



**PHIX**

# **Pennsylvania Health Information Exchange**

Stimulus Oversight Commission

December 3, 2009

### ■ State Health Information Exchange Cooperative Agreement Program

- ❑ Support states and/or State Designated Entities (SDEs) in establishing health information exchange (HIE) capacity among health care providers and hospitals
- ❑ State programs to promote HIE will help to realize the full potential of EHRs to improve the coordination, efficiency and, quality of care.

## Potential Funding Under HITECH

- \$17.1 million for creation of Pennsylvania Health Information Exchange (PHIX)
- ~ \$1.5 billion in incentives to hospitals and providers to adopt electronic health records (EHR) and demonstrate meaningful use through Medicare and Medicaid
  - Interoperability and health information exchange are key components of achieving meaningful use.

## HIE Cooperative Agreement Framework

- **Governance:** What is the structure of the State's governance entity responsible for developing and maintaining a multi-stakeholder process to ensure the exchange of information through the HIE is in compliance with applicable policies and laws?
- **Finance:** What are the pricing strategies, public and private financing strategies, financial reporting, business planning, audits, and controls for the HIE?
- **Technical Infrastructure:** What are the technological aspects that will physically enable the technical services for the HIE in a secure and appropriate manner, including architecture, hardware, software, applications, network configurations?
- **Business and Technical:** What are the business and technical activities, including procurement, identifying requirements, process design, functionality development, project management, help desk, systems maintenance, change control, program evaluation, and reporting?
- **Legal and Policy:** What are the State's legal/policy activities associated with creating a common set of rules to enable health information exchange while protecting consumer interests?

- GOHCR convened a PHIX Core Group to provide guidance in the development of the PHIX Strategic Plan in alignment with ONC's HIE Cooperative Agreement Program
  - GOHCR brought forth data, input and strategies gathered since 2008 through various forums, PAeHI and the PHIX Advisory Council
  - Representatives from the providers, academic programs, regional health information organizations, patient advocacy, and payer groups participated in strategic planning workshops

## Key Areas for Public Comment

There are 4 key areas for public input:

- Governance
- Funding
- Privacy
- Technical Infrastructure

# PHIX Governance

Alternatives	Pros and Cons
<p><b>Existing State Agency</b></p>	<ul style="list-style-type: none"> <li>(+) Legislation NOT required</li> <li>(-) Unclear as to appropriate agency home</li> <li>(-) Challenge to establish broad based stakeholder support</li> <li>(-) Perception of state intrusion into personal health information.</li> </ul>
<p><b>Create non-governmental non-profit organization (501(c)(3))</b></p>	<ul style="list-style-type: none"> <li>(?) Legislation required</li> <li>(+) Would include primary stakeholders within organization</li> <li>(-) Accountability to Commonwealth and Public</li> </ul>
<p><b>Create Public Authority (e.g. PA Patient Safety Authority)</b></p>	<ul style="list-style-type: none"> <li>(+) Based on existing successful model</li> <li>(+) Includes accountability mechanisms within legislation</li> <li>(-) Legislation required</li> <li>(-) Challenge to reach agreement with stakeholders on Authority members</li> </ul>

- The recommendation for PHIX governance is to create a public authority
  - ❑ Public/Private Board of Directors
  - ❑ Focus on high-level strategic plans and decisions
  - ❑ Oversee committees or workgroups that will provide specialized advice and recommendations across all governance functions such as financing, legal requirements, policy compliance, technical infrastructure and operations

# PHIX Financial Model

Alternatives	Pros and Cons
<ul style="list-style-type: none"> <li>■ <b>Assessment fees on medical claims paid by insurers.</b> In addition, there will need to be some funding to cover participation of Medicaid, Department of Health and other state-funded programs</li> </ul>	<ul style="list-style-type: none"> <li>(+) Long Term Sustainability</li> <li>(+) Fairness of the Funding Model</li> <li>(+) Assessments are a demonstrated approach based on VT experience</li> <li>(-) Budgetary and political challenges</li> <li>(-) Legislation needed</li> </ul>
<ul style="list-style-type: none"> <li>■ <b>Transaction fees or subscriptions, based on use or entity size.</b></li> <li>■ <b>Value-added services</b></li> <li>■ <b>Gain-sharing</b></li> </ul>	<ul style="list-style-type: none"> <li>(+) Long term sustainability</li> <li>(+) Legislation unnecessary</li> <li>(-) Challenge for initial HIE adoption across providers</li> <li>(-) May limit HIE utilization by providers</li> <li>(-) Administrative complexity</li> <li>(-) Burden challenge to stakeholders</li> </ul>

- Recommendation is an assessment on all medical claims paid by insurers that will be dedicated to PHIX implementation and ongoing operations.
  - Equitable revenue source that provides adequate funding to the PHIX governing body to implement all HIE activities throughout Pennsylvania
  - Will not require payments by hospitals, physicians, patients and other authorized users of PHIX which will aid adoption and use

Potential Actions	Pros and Cons
<p>■ <b>Opt-Out</b></p> <p><b>Except for super-protected information (HIV/AIDS status, mental health and substance abuse, etc.),</b> consent is implied for access to electronic health information for all authorized providers. There must be affirmative action to refuse to participate in HIE.</p>	<p>(+) The way things are today                      (+) Maximum participation in HIE                      (+) More improvement in quality of care                      (+) More efficiency in care</p>
<p>■ <b>Opt-In</b></p> <p>Health information is <b>not</b> shared unless explicit authorization is provided. Presumption is that information is <b>not</b> shared.</p>	<p>(+) Provides basis for patient authorization on a participant level                      (-) Fewer participants in HIE                      (-) Less improvement in quality and efficiency                      (-) Would require significant public awareness and uptake campaign to increase participation</p>

- Recommendation is continue current method of dealing with health information.
  - Health information for treatment, payment and operations is available to authorized caregivers under HIPAA.
  - “Super-protected” health information will require additional patient consent.

## PHIX Technical Infrastructure

- PHIX is envisioned as the connecting network for health information exchange across Pennsylvania, for connectivity with other states and the NHIN platform.
- PHIX will be built on a secure, internet-based architecture that enables health care data transfer using recognized federal and state health information technology standards.
- The technical design will permit connection to regional HIEs, integrated health systems and individual hospitals to leverage existing investments in their HIE efforts.

## PHIX Technical Infrastructure Recommendation

- Recommendation is that Pennsylvania enters into an interstate agreement with Delaware to piggyback on DHIN's existing, proven technical platform
  - Supports ONC desire for multi-state collaboration - (CMS Region 3)
  - Implementation time can be reduced 18-24 months
  - There are expected cost efficiencies by leveraging DHIN's \$20M investment in creating policies, procedures, and existing relationships with vendors

## Frequently Asked Questions

### ■ Will hospitals and providers have to join DHIN?

- No. Pennsylvania hospitals and providers will connect to PHIX

### ■ Is participation in PHIX mandatory?

- No. Hospitals and providers may share health information through a regional health information exchange (HIE) or part of a health system.

### ■ Will there be support for regional/sub-regional HIEs?

- Yes. Regional and sub-regional HIEs will be encouraged and supported. PHIX will serve as a safety net for areas that do not have a regional HIE.

## Next steps

- Proposed Strategic Plan and Executive Summary are accessible on the GOHCR website:  
[www.gohcr.state.pa.us](http://www.gohcr.state.pa.us)
- GOHCR accepting comments via email by December 21, 2009:  
[ra-PHIXStrategicPlan@state.pa.us](mailto:ra-PHIXStrategicPlan@state.pa.us)
- The Operational Plan will be developed and submitted to ONC for approval in early 2010

# Contact Information

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