

**Modernizing the MN Health Records Act will help reduce health care costs.**

In 2012, Allina Health conducted a limited study on the flow of clinical information in hospital emergency departments. Over a 6 month period of time at four metro hospital EDs, the study analyzed the use of electronic information exchange to inform care decision-making. This study is notable for 2 reasons:

1. Providers, nurses and staff routinely identified challenges with obtaining patient consent as required under the MN Health Records Act in being able to utilize electronic information exchange.
2. For the fewer than 2% of ED visits where information DID reach its destination in time, 560 duplicative diagnostic procedures were prevented, and 28 cases of drug seeking behavior were identified.

We embarked on a post-study analysis to try and estimate the savings impact of the 560 diagnostic procedures that were avoided. Below is a conservative estimate based on average insurance payments for each service. Note that this estimate does not reflect important factors like patient acuity or location of scan (example: an MRI can range between \$800 - \$2,000, depending on what part of the body is being scanned). Additionally, it does not indicate what the cost impact to patients would have been based on self-pay status or other cost sharing.

Service	Quantity	Average Insurance Payment per service
Angiogram	4	\$596
Lumbar Puncture	4	\$711
MRI	32	\$751
Ultrasound	58	\$374
Lab	96	\$114
CT Scan	115	\$586
X-Ray	244	\$168
EGD	1	\$2,003
EKG	2	\$133
TTE	2	\$769
Stress Echo	2	\$768
<b>Total Savings</b>	<b>560</b>	<b>\$175,457</b>

While not captured in this study, it also important to note that these cost savings do not include the costs of customized IT solutions, staff training, and resource-intensive workflows that are directly attributed to the unique requirements of the MN Health Records Act. These are not value-add expenses that contribute to the total cost of care that consumers, payers, providers and policymakers are trying to lower.

**Conclusion:**

The results from this limited study tell us that the timely flow of information is the exception, not the norm. Additionally, there is significant potential to improve patient experience, lower costs and reduce drug seeking behaviors by improving the ability to share clinically relevant information in a timely manner.