



PHIX

**Pennsylvania Health Information
Exchange**

Update

Stimulus Oversight Commission

January 14, 2010

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
 - NPRM issued for “Meaningful Use” and EHR incentive payments December 30, 2009

■ State Health Information Exchange Cooperative Agreement Program

- ❑ Requires a Strategic Plan and an Operational Plan be submitted to Office of National Coordinator (ONC) for approval
- ❑ Milestones for payment will be negotiated based on plan

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 areas seeking public input:

- Governance
- Funding
- Privacy
- Technical Infrastructure

■ 43 responses were received

- 1 - Regional HIE
- 1 - Physician Hospital Organization
- 14 - Professional Organizations
- 11 - Vendors
- 2 - Insurers
- 14 - Individuals

PHIX Governance

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

PHIX Governance Recommendation

- The recommendation for PHIX governance is to create a public authority
- 13 comments were received. All were in support of this recommendation

PHIX Financial Model

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

PHIX Financial Model Recommendation

- Recommendation is an assessment on all medical claims paid by insurers that will be dedicated to PHIX implementation and ongoing operations.

- 12 comments received
 - 1 general comment neither supported nor were against the recommendation
 - 6 comments supported this recommendation
 - 5 comments not supporting the recommendation asked for alternatives including:
 - Use of General Funds
 - Transaction fees paid by providers and hospitals
 - Sales tax increase, tax on IT software and hardware, tax on broadband
 - Questions on what is an “insurer”
 - One comment asked to consider gain sharing

Potential Actions	Pros and Cons
<p>■ Opt-Out</p> <p>Except for super-protected information (HIV/AIDS status, mental health and substance abuse, etc.), 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>■ Opt-In</p> <p>Health information is not shared unless explicit authorization is provided. Presumption is that information is not 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 to continue current method of dealing with health information.
- 10 comments were received on Privacy
 - 6 comments supported the recommendation
 - 1 comment did not support the recommendation
 - 3 were general comments neither in support nor against the recommendation

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

- 22 comments received
 - 2 comments supported the recommendation
 - 8 comments neither supported or were against the recommendation
 - 12 comments did not support the recommendation
 - 10 – vendors
 - 1 - organization representing vendors
 - 1 - individual

Next steps

- Present findings to Health Care Reform Cabinet for their approval/recommendations
- Finalize Strategic Plan and submit to ONC for approval
- Create Operational Plan and submit to ONC for approval

Contact Information

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