

# HOUSE BILL REPORT

## SSB 5064

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### As Passed House - Amended:

April 6, 2005

**Title:** An act relating to electronic medical records and health information technologies.

**Brief Description:** Studying the use of electronic medical records.

**Sponsors:** By Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Deccio, Jacobsen, Parlette, Kohl-Welles, Weinstein and Keiser).

### Brief History:

#### Committee Activity:

Technology, Energy & Communications: 3/29/05 [DPA];

Appropriations: 4/2/05 [DPA(TEC)].

#### Floor Activity:

Passed House - Amended: 4/6/05, 98-0.

### Brief Summary of Substitute Bill (As Amended by House)

- Creates a Health Information Infrastructure Advisory Board, which will develop and implement a strategy for the use of electronic medical records and health information systems.

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## HOUSE COMMITTEE ON TECHNOLOGY, ENERGY & COMMUNICATIONS

**Majority Report:** Do pass as amended. Signed by 11 members: Representatives Morris, Chair; Kilmer, Vice Chair; Crouse, Ranking Minority Member; Haler, Assistant Ranking Minority Member; Ericks, Hudgins, Nixon, P. Sullivan, Sump, Takko and Wallace.

**Staff:** Kara Durbin (786-7133).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass as amended by Committee on Technology, Energy & Communications. Signed by 28 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Clements, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hinkle, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia, Pearson, Priest, Schual-Berke, Talcott and Walsh.

**Staff:** David Pringle (786-7310).

**Background:**

In April 2004, the President signed an executive order creating the Office of the National Coordinator for Health Information Technology (Office). The mission of the Office was to implement the President's goal of widespread adoption of interoperable electronic health records within 10 years. The Office was charged with developing a nationwide interoperable health information technology infrastructure that:

- (a) ensures that appropriate information to guide medical decisions is available at the time and place of care;
- (b) improves health care quality, reduces medical errors, and advances the delivery of appropriate, evidence-based medical care;
- (c) reduces health care costs resulting from inefficiency, medical errors, inappropriate care, and incomplete information;
- (d) promotes a more effective marketplace, greater competition, and increased choice through the wider availability of accurate information on health care costs, quality, and outcomes;
- (e) improves the coordination of care and information among hospitals, laboratories, physician offices, and other ambulatory care providers through an effective infrastructure for the secure and authorized exchange of health care information; and
- (f) ensures that patients' individually identifiable health information is secure and protected.

There are no state or federal laws that deal specifically with health information technology. However, there are a number of bills under consideration in Congress that address information technology and the delivery of health care services.

The State Health Care Authority (HCA) is the state agency that administers state employee insurance benefits and the Basic Health Plan, which is the state subsidized health insurance program for low income persons. The HCA is also generally responsible for coordinating the study and implementation of state initiatives regarding health care cost containment.

**Summary of Amended Bill:**

A Washington Health Information Infrastructure Advisory Board is created. The HCA will appoint the chair and the members of the board, which will include representatives of the provider community, including hospitals, information technology experts, health care policy experts, health plan representatives, consumers, a representative from the Department of Information Services, and the agency medical directors group.

The HCA and the advisory board will develop and implement a strategy for the adoption and use of electronic medical records and health information systems that are consistent with national standards and promote interoperability of health information systems. The strategy should be informed by best research practices, and it should seek to promote standards and

systems that are compatible with current adopters of electronic medical records in Washington. The HCA also will identify obstacles to the implementation of an effective health information infrastructure and provide policy recommendations to remove or minimize those obstacles.

In addition, the HCA, in collaboration with the advisory board, shall ensure that the strategy preserves the privacy and security of health information, as required by state and federal law.

An interim status report containing the advisory board's preliminary findings must be submitted by December 1, 2005, and a final report of findings and recommendations must be submitted by December 1, 2006, which is the date of expiration for the act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Amended Bill:** The bill takes effect December 1, 2006.

**Testimony For:** (Technology, Energy & Communications) We support this bill. This bill will help reduce medical errors and save health care costs in the long-run. The goal of this bill is to bring stakeholders together to develop one interoperable system. Investing in electronic medical records is well worth the investment; it results in improved patient outcomes. Significant cost savings can be achieved, and lives can be saved. Patients can also be located and contacted quickly. If we adopt electronic medical records statewide, our state can see significant cost savings by preventing medical errors, improving communication between doctors and patients, and preventing some illnesses from ever developing.

**Testimony For:** (Appropriations) We support this bill as Multicare has invested a lot in developing our own electronic records systems in recent years. The studies we and others have done is that the benefits of these systems can be substantial, particularly in treating chronic conditions. Because MultiCare treats a large percentage of Medicaid-eligible clients with such chronic conditions, the savings that we have realized translate into savings for the state government, as well as for MultiCare. We need effective tools to deliver timely utilization information. The current tools don't talk to each other effectively, and this bill will help care managers do a better job for the state.

**Testimony Against:** (Technology, Energy & Communications) None.

**Testimony Against:** (Appropriations) None.

**Persons Testifying:** (Technology, Energy & Communications) Senator Thibaudeau, prime sponsor; Phil Watkins and Alexis Wilson, Multicare Health System; and Ken Bertrand, Group Health Cooperative.

**Persons Testifying:** (Appropriations) Tom Fender, Area Agencies on Aging; and Phil Watkins, MultiCare Health System.

**Persons Signed In To Testify But Not Testifying:** (Technology, Energy & Communications) None.

**Persons Signed In To Testify But Not Testifying:** (Appropriations) None.