

Idaho Business Review, Monday, Aug. 4, 2008 – Page 1 of 2

E-health system connects docs, hospitals, insurers

Communication a building block in health care

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After two years of discussion, study and work in the legislature, Idaho is poised to institute its first health information exchange. Using Elysium Exchange technology from San Jose-based HIE solutions provider Axolotl, the Idaho Health Data Exchange will enable 1,500 physicians, at least 30 hospitals and 10 data centers to share health information electronically, and its first phase could be off the ground by January 2009.

"This project is a fundamental building block in transforming health care in Idaho," said Idaho Governor C.L. "Butch" Otter, whose Select Committee on Health Care supports such a system. "Medical professionals across the spectrum will be able to access the information they need to make better, faster diagnoses using technology that protects confidentiality."

The exchange was created by the Idaho Health Quality Planning Commission at the beginning of the year and is a 501(c)6 nonprofit partnership composed of a unique mix of stakeholders, including: St. Alphonsus and St. Luke's hospitals in Boise, Kootenai Medical Center in Coeur

d'Alene, St. Mary's Hospital and Clinics in Cottonwood, Clearwater Valley Hospital and Clinics in Orofino, individual physicians and pharmacists from around the state, and insurers Blue Cross of Idaho and Regence Blue Shield.

Once the system is fully in place, members will have instant, remote access to lab results, have the ability to provide electronic referrals, communicate with other providers, electronically prescribe medication and examine medical histories. Nationwide use of such systems was called for by President Bush in 2004, and Congress is considering mandating the use of electronic prescribing. While at this point membership in the IHDE is voluntary, officials say its efficiency and low cost have spurred a lot of interest.

Because the Axolotl software is Web-based, IHDE Executive Director Ladonna Larson said the exchange will offer health care professionals basic electronic medical records capability without the need for any hardware or special software, cutting costs from around \$20,000 – what a typical EMR can run – to about \$770 per physician per year. The high cost of EMRs is generally blamed for the fact that only about 20 percent of Idaho doctors use them.

Idaho Business Review, Monday, Aug. 4, 2008 – Page 2 of 2

"It seemed to us that the functionality the system delivers is, in itself, enough for them to justify the annual fee," said Richard Armstrong, director of the Idaho Department of Health and Welfare and secretary-treasurer of the IHDE.

Blue Cross CIO Mike Cannon, who chaired the IHQPC technology and standards committee, said low cost and high function isn't the only strength of the exchange.

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"The biggest thing that I've seen that makes me feel good about this is the collaboration of the stakeholders – competitors around the state sitting down at the table, agreeing that this is the best thing for the state, and throwing competitive things out the door for the purpose of getting this going," he said.

Officials say they hope such a broad mix of established and healthy institutions will ensure the system's sustainability – something that's been a problem for many such exchanges.

"Around the country over the last decade most of the RHIOs [regional health information organizations] or data exchanges were funded by grant monies either from government or from nonprofits, and the sustainability of those models proved to be their downfall," Armstrong said. "So we approached it from sustainability from the start, and the ongoing funding would be borne by those who use the system and receive value from the system."

So far the state has allocated \$500,000 to the exchange for seed money, all the rest of its projected \$11.3 million start-up and operating costs for the first five years will be shared by its principal members.

"We think it's a great project and one that was extremely necessary," said Steve Millard, president of the Idaho Hospital Association. "I think the trick's going to be getting the rest of the state on board, but with the ground being plowed by these major hospitals it's going to be a lot easier."

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