



## Providers link HIE to lower costs, improved outcomes

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Electronic health information exchange (HIE) between physicians, hospitals, payors and patients is decreasing the cost of care and improving outcomes, according to a new survey released by the non-profit eHealth Initiative.

The 2008 *Fifth Annual Survey of Health Information Exchange at the State and Local Levels*, which included responses from 130 community-based initiatives in 48 states, shows the significant impact fully operational initiatives are having on improving healthcare delivery and efficiency.

According to the survey results, 69 percent of the fully operational exchange efforts reported reductions in healthcare costs, saying HIEs allow them to:

- Decrease dollars spent on redundant tests;
- Reduce the number of patient admissions to hospitals for medication errors, allergies or interactions;
- Decrease the cost of care for chronically ill patients; and
- Reduce staff time spent on administration.

Approximately 52 percent of fully operational exchange efforts reported positive impacts on healthcare delivery, including:

- A decrease in prescribing errors;
- Improved access to test results;
- Improved compliance with chronic care and prevention guidelines;
- Better care outcomes for patients;
- Increased recognition of disease outbreaks;
- Improved quality of practice life; and
- Reductions in malpractice insurance costs.

In addition to improving care delivery, tackling population health challenges continues to be a goal of many operational HIE efforts with ten offering disease or chronic care management services, eight offering quality improvement reporting for clinicians, six offering public health reporting and five offering quality improvement reporting for purchasers or payors.

For the first time, 69 percent of the fully operational respondents reported a positive financial return on their investment (ROI) for their participating stakeholders, including health plans, hospitals, laboratories and physician practices. In 2007, only 31 percent reported positive ROI.

"The 2008 survey shows a direct link between the exchange of health information electronically and improved efficiency, reduced costs and better patient outcomes. These are exciting results and demonstrate that the significant potential impact predicted for electronic medical records is now being realized all across the nation," said Janet Marchibroda, CEO of eHealth.

"The good news is that we are now making progress; efforts across the United States are now able to demonstrate value through collaboration among and sharing of the costs of the exchange across all participating healthcare stakeholders, which ultimately provides benefits to everyone--particularly patients," said Rachel Block, executive director of the New York eHealth Collaborative and president of eHealth.

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