A group of concerned community members, known as the “Transition Council”, have determined that the creation of a regional health information organization (RHIO) could have a positive impact on the care and treatment of people within our community, particularly seniors. The RHIO would provide on-demand electronic sharing of medical information between providers who are caring for a patient. The value provided to the patient by this sharing would be to better coordinate care, reduce the risk of adverse medical events, reduce medical testing and reduce conflicting medical activities. The provider gets value by reducing time searching for information and results, improves decision making by having more complete and accurate information when it’s needed, reduces duplication of activities and reduces paperwork. Since electronic sharing also requires that physicians utilize an electronic health record (EHR) in their offices, the additional value for providers is that they will improve their quality of documentation, improve communication and office efficiency and improve billing practices.

There are several other RHIO initiatives now underway across the country. However, the value of a RHIO seems to be greatest in an area that has long established patient-provider relationships. If providers are RHIO members but do not service the same population of patients, there is no rationale for sharing data. A local RHIO in our community is likely to bring the greatest value to both the community and the providers. Being a member of a statewide RHIO, therefore, is likely to bring very little additional value, especially since most of the people who leave the area for treatment seek that care in Pennsylvania.

The southeastern New Jersey region has a fairly contained population. Due to the geography, the population runs north-south along the shore and east-west primarily along the Atlantic City Expressway corridor. People who live in this area consume acute healthcare services primarily from AtlantiCare Regional Medical Centers, Shore Memorial Hospital and Burdette Tomlin Hospital. The population north of lower Ocean County tends to consume acute services at Southern Ocean County Hospital or facilities further north. Thus, for purposes of creating a RHIO, the target large organizations who should be members are: AtlantiCare, Shore Memorial and Burdette Tomlin. There is one other large provider in the area that should be a member and that is Atlantic Medical Imaging. They have seven facilities that run north-south from Monmouth to Cape May Counties. All of these provider organizations have an electronic medical records system in place today. All are in varying stages of deployment with differing capabilities. Other organizations that should be members are Medicare, Medicaid and the relevant insurance companies. AtlantiCare and Horizon Blue Cross are the major insurers in the area.

Small physician practices are prevalent in this region. Most are solo or two practitioner practices. Less than ten percent of these practices have an electronic health record system in place today. The sole purpose of a RHIO is to exchange patient health information. Health records in electronic form are the only type that can be shared in a rational and feasible manner. Thus to create a local RHIO in the Atlantic Cape region our physician population must adopt electronic health records in their practices.
There are several different types of RHIO models that have been created. The federated model is the one that makes the most sense for our region and into the future. This model is much like the banking network. All data is owned and held by the creator, in this case the healthcare provider. The RHIO provides a person (patient) locator service, a secure connection mechanism, interoperability standards, rules for membership and an ability to request and deliver a copy of a medical record. This is analogous to an ATM machine. Security of the record is directed by the patient at the location where the information is to be gathered. This is also likely to be the least costly approach for a RHIO. Since there is no centralized database, the only major cost is the implementation and maintenance of a locator service and links to the Internet. Of course, there are still personnel costs for any RHIO model. Since this is a process that has people, hardware and software, there will be issues with maintenance and staff will be required to keep it running smoothly. Another benefit of a federated model is the limitation of liability. Since the RHIO is not maintaining copies of records but only transmitting them, the associated liability will be lower. Software tools are becoming available to make this approach feasible with little custom software.

The most successful RHIO models now in place seem to be those that are independent, non-provider nonprofit entities within a given service area. This is probably due to the perceived competitive advantage that is held by the RHIO. In our service area full cooperation of all parties will probably only be gained if the RHIO is a stand-alone entity. The entity should be a private not-for-profit corporation (501c3) formed with the specific purpose of improving health care in the community through information sharing and governed by a board of community leaders.

The timing of setting up the RHIO will most likely be based upon the commitment of: 1) funds to support the creation; 2) commitment of major stakeholders; 3) development of a business plan that outlines how the RHIO can be realistically self-sustaining; 4) movement of providers to electronic health records. One of our partners, Jewish Family Service of Atlantic County, has received a grant of sixty thousand dollars facilitate and support RHIO activities over the next year. Grant funding may be available for start-up and many RHIOs have begun that way. However, longevity is going to require a business model that provides enough recurring revenue to support the operational costs of the RHIO. There are some possible funding sources that could be approached. One group is the major insurers. Since there is an expected reduction in medical costs resulting from a health information exchange, there may be an opportunity for insurers to “reinvest” some of that cost savings to fund operation of the RHIO. Another approach to sustainable RHIO operations is the inclusion of electronic claims transaction processing that would generate revenue from RHIO members for this clearinghouse service. This would have to be carefully constructed and priced comparably for providers doing business today with other clearinghouses. There is also the potential to sell anonymous de-identified medical information to medical researchers and pharmaceutical firms. Another potential source is private sector contributions and special state or federal funding. The likelihood of this is slim unless there is an extraordinary circumstance that drives this approach. In Tennessee, for instance, the Medicaid costs were rising so fast
that the State felt it had little choice but to move in this direction and funded the creation of a statewide RHIO for Medicaid.

Since a major hurdle to implementing a successful RHIO is having electronic records in the providers’ offices, the most important task at this point is to facilitate the implementation of these systems. Access to electronic health information by physicians is currently available individually from AtlantiCare, Shore and Atlantic Medical Imaging. However, sharing information from within physician practice EHR systems is not available. While some electronic health information sharing is available now, it is not presented in a unified form for a particular patient. The RHIO would provide the mechanism for this patient-centered integration of information to occur.

The RHIO could be formed at this point in time with the express purpose of advocating and promoting the integration of information in the community. It could also be delayed and the current Transition Council could focus its efforts on promoting the use of EHRs in physician offices. The steering committee should discuss and decide on the approach to take.