

Health Info Exchange (HIE) Helps South Bend Lab

➤ Lab gets many advantages from working with Michiana Health Information Network

➤➤ CEO SUMMARY: *Across the country, there are many efforts to create Regional Health Information Exchanges (HIEs). This has the potential to change the way laboratories connect electronically with referring physicians. This is true in South Bend, Indiana, where the Michiana Health Information Network (MHIN) has operated for 10 years. It turns out that MHIN has been beneficial to the area's major laboratory. South Bend Medical Foundation reports it has gained competitive market advantage from MHIN.*

IF THERE IS A POSTER CHILD for a healthcare trend that has yet to catch fire, it is the effort to create effective regional health information exchanges (HIEs). After a decade of effort, few regions of the United States have a viable HIE in full operation.

The HIE concept is simple. Hospitals, physicians, laboratories, and other providers would feed patient data into a central data repository. In turn, that repository would essentially become a universal electronic patient health record (PHR) for residents of the region.

Implementing the HIE concept has proved challenging. Who pays to develop and operate the HIE? What common format will be used for the health data streaming in from different providers? These and other issues have proved complex to solve. Thus, of the estimated 150 HIEs in the United States, only a handful have become fully operational and deemed a success.

One such successful HIE is the **Michiana Health Information Network (MHIN)** in South Bend, Indiana. The 10-year-old MHIN is an economically self-sustaining organization. Serving 10

counties across northern Indiana and southwestern Michigan, MHIN has more than 1,000 physician clients, seven hospitals, and four outpatient imaging centers, along with nursing homes, ambulatory surgery centers, hospice care providers, and public health agencies. It also has four laboratories as clients, including the **South Bend Medical Foundation (SBMF)** and three small hospital lab systems.

➤ MDs Want Lab in Network

SBMF was a founder of MHIN and recognized that MHIN could be the source of competitive advantage for this regional laboratory. "This has happened in two ways," noted Bob King, M.S.A., Senior Vice President at SBMF. "First, MHIN helps to keep large national labs from taking specimens out of town. Second, local physicians like the fact that SBMF is part of MHIN and is feeding both hospital inpatient and outreach lab test data into the MHIN repository. These physicians insist on having SBMF in their managed care contracts."

SBMF's relationship with MHIN offers lessons for pathologists and lab directors

nationwide. It demonstrates how an HIE can become a source of competitive advantage for local labs. It also is a working example of how a well-designed HIE can support better provider access to patient health information, including lab test data.

► A Longitudinal EHR

“What we do for labs is store patient-centered data in a repository so that providers can look at laboratory data from as far back as 1999 all the way up through to today,” explained Tom Liddell, MHIN’s Executive Director. “Essentially we distribute that data via print, fax, a Web-based messaging application, or even on paper. For the past 10 years, most of our physician clients can access the data from the Web and store it or print it.

“That was our first generation of service,” continued Liddell. “Starting about three years ago, we built an integration service where a practice can receive patient data electronically. That data comes from multiple hospitals, radiology centers in the area, and from SBMF. We like to say ‘we provide something for everyone.’

“It was in the mid-1990s when the concept of an integrated regional health information network was first discussed,” he said. “Great community support helped us make that concept a reality. And, from the earliest days, one of our biggest supporters has been the lab, the South Bend Medical Foundation.”

SBMF is an integrated regional laboratory and pathology group that employs 23 pathologists and around 800 employees in a clinical lab in South Bend. It also owns the equipment and employs the staff at hospital laboratories in South Bend. In 2008, SBMF did 1 million billable tests and about 30% of the total volume is from the outreach business.

“We are a hybrid lab,” noted King. “Through our central laboratory and hospital labs in South Bend, SBMF provides hospital inpatient testing services.

“Of course, SBMF provides lab testing services to office-based physicians in our primary service area in and around South Bend,” he added. “Next, we offer reference testing to a wider geography, serving about 1,000 physicians in northern Indiana and about 50 hospitals in Indiana, in Southwest Michigan, and a bit into Ohio and Illinois.

“Does being a part of MHIN give us a competitive advantage?” King asked. “The short answer is yes. We have always believed that we are in the information business, not just the lab business. So anything we can do to enhance the presentation of our lab results improves our service levels and gives us competitive advantage.

“SBMF presents a longitudinal report that includes inpatient and outreach laboratory results and other patient data that goes back 10 years,” said King. “This capability will help us continue to be a competitive lab player in this market.

“Repeatedly over the years, referring physicians tell us they appreciate access to the rich and full patient test data that they get from us,” explained King. “The practical benefit is these same physicians are among our strongest supporters when negotiating with managed care companies.

“They will speak up and encourage the various health plans to include us in their networks and they express their concern if we are not in their contracts,” he observed. “In a competitive environment, it’s significant to have those allies on our side.”

► Docs Want Top Lab Service

SBMF also has another card to play to maintain competitive advantage in South Bend and the surrounding communities. Its participation in the Michiana Health Information Network supports faster turnaround time for outreach lab test reporting. “SBMF has faster turnaround time for reporting many outreach test results,” stated King. “Local physicians

Survey Shows More Health Information Initiatives Are Exchanging Data and Cutting Costs

MORE PHYSICIANS, HOSPITALS, AND HEALTH PLANS are exchanging health data electronically. This trend is helping to reduce the cost of care, according to a survey from the nonprofit **eHealth Initiative** (eHI) in Washington, D.C.

Most operational regional health information organizations are actively handling laboratory test data. The report, “Migrating Toward Meaningful Use: The State of Health Information Exchange,” is part of eHI’s Sixth Annual Survey of Health Information Exchanges and was released in July. It includes responses from 150 community-based health information initiatives and shows a nearly 40% increase in the number of advanced or operational initiatives exchanging information.

According to eHealth Initiative, the 2009 survey determined that the number of health information exchange initiatives reporting operational status this year was 57, up from 42 initiatives last year. More health information initiatives were exchanging data, the report said. Specifically, operational health information exchange initiatives were reporting the use of:

- Laboratory data increased to 49 initiatives, up from 26 in 2008
- Outpatient laboratory data increased to 45, up from 25 in 2008.
- Data on outpatient episodes increased to 43, up from 23 in 2008.
- Radiology results increased to 39, up from 23 in 2008.
- Data on emergency department episodes increased to 36, up from 27 in 2008.

In addition, 40 initiatives reported cost savings resulting from health information exchange. Cost savings were identified in the following areas:

- Reduced staff time spent on handling lab and radiology results (26 operational initiatives).
- Reduced staff time spent on clerical administration and filing (24).
- Less spending on redundant tests (17).
- Decreased costs for chronic care patients (11).
- Fewer medication errors (10).

expect us to deliver a certain level of service. But that was not always true for SBMF.

“Back in late 1980s and early 1990s, national labs were taking samples out of town and SBMF was not meeting their level of service,” he recalled. “But we knew that, working closely with MHIN, we could fight to keep that business by having a better turnaround time.

“That’s why SBMF was an original supporter of MHIN when the first organizational meetings took place,” recounted King. “We believe strongly that lab services should be delivered at a local level and we wanted to demonstrate that SBMF could

improve patient care by faster delivery of lab test results.

“As noted earlier, this is one reason why our physician clients support us,” he said. “But they also support us because they know they can get a complete lab test record from us at any point when they are providing care.

“In our conversations with physicians and payers, they repeatedly tell us that what we have here with MHIN is a highly efficient system that helps to eliminate a lot of duplication of orders,” he stated. “If the primary care physician sees a patient who was recently discharged from a local

hospital, that primary care physician can see all the activity that any specialist or hospital has delivered for that patient over the past 10 years. They know what labs have been ordered in the past and can use that information to treat that patient effectively without the need to order duplicate or unnecessary tests.

“Having this data on hand leads to the question of whether the costs of lab testing in our market are lower than they are in other regions,” King continued. “We would like to think so. Empirically we have a sense that the health system pays less for lab testing in and around South Bend compared to other communities. But we have not been able to fund a study on that issue because it would be an expensive study.

“We also would like to quantify whether we can transmit lab test data more efficiently than other labs through the use of MHIN,” he said. “One way we’re evaluating that concept is to monitor each call coming from a physician’s office or a client.

“We log more than 1,000 incoming calls a day from clients looking for lab results,” he continued. “Because we log every call, we know our high volume users who make such requests. We then focus on getting better connectivity through MHIN to that client. Over time, we evaluate if the call requests then decrease.

► Fewer Couriers

“We believe that number is dropping, but we are not sure,” he said. “We have reduced the number of printers we maintain in the field. We’ve also reduced the number of couriers delivering lab test reports in the morning because we now send results through the MHIN system.

“MHIN’s capabilities have changed long-standing practices and helped us to become more cost effective,” commented King. “For example, 10 years ago, we had couriers deliver reports in the morning and pick up samples in the afternoon. The morning report drop-off no longer hap-

pens because the lab results are reported over MHIN.

“We do know that MHIN delivers value, because we avoid duplication of services,” King explained. “We sometimes ask physicians, ‘What if you didn’t have access to the MHIN data?’ The answer is that the treatment protocols would be different because providers would then do a lot more tests.

“In that way, it shows that the leadership of the laboratory strongly supports doing the right thing clinically,” he added. “In some places, there may be a culture of providing more services because doing so helps to bring in more revenue. But that’s not the case here.”

Among the keys to success for MHIN are its three most popular services. “First is a messaging service that allows anyone on the network to connect with anyone else on the system. Second,” is a repository that is basically a longitudinal electronic health record (EHR) for every patient,” said Liddell. “And third, we provide services to integrate different systems, which means taking data from all the different systems and moving them into the physicians’ EHRs or vice versa and taking that data from physicians and moving it into the community repository. Those three core main services drive what we do.”

The experience of the Michiana Health Information Network and South Bend Medical Foundation demonstrates how a regional health information organization can help local laboratories improve their value proposition and competitive advantage. That’s particularly true because this relationship has a 10-year operating history.

THE DARK REPORT is looking for other examples of operational HIEs and would like to hear from clinical labs and pathology groups that have experience participating in these arrangements.

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