



Testimony of

**George White, Chief Information Officer, Commonwealth of Pennsylvania
and Robert Torres, Pennsylvania Health Information Technology Coordinator**

before the

Senate Communications & Technology Committee

regarding

Pennsylvania eHealth Collaborative

November 1, 2011 – 9:30 a.m. – Hearing Room 8E-A, East Wing

Chairman Folmer, Chairman Farnese and members of the committee, thank you for inviting us here today to provide an update on the work being done to advance health information exchange throughout the commonwealth. Joining me to talk about the Pennsylvania eHealth Collaborative and to answer any questions you may have are Scott Fairholm, Chief of Policy, Planning and Performance Management in the Office of Administration, and Robert Torres, the Pennsylvania Health Information Technology Coordinator.

As you may recall, this effort began several years ago. Under the American Recovery and Reinvestment Act (ARRA), 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. At about the same time as the state government transition in January, some key decisions needed to be made regarding the future of Pennsylvania's health information exchange initiative.

Early in the new administration, several determinations were made. First, the previous procurement was cancelled. Second, day-to-day management of the health information exchange project was transferred to my office – the Office for Information Technology. Third, we decided to take a step back to re-evaluate how best to approach the implementation of a statewide health information exchange in Pennsylvania. Recognizing that a number of different models exist for implementing a statewide health information exchange, we wanted to make sure that the model adopted in Pennsylvania was not chosen for the sake of expediency or convenience but on what is right for Pennsylvania's stakeholders.

Next, we knew that the Office of the National Coordinator for Health Information Technology (ONC) rejected the plan Pennsylvania had submitted during the previous administration. We faced a very tight timeline in which to resubmit our plan and gain approval by the end of March 2011. We contacted the ONC and informed them we were re-evaluating our approach and overhauling our plan. We submitted our revised operational plan in accordance with the ONC's deadline and subsequently received its approval.

Finally, we decided to re-engage the stakeholder community and fully involve them, which brought a fresh approach to our efforts. The discussion concerning the health information exchange is now a structured, open and transparent process that has engaged over 100 diverse stakeholders representing different sectors of the industry. A two-day stakeholder session was held at the Pennsylvania Farm Show Complex in July; subsequently, five working committees were created. Those committees will be delivering their first sets of recommendations over the next two days during another stakeholder session. We believe the inclusive manner used to define the scope, requirements and design of the project not only will provide greater benefits to health care providers, payers and other parties but also will improve patient health outcomes.

Federal Expectations

As previously mentioned, in March 2011, the Office of the National Coordinator for Health Information Technology (ONC) approved the operational plan supporting this project. The ONC granted the award with limited access to the \$17.1 million implementation funds pending reengagement with stakeholders and development of a detailed plan. By January 2012, the commonwealth must have a revised strategic plan, endorsed by stakeholders, and a supporting operational plan. By July 1, 2012, a governance model must be established.

In addition to the grant requirements, the ONC issued a Program Information Notice (PIN) that requires the state to enable secure exchanges in 2011 using protocols developed by the Direct Project, an ONC-sponsored initiative. Further, we are required to address current gaps in the use of electronic medical information sharing – the goal being to increase the numbers of pharmacies e-prescribing, independent labs sending electronically structured lab results, and providers electronically sharing patient care summaries across unaffiliated organizations.

Project Re-launch and Stakeholder Engagement

On July 27, 2011, Gov. Tom Corbett issued an executive order establishing the Pennsylvania eHealth Collaborative. The objective of the Pennsylvania eHealth Collaborative is to enable the use of information technology and advance health information exchange (HIE) in order to improve healthcare quality and efficiency, ensure patient safety and provide secure, confidential access to health information for making the best possible health decisions.

As we began working on this project, we spoke with key stakeholders to gain an understanding of changes emerging with health information technology (HIT) and the HIE landscape in Pennsylvania. Historically, the Keystone Health Information Exchange has been the only mature HIE operating in Pennsylvania. However, numerous organizations now are planning and positioning themselves to develop regional and statewide HIEs.

To re-launch this effort, 134 stakeholders representing many sectors of the healthcare industry and consumers engaged in a two-day planning session July 26 and 27. In addition to remarks by Senator Folmer, presentations and detailed discussions helped to lay the foundation for the future direction of this project. The eHealth Collaborative gathered stakeholder opinions regarding HIE functions into a findings document, which has become the basis of the planning process.

During the two-day session, participants indicated a clear preference for state government to provide primarily a governance role to enable HIE advancement in Pennsylvania. They also identified a range of HIE functions, such as discharge summaries, active care coordination, Computerized Physician Order Entry (CPOE) and results delivery, that would

serve as the core of ongoing HIE planning activity. Finally, they noted a number of issues requiring further consideration, including patient consent, opt-in/opt-out participation model, master patient and provider indexing, local/regional-state-national interoperability, implementation support and secondary data use.

After the two-day session, we surveyed participants and received positive feedback on our re-launch efforts, particularly on the level of information provided, the degree of stakeholder engagement and our commitment to transparency. Continuing in that manner, we regularly post on the eHealth Collaborative's website, www.paehealthcollab.com, meeting materials, summaries and other resources for public review.

Committee Work

Organized during a stakeholder meeting in August were five stakeholder working committees – Business and Operations; Finance and Sustainability; Legal, Privacy and Security; Communication and Outreach; and Evaluation and Performance.

The **Business and Operations Committee** has been documenting business needs and recommendations to achieve our 2011 short-term goal of enabling point-to-point exchanges, also known as the Direct Project. This essentially is secure email-like messaging to achieve the transfer of information.

As for long-term strategy, the committee is developing recommendations on the technical infrastructure and services – as well as the governance structure – required to support a more broadly-functioning HIE model in Pennsylvania. In its discussions, the committee is evaluating the advantages and disadvantages of a public/private authority model versus a non-profit 501(c)(3) model.

Other highlights of this committee's work include establishing possible certification criteria for health information service providers (HISPs) and HIEs. Certification, a critical element of HIE, allows for consistent standards, a level playing field and market-based protections that ensure purchasers have confidence that the HIEs and HISPs will provide the services they promise.

The **Finance and Sustainability Committee** is identifying a sustainable revenue model to support the health information exchange model recommended for Pennsylvania. This committee has reviewed one-time sources of funding such as the grant, Medicaid funding available to administer its electronic health record (HER) incentive program and required state matches that could be used for start-up costs. The committee also has evaluated financial information of existing HIEs in other states, including their start up/sustainability plans, to develop cost models for Pennsylvania. Using this information, the committee has produced recommendations for a five-year sustainability model with a goal of attaining sustainability before year five.

Additionally, the committee used survey data to ascertain current funding sources and to develop a financial model with realistic assumptions to estimate funding needed to sustain this effort into the future. Organizations that have implemented or are planning to implement a HIE stated that they used federal, state or private grants; participant fees or contributions; and a commercial loan as start up funds. These same organizations indicated that their sustainability plans included reliance on participant fees (including hospitals, professional practices and payers), transaction fees and participant contributions.

The **Legal, Privacy and Security Committee** is leveraging the Nationwide Privacy and Security Framework for Electronic Exchange of Individually Identifiable Health Information

and its eight guiding principles to develop Pennsylvania's privacy and security principles. These eight principles are individual access; correction; openness and transparency; individual choice; collection, use, and disclosure limitation; data quality and integrity; safeguards; and accountability.

Using these principles, the committee is developing legal recommendations that will address requirements needed for health information exchange oversight and operations. Developing a consent model; addressing liability implications and strategies for mitigation; handling super-protected health information (including HIV, mental health and substance abuse records); developing criteria for data sharing and use agreements; and identifying potential necessary legislation are all being considered by this committee.

The **Communication and Outreach Committee** is creating plans and identifying resources to deliver necessary education and outreach activities to support health information exchange in Pennsylvania. The plan will guide our efforts as we work with stakeholder organizations, including other state agencies, to align activities and distribute messages through various communication vehicles. This committee also is establishing benchmarks to evaluate the effectiveness of the communication plan and outreach efforts.

The **Evaluation and Performance Committee** is identifying and developing measures and benchmarks to ensure we comply with federal grant requirements to measure HIE adoption, use and performance, as well as clinical care improvements that may result from the development of HIE in Pennsylvania. This committee recently completed a survey of current and planned HIE activity across the commonwealth and is planning an assessment to gauge provider and patient awareness and understanding of HIE later this year.

The five committees have worked aggressively to draft recommendations by the end of October 2011. At an all-committee meeting on November 2, the committees will report their recommendations, which will provide the basis for the revised strategic and operational plans that the commonwealth will submit to the ONC in January 2012.

Aligning Efforts

In addition to working with the stakeholders, the eHealth Collaborative has worked to align our efforts effectively with other federal grantees, such as PA REACH, which administers the Regional Extension Center program in Pennsylvania. This program has provided subsidized technical assistance to 4,400 eligible providers serving 5.3 million patients. The program has assisted providers with the electronic health record vendor selection process; workflow and practice redesign; and use of electronic health records to create quality reports and e-prescribe.

Our office is working closely with Medicaid, which has disbursed almost \$55.5 million in health information technology incentives to eligible providers since June 6, 2011. This includes 49 hospitals and over 1,000 eligible professionals, representing physicians as well as certified registered nurse practitioners, dentists and certified nurse midwives. A key aspect of the next phase of the incentive program will be for providers to demonstrate interconnectivity with each other through health information exchange.

Another grantee with whom we have aligned is Geisinger Health System. Geisinger received a three-year ONC Beacon Community Grant award to use health information technology and the exchange of health information to improve coordination of care among the hospitals, clinics, skilled nursing facilities, home-health agencies, and their patients across a five-county area.

We continue to work with the Pennsylvania Medical Society, the Hospital & Healthsystem Association of PA and the Department of Health. We also have updated the vendor community on the progress of our efforts through presentations at numerous forums.

The HIE Landscape

The eHealth Collaborative conducted a survey to determine the current environment for regional HIEs operating within the commonwealth. Organizations were invited to participate based on input from our stakeholder community. A review of the survey results provided some valuable insight. We learned that all of the functions identified in our stakeholder findings either have been adopted or are planned to be implemented by the HIEs. We also found that standards range widely and almost no overlap exists with the vendors being used. The majority of HIEs are covering or intend to cover most provider types and, geographically, at least one HIE is connecting to each of our border states. Almost all are planning connection to Nationwide Health Information Network (NwHIN) and to other HIEs in Pennsylvania; two actively are planning some form of statewide coverage.

In conclusion, with our goal of improving healthcare delivery and healthcare outcomes, the Pennsylvania eHealth Collaborative is dedicated to advancing health information exchange in the commonwealth. We appreciate and recognize as invaluable to this effort the participation, input and commitment of the stakeholders. We again thank this committee for the opportunity to provide an update on the work being performed.