

## **What is health information exchange?**

The term “health information exchange” is used to refer to two distinct concepts interchangeably. The verb “health information exchange” refers to the act of moving health-related information electronically among multiple organizations within a region, community, or hospital system, while a “Health Information Exchange” (HIE) is a noun referring to a formal entity providing a set of services that enable the collection and sharing of a patient’s information among participating organizations. The ability to exchange health information electronically is the foundation of efforts to transform the healthcare system.

### **Why is health information exchange (the verb) important?**

Health information exchange enables digital health data to be used at locations other than where the data is captured so that information follows a patient wherever s/he accesses care. Access to complete patient information allows a provider to make more informed decisions, and sharing that information across multiple providers and settings improves care coordination. Effective communication and information sharing improves the quality, efficiency, safety, and cost of healthcare. Health information exchange is also useful to public health authorities to assist in collection and analyses of data on population health.

Without the ability to electronically exchange information, information can only be shared with other providers manually – by mail, fax, or personal delivery by patients themselves. The benefit of electronically exchanging health information that does not exist with other forms of data sharing (such fax or mail) is that it requires standardizing the data that is being collected and transmitted. When data is standardized, it can be transferred and integrated into the recipient’s record system without losing the meaning of the information being exchanged.

### **What is driving health information exchange?**

The Health Information Technology and Clinical Health (HITECH) Act created policies to help develop a nationwide health information technology system, including funding to encourage adoption of electronic health records and to support information privacy. The Patient Protection and Affordable Care Act (ACA) authorized programs that use new delivery and payment models to improve healthcare coordination and quality, such as ACOs and medical homes. These policies and programs require real-time exchange of health information among multiple stakeholders (e.g., providers, health plans, and patients), which ensures that the right information is available in the right place, at the right time, to the right person. In order to achieve the ultimate goal of having a nationally operable health information technology system, electronic health information exchange must be implemented on a large scale and operate according to a common set of policies. Government entities like ONC are working to standardize health information exchange across all care settings, so that information sharing can eventually operate as a coordinated national system.

For more information about the HITECH Act, see <http://www.healthinfolaw.org/federal-law/hitech>

For more information about health information technology, see <http://www.healthinfolaw.org/topics/58>

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