

# Health Information Compliance Alert

## Technology Legislation: HHS Could Be Giving Health IT Grants Soon

### New bill would improve your bottom line and your HIPAA compliance

The Senate recently passed a bill that would encourage you to use information technology to help prevent medical errors and reduce costs, according to press reports.

The Senate approved the Wired for Health Care Quality Act (S.1418) by voice vote on Nov. 18. The bipartisan legislation--the first health information technology bill Congress has ever passed--promotes utilizing HIT to expand the use of electronic medical records and provides incentives for providers to implement the technology.

S.1418 would create the **Office of the National Coordinator of IT** within the **Department of Health and Human Services**. HHS would give grants to group physician practices and other providers to spur the use of health IT systems. The bill also would clarify that current medical privacy rules would apply to health information stored or sent electronically.

Sen. **Mike Enzi** (R-WY), chairman of the Health, Education, Labor and Pensions Committee sponsored the bill, and Sen. **Edward Kennedy** (D-MA) co-sponsored it. In addition, the bill includes legislation Sen. **Hillary Rodham Clinton** (D-NY) and Senate Majority Leader **Bill Frist** (R-TN) previously introduced.

Across the nation, most health care providers have been slow to adopt HIT. Therefore, under the bill, the government would provide funds and grants to help providers to begin using this technology. In addition, the bill calls for health care quality measures that those providers receiving federal funds for HIT must follow.

### Senators Laud IT Value To Health Care

HIT systems offer a variety of benefits to patients and the health industry as a whole, urge legislators:

**Decrease errors:** "This technology would improve patient care by reducing medical errors and allowing for more efficient record keeping to help save lives," Enzi said. "Right now it's quicker to have the operation than it is to get the records from the hospital to the doctor's office. Health information technology can change this."

HIT could also reduce errors with prescriptions, Enzi noted. "Instead of having to decipher the doctor's handwriting, the information could be given to the pharmacist electronically," he said.

**Tighten protection:** And the security benefits will help prevent PHI leaks. For instance, secure privacy protections link these systems to a patient's medical records and can improve care by warning a physician or nurse if an order or prescription may harm a patient.

**Improve care:** Computerized records also allow doctors to examine a patient's entire medical record at once, which would improve care coordination.

**Cut costs:** Proper HIT application could save the nation \$140 billion a year. "When millions of Americans struggle to afford health care for their families, it is profoundly wrong to squander more than half a trillion dollars each year on administrative expenses from using obsolete paper records instead of modern information technology throughout the healthcare system," Sen. Kennedy argued.

