# Connecting for Health...A Public-Private Collaborative

### **FACTS AND STATS**

Data standards are the basic building blocks of interoperability, allowing different information systems to securely, rapidly and privately access health information when appropriate and where needed. An interoperable health information system is vital for improving healthcare, particularly by reducing medical errors and improving efficiency. Despite its tremendous potential, Information Technology is not yet fully leveraged in health care today. Consider the following figures:

#### MEDICAL ERRORS ARE A SERIOUS PROBLEM AND IT CAN HELP

## The numbers are frightening

- A modest assessment indicates that between 44,000 and 98,000 Americans die in hospitals each year as a result of medical errors. The same Institute of Medicine (IOM) Report showed that about 7,000 people per year are estimated to die from medication errors alone—about 16 percent more deaths than the number attributable to work-related injuries. In fact deaths from medication errors are rising faster than every other cause, except for AIDS.
- An estimated 770,000 people are injured due to adverse drug events annually in the U.S. <sup>2,3,4</sup> and up to 70 percent of these incidents may be avoidable.<sup>5, 6</sup>
- Inadequate availability of patient information, such as the results of laboratory tests, was directly associated with 18 percent of adverse drug events.<sup>7</sup>

#### Public Awareness is growing

- Awareness of the issue has been growing. Americans have a very real fear of medical errors. According to a national poll conducted by the National Patient Safety Foundation: 8
  - o 42 percent of respondents had been affected by a medical error, either personally or through a friend or relative.
  - o 32 percent of the respondents indicated that the error had a permanent negative effect on the patient's health.
- Another survey, conducted by the American Society of Health-System Pharmacists, <sup>9</sup> found that Americans are "very concerned" about: being given the wrong medicine (61 percent); being given two or more medicines that interact in a negative way (58 percent); complications from a medical procedure (56 percent).

#### Money is wasted

• The IOM report estimates that medical errors cost the Nation approximately \$37.6 billion each year; about \$17 billion of those costs are associated with preventable errors. <sup>10</sup>

#### Role of Information Technology

- A recent study from the Center for Information Technology Leadership in Boston showed that nationwide adoption of advanced computer systems for physician drug ordering in the outpatient setting could significantly reduce those types of errors. According to their figures more than two million adverse drug events and 190,000 hospitalizations per year could be prevented using IT, saving up to \$44 billion annually in reduced medication, radiology, laboratory, and hospitalization expenditures. <sup>11</sup>
- Electronic medical records can save primary care providers an estimated \$86,400 over five years, compared to traditional paper-based methods. Benefits include, reduced drug-spending, reductions in radiology, decreased billing errors, and improved charge capture for billing.<sup>12</sup>
- Clinicians who used a Computerized Patient Record (CPR) with reminders had higher rates of documentation of compliance with influenza-vaccination guidelines than did those who used a paper record.<sup>13</sup>

#### YET...INFORMATION TECHNOLOGY IS STILL NOT WIDELY USED IN HEALTHCARE

- Over 90 percent of the annual 30 billion health transactions are conducted by phone, fax or mail. 14
- Only a third of hospitals nationwide have Computerized Physician Order Entry (CPOE) systems completely or partially available. Of those, only 4.9 percent require their use. 15
- Only 5 percent of clinicians <sup>16</sup> and 19 percent of healthcare provider organizations use fully operational CPR systems. <sup>17</sup>
- Although illegible handwriting is known to cause a substantial number of medication errors, fewer than 5 percent of U.S. physicians prescribe medications electronically.<sup>18</sup>
- 40 percent of surveyed healthcare organizations planned to spend 1.5 percent or less of their total operating budgets this year on IT, and 36 percent set spending at 2 to 4 percent. This can be compared with an average of 8.5 percent in other industries. <sup>20</sup>

Sources

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<sup>&</sup>lt;sup>17</sup> 14th Annual HIMMS leadership survey. Trends in Healthcare Information Technology.

<sup>&</sup>lt;sup>18</sup> A call to Action: Eliminate Handwritten Prescriptions Within 3 Years! Institute for Safe Medical Practices. http://www.ismp.org/msaarticles/whitepaper.html

<sup>&</sup>lt;sup>19</sup> An info-tech disconnect, Modern Healthcare, February 10, 2003

<sup>&</sup>lt;sup>20</sup> InformationWeek Research's Evolving IT Priorities 2002 and 2003