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Oregon RHIO planning efforts come to a halt

After more than a year and \$530,000 spent in planning, efforts to bring a regional health information organization to Portland, Ore., were put on hiatus for the summer, according to several leading participants who expressed hope that the stalled RHIO either might be resurrected this fall or may rise from the ashes in some other form of health information exchange.

Denise Honzel, a consultant working for the Oregon Business Council, a coalition of 40 of the largest employers in the state, said work on the RHIO has been at a standstill since a May 15 meeting of the council's Health Data Exchange Group, which was formed to oversee the planning.

At that meeting, the group agreed to a proposed governance structure for the RHIO, which was to provide an electronic look-up service for clinical messaging, including laboratory results, imaging, discharge summaries and dictated reports that would work across a metropolitan area of 1.2 million.

But key participants backed away from a funding proposal contained in a business plan developed by David Witter, a past interim president of the Oregon Health & Science University who also was working as a consultant on the project.

The business plan has not been released to the public. Honzel confirmed that the RHIO would save the community—mostly patients and payers—an estimated \$17 million a year, but would cost participants in the RHIO \$3.4 million a year over a five-year budget period. In addition, the budget did not include what were expected to be in-house operating costs for participating hospitals of up to \$150,000 a year.

Honzel was unwilling to concede the death of the RHIO.

"You can't expect people to make this level of investment in one meeting," Honzel said of the delay. "That's a lot of money, so it takes time to make sure you get money out of your investment." The lack of a clear return on investment to providers is an issue, she said.

"Ultimately, it's the consumers who are the big winners," Honzel said. "The group felt that even though it is costly, it's more of a customer service."

Honzel said Mark Ganz, president and chief executive officer of Regency Blue Cross and Blue Shield of Oregon, is contacting prospective RHIO participants this summer to see if there is a way forward, but Honzel said she had not heard back from Ganz, and no new meetings of the planning group have been set. Ganz could not be reached for comment at deadline for this story.

Richard Gibson, senior vice president and chief information officer at Legacy Health Systems, a five-hospital system in the Portland area with 1,040 total staffed beds, worked on the RHIO initiative from its inception.

Gibson said the planning money was put up by six contributing hospitals and health plans, but he was far less optimistic about the RHIO surviving without some major changes.

"I think the best way to represent the project is, in its current configuration, the project is not moving forward," Gibson said. "If we would come back and redesign it or come back with other funding or other business plans it might go. It could be resuscitated.

"We spent a lot of money and a lot of time," Gibson said. "We volunteered 18 months to that effort, so, it was not cast away in any indifferent act.

"Dave Witter did a very careful model and he attributed the benefits to three sets of concerns: the patient benefits by less cost and less misadventure; the physicians saved because of less paperwork; (and) the health plans

saved," he added.

Gibson also said planners recognized that patients weren't going to pay for the RHIO and neither were physicians. That left the plans and the hospitals to foot the bill.

"The health plans were willing to pay, but the hospitals thought it was a more challenging venture," Gibson said. The project did not get funded because "it lacked a sustainable business model. If you look carefully at his (Witter's) business plan, sustainable operation was way off in the future. He just said in year five or beyond, there would be services that might be salable. You still had the first few years that might not be sustainable."

Gibson also said that there were some concerns about what he called "adoption risk" with a system designed to find patient information using a record-locator service and a Web-based interface with participants' IT systems.

"You're asking doctors to break out of whatever work flow they're in and going out to a Web site," Gibson said. "You have a risk that doctors might not use it. Once everybody has an EMR and once that data comes automatically into an EMR, that's different. But that's not what we proposed."

There were privacy issues as well according to Gibson and physician Jody Pettit, director of the Oregon Health Information Infrastructure project of the Oregon Health Care Quality Corp., a quality improvement collaborative that served as the lead contractor in the RHIO planning. Pettit was named last year by Gov. Ted Kulongoski as Oregon's health information technology coordinator. She said she added an appendix to the final report on the RHIO project, spelling out her concerns about privacy in the plan.

"There was no patient access or control of the patient information flow," Pettit said. And even though the privacy rule under the Health Insurance Portability and Accountability Act of 1996 does not require patient consent for sharing of a patient's protected healthcare information for treatment, payment and the fairly broad category of "other healthcare operations," Pettit said she felt strongly the RHIO needed to specify patient consent to get patient buy-in.

"I put my name on the report, but under that circumstance, that was in there," Pettit said. "There is an appendix in the report that explains that. I said my piece."

Pettit said one possible reconfiguration of the data exchange could be the establishment of a local health record-bank system.

"I'm not discouraged," she said. "It's not dead. I think it's going to shift from where the private sector was going to do it on its own, to something that's more public and private." Which is fine by Pettit.

"Frankly, I like not being controlled by a group that was doing what I didn't want them to do," she said.

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