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BILL ANALYSIS

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House Bill 5336 (Substitute H-2 as passed by the House)
Sponsor: Representative Gary A. Newell
House Committee: Health Policy
Senate Committee: Health Policy

Date Completed: 3-28-06

CONTENT

The bill would add Part 25 (Health Information Technology) to the Public Health Code to create the Health Information Technology Commission within the Department of Community Health (DCH) to facilitate and promote the design, implementation, operation, and maintenance of an interoperable health care information infrastructure in Michigan.

The Commission would consist of the following 15 members appointed by the Governor: the DCH Director or his or her designee; the Director of the Department of Information Technology (DIT) or his or her designee; and one individual representing each of the following:

- Blue Cross and Blue Shield of Michigan.
- Hospitals.
- Doctors of medicine.
- Doctors of osteopathic medicine and surgery.
- Purchasers or employers.
- The pharmaceutical industry.
- Schools of medicine in Michigan.
- The health information technology field.
- Pharmacists.
- Health plans or other third-party payers.
- Consumers.
- Nurses.
- Optometrists.

The appointed members would have to include representatives from both the public and private sectors. In order to be appointed to the Commission, each person would have to have experience and expertise in at least one of the following areas:

- Health information technology
- Administration of health systems.
- Research of health information.
- Health finance, reimbursement, and economics.
- Health plans and integrated delivery systems.
- Privacy of health care information.
- Medical records.
- Patient care.
- Data systems management.

A Commission member would have to serve for a term of four years, or until a successor was appointed. Of the members first appointed, three would have to be appointed for a term of one year, four each for two years, three years, and four years. The Governor could remove a member for incompetence, dereliction of duty, malfeasance, misfeasance, or nonfeasance in office, or any other good cause. Commission members would have to serve without compensation.

At the Commission's first meeting, a majority of the members would have to elect from the members a chairperson and other officers as it considered necessary or appropriate. After the first meeting, the Commission would have to meet at least quarterly, or more frequently at the call of the chairperson or if requested by a majority of the members. The Commission would be subject to the Open Meetings Act and the Freedom of Information Act.

The Commission would have to ensure adequate opportunity for the participation of health care professionals and outside advisors with expertise in health information privacy and security, health care quality and patient safety, data exchange, health care delivery, development of health information technology standards, or development of new health information technology, by appointing advisory committees, including committees to address the following:

- Interoperability, functionality, and connectivity, including uniform technical standards, common policies, and common vocabulary and messaging standards.
- Security and reliability.
- Certification process.
- Electronic health records.
- Consumer safety, privacy, and quality of care.

The Commission would have to do each of the following:

- Develop and maintain a strategic plan (described below) to guide the implementation of an interoperable health information technology system that would reduce medical errors, improve quality of care, and produce 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, pharmacists, laboratories, and any other health care entity.
- Identify strategies to improve the ability to monitor community health status.
- Develop or design any other initiatives in furtherance of the Commission's purpose.
- Perform any and all other activities in furtherance of the duties described above or as directed by the DCH or DIT, or both.

The Commission also would have to report and make recommendations annually to the chairpersons of the standing committees of the House of Representatives and the Senate with jurisdiction over issues pertaining to community health and information technology, the Appropriations subcommittees on community health and information technology, and the Senate and House Fiscal Agencies.

The strategic plan would have to include, at a minimum, each of the following:

- 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.
- Measures 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.
- The incorporation of 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 could provide immediate benefits to consumers and a recommended timeline for implementation.
- Measurable outcomes.

The Commission or a member would not be personally liable for any action at law 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 proposed Part 25.

Proposed MCL 333.2501 - 333.2507

Legislative Analyst: Julie Koval

FISCAL IMPACT

It is likely that the bill would have no fiscal impact on State or local government. The bill possibly could create a small amount of administrative cost to the State related to providing technical support for the Health Information Technology Commission.

Fiscal Analyst: David Fosdick

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.