

TO: Dr. Karen M. Bell, Acting Deputy National Coordinator for Health Information Technology  
FROM: Abby Liebeskind, Policy Analyst, Office of the National Coordinator for Health Information Technology (ONCHIT)  
RE: Political Dimensions for Passing H.R. 4726/H.R. 4157  
DATE: 10/3/06

In order to accelerate the passage of a health information technology (HIT) bill that would enable Secretary Leavitt to award grants for the implementation of interoperable HIT, our department must promote health IT in general by framing it in a positive light instead of focusing on the potential negatives. We should emphasize the reduction of medical errors, an increase in job creation, and economic growth, while addressing but minimizing privacy concerns and initial costs.

## **BACKGROUND**

H.R. 4726, The Wired for Health Care Quality Act, is identical to S. 1418, which passed unanimously on 18 November 2005 (eHealth Initiative S. 1418, 2005, Actions). The House of Representatives passed H.R. 4157 on 27 July 2006 with a vote of 270-148, mostly along party lines (eHealth Initiative H.R. 4157, 2006, Actions). Both bills include language to enable our office to award competitive grants to purchase integrative HIT systems or improve current systems, maintain HIPAA privacy standards, and establish the American Health Information Collaborative (AHIC) to make recommendations for uniform national HIT policies (eHealth Initiative S.1418 and H.R. 4157, 2005, 2006). Ideally, our office would like to pass H.R. 4726 instead of H.R. 4157, since H.R. 4726 does not include the provision on ICD-10 codes or the exemption from Stark and anti-kickback laws (Banner Health, 2006, ¶6), while H.R. 4726 includes additional privacy language (eHealth Initiative S. 1418, 2005, Privacy and Security).

## **DIMENSIONS TO EMPHASIZE**

### *REDUCTION OF MEDICAL ERRORS*

Health information technology is an umbrella term including electronic health records, electronic prescribing, and an interoperable system that incorporates all systems of data collection. A 2005 study estimated that missing information in health records is blamed in 16 percent of medical errors, and medical professionals with full electronic health records were 60 percent more likely to have complete information (Baker, 2005, p. 1). A 2004 study found that 48 percent of Americans are “concerned the safety of the medical care that they and their families receive,” (Kaiser, 2004, p. 1). The public would be positive about a bill intended to reduce medical error and increase the quality of care they receive.

### *JOB CREATION*

The creation of a system for data entry and collection that can operate in a rural clinic, the office of a suburban family practitioner, and a bustling urban hospital requires many people to keep the system working, including computer programmers, installation specialists, salespeople, factory workers, and technicians. The Institute of Electrical and Electronics Engineers sent Senator Enzi a letter commending him on the passage of S. 1418 (Alphonse, 2006, ¶1), and corporations and associations including the Computing Technology Industry Association, IBM, Intel, Siemens, and Sun Microsystems, Inc are part of the eHealth Initiative, an association promoting an improvement in the quality, safety, and efficiency of the US healthcare system via HIT (eHealth Initiative open letter, 2006, p.1). These lobbying groups support the unification of S. 1418 and H.R. 4157 because the resulting law will immediately require government contracts to create this interoperable system.

## *ECONOMIC GROWTH*

In a time of expansionary monetary policy, it is important for this administration to emphasize any aspect of economic growth. The Harris Poll, conducted September 8-11, 2006, concluded that the economy was the second biggest concern for adults nationwide (PollingReport.com, 2006, The Harris Poll). The HIT market is projected to double in size by 2011, resulting in a \$35 billion health IT market (Lawrence, 2006, p.1). This enormous increase would result from growth in physician office, home care, nursing home, and hospice IT (Lawrence, 2006, p.1), and would affect many sectors of the economy. Improving health IT will improve healthcare quality, which would decrease unemployment from illness or injury, and create jobs, both of which would result in economic growth, which is the public always views positively.

## **DIMENSIONS TO MINIMIZE**

### *PRIVACY CONCERNS*

Privacy advocacy groups strongly oppose the passage of H.R. 4157 or H.R. 4726/S. 1418 because of the limited privacy language (Coalition for Patient Privacy, 2006). While both S. 1418 and H.R. 4157 specify that no changes shall be made to affect the scope or substance of section 264 of HIPAA (eHealth Initiative H.R. 4157, 2006, Privacy and Security), S. 1418 also protects sections 1171-1179 of the SSA and requires the Comptroller General to submit a report to Congress on the necessity and workability of requiring “health care providers who transmit health information in electronic form to notify patients if their individually identifiable health information is wrongfully disclosed,” (eHealth Initiative S. 1418, 2005, Privacy and Security). S. 1418 passed unanimously in the Senate, while H.R. 4157 passed mostly on party lines, so it is

important to emphasize the unification of the bills in Conference Committee, including the privacy language, to assure consumers that their privacy will be protected. This is an important issue, because 67% of national respondents are “somewhat” or “very concerned” about the privacy of their personal medical records, according to the California HealthCare Foundation’s 2005 survey (California HealthCare Foundation, 2005, 1); privacy violation fears must be addressed, but it should be deemphasized, considering the unification of the 2 bills.

### *INITIAL COSTS*

According to a 2005 study by Jan Walker, et al., the roll-out cost to implement a system for health care information exchange and interoperability (HIEI) would be between \$276-320 billion (Walker, 2005, Exhibit 2). These initial costs are staggering, considering the doubling of a health IT market would result in a \$35 billion market, but the same study shows that fully standardized and implemented HIEI would yield a net value of \$77.8 billion in benefits annually (Walker, 2005, p.1). The initial costs should be seen as a fraction of the national budget and the future benefits should be emphasized in order to accelerate the passage of a unified bill.

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