

Israeli IT Can Help With U.S. Health Reform

Trevor Williams

Atlanta - 06.23.10

As the U.S. undertakes the tough task of reforming its health care system, Israel's experience is a model for using information technology to improve care while cutting costs, Yitzhak Peterburg, the former head of Israel's largest HMO, said in Atlanta.

Dr. Peterburg, now a senior visiting fellow at the Milken Institute focusing on health information technology, led Clalit Health Service from 1997-2002. The company provides health insurance coverage for about 55 percent of Israel's population.

With a pool of 3.8 million customers using 1,300 clinics and 14 hospitals, Clalit needed a way for patient records to be readily available to all facilities in the system. The company created an electronic health information exchange that allowed doctors to easily access the records, leading to quicker diagnoses.

The level of care went up, while costs went down, Dr. Peterburg told GlobalAtlanta by telephone during the American-Israel Chamber of Commerce, Southeast Region's Healthcare IT Business Exchange in Atlanta June 8-10.

"Because of these health IT capabilities, we were able to understand better our business," he said.

"Sometimes you can forget that while you are in health administration you need to look at it like a business like any other."

With 500 companies either directly involved in health care IT or making related medical devices, Israel is a center for the growing industry. Having adopted many of these technologies early, Israeli firms have the know-how to help American firms implement new systems, Dr. Peterburg said.

Atlanta is also an industry hub in its own right, with more than 100 health care IT companies in the metro area, including operations from four of the nation's top 25 firms in the field: McKesson Corp., Eclipsys Corp., **MedAssets Inc.** and HealthPort.

"There are a lot of high-tech capabilities ... and we may find places for collaboration. This is all about collaboration," Mr. Peterburg said.

Eight companies from the Southeast and Israel made presentations at the exchange, which took place at IBM's corporate campus in Atlanta.

"The exchange clearly demonstrated why Israel is a global pioneer in health information technology," said Rick Litzky, president of Medical Director Solutions, who chaired the chamber committee organizing the exchange. "Their companies are providing models and offering solutions to different IT challenges and health systems in the United States as we face a more fully digital health-care future."

During the debate over the massive U.S. health care overhaul, President Obama often touted electronic medical records as a way to cut down on repeat testing, improve diagnoses and boost efficiencies. The stimulus bill passed last February allocated \$19 billion to encourage providers to adopt new systems.

But health care IT isn't a silver bullet. Better sharing of information won't matter if the incentives for stakeholders in the industry are not aligned, said Dr. Peterburg, who recently completed a report on Israel's health care IT industry.

The federal government must consider the needs of doctors and states' funding needs for programs like Medicare and Medicaid. There should be a move toward serving patients at home through telemedicine and efforts to help people make the right choices about their health care, he added.

In the end, everyone has the same goal: better care in a more cost-efficient way. Reaching the destination in a way that doesn't squander government money and popular support is the issue.

"This is the long way and it will take a long time. Nobody solves it, not in Israel or any other place because this is a never-ending war," Dr. Peterburg said.