

Health Information Exchanges vendors prove tech fitness but only a fraction of initiatives will cross siloes to achieve meaningful interoperability by 2017, reveals annual Black Book survey

In 2004, President George W. Bush decreed that within ten years, the US would achieve an environment of shared, private and authorized electronic health records, but as the ten year mark came and passed, Black Book's latest HIE stakeholder survey discovered such a secure, robust exchange of US patient records is undeniably at least another ten years out. New federal grants aim to resuscitate failing state and regional public HIEs, but a growing number of IT vendors are drastically cutting further interoperability research and development funding.

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Persistent unpredictability describes the current state of operative HIEs according to the 86% of healthcare providers, 69% of insurers, and 81% of technology vendors. In a survey spanning over 8 months, Black Book captured a sweeping spectrum of insight into the tentative progress of health information exchange and true interoperability, polling nearly 2,000 health plan members/patients, 800 independent and employed physicians, 700 hospital executives, 1,200 insurers, and 500 health information technology vendor staffers.

"Although the Office of the National Coordinator for Health IT recently released a draft detailing a ten-year nationwide interoperability road map for basic health record connectivity by 2017, fewer and more specifically defined interoperability objectives are needed to focus stakeholders to prevent the technology industry from backing further away from connectivity initiatives," said Doug Brown, Managing Partner of the nationwide study, Black Book Research.

Some simple healthcare information is being exchanged among parallel EHR systems in pockets of communities but Black Book reports that 94% of America's providers, healthcare agencies, patients and payers persist as meaningfully unconnected in Q1 2015. Outside of their garden walled EHR networks, providers are dropping HIE as a priority, as evidenced by a 5% drop in regional connectivity from last year.

The survey shows that providers are retreating from complex HIE endeavors, due, in part, to the flawed business models of public HIES and the waiting game to see if payers foot the bill for significant data sharing mechanisms, according to 90 percent of hospital organizations and 94 percent of independent physicians.

Stakeholders also forecast the evolution and expansion of payer-owned and private network vendors and the contraction of the public HIE vendor market.

"A short list of enterprise HIE vendors have effectively established operative exchanges across organizational siloes to benefit patients, providers, agencies and payers," said Brown. "Those vendors are justifiably earning the lion's share of 2015 initiatives and stymied HIE developers are reconsidering their positions."

72 percent of HIE stakeholders (hospitals, insurers, physicians, labs, and pharmacies) predict the demise of most small, independent HIE developers by 2017, particularly those that have not proven operative to the government payer and commercial insurance sectors, and those HIEs not owned or acquired by the major insurers by then.

In 2014, 70% of surveyed health insurers rejected participation in public HIEs. Trust has surged in payer-owned HIEs as well as in data sharing networks developed by HIE vendors for payer groups following a year of resolving data ownership and accountability issues, according to 86 percent of provider respondents, up from 40% in 2013.

"Payers are determining how they can best manage the HIE ecosystem by gaining access to the clinical data of covered members", said Brown. "With the nearly 90% of urban hospitals and medical practices functional with EHR, reciprocal data flow with payers has been the tipping point to provoke insurers to initiate the leadership roles in HIEs."

Additionally, 90 percent of providers and 98 percent of payers agree that payers will fill an information gap for clinicians at the point of eligibility, and will allow them to administer better care via access to aggregated data on members, according to survey results.

"Providers are simply not benefiting financially yet from HIE development. Without proven worth or certain return, the shift to payer investment in private HIEs was inevitable with value-based care emerging", said Brown.

The stakeholders that benefit the most from connectivity are the ones that will pay to support exchanges, and they will drive the most successful initiatives going forward."

"As risk sharing increases, so will the demand for meaningful, robust data sharing between providers and payers regardless of the EHR employed. " Brown added. "If the interfaces for interoperability between the HIE and stakeholders is too difficult to evaluate and analyze risk, the more likely we will see another round of EHR replacements."

HIE measures of success are clearly charted by Black Book. The crowdsourcing surveyors polled users of 224 operational exchanges, both public and private, to determine the top performing vendors on twenty HIE-specific gages.

Current users ranked four HIE vendors as top performers in their specialty theatres of engagement. Ranking first in their respective categories in the interoperability marketplace for 2014 are:

Cerner –EHR/HIT-based HIE

Orion Health– Government Payer and Commercial Insurer Centric HIEs

Aetna Medicity – Core Private Enterprise HIE Solutions

Intersystems –Core Public HIEs Systems

Other vendors scored well in specific key HIE performance indicators were: Alere Wellogic, Availity, Caradigm, CTG, dbMotion Allscripts, Epic Systems, Greenway, GSI Healthcare, HealthUnity, ICA, Infor (Lawson), McKesson RelayHealth, Meddecision, Optuminsightt, QSI Mirth NextGen, Sandlot, and Siemens.

Other notable Black Book findings include:

In 2015, 72 percent of multi-provider networks and hospital systems are considering private HIEs for standardized sharing of patient data. In 2013, this figure was 33 percent.

98 percent of healthcare organizations believed in 2013 that private, community/regional HIEs were the preferred choice to comprehensively achieve Accountable Care Organization deliverables. This remains unchanged in 2015.

99 percent of providers in 2013 agreed that payers needed to reward providers for HIE utilization that lead to tangible reduction in readmissions, elimination of duplicate diagnostic testing, and decreasing episodes of care. This figure is consistent also in 2015.

In 2013, 82 percent of all payers and 60 percent of hospitals agreed that an operational national HIE is at least a decade off. In 2015, 91 percent of all payers and 94 percent of providers believe that a robust, meaningful national HIE will now be achievable by 2025.

About Black Book™

Black Book Rankings, a division of Black Book Market Research LLC, provides healthcare decision makers, IT users, media, investors, analysts, quality minded vendors, and prospective software system buyers, pharmaceutical manufacturers, and other interested sectors of the clinical technology industry with comprehensive comparison data of the industry's top respected and competitively performing technology and managed services vendors in the sector.

The largest user opinion poll of its kind in healthcare IT, Black Book™ collects over 400,000 viewpoints on information technology and outsourced services vendor performance annually. For methodology, auditing, resources, comprehensive research and ranking data, see <http://www.blackbookmarketresearch.com>

ADDITIONAL HIE 2015 BLACK BOOK SURVEY FINDINGS

HOW REALISTIC IS THE ACHIEVEMENT OF MEANINGFUL, BROAD INTEROPERABILITY GIVEN CURRENT TECHNOLOGICAL & POLITICAL BARRIERS?

Conducted February 2-11, 2015 (240 Responses)	2017 (2 years away)	2020 (5 years away)	2025 (ten years away)
Providers- Hospitals/Systems	11% Confident	39% Confident	94% Confident
Providers- Physicians/Groups	13% Confident	28% Confident	65% Confident
Payers/Insurers	8% Confident	49% Confident	91% Confident

SUPPLEMENTAL BLACK BOOK HIE-RELATED SURVEY DATA Q2-Q4 2014

PATIENTS/HEALTH PLAN MEMBERS SURVEY

Participants: 1849 Self-identified patients/plan members

Survey Period: Q4 2014, Internet/Social Media/Fax/Smart Phone App, Telephone Follow Up

93% are unsure or very unsure of how a health information exchange for medical records functions.

97% are unsure or very unsure of how HIPAA protects their medical record confidentiality in an exchange.

96% trust their physician/physician office to maintain privacy and security of their records within the practice.

88% are unsure or very unsure that a private/secure exchange of health records is possible between their hospital and physician by 2017.

53% state they would purposefully opt-out of record exchange the option had been presented or explained to them better.

94% want patient portals that show who (Provider or Agency) has accessed their data. **100%** state it will enhance their trust factor in the reliability of HIEs.

In New York State, **93%** of the surveyed patients said they want to opt in for medical record exchange, but **32%** said they actually signed up.

PHYSICIANS SURVEY

Participants: 820

Survey Period: Q4 2014, Internet/Social Media/Fax/Smart Phone App, Telephone Follow Up

81% of medical specialty and primary care physicians indicate that getting their patients' data into the EHR system is too difficult for interoperability.

95% of all physicians are very certain that the lack of interoperability/access to historical patient results from reference and outpatient freestanding labs are directly causing excessive over-testing.

98% of physicians believe that missing diagnostic imaging results cause over-testing.

82% of small physician practices admit to routine meaningful use workarounds as standard operating procedure.

71% of providers confirm public HIE connection and use fees are prohibitive for regular use.

HOSPITALS AND INTEGRATED DELIVERY NETWORKS SURVEY

Participants: 748

Survey Period: Q2-Q4 2014, Internet/Social Media/Fax/Smart Phone App, Telephone Follow Up

22% admit to "garden walling" proprietary data and patient health records.

60% state as the war for market share among providers heightens, so will lack of data sharing.

Only **4%** are confident community long-term care and post-acute/SNF organizations will link to HIEs by 2017.

85% believe there is a vital business model for hoarding data within provider organizations.

87% claim HIT vendors find more incentive to bill clients for more interfaces than to improve interoperability.

PAYERS/INSURERS SURVEY

Participants: 1207

Survey Period: Q3-Q4 2014, Internet/Social Media/Fax/Smart Phone App, Telephone Follow Up

98% of payers confirm that payment data will be the highest quality data through 2016.

84% of payers and **88%** of providers agree that when insurers motivate providers to share data, the tipping point in HIE interoperability in local communities will successfully occur.

HIT EHR HIE VENDORS

Participants: 516

Survey Period: Q4 2014, Internet/Social Media/Fax/Smart Phone App, Telephone Follow Up

57% of HIT vendors intend to spend less research and development capital in areas that improve interoperability in 2015.

91% of HIT Vendors state there is too much protection of proprietary networks and business intelligence to work well together on HIE as collaborative vendors currently.