AMCP Academy of Managed Care Pharmacy

January 13, 2005

Office of the National Coordinator for Health Information Technology
Department of Health and Human Services
Attention: NHIN RFI Responses
Hubert H. Humphrey Building
Room 517D
200 Independence Avenue, SW
Washington, DC 20201

[Delivered by e-mail to: NHINRFI@hhs.gov]

Subject: National Coordinator for Health Information Technology; Development and Adoption of a National Health Information Network (NHIN).

The Academy of Managed Care Pharmacy (AMCP) is pleased to provide comments to the Department of Health and Human Services (HHS) on its request for information (RFI) on the development and adoption of a national health information network. We understand that the RFI addresses the goal of interconnecting clinicians by seeking public comment and input regarding how widespread interoperability of health information technologies and health information exchange can be achieved. Responses to the RFI will be used to inform policy discussions about possible methods by which widespread interoperability and health information exchange could be deployed and operated on a sustainable basis.

AMCP is a national professional association of pharmacists who have responsibility for managing prescription benefits in the private sector for health plans and pharmacy benefit management companies. Our 4,800 members provide comprehensive services to the over 200 million Americans served by managed care organizations. They are responsible for a broad and diversified range of clinical, quality-oriented services, programs and strategies whose objective is to assure that individual patients receive the appropriate drug at the right time in a convenient, cost-effective manner.

AMCP appreciates the opportunity to review the RFI for development and adoption of a national health information network, and commends the Office of the National Coordinator for Health Information Technology (ONCHIT) for undertaking this enormous task. A NHIN will improve access to information for all healthcare professionals and increase patient safety, while lowering costs.

The Academy calls attention to the need to include a patient's prescription record within the NHIN. The electronic prescription record has the potential to reduce

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medication errors. Electronic prescribing and integration of medical and pharmacy data facilitates many pharmacist functions that encourage medication safety including drug use evaluation, patient compliance monitoring, development of disease-specific treatment guidelines and effective use of generic substitution and therapeutic interchange to improve patient outcomes while lowering health care costs.[1]

To be thorough, the electronic prescription record should contain all of the data legally required to fill, label, dispense and/or submit a payment request for a prescription. A patient's prescription insurance information, including associated claims details, may also be part of this record. Prescription records accessed by all health care providers should include historical prescription activity and available health and medication information.

The Academy offers the following comments addressing specific questions contained within the document:

Question 1: The Primary impetus for considering a NHIN is to achieve interoperability of health information technologies used in the mainstream delivery of healthcare in America. Please provide your working definition of a NHIN as completely as possible, particularly as it pertains to the information contained in or used by electronic health records.

> A working definition of a NHIN includes capabilities that would make patient medical information available online to medical providers, insurance companies and other segments of the health care industry. The NHIN would provide the link that allows all healthcare professionals to share clinical information in real-time. The patient medical information must be as complete as possible. In addition to patient demographic information, the patient record must include entries listing diagnoses, lab tests performed, previous surgeries/medical history and medications taken. Care must be taken to ensure the confidentiality of the information contained within the patient record, and access to those records must be limited to only those healthcare professionals and healthcare systems that have a direct relationship with the patient.

Question 3: What aspects of a NHIN could be national in scope, versus those that are local in scope? Please describe the roles of entities at those levels.

> Since medical care is local, the Academy believes that the NHIN should consist of regional nodes that can be interconnected to form a national network.

[1] Academy of Managed Care Pharmacy. Concepts in Managed Care Pharmacy Series. *The Electronic Prescription Record,* 2000

Question 5: What kind of financial model could be required to build a NHIN?

The consensus of opinion is that the NHIN must be totally funded by the government and that participant funding will be unsuccessful. Few community-based health information networks (CHINs) have moved beyond planning because they have carried price tags of tens of millions of dollars, participants had different agendas, projects were driven by vendors or health systems, and the technology was inadequate.[2] The estimated cost to develop a national health information infrastructure could be as high as $146 billion.[3] This amount of funding cannot be expected from the private sector.

Question 6: What kind of financial model could be required to operate and sustain a functioning NHIN?

Although there is strong opinion that the government must provide full funding for this in initiative, some regional networks are experimenting with other funding models. For example, Michiana Health Information Network is attempting to become self-sufficient by selling monthly subscriptions for an Application Service Provider (ASP)-based electronic medical records system.[4]

Question 7: What privacy and security considerations, including compliance with relevant rules of HIPAA, are implicated by the NHIN, and how could they be addressed?

In order to provide the free exchange of information among necessary parties, and to ensure confidentiality, the privacy provisions contained in HIPAA must be followed, and those privacy provisions should preempt any state privacy laws.

Question 9: How could private sector competition be appropriately addressed and/or encouraged in the construction and implementation of a NHIN?

Of primary concern to the private sector is who has ownership of and access to the data. Payer groups (health plans, PBMs, etc.) consider the collected patient

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[2] Chin T; Health information networks: A growing trend, http://www.ama-assn.org/amednews/2004/09/13/bisa0913.htm, accessed 1/3/2005

[3] Quinn J; Observing Healthcare, Lessons Learned from the UK EMR: Not Exactly Apples to Apples; Health Leaders News, 19Nov 2004; http://www.healthleaders.com/news/print.php?contentid=60316, accessed 1/3/2005

[4] Chin T; Health information networks: A growing trend, http://www.ama-assn.org/amednews/2004/09/13/bisa0913.htm, accessed 1/3/2005

data to be their property. They may have strong objections to freely sharing this data with others in the same arena.

Question 11: How could a NHIN be established so that it will be utilized in the delivery of care by healthcare providers, regardless of their size and location, and also achieve enough national coverage to ensure that lower income rural and urban areas could be sufficiently served?

One of the key components of a NHIN is physicians' use of electronic medical records (EMRs). Two of the major barriers to physicians' use of electronic medical records are time and money. These barriers are the high initial financial cost coupled with uncertain benefits and the high initial physician time requirement.[5] A report from the California Healthcare Foundation estimated those costs at an average of $30,000 per physician, on top of the loss of revenue due to fewer than normal patient visits for several weeks or months after the EMR implementation.[6]

Question 14: What kinds of entity or entities could be needed to develop and diffuse interoperability standards and policies? What could be the characteristics of these entities? Do they exist today?

Standards Development Organizations (SDOs) exist today, and can develop and diffuse the NHIN interoperability standards and policies. One such organization is the National Council for Prescription Drug Programs (NCPDP), a not-for-profit, American National Standards Institute (ANSI)-accredited, SDO. NCPDP has over 1350 members who represent chain and independent pharmacies, consulting companies and pharmacists, database management organizations, federal and state agencies, health insurers, health maintenance organizations, mail service pharmacy companies, pharmaceutical manufacturers, pharmaceutical services administration organizations, prescription service organizations, pharmacy benefit management companies, professional and trade associations, telecommunication and systems vendors, wholesale drug distributors, and other parties interested in electronic standardization within the pharmacy services sector of the health care industry. NCPDP creates and promotes standards for the transfer of data to and from the pharmacy services sector of the healthcare industry. NCPDP as a consensus building organization promotes the collaboration

[5] Miller R, Sim I; Physicians Use of Electronic Medical Records: Barriers and Solutions; Health Affairs Vol 23, No 2, March/April 2004.
[6] Miller R, Sim I, Newmann J; Electronic Medical Records: Lessons from Small Physicians Practices; prepared for the California Healthcare Foundation; 10/2003; http://www.chcf.org/documents/ihealth/EMRLessonsSmallPhyscianPractices.pdf; accessed 1/6/2005

between SDOs. NCPDP members and staff participate in other SDOs meetings and listservs.

NCPDP is a voting member of the ANSI's Healthcare Informatics Standards Board (HISB). HISB provides an open, public forum for the voluntary coordination of healthcare informatics standards among all United States standard-developing organizations. Its mission is to facilitate, coordinate, harmonize and promote the development and use of national and international healthcare informatics standards.

NCPDP is one of six organizations that have been designated to manage the maintenance of the electronic data interchange standards adopted under the Health Insurance Portability and Accountability Act (HIPAA) of 1996 through the Designated Standards Maintenance Organization (DSMO). The final HIPAA rule titled "Standards for Electronic Transactions", Section 162.910 established criteria for the processes to be used in such maintenance. DSMO provides reports of approved change requests to the National Committee on Vital and Health Statistics (NCVHS), the Department of Health and Human Services' advisory body on population health, statistics and national health information policy. DSMO also provides an annual review to the Department of Health and Human Services.

In order to ensure that models and products of NCPDP ca be shared and exchanged with other SDOs, NCPDP actively participates in the United States Health Information Knowledgebase (USHIK) data registry project. The purpose of this project is to take data elements from several organizations and put them into one common data dictionary in order to normalize the data across the healthcare industry.

Question 18: What roles and relationships should the federal government take in relation to how interoperability standards and policies are developed, and what roles and relationships should it refrain from taking?

NCVHS should continue its role as a forum for active communication with the private sector to develop realistic timelines for appropriate standards development activities. NCPDP members regularly attend the NCVHS meetings. Their participation has been instrumental in the development of recommendations by the Committee to the Secretary regarding standards related issues.

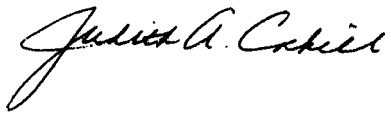
The federally recognized SDOs already used for HIPAA should be used to create a single set of open, technologically-independent set of standards for exchanging EMRs over the NHIN. This set of standards will help encourage practice management system (PMS) vendors and Regional Health Information Organizations (RHIOs) to participate in the NHIN.

Once these standards are developed, a federal mandate for NHIN participants to implement these standards will help ensure compliance to this common set of standards. This mandate will also help to eliminate any proprietary formats that have evolved over time, thus improving interoperability across the NHIN

A federally-empowered national consortium of private and public representatives to provide oversight, direction, coordination and issue resolution related to standards development and implementation for the NHIN should be created. This central coordination of standards development charters, timelines and regulatory interpretation will be beneficial in ensuring a timely and efficient implementation of a NHIN. This national consortium would be accountable for ensuring the overall timely implementation and adoption of the NHIN.

AMCP appreciates the opportunity to submit these comments on the RFI for the development and adoption of a national health information network. If you have any questions regarding our comments or require any additional information, please do not hesitate to contact me at (703) 683-8416 or at jcahill@amcp.org.

Sincerely,



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