

Health and Senior Services Commissioner Dr. Poonam Alaigh
Assembly Health and Senior Services Committee
Thursday, June 10, 2010

Good Morning Chairman Conaway and Distinguished members of the Assembly Health and Senior Services Committee. Thank you for giving me this opportunity to appear before you today to outline our priorities at the Department of Health and Senior Services.

First, I would like to take this opportunity to acknowledge the staff at the Department. In my short time as Commissioner, I have found that they are dedicated and committed to improving the health and well-being of all New Jerseyans.

Our mission at the Department is to improve the quality of health care, strengthen the health care delivery system, increase access to health care services, support New Jersey's seniors, promote and protect the public health, and enhance the emergency response infrastructure.

I am honored that Gov. Chris Christie has entrusted me with the great responsibility to lead the New Jersey Department of Health and Senior Services. These are difficult times, however, it is during these challenging times that we have the greatest opportunity to design and implement innovative solutions.

One example is the work that was done to preserve our senior prescription assistance programs. Gov. Christie and the Legislature, including the members of this committee, agreed that the PAAD and Senior Gold programs are a priority and need to be protected. As a result of this commitment, we were able to not only restore the PAAD and Senior Gold programs to the level prior to the proposed budget reductions, but were also able to enhance them by reducing co-pays for generics from \$6 to \$5.

The forces of change are growing in the health care industry and I believe we have a historic opportunity to transform our health care delivery system from a model focused on acute care needs to a more comprehensive, preventive and chronic care approach—using health information technology and care coordination.

Although enormous advancements in medicine have been made in the past two decades, the nation and the state of New Jersey are lagging in the adoption of HIT. None of the other technologies and advancements can be used efficiently and effectively unless we treat not simply the disease, but the person as a whole. No matter how fast we apply new medical technologies and innovation, nothing will truly change until health care professionals have real time electronic data available at their fingertips.

One of my top priorities is to champion the adoption of health information technology in our state that will result in the improvement of clinical outcomes. I believe the proper use of this technology—as an enabling tool, not just as a neat computer screen—is key to real health reform.

Mr. Chairman, I want to thank you for your leadership in this area as author of the legislation that created the New Jersey Health Information Technology Commission. I look forward to working with you as we move HIT forward in New Jersey.

As a physician who has worked with Electronic Health Records for many years, I know the benefits that come with rendering care that is safe, timely, effective, efficient, equitable and personalized.

Health Information Technology will help us to realize true health reform by improving clinical outcomes, increasing transparency, facilitating care coordination and reducing redundancy and waste. The federal Veterans Administration developed one of the first Electronic Health Systems in the nation. A \$4 billion investment in its development yielded approximately \$7 billion in medical cost savings. The VA's facility-to-facility EHR, VistA, allows us to treat patients appropriately by having access to complete, longitudinal and horizontal clinical information.

The current reality is that the U. S. lags far behind other countries in terms of digitizing medical records—and therefore using those records to treat patients holistically.

In New Jersey, we have opportunities for advancement in this area. National studies suggest that fewer than 30 percent of private-practice physicians have Electronic Health Records and New Jersey's rate is probably not much higher than 20 percent.

We already have several initiatives in place. New Jersey recently received the down payment on an \$11.4 million federal Recovery Act grant to facilitate four regional Health Information Exchanges around the State. The integration of this data will drive improvement in outcomes by allowing physicians, in real time, to see disparate patient data that is stored in other facilities. These Health Information Exchanges will be working with various stakeholders in the health care industry—including practioners, hospitals, community health centers and city health departments—to develop the backbone of HIT in urban health care.

The Department will work with our sister agencies—specifically the Departments of Human Services and Banking and Insurance—on orchestrating a unified statewide HIT vision and approach.

Another one of my priorities is to establish an environment that creates opportunities for all health care professionals. A strategic area of focus for my Department will be working with the Legislature and other key stakeholders to improve the practice of medicine in New Jersey.

As we are all aware, our state is facing significant shortages of health care professionals. The new federal health care reform law—with its requirement for individuals to have health care coverage by 2014—will increase the demand for health care services.

A critical concern is the shortage of physicians—both in primary care and specialty areas. We must truly understand the challenges physicians face in the field of medicine, so that we can cultivate, attract and retain the best. Each year 850 physicians complete their graduate medical education in New Jersey and 60 percent of them leave the state.

In order to explore these issues, I want to bring together key stakeholders and community partners to create near-term solutions that are actionable and measurable—while also coming up with long-term deliverables so we can better align and improve the environment of practice.

In conclusion, achieving change requires comprehensive approaches, innovation and collaboration. We've made great strides in quality, access to care and giving seniors greater options for aging with independence and dignity but we must continue to strive for a better health care system. As Commissioner and as a physician, I will always be seeking the best possible solutions given the reality of our circumstances. It will be the experiences and perspectives of my patients that will help guide me as we go through these changing times.

Thank you again for inviting me to discuss our priorities at the Department of Health and Senior Services. I would be happy to answer your questions at this time.