Health Information Technology Oversight Council
May Meeting

Thursday, May 6, 2010
10:00 am – 5:00 pm
Oregon State Library, Room 103
250 Winter St NE
Salem, OR 97301

Health Information Technology Oversight Council
May Meeting
May 6, 2010

Meeting Agenda

10:00 Agenda and Proposed outcomes review. Approve minutes – Steve Gordon

10:10 Team Update
- Executive Summary – Carol Robinson
- Governance and Technology Phasing – John Hall
- Key milestones – Chris Coughlin
  - Progress to date
  - Plan submission timeline

11:30 Working Lunch

Administrative Simplification Committee – Lynn-Marie Crider

Workforce

--OHSU- Paul Gorman

--PCC- Paul Wild

Health Information Technology Oversight Council May Meeting

May 6, 2010

Meeting Agenda

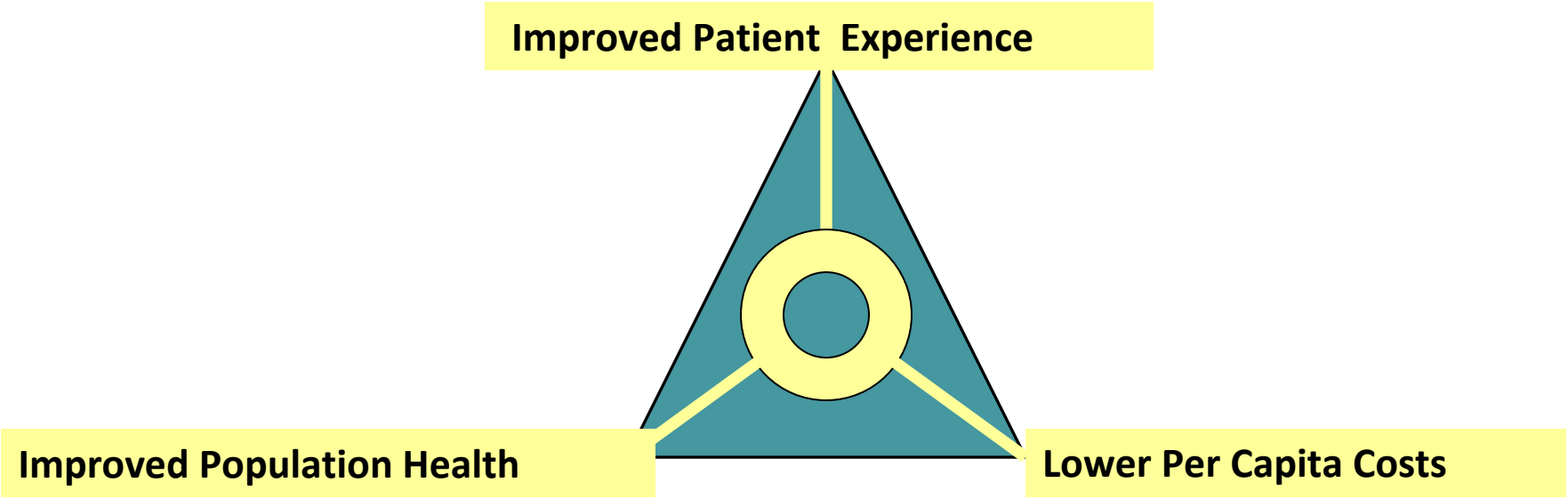
1:00	Legal and Policy Strategic Workgroup Input – Kahreen Tebeau Discussion
2:15	Break
2:30	Business and Operations/Finance Strategic Workgroup Input – Mindy Montgomery, John Hall, Dave Witter Discussion
3:45	Updates O-HITEC – Dr. Chip Taylor P-APD – Susan Otter Oregon Health Network – Kim Lamb Opportunities for Stakeholder Input – Chris Coughlin
4:45	Public Comment
5:00	Conclude meeting

Meeting Outcomes

- Updates regarding current landscape and work in progress
- HITOC agreement regarding domain phasing and directional approach

Executive Summary

Oregon Health Authority Triple Aim Goal



1. Improve the lifelong health of all Oregonians
2. Increase the quality, reliability, and availability of care for all Oregonians
3. Lower or contain the cost of care so it is affordable to everyone

Governance Recommendation

- Phase 1: The state to develop and set HIE policies, requirements, standards and agreements through the existing HITOC and OHA mechanisms
  - Potentially revisit the HITOC composition to assure that membership reflects the goals and the stakeholder mix necessary to enable statewide HIE and assure all interested parties have a place at the table
- Phase 2: Establish non-profit Statewide HIO
  - Use non-profit as a central contracting point for providers for data use and business associate agreements with Regional/Community HIOs and data providers
  - The statewide HIO to develop "light" operational capacities for centralized services required for HIE
- ***Phase 3: If Necessary*** (i.e. if Regional/Community HIOs are not able to cover gaps in statewide HIE Coverage) the Statewide HIO will develop "heavier" operations to provide clinical and administrative HIE supports that cover geographic and functional gaps in HIE coverage

Technology Recommendation

- Phase 1
  - Selection and adoption of standards for HIO-to-HIO communication and data transport
  - Planning for Phase 2 technology and support services
- Phase 2
  - Implementation of potential technology and support services offerings
    - Master Provider Index
    - Reference implementation of HIO-to-HIO connection
    - Support for quality and public health information exchange
    - Legal toolkit
    - NHIN Connection via NHIN Connect or NHIN Direct
  - Planning for potential Phase 3 services
- Phase 3, if necessary
  - Geographical and functional gaps fulfillment
  - Opportunistic revenue-generating services

Phasing and HIE Domains

Domain	Phase 1	Phase 2	Phase 3
Governance	Adoption of policies, requirements, standards and agreements - Statewide standards and/or certifying body could be HITOC in some form	Non-profit entity created in conjunction with financial sustainability plan and legislative approval, to act as central contracting agency, with small-scale operations	Non-profit develops larger operations to support HIE, if needed
Technology	Selection and Adoption of Standards and requirements, including strategies for meeting the needs of underserved areas	Implementation and operation of centralized services, as necessary	Operation of HIE services to cover gaps and underserved areas, if needed

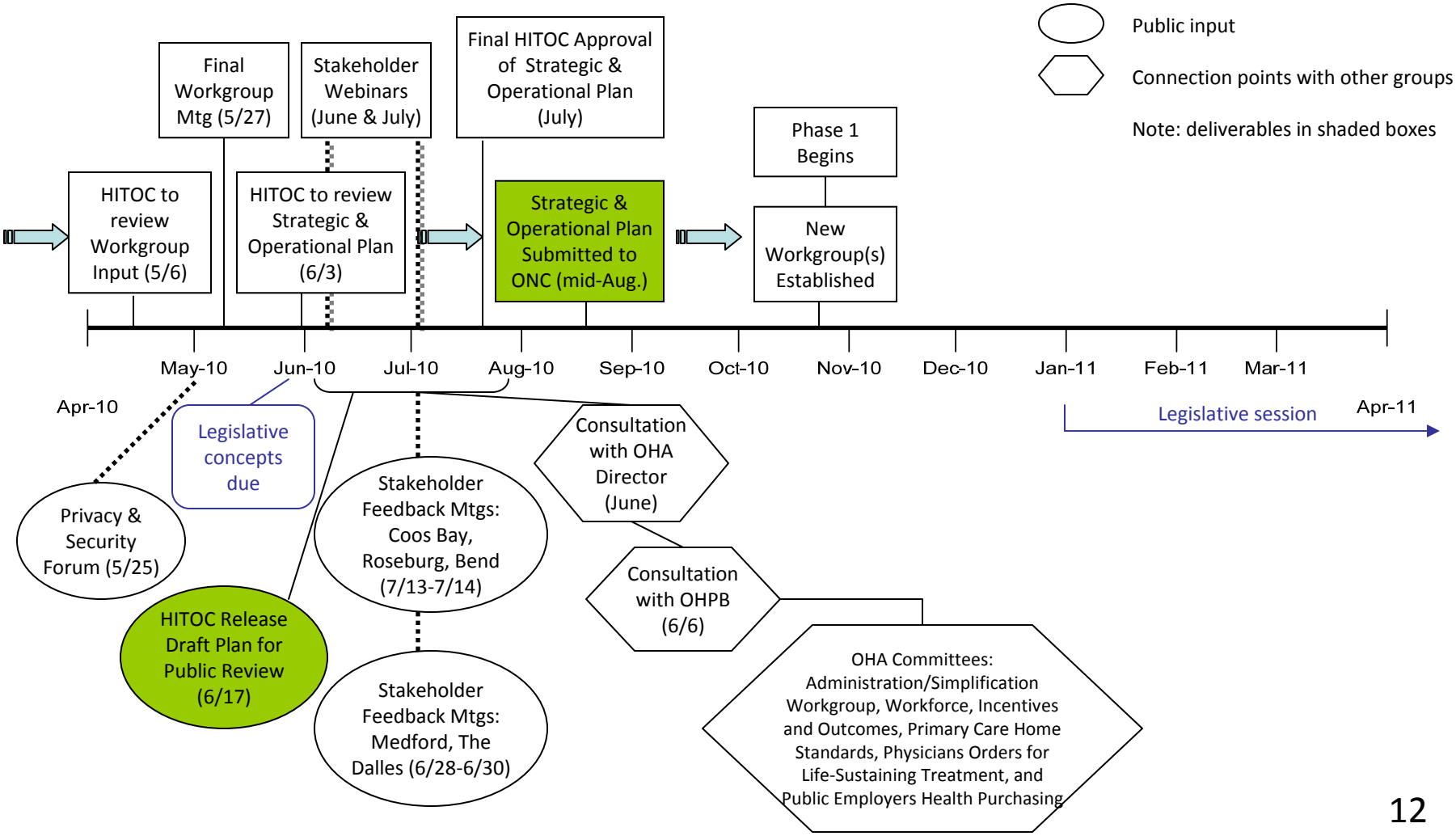
Selected Highlights

- July 2009: Initial HIT Stakeholder Meeting
- Fall 2009-ongoing: Presentations to Stakeholder Groups
- September 2009: Letter of Intent submitted to ONC for Statewide HIE Cooperative Agreement
- October 2009: First HITOC meeting
- October 2009: Statewide HIE Cooperative Agreement Application submitted to ONC
- October 2009 – April, 2010: Monthly HITOC Updates
- November 2009: HITOC Stakeholder Survey and Targeted Stakeholder Meetings
- December 2009 – January 2010: Beacon Community Evaluation Process

Selected Highlights

- January – April 2010: 7 Strategic Workgroup Meetings (cont. in May)
- February 2010: Cooperative Agreement Awarded
- February 2010: OCHIN named as Oregon's REC
- February – April 2010: 3 Stakeholder Webinars to Update Progress and Gather Input
- March 2010: Updated EHR Survey Shows Oregon Adoption Ahead of National Rates
- March 2010: Medicaid P-APD for HIT Planning Awarded
- April 2010: Survey of County Public Health Depts.
- April 2010: OHSU & PCC receive HIT Workforce grants
- April 15, 2010: HIO Summit Held

Timeline for Completion of HIE Plans



Working Lunch

Administrative Simplification Committee
Lynn-Marie Crider

OHSU
Paul Gorman

A big advocate for HIT workforce development

- "To improve the quality of our health care while lowering its cost, we will make the immediate investments necessary to ensure that within five years, all of America's medical records are computerized … It just won't save billions of dollars and thousands of jobs – it will save lives." (January 5, 2009)

ONC estimates 51,000 needed for the HITECH agenda in 12 job roles

- Mobile Adoption Support Roles
  - Implementation support specialist*
  - Practice workflow and information management redesign specialist*
  - Clinician consultant*
  - Implementation manager*
- Permanent Staff of Health Care Delivery and Public Health Sites
  - Technical/software support staff*
  - Trainer*
  - Clinician/public health leader†
  - Health information management and exchange specialist†
  - Health information privacy and security specialist†
- Health Care and Public Health Informaticians
  - Research and development scientist†
  - Programmers and software engineer†
  - Health IT sub-specialist†

(to be trained in *community colleges and † universities – see ONC, 2009)

ONC workforce development program

- Community College Consortia to Educate Health Information Technology Professionals Program ($70M)
- Curriculum Development Centers Program ($10M)
- Competency Examination for Community College Programs ($6M)
- Program of Assistance for University-Based Training ($32M)

Community College Consortia to Educate HIT Professionals Program

- Five regional consortia of 70 community colleges to develop short-term programs to train 10,000 individuals per year in the six community college job roles

Community College Consortium – Region A

- Lead – Bellevue College, Seattle, WA
- Partners
  - Portland Community College (Portland, OR)
    - With sub-partners – Mt. Hood, Lane, Umpqua, and Blue Mountain
  - North Idaho College (Coeur d'Alene, ID)
  - Salt Lake Community College (Salt Lake City, UT)
  - Montana Tech (Butte, MT)
  - Pueblo Community College (Pueblo, CO)
  - Dakota State University (Madison, SD)
  - Lake Region State College (Devils Lake, ND)

Curriculum Development Centers Program

- Five universities to collaboratively develop (with community college partners) HIT curricula for 20 components (topics)
  - Oregon Health & Science University (OHSU)
  - Columbia University
  - Johns Hopkins University
  - Duke University
  - University of Alabama Birmingham
- One of the five centers (OHSU) additionally funded as National Training and Dissemination Center
  - Training – event for 300-400 community college faculty in Portland in August, 2010
  - Dissemination – Web site and feedback collection for curricula

Competency Examination for Community College Programs

- Northern Virginia Community College, in partnership with American Health Information Management Association (AHIMA), to develop competency examinations based on the six community college job roles for
  - Individuals trained through short-duration, non-degree health IT programs
  - Members of the workforce with relevant experience or other types of training

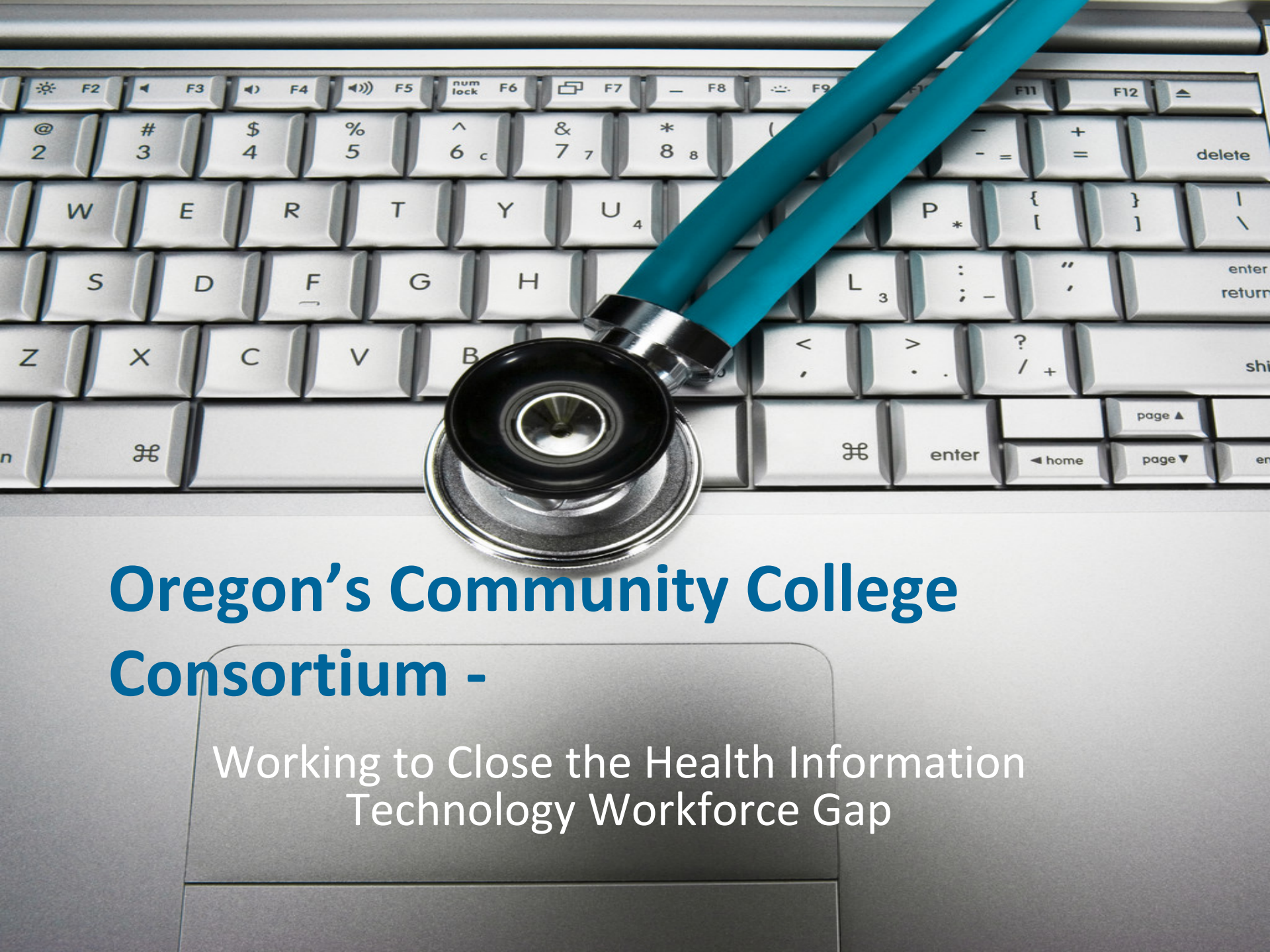
Program of Assistance for University-Based Training

- Funding for education of individuals in job roles requiring university-level training at nine universities with existing programs
  - Oregon Health & Science University (OHSU)
  - Columbia University
  - University of Colorado Denver College of Nursing
  - Duke University
  - George Washington University
  - Indiana University
  - Johns Hopkins University
  - University of Minnesota (consortium)
  - Texas State University (consortium)
- Emphasis on short-term certificate programs delivered via distance learning
- OHSU program to be run as "scholarship" program for existing programs
  - Graduate Certificate in Biomedical Informatics
  - Master of Biomedical Informatics

OHSU workforce development plans

- Beginning recruitment for university-based training grant, aiming for first students in fall, 2010
- Working with community colleges on curriculum development grant
- Will be hosting 300-400 person training community college faculty training event in August, 2010
- Hoping to establish student practicums and internships with regional extension center, state health information exchange (HIE) and related efforts, and local healthcare and public health institutions

PCC
Paul Wild



Oregon's Community College Consortium -

Working to Close the Health Information Technology Workforce Gap

Brought to You By

Consortium Members

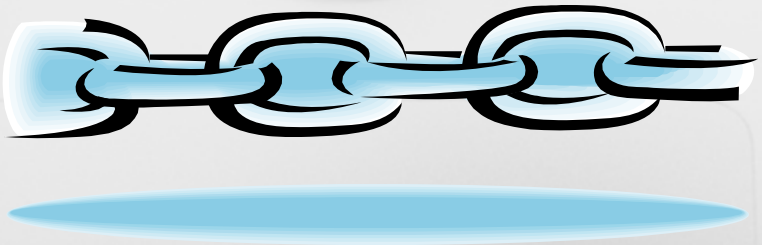
Target

Components of Success: ?

Components of Success:

!

Components of Success:



Components of Success:

Employer Engagement

Legal And Policy Strategic Workgroup Input

Legal & Policy Domain

We asked the SWG for input on Privacy & Security issues for the Legal & Policy domain. There are four components of Privacy & Security:

1) **Consent**
2) **Accountability & Oversight**
3) Security
4) Inter-state agreements

Security and inter-state agreements are highly technical issues which will require specialized workgroups to conduct analyses and make policy recommendations during Phase 1.

Today we'll review and discuss the SWG input on Accountability & Oversight and Consent.

Phasing & HIE Domains

Domain	Phase 1	Phase 2	Phase 3
Governance	Adoption of policies, requirements, standards and agreements - Statewide standards and/or certifying body could be HITOC in some form	Non-profit entity created in conjunction with financial sustainability plan and legislative approval, to act as central contracting agency, with small-scale operations	Non-profit develops larger operations to support HIE, if needed
Technology	Selection and Adoption of Standards and requirements, including strategies for meeting the needs of underserved areas	Implementation and operation of centralized services, as necessary	Operation of HIE services to cover gaps and underserved areas, if needed
Legal & Policy	HITOC develops and implements Accountability & Oversight Program, interstate agreements, security and other standards and policies	To be determined in Phase 1	Undetermined

Key Components and Terms

Component 1: *Standards and Requirements*

- "Standards": Nationally developed and recognized standards
- "Requirements": Federal as well as state developed and state specific; requirements go beyond baseline standards

Component 2: *Validation*

- Methods for ensuring compliance with Standards and Requirements
- Can include attestation, contractual agreements, audit, certification, accreditation, and state oversight/regulation (or any mix of these)

Component 3: *Enforcement*

- Methods for addressing non-compliance

Oregon's Plan

- **In order to ensure…**
  - Safeguards and consistency across Oregon HIE efforts
  - The public interest is met
  - Meaningful use is facilitated by HIOs

- **Recommendation for Phase 1:**

1. *Standards and Requirements*: Adopt EHNAC criteria and any other nationally-developed standards and federal requirements; HITOC will develop any additional state-specific requirements if necessary

2. *Validation:* HITOC will develop and implement a validation program, which will include an HIO accreditation program

3. *Enforcement:* Rely on federal and state law; HITOC will develop additional enforcement rules and mechanisms if necessary

Proposed language

- National standards, including but not limited to EHNAC criteria, related to the domains of technical infrastructure, business and technical operations, and legal/policy, are 'baseline' requirements for Oregon HIOs
- Additionally, any state-accredited HIO must meet the privacy and security requirements set forth by Federal Law, including:
  - HIPAA
  - HITECH Act
  - ONC
  - CMS
  - Any applicable Oregon State laws
- To the degree that the federal government develops or updates requirements for connecting to NHIN, a state-accredited HIO must be able to meet the requirements within some specified time frame

Key Components for Phase 2

As we gather more information about the experiences of other states, the ONC's requirements, and the evolution of federal law and national standards, we can move forward during Phase 1 in determining the following for implementation in Phase 2:

1. **Adequate criteria for accreditation**
2. **The most appropriate system for HIO accreditation**
3. **Appropriate privacy and security enforcement mechanisms**

Consent

1. **Consent:**
   a. Definitions
   b. Comparative evaluations

1. **Recommended Model**

2. **Topics for On-going Analysis**

Scope

1. The scope of this discussion is limited to the use and disclosure of **clinical information (protected health information, or PHI)**, for the purposes of **treatment, payment, and health care operations.**

2. **HIPAA:**

   The Privacy Rule permits covered entities (i.e. medical providers, health plans) to use and disclose PHI without written patient authorization for purposes related to treatment, payment, and health care operations. On the other hand, HIPAA permits, but does not require, a covered entity to seek patient *consent for uses and disclosures of PHI for those purposes, but does not explicitly define consent or specify the necessary content of a consent form or the process by which an entity should obtain consent.**

Source: ONC White Paper on Consent

Consent Options & Definitions

Policy	Description
No Consent	Health information of patients is automatically included—patients cannot opt out
Opt Out	Default is for health information of patients to be included automatically, but the patient can opt-out completely
Opt Out with exceptions	Default is for health information of patients to be included, but the patient can opt out completely or allow only select data to be included
Opt In	Default is that no patient health information is included; patients must actively express consent to be included, but if they do so then their information must be all in or all out
Opt In with restrictions	Default is that no patient health information is made available, but the patient may allow a subset of select data to be included

Benefits and Limitations

	Key Benefits	Key Limitations
No Consent	Maximizes availability of PHI for HIE goals; minimizes administrative burden	No accommodation of individual preference; does not build trust
Opt Out	Provides patient choice/control; Rapidly achieves higher levels of participation- more data available for HIE goals; decreases administrative burden	Requires action on the part of patients to deny consent
Opt In	Allows for explicit, affirmative consent for participation	Requires intensive outreach efforts; lower levels of participation; increases administrative time/resources
All in or All out	Procedurally simpler to implement	No granularity of patient preference; may discourage participation by those w/SPHI
With Restrictions or Exceptions	Provides for more patient control; builds patient willingness/trust in participating in HIE	More complex to implement; full clinical data may not be available for care

North Carolina HISPC Analysis

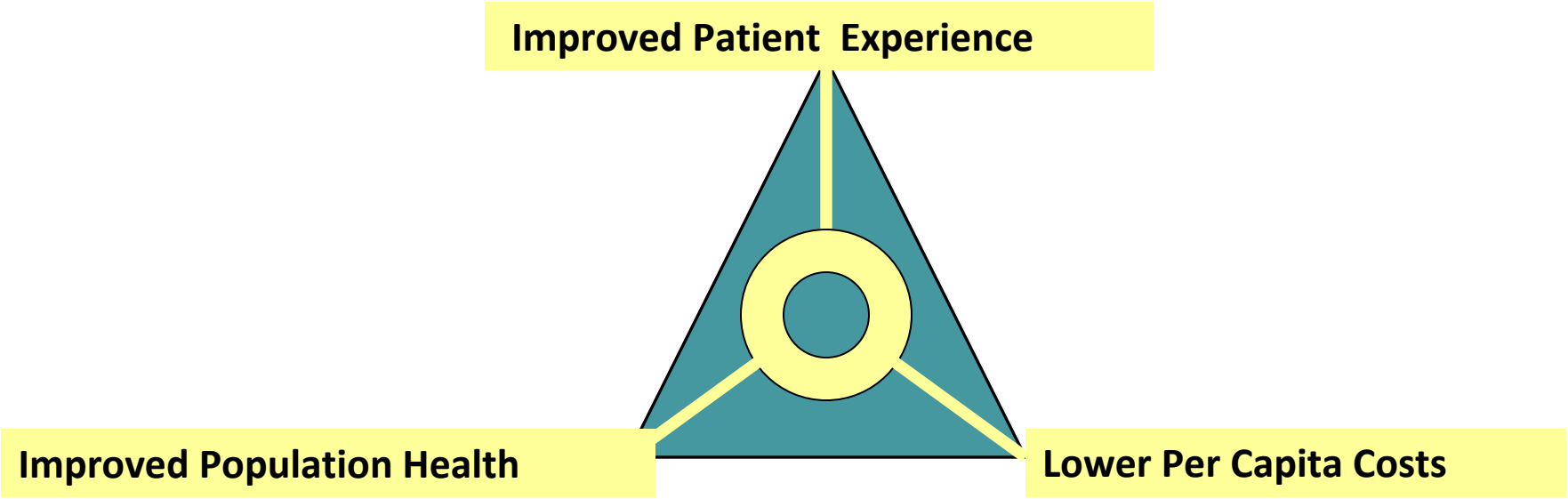
Goals	No Choice	Opt Out	Opt In	Opt Out w/ Exceptions	Opt In w/ Restrictions
High Quality of Care	5	3-4	2	3-4	1
Provider Business Impact	5	4	3	2	1
Confidence in HIE	1	4-5	4-5	2-3	2-3
Liability and Laws	1	2-3	2-3	4	5
Total rating:	12	13-16	11-13	11-13	9-10

1= worst rating, 5= best rating

Other States

State	Consent Policy
New Mexico	Opt In
Rhode Island	Opt In w/restrictions (granularity by provider)
Massachusetts	Opt In
New York	Opt In (except for one-to-one exchanges)
Maryland	Opt Out
Pennsylvania	Opt Out for general PHI; Opt In for sensitive PHI
New Hampshire	Opt Out
Maine	Opt Out
Tennessee	Opt Out
Minnesota	Opt Out of RLS (w/exceptions- by provider); Opt In to query
Delaware	No consent for lab data, etc.; Opt Out of the query function
Indiana	No consent
Wisconsin	No consent

Oregon Health Authority Triple Aim Goal



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HIE Value Propositions – Examples

Stakeholder	Value
Consumers	Better care and quality of health and life Improved efficiency and safety of care due to information sharing between providers and institutions Reduced cost of care due to duplicative tests
Employers	Reduced costs and productivity loss related to avoided services Improved continuity of care reduces longer-term health care costs
Health Plans	Savings from services avoided due to information available at the time of service
Hospitals	Access to prior medical history data from other sources Savings on uncompensated care related to unnecessary or avoidable services Achieve meaningful use and maximize incentive payments
Providers	Access to prior medical history data from other sources Better care and care coordination and chronic disease management Achieve meaningful use and maximize incentive payments Improved efficiency of care due to information sharing between providers and institutions
Public Health	Improved reporting rates and alerting Improved care coordination and immunization rates will improve population health

Recommendation

Based on:

1. The ONC analysis;
2. North Carolina's HISPC analysis;
3. The trend among other states' HIE planning and existing operations;
4. The general value of HIE to key stakeholders and overall;
5. The OHA's Triple Aim

The HITOC HIE Planning Team and the Strategic Workgroup recommend **Opt Out with Exceptions** as the best suited to Oregon's HIE vision and needs at this time.

Recommended Model: Opt Out with Exceptions

A. Opt Out for General PHI:

- Excludes Specially Protected Health Information (SPHI) from HIE, at least for Phase 1
- Would include an Opt In option for inclusion of any or all SPHI
- An examination of state laws that define SPHI would be conducted during Phase 1, in line with Oregon's HISPC recommendations, to determine the appropriateness of the protections and the feasibility of implementing these protections in an electronic environment, with the possibility of legislative changes during later phases

B. Medical Emergency:

- If a patient opts out, will his or her PHI will be available for medical emergency?

C. Operations:

- Opt Out forms (for General PHI), Opt In forms (for SPHI), and information on the process and implications of each, are made available at a patient's first visit to provider, and also available online
- If a patient opts out, any query for their records is returned as a null query (the existence or location of their records will not be confirmed or provided)

On-Going Analysis

Specialized Workgroups will be established through HITOC during Phase 1 to conduct analyses of the following Legal/Policy issues and make policy recommendations:

1. The practical feasibility of excluding SPHI from HIE
2. The administrative burden on providers of managing consent
3. Will local HIOs or participants in local HIOs be allowed to choose a more stringent consent model than the one designated by the state? How will the liability concerns of local HIOs be addressed?
4. How will the consent system function (who, where, when, how)?
5. How will Oregon's consent policy impact its inter-state HIE activities?- Need to discuss and coordinate with neighboring states
6. Education and engagement of patients/consumers regarding the consent model

Business Architecture and Operations Strategic Workgroup Input

Assumptions

- Certification and accreditation program for all HIOs (initially HITOC, later Statewide HIO)
- Lean staffing
- Hosting and support for technology services will be contracted to a third-party
- Technology services will leverage existing and planned efforts to facilitate exchange, such as All Payers' Claims Database, Medicaid Provider Index

Phase 1 Offerings and Activities

- Offerings
  - Definition of standards for HIO data exchange
  - Certification of HIOs for data exchange
- Activities
  - Planning for transition to non-profit Statewide HIO
    - Legislative framework approved
    - Sustainable financial plan
  - Definition of requirements for Phase 2+ technology services
  - Analysis of support services for HIOs

The Statewide HIO (phase 2)

- What is it?
  - A statewide, state-designated, non-profit organization
- What does it do?
  - Defines standards for and certification of health information organizations
  - Provides centralized health care information exchange services
  - Provides support services for health information organizations
- Who are its customers?
  - HIOs (local and State Agency)
  - Physicians
  - Hospitals
  - Health Plans

Phase 2 Potential Services Offerings and Activities

- Offerings
  - A Statewide directory of Providers and Institutions (MProvI)
  - Query service for providers and HIOs to locate patient records (RLS)
  - Trust services for HIO-to-HIO information exchange
  - Service to facilitate exchange of public health and quality data
  - Reference implementation for HIO-to-HIO connection
  - NHIN Connection via NHIN Connect and/or NHIN Direct
  - Legal toolset for HIOs
  - Resources or $ to support connection of HIOs
- Activities
  - Implementation of other services as identified in Phase 1
  - Exploration of potential services to be offered in Phase 3

Phase 3 Potential Offerings

- Geographical and Functional gaps fulfillment
- Opportunistic follow-on services

Strategic Workgroup Recap: Business Architecture and Operations Recommendation

- Standards and certification for HIOs and HIO-to-HIO data exchange are critical to success
- Recognized value for centralized services that support and promote HIE
- Sustainable financing model must be developed

Final list of services to be determined based on financing model and further review of options and offerings

Phasing and HIE Domains

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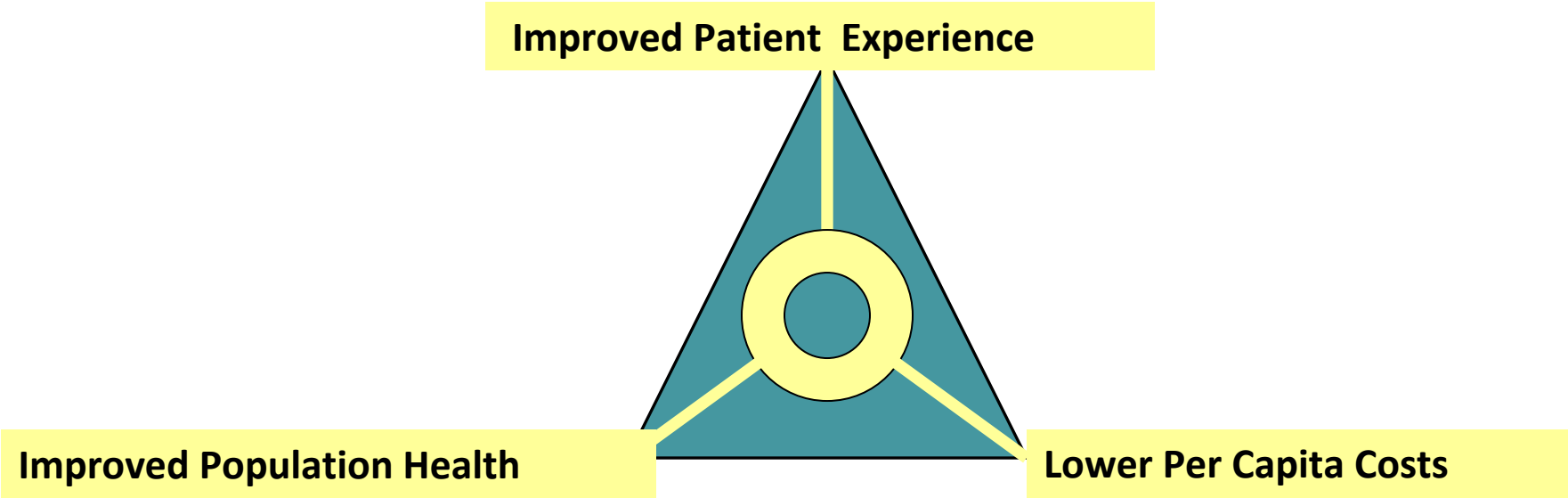
Legal & Policy	HITOC develops and implements Accountability & Oversight Program, interstate agreements, security protocols, and other standards and policies	To be determined in Phase 1	Undetermined
Business Architecture and Operations	Run certification program for local HIOs, designs common technology-based services	Operation of common technology and technical support services	Additional services, as necessary

Finance Presentation

Recap of Previous Meetings

- Reviewed phased approach to HIO formation and HIO service offerings
- Gathered feedback regarding services and phasing
- Conclusion: need more information regarding costs and financing options to make recommendation to HITOC

Oregon Health Authority Triple Aim Goal



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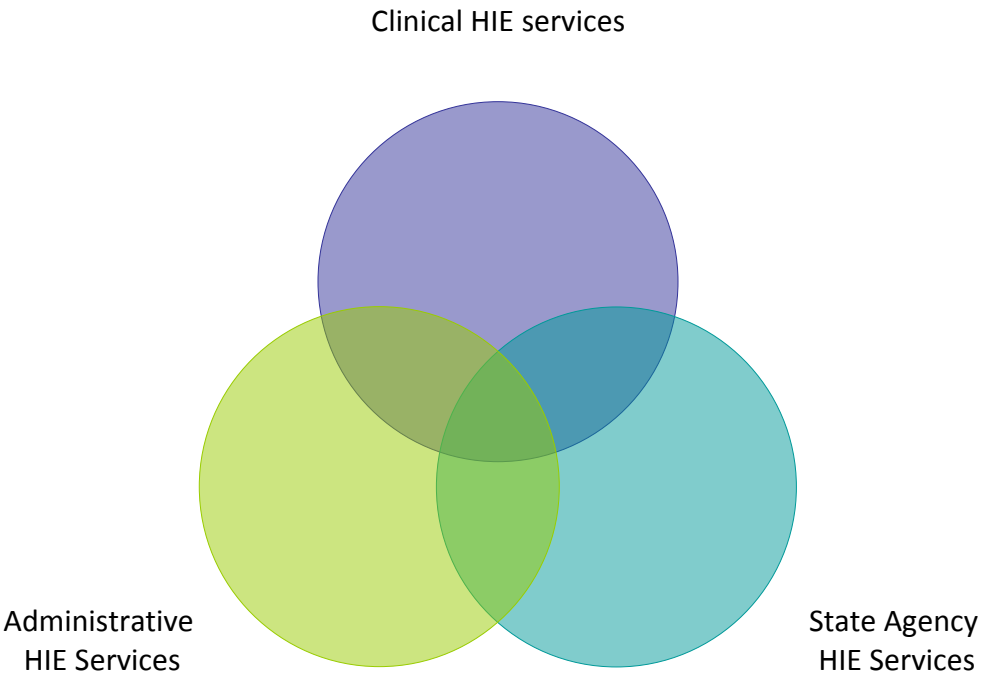
HIE In Oregon – Putting the pieces together



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Potential ARRA Incentive Payments

- Eligible Professionals:
  - 59% of ~8,000 practicing physicians exceed Medicaid or Medicare* volume thresholds (2009 Oregon Physician Workforce Survey data)
  - 65.5% of clinicians are in practices using some type of EHR in 2009
  - Incentive payments for meaningful use by 3,000 Eligible Professionals: > **$135 M** over 4 years
- Hospitals: (assuming demonstrated meaningful use)
  - 33 PPS Hospitals from Medicare: **$145 M** over 4 years
  - 23 PPS Hospitals with >10% Medicaid: **$45 M** over 4 years
  - 25 Critical Access Hospitals: unknown

HIE Savings Analysis – Purpose

- To estimate the potential achievable savings associated with **widespread** Oregon HIE use
  - Break down more recent national estimates of the impact of HIE
  - Match relevant savings estimates based on Oregon data by what is
    - Reasonable based on HIE successes to date
    - Applicable to planned HIE services
    - Achievable to the likely participating stakeholders

- Assist the Oregon HIE planning process in understanding the potential range of financial impact of HIE
  - Inform the business planning processes to assure that the development work currently being contemplated will lead to a sustainable business plan

HIE Savings Analysis - Methods

- Assumptions
  - Estimation of savings using multiple approaches applied with a standardized method and updated to 2009 dollars;
  - Conservative recognition of savings already being achieved by existing levels of HIT/HIE adoption (30%) and maximum achievable benefits (80%)
- Reviewed the potential savings/return on investment (ROI) associated with electronic HIE & HIT efforts
  - Metro Portland HIE mobilization planning, 2007; Potential impact of widespread adoption of advanced HIT on Oregon health expenditures, August 2007
  - Maine's HealthInfoNet savings analysis, 2008
  - Salem Area Community Health Information Exchange (SACHIE), 2009
- Reviewed and modeled recent national estimates of the impact of HIE;
  - Center for Information Technology Leadership (CITL), 2004: lab and imaging studies
  - RAND, 2004: lab and imaging studies
  - Smith et.al., 2005: missing info impact in physician practices
  - Overhage et.al., 2002: emergency room impacts
- Developed a reasonable range of estimated savings associated with the scope and phasing of a community-wide rollout

Oregon HIE Potential Savings Estimates – Assumptions

- Focused on savings components clearly associated with HIE avoidable services:
  - Outpatient Laboratory Tests;
  - Outpatient Imaging Studies;
- Made conservative estimates of benefit allocation among technologies:
  - 40% of the benefit from HIE;
  - 20% of the benefit from EMR use;
  - 20% of the benefit from CPOE use; and
  - 20% of the benefit from CDSS (clinical decision support systems).
- Identified avoided services addressed by HIE in Ambulatory and ER Settings
  - Avoidable Visits, Admissions, Laboratory Tests, & Imaging Studies
- Adjusted the rates of missing information to different settings:
  - Specialty visits assumed to have 60% of missing information as compared to primary care
  - Assumed 70% of patients receiving services in the ER have prior medical history data somewhere and 90% of this information is not immediately available in the ER
- Productivity savings based on $150/hr for physician and $40/hr for office staff

Range of Potential Annual Savings – Widespread HIE Adoption

Range of Potential Savings for Oregon HIE	Low Estimate	Mid Estimate	High Estimate
Avoidable Ambulatory Services (Lab, Rad. & Visits: Smith)	$42.0 M	$42.0 M	$9.9 M (Visits only)
Avoidable ER Services (Lab, Rad. & Admits: Smith)	$13.7 M	$1.7 M (Admits only)	$1.7 M (Admits only)
Avoidable Outpatient Imaging Studies (CITL)			$44.3 M
Avoidable Outpatient Laboratory Tests (RAND)			$34.8 M
Emergency Room Savings (Overhage)		$22.0 M	
Potential Avoidable Service Savings	***$55.7 M***	***$65.7 M***	***$90.7 M***
Productivity Opportunities (Smith)	***$33.3 M***	***$33.3 M***	***$33.3 M***
Total Potential Savings	**$89.1 M**	**$99.1 M**	**$124.0 M**

Note: CITL and RAND did not differentiate between outpatient tests performed in the ER or other ambulatory settings. To avoid double counting our high estimate does not include other potential ER savings that may be attributed to other avoided tests and procedures.

Study Conclusions

- Applying the national studies provides a range of potential opportunities for widespread HIE adoption Oregon
  - Oregon population and statistics drive the savings figures
  - A potential range of savings offers an opportunity to make reasonable business decisions
- Savings figures reported here likely under-report total savings associated with HIE functionality
  - ER savings reported in our high estimates only include outpatient lab and imaging from CITL and RAND and do not reflect the impact on other avoided services
  - A number of potential savings areas are not included here including availability of medication lists, reductions in ADEs, reductions in medical errors, and public health monitoring, surveillance, and prevention that may substantially increase potential savings associated with HIE
- Potential savings associated with widespread HIE use are significant enough to make a compelling argument for HIE investments by all healthcare stakeholders

Synthesis Findings: Range of Potential Savings for a Oregon HIE – Total Savings

- The widespread use of HIE services in Oregon will generate broad annual healthcare savings on avoided laboratory testing, avoided imaging studies, and provider productivity improvements.
  - Avoided services savings range from $55.7 to $90.7 million
  - Productivity savings estimated at $33.3 million per year
  - Total community-wide savings range from $89.0 to $124.0 million per year.

Synthesis Findings – Range of Potential Savings for Oregon HIE – Savings Distribution

The Oregon HIE savings will accrue across all healthcare stakeholders.

- **Commercial payers**
  - 55.5% to 60.3% of total avoided service savings ($33.3 to 54.7 M/year)
- **Medicare/Medicare Advantage**
  - 27.1% to 31.0% of total avoided service savings ($15.7 to 24.5 M/year)
- **Medicaid payers**
  - 5.2% to 6.7% of total avoided service savings ($2.9 to 5.2 M/year)
- **Physician practices, clinics, hospitals**
  - 6.3% to 6.4% of total avoided service savings related to services for the uninsured ($3.6 to $5.6 M/year)
  - productivity savings of $33.3 M annually
- **Patients**
  - Reduced co-pays and deductibles for unnecessary services as well as downstream benefits of reduced costs for health plan coverage

Findings – Discussion Points

- The analysis confirms there is significant opportunity and financial impact related to the widespread use HIE services in Oregon.
  - The distribution of savings show benefit to all healthcare stakeholders
  - Due to the limited scope of services analyzed the full breadth and impact of HIE savings by stakeholder may be under valued
- Other analyses may be needed to assess potential savings not included in the analysis
  - Medication list availability and related eRx functions
  - MRSA et al tracking, risk-screening
  - Medical home services, accountable care organizations
- BIG TRICK: turning community-wide value propositions into sustainable revenue streams

Recap: Oregon HIE Financial Impacts

- Administrative Simplification: savings estimate soon
- ARRA Incentive Payments over 4 years:
  - 3000 Eligible Professionals: > $135 M
  - 33 PPS Hospitals: $145 M (Medicare)
  - 23 PPS Hospitals with >10% Medicaid: $45 M
  - 25 Critical Access Hospitals: unknown
- With widespread HIE use across Oregon
  - Avoided Services: $55.7 to $90.7 M/year
  - Productivity Savings: $33.3 M/year

Oregon HIE Costs – Phase 2 – Context

- Separate Non-profit organization
- Certification and accreditation program for all HIOs
- Core Technology Services to Facilitate HIE
  - Statewide directory of providers and institutions
  - Trust services for HIO-to HIO information exchange
- Potential Technology Services to Improve HIE
  - Query service for providers and HIOs to locate patient records (RLS)
  - Service to facilitate exchange of public health and quality data from providers and HIOs to the State

Oregon HIE Cost Assumptions

- Small central staff
  - Oversight
  - Outreach and liaison
  - Basic central operations support & coordination
- Contract with qualified firms for HIE data center operations
  - Technology licenses
  - Connectivity
  - Technical Support and Call Center Operations
- Participating organizations cover costs on their end
  - Connectivity and gateways
  - Staffing
  - Training
  - Work flow integration

Estimated Oregon HIE Costs – Phase 2

- Staffing
  - ~ 7-10 FTE
  - ~ $1M/year w/fringe
- Other Operating
  - ~ $1.8 M per year (average)
- Engagement & Support
  - $400K per year
- Technology – licenses, data center, etc
  - ~ $5.1M year 1
  - 2.0M/year ongoing
- Total Costs (Cash)
  - $6.8M year 1
  - $3.8M/year ongoing

HIE Financing Issues – traditional

- Financing start-up
- Sustainable operations financing
- Value propositions
  - Improved continuity & quality
  - Reduced services: health plans & patients
  - Improved efficiencies
  - Competing on quality, EHRs, services

- Misalignment of costs and benefits

HIE Financing Challenges – NEW

- Health reform: Oregon 2009 Legislation
- Health reform: Federal will happen but impacts are unknown
- ARRA-driven changes
  - EHRs, certified, HIE, quality metrics, …
  - Incentive payments
  - State HIT & HIE plans
  - Expected state HIE roles (state or SDE)
  - Regional Extension Centers
- Equity of past & future investments in HIT

ARRA Funding Opportunities

- HIE Cooperative Agreements to States: focus on state HIE planning & implementation
- REC funding: focus on EHR adoption & meaningful use in small practices, rural & underserved
- HRSA funding to FQHCs, RHCs
- Other grant opportunities: Workforce
- Incentive Payments: Leveraging possibility
- Medicaid 90/10: Possible mechanism

Financing – Other States

	Bond or Special Purpose Funds	Subscriber Fees	Provider Fees	Grants or Donations	Payor Assessment	State Levies	User Transaction Fees	Initial Connection Fee
California	X	X	X					
Colorado		X	X	X				
Minnesota		X	X		X		X	
Missouri			X		X	X		X
New Jersey	X			X		X		
New Mexico		X			X		X	
Pennsylvania		X					X	
South Carolina		X		X				
Tennessee		X	X		X		X	
Vermont		X	X			X	X	

Financing Options

- ARRA HIE funds
  - Insufficient for long-term sustainability
  - How best to maximize
- Medicaid APD 90% FF /10% other
- Stakeholder financing
  - Health plans (commercial, FCHPs, Medicaid-FFS)
  - Employers, purchasers
  - Hospitals, physicians, practices
- Need to determine fair balance of cost among participants

Financing Needs & Possible Sources

- Start-up Financing (target $ 6-8 million)
  - ARRA financing
  - Appropriations, debt financing
  - Foundations, grants
- Operations Financing ($ 3-5 million per year)
  - Subscriptions (local HIOs, plans, hospitals, practices)
  - Service - transaction fees
  - Claims tax, covered lives fees

Value Propositions for HIE Services

- Demonstrate meaningful use and receive incentive payments
- Services that improve efficiency and operations

Participation Incentives

- Mechanisms to encourage participation
  - Purchasing requirements: PEBB, OEBB, PERS, OHP-MCOs, insurance exchange
  - Health plan network participation
  - Demonstration of Meaningful Use
  - Certification criteria and requirements

Financing Plan due February 2011

- Refined statewide HIO services plan and phasing
- Identify services that can support value-based pricing: transaction, subscription fees
- For the broad-based value/utility services, determine balanced stakeholder financing mechanisms
- Goal: sustainable financing plan

Phasing and HIE Domains

Domain	Phase 1	Phase 2	Phase 3
Governance	Adoption of policies, requirements, standards and agreements - Statewide standards and/or certifying body could be HITOC in some form	Non-profit entity created in conjunction with financial sustainability plan and legislative approval, to act as central contracting agency, with small-scale operations	Non-profit develops larger operations to support HIE, if needed
Technology	Selection and Adoption of Standards and requirements, including strategies for meeting the needs of underserved areas	Implementation and operation of centralized services, as necessary	Operation of HIE services to cover gaps and underserved areas, if needed
Legal & Policy	HITOC develops and implements Accountability & Oversight Program, interstate agreements, security protocols, and other standards and policies	To be determined in Phase 1	Undetermined
Business Architecture and Operations	Run certification program for local HIOs, designs common technology-based services	Operation of common technology and technical support services	Additional services, as necessary
Finance	Finalize services costs Determine services revenue and pricing models	Create and staff non-profit organization, implement Certification Program and Technology and Support Services	Expand services and support offering, as necessary

Updates

- O-HITEC – Clayton Gillett
- P-APD – Susan Otter
- Oregon Health Network – Kim Lamb
- Opportunities for Stakeholder Input – Chris Coughlin

HITOC Update for May 6, 2010

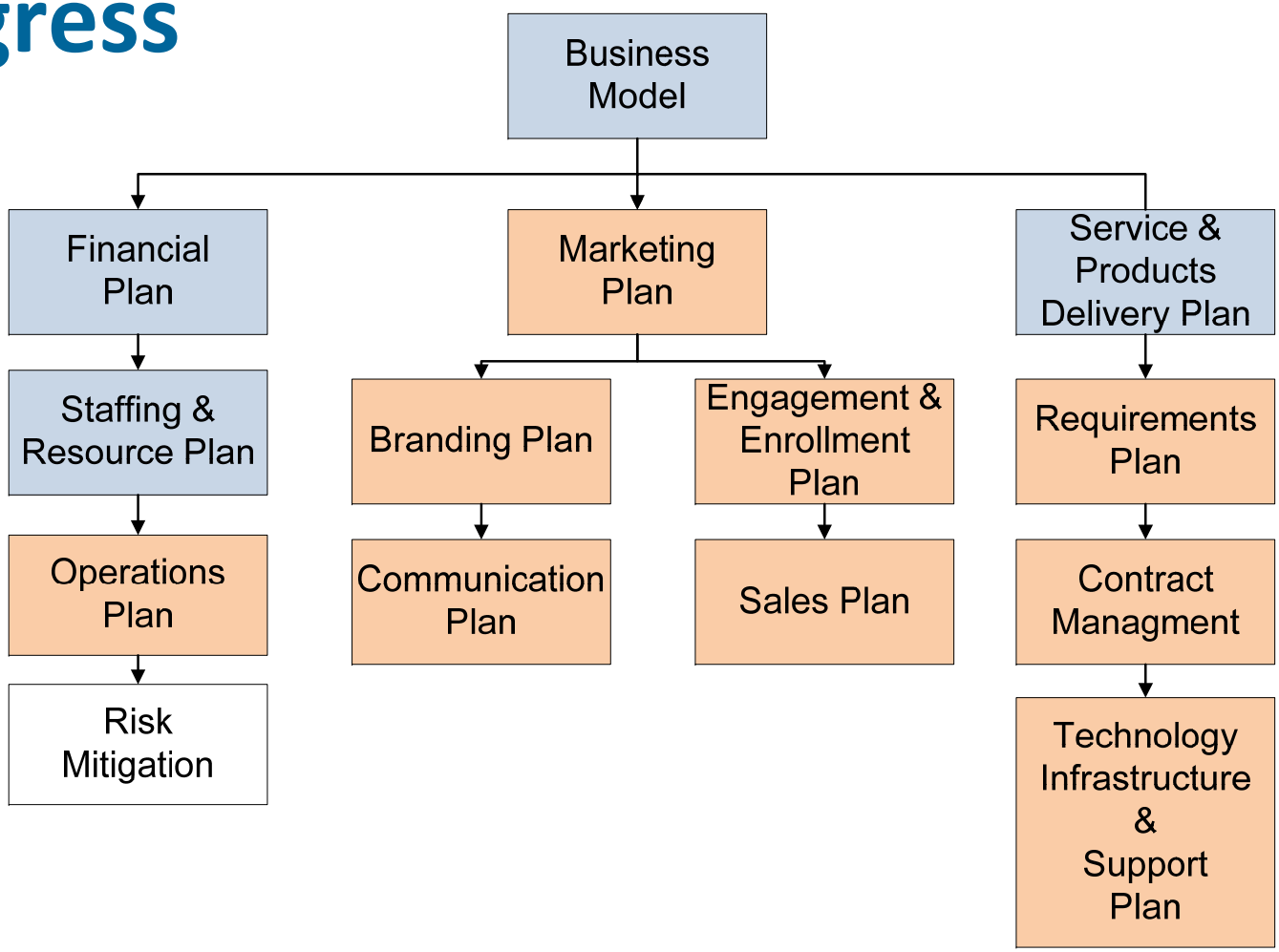
Clayton Gillett

O-HITEC Executive Director

Progress to Date

- Website deployed – o-hitec.org
- Operational Plan & Budget Approved
- Contractor for Vendor Selection Process identified
- Grant proposal submitted for Rural/Critical Access Hospitals
- Continued Communication with Interested Parties
- Recruiting O-HITEC staff & partners

Progress


Business Model
Financial Plan
Marketing Plan
Service & Products Delivery Plan
Staffing & Resource Plan
Branding Plan
Engagement & Enrollment Plan
Requirements Plan
Operations Plan
Communication Plan
Sales Plan
Contract Managment
Risk Mitigation
Technology Infrastructure & Support Plan

Challenges

- Federal money has not begun to flow readily
- Meaningful use definition not finalized
- Health Information Exchange plan not formalized
- Private practice physicians need help with financing investment in EHR technology
- Need low (no) cost loans for investment in EHR

Near Term Future

- Begin Vendor Selection Process
  - Anticipate 90-day process
- Pilot assessment of meaningful use status
- Partner with interested parties

Questions

OREGON HEALTH NETWORK

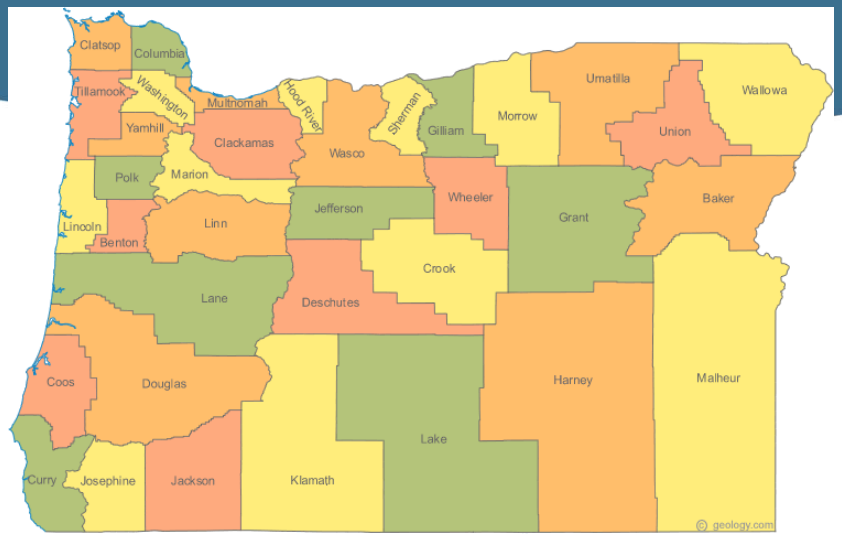
HITOC Meeting May 6th, 2010
Kim Lamb, Executive Director

Overview

1. ***The Oregon Health Network***
   - Who we are
   - Why we are doing this
   - What we are doing
   - Federal Communications (FCC) Commission Rural Health Care Pilot Program (RHCPP)
   - Key values/benefits of participation
2. ***Next Steps***
   - Priorities

Who is “OHN”?

A 501(c)3 non-profit, membership-based organization that is comprised of technology, healthcare and telecommunications experts who are working together to **build the first broadband telehealth network in the state of Oregon**.



Why are we doing this?

All Oregonians should have access to the best possible healthcare regardless of location.

Who do we serve?

[redacted]

Government Agencies

- State
- City/Regional
- National

Clinics

- Rural Health Clinics
- Federally Qualified Rural Health Clinics
- Tribal Health Clinics
- Mental Health Clinics
- Private Practices

Payers & Pharmacies

Allied Health & Distance Education

- Community Colleges

Long-Term Health & Assisted Living Facilities

RHCPP: What is it?

Federal pilot program to build a state, regional and nationwide broadband health care network:

- 62 projects were awarded funding; representing 42 states and 3 territories
  - o $417 million in total funding
  - o OHN was awarded 5th largest award - $20.2m
- Shared cost reimbursement program for non/recurring telecommunications charges
  - o No funds for operations/administration
- Not a grant; a subsidy from the Universal Services Fund (USF)
- 5-year program
  - o All funds must be contracted by June 2011 (new deadline; recent FCC extension)
  - o Expenditures over five years (May 2014) from our first funding commitment letter

RHCPP: What is it? (cont.)

How the money flows

- 85% subsidy paid directly to telecommunications vendors (non/recurring costs)
  - OHN pays 15% match for non-recurring costs through grants from Governor's Strategic Reserve Fund, Community College & Workforce Development, Oregon Department of Education
  - OHN participant (site) pays 15% match for monthly recurring costs over the course of the 5-year program
- Competitive bidding – no exceptions
- Eligible for RHCPP Funding
  - All non-profit
    - Hospitals
    - Clinics
    - Community Colleges with Health Education Programs

The OHN Network- an overview

1. At the heart of everything we do:
   - is a high-speed, highly reliable network connecting participating medical facilities, clinics, and higher learning centers across the state.
2. At speeds of up to and above 1 Gigabit per second, medical professionals will:
   - easily share a wealth of information, including real-time interaction with peers, educators and students.

Lets take a look at how it works…

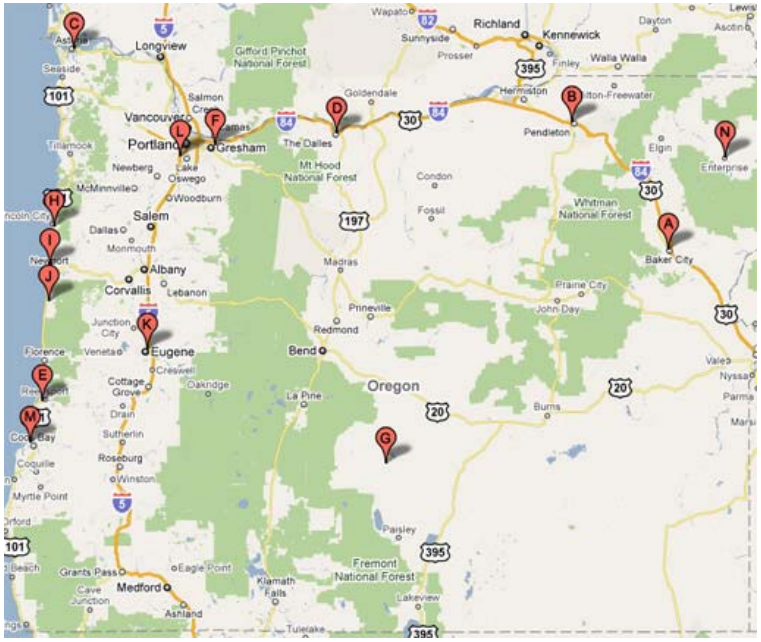
OHN: A Network of Networks

1. OHN Network Design

A. OHN is a network of networks:

Status: Who is and will be on the Network

- *Phase 1 Goal: by (6/30/2011)*
  - **200 eligible sites** on the network resulting from the FCC RHCPP subsidy
- *Status (as of 6/30/10)*
  - **204 LOA's** have been received for the RHCPP
  - **33 Sites** have received their Funding Commitments from the FCC RHCPP
    - o 14 Sites are actively being monitored by the OHN NOC
- *OHN's Current HIO Participants in RHCPP Program*
  - Asante Health System
  - Bay Area Hospital
  - St. Charles Medical Center
  - Mid-Columbia Medical Center
  - Legacy Health System
  - PeaceHealth Hospital Network
  - Providence Health & Services
  - Samaritan Health System
  - Tuality Healthcare



For weekly updates – visit:
http://www.oregonhealthnet.org/join/active

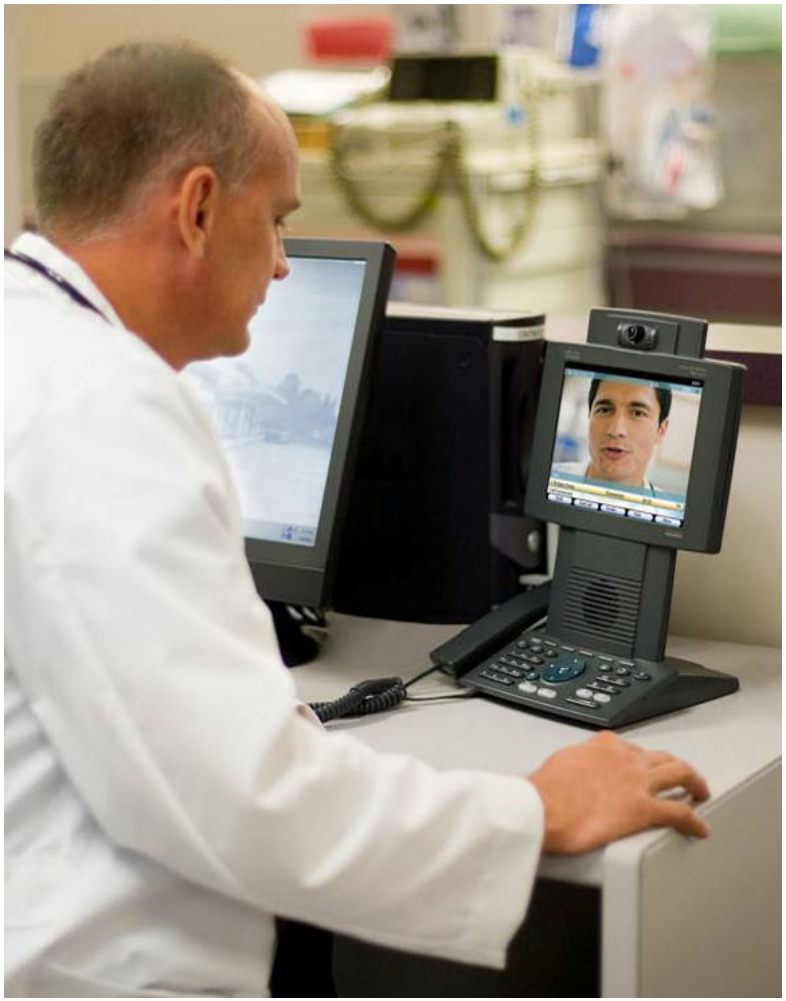
OHN: Benefits of participation

- ***Through the RHCPP*** Opportunity to have 100% high-quality broadband installation costs covered; minimized transport costs

- ***Keeping Patients, Providers in the Community (reduce costs, increase revenue)***
  - Workforce development
  - Economic development

- ***Support current & future telemedicine applications goals and HIT programs***

- ***State-wide referral partnerships to support facility and surrounding community***



Needs & Uses: What we've learned

- ***Telemedicine & HIT Applications***
  - Utilize video conference technology for training or consultations
  - Utilize new technologies dependent upon high-speed, reliable broadband technology
  - Most common uses/interests:
    - Continuing medical education (CME)
    - Diagnosis (teleradiology; mental health, routine clinical consultations)
    - Emergency consultation & triage
    - Follow-up
    - Administrative
- ***Operational Efficiency***
  - Improve file transfer times
  - Ability to bring in services from other partners that were previously unavailable due to bandwidth constraints
  - Faster and more reliable connectivity to data center/server locations for improved processing times
- ***Increase and/or Improve upon State-wide Referral Patterns***
  - Hospitals
  - Clinics
  - Payers
  - Public Health
  - Community Colleges
  - Allied Health/Long-term Care Facilities
  - Pharmacies

OHN: Value of participation

- ***Network***
  - Technology
    - 1st state-wide broadband telehealth network in Oregon, connecting Oregon's hospitals, clinics, community colleges, government agency networks, etc.
    - Network Operations Center (NOC)
  - People/Partnerships
    - Collaboration/innovation of strategy partnerships formed
- ***First Project: Access to the $20.2 million dollar FCC RHCPP subsidy***
  - 100% of installation costs covered
  - 85% of monthly recurring costs covered over 5-year program (May 2014)
- ***Additional Services: initial & future***
  - Assistance with transfer from RHCPP to standard FCC Rural Health Care Program
  - Identification and management of future projects that benefit the network and participants, such as the RHCPP
  - Additional value-added services, where needed/appropriate

Next Steps: Transition from phase 1 to 2

- ***Participation***
  - Fully leverage $20.2 RHCPP subsidy to more than 200 sites
  - Expand OHN participation to sites not currently eligible for FCC RHCPP subsidy
    - Track National Broadband Plan efforts to better support/subsidize rural providers and long-term care facilities
- ***Answer the question of "What's Next"? to ensure the successful use of the network***
  - Transfer existing applications/uses over to the network
  - Identify and support telemedicine and EHR/HIE needs to make sure that they have the resources
    (O-HITECH, etc.) to realize success
  - NEW Planning Committee manages Stakeholder Council Workgroups to identify, prioritize and recommend future actions and or value-added services to the OHN Board of Directors
  - Identify and improve current and future referral partnerships to implement current/new telemedicine programs
- ***Collaboration:*** *Support HITOC's goal to coordinate and leverage existing State resources*
  - Collaborate with fellow stakeholders to fill the gap between the served and under-served populations. Continue working to bring the required broadband connectivity and support to rural Oregon through OHN's broadband infrastructure and participant base

Questions:

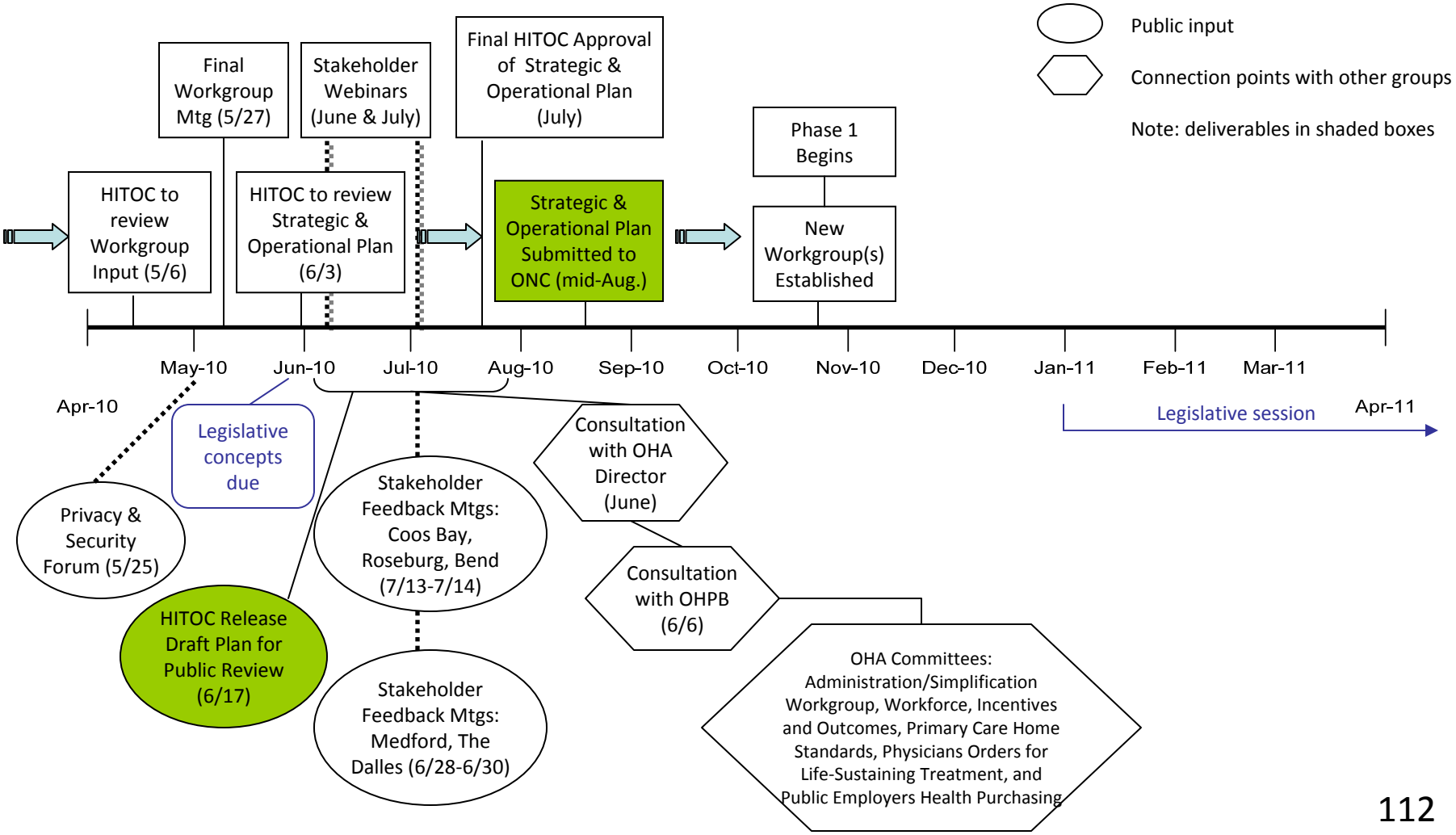
Visit us on-line: www.oregonhealthnet.org

- New participants & profiles
- Industry news
- Contact staff

Opportunities for Stakeholder Input

- April Webinars
- HIO Summit Update
- Privacy and Security Forum
- Stakeholder Meetings around the State

Next Steps

- Next HITOC meeting, June 3, 2010, Oregon State Library, 1-5pm
- Extra HITOC meeting June 17, 2010, 1-5pm
- Stakeholder Input on Draft Plan

Timeline for Completion of HIE Plans