Accelerating Health Care Transformation in Maryland and the Nation

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We're stuck in traffic on the Washington beltway. Our car needs a tune up. And our gas tank is nearing empty.

The traffic? 733,000 Marylanders without health insurance. Rising health care costs in the public and private sector. High rates of preventable admissions, readmissions and poorly managed chronic illness.

The car? Much of the health care system remains dependent on paper-based systems that don't talk to each other, poor access to data when clinicians need it most, insufficient analysis of cost and outcomes across the system.

The fuel gauge pointing at Empty? Skepticism among many that our nation's health care challenges can be met. Here's former OMB director Peter Orzag, recently writing in *Foreign Affairs*: "It is no exaggeration to say that the United States' standing in the world depends on its success in constraining this health care cost explosion; unless it does, the country will eventually face a severe fiscal crisis or a crippling inability to invest in other areas."

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Well, then … why don't we turn on the radio? And what do you know … the traffic report says we have a window of opportunity.

Help is on the way to address the profound crisis in access to care. Hundreds of thousands of Marylanders will benefit from the Affordable Care Act … through insurance reform, high risk pools, and the health insurance exchange that goes into business in 2014.

State and federal officials are creatively considering new ways to deliver and finance health care that reduce preventable admissions and readmissions – while better controlling costs. Local health officers are leading public health efforts around the state to prevent chronic illness.

Over the next decade, our state budget could benefit by $850 million or more. Those benefits result in no small part from federal assistance that is front loaded in the early years of reform implementation. By the end, if we do not control costs, health reform itself may be unaffordable.

We need to find our way to our destination before the traffic heats up again.

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To get there, we have to do something about this car.

We have to transform health care to achieve the triple aim: better experience for patients, lower cost, and improved outcomes. And one key to this achievement will be progress in health information technology.

Health IT supports clinical care by giving clinicians the information they need when they need it … to improve outcomes, prevent errors, and reduce costly inefficiency.

Health IT supports the triple aim by allowing health systems to monitor and manage the care of individuals across multiple levels of care.

Health IT supports payment reform by allowing for reimbursement on the basis of outcome and not just volume of services.

Health IT supports emergency preparedness by permitting real-time surveillance and supports community resilience by promoting portability of medical records.

And Health IT supports public health by allowing a deep understanding of the needs of diverse populations across our state.

The Health IT transformation is exactly the tune-up our car needs to get across the Beltway and reach our destination.

And in Maryland, where expanding access to health information technology is one of our Governor's 15 goals for the state, this tune-up is well underway.

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In Maryland, we are supporting the rapid adoption of electronic health records by physicians.

- ✓ More than 1,200 physicians have already moved forward with help through the regional extension center established in 2009 and support from state and federal grants.

- ✓ In addition, we are the only state that requires private payers to provide incentives to physicians to adopt electronic medical records. Just-published regulations provide for payments of up to $15,000 per primary care practice.

- ✓ We are now open for business for providers to access EMR adoption incentives through the state's Medicaid program.

- ✓ Leading physicians groups, including Med Chi, are strongly encouraging their members to take advantage of these opportunities.

In Maryland, we have established a comprehensive health information exchange.

- ✓ This exchange, which is run by the non-profit Chesapeake Regional Information Systems for our Patients, or CRISP, makes secure records available on patients across the state under strict controls.

- ✓ Our health information exchange is already connected to 28 of Maryland's hospitals, getting us more than halfway towards the goal of connecting all 46 acute care hospitals by December 1, 2011.

- ✓ The Maryland Health Care Commission has received a challenge grant from the Office of the National Coordinator to bring health IT to nursing facilities and support safe care transitions from the facilities to hospitals and back again.

In Maryland, information technology is a lynchpin of aggressive efforts to pay for value instead of volume.

- ✓ Our unique rate setting system, which obtains data on all hospital services, has designed innovative payment mechanisms that provide incentives for better outcomes, not just more services. A large fraction of our state spending on hospital care will soon be subject to these new incentives.

- ✓ Multiple insurers are participating in primary care medical home projects, which provide data and support for primary care clinicians to better manage chronically ill patients.

- ✓ Our state's Quality and Cost Council is looking for ways to use data that health information technology is making available to create new incentives to address unacceptable health disparities.

- ✓ Many hospital systems are integrating their systems with local primary care providers to provide for better coordination of care. These systems often provide patients and their families with better access to their health information than ever before … as well as new ways to contact their clinical teams and play an active role in coordinating their care.

In Maryland, we are using electronic data to better protect and promote the public health.

- ✓ Every day, our emergency preparedness team reviews data on emergency department complaints, over-the-counter medicine sales and ER transports.

- ✓ The Health Department now has a model vaccine registry that accepts data from electronic health records systems.

- ✓ We have electronic lab reporting of key diseases, to permit rapid analysis and response.

- ✓ And we're thinking about how to analyze data in the health information exchange to better design public health interventions that prevent illness and prolong life.

Put it all together, and that's a promising tune up.

The state's efforts are overseen by the Maryland Health Care Commission and the non-profit Chesapeake Regional Information System for our Patients. I would like to thank them for their critical efforts.

Financial support has come through the hospital payment system, through the state budget, and through critical federal grants under the American Recovery and Reinvestment Act.

Ongoing and sustainable support will come in large part from within our health care system, as new financial incentives around performance require modern health IT systems for success.

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What about the gasoline?

Just coasting to our destination is unlikely to be successful. We need to zoom there.

There are immense challenges that warrant skepticism about easy fixes. But that's where you come in. We can fill the gas tank with the progress and optimism that comes from rapid learning and technological advancement.

Maryland is fortunate to have such a great University partner. Your research, your collaboration, and your enthusiasm power our state's progress.

Innovation will maintain the energy of health system transformation … improving care for patients with a wide variety of conditions … supporting clinical care from the waiting room to the operating room … and envisioning public health improvement that was not even possible just a few years ago.

Your efforts are the fuel for this voyage.

I urge you to engage with the systems out there and improve them. Design projects that fill the gaps and deliver results. Measure your success not just in academic publications but also in averted cost, improved outcomes, and better access to care.

Our Lt. Governor Anthony Brown recently gave a speech to hundreds of health IT experts in Philadelphia. He said:

> In the end, health information technology is not just about IT … It is about health. Health is why we're all here.
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> If we cannot use advances in health information technology to make our families and communities healthier, then we will not have succeeded.
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> On the other hand, if we can use health information technology to address the crushing burden of chronic disease; reduce preventable complications and re-admissions and health disparities; improve quality; and reign in runaway costs, then we will have the health care system that our nation and our children need and deserve.
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> This is the moment. Our collective efforts are at the center of this transformation.

I wish you the best for a tremendous conference. Let's move out of this traffic to where we need to go. Thank you.