

HIEPI Finance Workgroup Meeting (Teleconference #2)

Meeting Owners	Shanthy Venkatesan Micky Tripathi
Minutes Author	Sean Kelly
Version	1

Date	14-Jul-10
Time	10-11am
Location	Teleconference #2

AGENDA

Topic	Led By
1. Roll Call & Opening Remarks	Shanthy/Micky
2. Review of latest development in NH HIE Strategic & Operational Planning Work Groups & Finance Work Group	Micky
3. Discussion of NH HIEPI Finance WG Slide Deck	Micky
4. Review and ranking of revenue-generating models	Micky

ATTENDEES

Name	In Attendance (Y or N)	Name	In Attendance (Y or N)
Shanthy Venkatesan (WG Lead)	Y	Evalie Crosby	Y
Micky Tripathi (Facilitator)	Y	David Choate	Y
Sean Kelly (Analyst)	Y	Kathy Bizarro	Y
Jeff Watson	Y	Dick LaFleur	Y
Tyler Brannen	Y	David Briden	Y
Barbara Richardson	N	Catherine Golas	Y
Alisa Druzba	N	Mark Belanger	N

GUESTS

Name	In Attendance (Y or N)

* Via telephone

MEETING HANDOUTS

1. HIEPI Telecon 2 Presentation
2. Finance Workgroup Agenda for Teleconference #2 14-Jul-10

MEETING SUMMARY

Introduction & Roll-call

Reviewed Agenda (HIEPI Finance WG Agenda)

Review of Planning process slide deck provided by MAeHC team

- We discussed the fast past of the domain work groups and how we are providing the latest developments from the other summits and teleconferences as we try and spread the information for a consensus.

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- We discussed the budgetary constraints and the legal bounds that would define what the NH HIE will do if the 'things did not change,' but also highlighting those options that could be deployed if additional funding or legal changes were undertaken as ONC also evaluates based on what can be done today.
 - We discussed what could be deployed and sustained if no additional funding is attained and how that may impact the services and the phasing of the HIE.
 - We discussed how the Business and Technical Operations workgroup met and discussed the phasing and the strawman of HIE services under secure routing. No major changes came out of that meeting, but all workgroups are reviewing the phasing.
 - Therefore, for phase 1, each workgroup will strive to fully articulate what is possible and feasible for each workgroup's domain, including legal/policy, operations, infrastructure, governance, etc and specifically for the finance workgroup this is about funding.
 - The legal and policy workgroup is meeting today to focus on Audit, Access, Authentication, Authorization (4A's) as well as Breach and Consent for HIE implications.
 - The legal and policy workgroup will also focus on the opt out and audit log requirements from the current law which has some ambiguity to discuss and analyze.
 - This strawman of the HIE is a phased deployment, not a prioritization. This is defined by urgency, importance and ultimately funding support and legal compliance.
 - Also, last week ONC released the PIN Program information notice to direct states with their funding.
 - Additionally, the Meaningful Use final rule was released yesterday. Some things could change but at this time we do not foresee our secure routing strategy being incorrect.
 - The strawman phasing started with the use case list and made a phase 1 requirement being legal compliance.
 - Secondly, the complexity and lead times of use cases were used to address the less complex and smaller lead times in phase 1. Items that might fall into a later phase could still be initiated soon, but were not expected to be completed in phase 1.
 - Lastly, the ONC guidance and market demand were used as filters for phase 1.
 - Items that were not legal today, such as required public health reporting, were placed in phase 2 as we expect some legal change in the next year or two to enable exchange of the information via a statewide HIE.
 - The services and functions in phase 3 were those higher level or speculative services.
 - Therefore, with phase 1, this would create a 'push network' for secure low-cost sending and receiving of patient information among providers for patient care among hospital networks (e.g. Concord and Dartmouth-Hitchcock).
 - This would also provide access for providers not affiliated with a hospital.
 - The governance process and structure would be established to oversee the HIE and map out the phase 2 launch objectives.
 - Therefore, for phase 2, the HIE would be extended to those parties not connected or leveraging the HIE in phase 1, such as hospitals reporting public health information at a reduced cost via a single interface.
 - This would also add other use cases via a query or 'pull model' to request patient CCDs from the network and across and outside hospital networks.
 - Phase 3 would expand the push network to other users enabling the pulling of information and downloading into an EHR not encompassed in the previous phases
 - This will also provide the possibility for shared services that can provide lower costs to users than if they invested alone.
 - What about the ability for the provider's to request patient information via a query as this has significant value to treat a patient because it can mitigate redundant tests and enable providers to have more patient information at their fingertips? This was put in phase 2 because of the need for an Master Person Index (MPI) to guarantee you receive the correct patient information.

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- However, to do so in phase 1, a fax blast can be used to request patient information from known endpoints. This would require someone be at both ends to complete the transaction.

Financing Options

- The current roadmap depends on Federal HIE funding (\$5.5. million), but recognizes it ends in 2013, thus highlighting the need for private funding for ongoing initiatives.
- We will analyze a mix of approaches from non-government sources.
- The issue with private funding is that many additional costs could be funneled to premiums.
- The 84% Medical Loss Ratio (MLR), the percentage of a charge that is dedicated to actual medical services could be an issue if any HIE charge is not considered part of the medical service. This could make private funding via insurance charges an issue.
- We reviewed the need for funding options of one-time vs. ongoing charges.
- The second consideration was required participations versus market-based or membership charges that are not mandatory.
- Under mandatory approaches there are several alternatives, including several state collection models, such as premium or claims assessments, covered lives and patient-use assessments, license assessments and per bed or per transaction charges.
- The one-time funding will only meet the need for the matching funding, which is targeting \$600,000 to 1 million.
- Use of a flat fee to start then adding a usage fee would spread the costs among a broad amount of stakeholders.
- We discussed how the value and financing needs to consider who the ultimate users are, and whether the value is more for the patient or for the providers. The next question is about whether the patients could pay for it and do they want to pay for it?
- This would require patient education and support and the Core Team will discuss the need to engage this group.
- We discussed that there are benefits to other entities still, including Medicaid, the providers, and not just payers and patients. This was an argument in favor of the combination financing model to include other stakeholders.
- One alternative is to launch the HIE with the seed money and then migrate to a coalition of the members who pay an annual membership. This is a sustainable model used by several HIE's including Indiana, Utah and Cincinnati.
- A membership concept rather than a mandatory membership has greater popularity.
- We are scheduling engagements and presentations with Vermont, and the New England Health Information Network and see what possible funding options with their current architecture and policies might be leveraged.
- Another alternative that could be considered market-based is that the health insurers could provide incentives for providers to conduct transactions via the HIE if they believe there is value in the network and its data and benefits.
- This model could take some time to enact, however, because of the contracting required.
- This is similar to what CMS is doing for Medicare and EHRs where it is paying less for transactions not using EHRs, this model could be used to pay less for non-HIE participating transactions (using fee reductions, not fee increases).
- We began to discuss what kinds of savings could materialize via public health reporting and how it is done currently to enable an estimation of what savings could be generated via an HIE solution. The Core team will discuss a high level estimate.
- Any possible model ideas should be emailed to Shanthi, Micky, Sean or Mark and we can discuss on the next call.

- We will also try and build another model for the group to react to on the next work group teleconference on July 20th.

ACTION ITEMS (FROM PREVIOUS MEETINGS AND NEW)

Item #	Raised By	Action Item Description / Comment	Assigned To	Due Date	Status/ Remarks
1	Micky	Discussion of implications of CMS-like incentive model and insurance model	Micky, Sean, Dick, Shanthi	Next Summit	Assignment
2	Micky	Define small, medium, large entities for membership fees	Micky, Sean	Next Summit	Assignment
3	Shanthi	Meet with Medicaid or bring Medicaid to next few meetings	Shanthi	Next Meeting	Assignment
4	Shanthi	Discuss Public Health savings that are possible via HIE with Core Team	Shanthi	Next Meeting	Assignment

ISSUES IDENTIFIED

Issue #	Raised By	Issue Description	Assigned To	Due Date	Status/Remarks
1					

DECISIONS MADE

Decision #	Sponsor	Decision Description	Approved (Y or N)	Comments