

# Medicaid Matters

## Governor Riley sees health technology in action



*Commissioner Steckel and Governor Riley discuss benefits of using an electronic health information system.*

Governor Bob Riley visited Jackson Hospital August 14 to see how physicians and hospitals are using technology to improve patient care. The Governor's visit came as the Alabama Medicaid Agency is working to create an electronic health information network that will link Medicaid with doctors, health care providers, state health agencies and private payers across the state. Governor Riley announced a two-year \$7.6 million federal grant for the project in January.

"This network will provide doctors with real-time access to individual health information like immunization records, prescription data and lab results. It will reduce the potential for medical errors, support our efforts to improve the quality of health care people receive, and allow our health care system to increase efficiency and decrease costs," Governor Riley said.

Jackson Hospital's Dr. Glenn Bedsole showed Governor Riley how physicians using the hospital's electronic health information system can view lab results, x-ray images and medical information online to enhance patient care.

Dr. Jerry Harrison, a family physician from Haleyville, demonstrated an electronic health record system used in his practice that not only documents medical information, but provides reminders and other data to make sure every patient visit is thorough and complete without duplicating tests or other services.

"Both demonstrations illustrate the value of investing in technology. Technology and health care are natural partners. Physicians and other medical providers can use technology to access data that reduces duplication and improves patients' overall health," Governor Riley said. "With good information, patients' health care needs can be addressed better and more effectively."

But doctors don't always receive accurate information about their patients in a timely manner. Lab results may get lost or delayed. Patients might forget to tell new doctors all the medicines they have been prescribed by other doctors. And in an emergency, patients may not even be able to communicate information at all or have access to it. Governor Riley said this was the case in the aftermath of Hurricane Katrina, when thousands of evacuees arrived in Alabama without their prescription medicine or medical records.

"The state and Medicaid recognize that when medical providers have secure access to key health information, patients benefit. Taxpayers also benefit because we're able to deliver higher quality health care in the most efficient and economical way possible," Governor Riley said.

To view the Governor's press release, [click here](#).



**Inside:** ♦ **Medicaid announces vendor for statewide E-health system**  
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## Medicaid announces vendor for statewide E-health system



*Comm. Steckel announces selection.*

Medicaid Commissioner Carol H. Steckel announced the selection August 21 of Richmond, Va.-based ACS Heritage as the vendor which will partner with the Agency and a diverse group of stakeholders to build a statewide electronic health information system in Alabama.

“The contract with ACS Heritage will enable the Alabama Medicaid Agency to move away from a process and paper-oriented system by creating an electronic health record and new capabilities that make it possible for physicians to securely access patients’ lab test results, medical claims, drug and other data to make more informed patient care decisions,” Commissioner Steckel said. She emphasized that the project will ultimately reduce service duplication, create a system for state health and human service agencies to

share information electronically and enable the state Medicaid agency to prevent serious problems in patients with chronic illnesses.



*Project Director Kim Davis-Allen*

The \$3.8 million contract between the Agency and ACS Heritage will be submitted for review by the Legislative Contract Review Committee at its September 6 meeting. The two-year contract calls for the development and maintenance of an electronic health information system, including an 11-county pilot test involving up to 500 Medicaid-enrolled physicians. The contract also requires the vendor to develop a system by which other state health and human service agencies can share information on common clients. The Alabama Department of Senior Services has been selected as the first state agency to test the new system.

ACS Heritage was one of seven vendors submitting proposals to the Agency. Vendors’ proposals were evaluated independently by a review team of

comprised of Medicaid, ADSS and state Information Services Division employees, members of the project’s Stakeholder Council and physicians. Vendors were evaluated in two areas: Total cost and proposed technical response. Total cost is based on a fixed contract price for professional services and a separate cost for equipment the Agency would be required to purchase through the state.

The contract is a major component of *Together for Quality*, an Alabama Medicaid-led initiative to transform the state’s fragmented claims and process-oriented system into one that is coordinated, patient-centered and cost-efficient.

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## Medicaid’s Annual Report for FY 2006 now on website

The Alabama Medicaid Agency’s FY 2006 Annual Report is now available in PDF format on the Agency’s website. The Annual Report includes data on revenues, expenditures and program impact as well as program highlights and other information about the Agency. The report reflects the Agency’s activity from October 1, 2005 through September 30, 2006.

To view the report, [click here](#).

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