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109TH CONGRESS
1ST SESSION

H. R. 3607

To improve the quality of health care through the implementation of computerized provider order entry systems in hospitals and skilled nursing facilities that will result in a reduction in the rate of medication errors and in redundancies and will create more efficiency.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2005

Mr. SWEENEY introduced the following bill; which was referred to the Committee on Energy and Commerce

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A BILL

To improve the quality of health care through the implementation of computerized provider order entry systems in hospitals and skilled nursing facilities that will result in a reduction in the rate of medication errors and in redundancies and will create more efficiency.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''The Future of Healthcare—Granting Access to Innovation in America Act (GAIA Act)''.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Medical errors, such as the miscalculation of prescribed dosage amounts and the illegible handwriting of physicians, cause many unnecessary deaths in the United States each year.

(2) There are 98,000 preventable deaths that occur each year from medication errors in the United States.

(3) According to a 2004 Health Grades report on patient safety in American hospitals, medication errors are the 6th leading cause of death among patients in hospitals in the United States.

SEC. 3. IMPLEMENTATION OF COMPUTERIZED PROVIDER ORDER ENTRY TECHNOLOGY.

(a) IN GENERAL.—The Secretary of Health and Human Services, in consultation with the Administrator of the Centers for Medicare & Medicaid Services and with the National Health Information Technology Coordinator, may make grants to hospitals and skilled nursing facilities to carry out demonstration projects for the purpose of reducing the rate of medication errors and improving the quality of care in the hospitals and skilled nursing facilities by installing or upgrading computerized technology that assists in preventing such errors and that increases

the quality of care through capabilities such as the following:

(1) Providing information on drug-allergy contraindications and interactions between drugs.

(2) Ensuring that all drug orders are legible.

(3) Providing physicians and other clinicians with a menu of medications, complete with default doses and a range of potential doses for each medication.

(b) REQUIREMENTS REGARDING DECISION-SUPPORT SOFTWARE.—

(1) IN GENERAL.—With respect to the computer technology described in subsection (a) (referred to in this section as ''CPOE technology''), a grant may be made under such subsection only if the applicant involved agrees—

(A) for grants made pursuant to subsection (l)(2)(A) to ensure that when the CPOE technology involved becomes operational, the software described in paragraph (2) has been installed for use with the CPOE technology; or

(B) for a grant made pursuant to subsection (l)(2)(B) that is an initial grant referred to in such subsection, to ensure that such software is installed for use with the CPOE tech-

nology not later than one year after the receipt of the initial grant under subsection (a).

(2) DESCRIPTION OF SOFTWARE.—For purposes of paragraph (1), the software described in this paragraph is computer software that assists physicians and clinicians who order prescription drugs and tests in making medication-related decisions through functions such as the following:

(A) Providing computerized advice regarding drug doses, selection, duration, and frequencies.

(B) Performing drug-allergy checks, drug-laboratory-value checks, and checks on interactions between drugs.

(C) Providing reminders with respect to corollary orders or drug guidelines.

(D) Incorporating patient-specific or pathogen-specific information.

(c) REQUIREMENTS REGARDING ELECTRONIC MEDICATION ADMINISTRATION RECORD.—

(1) IN GENERAL.—A grant may be made under subsection (a) only if the applicant involved agrees—

(A) for grants made pursuant to subsection (l)(2)(A) to ensure that when the CPOE technology involved becomes operational, the

software described in paragraph (2) has been installed for use with the CPOE technology; or

(B) for a grant made pursuant to subsection (l)(2)(B) that is an initial grant referred to in such subsection, to ensure that such software is installed for use with the CPOE technology not later than one year after the receipt of the initial grant under subsection (a).

(2) DESCRIPTION OF SOFTWARE.—For purposes of paragraph (1), the software described in this paragraph is software providing for an electronic record known as an electronic medication administration record (also known as EMAR) and is a fully closed-loop medication process that, for the patient involved, electronically documents the specific drug, dosages, routes and times for the administration of medication, and acts as a scheduler by linking to a pharmacy information system through a bar-code point-of-care system.

(d) CERTAIN USES OF GRANT.—The purposes for which a grant under subsection (a) may be expended include the following:

(1) Purchasing and installing CPOE technology.

(2) Purchasing and installing decision-support software and EMAR for purposes of subsections (b) and (c).

(3) Updating CPOE technology, decision-support software, and EMAR.

(4) Training and updating the usage associated with CPOE technology, decision support software, and EMAR with the goal of attaining a 100 percent rate of compliance among physicians and other clinicians who order prescription drugs and tests.

(e) FACILITIES WITH PREVIOUSLY INSTALLED CPOE TECHNOLOGY.—A grant under subsection (a) may be made to a hospital or a skilled nursing facility that installed CPOE technology prior to receiving an initial grant under such subsection. Such a hospital or facility may expend the grant for the purposes described in paragraphs (2) through (4) of subsection (d).

(f) MATCHING REQUIREMENT.—

(1) IN GENERAL.—A grant may be made under subsection (a) only if the applicant involved agrees that, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, the applicant will make available non-Federal contributions (in cash or in kind) toward such costs in an amount determined by the

Secretary. Such contributions may be made directly or through donations from public or private entities.

(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including equipment or services (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(g) REPORTS BY HOSPITALS AND SKILLED NURSING FACILITIES.—A grant may be made under subsection (a) only if the applicant involved agrees that, for each fiscal year for which the grant is made, the applicant will submit to the Secretary, acting through the National Health Information Technology Coordinator, a report that provides details on the following:

(1) Quantitative reductions in medication errors.

(2) The level of compliance by physicians, clinicians, and other staff with respect to the usage of CPOE technology.

(3) The difference between administrative and clinical workflows before the implementation of CPOE technology and after the usage of such technology.

(4) Alterations and improvements with respect to workflow in the case of facilities that have CPOE technology.

(5) An analysis on the improvement of the quality of care and patient satisfaction within the hospital or skilled nursing facility involved.

(6) The overall economic savings associated with the usage of CPOE technology.

(h) APPLICATION.—A grant may be made under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section. The Secretary shall provide technical assistance to hospitals and skilled nursing facilities in the application process.

(i) LIMITATION OF GRANT.—A grant under subsection (a) may not be made in an amount exceeding $500,000.

(j) REPORT TO CONGRESS.—Not later than five years after the initial distribution of grants under subsection

(a), the Secretary shall submit to the Congress a report on the progress of the program under such subsection.

(k) DEFINITIONS.—For purposes of this Act:

(1) The term ''barcode point-of-care'' means a system that uses bar codes in association with a computer server that interfaces with the admission, discharge, transfer, and pharmacy systems, and with EMAR software, in order to ensure that a patient receives the medications intended for the patient, including the intended dosages.

(2) The term ''CPOE technology'' has the meaning indicated for such term in subsection (b)(1).

(3) The term ''decision-support software'' means the computer software described in subsection (b)(2).

(4) The terms ''electronic medication administration record'' and ''EMAR'' have the meaning indicated for such terms in subsection (c)(2).

(5) The term ''rural hospital'' means a hospital located in a rural area, as defined in section 1886(d)(2)(D) of the Social Security Act.

(6) The term ''rural skilled nursing facility'' means a skilled nursing facility located in a rural

area, as defined in section 413.333 of title 42, Code of Federal Regulations.

(7) The term ''Secretary'' means the Secretary of Health and Human Services.

(8) The term ''skilled nursing facility'' has the meaning indicated for such term in section 1819(a) of the Social Security Act.

(l) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATION.—For the purpose of carrying out this section, there is authorized to be appropriated $25,000,000 for each of the fiscal years 2006 through 2010.

(2) RESERVATION OF AMOUNTS.—Of the amounts appropriated under paragraph (1), the Secretary shall reserve amounts in accordance with the following:

(A) Fifty percent for grants under section (a) for the initial purchase and installation of CPOE technology and decision-support software. Amounts reserved under this subparagraph are not available for hospitals and skilled nursing facilities referred to in subsection (e) and are not available for the purposes described in paragraphs (3) and (4) of subsection (d).

(B) Fifty percent for grants under such subsection for upgrading such technology and software and for other purposes authorized in paragraphs (2) through (4) of subsection (d), including initial and subsequent grants under subsection (a) to hospitals and skilled nursing facilities referred to in subsection (e).

(C) Twenty percent for grants under such subsection to rural hospitals and rural skilled nursing facilities in the aggregate, which percentage includes amounts reserved under subparagraphs (A) and (B) that are used for grants under subsection (a) to rural hospitals and rural skilled nursing facilities.

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