Concerning Health Information Technology

Public Health Committee

March 11, 2010

Senator Harris, Representative Ritter and Members of the Public Health Committee, my name is Douglas Arnold, and I am the Executive Director of Medical Professional Services, Inc. (MPS). MPS is a clinically integrated Independent Practice Association (IPA) whose 400 physician members practice in six Connecticut counties and include 170 primary care physicians and 230 specialty physicians. I am also a member of the Board of Directors of *eHealthConnecticut*. On behalf of our more than 400 MPS members and the Board of Directors of *eHealthConnecticut*, I appreciate the opportunity to present this testimony to you today on Senate Bill 403 An Act Concerning Health Information Technology.

MPS physicians have invested significant sums in health information technology over the last few years. MPS physicians have embarked on a substantial implementation of web-based patient registries, electronic health record systems, laboratory computerized order entry, electronic prescribing systems and the interoperability to share patient health information to improve health care quality and efficiency. However, more efforts are needed in this area to begin to reach the full potential of a fully connected network using health information technology to its full potential. The high cost of implementing health information technology is made even more difficult when for-profit health plans are steadily working to reduce physician reimbursement and "free ride" on our investments by taking advantage of benefits of our investments without sharing in their costs. The fact that Medicare and, especially, Medicaid and the CT Charter Oak Health Plan, reimburse physicians at rates for services well below their costs makes additional investments in health information technology more challenging for many physicians, especially those in small practices. Today in Connecticut 80% of physicians practice in groups of 4 or less physicians. Fewer than 20% of Connecticut physicians have implemented EHR.

As you and the Committee may know, Connecticut was one of only ten states nationally which did not receive any funding for health information technology in the first round of federal grants which were announced by Sec. Sebelius on February 12, 2010, while New York and the other New England states received almost \$140 million in grants. Part of the reason for this is that Connecticut appears to be behind our neighboring states in funding and working together to advance health information technology.



MPS leaders have been at the forefront of advocating for the implementation of health information technology in Connecticut. MPS and its 400 physicians are concerned that SB 403, as written, will fail to take advantage of the significant work and progress already made in Connecticut and force an unnecessary retrenchment to cover many issues and policies which will put Connecticut further behind our neighbors in implementing health information technology that works for all residents of Connecticut. MPS believes that Connecticut does not need what SB 403 envisions: a new, not-for-profit institute for health information technology. Connecticut already has a not for profit organization in Connecticut focused on health information technology. That organization is *eHealthConnecticut*.

MPS is proud to have been one of the founders of *ehealthConnecticut*. *eHealthConnecticut* is a not for profit entity incorporated in January 2006 and represents a collaborative approach to meeting the challenges of health information technology adoption and interoperability for the entire State. It is Connecticut's single organization focused on statewide HIE, with the combined governance and resources of the public and private sectors and the flexibility of a private corporation. A Board of Directors representing physicians, hospitals, community health centers, other providers, consumers, purchasers, payers, academia, and quality organizations governs *eHealthConnecticut*, with State agency officials providing direction on an ex-officio basis. *eHealthConnecticut* operates in a transparent fashion with the necessary privacy and security protections in place to earn trust from all entities and the general public. I have been a member of the Board of Directors of *eHealthConnecticut* since its inception.

eHealthConnecticut is working with the CT Dept. of Social Services on a pilot project involving CT hospitals, federally qualified health centers and CT physicians to share pharmacy data for CT Medicaid recipients. *eHealthConnecticut* has worked with the Connecticut State Medical Society, large health plans and our state quality improvement organization to aggregate Medicare and health plan data to report to Connecticut physicians on how their care of patients compares to evidence-based guidelines. *eHealthConnecticut* is the only organization in Connecticut that has submitted an application to the Office of the National Coordinator for Health Information Technology (ONC) for a Health Information Technology Regional Extension Center grant, and we are hopeful that ONC will announce that our application is successful within a few weeks.

On behalf of the Board of Directors of *eHealthConnecticut* I have been asked to make the following testimony:

The Board of Directors of *eHealthConnecticut* stands ready to support the State of Connecticut in its Health Information Technology and Health Information Exchange initiative.

As background, *eHealthConnecticut* has been functioning as a not for profit 501c3 corporation for four years. Its mission is to champion and sustain a Health Information Exchange with the ultimate goal being improved patient care quality and safety. *eHealthConnecticut* is designated by the federal government as a Chartered Value Exchange, one of only twenty four organizations in the country to achieve this status. It has completed a project to provide primary care physicians across the state with an electronic quality report that will assist them

in identifying opportunities for improving the services they deliver. And the organization is currently engaged in a pilot program with the Department of Social Services to operate a Health Information Exchange for the sharing of data across several hospitals, federally qualified health centers and physician practices.

At its last meeting, the *eHealthConnecticut* Board voted unanimously to offer *eHealthConnecticut* as the corporate vehicle for use by the State to allow the state to become a corporation with nonprofit status as quickly as possible. Recognizing that the State would want to name its own Board of Directors to govern the organization, *the eHealthConnecticut* Board of Directors unanimously voted to resign to provide that opportunity. In addition, an orderly transition of existing contracts would be effectuated.

We hope that you will give serious consideration to this offer to provide the State with a quick solution to the corporate structure it is seeking under SB403. It would result in less time and fewer financial resources being expended by the State to incorporate and receive non-profit status by the Internal Revenue Service. This time and these resources could then be redirected to the actual work of building and operating the Health Information Exchange.

Resolution:

The eHealthCT Board of Directors agrees that the following steps be taken related to the future of the organization:

That a good faith intensive effort be made to revise Bill SB 403 raised in the Public Health Committee on March 4, 2010 to offer *eHealthConnecticut* as the 501c3 Health Information Exchange organization for the State;

That as a part of that effort, the Board of Directors agrees that if this change can be effectuated, its current directors will resign to allow the legislature to determine the composition of the Board; and

That an orderly transition of the organization's existing contracts will be made to the State.

Be it further resolved that:

Until such time as this change is effectuated, the existing organization will continue to function.

