

## **What are the benefits of a Health Information Exchange (HIE)?**

For over a decade, stakeholders and policy-makers have been working to digitize the nation's health care system to, among other goals, enable the electronic exchange of health information between providers. Recently these efforts have driven the creation of legal entities known as "Health Information Exchanges" (HIEs), which are regionally-based groups of providers and/or hospitals that have contracted with one another – sometimes under the requirements of a state law – to electronically exchange protected health information (PHI) on shared patients at the point of care. Eventually, regional HIEs will connect with one-another, establishing a nation-wide information exchange network that will allow information to follow patients in a safe and secure manner to any care setting at any time. Teams of providers (doctors, nurses, care managers), across the continuum of care and without geographic boundaries, will be able to provide more coordinated and efficient, high-quality treatment with access to this information.

When a patient transitions from one care setting to the next, the timely exchange of health information between providers benefits the patient – and the health care system as a whole – in several ways: reduced re-admissions, less waste (such as duplicate tests), better diagnoses, and fewer medication errors. (These are especially significant for those with complex and chronic conditions, who have frequent health care encounters and may benefit the most from increased transparency and efficiency.) To achieve these goals, federal policy has created incentives to spur several key areas of HIE as a foundation upon which a nation-wide framework can grow:

- Electronic exchange of lab results: providers ordering and receiving results of labs which supply critical information at the point of care.
- Public health reporting: to improve population health, providers can quickly and easily electronically report key events such as contagious diseases found and immunization delivered.
- Quality reporting: with the information digitized, providers can begin to measure their own performance and create critical feedback loops.
- Care and discharge summaries: to enable safe and effective transitions of care between providers, specialists, hospitals and primary care providers can all share the care summaries to avoid unnecessary services.
- Sharing information with patients: to engage patients in their own care, providers can share key information with patients to improve coordination.

The next step is the seamless and interoperable transfer of clinical patient information between providers; however these efforts continue to face obstacles such as the establishment of universal medical terminology, incompatible EHR systems and state privacy laws. Indeed, other challenges remain to the development of a truly robust, nationwide HIE network. Cost continues to matter, both in the adoption of the necessary EHR software in the physician's office or hospital, but also with respect to funding the HIE entity itself. With many of the federal grant programs designed to "stand-up" regional HIEs set to expire soon, existing HIEs are scrambling to prove the business case of an HIE to its provider members. Without a tangible return on investment, the degree of HIE participation in the future remains unknown.

For more information about health information exchange (the noun and the verb), see the Fast Facts [here](#). Follow us on Twitter at [@HealthInfoLaw](#).

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