

**State of Oregon  
Department of Human Services**

**Medicaid Health Information Technology (HIT)  
Planning Project**

**Oregon Medicaid HIT Planning  
Advance Planning Document  
(HIT P-APD)**

Submitted to the

Centers for Medicare and Medicaid Services

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## Introduction and Background

### I. Introduction

The delivery of health and human services in Oregon is in the midst of a major structural, conceptual, and information technology (IT) transformation. In the summer of 2009 the Oregon state legislature passed historic legislation to promote comprehensive health care reform, including a major Medicaid expansion and health care delivery system reforms intended to expand access, promote quality, and contain costs. Many of these reforms rely on the secure exchange of health data to be effective. These laws also change the structure of Oregon's state health and human services department by creating two state agencies; the Oregon Health Authority and the new Department of Human Services. The Oregon Health Authority (OHA) contains all the health-related programs and is overseen by the newly created Health Policy Board and the Department of Human Services (DHS) is comprised of human services programs. Both entities will share administrative, support, and information technology (IT) services. Oregon's transformation sets the stage for a new vision of shared services supported by a client-centered, integrated DHS/OHA services information system.

Oregon's DHS/OHA leaders have a vision for integrating service IT systems, which will largely impact the Medicaid program given that Medicaid clients in Oregon are the largest consumers of nearly all other DHS/OHA services, including mental health; self sufficiency; aged and physically disabled services; Women, Infants & Children (WIC); child welfare; and food stamps. See Appendices B and C for a graphical representation of the overlap of program services for DHS/OHA clients. In addition to services, DHS/OHA requires Medicaid providers to participate in public health surveillance reporting.

Current IT systems fall short of the DHS/OHA vision of integrated and coordinated services information. In particular, Medicaid consumers lack access to their health records. Providers are frustrated by the lack of access to client-specific public health data to ensure appropriate care, reduce duplicative services, and monitor the health of their patients. DHS/OHA workers in each program are frustrated by the lack of access to relevant data on their clients regarding services or health information gathered by another DHS/OHA program. Integration of DHS/OHA IT systems will reengineer this fractured system, save costs for the state, improve health care and human services delivery, and improve the health of Oregonians served by Medicaid and other DHS/OHA programs.

Oregon's Medicaid providers are ready for health information exchange. Oregon has six operational or soon-to-be operational local health information exchanges (HIEs), several more in the planning stages, and eight major integrated health systems with exchange capability between hospitals and affiliated clinics. Of Oregon's 58 hospitals, 47 have implemented Electronic Health Records (EHRs), and the rest plan to implement EHRs in the next few years. Oregon's clinicians have adopted EHRs at a higher rate than those in other states: 66.6% of Oregon office-based physicians are using any EHRs compared to 43.9% nationally, and 29% of Oregon physicians use a fully functional EHR, compared to 6.3% nationally.<sup>1</sup>

Oregon is uniquely positioned to maximize the opportunity presented by the federal Centers for Medicare and Medicaid Services (CMS) to engage in the development of a comprehensive, coordinated State Medicaid Health Information Technology (HIT) Plan that recognizes the HIT needs of Oregon's Medicaid clients, providers, and DHS/OHA programs. As part of the Medicaid HIT plan, Oregon will seek to focus on improving quality by building a health information technology infrastructure and exchange capability that supports the meaningful use of healthcare information technology by both providers and consumers. CMS approval of this Medicaid HIT Planning Advance Planning Document

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<sup>1</sup> Preliminary results from Oregon's 2009 EHR provider survey (soon to be published) compared to CDC results from: Hsiao CJ, Beatty PC, Hing E, Woodwell D, Rechtsteiner E, Sisk JE. Electronic Medical Record/Electronic Health Record Use by Office-based Physicians: United States, 2008 and Preliminary 2009. Health E-Stat, December 2008. [http://www.cdc.gov/nchs/data/hestat/emr\\_ehr/emr\\_ehr.pdf](http://www.cdc.gov/nchs/data/hestat/emr_ehr/emr_ehr.pdf).

(HIT P-APD) will secure 90 percent enhanced federal financial participation (FFP) for Oregon's planning activities that will lead to the development of Oregon's State Medicaid HIT Plan (SMHP) that is also inclusive of meaningful use and quality plans. The SMHP will be a key component of the overall State HIE Strategic and Operational Plans developed by Oregon's Health Information Technology Oversight Council (HITOC) as part of the federal Office of the National Coordinator (ONC) State HIE Cooperative Agreement Program.

Oregon acknowledges that we are making a significant planning investment in terms of both personnel and contract expertise to create our SMHP. This supports our philosophy that the planning aspects for a successful HIT infrastructure as well as a functional HIE is a very important part of establishing a successful ongoing HIT program.

DHS/OHA projects that Oregon's Medicaid HIT Planning Project will cost \$3,922,418 and **requests ninety percent (90%) in FFP, estimated to be \$3,530,176** with the State's share estimated at **\$392,242**.

## II. Background

DHS/OHA is currently engaged in a number of key initiatives that will need to be aligned with the Medicaid HIT Planning Project. DHS/OHA understands the importance of aligning the Medicaid HIT Planning Project with these initiatives to promote a coordinated planning strategy and the efficient use of funding made available through CMS and the ONC.

### A. Medicaid HIT Efforts

- **MMIS Certification:** DHS/OHA implemented a new Medicaid Management Information System (MMIS), in December 2008. Oregon is using the legacy certification review process, but has also created a bridge to the current MITA-based process. The intended approach allows Oregon to leverage Certification activities to progress components of the MITA State Self Assessment.
- **MITA State Self Assessment (SS-A):** The MITA (Medicaid Information Technology Architecture) SS-A project is in process with a current planned completion date of 10/1/2010. The project will be coordinated with planning efforts associated with the Medicaid HIT Planning Project.
- **5010 / ICD-10 Planning.** DHS/OHA is creating a P-APD to remediate the MMIS to support the 10<sup>th</sup> revision of the International Classification of Diseases (ICD-10) as well as the 5010 version of the X12 HIPAA transactions. The changes associated with 5010/ICD-10 will be considered and coordinated as part of the MITA SS-A project as well as the Medicaid HIT Planning Project.
- **Health Record Bank of Oregon (Medicaid Transformation Grant):** The Health Records Bank of Oregon (HRBO) is a project funded under a Medicaid Transformation Grant to develop and build a personal health record bank that will electronically store Medicaid clients' health information and make it available on a secure Web site. HRBO will be an online, standardized, widely available and secure means by which Medicaid beneficiaries can access recent and historical laboratory results, imaging reports, dictated reports, and other patient data, and share this information in clinical situations in which it is not currently available.

### B. ONC funded HIT efforts:

- **HITOC State HIE Planning and Development:** Oregon's Health Information Technology Oversight Council (HITOC) was legislatively created in July 2009 as part of Oregon's comprehensive health reform (see section C below). The HITOC will lead Oregon's efforts to develop and implement a statewide health information exchange (HIE). This project is currently underway and will result in State HIE Strategic and Operational Plans as required by the Office of

the National Coordinator (ONC) of HIT, State HIE Cooperative Agreement Program Funding Opportunity Announcement (FOA). The State HIE planning and the State Medicaid HIT Planning projects will run along similar timelines, with a state HIE strategic and operational plans due to the ONC during the summer of 2010 and SMHP due to CMS in early fall 2010. The Medicaid HIT Planning project team will interact regularly with the HITOC team throughout the development of the State Medicaid HIT Plan to ensure a coordinated planning strategy, synchronize contractor resources, prevent duplicative efforts, and develop a consistent and coordinated approach to provider communications and outreach.

- **Health Information Technology Regional Extension Center (HIT REC):** The Oregon REC will be responsible for assisting Medicaid providers with the selection, implementation and meaningful use of EHRs. The Medicaid HIT Planning project team and the HITOC team will work closely with the REC around provider outreach and education efforts.
- **Broadband Expansion:** Oregon Health Network (OHN) is the designated state entity for the Federal Communications Commission (FCC) communication infrastructure funding to expand broadband to rural and underserved areas.

### **C. Transformation of State Health and Human Services and Comprehensive Health Reform**

**Initiatives:** As mentioned earlier, the Oregon legislature passed historic health reform legislation in June 2009. These laws change the structure of Oregon's state health and human services department, expand Oregon's Medicaid program, and implement initiatives to transform Oregon's health care delivery system intended to expand access, promote quality, and contain costs.

- **Transformation of State Shared Services and IT Architecture:** Rick Howard, DHS/OHA's Chief Information Officer, has proposed a vision of rational, service-based architecture for state information technology systems including eligibility determination systems. Oregon will seek opportunities to pilot test this vision over the next several years. Oregon sees the State Medicaid HIT planning effort as a major driver towards achieving the Oregon vision of a seamless Health and Human Services delivery model and Enterprise Architecture. The DHS/OHA Transformation team is in the process of implementing the transformation of Oregon's health and human services agencies, which will include a shared office of information technology within a shared administrative services unit.
- **All-Payer, All Claims Database (APAC):** Oregon is in the process of implementing an all-payer, all claims database (APAC). Throughout the development of the State Medicaid HIT Plan we will look for opportunities to use the APAC to advance provider adoption of EHRs. This may include tracking EHR adoption and capturing data to support planning components pertaining to meaningful use. Medicaid data will be synchronized between MMIS and the APAC so as to be included in the APAC for Oregon's analysis of cost and quality trends.
- **Other DHS/OHA HIT Efforts:** In addition to providing medical care to Oregonians through the Medicaid program, DHS/OHA provides public health, behavioral health, long-term care and home health services, child welfare, self sufficiency and other services to Oregonians who participate in Medicaid. Information systems for these services and programs typically do not connect to one another, resulting in fragmented, inefficient care. In addition to developing a vision of shared services (described above), DHS/OHA programs seek enhancements within their systems to connect providers and hospitals to program data that will ultimately benefit Oregonians.

Ultimately, through the combined efforts of these initiatives, Oregon envisions a strong, integrated HIT and HIE to support meaningful use of EHRs within the provider community, thereby improving quality and health care outcomes and reducing overall health care costs.

## **Section 1: Statement of Need and Objectives**

### **I. Purpose**

Create a State Medicaid Health Information Technology (HIT) Plan (SMHP) that serves as the strategic vision to enable the State to achieve its future vision by moving from the current “As-Is” HIT Landscape to the desired “To-Be” HIT Landscape, including a comprehensive HIT Road Map and strategic plan to be implemented by the year 2014.

### **II. Objectives**

The planning effort will result in a comprehensive SMHP that meets the following objectives:

- Describes the current Medicaid HIT landscape, defines a vision for the future HIT landscape, identifies the gap between the two, and defines a business and technical roadmap for achieving that vision;
- Describes the administration of the incentive program including:
  - Administration of payments, including identification of eligible providers, systems modification necessary to pay providers, and monitoring mechanisms;
  - Meaningful use criteria development and reporting mechanisms; and
  - Meaningful oversight, including routine tracking of meaningful use and reporting mechanisms;
- Pursues initiatives to encourage adoption of certified Electronic Health Record (EHR) technology to promote health care quality and the exchange of health care information under Medicaid, while ensuring privacy and security of data provided to its data exchange partners; and
- Demonstrates how Medicaid HIT will integrate:
  - With the Medicaid Information Technology Architecture (MITA) To-Be Roadmap;
  - Within the larger state Health Information Exchange (HIE) strategic and operational plan; and
  - Within Oregon’s vision for comprehensive health reform and transformation of Oregon’s public service delivery to a shared services integrated IT architecture.

## Section 2: Project Management Plan

### I. Planning Activities

Oregon Medicaid will work in close coordination with the Health Policy Board and the Oregon Health Authority Transformation team, the Health Information Technology Oversight Council (HITOC) and Oregon statewide Health Information Exchange (ORHIE) project, the HIT Regional Extension Center (REC), Medicaid Management Information System (MMIS) Certification, Medicaid Information Technology Architecture State Self-Assessment (MITA SS-A), 5010/ICD-10, All Payer All Claims Database, Broadband, Behavioral Health, Public Health, Long Term Care, and Health Records Bank of Oregon (HRBO) project teams throughout the planning effort to encourage a coordinated planning strategy and to prevent duplication of efforts.

The Medicaid HIT Planning Core Team will report to a project manager who ultimately reports to the Medicaid Director. The team will consist of project coordinators to align strategic objectives, conduct information sharing sessions, synchronize contractor resources where appropriate, coordinate provider outreach, include subject matter experts in work group sessions and distribute deliverables for review and feedback for the purpose of creating the SMHP. Federal Participation Dollars requested in this P-APD will only be used for planning activities directly related to Medicaid Services. The project manager will closely monitor all team activities and allocate costs not related to direct Medicaid Services to other funding sources. Oregon seeks make to a significant planning investment in terms of both personnel and contract expertise to create our SMHP. This supports our philosophy that the planning aspects for a successful HIT infrastructure as well as a functional HIE is a very important part of establishing a successful ongoing HIT program.

See Appendix A for a project organizational chart and Appendix D for a matrix of staff and contractor roles related to the following planning activities.

#### Project Start Up

- HIT P-APD: Deliver HIT P-APD to CMS, Review/update HIT P-APD with CMS as needed
- Convene staff and contractors: Determine and assign roles and responsibilities; convene project teams and select workgroup members. Convene and coordinate with State Medicaid HIT Plan (SMHP) Steering Committee. Hire HIT project staff: develop and post job announcements, conduct interviews, process hiring paperwork, configure work spaces; Hire Contractors: develop and release RFPs jointly with HITOC/ORHIE project, evaluate RFP submissions, sign contracts;
- Develop project structures: develop goals, objectives and guiding principles for the project; develop project work plan detailing tasks and timelines; Create a project collaboration environment and document control policies
- Establish administrative structures: refine budget and set up budget codes and reporting, develop process for travel planning and assistance

#### Communication and Coordination (ongoing)

- Stakeholder education/communication: Identify key stakeholders, meet with key stakeholders to kickoff the planning effort and communicate goals and objectives, recruit stakeholder volunteers to participate in workgroups where appropriate, establish a website related to Medicaid HIT planning
- Coordination: Establish lead contacts with Regional Extension Centers, HITOC, and other related ONC-funded and internal DHS/OHA projects; participate in HITOC meetings; coordinate contracting with HITOC where appropriate; convene joint team meetings monthly

#### Conduct Current HIT Landscape Assessment

- Assess/update current information: collect information that was recently gathered by the HITOC and assess its applicability to the State Medicaid HIT Plan; update assessment of projected ARRA incentives to identify providers that qualify and the estimated incentive amounts
- Gather new information: contractor to develop, field, and analyze Medicaid provider survey, to include Behavioral Health, Public Health, and Long Term Care components; assessment of Medicaid Managed Care Organizations' capacities; assessment of the scope and status of specific initiatives underway, including the Health Records Bank of Oregon; All-Payer, All Claims Database; Behavioral Health Integration Project; public health reporting; etc.
- Draft document: Draft current HIT landscape section of State Medicaid HIT Plan

#### **Develop Vision of the HIT Future**

- Background: research innovative State and National HIT/HIE initiatives
- Develop vision: convene internal state workgroup and/or Medicaid HIT stakeholder discussion groups; convene external workgroup and/or Medicaid HIT stakeholder discussion groups: Providers, consumers, advocates, others
- Draft document: Draft vision of Medicaid HIT landscape for State Medicaid HIT Plan

#### **Perform a Gap Analysis**

- Perform a policy gap analysis that compares the As-Is Environment with the To-Be Environment and identifies the specific areas that do not meet DHS/OHA' future vision
- Perform a technical gap analysis that compares the As-Is Environment with the To-Be Environment and identifies the specific areas in the As-Is Environment that do not meet DHS/OHA' future vision
- Draft document: Draft document with results of gap analyses

#### **Define Specific Actions to Implement the Incentive Program and track Meaningful Use**

- Incentives program business roadmap: Convene workgroup, develop criteria to identify eligible professionals and hospitals, define action steps for calculating and processing payments, solicit input on draft criteria and action steps, finalize
- Track and monitor meaningful use: Convene workgroup and contract for data and quality consultant, identify options for tracking meaningful use, develop draft meaningful use criteria and recommendations for tracking mechanism, solicit internal and external feedback, finalize criteria and tracking recommendations
- Incentives program technical roadmap: Convene workgroup, develop technical specifications required to implement the incentives program, allow reporting of and tracking of meaningful use criteria
- Incentives program technical roadmap: Convene workgroup, identify steps needed to prevent erroneous payments, develop oversight policies and procedures, identify penalties and enforcement mechanisms, solicit input on draft steps and policies, finalize
- Workgroups will also identify system and process changes that will be needed for the successful implementation of the program

#### **Define Specific Actions to Implement EHR Adoption Initiatives**

- Provider outreach, education, and communications: Convene a team to be responsible for coordinating and developing all provider outreach, education and communications. These resources will work closely with the HITOC and the REC teams to share contractor resources, avoid duplication of effort, and support a coordinated approach to provider communications and outreach. Contractor to conduct provider focus groups, develop communication strategy and messaging, and develop communication materials

- Privacy and Security planning: Convene a team to work with legal consultants and a stakeholder workgroup to evaluate and propose privacy and security policies, building off the work of Oregon's Health Information Security and Privacy Collaborative (HISPC) efforts. Deliverables will include data use agreements and other legal documents, and a privacy and security plan for inclusion in the SMHP, as well as policies and recommending changes to existing state laws, regulations and policies
- Provider EHR loan program: The HITOC and State Medicaid HIT Planning team will work with the REC to identify mechanisms to promote EHR adoption across all Medicaid providers in Oregon. Oregon will explore whether a provider EHR loan program would be a meaningful and feasible mechanism to address barriers faced by Oregon providers who current lack EHR systems. Oregon will use a contractor to assess needs and analyze the feasibility of a provider EHR loan program for providers who lack the resources to purchase EHR systems.
- Community Behavioral Health HIT planning: The Community Behavioral Health HIT Plan, to be included in Oregon's SMHP, will focus on activities to promote EHR adoption for community addictions and mental health providers delivering Medicaid services. Activities include an environmental scan of behavioral health providers' use of EHR, planning for the release of a public option Community-Electronic Behavioral Health Record, linking community providers to the Behavioral Health Integration Project within the Oregon mental health state hospital system, working with the HITOC to develop a behavioral health component to the state HIE strategic and operational plan, and working with the HITOC around standards definitions for data transfer.
- Public Health HIT planning: The Public Health HIT plan, to be included in Oregon's SMHP, will focus on promoting and enhancing Medicaid provider use of EHRs to exchange public health data effectively and easily through Oregon's HIE, thus improving health outcomes and reducing costs. In particular, Oregon will plan for systems upgrades, interfaces, and new systems to address four areas: enhancing mandated disease reporting systems, providing a read/write module for immunization registry, developing a Family Health Profile quality tracking and follow-up alert system as an extension of the Medicaid EPSDT data, and sharing public health registry data with providers via Oregon's health information exchange.
- Long Term Care HIT Planning: The Long-Term Care HIT plan, to be included in Oregon's SMHP, will focus on interoperability of health and social service delivery records that will enhance the quality and efficiency of long-term care services for Medicaid clients.

### **Define Specific Actions to Implement Initiatives to Promote Electronic Data-Sharing to Improve Outcomes**

- Organizational HIT Capacity: Convene a team to develop an HIT Organizational Capacity and Implementation Plan component of Oregon's SMHP, to assess the organizational needs and develop an HIT Program Office. This plan will include a technical assessment of DHS/OHA HIT systems and propose a plan to build a shared IT architecture that will support a transformed health and social service delivery system in Oregon. Specific tasks include: contracting for an organizational capability assessment, to include HIT Office Planning, HIT staffing capacities and gaps, and development of state staff training on quality standards reporting and EHR adoption
- ORHIE Statewide HIE Planning: As mentioned throughout this document, the Medicaid HIT planning project will work closely to align and synchronize resources with the HITOC's statewide HIE planning process. Medicaid HIT Planning team members and Medicaid subject matter experts will participate in the development of Medicaid portion of the state HIE plan. Further, the state HIE will support Medicaid providers and will connect DHS/OHA programs to providers to allow for the exchange of health-related data. Due to the direct benefits of the state HIE on Oregon's Medicaid HIT plans, Oregon is requesting P-APD funding to include the Medicaid portion of Oregon's state HIE planning process. This proportion is estimated at 39% of state HIE planning costs, based on Oregon's FFP for health planning activities used by the Office

of Oregon Health Policy and Research (OHPR). OHPR is the DHS/OHA office that staffs the HITOC as well as the health reform efforts and other health policy and planning efforts.

- Local HIE Planning Development Grants: These competitive grants for Oregon's local HIE planning efforts will include 3 awards of \$35,000 each for HIEs to complete planning needed to become operational, and 5 awards of \$10,000 each for operational HIEs to plan interface applications that would enable linking to Medicaid reporting systems and/or to incorporate Medicaid providers into the HIE. Specific tasks include: developing and releasing a notice of grant opportunity, convening a grant review panel, reviewing applications, awarding grants, and monitoring funds and grant activities
- Health Records Bank of Oregon (HRBO): As described in the background section of this document, the HRBO will provide personal health records bank for Medicaid clients in Oregon through a Medicaid Transformation Grant. Oregon is requesting P-APD funding to supplement the HRBO planning project with an assessment for sustainability options that will incorporate the new environment in which the HRBO exists today and identify options for sustaining this project after its current funding ends.
- National Exchange of Health Information: As part of the planning process, Oregon will incorporate services such as Nationwide Health Information Network (NHIN) CONNECT gateway exchange health information with other national health systems (such as those administered by the Veteran's Administration) through standards, protocols, legal agreements, specifications, and services that enables the secure exchange of health information over the internet.

#### **Prepare Medicaid HIT Roadmap**

- Develop content: identify and prioritize areas that will need to be addressed in a State Medicaid HIT Roadmap; identify key milestones, identify interdependencies and risks; define the roles of the Medicaid and other DHS/OHA agencies; develop measureable benchmarks and oversight plan; coordinate with HITOC to ensure that the Medicaid HIT Roadmap is aligned with the State Strategic and Operational plan for statewide HIE
- Draft document: Draft Medicaid HIT roadmap for State Medicaid HIT Plan

#### **Prepare State Medicaid HIT Plan (SMHP) and Implementation Advance Planning Document (IAPD) Documents**

- Develop content: Develop an implementation budget based on the Medicaid HIT Roadmap
- Draft the State Medicaid HIT Plan (SMHP) that includes 6 sections: the environmental assessment; vision of the future; steps to implement the incentives program; steps to implement the provider EHR adoption initiatives; and steps to coordinate with and implement the Medicaid-integrated HIT/HIE projects; and a Medicaid HIT Roadmap
- Draft the Implementation Advance Planning Document (IAPD) that requests 90% FFP to implement the State Medicaid HIT Plan
- Finalize and submit documents: Obtain consensus and finalize the SMHP and IAPD, submit to CMS

## **II. Project Organization**

This section describes the Medicaid HIT Planning Project Organization that will support the planning activities and successful development of the State Medicaid HIT Plan. The project organization includes State executives and knowledge experts throughout the Department of Human Services as well as contracted resources.

See Appendix A for a project organization chart that depicts the organizational structure for the Medicaid HIT Planning Project as integrated within the Statewide HIT planning structures, and Appendix D for a matrix of staffing and contractor roles by project activity. The Project organizational structure and key personnel for the Medicaid HIT Planning Project will include:

**Project Sponsors** – Project sponsors will be responsible for providing overall direction for the planning project and approving the State Medicaid HIT Plan. Sponsors include:

- Judy Mohr Peterson (Medicaid Director)
- Rick Howard (Chief Information Officer, DHS/OHA)

**State Medicaid HIT Plan (SMHP) Steering Committee** – Members of the advisory committee will meet regularly to advise and provide input into the Medicaid HIT planning process, and ensure coordination with other HIT planning and implementation efforts underway. Advisors may also participate in work group sessions to support the development of the State Medicaid HIT Plan. Advisor participation will be essential to achieving a unified approach to HIT/HIE and help promote efficiency. The Advisory Committee will include representatives from MMIS, HITOC, MITA, Behavioral Health, Public Health, and Long Term Care. The State-Designated Medicaid HIT Point of Contact will participate in SMHP Advisory Committee meetings.

State-Designated Medicaid HIT Point of Contact

Aaron Karjala (Deputy Chief Information Officer, DHS/OHA)

Contact information: 503-559-3022, [aaron.karjala@state.or.us](mailto:aaron.karjala@state.or.us).

**Medicaid HIT Planning Team** – The Medicaid HIT planning team will work closely with program and policy subject matter experts and advisory committee members to carry out all aspects of the State Medicaid HIT Planning project. In particular, the Medicaid HIT planning team will work closely with the HITOC and ORHIE statewide HIE planning team. For specific breakdown of planning team roles, see Appendix D.

- Medicaid HIT Planning Project Manager –The Medicaid HIT planning project manager will be selected upon approval of this PAPD and will report ultimately to the Oregon Medicaid Director. The HIT planning project manager will be responsible for all project management related activities including work planning, communication planning, issue management, and project status reporting. The HIT project manager will also have overall responsibility for coordinating the development of the State Medicaid HIT Plan and serve as the liaison with the SMHP Steering Committee and Project Sponsors. To ensure the Medicaid HIT Planning project begins as early as possible, DHS/OHA anticipates hiring a temporary contractor to fill this position initially.
- Core Medicaid HIT Planning Staff – In addition to the Project Manager, DHS/OHA will recruit and/or hire a core team of eight staff to carry out and facilitate the planning activities, staff workgroup meetings, develop requirements for contractors, conduct research and develop materials, work closely with contractors and committees to develop content, prepare deliverables, and coordinate amongst the public and private EHR and HIE initiatives that relate to the SMHP development. These staff will include a mix of HIT systems analysts and business systems analysts.
- Subject Matter Experts –Subject matter experts will participate in work group sessions to support the development of the State Medicaid HIT Plan. Policy experts will provide relevant input regarding current programs and policies and how those policies will be impacted by the new program and future vision.
- Contractors – To inform and facilitate the planning process, DHS/OHA anticipates hiring contractors for the following purposes: advise on HIT strategy, facilitate stakeholder and

workgroup processes, conduct financial assessments and environmental scan activities (provider survey, landscape assessment, gap analysis, EHR adoption initiatives assessments), conduct data and quality metrics analysis, conduct technology architecture assessments, analyze organizational HIT capacity, advise on privacy and security plan and develop legal documents, and conduct market research and develop provider education strategies and messaging.

**Incentive Program Development:** DHS/OHA anticipates using workgroups and strategy teams around the following specific projects.

- Assessing the Current Medicaid HIT Environment and Gap Analysis Team – This group will work with a contractor to research and describe current environment of Medicaid HIT. After the vision is developed, this group will return to the environmental analysis and analyze the gap between the current and future landscapes.
- Developing the Vision of the Future Medicaid HIT Landscape – This workgroup will develop a robust vision of Medicaid HIT in the next five years.
- Incentive Program Business Development – This workgroup will define actions steps to identify eligible professionals and hospitals, establish the policy and business processes to process payments and prevent duplicate payments, and identify system and process changes that will be needed for successfully implementing the program.
- Meaningful Use: Data and Quality - Data and quality analysts will provide input into the new incentive payment program as it relates to quality and the tracking and reporting of meaningful use.
- Incentive Program Technical Development – This workgroup will define the technical systems architecture specifications and requirements for implementation of the incentive program and the reporting of meaningful use.
- Incentive Program Oversight Mechanisms Development – This workgroup will define the oversight mechanisms to ensure that the incentive program only provides incentives to providers who achieve meaningful use.

**Provider EHR Adoption Initiatives:** DHS/OHA anticipates using workgroups and strategy teams around the following specific projects, defined under the Planning Activities section of this document.

- Provider Outreach and Communications
- Privacy and Security Plan Development
- Provider EHR Loan Program
- Community Behavioral Health HIT Planning
- Public Health HIT Planning
- Long-Term Care HIT Planning

**Initiatives to Promote Electronic Data-Sharing to Improve Outcomes:** DHS/OHA anticipates using workgroups and strategy teams around the following specific projects, defined under the Planning Activities section of this document..

- DHS/OHA Transition and Organizational Capacity HIT Planning
- Local HIE Plan Development Grants
- HITOC and ORHIE Planning
- Health Records Bank of Oregon (HRBO) Planning

### III. Project Schedule

This section describes the schedule and milestones for the completion of key events as well as DHS/OHA' vision of CMS' role throughout the planning process. **Oregon expects that a State Medicaid HIT Plan and an Implementation Advance Planning Document would be ready for CMS review no later than October 30, 2010.**

Key Events / Deliverables	Target Completion Date	CMS Role
Submit the <b>Medicaid HIT P-APD to CMS (Deliverable)</b>	2/1/2010	
Obtain CMS Approval of the Medicaid HIT P-APD	2/15/2010	<b>Approval</b>
Project Start-Up	4/01/2009	
Conduct Current HIT Landscape Assessment – As-Is Environment	4/15/2010	
Develop Vision of the HIT Future – To-Be Environment	5/15/2010	
Perform a Gap Analysis	6/15/2010	
Define Specific Actions to Implement the Incentive Program	8/01/2010	
Define Specific Actions to Implement the Provider EHR Adoption Initiatives	8/01/2010	
Define Specific Actions to Implement the Medicaid-Integrated HIT/HIE Projects	8/01/2010	
Prepare Medicaid HIT Roadmap	8/28/2010	
Submit <b>State Medicaid HIT Plan (Deliverable)</b>	9/28/2010	
Obtain CMS Approval of State Medicaid HIT Plan	10/15/2010	<b>Approval</b>
Submit <b>HIT Implementation Advance Planning Document (IAPD) (Deliverable)</b>	10/15/2010	
Obtain CMS Approval of HIT IAPD	10/30/2010	<b>Approval</b>

## Section 3: Proposed Project Budget

### I. Resource Needs

#### a. State Resources

Personnel: State resource costs are based on the effort that state staff will be required to provide to manage and participate in the planning activities. This estimate is based on the projected timelines and resources that will be required to complete the State Medicaid HIT Plan deliverable within the timeframe provided in the P-APD. DHS/OHA is projecting an estimate of \$1,212,952 in state resource costs for planning activities. These costs include salary and fringe benefits.

Supplies and Services for New FTE: DHS/OHA anticipates hiring up to 14.5 FTE to conduct the planning activities proposed in this P-APD. Budget estimates for supplies and services for new FTE include one-time purchases such as computers and furniture, and monthly costs such as supplies and services associated with equipping new staff. DHS/OHA anticipates a total of \$247,656 for these new staff.

Other state resources: DHS/OHA anticipates \$20,000 in supplies, meeting costs, and printing costs.

#### b. Contractor Costs

DHS/OHA will engage contractors to support the project throughout the planning and phases since it does not have enough staff with the knowledge and expertise to execute a project of this complexity and importance. DHS/OHA estimates this cost to be \$2,357,810 for all of the Medicaid HIT planning activities.

#### c. State Travel Costs

DHS/OHA staff will travel within state to attend meetings with providers and other HIT/HIE stakeholder groups as the State Medicaid HIT Plan is being developed. State staff also expect to attend Medicaid HIT/HIE and related national conferences. Travel costs are estimated to be \$27,000.

#### d. Multi-State Collaboration Participation

DHS/OHA would like to participate in the National Association of State Medicaid Director's multi-state collaborative. DHS/OHA believes the information, trainings and workgroups that will be provided by the collaborative will provide DHS/OHA with many benefits, such as lessons learned, as we develop our State Medicaid HIT Plan. Collaboration dues are \$8,000.

The Oregon Department of Human Services certifies that it has available its share of the funds required to complete the activities described in this HIT P-APD. The State requests approval to proceed with federal funding at the above levels.

### II. Estimated Budget for Planning Activities

The following table provides a breakout of the estimated costs by budget category and planning activity. This table also presents the percentage of FFP being requested and the projected Federal and State allocations.

**Medicaid HIT Planning Project Estimated Budget**

	Estimated State Costs	Estimated Contractor Costs	Total Costs	% of FFP	State Share	Federal Share
<u>DHS/OHA Staffing*</u>						
• Medicaid (DMAP)	\$799,774		\$799,774	90	\$79,977	\$719,796
• Behavioral Health (AMH)	\$105,994		\$105,994	90	\$10,599	\$95,395
• Public Health (PHD)	\$230,366		\$230,366	90	\$23,037	\$207,329
• Long Term Care (SPD)	\$76,818		\$76,818	90	\$7,682	\$69,136
• New FTE services & supplies	\$247,656		\$247,656	90	\$24,766	\$222,890
<i>Subtotal staffing:</i>	<i>\$1,460,608</i>	<i>\$0</i>	<i>\$1,460,608</i>	<i>90</i>	<i>\$146,061</i>	<i>\$1,314,547</i>
<u>Incentives Program</u>						
• Contractors		\$702,800	\$702,800	90	\$70,280	\$632,520
<i>Subtotal Incentives Program:</i>		<i>\$702,800</i>	<i>\$702,800</i>	<i>90</i>	<i>\$70,280</i>	<i>\$632,520</i>
<u>Provider Adoption of EHR Initiatives: Contractors</u>						
• Provider outreach and communications planning		\$170,000	\$170,000	90	\$17,000	\$153,000
• Privacy and security planning		\$150,000	\$150,000	90	\$15,000	\$135,000
• Provider EHR loan program planning		\$50,000	\$50,000	90	\$5,000	\$45,000
• Behavioral Health		\$150,000	\$150,000	90	\$15,000	\$135,000
• Public Health		\$60,000	\$60,000	90	\$6,000	\$54,000
• Long Term Care		\$30,000	\$30,000	90	\$3,000	\$27,000
<i>Subtotal EHR Adoption Initiatives:</i>		<i>\$610,000</i>	<i>\$610,000</i>	<i>90</i>	<i>\$61,000</i>	<i>\$549,000</i>
<u>Medicaid-Integrated HIT/HIE Projects: Contractors</u>						
• OHA/DHS Shared-services IT architecture planning		\$350,000	\$350,000	90	\$35,000	\$315,000
• Statewide HIE (ORHIE) planning		\$472,788	\$472,788	90	\$47,279	\$425,510
• Local HIE planning development grants		\$172,222	\$172,222	90	\$17,222	\$155,000
• Health Records Bank of Oregon sustainability planning		\$50,000	\$50,000	90	\$5,000	\$45,000
<i>Subtotal Medicaid HIT Projects:</i>		<i>\$1,045,010</i>	<i>\$1,045,010</i>	<i>90</i>	<i>\$104,501</i>	<i>\$940,509</i>
<u>Other Costs:</u>						
• Misc (meeting costs, printing)	\$20,000		\$20,000	90	\$2,000	\$18,000
• State Travel Costs	\$27,000		\$27,000	90	\$2,700	\$24,300
• Multi-State Collaboration	\$8,000		\$8,000	90	\$800	\$7,200
<i>Subtotal Other Costs:</i>	<i>\$49,000</i>	<i>\$0</i>	<i>\$49,000</i>	<i>90</i>	<i>\$4,900</i>	<i>\$44,100</i>
<b>Total</b>	<b>\$1,564,608</b>	<b>\$2,357,810</b>	<b>\$3,922,418</b>	<b>90</b>	<b>\$392,242</b>	<b>\$3,530,176</b>

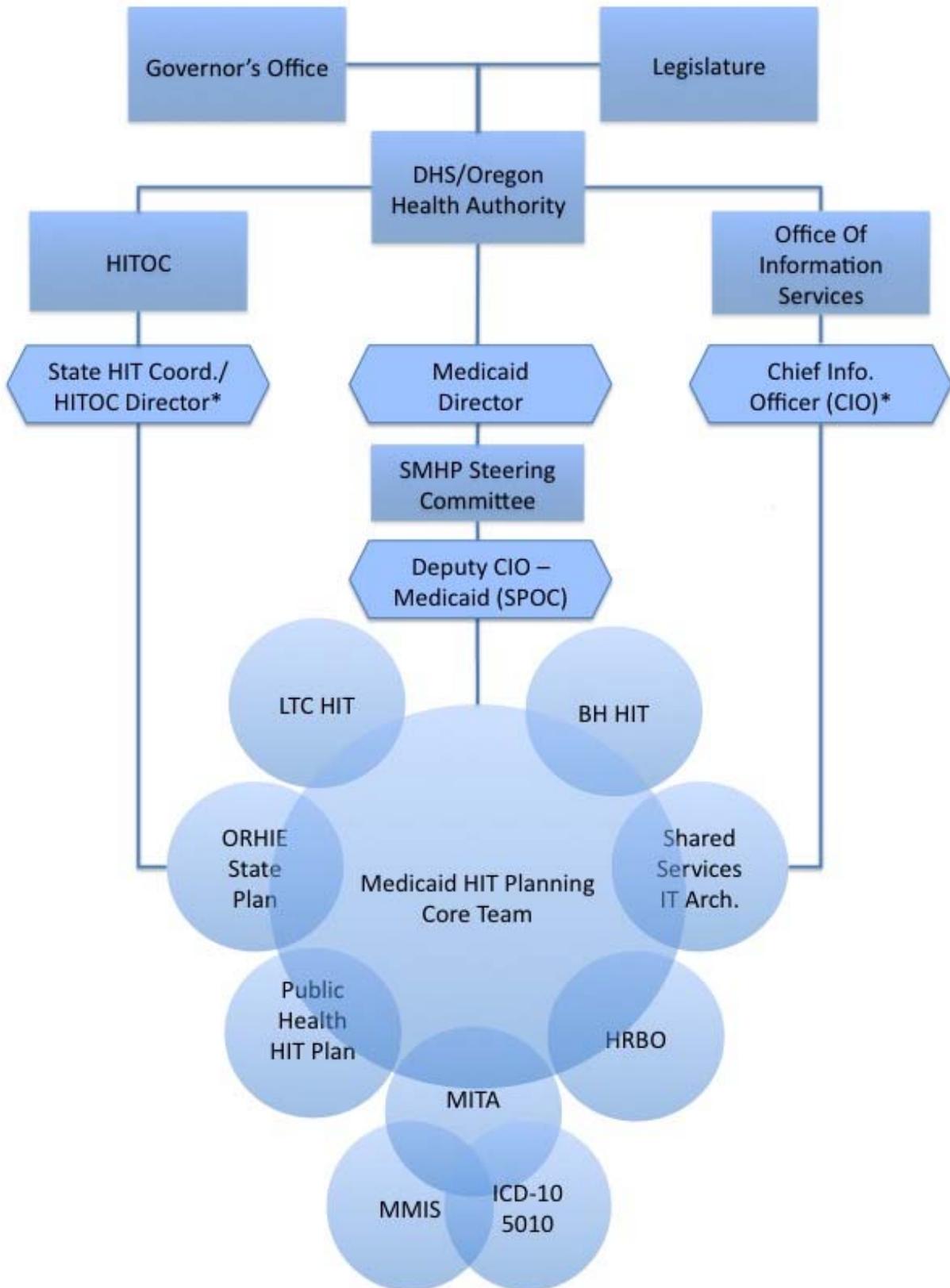
\*Note, All proposed staff are within or detailed to the Oregon Medicaid Program

**Section 4: Assurances**

The State of Oregon assures that the proposed State Medicaid HIT Planning Project will meet all applicable state and federal regulations including:

- Yes  No 1) Procurement Standards (Competition/Sole Source) 45 CFR Part 95.613
- Yes  No 2) Security/HIPAA Compliance 45 CFR Part 164
- Yes  No 3) Software Ownership, Federal Licenses and Information Safeguarding 45 CFR 95.617
- Yes  No 4) Information safeguarding/Access to Records 42 CFR Part 431.300

**Appendix A: Oregon Medicaid HIT Planning Project Organizational Chart**

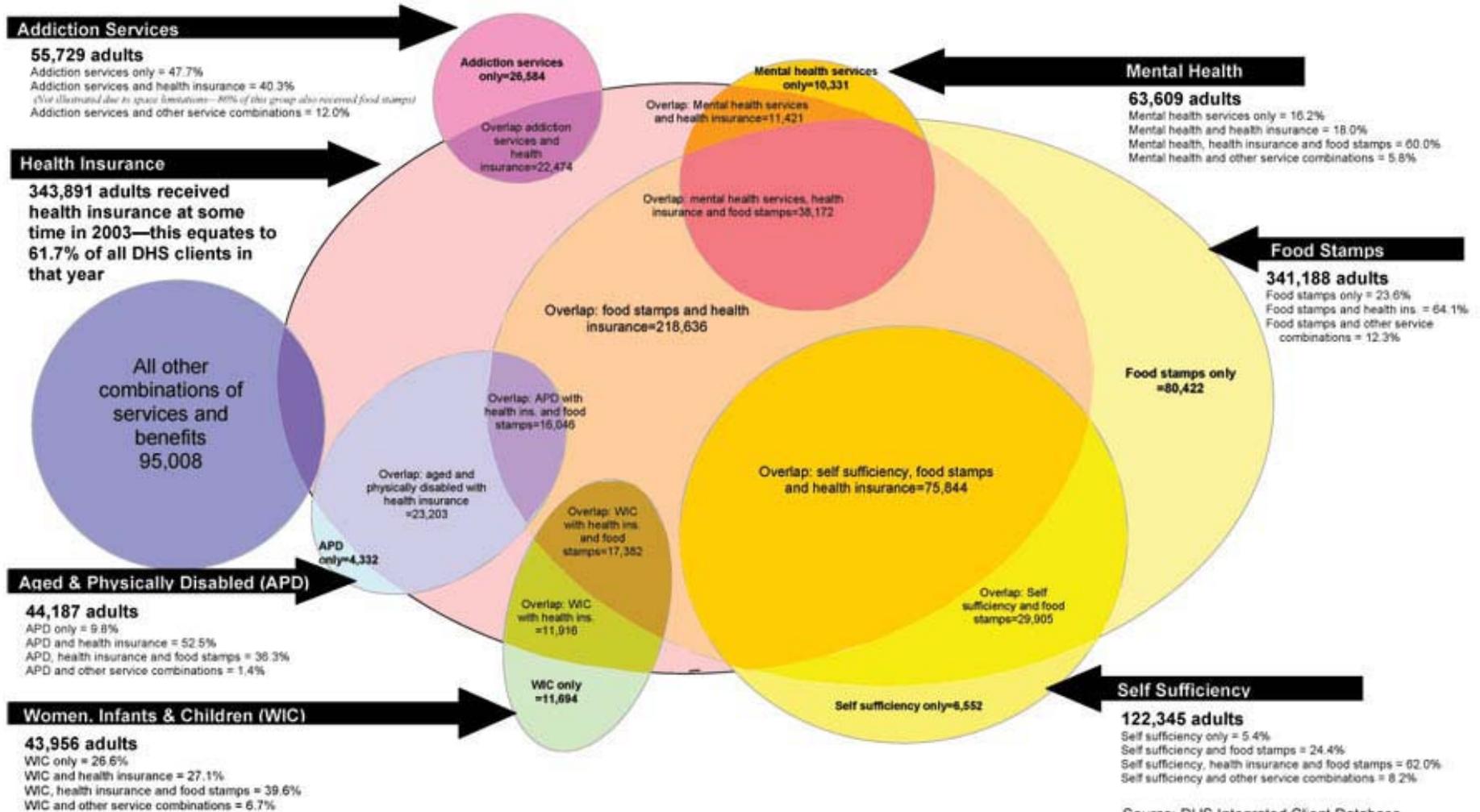


\*State HIT Coordinator/HITOC Director is also a SMHP Steering Committee member; CIO is also HITOC vice-chair, and SMHP co-sponsor.  
 Acronyms: HITOC: HIT Oversight Council; SMHP: State Medicaid HIT Plan; SPOC: Single Point of Contact; LTC: Long Term Care; BH: Behavioral Health; ORHIE: Oregon Health Information Exchange; HRBO: Health Records Bank of Oregon; MITA: Medicaid Information Technology Architecture; MMIS: Medicaid Management Information System; ICD-10 5010: 10<sup>th</sup> revision of the International Classification of Diseases (ICD-10) and 5010 version of the X12 HIPAA transactions.

## Appendix B: Overlap of DHS/OHA Services (Adults, 2003)

# 557,183 Adults Served by DHS in 2003

This graphic shows how services to adults ages 18 and up overlap across major program areas.

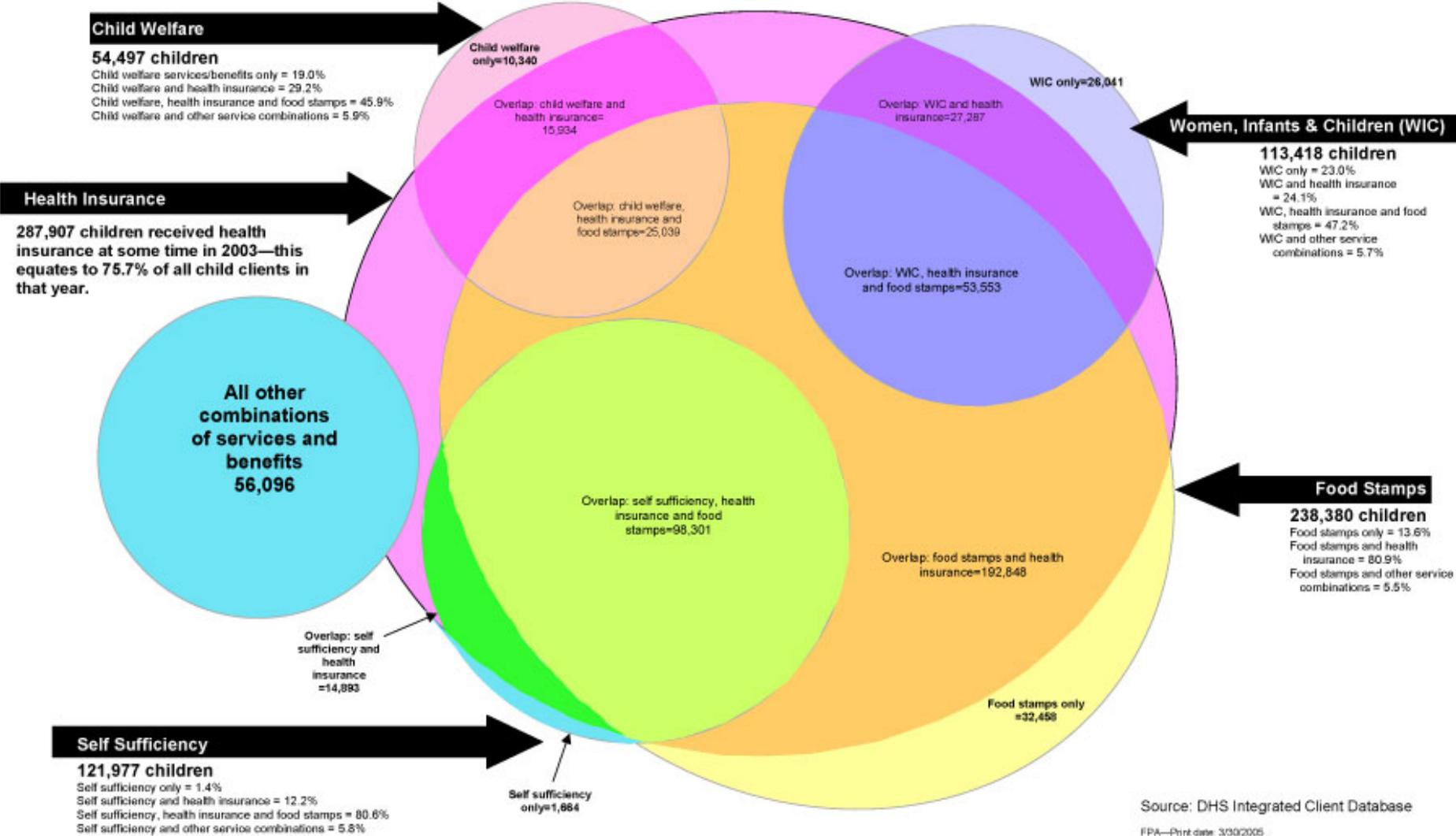


Source: DHS Integrated Client Database  
 DHS - Print date: 3/30/2005

### Appendix C: Overlap of DHS/OHA Services (Children, 2003)

# 380,439 Children Served by DHS in 2003

This graphic shows how services to children overlap across major program areas.



Appendix D: Medicaid HIT Planning Project Staff and Contractor Roles

Oregon Medicaid HIT P-APD, Feb. 1, 2010

Staffing	New	% FTE	# Mos	Program	Role	Incentive Program						Provider EHR Adoption Initiatives					Data Sharing Initiatives to Improve Outcomes						
						Environ-mental Scan (As-Is)	Vision (To-Be)	Gap Analysis	Incentive program: Business Roadmap	Incentive program: Technical Roadmap	Meaningful Use Criteria, Tracking	Incentive program: Oversight Roadmap	Provider Outreach/Communic	Provider Privacy/Security	Provider EHR Loans	Community Behavioral Health HIT	Public Health HIT	Long Term Care HIT	OHA Transition HIT Capacity	Local HIE grants	HITOC and ORHIE	Health Records Bank of OR	
<b>Project Sponsors and SMHP Steering Committee</b>																							
Aaron Karjala, Deputy DCIO, Medicaid	No	15%	8	HIT Planning	Advisor	X	X			X	X	X		X		X	X	X	X		X	X	
Carol Robinson, HITOC Director, State Coordinator, HIT	No	15%	8	HITOC	Advisor		X		X		X	X	X	X	X	X	X	X	X	X	X	LEAD	X
Susan Otter, HITOC Policy Analyst	No	10%	8	HITOC	Advisor	X			X		X	X	X	X	X	X	X	X	X	X	X	X	X
Russell Hargrave, Deputy CIO, Public Health Division	No	5%	8	Public Health	Advisor	X	X			X						X			X				
Jon Collins, Manager, Program Analysis and Evaluation Unit, Addictions and Mental Health	No	5%	8	Behavioral Health	Advisor	X	X			X					X				X				
Kurtis Danka, Deputy DCIO, Seniors and Persons with Disabilities	No	5%	8	Long Term Care	Advisor	X	X			X							X		X				
All other high-level advisors	No	10%	8	Various	Advisor	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
<b>Medicaid HIT Planning Project Core Team</b>																							
Interim contracted Project manager	Yes	100%	3	Medicaid		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Project Manager (PEM-E)	Yes	100%	6	Medicaid		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Medicaid HIT Systems Architect (ISS-8)	Yes	100%	7	Medicaid	Technical					LEAD	X				X	X	X	X	X	X	X	X	X
Senior systems analyst (ISS-7)	Yes	100%	7	Medicaid	Technical					X	X				X	X	X	X	X	X	X	X	X
Sr Business Systems Analyst (OPA4)	Yes	100%	7	Medicaid	Incentive	LEAD	LEAD	LEAD	LEAD	X	LEAD											X	X
Sr Business Systems Analyst (OPA4)	Yes	100%	7	Medicaid	Privacy	X	X	X	X					LEAD	LEAD								X
Sr Business Systems Analyst (OPA4)	Yes	100%	7	Medicaid	Public Health, HITOC	X	X	X	X		X	X	X		X		LEAD	X					LEAD
Business Systems Analyst (OPA3)	Yes	100%	7	Medicaid	Writer	X	X	X	X	X	X	X	X	X	X				X	X	X	X	X
Business Systems Analyst (OPA3)	Yes	100%	7	Medicaid	Behavioral	X	X	X	X	X	X				LEAD		LEAD						LEAD
Business Systems Analyst (OPA3)	Yes	100%	7	Medicaid	Outreach	X	X	X	X	X	X	LEAD										LEAD	X
<b>Community Behavioral Health HIT Planning*</b>																							
Project Coordinator (OPA3 - DMAP)	Yes	100%	7	Medicaid	Coordinator							X	X		LEAD							X	
System Architect (IS8)	Yes	100%	7	Medicaid	Technical							X	X		X								
Sr Business Systems Analyst (OPA4)	Yes	100%	7	Medicaid	Analyst							X	X		X								
<b>Public Health HIT Planning*</b>																							
Project Coordinator (OPA3 - DMAP)	Yes	50%	7	Medicaid	Coordinator							X					LEAD					X	
System Architect (IS8)	Yes	100%	7	Medicaid	Technical							X			X								
Sr Business Systems Analyst (OPA4)	No	100%	7	Medicaid	Reporting							X			X								
Sr Business Systems Analyst (OPA4)	No	100%	8	Medicaid	Immuniz, Family Health							X						X					
Sr Business Systems Analyst (OPA4)	No	100%	8	Medicaid	Registries							X						X					

