

KLAS: Private HIEs growing faster than public exchanges

Written by Editorial Staff
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Meaningful use and other elements of healthcare reform are driving healthcare information exchange (HIE) formation and expansion of established exchanges, whether through government-backed initiatives or as private ventures, according to a [KLAS](#) report that gauges the adoption level of HIEs and vendor activity in this space.

The report, "Health Information Exchanges: Rapid Growth in an Evolving Market," showed the evolution of HIEs within the previous year, according to the Orem, Utah-based researcher.

Among the findings in the report:

- The HIE market is maturing, and a number of vendors are beginning to stand out from the crowd.
- Providers gauge the relative success of their HIEs by physician adoption.
- Most HIEs aren't yet having the hoped-for impact on healthcare.
- The number of live private HIEs has increased more rapidly than the number of live public HIEs.

The number of live public HIEs rose from 37 in 2010 to 67 so far this year, according to KLAS. However, the number of live private HIEs mushroomed from 52 last year to 161 this year.

Data collected for the report revealed two main reasons why public HIEs are not going live as quickly as private ones:

1. Governance: "Between the complications inherent in government-sponsored initiatives and the difficulty of getting competing healthcare organizations to agree on what to share, public HIEs have had a harder time earning physician acceptance, whereas private HIEs need not depend on public funds and/or government oversight," KLAS stated.
2. Funding: Numerous grants and public funding options are available now, but providers are concerned that monies might dry up at any time, leaving publicly-funded HIEs without the means to continue functioning.

Physicians also may be contributing to the lag in deployment of public HIEs, according to respondents. Providers reported that doctors are interested in HIEs, "but not if they cause providers to lose time searching for or wading through too much [patient information](#)," the report stated.

Concerns over [data integrity](#) and the possibility of outside providers pushing data into [EMRs](#) were also cited as contributing to the slower adoption of public HIEs.

KLAS interviewed more than 230 HIE customers for the study, and customers evaluated 35 HIE vendors. [Medicity](#), [RelayHealth](#) and [Cerner](#) ranked highest in performance scores among vendors in the private HIE sector, the report found. [Epic](#) Care Everywhere scored higher than all three, but Epic was not ranked in this report because nearly all of the Epic exchanges KLAS was able to validate were among Epic hospitals, KLAS noted.

Among vendors of public HIEs, [Axolotl](#) (OptumInsight) and [Orion Health](#) rated highest among respondents. However, neither vendor's system was ranked in the report because they did not meet the minimum KLAS confidence levels, according to the report.

"While HIEs have made substantial progress over the last 12 months, the market is clearly still in the early stages," stated [Mark Allphin](#), KLAS research director and author of the report. "The majority of HIEs are building the foundation for what they hope will become robust and meaningful exchange models. Meaningful use will continue to put pressure on providers to make patient information accessible across the continuum of care."

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