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Road Map to a Digital System of Health Records

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Few dispute the need to move America's costly, fragmented health system from paper records and prescriptions into the computer age.

Converting to digital records, health authorities agree, would reduce medical errors and improve efficiency, saving both lives and dollars.

But what has been missing is a national road map that would encourage doctors, hospitals and insurers to invest in modern information technology.

Yesterday, a group of 13 health and information technology organizations gave the Bush administration its recommendations for just such a road map for a national health information network.

The group's report suggesting the principles that should guide the creation of such a network made an emphatic call for open, nonproprietary technical standards for communication across the network.

The information on a patient inside a doctor's office, the report contends, must be capable of being sent across the network freely to hospitals, laboratories, specialists, insurers and researchers, if the promise of improved care and reduced costs are to be achieved.

"The issue we tried to address is how do we mobilize America's incredibly fragmented health system to really get this done," said David Lansky, a director of the health program at the Markle Foundation, which coordinated the work of the organizations involved, including the American Health Information Management Association, the Healthcare Information and Management Systems Society and the Liberty Alliance Project. The study was delivered to the Bush administration's national health information technology coordinator, Dr. David J. Brailer, who had asked for recommendations on how to build a national health information network.

The 54-page document, which the group calls a "common framework," borrows heavily from the technical and policy approach of the Internet. The federal government, the report says, should guide the development of a health network with a light hand by providing some initial financing and endorsing basic technical standards, but should set up a separate "standards and policy entity" to handle the task.

The report also noted that while the task might seem to warrant "a 'moon-shot'-type approach," the "political and practical realities suggest that an incremental approach would gain more support."

The report concluded that a national health network should not include a central database of patient records nor should it require individuals to have "health ID cards," as some have proposed. It said that patients should control their own records, deciding whether their information can be used in studies for effectiveness of certain treatments and drugs. One goal is to have the health network operate somewhat like Internet-based e-mail, in which people using different types of computers and software can send and receive messages because the open, standard technology for handling messages is used by everyone.

Separately, an article expected to be published today in the online version of the journal Health Affairs estimates that \$78 billion a year could be saved by moving to electronic patient records in a network with open communications standards, or interoperability, in computing terms.

That is the estimated yearly savings after 10 years, when a truly open, automated system is in place across the nation, according to the report by the team of researchers in the Center for Information Technology Leadership. The center is the research arm of Partners Healthcare, a nonprofit medical group that includes Massachusetts General Hospital and Brigham and Women's Hospital in Boston.

The cost to doctors and hospitals of installing computers, networking equipment and software to build an electronic health network will be daunting -- an estimated \$276 billion over the next 10 years, the researchers estimate. The annual savings from digital patient records would be considerably lower -- about \$24 billion a year -- if the communications standards were not fully open, the study found.

Under a less open system, doctors, hospitals, insurers and patients could still share information, but doing so would require costly software changes to permit information-sharing outside a proprietary network. With employers changing insurers frequently and individuals often referred to several doctors, those costs could be daunting.

Many medical groups are starting to make sizable investments in creating local networks that connect electronic patient records. But without moving swiftly to establish open communications standards between those networks, the study's authors said, a large opportunity for savings may be lost.

"If we're not careful, we'll have little islands of excellence that don't talk to each other," Jan Walker, the lead author of the article in Health Affairs, said in an interview. President Bush has spoken frequently about the need to move to electronic health records and last May appointed Dr. Brailer to the new post of health information technology coordinator. But last November, Congress eliminated a seemingly modest \$50 million request for Dr. Brailer's office for technology demonstration projects.

"More aggressive leadership at the national level is needed, and time is of the essence," Dr. Blackford Middleton, chairman of the Center for Technology Leadership and an assistant professor at Harvard Medical School.

In a commentary accompanying the Health Affairs article, Laurence Baker, an associate professor at Stanford Medical School, questioned the authors' assumptions about savings from reduced labor costs and redundant tests eliminated. He called the study's conclusions "a very optimistic assessment."

The study did not try to measure improvements in health care because of better access to patient information.

Dr. Brailer, who also wrote a commentary for Health Affairs, said the improvement in reduced medical errors and better care would be significant, along with cost savings. He also endorsed the call for open standards.