# **Legislative Analysis**



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# HEALTH INFORMATION TECHNOLOGY COMMISSION

House Bill 5336 (Substitute H-2) Sponsor: Rep. Gary A. Newell Committee: Health Policy

**Complete to 3-13-06** 

#### A SUMMARY OF HOUSE BILL 5336 AS REPORTED FROM COMMITTEE

The bill would create the Health Information Technology Commission which would be required to facilitate and promote the design, implementation, operation, and maintenance of an interoperable health care information infrastructure in the state. The bill would add to the Public Health Code a Part 25, entitled "Health Information Technology." The commission would be housed within the Department of Community Health.

One of the functions of the committee would be to develop and maintain a strategic plan to guide the implementation of an interoperable health information technology system aimed at reducing medical errors, improving quality of care, and producing greater value for health care expenditures.

<u>The Commission</u>. A 15-member commission would be appointed by the governor. The membership would include the directors of the Departments of Community Health and Information Technology (or their designees) and one individual each representing Blue Cross Blue Shield of Michigan, hospitals, medical doctors, osteopathic physicians and surgeons, purchasers or employers, the pharmaceutical industry, Michigan medical schools, the field of health information technology, pharmacists, health plans or other third-party payers, consumers, nurses, and optometrists.

The commission would have to include representatives of both the public and private sectors, and appointees would need experience in at least one of the following: health information technology; administration of health systems; research of health information; health finance, reimbursement, and health economics; health plans and integrated delivery systems; privacy of health care information; medical records; patient care; and data systems management.

Terms would be for four years; initial terms would be staggered from one to four years. The bill would allow the governor to fill vacancies and to remove members under certain circumstances. Members would serve without compensation. A chairperson and any other officers would be elected by majority vote. Meetings, after the first one, would have to be – at a minimum – held quarterly. All business would have to be conducted at public meetings held in compliance with the Open Meetings Act with public notice being given of the date, time, and place. A writing prepared, owned, used, in the possession of,

or retained by the commission in the performance of an official function would have to be made available to the public in compliance with the Freedom of Information Act.

Advisory Committees. The commission would be required to appoint advisory committees to ensure adequate opportunity for the participation of health care professionals and outside advisors with expertise in health information privacy, health information security, health care quality and patient safety, data exchange, delivery of health care, development of health information technology standards, or development of new health information technology.

Advisory committees would have to address interoperability, functionality, and connectivity, including uniform technical standards, common policies, and common vocabulary and messaging standards. Advisory committees would also have to address security and reliability; certification processes; electronic health records; and consumer safety, privacy, and quality of care;

<u>Powers and duties</u>. The commission would be required to do each of the following.

- Develop and maintain a strategic plan to guide the implementation of an interoperable health information technology system aimed at reducing medical errors, improving quality of care, and producing greater value for health care expenditures.
- Identify critical technical, scientific, economic, and other critical issues affecting the public and private adoption of health information technology.
- Provide recommendations on policies and measures necessary to achieve widespread adoption of health information technology.
- Increase the public's understanding of health information technology.
- Promote more efficient and effective communication among multiple health care providers, including hospitals, physicians, payers, employers, pharmacies, laboratories, and other health care entities.
- Identify strategies to improve the ability to monitor community health status.
- Develop or design other initiatives to further the commission's purpose.
- Report annually to the chairs of the standing committees of the House and Senate
  with jurisdiction over community health and information technology; the House
  and Senate Appropriations Subcommittees on community health and information
  technology; and the House and Senate Fiscal Agencies.

Strategic Plan. The strategic plan developed by the commission would have to include:

- The development or adoption of health care information technology standards and strategies.
- The ability to base medical decisions on the availability of information at the time and place of care.
- The use of evidence-based medical care.
- Measures to protect the privacy and security of personal health information.
- Measure to prevent unauthorized access to health information.
- Measures to ensure accurate patient identification.
- Methods to facilitate secure patient access to health information.
- Measures to reduce health care costs by addressing inefficiencies; redundancy in data capture and storage; medical errors; inappropriate care; incomplete information; and administrative, billing, and data collection costs.
- Incorporating health information technology into the provision of care and the organization of the health care workplace.
- The ability to identify priority areas in which health information technology can provide immediate benefits to consumers and a recommended timeline for implementation.
- Measurable outcomes.

<u>Civil immunity</u>. The commission or a member of the commission would not be personally liable in a civil action for damages sustained by a person because of an action performed or done by the commission or a member in the performance of their respective duties in the administration and implementation of Part 25.

MCL 333.2501 et al.

## **FISCAL IMPACT:**

A fiscal analysis is in process.

## **POSITIONS:**

Among those indicating support for the bill to the House Committee on Health Policy on 3-7-06 were the Michigan Department of Community Health, the Michigan Health and Hospital Association, Beaumont Hospitals, the Michigan Osteopathic Association, the Michigan Association of Health Plans, Ascension Health, the Michigan Pharmacists Association, and the Michigan Nurses Association. The Michigan State Medical Society submitted written support to the committee in support of the intent of the bill. (1-17-06)

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<sup>■</sup> This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.