

For Immediate Release

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**SOUTH EAST MICHIGAN BEACON COMMUNITY COLLABORATIVE
(SEMBCC)
WINS \$16,224,370 CONTRACT FOR ELECTRONIC MEDICAL RECORDS
FROM U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES**

Detroit, Michigan, September 2, 2010 — The Southeast Michigan Beacon Community Collaborative (SEMBCC) announced today that it has won a \$16,224,370 grant to accelerate and demonstrate the ability of health IT to transform local health care systems, and to improve the lives of Americans and the performance of the health care providers who serve them from the U.S. Government's Department of Health & Human Services (HHS). SEMBCC won the largest of the 17 Beacon Community grants nationwide.

The Southeast Michigan Beacon Community Collaborative (SEMBCC) is a diverse 60+-member multi-stakeholder consortium led by the Southeast Michigan Health Information Exchange (SEMHIE) and its fiduciary, SEMHA. The membership of SEMHIE and SEMBCC includes six major health systems, payers, employers, providers, quality organizations, safety-net providers and healthcare professional associations.

SEMBCC will leverage existing and additional technologies across health care settings to improve information process flow, continuity of care, and to accelerate improvement in the quality and safety of care, specifically for underserved patients with diabetes. By decreasing costs and improving the quality of care, a self-sustaining health information exchange serving Southeast Michigan will be achieved.

While the target population to be served under the SEMBCC grant is in the cities of Detroit, Hamtramck, Highland Park, Dearborn and Dearborn Heights, Michigan, the impact of the health information exchange created by these funds will be felt region-wide among all 4.5 million residents of metro Detroit. SEMHIE has spent five years and \$1.25 million developing the business plan, governance structure, health data Privacy Policy and IT architectural plan and is now in the process of launching the exchange. The Federal money awarded today will be matched by an additional \$24,937,271 from the South East Michigan Beacon Community Collaborative partners together with a \$2,988,000 contract for an Electronic Medical Records (EMR) initiative from the U.S. Government's Social Security Administration (SSA) awarded to SEMHIE earlier this year, to build a self-sustaining health information exchange serving Southeast Michigan at a total estimated cost of \$44,149,641.

Diabetes has a very high prevalence within the targeted population, 12.8% of the adult population or 93,000 people. In 2006, diabetes was the 6th leading cause of death in Michigan; 2009 data indicates diabetes in 23% of all Detroit hospital discharges.

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SEMBCC will establish a network of patient navigators who will have access to the patient's longitudinal health history and an online tracking system to manage patient care. Each participating health provider will be able to use this information for this patient population. The goals include care coordination, referral coordination and reducing ER visits through effective sharing of data with providers and care coordinators. Population disability and disease metrics will be analyzed, to identify additional opportunities to improve quality of care. Clinical outcomes will be measured, monitored and reported. A rigorous evaluation will allow us to show improvement in quality, and cost using health IT in an urban, underserved area.

These outcomes will lead to savings among the \$255 million per year in uncompensated care and the up to \$98 million per year of additional cost savings due to poor diabetes management currently spent in the selected zip codes. After the initial build-out period the annual estimated cost of running the health information exchange serving Southeast Michigan is estimated to be about \$5 million per year.

While the science of diabetes management is well understood, provider and patient compliance with evidence-based guidelines is compromised by the fragmentation of care delivery and lack of a connected systems-based approach. Linking patients with primary care providers will improve patient self-management, reduce avoidable hospitalization and emergency care use. Patient activation, engagement, and behavioral change are critical components of disease management. The coupling of data availability with SEMBCC's evidence-based, culturally sensitive strategies to influence behavioral change can lead to meaningful improvements in both behaviors of patients and providers and individual and population outcomes.

Dr. David Blumenthal, National Coordinator for Health Information Technology, announced that 15 healthcare providers and health information exchange networks received \$220 million in contract awards under the Beacon Community Program. The funds allocated to SEMHIE represent 9.1% of all funds awarded nationwide under the program and the largest allocation of funds.

"I've spoken often of my own experience with electronic health records in medical practice, and my resulting conviction that access to electronic health information at the point of care made me a better doctor, and helped my patients. I've highlighted examples of health systems, large and small, urban and rural, that have experienced major improvements in care and reduced costs resulting from the use of EHR systems and health IT. And I've shared the opinions of experts who conclude that the entry of the medical profession into the digital age is much needed, and long overdue. The Beacon Community Program will enable us to test the capacity of health IT to accomplish this shared vision at an accelerated pace. We hope these communities will truly prove beacons that the rest of our health system can use to guide our collective efforts to use information to improve the health and health care of Americans."

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Dr. Robert Jackson, SEMhie's Chairman of the Board stated, "We are excited to receive this substantial support from the federal government to assist us in accelerating the process of building our planned health information exchange. While the SEMBCC's success in receiving this grant was made possible by a team of over 30 members of SEMhie and SEMBCC including board members and collaborative partners, I want to particularly thank a core group of SEMBCC volunteers who made this grant from HHS possible by donating a substantial amount of their time to creating and finalizing the SEMBCC grant application including:

- Dr. Leland Babitch of Detroit Medical Centers
- Denise Holmes of MSU's Institute for Health Care Studies
- Helen Hill of Henry Ford Health System
- Laura Kolkman of Mosaica Partners
- Gary Petroni of SEMHA
- Stephen Lange Ranzini, of University Bank
- Jackie Rosenblatt of MPRO
- Paula Smith of Oakwood
- Michael Talley of University Bank
- Larry Yuhasz of ThomsonReuters

Each of whom played a critical role in building the business plan and collective the data required for our application to be successful. Without their expertise and assistance, this grant would not have happened."

The full text announcement of the grant award from U.S. Department of Health & Human Services is available at: <http://www.hhs.gov/news/press/2010pres/09/20100902a.html>. The full list of the 17 Beacon Communities and the amounts of their awards is available at: <http://healthit.hhs.gov/portal/server.pt?open=512&objID=1805&parentname=CommunityPage&parentid=2&mode=2&cached=true>.

The press release regarding the \$2,988,000 Social Security Administration contract award to SEMhie is available at: <http://www.semhie.org/press/SEMhie%20SSA%20release%20v1.pdf>.

About South East Michigan Health Information Exchange (SEMhie)

Southeast Michigan Health Information Exchange is a diverse 60+-member non-profit multi-stakeholder consortium whose membership includes six major health systems (including Beaumont Hospitals, Detroit Medical Centers, Henry Ford Health System, St. John Health System, Oakwood Healthcare System and Trinity Health), payers, employers, providers, quality organizations, safety-net providers and healthcare professional associations. SEMhie will leverage existing and additional technologies across health care settings to improve information process flow, continuity of care, and to accelerate improvement in the quality and safety of care. By decreasing costs while

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improving the quality of care, SEMHIE will become a self-sustaining health information exchange serving Southeast Michigan. For more information see www.semhie.org, or contact Dr. Robert Jackson at rjacksonwwp@gmail.com or 313-386-5500.

About Southeastern Michigan Health Association

The Southeastern Michigan Health Association (SEMHA) is a nonprofit corporation, 501(c)(3), dedicated to assisting local health agencies with the development and implementation of health and related programs within the southeastern Michigan region. SEMHA provides planning, organizational development and financial management services to agencies allowing them to more rapidly develop and implement service delivery while developing fiscal capability. For more information see www.semha.org, or contact Gary Petroni at gpetroni@semha.org or (313) 873-6500.

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