



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JANET OLSZEWSKI
DIRECTOR

September 10, 2009

David Blumenthal, MD, MPP
National Coordinator for Health Information Technology
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Dr. Blumenthal:

This letter is to confirm the intent of the Michigan Department of Community Health (MDCH) to apply for the CFDA# 93.719 State Health Information Exchange (HIE) Cooperative Agreement Program on behalf of the state of Michigan. The application for the state of Michigan will build-upon the planning work of the Michigan Health Information Network and provide the critical funding to move Michigan into the implementation phase of a statewide HIE.

The Michigan Health Information Network (MiHIN) is the state of Michigan's initiative to improve health care quality, cost, efficiency, and patient safety through electronic exchange of health information. The MiHIN is a joint effort among MDCH, the Michigan Department of Information Technology (MDIT), and a broad group of stakeholders from across the state of Michigan. The MiHIN is essential to ensuring that Michigan's health care providers can utilize Electronic Health Records or EHRs in a meaningful way that allows for a patient's health information to be available when they need it most – at the point of care. The MiHIN is fundamentally the infrastructure that mobilizes existing electronic health information in a manner that allows healthcare providers to access and exchange it regardless of individual technology choices.

Both Michigan's Governor and Legislature have made the realization of HIE a top priority. Through the leadership of Governor Jennifer M. Granholm, Michigan completed a roadmap building process with over 200 Michigan stakeholders that resulted in a state plan called the MiHIN *Conduit to Care*. This roadmap was accepted as the strategic plan for the state of Michigan as recommended by the Michigan Health Information Technology (HIT) Commission, a legislatively created advisory body that was appointed by the Governor in October 2006 to represent Michigan's healthcare stakeholders. The MiHIN *Conduit to Care* was implemented with funds appropriated by the Michigan Legislature in 2007 and 2008. These funds provided seven HIE planning grants, two HIE implementation grants and funding for one HIE resource center that serviced the entire state by leveraging resources and disseminating best practices.

Michigan will be requesting funding to leverage the accomplishments of the MiHIN and continue planning efforts to ensure alignment with the planning and implementation criteria issued by the Office of the National Coordinator for HIT (ONC).

Below we have provided the necessary components of the Letter of Intent as outlined in the Funding Opportunity Announcement for this program:

- **Descriptive title of proposed project:** The Michigan Health Information Network (MiHIN)

- **Indication of whether a State Plan already exists or will be developed during the life of this cooperative agreement:** The MiHIN strategic plan (*MiHIN Conduit to Care*) was developed with the input of over 200 Michigan stakeholders in 2006 and will need to be updated and expanded in order to be consistent with the guidance outlined in the State Health Information Exchange Cooperative Agreement Program. As previously mentioned, many aspects of the *Conduit to Care* have been implemented over the last three years, including the funding of regional HIE planning and implementation projects as well as the establishment of the MiHIN HIE Resource Center. While the implementation of the Conduit to Care was initiated, an operational plan document was not developed at the time. The development of a MiHIN operational plan based on the guidance outlined in the Cooperative Agreement Program, will seek to leverage progress at the regional HIE level by developing a comprehensive statewide approach to health information exchange. Planning resources and stakeholder input will be needed to support its completion.
- **Will the application submitted be for more than one state/territory?** No, Michigan will submit the application solely on behalf of the entire state of Michigan.
- **Name, address, and telephone number of the primary Point of Contact:**
Beth Nagel, HIT Manager
Michigan Department of Community Health
201 Townsend Street
Lansing, MI 48913
nagelb@michigan.gov
- **Names of other key personnel:**
Project Sponsors:
Janet Olszewski, Director, Michigan Department of Community Health (MDCH);
Kenneth Theis, Director, Michigan Department of Information Technology (MDIT).

MiHIN Steering Committee:
Kurt Krause, Chief Deputy Director (MDCH);
Phyllis Mellon, Chief Deputy Director (MDIT);
Susan Moran, Director, Medicaid Operations and Quality Assurance (MDCH);
George Boersma, Center for Shared Solutions and Technology Partnerships (MDIT).

MiHIN Program Office:
Beth Nagel, HIT Manager (MDCH);
Laura Rappleye, HIT Analyst (MDCH);
Scot Ellsworth, Chief Enterprise Architect (MDIT).

MiHIN Project Control Office:
John Evans, Lead Project Manager, Strategic Alliance Advisors (s2a);
Amber Murphy, Project Manager, Dewpoint, Inc.;
Michael Gagnon, Lead Technical Architect, s2a;
Samer Naser, Technical Architect, Dewpoint, Inc.;
Mikhail Elias, Lead Business Architect, s2a;
Rick Brady, Business Architect, Dewpoint, Inc.;
Shaun Grannis, M.D., Business Architect, s2a.

- **Participating stakeholders:** Michigan has a statutorily required HIT Commission that was appointed by the Governor in October 2006 and serves in an advisory capacity to the MDCH on HIT/HIE matters to include the MiHIN. The Michigan HIT Commission is made up of 13 members who are appointed to represent specific stakeholders, including: a nonprofit health care corporation, hospitals, doctors of medicine, osteopathic medicine and surgery, purchasers or employers, pharmaceutical industry, schools of medicine in Michigan, health information technology field, pharmacists, health plans or other third party payers, and consumers.

Given Michigan's size we have divided the state into nine regions based on a medical trading area analysis that delineates the geographic markets in which most care is delivered. Each region received a grant from the MDCH to plan or implement a health information exchange upon successful completion of an application process. We provided seven planning grants and two implementation grants. The nine regions have brought all local healthcare stakeholders together to engage in proactive education, coalition building, and other HIE planning and implementation activities.

The MiHIN Resource Center was competitively bid and awarded to the Michigan State University Institute for Health Care Studies. The MiHIN Resource Center acts as an organizer and facilitator in meeting the needs of the nine MiHIN regional entities.

The Michigan Coalition for Health Information Technology (MCHIT) is a broad-based, collaborative effort of individuals and organizations across the state to enhance and promote interoperable health information technology. The MCHIT has representation from community organizations, health systems, provider groups, healthcare associations, employers, insurers, universities, and other organizations that are active in promoting HIT and HIE throughout Michigan.

The University Research Corridor is made up of Michigan's three research universities – University of Michigan, Wayne State University, and Michigan State University. The University Research Corridor will be the coordination and collaboration point for all of Michigan's HIT activities from the American Recovery and Reinvestment Act of 2009 including the Regional HIT Extension Center, HIT workforce expansion, and the state HIE.

- **Does the applicant for this program intend to apply to be a Regional Center as well?** No. However, Michigan's coalition of stakeholders responding to the Regional Center Funding Opportunity Announcement are directly involved with Michigan's State Health Information Exchange Cooperative Agreement Program.
- **The progress made to expand HIE capacity in the following areas:** Over a period of three years starting in 2006, Michigan has invested state general fund dollars to support regional HIE planning and implementation efforts. Michigan also participated in the Health Information Security and Privacy Collaborative (HISPC). These programs have allowed Michigan to expand capacity for HIE. The following is an analysis of progress in the domains:
 - **Legal and policy HIE capacity:** Michigan's participation in the HISPC project over the last three years and the creation of the MiHIN Resource Center has allowed for the creation of an HIE legal toolkit. To complete this toolkit, Michigan held legal, privacy, and security workgroups to bring stakeholders to consensus on specific policies affecting interoperable health information exchange.

- **Governance capacity:** Expanding governance capacity in Michigan was predominantly done by the active involvement of stakeholders in the seven HIE planning grant projects, the two implementation grants, the consultative support of these efforts by the MiHIN Resource Center and on-going reporting requirements to the state of Michigan. These activities included but have not been limited to: convening healthcare stakeholders; developing and implementing governance policies and guiding principles; performing education at the regional level and through statewide HIE conferences; developing preliminary plans for statewide coverage of HIE services; and performing oversight and accountability of health information exchange activities across the state of Michigan.
- **Business and Technical Operations capacity:** The HIE capacity for business and technical operations capacity was expanded by activities performed by the seven HIE planning grant projects, the two implementation grant projects and the consultative support of these efforts by the MiHIN Resource Center. These activities included but have not been limited to: developing priorities and requirements for HIE functionality; developing the technical services needed to support health information exchange on a national, state, and regional level; compiling specifications and requirements based on national guidelines, standards, and policies; conducting evaluations of technical solutions available in the marketplace; performing project management; evaluating program activities; and developing legal and policy documents.
- **Technical infrastructure capacity:** Michigan's technical infrastructure capacity predominately reflects the activities performed by the two implementation grant projects. These activities included but have not been limited to: developing the technical architecture and associated specifications and requirements; identifying, selecting and quantifying the cost of hardware, software, network interfaces, and other aspects that physically enable health information exchange; performing evaluation and selection of technology through request for proposal (RFP) processes, site visits and reference checks; performing vendor negotiations; developing policies for the secure and appropriate use of health information that also meets overarching goals for a high performance health care system.
- **Finance capacity:** The HIE finance capacity in Michigan reflects activities performed by the seven HIE planning grant projects, the two implementation grant projects and the consultative support of these efforts by the MiHIN Resource Center. These activities included but have not been limited to: developing and managing finance policies, procedures, controls, and audit processes; performing finance reporting to the state of Michigan; quantifying the cost of on-going operations and developing approaches to financial sustainability; performing market research; developing pricing strategies; developing public and private financing strategies; and in some cases securing stakeholder commitment to post-implementation funding.

The Michigan Department of Community Health is pleased to have this opportunity to significantly build upon our existing MiHIN program. Due to Michigan's severe economic constraints, state funding for MiHIN was recently eliminated and local investments have followed suit. Though we have made considerable progress in expanding the state's capacity for HIE over a period of three years by maximizing state and local investments, the funding and assistance offered through this cooperative agreement is imperative for Michigan to continue planning and further implementation.

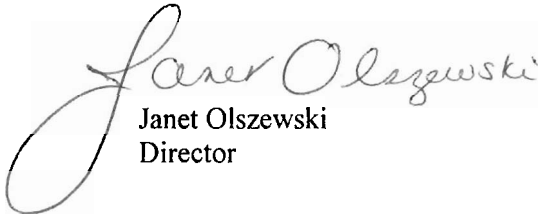
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The state of Michigan began investing in HIE several years ago due to the understanding of the Governor and Legislature that Michigan's citizenry would greatly benefit by fostering HIE statewide. By utilizing technology to dramatically improve the availability of patient information at the point of care, mistakes made by lack of accurate, complete, and timely information can be avoided, care can be better coordinated among multiple parties involved in patient care, and citizens can be empowered by having access to a complete set of their own health information.

Allowing for information to be available through the MiHIN can make these goals a reality only if it is tied with provider adoption of Electronic Health Records, assistance for physicians in redesigning workflow to accommodate new technology and information into their care routine, adopting patient centered medical homes, HIT workforce expansion and other necessary reforms. As such, Michigan has structured the activities focused on these goals to be coordinated to maximize efforts and resources with strong collaboration between all efforts that exist today and that will be created through the American Recovery and Reinvestment Act of 2009.

The opportunity that the State HIE Cooperative Agreement Program presents for Michigan is significant. Michigan is ready to receive this funding and assistance and we will utilize it to leverage past investments in HIE to achieve a statewide infrastructure, thereby becoming a strong National Health Information Network partner. We are looking forward to submitting our full application and working with you in the future to complete this important work.

Sincerely,

A handwritten signature in cursive script, reading "Janet Olszewski". The signature is written in dark ink and is positioned above the printed name and title.

Janet Olszewski
Director