



DELAWARE VALLEY HEALTHCARE COUNCIL  
*of The Hospital & Healthsystem Association of Pennsylvania*

**DVHC Memo 11-16**

November 17, 2011

**TO:** Chief Executive Officers of DVHC Member Hospitals and Health Systems

**FROM:** Carolyn F. Scanlan, President and Chief Executive Officer

**SUBJECT:** Southeastern PA Health Information Organization

**Issue:** Since early summer of 2011, the Delaware Valley Healthcare Council of HAP (DVHC) has been involved in a planning process for the development of a Southeastern PA Health Information Organization (SEPA HIO). A steering committee comprised of representatives from DVHC, Independence Blue Cross, Amerihealth Mercy, and the Health Care Improvement Foundation (HCIF) has been spearheading the SEPA HIO initiative. The DVHC Board supports DVHC's involvement in the steering committee's efforts to develop a conceptual framework for a SEPA HIO. In particular, the DVHC Board envisions that a SEPA HIO would create a platform where health care providers and their partners will have timely, efficient, and effective access to a shared community information asset to support clinical decisions and care transitions that will improve the outcomes of the people served and reduce costs in the long term. The steering committee for the SEPA HIO wants to ensure that the health care stakeholders in Southeastern PA are well-positioned to take advantage of potential funding from the federal government for health information exchange development. As the Pennsylvania eHealth Collaborative has been working toward updating the state's strategic plan for health information exchange, the SEPA HIO steering committee has worked to establish an alignment with the state's goals and objectives. DVHC wants to inform the membership about its involvement in and the efforts of the steering committee for the SEPA HIO.

**Background on the SEPA HIO:** The efforts toward developing a SEPA HIO were initiated in 2009, but there has been a more rigorous focus since the summer of 2011 with the establishment of the SEPA HIO steering committee. Through a request for proposal process, the steering committee engaged North Highland Company to facilitate a multi-stakeholder process in the development of a proposal regarding the initial formation of and implementation plan for a SEPA HIO. In October of 2011, the steering committee, with guidance from North Highland, established three working committees: Governance and Sustainability; Technology; and Quality. DVHC staff participates on each of the committees and have recruited hospital and health system representatives for these committees. The committees are meeting regularly to assist with the proposal development.

*SEPA HIO Plans to use "Direct" technology*

The steering committee achieved consensus regarding the implementation of "Direct" technology as a start-up protocol for health data exchange among local providers and plans. The Direct Project specifies a simple, secure, scalable, standards-based way for participants to send authenticated,

## DVHC Memo 11-16

November 17, 2011

Page 2

encrypted health information directly to known, trusted recipients over the Internet. The SEPA HIO initiative will incorporate the standards of the Direct Project, which is an open government initiative started by the Department of Health and Human Services' Office of the National Coordinator (ONC) for Health Information Technology.

Proof of concept testing for several clinical use cases is underway in the region. In particular, the SEPA HIO has agreed that an important use case for consideration is using Direct to provide hospital discharge information to primary care physicians and payer care management departments to improve care transitions and avoid unnecessary readmissions. In addition, there are other use cases being evaluated by the SEPA HIO Quality Committee for their value proposition.

**The Pennsylvania eHealth Collaborative:** On July 27, 2011, Governor Corbett issued an executive order establishing the Pennsylvania eHealth Collaborative (PA EHCo). The objective of the PA EHCo is to enable the use of information technology and advance health information exchange in order to improve health care quality and efficiency, ensure patient safety, and provide secure, confidential access to health information for making the best possible health decisions. The PA EHCo established five stakeholder working committees: Business and Operations Committee; Finance and Sustainability Committee; Legal, Privacy and Security Committee; Communication and Outreach Committee; and Evaluation and Performance Committee. The committees have been working to provide recommendations for inclusion in the revised strategic and operational plans that the commonwealth will submit to the ONC in January 2012. DVHC staff, in concert with staff from HAP, have participated in the PA EHCo committees to ensure that the work of the SEPA HIO is aligned with statewide health information exchange efforts.

**Potential Funding Opportunities for SEPA HIO:** The ONC and the Centers for Medicare & Medicaid Services (CMS) are accepting proposals from state Medicaid programs to access Medicaid Electronic Health Record Incentive Program funding to support the development of regional health information exchanges. ONC/CMS will approve state proposals and provide funding at a 90/10 federal/state funding rate. The Pennsylvania Department of Public Welfare (DPW) is interested in leveraging the 90/10 funding that is currently available for health information exchange infrastructure. The SEPA HIO has begun a dialogue with DPW in this regard.

In addition, under the American Recovery and Reinvestment Act, Pennsylvania received \$17.1 million to help enable a health information exchange, the electronic movement of health-related information among unaffiliated organizations, according to nationally recognized standards. The ONC granted the award to the commonwealth with limited access to the \$17.1 million implementation funds pending the development of a detailed plan with stakeholder input by January 2012. It appears that the PA EHCo office is inclined to recommend using federal funding from ONC to provide mini-grants to providers for connectivity costs as opposed to providing funding to regional health information exchanges for start-up costs. The SEPA HIO is monitoring the state planning process especially as it relates to potential funding opportunities.

**DVHC Memo 11-16**

November 17, 2011

Page 3

**DVHC Action:** DVHC will continue its involvement in the SEPA HIO steering committee and the related committees. DVHC will establish an ad hoc HIE advisory committee with member hospital and health system chief executive officer and chief information officer representatives who can provide guidance and direction to the SEPA HIO steering committee work on behalf of DVHC's membership. In addition, DVHC will sponsor a webinar for members and interested stakeholders to provide background and more specific information on the SEPA HIO and the development of a regional proposal on December 8, 2011.

**Member Action:** To learn more about the SEPA HIO, participate in the DVHC webinar on December 8, 2011. To register for the webinar, simply complete the attached registration form and submit it no later than December 2, 2011. For more background on PA EHC<sub>o</sub>, review the attached testimony provided by George White, chief information officer, Commonwealth of Pennsylvania before the Senate Communications & Technology Committee on November 1, 2011. Additional information on the PA EHC<sub>o</sub> can be found at [www.paehealthcollab.com](http://www.paehealthcollab.com).

**For More Information:** If you have questions and/or would like to discuss this in more detail, feel free to contact [Pamela Clarke](#), vice president, healthcare finance and managed care, at (215) 575-3755, or [Martin Ciccocioppo](#), vice president of research, at (717) 561-5363.

Attachments: Testimony of White and Torres  
SEPA HIO Webinar Response Form