



Department of Health & Human Services
Office of the National Coordinator for
Health Information Technology

ONC Listening Session

July 21, 2009, 12:00pm, EDT



Call Agenda

- **ONC Opening Remarks**
- **Overview of State HIE Cooperative Agreement Program**
- **Technical Assistance Support**
- **Overview of Regional Centers Program**
- **Question and Answer Session**



Funding Amounts and Application Schedules

Regional Center Program						
Initial Cycle	Approx Funding	Preliminary Application	Preliminary Approval	Full Applications	Negotiations Begin	Decisions to Award
1	\$189,000,000	8-Sep-09	29-Sep-09	3-Nov-09	19-Nov-09	11-Dec-09
2	\$225,000,000	22-Dec-09	19-Jan-10	2-Mar-10	16-Mar-10	27-Apr-10
3	\$184,000,000	1-Jun-10	22-Jun-10	3-Aug-10	17-Aug-10	28-Sep-10
Total Amount of Funding Available:				\$598,000,000		
Award Floor/Ceiling:				\$1,000,000 to \$30,000,000		
Approximate Number of Awards:				70		
Program Period Length:				Four-year project period with two budget periods		
State HIE Program						
Total Amount of Funding Available:				\$564,000,000		
Award Floor/Ceiling:				\$4,000,000 to \$40,000,000		
Approximate Number of Awards:				56		
Program Period Length				Four years		
Letter of Intent				11-Sep-09, by 5:00pm EST		
Application				16-Oct-09 by 5:00pm EST		
Award Announcements				15-Dec-09		
Estimated Start Date				15-Jan-10		



Meaningful Use

The State HIE Program and the Regional Center Program are fundamental to realizing the promise of meaningful use of HIT and the promise of improved quality, efficiency and safety of health care.

Statutory Definition (HITECH Act of 2009): An eligible professional or hospital is considered a "meaningful EHR user" if they use certified EHR technology in a manner consistent with criteria established by the Secretary, including but not limited to:

- e-prescribing through an EHR,
- the electronic exchange of information for the purposes of quality improvement, such as care coordination and
- submission of clinical quality and other measures to HHS.

The HITECH Act also requires these meaningful use criteria to become more stringent over time.

Medicare and Medicaid Incentives for Meaningful Use:

- **Available beginning in FY 2011 eligible health care professionals and Acute Care Hospitals , Children’s Hospitals and Critical Access Hospitals.**
- **In 2015, providers are expected to have adopted and be actively utilizing an EHR in compliance with “meaningful use” or they will be subject to financial penalties under Medicare.**
- **Detailed criteria to qualify for meaningful use incentive payments will be established by the Secretary of HHS through the formal notice-and-comment rulemaking process. *The information exchange requirements for the meaningful use EHR incentives, as specified in this regulation, will inform a strategic framework for this program.***



State Role

States will play a critical leadership role by determining a unified path and a model for exchange of health information that leverages existing regional and state efforts and is based on HHS-adopted standards and certification criteria.

States will be expected to use their authority, programs, and resources to:

- Determine roles and responsibilities of State Designated Entity (SDE), if desired
- Develop and implement Strategic and Operational Plans
- Develop state level directories and enable technical services for HIE within and across states.
- Remove barriers and create enablers for HIE, particularly those related to interoperability across laboratories, hospitals, clinician offices, health plans and other health information trading partners.
- Convene health care stakeholders to ensure trust in and support for a statewide approach to HIE.
- Ensure that an effective model for HIE governance and accountability is in place.
- Coordinate an integrated approach with Medicaid and state public health programs to enable information exchange and support monitoring of provider participation in HIE as required for Medicaid meaningful use incentives.
- Develop or update privacy and security requirements for HIE within and across state borders.



Federal Role

The federal government will advance interoperability and health information exchange through a variety of regulatory and programmatic activities.

HHS will:

- Complete the rulemaking process for meaningful use criteria established by the Secretary of HHS.
- Collaborate with states and SDEs to promote, monitor and share efficient, scalable and sustainable mechanisms for HIE within and across states.
- Conduct a national program evaluation and offer technical assistance for state-level evaluations in an effort to implement lessons learned that will ensure appropriate and secure HIE resulting in improvements in quality and efficiency.
- Harmonize and regulate standards and certification criteria to enable interoperability and HIE.
- Provide technical assistance to states and SDEs.
- Coordinate efforts across states and regions to support nationwide HIE.
- Advance standards-based HIE through the development of the Nationwide Health Information Network (NHIN).
- Establish a governance mechanism for the NHIN informed by HIE activities across states and regions, including entities participating in the NHIN.



Core Functions – State HIE Program

- Develop state-level directories (of patients, providers, services, etc.) and enable technical services for HIE within and across states.
- Remove barriers and create enablers for HIE, particularly those related to interoperability across laboratories, hospitals, clinician offices, health plans and other health information trading partners.
- Convene health care stakeholders to ensure trust in and support for a statewide approach to HIE.
- Ensure that an effective model for HIE governance and accountability is in place.
- Coordinate an integrated approach with Medicaid and state public health programs to enable information exchange and support monitoring of provider participation in HIE as required for Medicaid meaningful use incentives.
- Develop or update privacy and security requirements for HIE within and across state borders.



Five Essential Domains for HIE

To realize HIE, states need to plan, implement and evaluate activities across five essential domains: governance, finance, technical infrastructure, business and technical operations, and legal/policy.

- **Governance:** Convening health care stakeholders and creating trust and consensus on an approach for statewide HIE and to provide oversight and accountability of HIE to protect the public interest.
- **Finance:** Identification and management of financial resources necessary to fund health information exchange including pricing strategies, market research, public and private financing strategies, financial reporting, business planning, audits, and controls.
- **Technical Infrastructure:** The architecture, hardware, software, applications, network configurations and other technological aspects that physically enable the technical services for HIE in a secure and appropriate manner.
- **Business and Technical Operations:** Operational and management activities including procurement, identifying requirements, process design, functionality development, project management, help desk, systems maintenance, change control, program evaluation, and reporting.
- **Legal/Policy:** Legal and policy frameworks with which HIE is administered including privacy and security requirements for system development and use, data sharing agreements, federal and state laws and regulations, and multi-state policy harmonization activities.



State Plans

States participating in the State HIE Program will begin at different stages of maturity working towards interoperable HIE. Some will be fully operational, while others will just be starting to build the necessary capacity.

- **States must submit and receive approval of a Strategic Plan and an Operational Plan.**
- **ONC expects that State Plans will reflect the existing variety of HIE approaches and levels of readiness.**
- **An assessment of the Strategic and Operational Plans will be part of the application award process if submitted with the application.**
- **ONC will use this information to tailor each state cooperative agreement to reflect the level of readiness.**
- **Some states are at the implementation stage and others will be at the initial planning stage. We expect that most state cooperative agreement awards will be for both planning and implementation.**
- **States that have a State Plan approved by the National Coordinator prior to award will begin the performance period with implementation funding.**



Eligibility Criteria

State Cooperative Agreements to Promote Health Information Technology

Must be a component of state government or a not-for-profit entity.

State agency or State Designated Entity (SDE) must be designated by a letter from the Governor.

A qualified SDE must:

- Be a not-for-profit entity with broad stakeholder representation on its governing board;
- Be committed to the use of information technology to improve health care quality and efficiency through the authorized and secure electronic exchange and use of health information;
- Adopt non-discrimination and conflict of interest policies that demonstrate open, fair, and non-discriminatory participation by stakeholders; and
- Conform to such other requirements as the Secretary may establish.

For multi-state applications, a letter from the Governor (or equivalent) designating the partnering state or SDE must be received on behalf of each state participating in the proposed project.

The state government (or governments for multi-state applications) must appoint a State Government HIT Coordinator who is a state official and will coordinate state government participation in HIE.



State HIE Award Formula and Performance-Based Allocation

The funding formula includes a base allocation, equity adjustments and a needs-based adjustment.

Initial Funding

Base Allocation: Each state will be given an equal base amount of \$4,000,000. For states that apply using a multi-state approach, the base amount will be adjusted to reflect the efficiencies of shared services.

Equity Adjustments: Additional funds will be added to this base amount to account for differences in existing health care delivery environments. These additional funds will be determined by a formula using the following equity factors – number of primary care physicians, number of short-term (acute) care hospitals, state population, and indicators of rural and underserved areas.

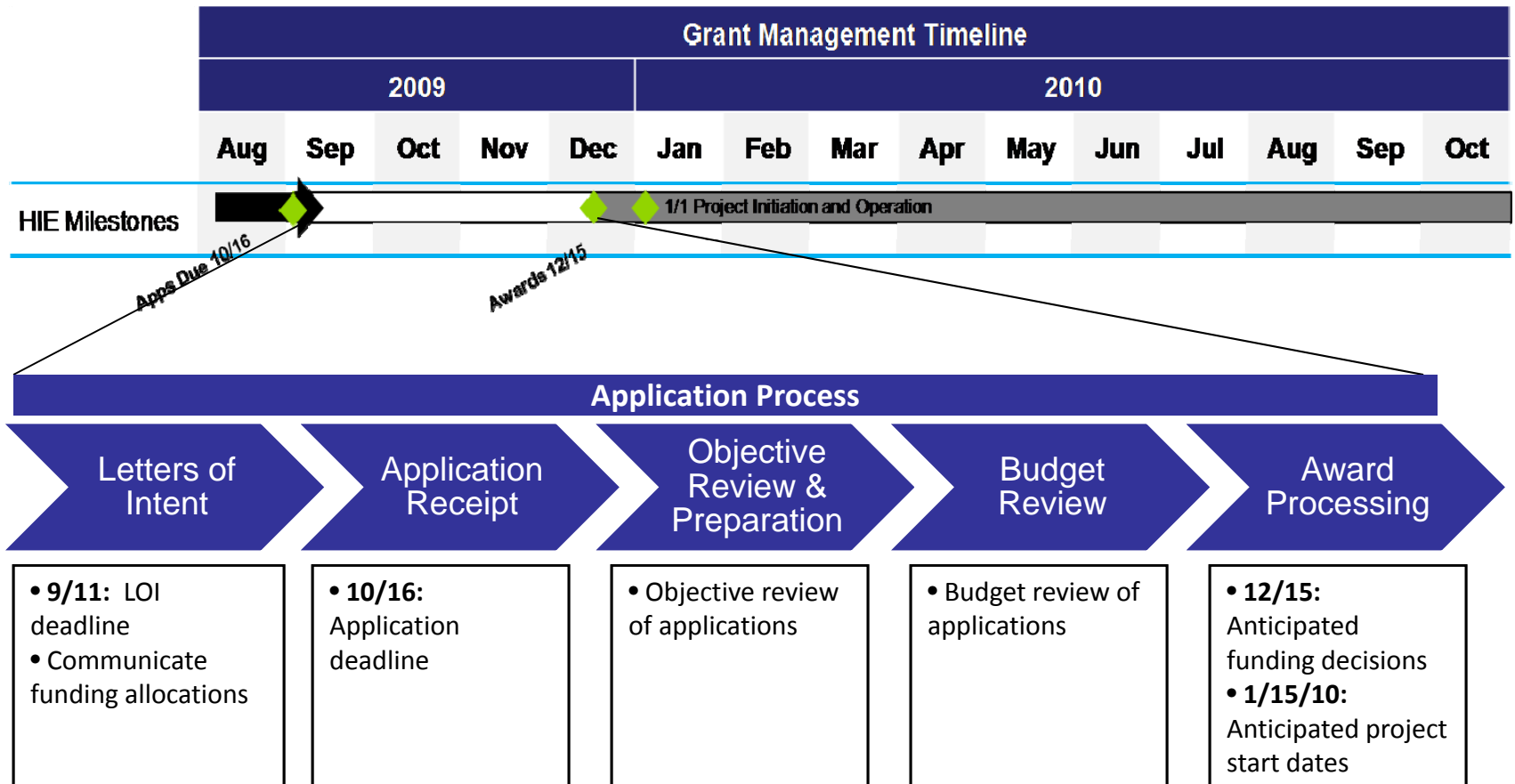
Needs-Based Adjustments: ONC will allocate 10% of the total funds available using information provided by the applicant regarding their historic investment in HIE as required in the Letter of Intent.

Access to Funding

Performance-Based Drawdown: Special conditions will be placed on each cooperative agreement that divides total funding among major milestones and meeting specific metrics for the program.



HIE Application and Award Process





Technical Assistance to Develop and Implement State Plans

- Objectives
 - Engage states in different stages of HIE development
 - Address key priorities in developing both strategic and operating plans
 - Provide ongoing supports to rapidly disseminate shared learning, advance state plan milestones
- Scope
 - Provide direct one-on-one assistance, support shared learning opportunities, leverage experience and practical lessons learned across states
 - Address 5 domains (governance, finance, technical infrastructure, business and technical operations, legal/policy)
- Needs assessment
 - A checklist will be provided to state applicants from the State –level HIE Consensus Project within the next 14 days
 - To plan for meeting states needs for technical assistance, the SLHIE Project Director requests that applicants complete the check list for types of TA needed on www.slhie.org when the LOI is submitted



The Health Information Technology Extension Program Regional Centers

The HITECH Act authorizes the establishment of new grant programs that will provide resources to facilitate the adoption and use of EHRs by providing technical assistance and the capacity to exchange health information.

The Health Information Technology Extension Program (Extension Program) consists of a national Health Information Technology Research Center (HITRC) and Regional Extension Centers (**Regional Centers**). HITRC will support the Regional Centers as they offer providers within their geographic service areas technical assistance in the selection, acquisition, implementation, and meaningful use of EHRs—including health information exchange (HIE)—to improve health care quality and outcomes.



Regional Centers Funding For Years 1 and 2

Core Support : outreach and educational activities, grants and program management, local workforce support, and participation peer-learning and knowledge transfer activities facilitated by the HITRC.

- **A total of \$598 million will be distributed with an average award of \$8.5 million.**

Direct Assistance Support: direct onsite technical assistance to providers.

Quarterly release: funding will be released quarterly based on the number of identified providers that have achieved specific milestones within the preceding quarter.

The key provider-specific milestones include:

- signed technical assistance contracts between the Regional Center and provider (with receipt of any participation fees required)
- documentation of Go-Live status on a certified EHR, with active quality reporting and electronic prescribing
- meeting the meaningful use criteria established by the Secretary



Target Audience

Primary-care providers in individual and small group practices (fewer than 10 physicians and/or other health care professionals with prescriptive privileges) primarily focused on primary care; and physicians, physician assistants, or nurse practitioners who provide primary care services in public and critical access hospitals, community health centers, rural health clinics, and in other settings that predominantly serve uninsured, underinsured, and medically underserved populations.

Each Regional Center is expected to provide federally supported individualized technical assistance to **a minimum of 1,000 priority primary-care providers in the first two years** of the four-year cooperative agreement project period. **All Regional Centers** will, in the national aggregate, **support over 100,000 priority primary-care providers** to achieve successful adoption and meaningful use of certified EHRs in the first two years of the program.



Regional Centers Services

- **Education and Outreach:** Disseminate knowledge about the effective strategies and practices to select, implement, and meaningfully use certified EHR technology to improve quality and value of healthcare
- **National Learning Consortium:** Participate in the National Learning Consortium facilitated by the HITRC and share tools and materials developed through the cooperative agreement with other Regional Centers, interested stakeholders, and the public.
- **Local Workforce Support :** Partner with local resources, such as community colleges, to promote integration of health IT into the initial and ongoing training of health professionals and supporting staff.
- **Practice and Workflow Redesign:** Support for practice and workflow redesign necessary to achieve meaningful use of EHRs
- **Functional Interoperability and Health Information Exchange:** Assist priority primary-care providers in connecting to available health information exchange infrastructure(s).



Regional Centers Services

- **Vendor Selection & Group Purchasing:** Help providers select the highest-value option -- the option that offers the greatest opportunity to achieve and maintain meaningful use of EHRs and improved quality of care at the most favorable cost of ownership and operation, including both the initial acquisition of the technology, cost of implementation, and ongoing maintenance and predictable needed upgrades over time.
- **Privacy and Security Best Practices:** Support providers in implementing best practices in the privacy and security of personal health information.
- **Implementation and Project Management:** Support end-to-end project management over the entire EHR implementation process, including individualized and on-site coaching, consultation, troubleshooting.
- **Progress Towards Meaningful Use:** Participate in program training and be able to provide their clients effective assistance in attaining meaningful use.



Eligibility Criteria – Regional Centers

- A United States-based nonprofit institution or organization, or group thereof. Proof of nonprofit status is required.
- A letter of support from the Medicaid Director(s) of that state or states must accompany any proposals to serve one or more entire states.
- The initial geographic service area for each regional center will be established through a collaborative process between applicants and HHS.



Application and Award Process

