



At a Glance

Why California Needs a Statewide Health Data Network (and How to Get There)

Key Elements of a Statewide Health Data Network

California needs a statewide health data network to protect public health, respond to emergencies, and improve care delivery — while maintaining patient privacy. This will allow those making critical health care decisions to have the information they need to see the whole picture for their patients, make smart and timely decisions, and save lives.

Statewide health data networks have been adopted in many other states. Case studies in Maryland, Michigan, Nebraska, and New York show shared digital infrastructure can take different forms and be managed differently. They all have in common that the state government plays a leadership role and has the ultimate responsibility for ensuring that this infrastructure exists, includes everyone, and addresses the state's most important health needs.

Filling that leadership void is the first and most important step California should take. All successful state data exchanges have strong leadership to oversee their data health networks. Strong leadership should have a governance structure with the authority to manage participation, data privacy, and financing.

The new data system should meet three main conditions:

- ▶ **Health care data should link to public health data, so the state has the information it needs to address public health emergencies.**
- ▶ **All physical health data should link to behavioral health and social services data.** That way, Medi-Cal and other important programs can provide care and support to the whole person.
- ▶ **A statewide health data network needs to include all Californians.** Right now, too many Californians are left behind because their care teams do not have the right information at the right time.

How Health Information Exchange (HIE) Works (and Doesn't Work) Today

While other states have built coordinated health information networks with single user interfaces and sustained funding, California has a decentralized system.

- ▶ Most data exchange occurs through privately managed hospital-based electronic medical record (EMR) systems that exclude underresourced behavioral health and social services providers.
- ▶ More than 200 of the state's 350 hospitals do not participate in health information exchange organizations (HIOs), non-profit organizations built to share data among health care plans and providers outside of those EMR-based networks.

The Result: A Fragmented, Siloed, Inefficient System

- ▶ Providers can access some information through their electronic health record-based exchanges, but often that information can be overwhelming or incomplete, hindering the provider's ability to use the data.
- ▶ When providers are able to retrieve the data, they must create the capacity to clean, duplicate, match, normalize, attribute, store, and secure data from many sources.
- ▶ *This system is inefficient, costly for patients, and contributes to poor health outcomes.*

A Key Question for California: What Data Model?

California needs to choose a model — and embrace it.

The challenge for California leaders is deciding *how* to create a health information exchange system that works for the whole state — collecting patient data in a single unified manner, while also making this information accessible to health providers timely and securely.

Two strategic options. California's new digital infrastructure should serve as a "superhighway" for health information. This infrastructure would bypass roadblocks between providers to connect communities across the state and allow those making critical health care decisions to have the information they need to see the whole picture for their patients.

- ▶ **A single highway.** In some states, a single highway has been built over the years from the ground up — with all information stored in one place and on-ramps and off-ramps entering different communities.
- ▶ **Digital bridges between regions.** In other states, existing networks have been connected through a state hub that digitally bridges different regions and forms of HIE.

California's system does not do either of these well — yet. But with California's effort to improve the coordination of care for Medi-Cal enrollees through California Advancing and Innovating Medi-Cal (CalAIM), the time has come for a statewide health data network. This critical infrastructure will link the state's disparate, fragmented information systems, enabling the right access to health information at the right time — saving public resources, saving time, and saving lives.

SNAPSHOT **Why California Needs a Better Data Exchange System**

A Medi-Cal enrollee with complex physical or behavioral health needs typically must navigate a minimum of five different systems that currently do not share health data.

- ▶ County social services
- ▶ Health plan
- ▶ Dental plan
- ▶ County behavioral health plan
- ▶ Substance use disorder provider
- ▶ Supplemental nutrition programs (SNAP and WIC)

For More Information

CHCF is committed to ensuring the state has the information it needs to make these decisions — commissioning research on what other states have done and on a range of possible use cases. The foundation is also providing additional resources to help the state answer questions about its HIE needs.

Three reports published by CHCF have helped further clarify the choices involved:

- ▶ *Why California Needs Better Data Exchange: Challenges, Impacts, and Policy Options for a 21st Century Health System*
- ▶ *Designing a Statewide Health Data Network: What California Can Learn from Other States*
- ▶ *Expanding Payer and Provider Participation in Data Exchange*

About the Foundation

The **California Health Care Foundation** is dedicated to advancing meaningful, measurable improvements in the way the health care delivery system provides care to the people of California, particularly those with low incomes and those whose needs are not well served by the status quo. We work to ensure that people have access to the care they need, when they need it, at a price they can afford.

CHCF informs policymakers and industry leaders, invests in ideas and innovations, and connects with changemakers to create a more responsive, patient-centered health care system.