

HOUSE BILL 979

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By: **Delegates Pendergrass, Barve, Bates, Benson, Bobo, Bromwell, Bronrott, Costa, Donoghue, Eckardt, Elliott, Frank, Goldwater, Guzzone, Hammen, Harrison, Hecht, Hubbard, Hucker, Kach, Kelly, Kipke, Kirk, Krysiak, Kullen, Love, Manno, Miller, Mizeur, Montgomery, Morhaim, Nathan-Pulliam, Oaks, Pena-Melnyk, Riley, Rosenberg, Stukes, F. Turner, and Weldon**

Introduced and read first time: February 9, 2007

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Regional Health Data Exchange**

3 FOR the purpose of altering the uses of the Community Health Resources Commission
4 Fund to provide funding for a regional health data exchange; limiting the
5 amount of annual funding from the Fund for a regional health data exchange;
6 requiring the Health Services Cost Review Commission to provide funding of at
7 least a certain amount each year for a certain period beginning in a certain
8 fiscal year for a regional health data exchange; establishing certain eligibility
9 requirements for an organization to receive funding; requiring the Department
10 of Health and Mental Hygiene to encourage all health care practitioners and
11 hospitals to take certain actions; requiring the Maryland Health Care
12 Commission, the Health Services Cost Review Commission, and the Maryland
13 Patient Safety Center to support the regional health data exchange as a patient
14 safety initiative; providing for the termination of this Act; and generally
15 relating to a regional health data exchange.

16 BY repealing and reenacting, without amendments,
17 Article – Health – General
18 Section 19–2201(a)
19 Annotated Code of Maryland
20 (2005 Replacement Volume and 2006 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, with amendments,
2 Article – Health – General
3 Section 19–2201(e) and (f)
4 Annotated Code of Maryland
5 (2005 Replacement Volume and 2006 Supplement)

6 Preamble

7 WHEREAS, Continuously improving the quality, safety, and cost–effectiveness
8 of health care is one of the most significant public policy questions facing government;
9 and

10 WHEREAS, Lack of information regarding previous medical care can lead to
11 unnecessary duplication of services and inaccurate decisions regarding current
12 medical care; and

13 WHEREAS, Unnecessary duplication of services and inaccurate decisions
14 regarding medical care can lead to harm to patients, higher medical malpractice costs,
15 and higher health care costs; and

16 WHEREAS, Sharing information among health care providers is in the public
17 interest and can lead to a reduction in medical errors and duplicative services, which
18 will improve patient safety, quality of care, and affordability of health care; and

19 WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information
20 Technology has engineered a solution that will enable information regarding previous
21 care to be available at the time of current care using a ubiquitous statewide web
22 portal; and

23 WHEREAS, Developing this infrastructure requires careful planning and the
24 involvement of key stakeholders; and

25 WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information
26 Technology has brought together representatives of key stakeholders and has
27 concluded the careful planning needed for a regional health data exchange
28 infrastructure; and

29 WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information
30 Technology has secured matching funding from its own members for the
31 implementation of a regional health data exchange and has developed a long–term
32 sustainable financial model; and

1 WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information
2 Technology needs additional funding to establish the long-term viability of a regional
3 health data exchange network; and

4 WHEREAS, The State of Maryland has an “all payer” Health Services Cost
5 Review Commission that promotes quality, safety, and cost efficiency to the citizens of
6 the State; and

7 WHEREAS, The long-term savings for the health care system from a successful
8 regional health data exchange infrastructure would make health care coverage more
9 affordable for all Marylanders and help reduce the cost of uncompensated care; and

10 WHEREAS, Chapter 291 of the Acts of 2005 established the Task Force to
11 Study Electronic Health Records; and

12 WHEREAS, A regional health data exchange will carry forward the momentum
13 created by the Task Force to Study Electronic Health Records; now, therefore,

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Health – General**

17 19–2201.

18 (a) In this section, “Fund” means the Community Health Resources
19 Commission Fund.

20 (e) (1) The Fund may be used only to:

21 (i) Cover the administrative costs of the Commission;

22 (ii) Cover the actual documented direct costs of fulfilling the
23 statutory and regulatory duties of the Commission in accordance with the provisions of
24 this subtitle;

25 (iii) Provide operating grants to qualifying community health
26 resources; and

27 (iv) Provide funding for the development, support, and
28 monitoring of a [unified data information system] **REGIONAL HEALTH DATA**

1 **EXCHANGE** among primary and specialty care providers, hospitals, and other
2 providers of services to community health resource members.

3 (2) The funding for a [unified data information system] **REGIONAL**
4 **HEALTH DATA EXCHANGE** under paragraph (1)(iv) of this subsection shall be limited
5 to[:

6 (i) \$500,000 in fiscal year 2006; and

7 (ii) \$1,700,000 [in fiscal year 2007 and] annually [thereafter].

8 (f) The Commission shall adopt regulations that:

9 (1) Establish the criteria for a community health resource to qualify
10 for a grant;

11 (2) Establish the procedures for disbursing grants to qualifying
12 community health resources;

13 (3) Develop a formula for disbursing grants to qualifying community
14 health resources; and

15 (4) Establish criteria and mechanisms for funding a [unified data
16 information system] **REGIONAL HEALTH DATA EXCHANGE**.

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) (1) The Health Services Cost Review Commission shall provide
19 funding through hospital rates of \$10,000,000 each year to establish a regional health
20 data exchange that provides connections among hospitals and health care
21 practitioners.

22 (2) The funding shall be awarded for a 3-year period, beginning in
23 fiscal year 2008.

24 (3) To be eligible for funding under this subsection, an organization
25 seeking to establish a regional health data exchange shall:

26 (i) be a private, nonprofit organization exempt from taxation
27 under § 501(c)(3) of the Internal Revenue Code;

1 (ii) have significant experience with health care information
2 technology in the State; and

3 (iii) be governed by a board of directors that includes broad
4 representation of the regional health care community, including payers, hospitals, and
5 physicians.

6 (b) (1) The Department of Health and Mental Hygiene shall encourage all
7 health care practitioners and hospitals to validate, on or before July 1, 2008, all
8 available elements of previous medical care available through a regional health data
9 exchange.

10 (2) The Department shall encourage hospitals to provide emergency
11 department and inpatient discharge summary data to the regional health data
12 exchange on or before December 31, 2008.

13 (c) The Maryland Health Care Commission, the Health Services Cost Review
14 Commission, and the Maryland Patient Safety Center shall support the regional
15 health data exchange as a patient safety initiative.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2007. It shall remain effective for a period of 3 years and, at the end of June 30,
18 2010, with no further action required by the General Assembly, this Act shall be
19 abrogated and of no further force and effect.