HOUSE BILL 979

J3   7lr0444

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~~ Weldon, Beitzel, McDonough, Tarrant, and V. Turner**

Introduced and read first time: February 9, 2007
Assigned to: Health and Government Operations

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 20, 2007

CHAPTER _____

1   AN ACT concerning

2   **~~Regional Health Data Exchange~~**
3   **Health Information Exchange Pilot Project**

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

1   ~~safety initiative; providing for the termination of this Act; and generally~~
2   ~~relating to a regional health data exchange.~~

3   FOR the purpose of establishing a health information exchange pilot project; requiring
4   the pilot project to be operated by the Maryland–DC Collaborative; requiring
5   the pilot project to transmit certain information to participating health care
6   providers in a certain manner and for certain purposes; requiring the Maryland
7   Health Care Commission and the State Health Services Cost Review
8   Commission to ensure that the Maryland–DC Collaborative addresses certain
9   issues and establishes certain policies and protections; authorizing hospitals to
10   apply to the State Health Services Cost Review Commission for a certain award
11   to provide certain compensation; requiring the Maryland–DC Collaborative to
12   report on its progress to the Maryland Health Care Commission, the State
13   Health Services Cost Review Commission, and certain legislative committees on
14   or before certain dates; providing for the termination of this Act; and generally
15   relating to a health information exchange pilot project.

16   BY ~~repealing and reenacting, without amendments,~~ adding to
17   Article – Health – General
18   Section ~~19–2201(a)~~ 19–209
19   Annotated Code of Maryland
20   (2005 Replacement Volume and 2006 Supplement)

21   ~~BY repealing and reenacting, with amendments,~~
22   ~~Article – Health – General~~
23   ~~Section 19–2201(e) and (f)~~
24   ~~Annotated Code of Maryland~~
25   ~~(2005 Replacement Volume and 2006 Supplement)~~

26   Preamble

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

30   WHEREAS, Lack of information regarding previous medical care can lead to
31   unnecessary duplication of services and inaccurate decisions regarding current
32   medical care; and

33   WHEREAS, Unnecessary duplication of services and inaccurate decisions
34   regarding medical care can lead to harm to patients, higher medical malpractice costs,
35   and higher health care costs; and

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

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

8   ~~WHEREAS, Developing this infrastructure requires careful planning and the~~
9 ~~involvement of key stakeholders; and~~

10   ~~WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information~~
11 ~~Technology has brought together representatives of key stakeholders and has~~
12 ~~concluded the careful planning needed for a regional health data exchange~~
13 ~~infrastructure; and~~

14   ~~WHEREAS, The Maryland/D.C. Collaborative for Healthcare Information~~
15 ~~Technology has secured matching funding from its own members for the~~
16 ~~implementation of a regional health data exchange and has developed a long-term~~
17 ~~sustainable financial model; and~~

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

21   ~~WHEREAS, The State of Maryland has an "all payer" Health Services Cost~~
22 ~~Review Commission that promotes quality, safety, and cost efficiency to the citizens of~~
23 ~~the State; and~~

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

27   ~~WHEREAS, Chapter 291 of the Acts of 2005 established the Task Force to~~
28 ~~Study Electronic Health Records; and~~

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

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

1   **Article – Health – General**

2   ~~19–2201.~~

3   ~~(a)   In this section, "Fund" means the Community Health Resources~~
4   ~~Commission Fund.~~

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

6   ~~(i)   Cover the administrative costs of the Commission;~~

7   ~~(ii)   Cover the actual documented direct costs of fulfilling the~~
8   ~~statutory and regulatory duties of the Commission in accordance with the provisions of~~
9   ~~this subtitle;~~

10   ~~(iii)   Provide operating grants to qualifying community health~~
11   ~~resources; and~~

12   ~~(iv)   Provide funding for the development, support, and~~
13   ~~monitoring of a [unified data information system]~~ **REGIONAL HEALTH DATA**
14   **EXCHANGE** ~~among primary and specialty care providers, hospitals, and other~~
15   ~~providers of services to community health resource members.~~

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

19   ~~(i) $500,000 in fiscal year 2006; and~~

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

21   ~~(f)   The Commission shall adopt regulations that:~~

22   ~~(1)   Establish the criteria for a community health resource to qualify~~
23   ~~for a grant;~~

24   ~~(2)   Establish the procedures for disbursing grants to qualifying~~
25   ~~community health resources;~~

26   ~~(3)   Develop a formula for disbursing grants to qualifying community~~
27   ~~health resources; and~~

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

3   ~~SECTION 2. AND BE IT FURTHER ENACTED, That:~~

4   ~~(a)~~ ~~(1)~~ ~~The Health Services Cost Review Commission shall provide~~
5 ~~funding through hospital rates of $10,000,000 each year to establish a regional health~~
6 ~~data exchange that provides connections among hospitals and health care~~
7 ~~practitioners.~~

8   ~~(2)~~ ~~The funding shall be awarded for a 3–year period, beginning in~~
9 ~~fiscal year 2008.~~

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

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

14   ~~(ii)~~ ~~have significant experience with health care information~~
15 ~~technology in the State; and~~

16   ~~(iii)~~ ~~be governed by a board of directors that includes broad~~
17 ~~representation of the regional health care community, including payers, hospitals, and~~
18 ~~physicians.~~

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

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

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

29 **<u>19–209.</u>**

1   **(A)   THERE IS A HEALTH INFORMATION EXCHANGE PILOT PROJECT.**

2   **(B)   THE PILOT PROJECT SHALL BE OPERATED BY THE MARYLAND–DC**
3 **COLLABORATIVE, A NOT–FOR–PROFIT § 501(C)(3) ORGANIZATION.**

4   **(C)   TO INCREASE PATIENT SAFETY, IMPROVE QUALITY OF CARE, AND**
5 **PROMOTE EFFICIENT HEALTHCARE DELIVERY, THE PILOT PROJECT SHALL**
6 **TRANSMIT TO PARTICIPATING HEALTH CARE PROVIDERS IN A PRIVATE AND**
7 **SECURE MANNER:**

8   **(1)   MEDICATION HISTORY;**

9   **(2)   LABORATORY AND RADIOLOGY RESULTS; AND**

10   **(3)   INPATIENT AND EMERGENCY DEPARTMENT DISCHARGE**
11 **SUMMARIES.**

12   **(D)   THE MARYLAND HEALTH CARE COMMISSION AND THE STATE**
13 **HEALTH SERVICES COST REVIEW COMMISSION SHALL ENSURE THAT THE**
14 **MARYLAND–DC COLLABORATIVE ADDRESSES PRIVACY, SECURITY, ECONOMIC,**
15 **AND INTEROPERABILITY ISSUES AND ESTABLISHES APPROPRIATE POLICIES**
16 **AND PROTECTIONS IN THESE AREAS.**

17   **(E)   HOSPITALS MAY APPLY TO THE STATE HEALTH SERVICES COST**
18 **REVIEW COMMISSION FOR A ONE–TIME AWARD THROUGH RATE ADJUSTMENT**
19 **TO PROVIDE PARTIAL COMPENSATION FOR THE COST OF DEVELOPING A DATA**
20 **INTERFACE NECESSARY FOR PARTICIPATION IN THE COLLABORATIVE.**

21   **(F)   ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE MARYLAND–DC**
22 **COLLABORATIVE SHALL REPORT ON ITS PROGRESS TO THE STATE HEALTH**
23 **SERVICES COST REVIEW COMMISSION, THE MARYLAND HEALTH CARE**
24 **COMMISSION, AND, IN ACCORDANCE WITH § 2–1246 OF THE STATE**
25 **GOVERNMENT ARTICLE, THE HOUSE HEALTH AND GOVERNMENT OPERATIONS**
26 **COMMITTEE AND THE SENATE FINANCE COMMITTEE.**

27   SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 July 1, 2007. It shall remain effective for a period of 3 years and, at the end of June 30,
29 2010, with no further action required by the General Assembly, this Act shall be
30 abrogated and of no further force and effect.