

Health Information Technology Revolutionizes How Health Data is Managed, Maintained

A new demonstration project conducted by the Centers for Medicare & Medicaid Services (CMS) will reduce medical errors and improve quality of care for 3.6 million Americans. The five-year demonstration, announced this week by HHS Secretary Mike Leavitt, will encourage small to medium-sized physician practices to adopt electronic health records (EHR). Up to 1,200 physician practices will have the opportunity to participate in the project when recruitment begins in the spring.

"Broad adoption of electronic health records has the potential not only to improve the quality of care provided, but also to transform the way medicine is practiced and delivered," said Secretary Leavitt. "We are looking for 1,200 physician practice pioneers who will help us move health care toward a system that delivers better quality at lower cost for more Americans."

CMS Acting Administrator Kerry Weems discussed the project at Cincinnati's Good Samaritan Hospital. "This reward structure will bring the benefits of electronic health records to Americans at their most frequent point of contact with health care – their



family doctor," said Weems, who was joined by Dr. Robert Kolodner (pictured L-R), HHS' National Coordinator for Health Information Technology, at the announcement.

Performance on the quality measures will be the basis for the core incentive payment to practices, with an enhanced bonus based on the how well integrated the EHR is in helping manage patient care. Also, in order to amplify the effect of this demonstration project, CMS is encouraging private insurers to offer similar incentives for EHR adoption.

[Read more](#) about the EHR demonstration project.

At right, Good Samaritan Hospital's Dr. Thomas Parker describes how patients will benefit from EHRs.



HHS Begins Accepting Applications for Chartered Value Exchanges

The Agency for Healthcare Research and Quality (AHRQ) has begun accepting applications for Chartered Value Exchanges (CVE) as part of the Value-Driven Health Care initiative. Organizations already recognized as Community Leaders are eligible to apply for CVE status.

Secretary Leavitt publicly announced the CVE application period this week, noting, "Efforts to improve the quality and cost of health care start with national standards, but end with local control. This is an important step toward providing Americans with the information they need to make better informed health care decisions."

Ultimately, CVEs will have access to Medicare physician quality measurement results provided by CMS. This ensures that important quality information is available on a local level and signifies the continued importance of collaboration. The application period is open through mid-December. [Read more](#) or [download](#) the application.

Leading Change to Improve Value, Lower Costs

In recent remarks to a gathering of 31 health plans, Secretary Leavitt discussed the need to create a health care system based on "national standards but local control."

Speaking at the Western Conference of Prepaid Medical Service Plans Conference, Secretary Leavitt commended the health plans for their support of the Value-Driven Health Care initiative. He also reiterated the importance of the Four Cornerstones to the movement toward providing quality health care at lower cost.

The Secretary's remarks were highlighted in a recent article written by columnist David Broder, and a transcript will be available soon [online](#).

Tell Us Your Story!

Has applying one or more of the four cornerstones made a difference in the quality or value of health care in your community? E-mail your story to valuedriven@hhs.gov for possible publication online or in a future issue of *The Cornerstone*.

Isn't It Time? Declare Your Support.

[Sign up today](#) to be a part of the Value-Driven Health Care movement.



"Every American should have access to a full range of information about the quality and cost of their health care options."

Secretary Michael O. Leavitt