



Business Roundtable™



Upgrade America's Health Care System:
Pass Health IT Legislation Now

America Lacks Health IT: The Scope of the Problem

- As many as 98,000 people die unnecessarily each year because of preventable medical errors.ⁱ
 - One-fifth of these errors are attributable to the lack of immediate access to patient health care information.ⁱⁱ
 - Medical errors kill more Americans each year than breast cancer, AIDS, or motor vehicle accidents.ⁱⁱⁱ
 - The number of preventable deaths of hospital patients every year is equivalent to a Boeing 747 crashing every two or three days.^{vii}
- Nearly one in three Americans will experience a medication error in their lifetime.^{iv}
 - Approximately 1.5 million medication errors occur in hospitals each year.^v
 - There are 2 million outpatient drug errors each year. As the population ages, this error rate is forecast to increase to 3 million in 2020 and 3.7 million in 2030.^{vi}
- Between 2003 and 2004, 22 percent of sick adults in America were sent for duplicate tests by different health care professionals.^{viii}

Health IT Means Better Quality of Care, Better Quality of Life

- Health IT improves health care by empowering patients to better monitor their own care and lifestyle habits and to interact with health providers.
- Health IT improves the management—and thus lowers the cost—of chronic illnesses, since early and consistent treatment delays the onset of many symptoms.
- People who live in underserved communities gain access to treatment that they otherwise might not receive given the lack of adequate numbers of health care professionals and facilities in rural areas and the inner city.
- Children of aging parents who now have to travel long distances to help care for their elders will be able to remotely participate in decision-making and monitoring, with real-time communication with voice, images and data among patients, care providers and families.
- Health IT introduces security and privacy protocols that are not possible under the current paper-based system.

i. Institute of Medicine, "To Err is Human: Building a Safe Health System," November 1999.

ii. Commission on Systemic Interoperability, "Ending the Document Game," 2005.

iii. Ibid.

iv. Based on the Institute of Medicine's "To Err is Human" report and Census Bureau demographic projections.

v. Centers for Medicare and Medicaid Services and Institute of Medicine, "Preventing Medication Errors: Quality Chasm Series," July 20, 2006.

vi. Based on projections of Rand figures onto Census Bureau demographic projections.

vii. Reichard, John, "Mayo Clinic Remedy for Health Care: It's the System, Stupid," *CQ HealthBeat*, March 21, 2008.

viii. Davis, K., et al, "Mirror, Mirror on the Wall: Looking at the Quality of American Health Care Through the Patient's Lens," The Commonwealth Fund, January 2004.

ix. Rand Health, "Extrapolating Evidence of Health Information Technology Savings," 2005 Public Medical Research data from the National Health Expenditure Data, HHS.

xi. Annual median health outlays from Consumer Expenditure Surveys, Bureau of Labor Statistics.

xii. Rand Health. Extrapolating Evidence of Health Information Technology Savings, 2005.

xiii. Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2006," August 2007.

xiv. Bright, Becky, "Benefits of Electronic Health Records Seen as Outweighing Privacy Risks," *The Wall Street Journal*, November 29, 2007.

xv. The Markle Foundation, "Survey Finds Americans Want Electronic Personal Health Information to Improve Own Health Care," November 2006.

xvi. StrategyOne, "Kaiser Permanente Electronic Medical Records Survey," February 2007.

xvii. Ibid.

xviii. Ibid.

xix. Ibid.



Health IT Will Produce Billions of Dollars in Savings

- A 2005 Rand Corporation study found that efficiencies from health IT could save \$81 billion a year.^{ix}
- Savings come from avoiding duplicate and unnecessary lab tests and radiology screenings, more efficient use of health care professionals' time, reduced expenditure on unnecessary drugs and other direct cost savings.
- This savings is enough to finance numerous health-related projects.
 - \$81 billion in annual savings could more than double the level of annual U.S. public spending on all types of medical research.^x
 - This amount could pay for the direct medical treatment costs for all types of cancer in the U.S. for a year.
 - This translates to \$670 per household per year. For the median family in America, this would represent 25 percent of their total annual out-of-pocket outlays for health care.^{xi}
 - With the benefits of improved health outcomes included, the total savings could be as much as \$165 billion a year,^{xii} enough to insure 37 million individuals, more than three-quarters of all uninsured Americans.^{xiii}

Health IT Will Enhance Data Security and Privacy

- Under the current paper-based systems, anyone who can open a filing cabinet can view sensitive patient information (and even copy and distribute it), then return the papers without detection.
- Health IT establishes a firewall around patient data, requiring passwords and permission to gain access, and leaving an audit trail of who accessed the data, when and why.

The American People Want Health IT

- In a November 2007 *Wall Street Journal* poll, three quarters of respondents agreed that patients could receive better care if doctors and researchers were able to share information more easily via electronic systems.^{xiv}
- Two-thirds of Americans are interested in accessing their own health records electronically and nearly nine in 10 said that online records would be important in reducing the number of unnecessary tests and procedures they undergo.^{xv}
- By a nearly three-to-one margin, American adults believe that the benefits of electronic medical records outweigh any potential risks (73 percent agree vs. 25 percent disagree).^{xvi}
- The same poll showed that Americans believe the leading benefit of health IT is "better treatment in an emergency ..." (31 percent), followed by "an increase in efficiency ..." (24 percent).^{xvii}
- When asked which form of record system was more efficient, 72 percent of respondents chose computer-based.^{xviii}
- Americans prefer physicians and insurers that use electronic health-record systems.^{xix}

Congress Should Pass the “Wired for Health Care Quality Act” Immediately

- Only Congress can establish procedures to define the uniform, interoperable standards these technologies require.
- Imagine cell phones serviced by one provider that are unable to communicate with those of another, or planes from different airlines that are unable to speak a common language with air traffic control, and the challenge is apparent.
- The bi-partisan “Wired for Health Care Quality Act” establishes a foundation in law required for the deployment of health IT.
 - It requires prompt identification and adoption of standards.
 - It addresses key privacy and funding issues.



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