



Health Information Technology (HIT) Is Essential for Modernizing our Current Health System to Improve Quality, Patient Safety, Affordability, and Efficiency.

Issue: We need a nationwide electronic health information infrastructure –electronic medical records (EMR) system, electronic clinical decision support tools, and electronic claims/payment processing– that will streamline and modernize the nation's health care delivery system and improve quality and patient safety. The primarily paper-based medical records system adds complexity, duplication, and bureaucracy. The lack of clinical decision support tools at the point of care prevents better-informed clinical decision-making and improved coordination of care. Yet, few hospitals and few physicians use comprehensive HIT systems. Hospitals have the resources to invest in new information technology- in 2003, hospitals spent \$15 *billion* on construction alone, and hospitals plan to increase capital spending by 14% a year for the next 5 years.

Position: The National Business Group on Health representing about 300 large employers, primarily Fortune 500 companies and large public sector employees, who provide coverage for 55 million Americans, believes that Congress should enact legislation to reform and modernize our current health care information infrastructure. We support proposals that encourage the adoption of electronic medical records, electronic clinical decision support tools, electronic claims/payment processing, and an infrastructure for information sharing and the setting of interoperability standards that will lead to a more efficient, higher quality, safer, and more evidence-based health care delivery system. We favor payment incentives, similar to those proposed by the Centers for Medicare and Medicaid Services, for providers who adopt and implement health information technology. Hospital spending has reached unprecedented levels, and hospital/health care executives need to reassess their goals and make information technology a top priority now.

Why the Business Group Believes HIT is Necessary:

HIT Will Improve Quality of Care by:

- Providing evidence-based clinical decision support at the point of patient care.
- Giving providers detailed medical histories of patients in real time at the point of care.
- Sending computerized reminders and prevention guidelines to providers and patients to improve patient compliance.
- Enabling detailed tracking and coordination of patients' conditions, medications, and treatment, including post-hospital care.
- Allowing ongoing gathering of data to facilitate process improvement.

HIT Will Improve Patient Safety

- Preventable medical errors in the hospital account for about 98,000 preventable deaths in the U.S. each year, many of which are due to insufficient use of HIT.
- Most prescriptions and referrals are still written by hand, causing countless errors in dosage and/or drugs and leading to unnecessary death and disability.
- According to the Agency for Healthcare Research and Quality, physicians using computerized decision-support reported lower incidence of serious medication errors because of better information about contraindications, complications and drug interactions.

HIT Will Help Control Costs and Enhance Affordability

- The Institute of Medicine's report on medical errors estimates that more than half of the adverse medical events occurring each year are due to preventable medical errors, causing the death of tens of thousands. The cost associated with these errors in lost income, disability, and health care costs is as much as \$29 billion annually.
- According to a study by the Commonwealth Fund, 22 percent of patients report being sent for duplicate tests by different health care professionals.

HIT Will Increase Efficiency

- The “most wired” hospitals have lower expenses per discharge and greater productivity.
- Streamlining transactions (e.g., claims processing) through electronic processing will lower costs and decrease staff time spent on administrative tasks.
- Electronic benefits cards encoded with patients' health plan information will allow for more efficient transactions by providing instant access to benefit details and immediate point-of-service payments, benefiting patients, providers, insurers, and administrators.