



Kansas HI TECH Plan: Coordinating the Coordinators!

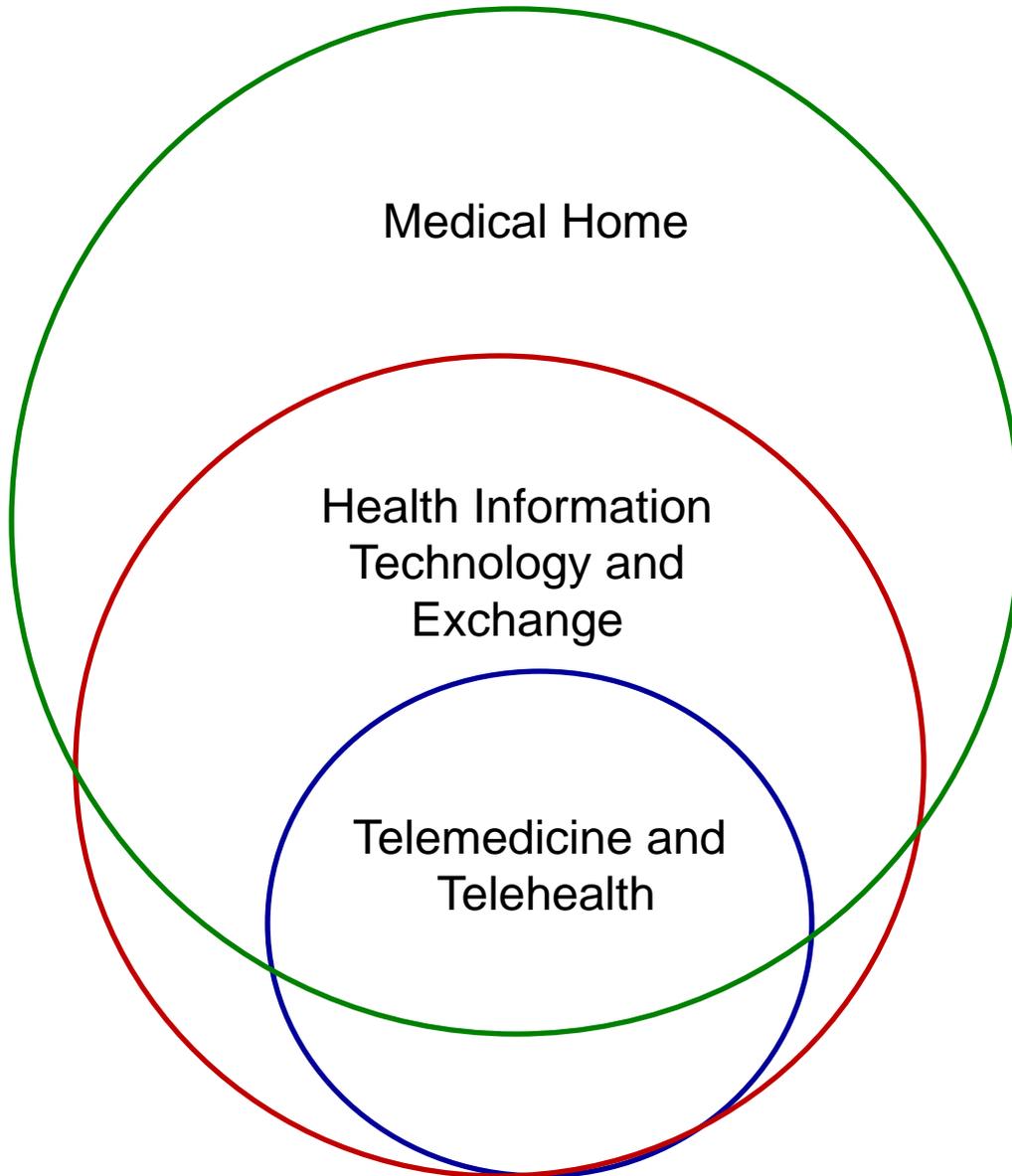
March 19, 2009

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Executive Director
Kansas Health Policy Authority

Today's Goals

- Educate/inform our colleagues about progress made in Kansas on coordination of care efforts
- Educate/inform ourselves on American Reinvestment and Recovery Act (ARRA)
- Discuss how to align our efforts and work collectively to leverage ARRA funds – both in the short and long term
- *Tomorrow's goals:*
 - *Find some non-KUMC speakers...*

Alignment of Initiatives



Goals:

- Improve health
- Improve coordination of care
- Reduce duplication of services
- Contain health care costs
- Obtain one time federal stimulus dollars for Kansas

American Recovery and Reinvestment Act (ARRA)

Policy Changes in ARRA

- Federal interoperability standards by 2010 that allow for the nationwide electronic exchange and use of health information
- Strengthens federal privacy and security law to protect from health information misuse

Financial Incentives

- \$2 billion in competitive grants for HIT infrastructure; \$1.5 billion for FQHCs
- Investing \$17 billion for Medicare and Medicaid incentives to encourage doctors and hospitals to use HIT to electronically exchange patients' health information.

American Reinvestment and Recovery Act: *States and State-level HIE*

Lynn Dierker, RN Project Director
State-level HIE Consensus Project

Lammot du Pont
Manatt Health Solutions

March 5, 2009

ARRA... A Massive Stimulus for Health IT Adoption & HIE Expansion

Appropriations for Health IT

\$2 billion for loans, grants & technical assistance for:

- National Resource Center and Regional Extension Centers
- EHR State Loan Fund
- Workforce Training
- Research and Demonstrations

Appropriations for HIE

At least \$300 million of the total at HHS Secretary's discretion for HIE development

- Funneled largely through States or qualified State-designated entities
- For planning and/or implementation

New Incentives for Adoption

New Medicare and Medicaid payment incentives for HIT adoption

- \$20 billion in expected payments through Medicare to hospitals & physicians
- \$14 billion in expected payments through Medicaid
- ~\$34 billion expected outlays, 2011-2016

Community Health Centers

\$1.5 billion in grants through HRSA for construction, renovation and equipment, including acquisition of HIT systems

Broadband and Telehealth

\$4.3 billion for broadband & \$2.5 billion for distance learning/ telehealth grants

To receive incentives, qualified professionals must use certified EHR technology in a “meaningful manner”

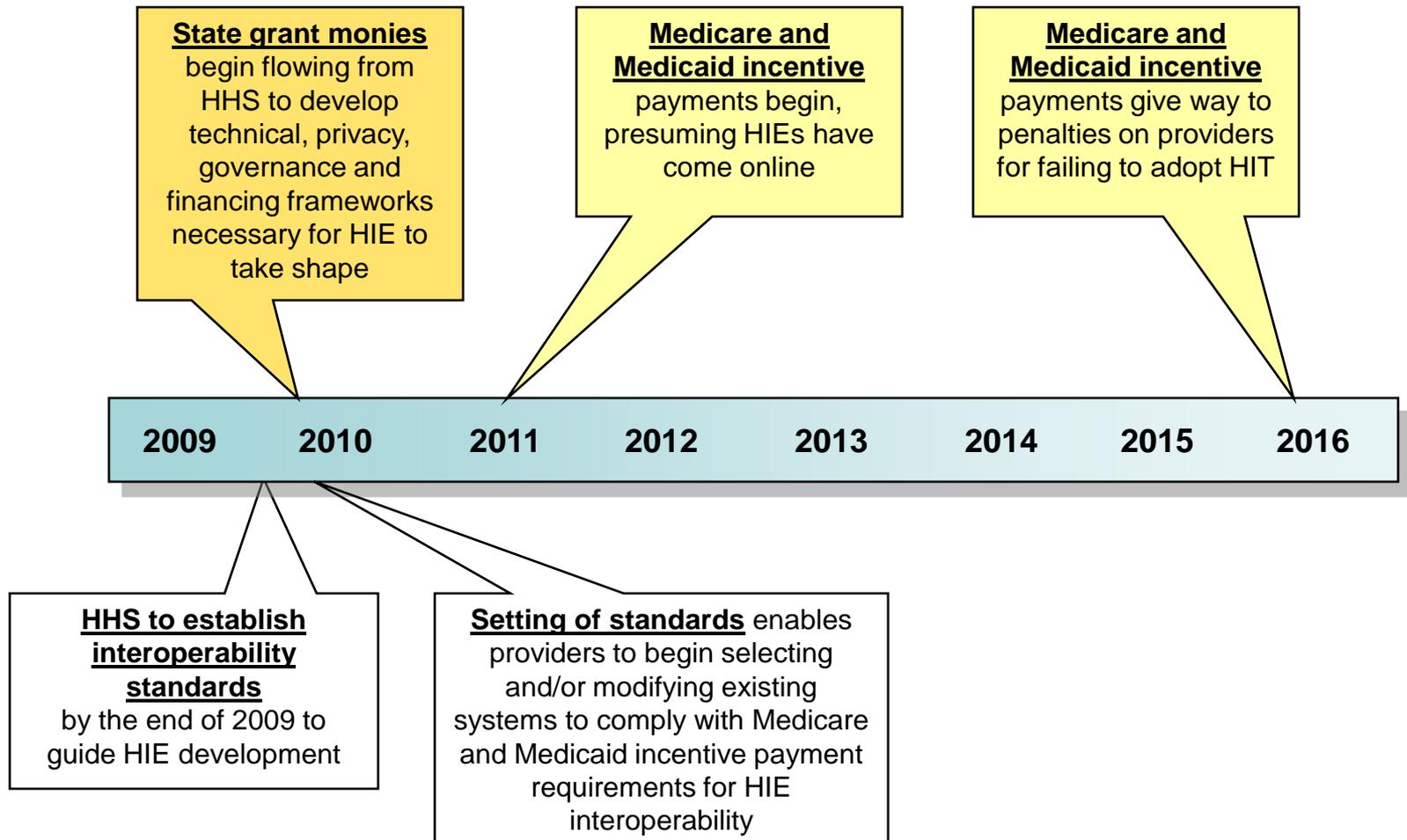
- Use electronic prescribing as determined to be appropriate by the HHS Secretary
- Connect to an HIE in a manner that provides for the electronic exchange of health information to improve the quality of health care, such as promoting care coordination (in accordance with law and standards applicable to the exchange of information)
- Submit information on clinical quality measures and other measures as selected and in a form and manner specified by the Secretary.

Additional consideration

- The Secretary shall seek to improve the use of EHRs and health care quality over time by requiring more stringent measures of meaningful use.

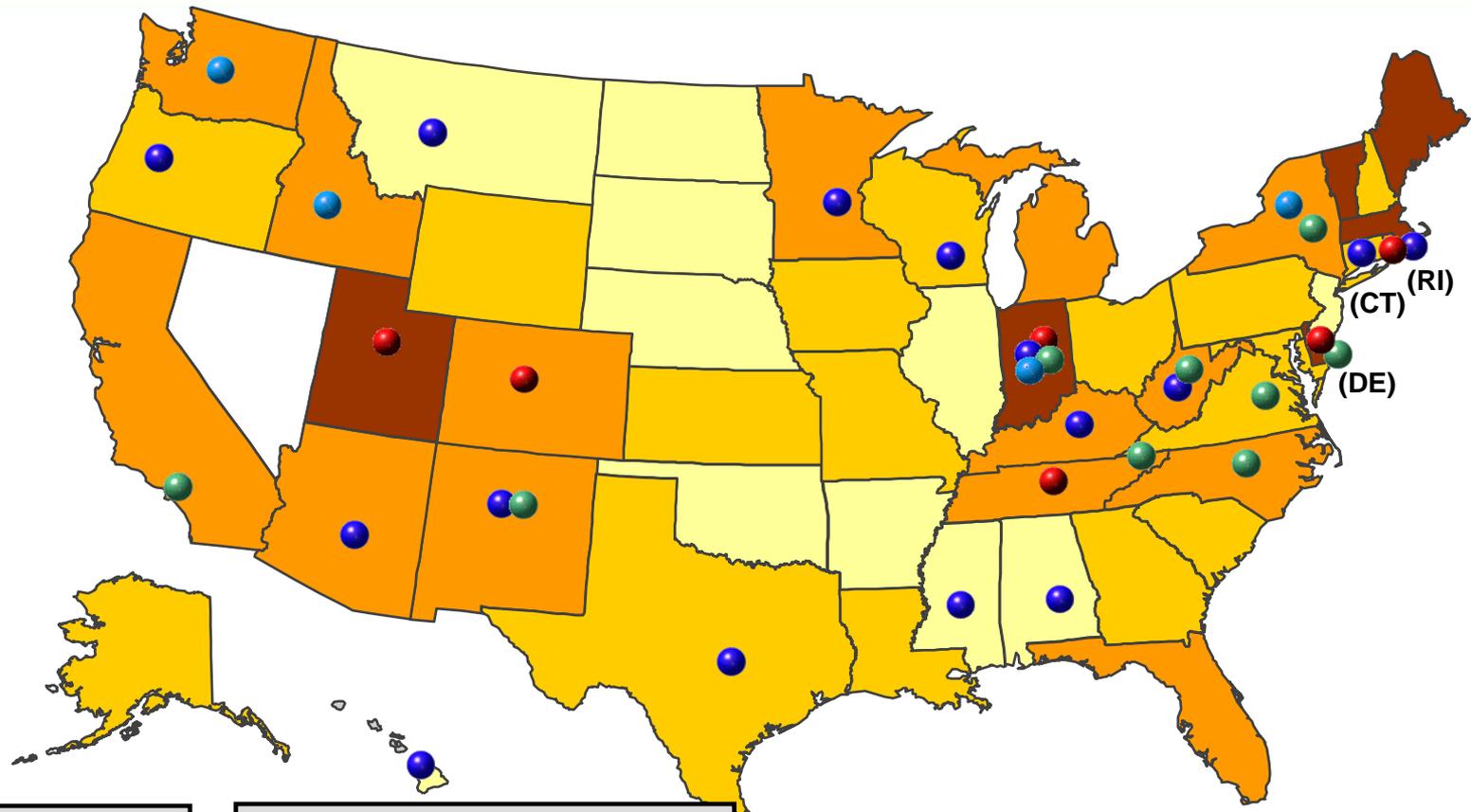
The Envisioned Timeline to Interoperability

The next two years provide a window for intensive development at the state and provider level; such efforts, however, need to be in production by 2011 for provider incentive payments to commence.



- **HIE provision distinguishes between planning and implementation grants, and it is likely that much larger grants will go toward implementation.**
- **Key characteristics for implementation funding TBD, but will likely involve:**
 - **An operating governance structure**
 - **A defined technical plan**
 - **Defined clinical use cases**
 - **Statewide policy guidance as to privacy and security**
- **There is an implicit onus on States to develop HIE infrastructure in the near-term to enable otherwise-eligible providers to earn their Medicare/Medicaid incentive payments.**

Implementation Readiness: Landscape as of December 2008



- 1. Formative
- 2. Foundational
- 3. Implementation
- 4. Operational

- State/Regional Contracts (6)
- Medicaid Transformation Grants – HIE/EHR focus (15)
- NHIN Trial Implementation (9)
- CDC HIE Biosurveillance (4)

Source:



Online at <http://www.slhie.org/>

Success under the ARRA

Observations from State-level HIE leaders



- **We are at a crossroads in our work to advance HIT and HIE**
 - HIE now tied to national economic and social goals for improved health and health care, expectations and accountability sharpened
- **Given the ARRA components, realizing success will depend upon the nature of our *collective* and *collaborative* response**
 - HIE must be part of aligned and coordinated strategies to achieve a high performing health system.
- **State-level HIE efforts have crucial significance for the path ahead**
 - ARRA defines state-level roles/accountabilities
 - ARRA channels resources for diverse HIT and HIE investments (provider adoption, HIE)
 - But, effectiveness relies on critical state-level governance functions for HIE to develop to achieve broad social benefit

Critical Next Steps

Coordinated state strategy

- Response to accountabilities for use of funds from the economic stimulus including health/health care and HIT/HIE in particular
- Leadership and coordination with Governor, policy makers regarding implications

Create a Coordinated Approach

- A governance framework with accountability and defined roles
- Policy guidance for privacy and security
- Defined, well structured use cases
- A technical plan that considers shared services for stakeholders
- Plans for health IT adoption and expansion of network connectivity

Build Working Collaboration with Key Stakeholders

- State Departments of Health and Medicaid
- State-level HIE entities
- State quality and safety initiatives
- State Medical Societies and Hospital Associations
- FCC broadband grantees

Support for State-level HIE Efforts

State-level HIE Leadership Forum

- Support to state-level planning and implementation efforts

Tackling Priorities for ARRA Success

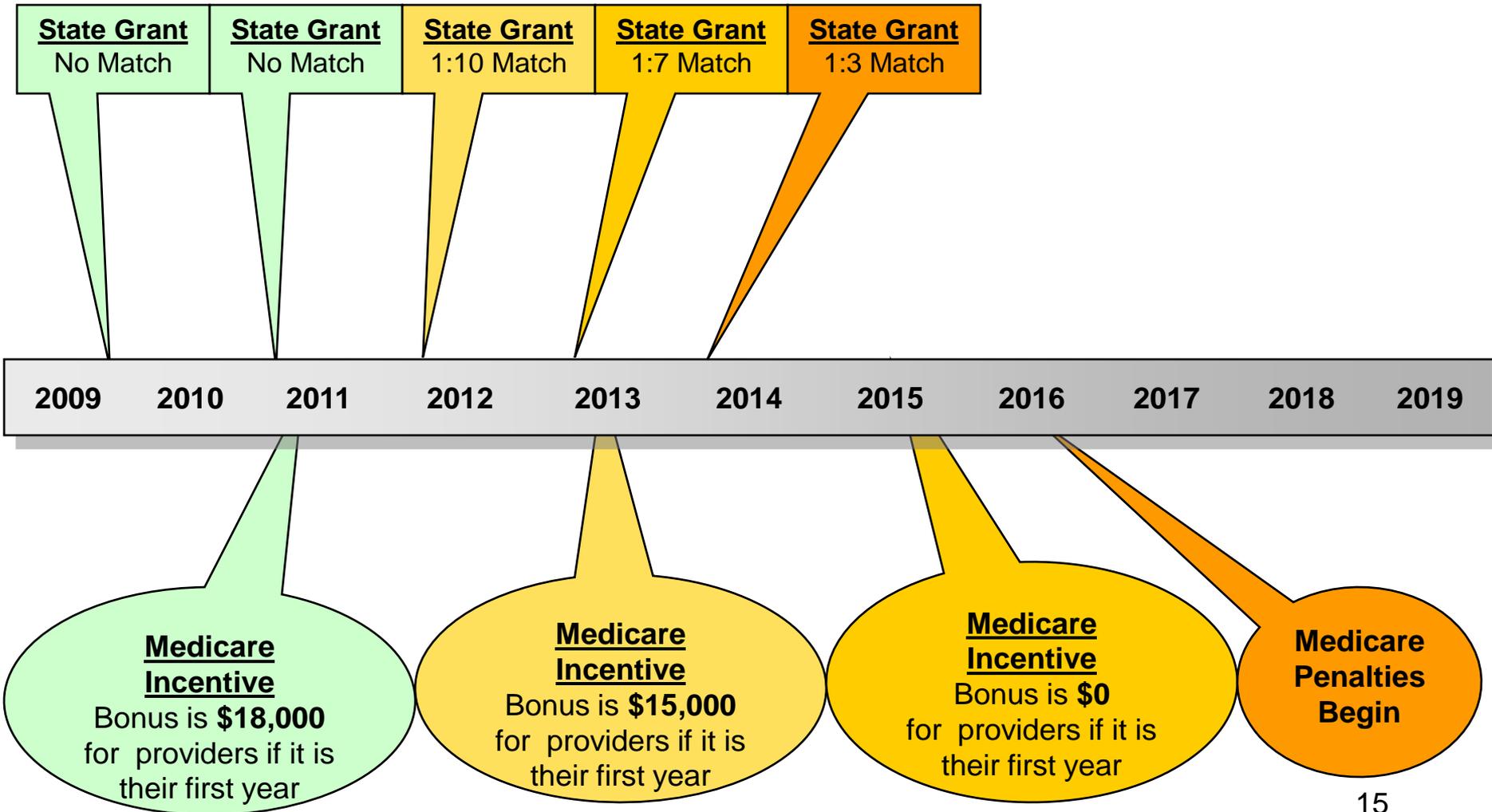
- Continued learning & supports for state-level HIE organizational best practices
 - Effective governance
 - Accountability
 - Roadmap strategies
- Implementation
 - Achieving levels of HIE capacity to impact health care reform priorities
- Demonstrating impact
- Informing ongoing development of federal policy

ARRA - Links to States and State-level Efforts

- **Governor's accountability for use of funds**
- **Roles for states and designated state-level entities**
- **Mechanism to carry out aspects of federal law and policy**
 - Disperse federal funds
 - Contribute to ongoing HIE financing
 - Maintain accountability and transparency
 - Address priorities for quality improvement, public health, privacy enforcement
- **Sources of leverage**
 - State grants = statewide plan for HIE physical and organizational infrastructure
 - Provider adoption = loans based on meaningful use of EHR
 - Medicaid = incentives, financing
 - Privacy enforcement
- **Other influence**
 - Regional extension centers
 - Workforce training = grants to state-based institutions
 - Technology research and development = grants to state-based/other institutions for higher education, non-profits, labs

Implications for States... Pressure to Move Quickly

The next two years provide a window for intensive development at the state and provider level; such efforts, however, need to be in production by 2011 for provider incentive payments to commence.



Resources

- **State-level HIE Consensus Project (www.slhie.org)**
 - **Analysis of governance, financing and implementation strategies**
 - **Links to Statewide HIE Roadmaps and Plans**
 - **Online forum**
- **State Alliance for eHealth (www.nga.org/center/ehealth)**
 - **Key recommendations for State government**
 - **Analysis of accountability and financing approaches**
- **Health IT Champions or HITCh (www.hitchampions.org)**
 - **Database of State health IT legislation**
 - **List of State health IT Executive Orders**
 - **Reports and studies on best practices**

Kansas Medicaid

- **~\$440 Million over 10/1/2008 - 12/31/2010**
- Increase Federal Medical Assistance Percentage (FMAP) from 60.08% to 66.28%
- Exact amounts may vary, depending on Kansas unemployment rate
- Maintenance of Effort (MOE) requirement to neither decrease NOR increase eligibility to receive FMAP increase
- Distribution of funds among agencies depends on caseload requirements

Health Resources and Services Administration:

- \$1.5 billion for Community Health Centers (CHCs) to construction, renovation and equipment for the acquisition of health information technology systems
- \$500 Million for services provided at community health centers
- \$500 Million for health professions training programs: includes \$300 million for National Health Service Corps recruitment and field activities; \$200 million for disciplines trained under provisions of Public Health Service Act
- Fosters cross-state licensing agreements for health professionals



Proposed KS HITECH Plan

Federal Interoperability Standards	Health Information Privacy and Security	\$2 B in Grants and loans to purchase HIT ; \$1.5 B for FQHCs	Payment incentives in Medicaid/Medicare for EHR
<p>Select Kansas standards team to participate in and monitor federal work to ensure alignment – providers will benefit from federal interoperability standards that will ease health information exchange</p>	<p>Kansas HISPC team can be integrated into KS HITECH plan to include development and implementation of state harmonization laws and rural consumer education</p>	<p>Kansas grant team can develop funding priorities from list of shovel ready projects that promote medical home model of care or follow specifics of ARRA federal funding guidelines (not yet published) – KS Medicaid team can do the same</p>	<p>Kansas payment incentives team to track rules and regulations for increased provider reimbursement for those providers utilizing electronic health information and provide education for interested providers</p>

Future of these Initiatives

- State of Kansas:
 - Well positioned to develop coordinated plan for federal funding given work of the Governor’s Cost Containment Commission, the Kansas HIE Commission, the Health Information Security and Privacy Collaboration, E-health Advisory Council, and myriad others
 - Potential to collaborate across state lines
 - **Goal: Improve coordination of care to improve health outcomes**
 - Incentivize the use of electronic health information, HIE, telemedicine, etc
 - Leverage these resources consistent with a medical home model of care delivery

*Coordinating health & health care
for a thriving Kansas*



**Thanks to HISPC for supporting
our meeting & lunch!**

<http://www.khpa.ks.gov/>