

## **I. Statement of Need and Objectives**

### **1.1 PURPOSE**

The purpose of this HIT PAPD is to outline the process steps and planning that Kansas believes are necessary in order to create a State Medicaid HIT Plan (SMHP) that serves as the strategic vision for HIT implementation in Kansas. This strategic vision will guide the State as it moves from the current “As-Is” HIT Landscape to the desired “To-Be” HIT Landscape. The final SMHP, a product of the PAPD, will include a comprehensive HIT Road Map. The final SMHP will provide an integrated strategic plan for the next 5 years.

This document provides background information that will help the federal government to understand the context within which Kansas has structured the planning process that will be undertaken in order to produce the “As-Is”, “To-Be”, and HIT Road Map as the core documents that will result from this HIT PAPD.

Where they exist, details around current HIT projects, including the MMIS, established steering groups, and conceptual information around drawing the baseline and projecting achievements forward are delineated. Partnerships that can be leveraged during the planning phase are outlined and basic tenets the state intends to follow throughout the planning phase are articulated.

The availability of additional funding will improve our ability to build upon the work already performed and develop a roadmap for the adoption of HIT in Kansas. The roadmap will articulate a path to improve the quality, safety and efficiency of health care in Kansas through the use of health information technology that supports health information exchange. The roadmap will be designed over the next year and establish deliverables.

The development of the State Medicaid HIT Plan will begin with a detailed technical assessment of the existing and planned HIT projects underway in Kansas. The detailed assessment will capture a more complete inventory of the activities and document any gaps or overlaps which exist between state efforts and Medicaid focused efforts. The intent is to ensure that key gaps are filled, that inefficiencies created by overlaps are reduced and that future HIT plans are coordinated.

This initial PAPD is limited to the efforts required to Plan-the-Plan and develop the SMHP. That is, the funds requested are limited to those that are needed to develop a plan to accomplish the following:

- Develop baseline information from which to measure future progress in HIT improvement.

- Complete an As-Is Kansas Medicaid HIT assessment. This assessment will leverage and build upon information from the MITA work completed in 2008. Create a plan for the development of:
- Develop the State Medicaid Health Information Technology Plan including
  - a detailed review of the “As-Is” Landscape,
  - a Proposed To-Be Vision for Kansas Medicaid HIT
  - a Kansas Medicaid HIT Roadmap,

Therefore, we may amend this PAPD when the SMHP is complete to request additional funds for the completion of the Ks Medicaid HIT Project Implementation Advanced Planning Document (I-APD).

Kansas has a strong track record of engagement in activities to facilitate the adoption of health information technology and exchange. Its efforts started in December 2004 with the establishment of the Kansas Health Care Cost Containment Commission (H4C), by then Governor Kathleen Sebelius. In fall 2005, H4C commissioned the Kansas HIT/HIE Policy initiative to perform an initial assessment of HIT and HIE in Kansas, develop a shared vision for the adoption of HIT interoperability and document a set of key principles and high level actions for the statewide e-health information strategy. In 2006 the Kansas HIT/HIE Policy Initiative took the next step and developed an inventory of HIT/HIE activities in Kansas. H4C published a report in February 2007 that included recommendations for the HIE infrastructure in Kansas.

As a result of the H4C recommendations the Health Information Exchange Commission (HIEC) was created by executive order in February 2007. The Commission recommended:

- Establishment of a public/private coordinating entity
- Resource support for HIT/HIE efforts in Kansas

The Governor requested that KHPA guide development. The E-Health Advisory Council succeeded the HIEC and was created to:

- Establish a Statewide Community Health Record
- Develop and implement resource center for providers wishing to implement HIT/HIE
- Develop policy recommendations to advance HIT/HIE in Kansas

Under the guidance of the H4C group the State of Kansas worked to implement Advanced Technology ID cards and to develop Privacy and Security standards. The Health Information Privacy and Security Collaborative (HISPC) was established and a HISPC contract was awarded. This effort will produce a Statewide assessment of business practices and policies around HIE.

Finally, the State of Kansas conducted a Community Health Record Pilot for Medicaid managed care beneficiaries in Sedgwick county and for State employees in the Kansas city area that created a Master Person Index (MPI) and delivered demographics, claims information, medication history, office visit history, immunization and allergy information, and diagnoses and procedures.

The efforts undertaken by Kansas since 2004 have laid the foundation for what is to come. The focus on improving technology (advanced ID cards) and the experience gained in the two pilot communities (Kansas City and Sedgwick County) now place the state in a position from which it is prepared to scale up activities. In particular, KHPA has learned from the Sedgwick implementation a number of lessons that can be leveraged in the development of the State Medicaid Health Information Technology Planning process including the importance of interoperability standards, compatibility with provider workflow,, user-friendly and context-sensitive interface design, comprehensiveness of data, and the need for incentives for adoption and meaningful use (both monetary as well as non-monetary – e.g. in the form of actionable and timely feedback from the information system to providers on patient outcomes versus care patterns). This HIT P-APD will articulate what Kansas has done up to today and will clearly articulate the steps the state intends to follow in the development of the SMHP.

This document will provide a clear vision of the structure for the planning process and concise descriptions of the steering and stakeholder groups that will be utilized during the planning process.

## **1.2 INTERRELATIONSHIPS WITH CURRENT HIT INITIATIVES AND WITH THE MMIS**

As part of the Advance Planning Process the state intends to draw the complete picture of integration opportunities in Kansas. The following list therefore represents only a sampling of initiatives and projects. A comprehensive listing of state and federally funded initiatives recently completed, underway, and planned will be created as part of the APD process. In addition, regional projects and a complete analysis of electronic health record penetration in Kansas will be completed.

Current ongoing, planned and completed Medicaid HIT initiatives in Kansas include:

### Completed Initiatives:

- Implementation in September 2008 of a Medicaid ID card that utilizes advanced technology and followed national established standards.
- Implementation in October 2008 of a Beneficiary Web Portal which allows beneficiaries and responsible persons, or other authorized representatives, to access information for specific beneficiaries. The BWP provides basic coverage information and eligibility information. It also allows the beneficiary to provide information and to request various items such as certificates of creditable coverage.
- MITA assessment completed in 2008

### Ongoing/Planned Initiatives:

- Development and implementation of an automated, rule driven prior authorization module to be integrated in the MMIS.
- Implementation in the MMIS of the federally mandated changes: HIPAA X12 version 5010 transactions and standards and the ICD-10 code sets.

- Reprourement of Kansas' Current MMIS with HIT Initiatives and MITA Adoption as Part of the Process: Our current MMIS Fiscal Agent contract with HP Enterprise Services expires June 2013. Reprourement efforts beginning with a needs assessment and RFP development will begin in early 2010. We intend, as part of the HIT assessment to determine how we will systematically align MMIS procurement with the overall HIT architecture for the state of Kansas. As part of this alignment Kansas will develop a cost allocation plan that addresses both HIT and MMIS funding.
- Phased-In Implementation of Statewide Electronic Health Records is anticipated.
- Within the five (5) year strategic planning timeline statewide connectivity is anticipated to allow for the delivery of clinical information in the following areas (provided here as examples and not as a comprehensive listing):
  - E-prescribing
  - Lab results
  - Lab orders
  - Radiology results
  - Radiology orders
  - Emergency room notes
- Kansas Access to Comprehensive Health (KATCH) - With support from a five year HRSA grant, the Kansas Health Policy Authority will expand health insurance coverage through a dual approach:
  - development, implementation and community-based deployment of an online, web-based, user-friendly eligibility/enrollment IS; and
  - Development and implementation of a statewide, community-based Outreach, Marketing and Education Plan.

To assist with this effort, KHPA is seeking the services of a consultant who can provide assistance with the development of the system requirements and high-level information systems planning.

### 1.3 HIT WORKGROUPS AND COLLABORATIVE EFFORTS

As part of the APD process Kansas is committed to a transparent and inclusive process. There are currently a number of existing state-wide groups that could be utilized as stakeholder groups during the development of the SMHP. KHPA plans to review the composition of existing groups and to utilize these groups throughout the HIT planning process. It may be necessary to reform or combine groups in order to realize the goal of a transparent and inclusive process in the development of the SMHP. A sampling of existing state-wide groups is included below.

- Health Care Cost Containment Commission (H4C) – sunsetted October 2005
- Health Information Exchange Commission (HIEC) – sunsetted February 2008
- **E-Health Advisory Council:** The Kansas E-Health Advisory Council was developed by the Kansas Health Policy Authority at the Governor's request to provide guidance on policy issues related to Health Information Technology (HIT) and the Health Information Exchange (HIE). The E-Health Advisory Council now serves as the principle advisory panel to the Kansas Department of Health and Environment in its lead role for statewide

HIE and HIT planning. KHPA participates actively, sits on the Steering Committee, and will participate in each of the Advisory Council's workgroups, which currently include:

- Governance
- Technical
- Finance
- Business operations
- Legal

**NOTE:** The HIE effort in Kansas will be led by the Kansas Department of Health and Environment (KDHE). KHPA and KDHE will be working together to coordinate the Kansas HIT and HIE efforts.

- **Kansas Dept of Health and Environment.** In July 2009 the Governor designated the Kansas Department of Health and Environment to oversee and coordinate the statewide HIE and HIT planning process, to ensure proper use and accounting of grant funds, and to coordinate with the Regional Extension Center (REC) program and HITECH opportunities as they become apparent.
- **Kansas Medical Society**
- **Kansas Foundation for Medical Care** – under contract as KHPA's Quality Improvement Organization, and also the state's lead applicant for a statewide Regional Extension Center.
- **Kansas Hospital Association**
- **Kansas Health Institute.**

In addition, KHPA will develop various workgroups as part of the Plan-the-Plan effort.

#### **1.4 OPPORTUNITIES FOR ECONOMY AND EFFICIENCY**

As part of the 2010 MMIS Reprocurement efforts, KHPA will explore opportunities to the MMIS and HIT efforts and will streamline both activities where possible. MITA concepts will be applied to both projects.

Additionally, concurrent with the development of the preliminary SMHP, KHPA will develop processes and plans together with the HIE project Leaders to ensure that Medicaid HIT funds are limited to Medicaid use. Further safeguards to ensure proper use of HIT Medicaid funds are addressed in Cost Allocation Section (3.2) of this document.

## **II. Project Management Plan**

### **2.1 SCOPE OF ACTIVITIES**

The project will be managed based on the State of Kansas Project Management Methodology (PMM). The objective of PMM is to provide common standards to ensure that State of Kansas information technology projects are conducted in a disciplined, well-managed, and consistent manner. The ultimate goals of this methodology are to promote the delivery of quality products that result in projects which are completed on time and within budget. We intend to contract for consultant services to assist in the RFP development for Environmental Scan/Survey services

and later for the SMHP Development services. Both of these RFPs will be addressed in the following Scope of Activities. The scope of activities will include the following.

### **2.1.1 Environmental Scan (“As-Is”)**

The forgoing sections of the Statement of Need served to provide some idea of where Kansas stands today and as such begin the process of defining the “As-Is” state. The advance planning process will continue to gather information by:

- Conducting a 100% survey of eligible providers in Kansas regarding EHR utilization.
- Completing a rough environmental scan of stakeholders.
- Drawing together the major state-owned or controlled HIT systems’ information and outlining the points of confluence in the development of SMHP.
- Formally establishing the steering committee to guide the development of the SMHP.
- Identifying the stakeholder group to be utilized throughout the development process.
- Develop RFP and award contract for the completion of the survey and environmental scan.

As indicated in the budget section, the activities above will be accomplished by a combination of contracted and state staff. In every instance the state will guide and direct activities. KHPA will use the survey, environmental scan, and probably some stakeholder meetings (which may well be coordinated, but separate, from the parallel process KDHE will conduct) to identify our Medicaid-specific HIE/HIT goals.

#### **2.1.1.1 Conducting a 100% Survey of Eligible Kansas Providers Regarding EHR.**

As a critical element in the advanced planning phase, the State of Kansas will draw a baseline for EHR penetration in Kansas. The state will contract for a 100% survey of eligible providers and will gather comprehensive information on EHR utilization in Kansas. This exercise will be completed in advance of the SMHP and will add to the development of that document.

#### **2.1.1.2 Completing Rough Environmental Scan**

The state will conduct an environmental scan of identified stakeholders as part of the advanced planning process in order to inform the development of the SMHP. Critical stakeholders will be identified by state staff. These stakeholders will include state and other interested parties. After development of the stakeholder list the environmental scan will identify the important areas of connection between KHPA and the major initiatives planned or underway in Kansas. This process will be ongoing through-out planning and implementation. However it is critical to the advanced planning process in preparation for writing the SMHP that a rough scan be completed of identified stakeholders.

#### **2.1.1.3 Identify the major state-owned or controlled HIT Systems**

The development of the State Medicaid HIT Plan will include a detailed technical assessment of the existing and planned HIT projects underway in Kansas. The detailed assessment will capture a more complete inventory of the activities and document any gaps or overlaps which exist between state efforts and Medicaid

focused efforts. The intent is to ensure that key gaps are filled, that inefficiencies created by overlaps are reduced and that future HIT plans are coordinated.

#### 2.1.1.4 Formally Establishing the Kansas SMHP Steering Committee

The state will establish a formal steering committee comprised of state staff representing KHPA and including major partner agencies within State Government in order to guide the development of the SMHP.

#### 2.1.1.5 Identifying Stakeholder Group

The establishment of a stakeholder group that includes internal state staff, statewide entities outside of state government, regional entities, provider groups, and individual providers is recognized by the state as critical to producing an SMHP that is viable. To this end the state will establish a broadly representative stakeholder group during the advance planning phase to assist in the development of the SMHP.

#### 2.1.1.6 RFP Development and Issuance

Develop RFP and award Contract for the completion of the survey and environmental scan.

Deliverables include:

- ✓ Report of survey provider results to be used for input into goals and objectives for the SMHP
- ✓ Report of potential volume for Medicaid Incentive Payment program.
- ✓ RFP(s)/Contract(s) for Survey/Environmental Scan Contractor.

### 2.1.2 Vision (“To Be”)

As part of planning the development of the SMHP the state intends to draft an RFP that will be utilized in identifying and hiring a contractor to assist with the vision activities as well as complete the SMHP.

2.1.2.1.1 Draft/issue an RFP and award a contract for the development of the SMHP and assistance with assessment and vision activities

2.1.2.1.2 Research smart practices and lessons learned from other HIT/HIE implementations.

2.1.2.1.3 Facilitate the creation of a vision for Kansas Medicaid HIT

2.1.2.1.4 Draft and validate the vision with the stakeholders.

Deliverable:

- ✓ Kansas Medicaid HIT Vision document
- ✓ RFP/Contract for assistance with the vision activities and completion of the SMHP.

### 2.1.3 Create the Kansas State Medicaid HIT Plan (SMHP)

The state intends to follow the outline provided by CMS in the development of the SMHP.

2.1.3.1 Create and receive approval of the Kansas State Medicaid HIT Plan (SMHP).

The plan will include all of the elements outlined in the State Medicaid HIT Plan document requirements from CMS.

2.1.3.2 Facilitate stakeholder understanding and buy-in on the SMHP.

- 2.1.3.3 Establish goals, objectives, owners and time frames.
- 2.1.3.4 Evaluate current policy, procedures and system changes that will be made.
- 2.1.3.5 Developing the plan will be an iterative process. A completed plan must be prepared prior to submitting Kansas's HIT Implementation Planning APD to CMS

Deliverables

- ✓ Preliminary Kansas State Medicaid HIT Plan
- ✓ Completed Kansas State Medicaid HIT Plan approved by CMS

**2.1.4 Planning for Incentive Payment Administration**

- 2.1.4.1 Definition of Meaningful Use for Kansas Medicaid
- 2.1.4.2 Determine how to pay providers and planning for any systems support needed.
- 2.1.4.3 Planning for coordination with Medicare regarding duplicative payments.
- 2.1.4.4 Provider education on the availability of incentives
- 2.1.4.5 Create a plan for monitoring meaningful use and audit of provider compliance

Deliverables:

- ✓ Meaningful Use definition for Kansas. This must identify how measures will be applied as part of the Incentive Payment Administration.
- ✓ Project plan including scope definition, work break down, project schedule and project budget.

**2.1.5 HIE Participation and Coordination**

- 2.1.5.1 Participate in Kansas E-Health Advisory Council, HIE project, and project workgroups.
- 2.1.5.2 Participate in conference calls and webinars with ONC, CMS and other work groups related to Medicaid HIT/HIE.
- 2.1.5.3 Coordinate statewide provider assessment with the Kansas HIE project.

Deliverables:

- ✓ Ks HIT/HIE Coordination Plan. This will address collaboration efforts as well as include plans for insuring appropriate use of HIT Medicaid funds vs. HIE funds.

**2.2 PROJECT ORGANIZATION**

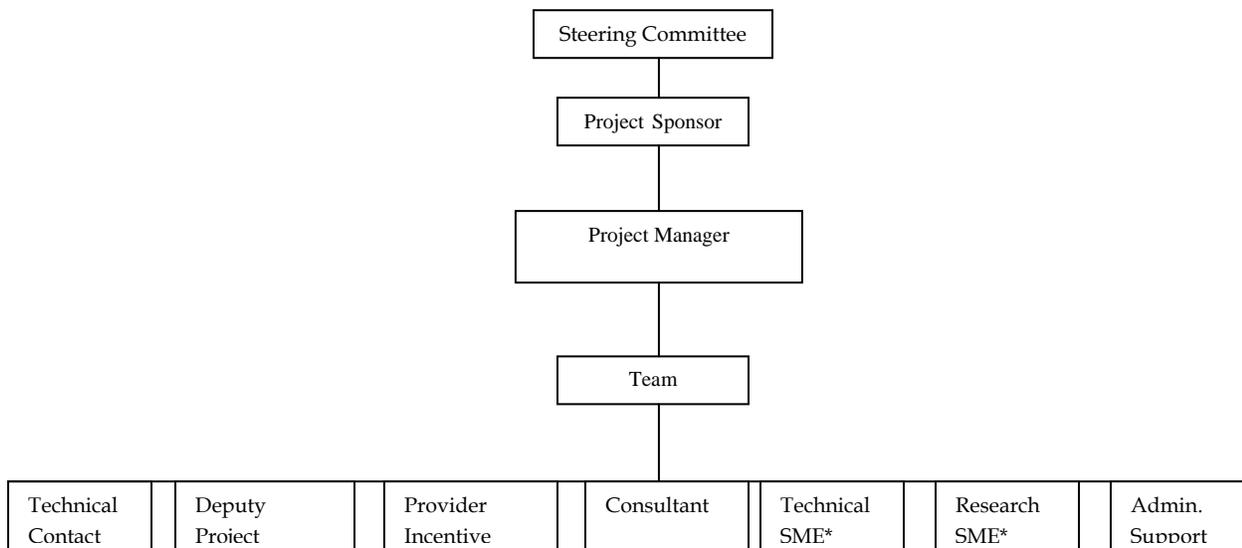
The project will be based within the Kansas Health Policy Authority, Medicaid and Health Wave Operations Division. This division is led by Christiane Swartz, Deputy Medicaid Director who serves as Director of Operations and reports directly to the Kansas Medicaid Director, Dr. Barbara Langner. Reporting to Chris is Diane Davidson, Senior Manager of Project Management and Business Coordination who will direct the work of the project manager.

The project manager will work with a core project team as well as a project steering committee. The Steering Committee will facilitate the participation of KHPA leadership; provide project communication and support, and assist with issue and risk management. The Project Manager will provide day-to-day management of the project team, both vendors and internal staff. He or she will also provide oversight and quality assurance to ensure that PMM standards are followed.

The project will rely on KHPA Project staff to provide the business and technical resources needed to support the proposed HIT planning effort. We will contract with an outside vendor to develop the HIT planning documents. Leadership, program, and technical staff will work closely with contractor resources throughout the planning effort to ensure that an accurate and comprehensive long-term strategic plan is developed. Project oversight will be provided by the KHPA Project Management unit.

Project Organizational Structure

The organizational chart for the project is below.



- SME = Subject Matter Expert

**2.3 PERSONNEL RESOURCE STATEMENT**

The Kansas Health Policy Authority will administer the project. Key project personnel include the following KHPA resources:

<b>Name</b>	<b>Position</b>	<b>Project Role</b>
Dr. Barbara Langner, PhD	Medicaid Director	Sponsor, State HIT contact
Christiane Swartz	Deputy Director, Medicaid	Steering Committee
Margaret Smith, M.D.	Medicaid Medical Director	Steering Committee
Hareesh Mavoori, PhD	Medicaid Program Informatics & Continuing Improvement Director	Steering Committee
Jennifer Halderman	Medicaid Project Management Project Manager	Project Manager
Susan McClacherty	Project Analyst	Deputy Project Manager
Diane Davidson	Sr Manager, Project Mgt	Project Advisor

As the contractor is hired and additional areas of needed expertise are identified, additional staff will be included or hired.

## 2.4 PLANNING ACTIVITY SCHEDULE

The state's initial timeline (subject to revision during the advance planning phase) follows:

Activity	Completion Date
Submission of HIT P-APD to CMS	October 23, 2009
CMS Approval of HIT P-APD	December 2009
Contract for Consultant services to assist with RFP development*	December 2009 –January 2010
Issue RFP for Contractor to conduct Baseline Survey and Environmental Scan	January 2009
Conduct Baseline Survey of Electronic Health Record (EHR) usage in KS by all potentially eligible provider types. Conduct rough environmental scan of state, regional, and local stakeholders.	March 2009
Issue RFP for SMHP Development Contractor	February 2009
Preliminary SMHP Created	May 2010
SMHP Completed	October 2010
Incentive Payment Administrative Plan Completed	December 2010
HIT Implementation APD Submitted	December 2010

\*Subject to CMS approval, KHPA may hire a consultant through the sole source process.

### **III. PROPOSED PROJECT BUDGET**

#### **3.1 CATEGORIES, COST ELEMENTS AND AMOUNTS**

**THE COST SECTION HAS BEEN REMOVED FROM THIS VERSION OF THE HIT PAPD**

#### **3.2 COST ALLOCATION PLAN**

The Kansas SMHP PAPD will be included as a project in the approved cost allocation plan KHPA submits through the Health and Human Services Division of Cost Allocation. The KHPA cost allocation plan (CAP) identifies projects that are eligible for enhanced federal funding. KHPA employees can allocate hours worked to those specific projects through an automated time keeping system. At the end of each payroll period, staff hours assigned to a project are added together and the associated costs are then charged to the appropriate project budget. That portion of an employee's salaries and wages that are attributed to the project in proportion to the number of hours charged to the project. The CAP allows for a direct connection between staff activities and the amount of money charged to employees working on the SMHP and other projects without over allocating costs to the PAPD. The CAP will only be used for salaries and wages for staff that will work on the project, but are not assigned full time to the PAPD.

#### **3.3 IN-HOUSE STAFF COSTS AND OTHER COSTS BY OUTSIDE CONTRACTORS**

KHPA plans to hire 3 full time staff, a Technical Project Manager, a HIT Program Specialist and a Program Plan and Documentation Specialist, to the PAPD activities. Other key staff will work at least part of their time on the planning efforts including a senior project manager (with other responsibilities on Medicaid projects) and advisory staff from the KHPA information systems unit. The project budget also accounts for other staff around KHPA that will work on the PAPD during the project year. It is estimated that 10 people will spend at least 10 hours a week on the project at the average salary and fringe benefit cost of \$38 per hour.

Other costs for contractual services, supplies or equipment will be directly charged to the PAPD. Each purchase will be reviewed and only those that have a dedicated connection to the PAPD activities will be charged to the project.

### **IV. ASSURANCES**

KHPA will comply with the following regulations:

- **45CFR Section 95.613 – Procurement standards.**
- **45CFR Section 95.617 – Software and ownership rights**
- **42CFR Section 431.300 – Safeguarding Information on Applicants and Recipients**
- **45CFR Part 164 – Privacy of Individually Identifiable Health Information**