STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: James Reardon, Commissioner of Finance & Management

From: Nathan Lavery, Fiscal Analyst

Date: April 28, 2010

Subject: JFO #2443

No Joint Fiscal Committee member has requested that the following item be held for review:

JFO #2443 — $5,034,328 grant from the U.S. Department of Health & Human Services to the Office of Vermont Health Access. This grant will be used to establish a statewide health information exchange (HIE) network and interstate HIE interoperability. The establishment of one (1) limited service position is associated with this request.
[*JFO received 4/06/10*]

The Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: Susan Besio, Director

STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee Members

From: Nathan Lavery, Fiscal Analyst

Date: April 14, 2010

Subject: Grant Requests

Enclosed please find seven (7) requests that the Joint Fiscal Office has received from the administration. These requests include the establishment of three (3) limited service positions and the retention of two existing positions.

JFO #2439 — $410,215 grant from the USDA Food and Nutrition Service to the Vermont Department of Health. These funds will support Women, Infants Children program improvement projects in the areas of cash value benefit cards and replacement of the legacy computer system. **The establishment of one (1) limited service position is associated with this request.** This grant is awarded under the American Recovery and Reinvestment Act.
[*JFO received 3/29/10*]

JFO #2440 — $6,647 grant from the University of Vermont to Agriculture, Food & Markets. These funds will be used to support the Farm First program in providing dairy producers and their families with counseling, resources, and referral information related to stress and other concerns.
[*JFO received 3/29/10*]

JFO #2441 — $700,000 grant from the U.S. Department of Justice to the Vermont Department of Children and Families. This grant will be used to fund 12 sub-awards to schools and non-profits targeting youth delinquency prevention.
[*JFO received 4/06/10*]

JFO #2442 — $807,454 grant from the Centers for Disease Control & Prevention to the Vermont Department of Health. These funds will be used to support efforts to reduce tobacco use and expand tobacco cessation quit lines. This grant is awarded under the American Recovery and Reinvestment Act.
[*JFO received 4/06/10*]

JFO #2443 — $5,034,328 grant from the U.S. Department of Health & Human Services to the Office of Vermont Health Access. This grant will be used to establish a statewide health information exchange (HIE) network and interstate HIE interoperability. **The establishment of one (1) limited service position is associated with this request.** This grant is awarded under the American Recovery and Reinvestment Act and **expedited review of this item has been requested.** Joint Fiscal Committee

members will be contacted within two weeks with a request to waive the statutory review period and accept this item.
[*JFO received 4/06/10*]

JFO #2444 — Request to establish one (1) limited service position in the Agency of Agriculture, Food & Markets. This position is associated with a grant approved by the Joint Fiscal Committee for the Agriculture Innovation Demonstration Project (JFO #2425). This position request was not submitted as part of the request for approval of JFO #2425.
[*JFO received 4/06/10*]

JFO #2445 — $10,000 grant from the Wildlife Management Institute to the Vermont Department of Forests, Parks and Recreation. These funds will be used to create a roost field for American woodcock through reclamation of a gravel pit.
[*JFO received 4/12/10*]

In accordance with the procedures for processing such requests, we ask you to review the enclosed and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; nlavery@leg.state.vt.us) if you have questions or would like an item held for legislative review. Unless we hear from you to the contrary by April 28 we will assume that you agree to consider as final the Governor's acceptance of these requests.

cc: James Reardon, Commissioner
        Wendy Davis, Commissioner
        Roger Allbee, Secretary
        Stephen Dale, Commissioner
        Susan Besio, Director
        Jason Gibbs, Commissioner

STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Representative Steven Maier
         Senator Douglas Racine

From: Nathan Lavery, Fiscal Analyst

Date: April 14, 2010

Subject: JFO #2439, #2442, #2443

    In accordance with Sec. E.129 of Act 1 of the 2009 Special Session, Representative Michael Obuchowski asked that I forward to you a copy of the enclosed American Recovery and Reinvestment Act grant materials and cover memo. He requests your observations regarding the enclosed items.

cc: Rep. Michael Obuchowski

JFO #2443

VERMONT

Agency of Human Services

Blueprint for Health
Smart choices. Powerful tools.

Office of Vermont Health Access	Division of Health Care Reform	Blueprint for Health
312 Hurricane Lane, Suite 201	312 Hurricane Lane, Suite 201	Vermont Dept of Health
Williston, VT 05495	Williston, VT 05495-2807	108 Cherry Street, Burlington, VT 05402
www.ovha.vermont.gov	www.hcr.vermont.gov	health.vermont.gov
[phone] 802-879-5900	[phone] 802-879-5988	[phone] 802-879-5988

MEMORANDUM

TO: Joint Fiscal Office

FROM: Hunt Blair, Deputy Director for Health Care Reform

THROUGH: Joan Stewart, Office of Economic Stimulus & Recovery

DATE: March 22, 2010

SUBJECT: Request to Expedite Position Approval for ARRA Grant

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In light of the ARRA goal and expressed intent of the Vermont Legislature and the Governor that stimulus money be put to work as quickly as possible to help alleviate unemployment and stimulate the economy, I am requesting expedited consideration by the Joint Fiscal Committee on the position requests under the Office of the National Coordinator for Health Information Technology (ONC) Section 3013 Health Information Exchange Cooperative Agreement.

The position of State HIT Coordinator is required as a condition of the four year ONC Cooperative Agreement. Currently, I serve in that role, but the expectation from ONC is that it be staffed full time by an FTE dedicated to that role.

Act 61 of 2009, Section 13 authorizes AHS to seek federal funds to enable the State to pursue its health information technology and exchange goals. This ONC Cooperative Agreement is one of the federal HIT funding resources that AHS/OVHA has applied for and been awarded. The State match for this grant funding is the Health Information Technology (HIT) Fund

Thank you for your consideration.

ARRA ACTIVITY ACCEPTANCE REQUEST:	☒ ARRA Competitive Grant (Alternate Form AA-1)	☐ Other ARRA Activity (Not subject to AA-1 Process)
Revision? ☐ Yes Revision Date:		

TRACKING DB ~74

INSTRUCTIONS: This form must be completed in its entirety and is required for:

1) acceptance of all ARRA Discretionary Grants, and

2) PRIOR to receipt of all ARRA Formula/Block Grants, and

3) PRIOR to receipts of all ARRA funding for Individual Entitlement Programs.

NOTE: Incomplete forms will be returned to departments and will result in the delay of spending authority release.

BASIC ARRA INFORMATION

1. Agency (ARRA-F): Human Services	2. Department (ARRA-F): OVHA	3. DUNS # (ARRA-C): 809376155
4. Office Location:	**City/town:** Williston	**County:** Chittenden

5. ARRA Activity (ARRA 1-01): Health Information Technolgoy	6. ARRA Code (ARRA 2-1): E06.03

7. Legal Title of Grant: State HIT-HIE Program

8. Federal Agency Award # (ARRA-B): Department of Health & Human Services *90HT0022/01*	9. CFDA # (ARRA-E): 93.719

10. Federal Funding Agency's US Treasury Account Symbol (TAS):   *(if provided by the federal funding agency)*

11. Federal (or VT) Funding Agency (ARRA-A):	Office of the National Coordinator for Health Information Technology	12. Award Date: 2/8/2010

13. Award Amount $5,034,328	14. Check if this amount is an estimate: ☐

15. Grant Period (ARRA-H) From:	2/8/2010	To:	2/7/2014

16. Date by which ARRA funds must be: ☒ Obligated by Date: 2/7/2014 and/or ☒ Spent by Date: 3/31/2014

17. Purpose of Grant/ARRA Narrative (ARRA 2-02):
Planning and Implementation activities to establish a fully operational statewide health information exchange (HIE) network and develop interstate HIE interoperability.

18. Area that will Benefit (name the state, county, city or school district): Vermont - Entire State

19. Impact on existing program if grant is not Accepted:
State's HIE network will not be able to reach full operational capacity without the resources included in this grant.

20. BUDGET INFORMATION (Note the total of columns A+B+C must equal the total of columns D+E+F)

Column Reference	A	B	C	D	E	F
	←------------State Fiscal Year------------→			←------------Federal Fiscal Year------------→		
Fiscal Year	SFY 2009	SFY 2010	SFY 2011 & Beyond	FFY 2009	FFY 2010	SFY 2011 & Beyond
Expenditures: Personnel Costs	$	$43,724	$404,810	$	$70,864	$377,670
3rd Party Contracts	$	$	$	$	$	$
Operating Expenses	$	$30,319	$61,866	$	$34,527	$57,658
Grants/Sub-Awards	$	$713,454	$4,483,600	$	$1,141,526	$4,055,528
Total Expenditures	$	$787,497	$4,950,276	$	$1,246,917	$4,490,856
Revenues:						
State Funds:	$	$	$	$	$	$
Cash	$	$	$703,445	$	$	$703,445
In-Kind	$	$	$	$	$	$
ARRA Federal Funds:	$	$	$	$	$	$
(Direct Costs)	$	$749,997	$4,044,600	$	$1,187,540	$3,607,057
(Statewide Indirect)	$	$	$	$	$	$
(Dept'l Indirect)	$	$37,500	$202,231	$	$59,377	$180,354
Sub-total ARRA Funds	$	$787,497	$4,246,831	$	$1,246,917	$3,787,411
Other Funds:	$	$	$	$	$	$
(Other Federal)	$	$	$	$	$	$
(list source)	$	$	$	$	$	$
Total Revenues	$	$787,497	$4,950,276	$	$1,246,917	$4,490,856

Comments about expenditures or ___enues may be made in the space provided below:

The State source of Funds (Match) will be the Health IT Fund # 21916

21. VISION Tracking Information:

DeptID/Appropriation:	Other VISION Chartfield (funds, programs or projects)	Total Amount (all FYs)	Comments
3410010000	ARRA Fund-22040; Program # - 41617	$5,034,328	
3410010000	Health IT Fund - 21916; Program # - 41617	$703,445	
		$	
		$	
		$	
	Total	$5,737,773	This Total MUST agree with the total of Item 10, columns A+B+C above

PERSONAL SERVICE INFORMATION

22. Will monies from this grant be used to fund one or more Personal Service Contracts? ☒ Yes ☐ No

If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Susan Besio Agreed by: _SWB_ (initial)

23. State Position Information and Title(s):	# Existing Positions Retained	Est. Annual Regular Hours	# Positions Created (New)	Est. Annual Regular Hours
State HIT Coordinator			1	2,080
Total Positions			1	2,080

24. Is the appropriate Position Request Form attached for new position(s) listed in Line 12 above?

☒ YES – Form attached   or   ☐ No new positions created

25. Equipment and space for these positions:	☒ Is presently available. ☐ Can be obtained w/available funds.

26. Does this qualify as "Infrastructure"? ☐ Yes ☒ No | If Yes complete next line:

27. Infrastructure Rationale (select one) (ARRA 2-06):

1. ☐ To Preserve & create jobs & promote economic recovery.
2. ☐ To assist those most impacted by the recession.
3. ☐ To provide investment needed to increase economic efficiency by spurring technological advances in science & health.
4. ☐ To invest in transportation, environmental protection, & other infrastructure that will provide long-term economic benefits.
5. ☐ To stabilize State & local government budgets, in order to minimize & avoid reductions in essential services & counterproductive state & local tax increases.

28. AUTHORIZATION AGENCY/DEPARTMENT SIGNATURES

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable). I/we further certify that these funds will be used only in accordance with the federal American Recovery & Reinvestment Act and all federal and state rules and regulations pertaining thereto:

ARRA Activity Manager:
Name: Hunt Blair | Title: Deputy Director Health Care Reform | Date: 2/22/10

Department Head:
Name: Susan Besio | Title: Director - OVHA | Date: 2/22/10

Agency Secretary (if required): Patrick Flood
Name: PATRICK FLOOD | Title: DEPUTY SECRETARY | Date: 3/8/10

29. REVIEW BY FINANCE & MANAGEMENT (continue on separate sheet if necessary)

☐	√ To Release Spending Authority in VISION:	FY 20 _10_ $ _787,497_ remainder in FY11+	Citation(s): Competitive Grant No Citations ZH	

Analyst (initial): _ZH_	Date: _3/22/10_		Commissioner Finance & Management initial): _K_	Date: _3/23/10_

For ESR Use Only:	Assigned ESR Director's Signature: _[signature]_			Date: _3/16/10_

* * * Section 30 through 33 are required ONLY when Form ESR-2 is used in lieu of Form AA-1 * * *

30. SECRETARY OF ADMINISTRATION

☐	Check One Box: Accepted	(Secretary's signature or designee) _[signature]_	Date: _3/24/10_
☐	Rejected		Date:

31. ACTION BY GOVERNOR

☑	Check One Box: Request to JFO	(Governor's signature or designee) _[signature]_	Date: _3/26/10_
☐	Rejected		Date:

32. SENT TO JFO

☑	Sent to JFO		Date: _3/29/10_

* * * Section 33 is a required section * * *

33. ARRA FORM ESR-2 DOCUMENTATION CHECK LIST (check all that apply):

☒ Notice of Award or Proof of Award (REQUIRED) ☐ Request Memo ☐ Grant Agreement	☐ Dept. project approval (if applicable) ☐ Governor's Certification (if applicable) ☐ Notice of Donation (if any) ☒ Position Request Form(s)	☐ Grant (Project) Timeline (if applicable) ☐ Request for Extension (if applicable) ☐ Form AA-1PN attached (if applicable)

VERMONT

Office of Vermont Health Access, Health Care Reform   *Agency of Human Services*
312 Hurricane Lane   Suite 201
Williston, VT 05495-2087
http://hcr.vermont.gov
[phone]   802-879-5900

MEMORANDUM

TO: Department of Personnel

FROM: Hunt Blair, Deputy Director for Health Care Reform

THROUGH: Susan Besio, Director, Office of Vermont Health Access

DATE: February 22, 2010

RE: Limited Service Positions to Support Health Information Technology (HIT) Initiatives

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As a supplement to the request for positions, this **updated Memo** provides background and context.

Following up on the request for two positions funded by new CMS resources earlier this month, the Division of Health Care Reform is now requesting the addition of the third planned position, following receipt of the notice of Cooperative Agreement award from the Office of the National Coordinator (ONC) for HIT. This position will have responsibility for overall coordination and oversight of state HIT policy and planning, working directly under the Division's Deputy Director. Please note that in previous Memo and organization chart, this position was listed as an AHS Associate CIO, but following the advice of AHS Deputy Secretary Patrick Flood and AHS CIO Margaret Ciechanowicz, we are now requesting the *creation of a new position classification:* State HIT Coordinator. Funding for this position is provided for four years through the Cooperative Agreement with the ONC.

In the American Recovery & Reinvestment Act (ARRA), Congress authorized two important Health Information Technology initiatives for which states have lead responsibility. These are: coordination of state Health Information Exchange (HIE) and implementation of a program of incentive payments for health care providers (physicians and hospitals) paid through State Medicaid agencies. The provider incentives are 100% Federal dollars but are administered by the State. These programs will result in millions of Federal dollars coming to Vermont in support of expanding implementation and meaningful use of Electronic Health Records (EHRs) and other HIT initiatives. Act 61 of 2009 placed responsibility for state oversight of these initiatives with the Division of Health Care Reform at OVHA, and the requested limited service positions are to ensure the Division can meet Federal and State statutory expectations.

The addition of these positions has been well understood and verbally approved by AHS Secretary Hofmann, AOA Secretary Lunderville, and Chief Technology Officer Esvlin through the course of discussions over the last year, since passage of ARRA and analysis of the opportunities it presents. A total of six (6) positions will be requested this year, as funding becomes available. All are shown on the organization charts included with the position requests.

Please do not hesitate to contact me for further information or clarification of these requests. My email is hunt.blair@ahs.state.vt.us and phone number is 802-879-5988. Thank you for your assistance in this request.

STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources <u>must</u> be obtained <u>prior to</u> review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report <u>must</u> be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: <u>AHS/OVHA</u>   Date:<u>02/22/2010</u>

Name and Phone (of the person completing this request): <u>Melissa Jenkins, 879-8256</u>

Request is for:
   ☒ Positions funded and attached to a new grant.
   ☐ Positions funded and attached to an existing grant approved by JFO #_____

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

Department of Health & Human Services – Office of the National Coordinator for Health Information Technology, State HIT-HIE Program, Section 3013 of ARRA (ONC 3013)

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established <u>only</u> after JFC final approval:

Title* of Position(s) Requested	# of Positions	Division/Program	Grant Funding Period/Anticipated End Date
State HIT Coordinator	1	Health Care Reform	02/08/2010-02/07/2014 / 02/07/2014

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

Act 61 of 2009, Sec. 13 authorizes AHS to seek Federal Funds to enable the State to pursue its health information technology and exchange goals. Position is a requirement as a condition of funding by ONC.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b).

Signature of Agency or Department Head	2/22/10 Date
Molly Paulse (Approved)/Denied by Department of Human Resources	3/22/10 Date
Approved/Denied by Finance and Management	3/23/10 Date
Approved/Denied by Secretary of Administration	7/14/10 Date

Comments: DHR approval is contingent on F&M approval of grant funding

DHR – 11/7/05

Vermont State HIT-HIE Program   Phone: 802-879-5988
Hunt Blair   Fax: 802-879-5919
Deputy Director for Health Care Reform Email: hunt.blair@ahs.state.vt.us
Office of Vermont Health Access   Web: http://hcr.vermont.gov
Agency of Human Services
312 Hurricane Lane, Suite 201   Congressional District: Vermont 1
Williston, VT 05495

Vermont is recognized as a national leader in the alignment and integration of Health Information Technology (HIT), Health Information Exchange (HIE), and reform of the health care delivery system. Health information exchange and technology are a consistent focus of Vermont health policy attention, but always in the broader context of enabling transformative delivery system change. Because of that systems approach, meaningful use of HIT has been built into Vermont's vision from the outset. Our goal is nothing short of transforming the health care delivery system by, in part, ensuring the technical infrastructure to support practitioners and patients, for an enhanced system of care.

The Cooperative Agreement funds, in combination with CMS funding to the state authorized under Sec. 4201 of ARRA, CMS funding related to the state MMIS, and resources from the state Health IT Fund, will enable Vermont to achieve its goal of establishing a fully operational statewide health information exchange network within the first two years of ONC funding, building on a five year base of planning, consensus building, governance refinement, and creation and early implementation of a standards-based technical architecture. An intensive period of operational planning will be completed as the first phase of the project, followed by statewide HIE implementation it will now be possible to scale up dramatically in a compressed time frame.

Presently, 8 hospitals and 13 primary care practices are connected to the Vermont HIE Network (VHIEN) operated by Vermont Information Technology Leaders, Inc. (VITL), but the connectivity is generally limited to lab feeds and/or medication history and the growth of the VHIEN has been sporadic to date. The ONC HIE funding will enable planned expansion of bi-directional interfaces to all the hospitals in the state – as well as to a neighboring state's tertiary care center – by 2011 supporting clinical messaging, exchange of Continuity of Care Documents, CPOE, and lab and imaging reporting.

Full bi-directional statewide connectivity to the hospitals will in turn help to drive statewide expansion of HIT and HIE at the practice and provider level. That expansion effort is being organized regionally in each of Vermont's discrete Hospital Service Areas (HSA), because while the infrastructure is statewide, most HIE happens locally. The VHIEN also provides the connectivity backbone for the statewide clinical registry, care management, and reporting tool (DocSite) utilized by the Vermont Blueprint for Health, enabling both personalized and population-based care coordination and management for the Blueprint's integrated primary care medical homes and community health teams, providing further value to participating providers. By the end of the Project Period, Vermont's HIT-HIE infrastructure will have received the boost to be fully operational statewide and will demonstrate its value to ensure long term sustainability.

Vermont HIE Cooperative Agreement Proposal

A. Current State of Vermont's Health Information Exchange development & infrastructure

The current HIE environment, as well as Vermont's recent history and vision for the

future, are described in depth in the October 2009 edition of the *Vermont Health Information*

Technology Plan (VHITP), included in this Cooperative Agreement package. (That plan will be

further updated to be fully compliant with ONC strategic and operational plan requirements by

April 1, 2010.)

In summary, Vermont has an operating HIE infrastructure that has made substantial

progress in each of the Five Domains. HIE in Vermont was developed through an extensive

public/private collaboration formally begun in 2005 through state legislation. In 2009, statutory

updates introduced in the wake of the federal HITECH Act codified a state HIE Governance

structure that places responsibility for HIT-HIE policy planning, development, coordination, and

oversight with the state Division of Health Care Reform, which is part of the Office of Vermont

Health Access (OVHA), the state Medicaid agency. Governance of the operational infrastructure

for statewide HIE by the Vermont Information Technology Leaders (VITL), a private non-profit

corporation, is also authorized in statute, along with language deeming VITL the entity

responsible for operating statewide health information exchange. VITL contracts with GE

Healthcare to operate the technical infrastructure of the Vermont Health Information Exchange

Network (VHIEN).

The Technical Infrastructure, Business Operations, and implementation of Legal

agreements and Policies developed since 2007 enable functioning health information exchange in

Vermont. Presently, 8 hospitals and 13 primary care practices are connected to the VHIEN, but a

combination of the ONC HIE Cooperative Agreement funding, CMS funding to OVHA

authorized under Sec. 4201 of American Recovery & Reinvestment Act (ARRA), CMS funding

related to support of the state MMIS, and Vermont's state Health IT Fund (detailed below in B.)

will enable planned expansion to all the hospitals in the state – as well as to Dartmouth Hitchcock

Medical Center in New Hampshire – over the next year.

Full bi-directional statewide connectivity to the hospitals will drive statewide expansion

of HIT and HIE organized regionally in each of Vermont's discrete Hospital Service Areas

(HSA). The VHIEN also provides the connectivity backbone for the statewide clinical registry,

care management, and reporting tool (DocSite) utilized by the Vermont Blueprint for Health's

integrated primary care medical home and community health team program. Currently operating

in three Hospital Service Areas, the Blueprint anticipates expansion statewide over the coming

year, in close collaboration and coordination with statewide HIT-HIE expansion.

Consistent with the ONC Pathway to HIE and the role of information exchange in

achieving meaningful use, VITL is an applicant to become a Regional Health Information

Technology Extension Center. With the Blueprint and Vermont Medicaid, VITL will be

instrumental in preparing the state's practitioners to meet meaningful use criteria. Vermont

primary care practices in our Blueprint integrated medical home and community care team pilot

communities are already able to achieve many of the Objectives for Care Goals related to

Improving Quality, Safety Efficiency, and Reduction of Health Disparities and Care Coordination

by using a combination of state-certified EHR's that transmit data through the VHIEN to

DocSite. DocSite provides secure, encrypted population, panel, and individual level views of

patient data and contains extensive patient care management and coordination tools for use across

practices and organizations.

Electronic eligibility and claims transactions: In 2009, the Vermont legislature

mandated a "summer study" to explore the opportunities for development of an electronic

eligibility and claims adjudication system for the state. The workgroup report[1] recommends that

"Vermont should move forward with the planning necessary to implement a statewide initiative

that will reduce administrative costs through the provision of a comprehensive point-of-service

eligibility and electronic adjudication of health care claims using a token based system and

---

[1]

http://hcr.vermont.gov/sites/hcr/files/HIT_Payment_Reform_Workgroup_Final_Report_Aug_31_2009.pdf

starting in physician offices/ambulatory care." The VHITP reflects that recommendation as a component of state planning moving forward.

Electronic prescribing and refill requests: VITL completed an *ePrescribing Planning and Feasibility Study* published in January 2009 that led to a state initiative to support expansion of e-Prescribing capacity in primary care practices and the capacity at independent community pharmacies to process e-Prescriptions. A significant obstacle to ePrescribing in VT is the large percentage of independent pharmacies who are not able to support ePrescribing today. A HRSA grant, facilitated by Senator Patrick Leahy, will enable VITL to assist independent pharmacies in implementing ePrescribing as well as providing licenses and incentives to providers to encourage their adoption.

In addition, ePrescribing is one of the NCQA Standards for primary care medical homes. The NCQA Standards have been adopted by the Blueprint as the methodology for scoring Vermont's integrated medical home demonstration program and calculating payment levels to the practices. This is another area of alignment between HIT and Vermont's health reform initiatives that will help to reinforce the incentives for providers to adopt ePrescribing.

Electronic clinical laboratory ordering and results delivery: Vermont hospitals are the primary laboratory resource for their Hospital Service Area. The first interface for each hospital is typically to provide laboratory results reporting using LOINC codes. The hospital laboratory catalogs are translated into standard format under contract with 3M. Laboratory orders are developed in conjunction with the hospital's capacity to receive and process orders. VITL's HRSA grant will support initial pilots of laboratory orders into hospital labs prior to full rollout.

Electronic public health reporting: Public health reporting is a critical success factor for the VHIEN. Data reporting to DocSite for the Blueprint is live and a standard component of HIE and Blueprint deployment. Plans are in place to develop an exchange with the State Immunization Registry to facilitate reporting and to provide results to providers as they care for Vermonters. Once the Immunization exchange is in place, the state is interested in using the

VHIEN to access hospital infection data, support the state cancer registry, the Advanced Directives and other registries maintained by the Department of Health, as well as report influenza test information.

Quality reporting capabilities: Vermont is building a robust infrastructure for quality reporting and benchmarking. As noted above, the Blueprint utilizes a web-based registry, panel management and reporting tool called DocSite that is fed through the VHIEN. The system is currently operational in the three Blueprint pilot communities and planning is underway in each of the other Hospital Service Areas to build interfaces between hospital IT systems and VITL to support feeds to DocSite.

Medication history: VITL's first pilot program established electronic access to medication histories for patients presenting at the emergency departments of two Vermont hospitals, and a third hospital subsequently added the service. As hospital EHR programs become more sophisticated, that data can be made available directly to the eMARS system rather than in the stand-alone model currently deployed. The ePrescribing initiative will enhance integration between hospital and ambulatory information.

Clinical summary exchange for care coordination and patient engagement: The VHIEN supports exchange of Continuity of Care Documents (CCD). In addition, a critical component of the Blueprint integrated medical home and community health team model includes care coordination and management, as well as support for patient engagement. The Blueprint's DocSite views have been constructed based on the CCD standard and then enhanced to support the community health team staff in those functions. Data is fed to DocSite through the VHIEN.

Self-Assessment of Current Status: The current *Vermont Health Information Technology Plan* is partially compliant with ONC guidelines; it is largely compliant with the requirements for Strategic planning and completion of the Operational planning section is the first phase of this Project. Vermont has made considerable progress in each of the Five Domains, as

reflected in the attached October edition of the VHITP, and the state does not anticipate

difficulties in completing an ONC compliant plan by April 1, 2010.

B. Proposed Project Summary

Vermont will benefit from the extensive work already done to support the development

of HIT and HIE and embed it as a critical component of the state's health care delivery system

reform efforts. The Cooperative Agreement funds, in combination with CMS funding to the state

authorized under Sec. 4201 of ARRA, CMS funding related to the state MMIS, and resources

from the state Health IT Fund, will enable Vermont to achieve its goal of establishing a fully

operational statewide health information exchange network within the first two years of ONC

funding, building on a five year base of planning, consensus building, governance refinement,

and creation and early implementation of a standards-based technical architecture.

Vermont – through a collaboration between staff at the state Division of Health Care

Reform and VITL, with the engagement of public stakeholders – will complete Strategic and

Operational planning consistent with ONC expectations as the first phase of the Project.

The state has taken a phased approach to updating the plan, which is designed to meet

both state statutory requirements and ONC expectations. An initial update to the original 2007

VHITP was just completed, as a component of preparing this proposal, with a second phase to

follow in the months between submission of the application for funding, continuing into the first

few months of funding. Because of the extensive public discussion and engagement about HIT-

HIE planning since 2005, Vermont does not anticipate significant barriers that will need to be

overcome to complete this process. The *Vermont Health Information Technology Plan* will be

updated annually, as required by Vermont law, to reflect the evolving policy and market

environment.

The state is submitting its HIT Planning – Advanced Planning Document (P – APD) to

CMS concurrently and expects to develop the State Medicaid HIT Plan (SMHP) in the same time

frame, although some detailed components of the SMHP may not be completed until after the Strategic and Operational planning is completed and approved. Vermont, which is in the process of a re-procurement of its Medicaid Medical Information System (MMIS), has the opportunity to plan for and implement a significant integration of its MMIS capacity with the HIE infrastructure. As noted above, electronic eligibility verification and claims adjudication are already included in HIE planning, and specifications for real time (or close to real time) verification and adjudication are being built into the MMIS requirements. There may be other ways in which CMS MMIS 90/10 funding can support the VHIEN and HIE connectivity. Vermont is in active discussions with CMS to explore ways in which these processes can complement and leverage each other.

The second, operational phase of the project is focused on a tiered approach to statewide HIT adoption and ubiquitous HIE that will capitalize on creating a critical mass for HIE regionally, in each Hospital Service Area (HSA). While the VITL state level HIE provides an operational economy of scale, the majority of day-to-day exchange of health information takes place at the local, community level. Vermont's strategy is to capitalize on that fact by ensuring bi-directional connectivity for each of the state's hospitals as the priority step in operational implementation, then focusing on individual HSAs in phases, working with primary care and specialty physician practices, in conjunction with the hospitals' Medical Staff, to foster "critical mass" for HIE community by community in concert with HIT adoption and implementation.

Simultaneously, VITL will work with practices around the state that have already implemented EMR and EHR systems to complete their HIE connectivity at the same time hospital systems are being connected. The primary limiting factor for this plan is the new and replacement EHR adoption timelines at hospitals, which will likely necessitate staged implementation keyed to EHR adoption/replacement. Another limiting factor for HSA-based HIE connectivity is the lack of statewide broadband availability. While the majority of the state HSAs have broadband service, there are several critical gaps Vermont is actively pursuing a

multi-tiered strategy to capitalize both on ARRA broadband resources and private investment to complete the build out of broadband statewide.

Using GIS, Vermont will be able to track and report on HIE connectivity as it spreads across the state, as well as track EHR adoption and implementation, including tracking vendor systems and version numbers to assist in planning for HIE interface upgrades. Because of the robust provider participation of Vermont health care providers in the state Medicaid program, the OVHA Division of Health Care Reform will publish and regularly refresh the state Master Provider Index electronically, based on enrolled providers, cross referenced with the Vermont Department of Health Medical Practice Board and the Vermont Secretary of State Office of Professional Regulation licensure registries, which will serve as the state reference documentation for the VHIEN.

This functionality illustrates the benefit of the integration of Vermont's state HIT-HIE planning and coordination functions as a part of the state Medicaid agency, and points to the division of responsibilities between the state and VITL. Interlocking mechanisms such as this will ensure that the VHIEN infrastructure comprehensively serves the state's provider community, providing state accountability and oversight of the HIE functions carried out by VITL.

Plan for finalization of the state HIT plan: As noted above, the first phase of the Project will be to complete the updating of an ONC compliant strategic and operational plan. The Division of Health Care Reform will continue to take the lead on convening stakeholder meetings to obtain public input on the components of the plan through the remainder of 2009 and into 2010, as well as to formally begin the SMHP process. VITL will take the lead on further development of the HIE operational plan details through this same time period, preceding the Cooperative Agreement funding award. The state and VITL anticipate completion of the plan on or before April 1, 2010.

Privacy and Security: The current VHIEN Privacy and Security Policies are included as a component of the October edition of the VHITP as Appendix C. The state and VITL anticipate continued work over the remainder of 2009 and into 2010, in collaboration with other states, to develop policies and procedures for interstate exchange of health information. Vermont joined a multi-state work group established at the September State Alliance for e-Health Learning Session and anticipates working with that group, as well as through a recently formed New England alliance, and through other channels — including direct discussions with neighboring states and adjacent state and regional HIE organizations — to facilitate interstate HIE protocols. VITL's compliance with state and federal privacy and security laws and regulations is required by Vermont statute and is requirements for compliance are included in all grant and contract agreements between the state and VITL.

Communications Strategy: The Vermont team attending the September State Alliance for e-Health Learning Session developed the core components of a communications strategy to reach key stakeholders, consumers, and the health care community. That team, which represents a cross-section of stakeholders (a hospital CIO, an FQHC clinical lead on EHR implementation, a medical informatics professor, the state Agency of Human Services Associate CIO for Health, a representative from VITL, a representative from the state's Employer Health Alliance, the state HIT-HIE leads from the administration and the legislature) has agreed to act as the state HIT-HIE Communications steering committee. While diverse groups will be involved in communication, the steering committee has responsibility for coordinating a common, unified message and plan. It will build on the collaborative engagement with stakeholders used to produce the state HIT Plan, implementing community level communication.

After considering some of the past and potential challenges to gaining widespread use of HIT-HIE (privacy concerns, lack of agreement on the use of data, "opt in" issues, consumer understanding of the purposes of HIE and use of data, providers' concerns about the use and ownership of data, as well as where it is stored, who can add to it, what should be included, and

who owns the medical record), the group articulated a plan for moving ahead which will be expanded on over the coming months. A key area of consensus is to embed much of the communication in the health care setting, using consumers' own trusted practitioners as the primary source of information about Vermont's HIT-HIE initiatives. This will require cultivation of and coordination with the provider community, but the strategy matches the phased approach to HIT-HIE expansion based on Hospital Service Areas. The overall approach to communications is summarized below.

a. *Why Do We Need to Communicate?*

- o To gain buy-in to achieve widespread adoption and use of HIT-HIE
- o To prevent miscommunications and demystify aspects of HIE
- o To convey the benefits of HIE and digitized health records

b. *Who do we Communicate this information to?*

- o Providers
  - Hospitals
  - Primary Care and Specialist Practices
  - Mental Health, Behavioral Health, Substance Abuse
  - Long Term Care
  - Home Health
- o Consumers who bring diverse perspectives
  - Easy buy-in people (people delighted by the idea of EHRs and HIE)
  - People with issues around privacy
  - Consumers with a mental health/substance abuse perspective
  - Individuals with some form of protected status
  - Chronic/pre-existing health issues
  - Digital natives (who don't understand why this hasn't happened already)
  - Illegal Status

- o Payers
  - Commercial Insurers
  - Self-insured employers
  - Medicaid
  - Medicare
  - VA/DoD
- o Employers
  - Large companies
  - Small companies
  - Self employed

c. *What Information Need's to be Communicated?*

- o What is "it?"
- o What is the message?
- o How the data will be used
- o The benefits of HIE
  - Reduce errors
  - Patients get all their information easily
  - Improve clinical and quality outcomes
  - Reduced costs
  - Patients helping other patients with like diseases
  - Allocate resources properly i.e.- efficient, effective
  - Patients spend less time at the doctors
  - Reduce waiting time
- o Meaningful use incentives
- o Will HIE really lower cost?
- o Will HIE really improve patient care?

d. Who Communicates to Whom?

- o Link communication focus to Hospital Service Area expansion strategy
    - Provider Leadership (including docs) communicates to
        - Provider care teams (Nurses, PA's, front desk staff...etc.) who communicate to
            - o Consumers
- o Reinforce messaging through:
    - Paid and earned media
    - Social media
    - Outreach through community groups (Rotary, Chambers of Commerce, etc.)

A comprehensive communication plan will identify priorities and phases of communication and specific strategies broken down by Hospital Service Area, as well as outreach through statewide provider groups and associations.

Engagement with community-based organizations: As noted above and in the VHITP, Vermont has a lengthy and comprehensive history of engagement with stakeholders in the development of HIT-HIE planning. The work underlying and informing this application and the current edition of the VHITP were the subject of multiple public meetings over the summer and early fall. That process will continue through the fall and winter as the strategic and operational plans continue to be refined, with monthly General Stakeholder meetings, conference calls, and outreach through email newsletters, web postings, and presentations to the Vermont Health Care Reform Commission, whose meetings serve as a principal forum for health care advocates in the state.

In addition, the Division of Health Care Reform staff has and will continue to meet with and request input and feedback on HIT-HIE planning from, among others: the state Medicaid Advisory Board, the Vermont Coalition for Disability Rights (VCDR), the Vermont Council for

Independent Living (VCIL), the Vermont Low Income Advisory Council (VLIAC), the Vermont Campaign for Health Care Security, Vermont Legal Aid, the Office of Vermont Health Care Ombudsman, the Bi-State Primary Care Association (representing Federally Qualified Health Clinics, Planned Parenthood, and Rural Health Clinics, all of whom have a mission-based focus on under-served populations), the Vermont Coalition of Clinics for the Uninsured, the Department of Aging and Independent Living (DAIL) Consumer Advisory Board, the Vermont Council of Developmental and Mental Health Services, the Vermont chapter of the American Civil Liberties Union, and other consumer and community stakeholders.

The VHITP describes Vermont's vision to provide HIT-HIE access to all Vermonters, including access to HIT for disabled individuals. Because of the integration of state HIT-HIE planning, coordination, and oversight within the state Medicaid agency, Vermont's HIT-HIE services will include an explicit focus on inclusion of all Medicaid beneficiaries, as well as those served by other public programs such as WIC, Food Stamps, Reach Up, and General Assistance, as well as full integration with public health services, systems, and reporting.

Consideration of stakeholders' interests in planning & implementation: Vermont has taken and will continue to take a comprehensive approach to engaging stakeholders in both planning and implementation. These include:

Health Care providers represented by the Vermont Medical Society, the Vermont chapters of the American Academy of Pediatrics, American Academy of Family Practice, and the American College of Physicians, the Vermont Assembly of Home Health & Hospice Agencies, the Bi-State Primary Care Association, the Vermont Association of Hospitals and Health Systems, the Vermont Health Care Association (representing long term care providers), and the Behavioral Health Network (representing Community Mental Health Centers), the Vermont State Nurses Association, and the Vermont chapter of the National Association of Social Workers. All of these organizations and their constituencies have played and will continue to play a role in advising the Division of Health Care Reform and VITL on their hopes, needs, and specifications

for participation in ubiquitous statewide exchange of health information and plans for including

comprehensive bi-directional connectivity to the VHIEN are included in the VHITP. Vermont is

fortunate to have broad participation by providers in Medicaid, a low uninsured rate (7.6%), and a

statewide network of Federally Qualified Health Centers and free clinics that provide access to

low income and underserved populations, so incorporating the perspective of providers who serve

low income and underserved populations is generally incorporated into our work with all of the

provider organizations.

Health plans. Vermont is served by three predominant health plans: Blue Cross/Blue

Shield of Vermont, MVP HealthPlan, and Cigna. All three have participated and continue to

participate in Vermont's HIT-HIE planning and implementation directly through participation in

work groups and other opportunities for engagement. In addition, all commercial health

insurance plans in Vermont with more than 200 covered lives contribute a fee of 2/10ths of 1%

assessed on their total annual claims to the state Health IT Fund. The health plans were active

participants in the "summer study" on electronic eligibility and claims adjudication transactions

and at least one has committed to participate in a pilot demonstration project when it is developed

over the coming year.

Patient and consumer organizations, health care purchasers, and employers . As noted

in previous sections, the state Ombudsman, the Medicaid and DAIL advisory boards, as well as

VCIL, VCDR, and other consumer advocacy organizations are routinely engaged by the Division

of Health Care Reform for their input into HIT-HIE planning. In addition, groups like the

Vermont Employers Alliance, the Business Roundtable, and One Vermont (a coalition of non-

profit organizations supporting public structures to benefit the citizens of Vermont), as well as

local Rotary organizations, regional Chambers of Commerce, and other business and consumer

oriented organizations, are included in the state HIT-HIE outreach, communication and

engagement strategy, to communicate the "value proposition" of HIT-HIE. Like Vermont's

Town Meeting and citizen legislature traditions which enable all citizens to participate directly in

government and policy discussions, Vermont's health reform initiatives (which very much includes HIT-HIE) are informed and guided by the needs of Vermont citizens, patients, and consumers. Indeed, because of the intimate scale of the state, the legislature itself can be considered a patient/consumer advocacy entity. Vermont's HIT-HIE planning and implementation is designed to enhance the quality of care and effectiveness of service of all our citizens, and the communications strategy related to HIT-HIE reflects that orientation.

Public Health Agencies. While there are regional district public health offices, Vermont has a centralized public health department, which is part of the Vermont State Agency of Human Services. A first phase of integration includes feeding immunization data from EHR systems to the registry via the HIE is currently in development. Inclusion of complete HIE connectivity to interoperable public health registries and other public health data sources and reporting protocols will be fully articulated in the operational plan.

Health Professions school, universities and colleges: Vermont's 2009 HIT-related legislation created an HIT & Higher Education Work Group, convened by the Division of Health Care Reform, which has met through the summer and fall. The Group has a report due to the legislature November 15, 2009, which will detail its work creating an inventory of education and training resources, estimates of required workforce training needs, and their combined responses (curricula, career ladders, and collaboration across educational entities). Vermont education professionals with a stake in HIT, from the medical informatics professors associated with the University of Vermont (UVM) College of Medicine through the Community College of Vermont's certificate training programs are engaged in this planning and working collaboratively with the state Department of Labor to identify and pursue funding resources to support training and scholarships. Champlain College, Marlborough College, and the Vermont State College system, as well as a non-traditional, rapid cycle training curricula sponsored by the state's largest hospital, are also participating in this integrated approach to HIT workforce capacity development. In addition, a sub-work group focused on HIT-HIE in health professions curricula

is working with faculty at the UVM College of Medicine and School of Nursing to ensure future professionals are adequately prepared and oriented for working in an HIT-assisted environment.

Clinical researchers: Because of the state's intimate scale, the same institutions involved in the workforce training noted above are also engaged in discussions related to clinical research. In particular, the UVM medical informatics staff and others at the Center for Clinical and Translational Science at UVM are closely engaged in development of a research and evaluation program associated with the Vermont Blueprint for Health utilizing the HIE infrastructure for data transfer. This program is in final design stages and its role supporting Vermont's integration of health information exchange and transformed clinical practice will be articulated in detail in the operational plan.

HIT supporting care coordination: Again, it is the integration with the Blueprint that provides exciting opportunities for demonstrating a comprehensive approach to HIT-HIE in support of patient care coordination and management and support of the clerical, nursing, and social work professionals in their roles ensuring patient connectivity to across the health care and social services continuum. DocSite, the Blueprint's web-based registry and clinical repository tool which is fed through the HIE, also includes clinical messaging and other care management tools which link care coordinators within and across clinical and community settings.

C. Required Performance Measures and Reporting

It is Vermont's understanding that specific reporting requirements, performance and evaluation measures and methods to collect data and evaluate project performance will be provided at a later date in program guidance and through technical assistance, prior to award of cooperative agreements, but that the following Reporting Requirements are to be addressed as part of this application. Governance of the HIT-HIE enterprise in Vermont is overseen by the Vermont State Agency of Human Services (AHS), Office of Vermont Health Access (OVHA), Division of Health Care Reform. As the home of the state Medicaid agency, AHS and OVHA

have a fully developed process to ensure compliance with federal reporting requirements. In addition, the state Agency of Administration has established an Office of Economic Recovery that provides detailed guidance for and oversight of ARRA reporting requirements. These forms and procedures are detailed at: http://finance.vermont.gov/forms

Governance

What proportion of the governing organization is represented by public stakeholders?

What proportion of the governing organization is represented by private sector stakeholders?

Does the governing organization represent government, public health, hospitals, employers,

providers, payers and consumers? The governing organization is the state of Vermont, Agency of Human Services, Office of Vermont Health Access, Division of Health Care Reform and as such, represents the public interest, as directed by the Vermont legislature under statute. The Division of Health Care Reform convenes monthly General Stakeholder meetings which provide a forum for private sector stakeholders, employers, providers, payers, and consumers to participate in the collaborative development of the state strategic and operational HIT plan. The state contracts with VITL (Vermont Information Technology Leaders), a non-profit 501(c)3 corporation, authorized in statute to operate the statewide HIE, and as the budget documents detail, a significant proportion of the ONC HIE Cooperative Agreement funding will be granted to VITL. VITL has a board of 9 to 11 individuals. One is appointed by the Governor, another by the General Assembly, and the rest elected at large and include representation from employers, payers, health care providers (both associations and individual providers), and consumers.

Does the state Medicaid agency have a designated governance role in the organization? As noted above, the Division of Health Care Reform, which has direct oversight of HIT planning and coordination, is located within the state Medicaid agency, the Office of Vermont Health Access.

Has the governing organization adopted a strategic plan for statewide HIT? The October 2009 edition of the *Vermont Health Information Technology Plan* is an update of the 2007 VHITP, which was developed through an extensive public input process, and includes a strategic plan which is substantially compliant with ONC expectations for strategic planning.

Has the governing organization approved and started implementation of an operational plan for statewide HIT? VITL is currently operating the VHIEN and, in collaboration with the Division of Health Care Reform, completing an ONC compliant operational plan for statewide HIT to be finished in the first phase of the Cooperative Agreement project period.

Are governing organization meetings posted and open to the public? Yes. All meetings of both the state-convened Stakeholders Group and the VITL Board are posted on the web and open to the public. The budget for this Project includes funding to equip a conference room for full on-line streaming and enhanced conference call capacities, to ensure that the General Stakeholder and other meetings are fully accessible statewide by phone and web.

Do regional HIE initiatives have a designated governance role in the organization? Vermont has a single, statewide HIE. There are not regional HIE initiatives, except in the sense that some Vermont hospitals are hosting ASP-model EHR systems which they are making available to practices in their regions. All of these entities provide "throughput connectivity" to the VHIEN for participating practices.

Finance

Has the organization developed and implemented financial policies and procedures consistent with state and federal requirements? The state has reporting and financial controls in place as described in Section B. above. VITL is a private, non-profit corporation with the required financial policies and procedures, including an audited financial statement.

Does organization receive revenue from both public and private organizations? The majority of VITL's funding is from public sources, including the state HIT Fund, federal grant funds from HRSA, and anticipated ONC funding.

What proportion of the sources of funding to advance statewide HIE are obtained from federal assistance, state assistance, other charitable contributions, and revenue from HIE services? Of other charitable contributions listed above, what proportion of funding comes from health care providers, employers, health plans, and others (please specify)? The SF424A forms submitted with this proposal provide the proportions of federal and state funding, but the overall combined sources of funding to advance statewide HIE are currently in flux and these figures will be revised over the coming months. Vermont's Health IT Fund, described in the VHITP, is derived from a 2/10ths of 1% fee on all commercial health claims.

Has the organization developed a business plan that includes a financial sustainability plan? VITL has a multi-tiered plan for financial sustainability in development which will be completed as part of the phase one activities of the Cooperative Agreement project period. Long term financial sustainability is premised on the value HIE provides to providers, state, and federal government entities, the support of state health reform initiatives (such as the Blueprint for Health) and the benefits ubiquitous electronic exchange of information bring to patients, their providers, and the public good. As indicated throughout this application, Vermont state policy fully supports and encourages development and sustainability of the VHIEN. There is broad consensus among public and private stakeholders to build a model to sustain HIE in the state.

Does the governance organization review the budget with the oversight board on a quarterly basis? Yes. VITL reports to the Division of Health Care Reform on a quarterly basis. The Division of Health Care Reform reports to the legislative Health Care Reform Commission and Joint Fiscal Committee quarterly or more often.

Does the recipient comply with the Single Audit requirements of OMB? VITL will be

required to comply with Single Audit requirements as of its current (July 09 – June 10) fiscal

year.

Is there a secure revenue stream to support sustainable business operations

throughout and beyond the performance period? In addition to the ONC Cooperative Agreement

funding, VITL is funded through a combination of grants and contracts from the state of

Vermont, including the state Medicaid agency, the state HIT Fund, and state General Fund

appropriations. Currently, monthly provider subscription fees are waived for providers

participating in the VHIEN, but it is anticipated that as the exchange gains "critical mass," the

value proposition for subscriptions is expected to become better understood and accepted.

Technical Infrastructure

Is the statewide technical architecture for HIE developed and ready for implementation

according to HIE model(s) chosen by the governance organization? Yes. See VHITP.

Does statewide technical infrastructure integrate state-specific Medicaid management

information systems? Vermont is in the process of re-procurement of its MMIS. Because

oversight and planning for the HIE infrastructure is integrated within the state Medicaid agency,

the state is working closely with CMS to evaluate opportunities to maximize integration of MMIS

into HIE planning and implementation. This integration will be reflected in the State Medicaid

HIT Plan (SMHP) to be completed in tandem with completion of the ONC compliant strategic

and operational plan.

Does statewide technical infrastructure integrate regional HIE? Vermont is developing

interstate HIE agreements as part of its initial implementation planning, because of the substantial

cross-border utilization of medical services by Vermont residents, as well as because of the

relationships medical providers along the state borders have with providers in adjacent states. At

the current time, these efforts are in the planning stages, but the intent is to have operational

interstate HIE in calendar 2010. (See also Joint New England eHealth Letter included in the Attachments.)

What proportion of healthcare providers in the state are able to send electronic health information using components of the statewide HIE Technical infrastructure? Currently less than 25% of healthcare providers in the state are able to send data through the VHIEN.

What proportion of healthcare providers in the state are able to receive electronic health information using components of the statewide HIE Technical infrastructure? Currently less than 25% of healthcare providers in the state are able to receive data through the VHIEN.

Business and Technical Operations

Is technical assistance available to those developing HIE services? Yes.

Is the statewide governance organization monitoring and planning for remediation of HIE as necessary throughout the state? Yes.

What percent of health care providers have access to broadband? Using definitions of "broadband" adopted by federal agencies for the stimulus programs, it is estimated that less than 20% of Vermont's 242,200 residences did not have broadband available as of January, 2009. It is reasonable to infer that at least 80% of the state's health care providers have access to broadband, and the state goal is to achieve 100% broadband access. There are existing, legally enforceable agreements with Comcast and FairPoint communication (the dominant cable and telco companies in the state) that should bring this number down to near 10% by the end of 2010. It is possible that stimulus grants now applied for could reduce this to less than 5%.

What statewide shared services or other statewide technical resources are developed and implemented to address business and technical operations? VITL currently provides and is in the process of expanding its technical resources to assist with EHR selection, adoption, and implementation, and serves as the statewide resource for assistance with connectivity to the HIE,

the building of interfaces, and other technical operations. VITL has applied to ONC to be a Regional HIT Extension Center as well.

Legal/Policy

Has the governance organization developed and implemented privacy policies and procedures consistent with state and federal requirements? Yes.

How many trust agreements have been signed? 19

Do privacy policies, procedures and trust agreements incorporate provisions allowing for public health data use? Yes.

D. Project Management

The State of Vermont has invested significant resources in its health reform initiatives, which are managed on a coordinated basis across state government and with external partners by the Division of Health Care Reform. Vermont's HIT-HIE projects and initiatives are thoroughly embedded in the state's health care reform initiatives. Therefore, leadership and oversight of HIT-HIE policy and projects are embedded in the state health reform leadership structure. The health reform team, which is led by:

- Susan Besio, Director of the Office of Vermont Health Access and Health Care Reform

- Hunt Blair, Deputy Director, Division of Health Care Reform (and acting State Government HIT Coordinator), and

- Craig Jones, M.D., Director, Vermont Blueprint for Health,

collaborate directly with David Cochran, M.D., VITL President and CEO on HIE policy and implantation/expansion operational issues. Dr. Cochran is responsible for management of overall HIE expansion and operation, under contract from the state.

It is worth noting that "the project" in this case is to dramatically expand HIE in the context of an operational but still formative, statewide-scale exchange. Vermont is fortunate to have a

substantial, operating network base and the additional infrastructure of the Blueprint for Health upon which to build, but the goal of functional statewide exchange by the end of 2010 is enormously ambitious. The ONC Section 3013 funding provides an important additional resource, but is just one new resource among many being managed. As this proposal is being submitted, the state is engaged in multiple discussions with CMS, managing near term state General Fund budget shortfalls, and working to maximize the resources available through the state Health IT Fund. At the same time, VITL is re-negotiating much of the pricing structure for interfaces and other critical components of building out the technical architecture, based on evolving market conditions. It should also be noted that until there is an award of funds by ONC to the state, the state has not executed a contract with VITL for the project. Therefore, the budget narrative accompanying this program narrative – particularly the detail sections for the contractual amounts to be passed through to VITL – reflect current best estimates, and will be further refined as the operational and implementation components of state HIT planning is completed and discussions with funders continue.

Within the Division of Health Care Reform, management of the ONC funded HIE project will be thoroughly coordinated with project management for the ARRA Sec. 4201 funding. The following staff will support HIT-HIE for the state, in close collaboration with the VITL staff:

- State HIT Coordinator (to be hired immediately, will have day to day responsibility to manage the project and interact with VITL, as well as report to and communicate with ONC)

- Financial/Grants Management support (to be hired immediately, to manage VITL contracts, federal funding and state financial reporting requirements, budgeting and performance measures)

- Assistant Attorney General (to be hired this winter, to support state oversight of Privacy and Security policies)

- Provider Outreach and Communications Specialist (to be hired in 2010, to coordinate Sec. 4201 EHR funding)

- AHS IT-HIE Integration Coordinator (to be hired immediately, to coordinate HIE interfaces with Public Health and other opportunities in the Agency enterprise, as well as to support development of the SMHP)

In addition, Joseph Liscinsky, Project Manager in the Division of Health Care Reform responsible for coordination of Medicaid IT Projects with the Regional CMS Office, along with Michael Hall, Associate CIO for Health and MMIS Project Manager, work closely on the state's integrated HIT-HIE and health reform projects.

At VITL, Dr. David Cochran is the lead with the state in the collaborative planning and project management processes. VITL's HIE initiatives are currently overseen by two project managers. One focuses on establishing connectivity in Blueprint communities. The other manages the queue of interfaces to other hospitals and practices. A third project manager provides PM services under contract to VITL. The technical interface development and oversight is managed by GE Healthcare as part of their contract to establish and maintain the HIE. VITL anticipates bringing in a Director of Implementation Programs to oversee all projects associated with HIE and EHR deployment. VITL will provide data on performance measures as a component of their contract for funding from the state. Financial reporting measures are provided by VITL's CFO.

E. Evaluation

The state's Health IT Fund requires a contract for external evaluation of the work funded by grants from the HIT Fund. To date, this has meant an evaluation primarily of VITL, and a set of metrics has been developed for the evaluation, which will be compiled into a report due to the Vermont legislature on January 1, 2010. This set of data will likely provide a template for

complementary evaluative measures and set an important baseline for evaluation going forward under the ONC-funded project period.

Measures are grouped into the following domains: EHR & Clinical, Blueprint, Hospital to PC Connectivity, HIE Operations, Public Health Registries, and Rx History. Together, these will serve as proxy measures for the performance of the VHIEN and VITL's support for EHR adoption and meaningful use. For example, VITL's support of the Blueprint is captured by the measures in the following table:

		Numerators			
Denominators		# Practices with interfaces for core BP data elements	# Practices with some BP data flowing thru VITL to DocSite	# Practices with all BP data flowing thru VITL to DocSite	# Practices conducting panel management / care coordination with reporting from DocSite and / or an EMR	# Practices where BP-VITL health IT architecture supports essential elements of meaningful use (2011 – 2013)*
	# Blueprint Practices Integrated Pilots					
	# Blueprint Practices BP Communities					
	# Blueprint Practices Expansion Communities					
	# Blueprint Practices Total					

*Need to select elements from ONC criteria that will be used to evaluate meaningful use

This matrix establishes 20 measures. Each measure is calculated as a percentage:

- o % BP Integrated Pilot Practices with interfaces for core BP data elements

- o % All BP Practices conducting panel management - care coordination with reporting thru DocSite and / or an EHR

Each measure can be readily evaluated based on information from the VITL practice manager and Blueprint team (no need for new surveys or data collection methods), can readily be re-refreshed annually, can be charted as a trend over time, and reflects change and program growth. The measures reflect infrastructure, capacity, and operations, and can be used to calculate and map BP VITL operations in HSAs.

As part of Vermont's overall health reform agenda, the HIE expansion will also benefit from the comprehensive evaluation structure being implemented to identify and measure the impact of the many components of delivery system transformation. OVHA Medical Director Michael Farber, M.D., holds an appointment at the University of Vermont College of Medicine, where he and Dr. Jones are currently working with colleagues – including UVM's medical informatics and other faculty at the Center for Clinical and Translational Science – to build a sophisticated evaluation architecture, the data feeds for which should themselves demonstrate the HIE architecture's value and efficacy. We look forward to working with ONC staff to more fully understand federal reporting requirements and implement whatever systems are required to meet them.

F. Organizational Capability Statement

The Cooperative Agreement funding is to the Division of Health Care Reform at the Office of Vermont Health Access (OVHA), Vermont's state Medicaid agency. OVHA is responsible for management of Medicaid, CHIP, and other publicly funded health insurance programs. OVHA is the largest insurer in Vermont in terms of dollars spent and the second largest in terms of covered lives. As such, it has extensive experience in managing large, complex projects and preparing cogent and useful reports, publications, and other products.

The staff listed in Section D. above on project management is supported by the staff of the OVHA Business Office and the Agency of Human Services Central Finance Office for financial management, contract management, and reporting. Deputy Director Hunt Blair (resume attached) works closely with Dr. David Cochran (resume attached) to collaboratively manage the expansion of HIE statewide. When hired, the State HIT Coordinator will take over day to day management of the project, but the Deputy Director will continue to play a direct leadership role.

The Vermont HIEN managed by VITL has been live since 2006. GE Healthcare operates the HIE under contract to VITL. VITL is led by a physician executive experienced in the deployment and oversight of Health IT Programs. The Director of Implementation is knowledgeable about the interoperability standards applicable to the HIE and oversees the day-to-day relationship with GE Healthcare. It is anticipated that a Senior Program Director will be added to the staff to expand VITL's capabilities to deploy the HIE more rapidly.

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Office of Vermont Health Access	Division of Health Care Reform	Blueprint for Health
312 Hurricane Lane, Suite 201	312 Hurricane Lane, Suite 201	Vermont Dept of Health
Williston, VT 05495	Williston, VT 05495-2807	108 Cherry Street, Burlington, VT 05402
www.ovha.vermont.gov	www.hcr.vermont.gov	health.vermont.gov
[phone] 802-879-5900	[phone] 802-879-5988	[phone] 802-879-5988

MEMORANDUM

TO: Joint Fiscal Office

FROM: Hunt Blair, Deputy Director for Health Care Reform

THROUGH: Joan Stewart, Office of Economic Stimulus & Recovery

DATE: March 22, 2010

SUBJECT: Request to Expedite Position Approval for ARRA Grant

---

In light of the ARRA goal and expressed intent of the Vermont Legislature and the Governor that stimulus money be put to work as quickly as possible to help alleviate unemployment and stimulate the economy, I am requesting expedited consideration by the Joint Fiscal Committee on the position requests under the Office of the National Coordinator for Health Information Technology (ONC) Section 3013 Health Information Exchange Cooperative Agreement.

The position of State HIT Coordinator is required as a condition of the four year ONC Cooperative Agreement. Currently, I serve in that role, but the expectation from ONC is that it be staffed full time by an FTE dedicated to that role.

Act 61 of 2009, Section 13 authorizes AHS to seek federal funds to enable the State to pursue its health information technology and exchange goals. This ONC Cooperative Agreement is one of the federal HIT funding resources that AHS/OVHA has applied for and been awarded. The State match for this grant funding is the Health Information Technology (HIT) Fund

Thank you for your consideration.

ARRA ACTIVITY ACCEPTANCE REQUEST:	☒ **ARRA Competitive Grant** (Alternate Form AA-1)	☐ **Other ARRA Activity** (Not subject to AA-1 Process)
Revision? ☐ Yes Revision Date:		

(handwritten: TRACKING DB ~ 74)

INSTRUCTIONS: This form must be completed in its entirety and is required for:
1) acceptance of all ARRA Discretionary Grants, and
2) PRIOR to receipt of all ARRA Formula/Block Grants, and
3) PRIOR to receipts of all ARRA funding for Individual Entitlement Programs.

NOTE: Incomplete forms will be returned to departments and will result in the delay of spending authority release.

BASIC ARRA INFORMATION

1. Agency (ARRA-F): Human Services	**2. Department** (ARRA-F): OVHA	**3. DUNS #** (ARRA-C): 809376155

4. Office Location:	City/town: Williston	County: Chittenden

5. ARRA Activity (ARRA 1-01): Health Information Technolgoy	**6. ARRA Code** (ARRA 2-1): E06.03

7. Legal Title of Grant:	State HIT-HIE Program

8. Federal Agency Award # (ARRA-B): Department of Health & Human Services 90HT0022/01	**9. CFDA #** (ARRA-E): 93.719

10. Federal Funding Agency's US Treasury Account Symbol (TAS):	*(if provided by the federal funding agency)*

11. Federal (or VT) Funding Agency (ARRA-A):	Office of the National Coordinator for Health Information Technology	**12. Award Date: 2/8/2010**

13. Award Amount $5,034,328	**14. Check if this amount is an estimate:** ☐

15. Grant Period (ARRA-H) **From:**	2/8/2010	**To:**	2/7/2014

16. Date by which ARRA funds must be: ☒ Obligated by Date: 2/7/2014 and/or ☒ Spent by Date: 3/31/2014

17. Purpose of Grant/ARRA Narrative (ARRA 2-02):
Planning and Implementation activities to establish a fully operational statewide health information exchange (HIE) network and develop interstate HIE interoperability.

18. Area that will Benefit (name the state, county, city or school district): Vermont - Entire State

19. Impact on existing program if grant is not Accepted:
State's HIE network will not be able to reach full operational capacity without the resources included in this grant.

20. BUDGET INFORMATION (Note the total of columns A+B+C must equal the total of columns D+E+F)

Column Reference	A	B	C	D	E	F
	←————State Fiscal Year————→			←————Federal Fiscal Year————→		
Fiscal Year	SFY 2009	SFY 2010	SFY 2011 & Beyond	FFY 2009	FFY 2010	SFY 2011 & Beyond
Expenditures:						
Personnel Costs	$	$43,724	$404,810	$	$70,864	$377,670
3rd Party Contracts	$	$	$	$	$	$
Operating Expenses	$	$30,319	$61,866	$	$34,527	$57,658
Grants/Sub-Awards	$	$713,454	$4,483,600	$	$1,141,526	$4,055,528
Total Expenditures	$	$787,497	$4,950,276	$	$1,246,917	$4,490,856
Revenues:						
State Funds:	$	$	$	$	$	$
Cash	$	$	$703,445	$	$	$703,445
In-Kind	$	$	$	$	$	$
ARRA Federal Funds:	$	$	$	$	$	$
(Direct Costs)	$	$749,997	$4,044,600	$	$1,187,540	$3,607,057
(Statewide Indirect)	$	$	$	$	$	$
(Dept'l Indirect)	$	$37,500	$202,231	$	$59,377	$180,354
Sub-total ARRA Funds	$	$787,497	$4,246,831	$	$1,246,917	$3,787,411
Other Funds:	$	$	$	$	$	$
(Other Federal)	$	$	$	$	$	$
(list source)	$	$	$	$	$	$
Total Revenues	$	$787,497	$4,950,276	$	$1,246,917	$4,490,856

Comments about expenditures or ᵣenues may be made in the space provided below:

The State source of Funds (Match) will be the Health IT Fund # 21916

21. VISION Tracking Information:

DeptID/Appropriation:	Other VISION Chartfield (funds, programs or projects)	Total Amount (all FYs)	Comments
3410010000	ARRA Fund-22040; Program # - 41617	$5,034,328	
3410010000	Health IT Fund - 21916; Program # - 41617	$703,445	
		$	
		$	
		$	
	Total	$5,737,773	This Total MUST agree with the total of Item 10, columns A+B+C above

PERSONAL SERVICE INFORMATION

22. Will monies from this grant be used to fund one or more Personal Service Contracts? ☒ Yes ☐ No

If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Susan Besio   Agreed by: _SWB_ (initial)

23. State Position Information and Title(s):	# Existing Positions Retained	Est. Annual Regular Hours	# Positions Created (New)	Est. Annual Regular Hours
State HIT Coordinator			1	2,080
Total Positions			1	2,080

24. Is the appropriate Position Request Form attached for new position(s) listed in Line 12 above?

☒ **YES – Form attached**   or   ☐ **No new positions created**

25. Equipment and space for these positions:	☒ Is presently available. ☐ Can be obtained w/available funds.
26. Does this qualify as "Infrastructure"? ☐ Yes ☒ No	If Yes complete next line:

27. Infrastructure Rationale (select one) (ARRA 2-06):

1. ☐ To Preserve & create jobs & promote economic recovery.
2. ☐ To assist those most impacted by the recession.
3. ☐ To provide investment needed to increase economic efficiency by spurring technological advances in science & health.
4. ☐ To invest in transportation, environmental protection, & other infrastructure that will provide long-term economic benefits.
5. ☐ To stabilize State & local government budgets, in order to minimize & avoid reductions in essential services & counterproductive state & local tax increases.

28. AUTHORIZATION AGENCY/DEPARTMENT SIGNATURES

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable). I/we further certify that these funds will be used only in accordance with the federal American Recovery & Reinvestment Act and all federal and state rules and regulations pertaining thereto:	ARRA Activity Manager:	Date: 2/22/10
	Name: Hunt Blair	Title: Deputy Director Health Care Reform
	Department Head:	Date: 2/22/10
	Name: Susan Besio	Title: Director - OVHA
	Agency Secretary (if required): _Patrick Flood_	Date: 3/8/10
	Name: PATRICK FLOOD	Title: DEPUTY SECRETARY

29. REVIEW BY FINANCE & MANAGEMENT (continue on separate sheet if necessary)

☐	✓ To Release Spending Authority in VISION:	FY 20 _10_ $ _787,497_ remainder in FY11†	Citation(s): Competitive Grant No Citations ZH

Analyst (initial): _ZH_	Date: _3/22/10_		Commissioner Finance & Management initial): _X_	Date: _3/23/10_
For ESR Use Only:	**Assigned ESR Director's Signature:** _Joan Stewart_			_3/16/10_ Date:

* * * Section 30 through 33 are required ONLY when Form ESR-2 is used in lieu of Form AA-1 * * *

30. SECRETARY OF ADMINISTRATION

☐	Check One Box: Accepted	(Secretary's signature or designee) _Todd_	Date: _3/24/10_
☐	Rejected		Date:

31. ACTION BY GOVERNOR

☑	Check One Box: Request to JFO	(Governor's signature or designee) _James D._	Date: _3/26/10_
☐	Rejected		Date:

32. SENT TO JFO

☑	Sent to JFO		Date: _3/29/10_

* * * Section 33 is a required section * * *

33. ARRA FORM ESR-2 DOCUMENTATION CHECK LIST (check all that apply):

☒ Notice of Award or Proof of Award (REQUIRED) ☐ Request Memo ☐ Grant Agreement	☐ Dept. project approval (if applicable) ☐ Governor's Certification (if applicable) ☐ Notice of Donation (if any) ☒ Position Request Form(s)	☐ Grant (Project) Timeline (if applicable) ☐ Request for Extension (if applicable) ☐ Form AA-1PN attached (if applicable)

VERMONT

MEMORANDUM

TO: Department of Personnel

FROM: Hunt Blair, Deputy Director for Health Care Reform

THROUGH: Susan Besio, Director, Office of Vermont Health Access

DATE: February 22, 2010

RE: Limited Service Positions to Support Health Information Technology (HIT) Initiatives

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As a supplement to the request for positions, this **updated Memo** provides background and context.

Following up on the request for two positions funded by new CMS resources earlier this month, the Division of Health Care Reform is now requesting the addition of the third planned position, following receipt of the notice of Cooperative Agreement award from the Office of the National Coordinator (ONC) for HIT. This position will have responsibility for overall coordination and oversight of state HIT policy and planning, working directly under the Division's Deputy Director. Please note that in previous Memo and organization chart, this position was listed as an AHS Associate CIO, but following the advice of AHS Deputy Secretary Patrick Flood and AHS CIO Margaret Ciechanowicz, we are now requesting the *creation of a new position classification:* State HIT Coordinator. Funding for this position is provided for four years through the Cooperative Agreement with the ONC.

In the American Recovery & Reinvestment Act (ARRA), Congress authorized two important Health Information Technology initiatives for which states have lead responsibility. These are: coordination of state Health Information Exchange (HIE) and implementation of a program of incentive payments for health care providers (physicians and hospitals) paid through State Medicaid agencies. The provider incentives are 100% Federal dollars but are administered by the State. These programs will result in millions of Federal dollars coming to Vermont in support of expanding implementation and meaningful use of Electronic Health Records (EHRs) and other HIT initiatives. Act 61 of 2009 placed responsibility for state oversight of these initiatives with the Division of Health Care Reform at OVHA, and the requested limited service positions are to ensure the Division can meet Federal and State statutory expectations.

The addition of these positions has been well understood and verbally approved by AHS Secretary Hofmann, AOA Secretary Lunderville, and Chief Technology Officer Esvlin through the course of discussions over the last year, since passage of ARRA and analysis of the opportunities it presents. A total of six (6) positions will be requested this year, as funding becomes available. All are shown on the organization charts included with the position requests.

Please do not hesitate to contact me for further information or clarification of these requests. My email is hunt.blair@ahs.state.vt.us and phone number is 802-879-5988. Thank you for your assistance in this request.

STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources **must** be obtained **prior to** review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report **must** be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: <u>AHS/OVHA</u>   Date:<u>02/22/2010</u>

Name and Phone (of the person completing this request): <u>Melissa Jenkins, 879-8256</u>

Request is for:
☒ Positions funded and attached to a new grant.
☐ Positions funded and attached to an existing grant approved by JFO #_____

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

Department of Health & Human Services – Office of the National Coordinator for Health Information Technology, State HIT-HIE Program, Section 3013 of ARRA (ONC 3013)

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established <u>only</u> after JFC final approval:

Title* of Position(s) Requested	# of Positions	Division/Program	Grant Funding Period/Anticipated End Date
State HIT Coordinator	1	Health Care Reform	02/08/2010-02/07/2014 / 02/07/2014

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

Act 61 of 2009, Sec. 13 authorizes AHS to seek Federal Funds to enable the State to pursue its health information technology and exchange goals. Position is a requirement as a condition of funding by ONC.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b).

_____   2/22/10
Signature of Agency or Department Head   Date

_____   3/22/10
(Approved/Denied by Department of Human Resources   Date

_____   3/23/10
Approved/Denied by Finance and Management   Date

_____   7/14/10
Approved/Denied by Secretary of Administration   Date

Comments: DHR approval is contingent on F&M approval of grant funding

DHR – 11/7/05

Vermont State HIT-HIE Program   Phone: 802-879-5988
Hunt Blair   Fax: 802-879-5919
Deputy Director for Health Care Reform   Email: hunt.blair@ahs.state.vt.us
Office of Vermont Health Access   Web: http://hcr.vermont.gov
Agency of Human Services
312 Hurricane Lane, Suite 201   Congressional District: Vermont 1
Williston, VT 05495

Vermont is recognized as a national leader in the alignment and integration of Health Information Technology (HIT), Health Information Exchange (HIE), and reform of the health care delivery system. Health information exchange and technology are a consistent focus of Vermont health policy attention, but always in the broader context of enabling transformative delivery system change. Because of that systems approach, meaningful use of HIT has been built into Vermont's vision from the outset. Our goal is nothing short of transforming the health care delivery system by, in part, ensuring the technical infrastructure to support practitioners and patients, for an enhanced system of care.

The Cooperative Agreement funds, in combination with CMS funding to the state authorized under Sec. 4201 of ARRA, CMS funding related to the state MMIS, and resources from the state Health IT Fund, will enable Vermont to achieve its goal of establishing a fully operational statewide health information exchange network within the first two years of ONC funding, building on a five year base of planning, consensus building, governance refinement, and creation and early implementation of a standards-based technical architecture. An intensive period of operational planning will be completed as the first phase of the project, followed by statewide HIE implementation it will now be possible to scale up dramatically in a compressed time frame.

Presently, 8 hospitals and 13 primary care practices are connected to the Vermont HIE Network (VHIEN) operated by Vermont Information Technology Leaders, Inc. (VITL), but the connectivity is generally limited to lab feeds and/or medication history and the growth of the VHIEN has been sporadic to date. The ONC HIE funding will enable planned expansion of bi-directional interfaces to all the hospitals in the state – as well as to a neighboring state's tertiary care center – by 2011 supporting clinical messaging, exchange of Continuity of Care Documents, CPOE, and lab and imaging reporting.

Full bi-directional statewide connectivity to the hospitals will in turn help to drive statewide expansion of HIT and HIE at the practice and provider level. That expansion effort is being organized regionally in each of Vermont's discrete Hospital Service Areas (HSA), because while the infrastructure is statewide, most HIE happens locally. The VHIEN also provides the connectivity backbone for the statewide clinical registry, care management, and reporting tool (DocSite) utilized by the Vermont Blueprint for Health, enabling both personalized and population-based care coordination and management for the Blueprint's integrated primary care medical homes and community health teams, providing further value to participating providers. By the end of the Project Period, Vermont's HIT-HIE infrastructure will have received the boost to be fully operational statewide and will demonstrate its value to ensure long term sustainability.

Vermont HIE Cooperative Agreement Proposal

A. Current State of Vermont's Health Information Exchange development & infrastructure

The current HIE environment, as well as Vermont's recent history and vision for the future, are described in depth in the October 2009 edition of the *Vermont Health Information Technology Plan* (VHITP), included in this Cooperative Agreement package. (That plan will be further updated to be fully compliant with ONC strategic and operational plan requirements by April 1, 2010.)

In summary, Vermont has an operating HIE infrastructure that has made substantial progress in each of the Five Domains. HIE in Vermont was developed through an extensive public/private collaboration formally begun in 2005 through state legislation. In 2009, statutory updates introduced in the wake of the federal HITECH Act codified a state HIE Governance structure that places responsibility for HIT-HIE policy planning, development, coordination, and oversight with the state Division of Health Care Reform, which is part of the Office of Vermont Health Access (OVHA), the state Medicaid agency. Governance of the operational infrastructure for statewide HIE by the Vermont Information Technology Leaders (VITL), a private non-profit corporation, is also authorized in statute, along with language deeming VITL the entity responsible for operating statewide health information exchange. VITL contracts with GE Healthcare to operate the technical infrastructure of the Vermont Health Information Exchange Network (VHIEN).

The Technical Infrastructure, Business Operations, and implementation of Legal agreements and Policies developed since 2007 enable functioning health information exchange in Vermont. Presently, 8 hospitals and 13 primary care practices are connected to the VHIEN, but a combination of the ONC HIE Cooperative Agreement funding, CMS funding to OVHA authorized under Sec. 4201 of American Recovery & Reinvestment Act (ARRA), CMS funding related to support of the state MMIS, and Vermont's state Health IT Fund (detailed below in B.) will enable planned expansion to all the hospitals in the state – as well as to Dartmouth Hitchcock Medical Center in New Hampshire – over the next year.

Program Narrative   1

Full bi-directional statewide connectivity to the hospitals will drive statewide expansion

of HIT and HIE organized regionally in each of Vermont's discrete Hospital Service Areas

(HSA). The VHIEN also provides the connectivity backbone for the statewide clinical registry,

care management, and reporting tool (DocSite) utilized by the Vermont Blueprint for Health's

integrated primary care medical home and community health team program. Currently operating

in three Hospital Service Areas, the Blueprint anticipates expansion statewide over the coming

year, in close collaboration and coordination with statewide HIT-HIE expansion.

Consistent with the ONC Pathway to HIE and the role of information exchange in

achieving meaningful use, VITL is an applicant to become a Regional Health Information

Technology Extension Center. With the Blueprint and Vermont Medicaid, VITL will be

instrumental in preparing the state's practitioners to meet meaningful use criteria. Vermont

primary care practices in our Blueprint integrated medical home and community care team pilot

communities are already able to achieve many of the Objectives for Care Goals related to

Improving Quality, Safety Efficiency, and Reduction of Health Disparities and Care Coordination

by using a combination of state-certified EHR's that transmit data through the VHIEN to

DocSite. DocSite provides secure, encrypted population, panel, and individual level views of

patient data and contains extensive patient care management and coordination tools for use across

practices and organizations.

Electronic eligibility and claims transactions: In 2009, the Vermont legislature

mandated a "summer study" to explore the opportunities for development of an electronic

eligibility and claims adjudication system for the state. The workgroup report[1] recommends that

"Vermont should move forward with the planning necessary to implement a statewide initiative

that will reduce administrative costs through the provision of a comprehensive point-of-service

eligibility and electronic adjudication of health care claims using a token based system and

---

[1]

http://hcr.vermont.gov/sites/hcr/files/HIT_Payment_Reform_Workgroup_Final_Report_Aug_31_2009.pdf

starting in physician offices/ambulatory care." The VHITP reflects that recommendation as a component of state planning moving forward.

Electronic prescribing and refill requests: VITL completed an *ePrescribing Planning and Feasibility Study* published in January 2009 that led to a state initiative to support expansion of e-Prescribing capacity in primary care practices and the capacity at independent community pharmacies to process e-Prescriptions. A significant obstacle to ePrescribing in VT is the large percentage of independent pharmacies who are not able to support ePrescribing today. A HRSA grant, facilitated by Senator Patrick Leahy, will enable VITL to assist independent pharmacies in implementing ePrescribing as well as providing licenses and incentives to providers to encourage their adoption.

In addition, ePrescribing is one of the NCQA Standards for primary care medical homes. The NCQA Standards have been adopted by the Blueprint as the methodology for scoring Vermont's integrated medical home demonstration program and calculating payment levels to the practices. This is another area of alignment between HIT and Vermont's health reform initiatives that will help to reinforce the incentives for providers to adopt ePrescribing.

Electronic clinical laboratory ordering and results delivery: Vermont hospitals are the primary laboratory resource for their Hospital Service Area. The first interface for each hospital is typically to provide laboratory results reporting using LOINC codes. The hospital laboratory catalogs are translated into standard format under contract with 3M. Laboratory orders are developed in conjunction with the hospital's capacity to receive and process orders. VITL's HRSA grant will support initial pilots of laboratory orders into hospital labs prior to full rollout.

Electronic public health reporting: Public health reporting is a critical success factor for the VHIEN. Data reporting to DocSite for the Blueprint is live and a standard component of HIE and Blueprint deployment. Plans are in place to develop an exchange with the State Immunization Registry to facilitate reporting and to provide results to providers as they care for Vermonters. Once the Immunization exchange is in place, the state is interested in using the

VHIEN to access hospital infection data, support the state cancer registry, the Advanced Directives and other registries maintained by the Department of Health, as well as report influenza test information.

Quality reporting capabilities: Vermont is building a robust infrastructure for quality reporting and benchmarking. As noted above, the Blueprint utilizes a web-based registry, panel management and reporting tool called DocSite that is fed through the VHIEN. The system is currently operational in the three Blueprint pilot communities and planning is underway in each of the other Hospital Service Areas to build interfaces between hospital IT systems and VITL to support feeds to DocSite.

Medication history: VITL's first pilot program established electronic access to medication histories for patients presenting at the emergency departments of two Vermont hospitals, and a third hospital subsequently added the service. As hospital EHR programs become more sophisticated, that data can be made available directly to the eMARS system rather than in the stand-alone model currently deployed. The ePrescribing initiative will enhance integration between hospital and ambulatory information.

Clinical summary exchange for care coordination and patient engagement: The VHIEN supports exchange of Continuity of Care Documents (CCD). In addition, a critical component of the Blueprint integrated medical home and community health team model includes care coordination and management, as well as support for patient engagement. The Blueprint's DocSite views have been constructed based on the CCD standard and then enhanced to support the community health team staff in those functions, Data is fed to DocSite through the VHIEN.

Self-Assessment of Current Status: The current *Vermont Health Information Technology Plan* is partially compliant with ONC guidelines; it is largely compliant with the requirements for Strategic planning and completion of the Operational planning section is the first phase of this Project. Vermont has made considerable progress in each of the Five Domains, as

reflected in the attached October edition of the VHITP, and the state does not anticipate difficulties in completing an ONC compliant plan by April 1, 2010.

B. Proposed Project Summary

Vermont will benefit from the extensive work already done to support the development of HIT and HIE and embed it as a critical component of the state's health care delivery system reform efforts. The Cooperative Agreement funds, in combination with CMS funding to the state authorized under Sec. 4201 of ARRA, CMS funding related to the state MMIS, and resources from the state Health IT Fund, will enable Vermont to achieve its goal of establishing a fully operational statewide health information exchange network within the first two years of ONC funding, building on a five year base of planning, consensus building, governance refinement, and creation and early implementation of a standards-based technical architecture.

Vermont – through a collaboration between staff at the state Division of Health Care Reform and VITL, with the engagement of public stakeholders – will complete Strategic and Operational planning consistent with ONC expectations as the first phase of the Project.

The state has taken a phased approach to updating the plan, which is designed to meet both state statutory requirements and ONC expectations. An initial update to the original 2007 VHITP was just completed, as a component of preparing this proposal, with a second phase to follow in the months between submission of the application for funding, continuing into the first few months of funding. Because of the extensive public discussion and engagement about HIT-HIE planning since 2005, Vermont does not anticipate significant barriers that will need to be overcome to complete this process. The *Vermont Health Information Technology Plan* will be updated annually, as required by Vermont law, to reflect the evolving policy and market environment.

The state is submitting its HIT Planning – Advanced Planning Document (P – APD) to CMS concurrently and expects to develop the State Medicaid HIT Plan (SMHP) in the same time

frame, although some detailed components of the SMHP may not be completed until after the Strategic and Operational planning is completed and approved. Vermont, which is in the process of a re-procurement of its Medicaid Medical Information System (MMIS), has the opportunity to plan for and implement a significant integration of its MMIS capacity with the HIE infrastructure. As noted above, electronic eligibility verification and claims adjudication are already included in HIE planning, and specifications for real time (or close to real time) verification and adjudication are being built into the MMIS requirements. There may be other ways in which CMS MMIS 90/10 funding can support the VHIEN and HIE connectivity. Vermont is in active discussions with CMS to explore ways in which these processes can complement and leverage each other.

The second, operational phase of the project is focused on a tiered approach to statewide HIT adoption and ubiquitous HIE that will capitalize on creating a critical mass for HIE regionally, in each Hospital Service Area (HSA). While the VITL state level HIE provides an operational economy of scale, the majority of day-to-day exchange of health information takes place at the local, community level. Vermont's strategy is to capitalize on that fact by ensuring bi-directional connectivity for each of the state's hospitals as the priority step in operational implementation, then focusing on individual HSAs in phases, working with primary care and specialty physician practices, in conjunction with the hospitals' Medical Staff, to foster "critical mass" for HIE community by community in concert with HIT adoption and implementation.

Simultaneously, VITL will work with practices around the state that have already implemented EMR and EHR systems to complete their HIE connectivity at the same time hospital systems are being connected. The primary limiting factor for this plan is the new and replacement EHR adoption timelines at hospitals, which will likely necessitate staged implementation keyed to EHR adoption/replacement. Another limiting factor for HSA-based HIE connectivity is the lack of statewide broadband availability. While the majority of the state HSAs have broadband service, there are several critical gaps Vermont is actively pursuing a

multi-tiered strategy to capitalize both on ARRA broadband resources and private investment to complete the build out of broadband statewide.

Using GIS, Vermont will be able to track and report on HIE connectivity as it spreads across the state, as well as track EHR adoption and implementation, including tracking vendor systems and version numbers to assist in planning for HIE interface upgrades. Because of the robust provider participation of Vermont health care providers in the state Medicaid program, the OVHA Division of Health Care Reform will publish and regularly refresh the state Master Provider Index electronically, based on enrolled providers, cross referenced with the Vermont Department of Health Medical Practice Board and the Vermont Secretary of State Office of Professional Regulation licensure registries, which will serve as the state reference documentation for the VHIEN.

This functionality illustrates the benefit of the integration of Vermont's state HIT-HIE planning and coordination functions as a part of the state Medicaid agency, and points to the division of responsibilities between the state and VITL. Interlocking mechanisms such as this will ensure that the VHIEN infrastructure comprehensively serves the state's provider community, providing state accountability and oversight of the HIE functions carried out by VITL.

Plan for finalization of the state HIT plan: As noted above, the first phase of the Project will be to complete the updating of an ONC compliant strategic and operational plan. The Division of Health Care Reform will continue to take the lead on convening stakeholder meetings to obtain public input on the components of the plan through the remainder of 2009 and into 2010, as well as to formally begin the SMHP process. VITL will take the lead on further development of the HIE operational plan details through this same time period, preceding the Cooperative Agreement funding award. The state and VITL anticipate completion of the plan on or before April 1, 2010.

Privacy and Security: The current VHIEN Privacy and Security Policies are included as a component of the October edition of the VHITP as Appendix C. The state and VITL anticipate continued work over the remainder of 2009 and into 2010, in collaboration with other states, to develop policies and procedures for interstate exchange of health information. Vermont joined a multi-state work group established at the September State Alliance for e-Health Learning Session and anticipates working with that group, as well as through a recently formed New England alliance, and through other channels – including direct discussions with neighboring states and adjacent state and regional HIE organizations – to facilitate interstate HIE protocols. VITL's compliance with state and federal privacy and security laws and regulations is required by Vermont statute and is requirements for compliance are included in all grant and contract agreements between the state and VITL.

Communications Strategy: The Vermont team attending the September State Alliance for e-Health Learning Session developed the core components of a communications strategy to reach key stakeholders, consumers, and the health care community. That team, which represents a cross-section of stakeholders (a hospital CIO, an FQHC clinical lead on EHR implementation, a medical informatics professor, the state Agency of Human Services Associate CIO for Health, a representative from VITL, a representative from the state's Employer Health Alliance, the state HIT-HIE leads from the administration and the legislature) has agreed to act as the state HIT-HIE Communications steering committee. While diverse groups will be involved in communication, the steering committee has responsibility for coordinating a common, unified message and plan. It will build on the collaborative engagement with stakeholders used to produce the state HIT Plan, implementing community level communication.

After considering some of the past and potential challenges to gaining widespread use of HIT-HIE (privacy concerns, lack of agreement on the use of data, "opt in" issues, consumer understanding of the purposes of HIE and use of data, providers' concerns about the use and ownership of data, as well as where it is stored, who can add to it, what should be included, and

who owns the medical record), the group articulated a plan for moving ahead which will be expanded on over the coming months. A key area of consensus is to embed much of the communication in the health care setting, using consumers' own trusted practitioners as the primary source of information about Vermont's HIT-HIE initiatives. This will require cultivation of and coordination with the provider community, but the strategy matches the phased approach to HIT-HIE expansion based on Hospital Service Areas. The overall approach to communications is summarized below.

    a. *Why Do We Need to Communicate?*

- o To gain buy-in to achieve widespread adoption and use of HIT-HIE
- o To prevent miscommunications and demystify aspects of HIE
- o To convey the benefits of HIE and digitized health records

    b. *Who do we Communicate this information to?*

- o Providers
    - Hospitals
    - Primary Care and Specialist Practices
    - Mental Health, Behavioral Health, Substance Abuse
    - Long Term Care
    - Home Health
- o Consumers who bring diverse perspectives
    - Easy buy-in people (people delighted by the idea of EHRs and HIE)
    - People with issues around privacy
    - Consumers with a mental health/substance abuse perspective
    - Individuals with some form of protected status
    - Chronic/pre-existing health issues
    - Digital natives (who don't understand why this hasn't happened already)
    - Illegal Status

- o Payers
  - Commercial Insurers
  - Self-insured employers
  - Medicaid
  - Medicare
  - VA/DoD
- o Employers
  - Large companies
  - Small companies
  - Self employed

c. *What Information Need's to be Communicated?*

- o What is "it?"
- o What is the message?
- o How the data will be used
- o The benefits of HIE
  - Reduce errors
  - Patients get all their information easily
  - Improve clinical and quality outcomes
  - Reduced costs
  - Patients helping other patients with like diseases
  - Allocate resources properly i.e.- efficient, effective
  - Patients spend less time at the doctors
  - Reduce waiting time
- o Meaningful use incentives
- o Will HIE really lower cost?
- o Will HIE really improve patient care?

d. Who Communicates to Whom?

- o Link communication focus to Hospital Service Area expansion strategy

  - Provider Leadership (including docs) communicates to

    - Provider care teams (Nurses, PA's, front desk staff...etc.) who communicate to

      - o Consumers

- o Reinforce messaging through:

  - Paid and earned media

  - Social media

  - Outreach through community groups (Rotary, Chambers of Commerce, etc.)

A comprehensive communication plan will identify priorities and phases of communication and specific strategies broken down by Hospital Service Area, as well as outreach through statewide provider groups and associations.

Engagement with community-based organizations: As noted above and in the VHITP, Vermont has a lengthy and comprehensive history of engagement with stakeholders in the development of HIT-HIE planning. The work underlying and informing this application and the current edition of the VHITP were the subject of multiple public meetings over the summer and early fall. That process will continue through the fall and winter as the strategic and operational plans continue to be refined, with monthly General Stakeholder meetings, conference calls, and outreach through email newsletters, web postings, and presentations to the Vermont Health Care Reform Commission, whose meetings serve as a principal forum for health care advocates in the state.

In addition, the Division of Health Care Reform staff has and will continue to meet with and request input and feedback on HIT-HIE planning from, among others: the state Medicaid Advisory Board, the Vermont Coalition for Disability Rights (VCDR), the Vermont Council for

Independent Living (VCIL), the Vermont Low Income Advisory Council (VLIAC), the Vermont

Campaign for Health Care Security, Vermont Legal Aid, the Office of Vermont Health Care

Ombudsman, the Bi-State Primary Care Association (representing Federally Qualified Health

Clinics, Planned Parenthood, and Rural Health Clinics, all of whom have a mission-based focus

on under-served populations), the Vermont Coalition of Clinics for the Uninsured, the

Department of Aging and Independent Living (DAIL) Consumer Advisory Board, the Vermont

Council of Developmental and Mental Health Services, the Vermont chapter of the American

Civil Liberties Union, and other consumer and community stakeholders.

The VHITP describes Vermont's vision to provide HIT-HIE access to all Vermonters,

including access to HIT for disabled individuals. Because of the integration of state HIT-HIE

planning, coordination, and oversight within the state Medicaid agency, Vermont's HIT-HIE

services will include an explicit focus on inclusion of all Medicaid beneficiaries, as well as those

served by other public programs such as WIC, Food Stamps, Reach Up, and General Assistance,

as well as full integration with public health services, systems, and reporting.

Consideration of stakeholders' interests in planning & implementation: Vermont

has taken and will continue to take a comprehensive approach to engaging stakeholders in both

planning and implementation. These include:

Health Care providers represented by the Vermont Medical Society, the Vermont

chapters of the American Academy of Pediatrics, American Academy of Family Practice, and the

American College of Physicians, the Vermont Assembly of Home Health & Hospice Agencies,

the Bi-State Primary Care Association, the Vermont Association of Hospitals and Health

Systems, the Vermont Health Care Association (representing long term care providers), and the

Behavioral Health Network (representing Community Mental Health Centers), the Vermont State

Nurses Association, and the Vermont chapter of the National Association of Social Workers. All

of these organizations and their constituencies have played and will continue to play a role in

advising the Division of Health Care Reform and VITL on their hopes, needs, and specifications

for participation in ubiquitous statewide exchange of health information and plans for including

comprehensive bi-directional connectivity to the VHIEN are included in the VHITP. Vermont is

fortunate to have broad participation by providers in Medicaid, a low uninsured rate (7.6%), and a

statewide network of Federally Qualified Health Centers and free clinics that provide access to

low income and underserved populations, so incorporating the perspective of providers who serve

low income and underserved populations is generally incorporated into our work with all of the

provider organizations.

Health plans. Vermont is served by three predominant health plans: Blue Cross/Blue

Shield of Vermont, MVP HealthPlan, and Cigna. All three have participated and continue to

participate in Vermont's HIT-HIE planning and implementation directly through participation in

work groups and other opportunities for engagement. In addition, all commercial health

insurance plans in Vermont with more than 200 covered lives contribute a fee of 2/10ths of 1%

assessed on their total annual claims to the state Health IT Fund. The health plans were active

participants in the "summer study" on electronic eligibility and claims adjudication transactions

and at least one has committed to participate in a pilot demonstration project when it is developed

over the coming year.

Patient and consumer organizations, health care purchasers, and employers . As noted

in previous sections, the state Ombudsman, the Medicaid and DAIL advisory boards, as well as

VCIL, VCDR, and other consumer advocacy organizations are routinely engaged by the Division

of Health Care Reform for their input into HIT-HIE planning. In addition, groups like the

Vermont Employers Alliance, the Business Roundtable, and One Vermont (a coalition of non-

profit organizations supporting public structures to benefit the citizens of Vermont), as well as

local Rotary organizations, regional Chambers of Commerce, and other business and consumer

oriented organizations, are included in the state HIT-HIE outreach, communication and

engagement strategy, to communicate the "value proposition" of HIT-HIE. Like Vermont's

Town Meeting and citizen legislature traditions which enable all citizens to participate directly in

government and policy discussions, Vermont's health reform initiatives (which very much includes HIT-HIE) are informed and guided by the needs of Vermont citizens, patients, and consumers. Indeed, because of the intimate scale of the state, the legislature itself can be considered a patient/consumer advocacy entity. Vermont's HIT-HIE planning and implementation is designed to enhance the quality of care and effectiveness of service of all our citizens, and the communications strategy related to HIT-HIE reflects that orientation.

Public Health Agencies. While there are regional district public health offices, Vermont has a centralized public health department, which is part of the Vermont State Agency of Human Services. A first phase of integration includes feeding immunization data from EHR systems to the registry via the HIE is currently in development. Inclusion of complete HIE connectivity to interoperable public health registries and other public health data sources and reporting protocols will be fully articulated in the operational plan.

Health Professions school, universities and colleges: Vermont's 2009 HIT-related legislation created an HIT & Higher Education Work Group, convened by the Division of Health Care Reform, which has met through the summer and fall. The Group has a report due to the legislature November 15, 2009, which will detail its work creating an inventory of education and training resources, estimates of required workforce training needs, and their combined responses (curricula, career ladders, and collaboration across educational entities). Vermont education professionals with a stake in HIT, from the medical informatics professors associated with the University of Vermont (UVM) College of Medicine through the Community College of Vermont's certificate training programs are engaged in this planning and working collaboratively with the state Department of Labor to identify and pursue funding resources to support training and scholarships. Champlain College, Marlborough College, and the Vermont State College system, as well as a non-traditional, rapid cycle training curricula sponsored by the state's largest hospital, are also participating in this integrated approach to HIT workforce capacity development. In addition, a sub-work group focused on HIT-HIE in health professions curricula

is working with faculty at the UVM College of Medicine and School of Nursing to ensure future

professionals are adequately prepared and oriented for working in an HIT-assisted environment.

Clinical researchers: Because of the state's intimate scale, the same institutions involved

in the workforce training noted above are also engaged in discussions related to clinical research.

In particular, the UVM medical informatics staff and others at the Center for Clinical and

Translational Science at UVM are closely engaged in development of a research and evaluation

program associated with the Vermont Blueprint for Health utilizing the HIE infrastructure for

data transfer. This program is in final design stages and its role supporting Vermont's integration

of health information exchange and transformed clinical practice will be articulated in detail in

the operational plan.

HIT supporting care coordination: Again, it is the integration with the Blueprint that

provides exciting opportunities for demonstrating a comprehensive approach to HIT-HIE in

support of patient care coordination and management and support of the clerical, nursing, and

social work professionals in their roles ensuring patient connectivity to across the health care and

social services continuum. DocSite, the Blueprint's web-based registry and clinical repository

tool which is fed through the HIE, also includes clinical messaging and other care management

tools which link care coordinators within and across clinical and community settings.

C. Required Performance Measures and Reporting

It is Vermont's understanding that specific reporting requirements, performance and

evaluation measures and methods to collect data and evaluate project performance will be

provided at a later date in program guidance and through technical assistance, prior to award of

cooperative agreements, but that the following Reporting Requirements are to be addressed as

part of this application. Governance of the HIT-HIE enterprise in Vermont is overseen by the

Vermont State Agency of Human Services (AHS), Office of Vermont Health Access (OVHA),

Division of Health Care Reform. As the home of the state Medicaid agency, AHS and OVHA

have a fully developed process to ensure compliance with federal reporting requirements. In addition, the state Agency of Administration has established an Office of Economic Recovery that provides detailed guidance for and oversight of ARRA reporting requirements. These forms and procedures are detailed at: http://finance.vermont.gov/forms

Governance

What proportion of the governing organization is represented by public stakeholders? What proportion of the governing organization is represented by private sector stakeholders? Does the governing organization represent government, public health, hospitals, employers, providers, payers and consumers? The governing organization is the state of Vermont, Agency of Human Services, Office of Vermont Health Access, Division of Health Care Reform and as such, represents the public interest, as directed by the Vermont legislature under statute. The Division of Health Care Reform convenes monthly General Stakeholder meetings which provide a forum for private sector stakeholders, employers, providers, payers, and consumers to participate in the collaborative development of the state strategic and operational HIT plan. The state contracts with VITL (Vermont Information Technology Leaders), a non-profit 501(c)3 corporation, authorized in statute to operate the statewide HIE, and as the budget documents detail, a significant proportion of the ONC HIE Cooperative Agreement funding will be granted to VITL. VITL has a board of 9 to 11 individuals. One is appointed by the Governor, another by the General Assembly, and the rest elected at large and include representation from employers, payers, health care providers (both associations and individual providers), and consumers.

Does the state Medicaid agency have a designated governance role in the organization? As noted above, the Division of Health Care Reform, which has direct oversight of HIT planning and coordination, is located within the state Medicaid agency, the Office of Vermont Health Access.

Has the governing organization adopted a strategic plan for statewide HIT? The October 2009 edition of the *Vermont Health Information Technology Plan* is an update of the 2007 VHITP, which was developed through an extensive public input process, and includes a strategic plan which is substantially compliant with ONC expectations for strategic planning.

Has the governing organization approved and started implementation of an operational plan for statewide HIT? VITL is currently operating the VHIEN and, in collaboration with the Division of Health Care Reform, completing an ONC compliant operational plan for statewide HIT to be finished in the first phase of the Cooperative Agreement project period.

Are governing organization meetings posted and open to the public? Yes. All meetings of both the state-convened Stakeholders Group and the VITL Board are posted on the web and open to the public. The budget for this Project includes funding to equip a conference room for full on-line streaming and enhanced conference call capacities, to ensure that the General Stakeholder and other meetings are fully accessible statewide by phone and web.

Do regional HIE initiatives have a designated governance role in the organization? Vermont has a single, statewide HIE. There are not regional HIE initiatives, except in the sense that some Vermont hospitals are hosting ASP-model EHR systems which they are making available to practices in their regions. All of these entities provide "throughput connectivity" to the VHIEN for participating practices.

Finance

Has the organization developed and implemented financial policies and procedures consistent with state and federal requirements? The state has reporting and financial controls in place as described in Section B. above. VITL is a private, non-profit corporation with the required financial policies and procedures, including an audited financial statement.

Does organization receive revenue from both public and private organizations? The

majority of VITL's funding is from public sources, including the state HIT Fund, federal grant

funds from HRSA, and anticipated ONC funding.

What proportion of the sources of funding to advance statewide HIE are obtained

from federal assistance, state assistance, other charitable contributions, and revenue

from HIE services? Of other charitable contributions listed above, what proportion of funding

comes from health care providers, employers, health plans, and others (please specify)? The

SF424A forms submitted with this proposal provide the proportions of federal and state funding,

but the overall combined sources of funding to advance statewide HIE are currently in flux and

these figures will be revised over the coming months. Vermont's Health IT Fund, described in the

VHITP, is derived from a 2/10ths of 1% fee on all commercial health claims.

Has the organization developed a business plan that includes a financial sustainability

plan? VITL has a multi-tiered plan for financial sustainability in development which will be

completed as part of the phase one activities of the Cooperative Agreement project period. Long

term financial sustainability is premised on the value HIE provides to providers, state, and federal

government entities, the support of state health reform initiatives (such as the Blueprint for

Health) and the benefits ubiquitous electronic exchange of information bring to patients, their

providers, and the public good. As indicated throughout this application, Vermont state policy

fully supports and encourages development and sustainability of the VHIEN. There is broad

consensus among public and private stakeholders to build a model to sustain HIE in the state.

Does the governance organization review the budget with the oversight board on a

quarterly basis? Yes. VITL reports to the Division of Health Care Reform on a quarterly basis.

The Division of Health Care Reform reports to the legislative Health Care Reform Commission

and Joint Fiscal Committee quarterly or more often.

Does the recipient comply with the Single Audit requirements of OMB? VITL will be required to comply with Single Audit requirements as of its current (July 09 – June 10) fiscal year.

Is there a secure revenue stream to support sustainable business operations throughout and beyond the performance period? In addition to the ONC Cooperative Agreement funding, VITL is funded through a combination of grants and contracts from the state of Vermont, including the state Medicaid agency, the state HIT Fund, and state General Fund appropriations. Currently, monthly provider subscription fees are waived for providers participating in the VHIEN, but it is anticipated that as the exchange gains "critical mass," the value proposition for subscriptions is expected to become better understood and accepted.

Technical Infrastructure

Is the statewide technical architecture for HIE developed and ready for implementation according to HIE model(s) chosen by the governance organization? Yes. See VHITP.

Does statewide technical infrastructure integrate state-specific Medicaid management information systems? Vermont is in the process of re-procurement of its MMIS. Because oversight and planning for the HIE infrastructure is integrated within the state Medicaid agency, the state is working closely with CMS to evaluate opportunities to maximize integration of MMIS into HIE planning and implementation. This integration will be reflected in the State Medicaid HIT Plan (SMHP) to be completed in tandem with completion of the ONC compliant strategic and operational plan.

Does statewide technical infrastructure integrate regional HIE? Vermont is developing interstate HIE agreements as part of its initial implementation planning, because of the substantial cross-border utilization of medical services by Vermont residents, as well as because of the relationships medical providers along the state borders have with providers in adjacent states. At the current time, these efforts are in the planning stages, but the intent is to have operational

interstate HIE in calendar 2010. (See also Joint New England eHealth Letter included in the Attachments.)

What proportion of healthcare providers in the state are able to send electronic health information using components of the statewide HIE Technical infrastructure? Currently less than 25% of healthcare providers in the state are able to send data through the VHIEN.

What proportion of healthcare providers in the state are able to receive electronic health information using components of the statewide HIE Technical infrastructure? Currently less than 25% of healthcare providers in the state are able to receive data through the VHIEN.

Business and Technical Operations

Is technical assistance available to those developing HIE services? Yes.

Is the statewide governance organization monitoring and planning for remediation of HIE as necessary throughout the state? Yes.

What percent of health care providers have access to broadband? Using definitions of "broadband" adopted by federal agencies for the stimulus programs, it is estimated that less than 20% of Vermont's 242,200 residences did not have broadband available as of January, 2009. It is reasonable to infer that at least 80% of the state's health care providers have access to broadband, and the state goal is to achieve 100% broadband access. There are existing, legally enforceable agreements with Comcast and FairPoint communication (the dominant cable and telco companies in the state) that should bring this number down to near 10% by the end of 2010. It is possible that stimulus grants now applied for could reduce this to less than 5%.

What statewide shared services or other statewide technical resources are developed and implemented to address business and technical operations? VITL currently provides and is in the process of expanding its technical resources to assist with EHR selection, adoption, and implementation, and serves as the statewide resource for assistance with connectivity to the HIE,

the building of interfaces, and other technical operations. VITL has applied to ONC to be a Regional HIT Extension Center as well.

Legal/Policy

Has the governance organization developed and implemented privacy policies and procedures consistent with state and federal requirements? Yes.

How many trust agreements have been signed? 19

Do privacy policies, procedures and trust agreements incorporate provisions allowing for public health data use? Yes.

D. Project Management

The State of Vermont has invested significant resources in its health reform initiatives, which are managed on a coordinated basis across state government and with external partners by the Division of Health Care Reform. Vermont's HIT-HIE projects and initiatives are thoroughly embedded in the state's health care reform initiatives. Therefore, leadership and oversight of HIT-HIE policy and projects are embedded in the state health reform leadership structure. The health reform team, which is led by:

- Susan Besio, Director of the Office of Vermont Health Access and Health Care Reform

- Hunt Blair, Deputy Director, Division of Health Care Reform (and acting State Government HIT Coordinator), and

- Craig Jones, M.D., Director, Vermont Blueprint for Health,

collaborate directly with David Cochran, M.D., VITL President and CEO on HIE policy and implantation/expansion operational issues. Dr. Cochran is responsible for management of overall HIE expansion and operation, under contract from the state.

It is worth noting that "the project" in this case is to dramatically expand HIE in the context of an operational but still formative, statewide-scale exchange. Vermont is fortunate to have a

substantial, operating network base and the additional infrastructure of the Blueprint for Health upon which to build, but the goal of functional statewide exchange by the end of 2010 is enormously ambitious. The ONC Section 3013 funding provides an important additional resource, but is just one new resource among many being managed. As this proposal is being submitted, the state is engaged in multiple discussions with CMS, managing near term state General Fund budget shortfalls, and working to maximize the resources available through the state Health IT Fund. At the same time, VITL is re-negotiating much of the pricing structure for interfaces and other critical components of building out the technical architecture, based on evolving market conditions. It should also be noted that until there is an award of funds by ONC to the state, the state has not executed a contract with VITL for the project. Therefore, the budget narrative accompanying this program narrative – particularly the detail sections for the contractual amounts to be passed through to VITL – reflect current best estimates, and will be further refined as the operational and implementation components of state HIT planning is completed and discussions with funders continue.

Within the Division of Health Care Reform, management of the ONC funded HIE project will be thoroughly coordinated with project management for the ARRA Sec. 4201 funding. The following staff will support HIT-HIE for the state, in close collaboration with the VITL staff:

- State HIT Coordinator (to be hired immediately, will have day to day responsibility to manage the project and interact with VITL, as well as report to and communicate with ONC)

- Financial/Grants Management support (to be hired immediately, to manage VITL contracts, federal funding and state financial reporting requirements, budgeting and performance measures)

- Assistant Attorney General (to be hired this winter, to support state oversight of Privacy and Security policies)

- Provider Outreach and Communications Specialist (to be hired in 2010, to coordinate Sec. 4201 EHR funding)

- AHS IT-HIE Integration Coordinator (to be hired immediately, to coordinate HIE interfaces with Public Health and other opportunities in the Agency enterprise, as well as to support development of the SMHP)

In addition, Joseph Liscinsky, Project Manager in the Division of Health Care Reform responsible for coordination of Medicaid IT Projects with the Regional CMS Office, along with Michael Hall, Associate CIO for Health and MMIS Project Manager, work closely on the state's integrated HIT-HIE and health reform projects.

At VITL, Dr. David Cochran is the lead with the state in the collaborative planning and project management processes. VITL's HIE initiatives are currently overseen by two project managers. One focuses on establishing connectivity in Blueprint communities. The other manages the queue of interfaces to other hospitals and practices. A third project manager provides PM services under contract to VITL. The technical interface development and oversight is managed by GE Healthcare as part of their contract to establish and maintain the HIE. VITL anticipates bringing in a Director of Implementation Programs to oversee all projects associated with HIE and EHR deployment. VITL will provide data on performance measures as a component of their contract for funding from the state. Financial reporting measures are provided by VITL's CFO.

E. Evaluation

The state's Health IT Fund requires a contract for external evaluation of the work funded by grants from the HIT Fund. To date, this has meant an evaluation primarily of VITL, and a set of metrics has been developed for the evaluation, which will be compiled into a report due to the Vermont legislature on January 1, 2010. This set of data will likely provide a template for

complementary evaluative measures and set an important baseline for evaluation going forward under the ONC-funded project period.

Measures are grouped into the following domains: EHR & Clinical, Blueprint, Hospital to PC Connectivity, HIE Operations, Public Health Registries, and Rx History. Together, these will serve as proxy measures for the performance of the VHIEN and VITL's support for EHR adoption and meaningful use. For example, VITL's support of the Blueprint is captured by the measures in the following table:

		Numerators				
Denominators		# Practices with interfaces for core BP data elements	# Practices with some BP data flowing thru VITL to DocSite	# Practices with all BP data flowing thru VITL to DocSite	# Practices conducting panel management / care coordination with reporting from DocSite and / or an EMR	# Practices where BP-VITL health IT architecture supports essential elements of meaningful use (2011 – 2013)*
	# Blueprint Practices Integrated Pilots					
	# Blueprint Practices BP Communities					
	# Blueprint Practices Expansion Communities					
	# Blueprint Practices Total					

*Need to select elements from ONC criteria that will be used to evaluate meaningful use

This matrix establishes 20 measures. Each measure is calculated as a percentage:

- o % BP Integrated Pilot Practices with interfaces for core BP data elements

- o % All BP Practices conducting panel management - care coordination with reporting thru DocSite and / or an EHR

Each measure can be readily evaluated based on information from the VITL practice manager and Blueprint team (no need for new surveys or data collection methods), can readily be re-refreshed annually, can be charted as a trend over time, and reflects change and program growth. The measures reflect infrastructure, capacity, and operations, and can be used to calculate and map BP VITL operations in HSAs.

As part of Vermont's overall health reform agenda, the HIE expansion will also benefit from the comprehensive evaluation structure being implemented to identify and measure the impact of the many components of delivery system transformation. OVHA Medical Director Michael Farber, M.D., holds an appointment at the University of Vermont College of Medicine, where he and Dr. Jones are currently working with colleagues – including UVM's medical informatics and other faculty at the Center for Clinical and Translational Science – to build a sophisticated evaluation architecture, the data feeds for which should themselves demonstrate the HIE architecture's value and efficacy. We look forward to working with ONC staff to more fully understand federal reporting requirements and implement whatever systems are required to meet them.

F. Organizational Capability Statement

The Cooperative Agreement funding is to the Division of Health Care Reform at the Office of Vermont Health Access (OVHA), Vermont's state Medicaid agency. OVHA is responsible for management of Medicaid, CHIP, and other publicly funded health insurance programs. OVHA is the largest insurer in Vermont in terms of dollars spent and the second largest in terms of covered lives. As such, it has extensive experience in managing large, complex projects and preparing cogent and useful reports, publications, and other products.

The staff listed in Section D. above on project management is supported by the staff of the OVHA Business Office and the Agency of Human Services Central Finance Office for financial management, contract management, and reporting. Deputy Director Hunt Blair (resume attached) works closely with Dr. David Cochran (resume attached) to collaboratively manage the expansion of HIE statewide. When hired, the State HIT Coordinator will take over day to day management of the project, but the Deputy Director will continue to play a direct leadership role.

The Vermont HIEN managed by VITL has been live since 2006. GE Healthcare operates the HIE under contract to VITL. VITL is led by a physician executive experienced in the deployment and oversight of Health IT Programs. The Director of Implementation is knowledgeable about the interoperability standards applicable to the HIE and oversees the day-to-day relationship with GE Healthcare. It is anticipated that a Senior Program Director will be added to the staff to expand VITL's capabilities to deploy the HIE more rapidly.