

## Efforts to support adoption of health information technology

**ISSUE:** Limited, but suggestive evidence indicates that some kinds of clinical information technology improve the quality, safety, and efficiency of medical care. However, diffusion of clinical IT remains low. Investment in IT can be risky, due to the difficulty of successful implementation. Cost, resistance from some providers, the instability of the market, and misaligned financial incentives pose additional barriers. Given the promise of health care IT, what actions could be taken to spur adoption, particularly by Medicare?

**KEY POINTS:** We have categorized actions the government and private sector could undertake to encourage adoption of clinical IT into three broad approaches: facilitating development of what most observers believe is a nascent market; providing financial incentives; and facilitating the sharing of information across providers and patients.

- Actions to facilitate the development of the IT market include supporting a certification process for IT products, giving technical assistance to providers as they consider IT investments and implement new applications, and imposing requirements for use of IT.
- Financial incentives for adoption of IT by providers could include pay for performance initiatives, grants, and loans.
- To facilitate sharing of information across providers and patients, the government and private sector could promote standards development, take steps to ensure that existing standards are used, stimulate community efforts for clinical information exchange, and address legal barriers.

The attached draft chapter describes current public and private efforts for each action and considers their pros and cons. Where additional actions seem warranted, draft recommendations are presented for Commissioner consideration.

**ACTION:** Commissioners should consider the draft recommendations and provide feedback on the scope and tone of the draft.

**STAFF CONTACT:** Chantal Worzala (202-220-3718), Karen Milgate (202-220-3738), and Chad Ellimoottil (202-220-3715)