

## **HITECH Health Information Exchange Federal Funds Overview and Oregon Draft Approach to HIE Onboarding (June 2016)**

### **State Medicaid Directors Letter 16-003 – CMS Guidance on HITECH HIE Funds**

The Centers for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator for Health Information Technology (ONC) on February 29, 2016 updated the guidance about how state Medicaid agencies can use the Health Information Technology for Economic and Clinical Health (HITECH) Act 90 percent federal funding to support health information exchange (HIE).

The guidance allows HITECH HIE funds to support all Medicaid providers to connect to health information exchange (HIE) entities or other interoperable systems.

- The guidance makes available federal funding at the 90 percent matching rate for activities to promote HIE to enable providers eligible for federal electronic health record (EHR) incentive payments (“eligible professionals”) meet meaningful use requirements.
- While 90% federal HIE onboarding funding has been available to states for eligible professionals (and continues to be available), the guidance includes new flexibility to provide HIE onboarding for any Medicaid provider (including behavioral health, long term care, corrections, etc.). OHA has not leveraged any HIE federal funding for onboarding to date.
- Funds can support the costs of an HIE entity to onboard Medicaid providers who are not EHR incentive-eligible including, but not limited to: behavioral health, long-term care, home health, correctional health, substance use treatment providers, as well as laboratory, pharmacy, emergency medical services, and public health providers. Onboarding must connect the new Medicaid provider, with or without an EHR, to an eligible professional and help that eligible professional meet meaningful use.
- Possible activities include onboarding to: a statewide provider directory, care plan exchange (unidirectional or bidirectional), query exchange, encounter alerting systems, public health systems. These funds can support regional and statewide efforts related to health information exchange that help an eligible professional meet meaningful use.

### **How it works:**

State Medicaid agencies (e.g., Oregon Health Authority (OHA)) may request a 90 percent federal funding match through 2021. OHA must cover the remaining 10 percent match.

- Fund the HIE entity’s costs to onboard Medicaid providers to an HIE of a provider’s choosing. Funds may not be used to support the provider’s costs for onboarding (e.g., their EHR vendor costs). HIE onboarding includes technical and administrative processes “by which a provider joins an HIE and secure communications are established and all appropriate agreements, contracts, and consents are put in place.”
- In addition to onboarding, these funds can support development and implementation of certain types of interoperable systems. Funds cannot be used for operational costs or to purchase EHRs.
- All providers or systems supported by this funding must connect to Medicaid eligible professionals and support meeting meaningful use.

**OHA approach and next steps:**

Oregon intends to explore using these funds to increase Medicaid providers' capability to exchange health information by supporting the costs of an HIE entity (e.g., regional HIEs) to onboard providers, with or without an EHR. Oregon intends to support Oregon's Medicaid providers, including: behavioral health, long-term care, corrections, and other social services, to connect to HIE entities.

Oregon is considering requiring HIE entities to meet minimum criteria to be eligible for support. Criteria have not yet been determined but may include that the HIE entity:

- Uses standards-based or certified health IT;
- Is interoperable and participates in statewide HIE connectivity (e.g., through Direct secure messaging);
- Participates in Oregon's state-level provider directory (once it is available);
- Reports to OHA's clinical quality metrics registry and public health registries as appropriate; and
- Does not engage in practices that would result in health information blocking.

OHA will develop a formal strategy, in partnership with stakeholders, and submit a concept to CMS for discussion. Upon agreement with CMS, OHA will submit a formal request for funding. Further definition is needed, including:

- Types of Medicaid providers to support
- Criteria for HIE entities to be eligible for onboarding funding
- Eligible HIE services and "white-space" coverage
- Avoiding unintended consequences (e.g., creating artificial markets)
- Estimates for budgeting, identifying or requesting state match, and implications for scope
- Rulemaking processes
- Oversight and governance implications for ensuring effective use of funding