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MiHIN Governance Work Group

- **February 17, 2010**

News Release

FOR IMMEDIATE RELEASE
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Contact: HHS Press Office
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Sebelius, Solis Announce Nearly $1 Billion Recovery Act Investment in Advancing Use of Health IT, Training Workers for Health Jobs of the Future

Grant Awards to Help Make Health IT Available to Over 100,000 Health Providers by 2014, Support Tens of Thousands of Jobs Nationwide

- 40 States were awarded a State HIE Cooperative Agreement
- 32 Regional HIT Extension Centers were awarded
- In Michigan:
  - State HIE Cooperative Agreement: $14,993,085
  - Regional Health IT Extension Center: $19,619,990

Top 11 State HIE Awards

Awards were given based on a formula that includes a base allocation for every applicant ($4 million) and then an equity adjustment was added to account for:

- number of primary care physicians,
- number of acute care hospitals,
- number of medically underserved and rural providers

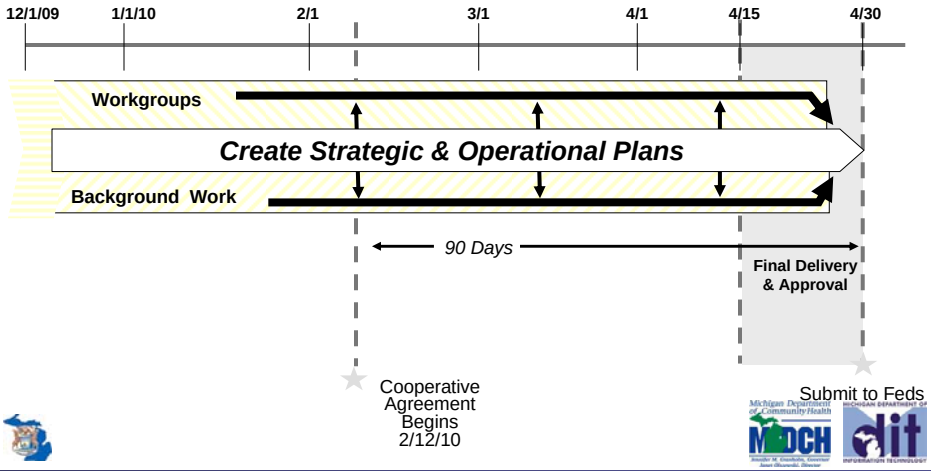
1	California Health and Human Services Agency	$38,752,536
2	New York eHealth Collaborative Inc.	$22,364,782
3	Illinois Department of Health care and Family Services	$18,837,639
4	Commonwealth of Pennsylvania	$17,140,446
5	Michigan Department of Health	$14,993,085
6	Ohio Health Information Partnership LLC	$14,872,199
7	Missouri Depart of Social Services	$13,765,040
8	Georgia Department of Community Health	$13,003,003
9	North Carolina Department of State Treasurer	$12,950,860
10	State of Tennessee	$11,664,580
11	Virginia Department of Health	$11,613,537

State HIE Cooperative Agreement

- $14,993,085
- $1,690,912 required in matching funds
- 4 year cooperative agreement
- Cap of $1,000,000 for planning
- Remainder of agreement must go toward statewide HIE and nationwide HIE

MiHIN Timeline

Goal: Submit Strategic & Operational Plans by **April 30, 2010**



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Governance Model

Governance Model – Decisions already made

- **The State will not be the governance entity**
- **By 12/31**
  - Entity established and operating
  - Board named and in place
  - Pilots selected
- **There will be one entity that will operate and govern the MiHIN which will be empowered to make decisions – this decision lends itself best toward a public utility or not for-profit model**
- **MiHIN governance will not be a for-profit entity**
- **Consensus is the MiHIN governance model will be a 501 (c) (3) not for profit entity**

New versus existing – advantages and disadvantages

ISSUE	*NEW ENTITY - PRO*	*NEW ENTITY - CON*	*EXISTING ENTITY - PRO*	*EXISTING ENTITY – CON*
MISSION	• Build upon past work. Sole focus.	• Risk of establishing a new enterprise.	• Could complement existing mission.	• Requires change – potentially not compatible. • Could result in dilution of primary mission, or bias toward primary mission
EXPERIENCE	• Leverage accomplishments of stakeholder and MiHIN HIE efforts with SOM and current subject matter experts.	• Inability or time to engage/hire experienced resources could result in delay and hinder success.	• Demonstrated track record, experience and existing resources could accelerate mission and services.	• May not have track record and breadth and depth to assume substantial added responsibilities.
SERVICES	• Tailor to fulfill mission. Sole focus of enterprise.	• Need to establish 'ground-up'.	• Certain operating services may exist.	• May need to establish 'ground-up'. • May compete with current business.
EXPERTISE	• Build upon past work – leverage stakeholders, SOM, SMEs.	• Time to hire/engage resources could delay implementation.	• If IT or HIT could be leveraged.	• Probably doesn't exist – lack of involvement to date.

New versus existing – advantages and disadvantages

ISSUE	NEW ENTITY - PRO	NEW ENTITY - CON	EXISTING ENTITY - PRO	EXISTING ENTITY – CON
BOARD	• Leverage involved stakeholders. • Statewide HIE is sole focus. • Can be constructed to ensure most appropriate representation.	• Politics of different organizations could result in delay or lack of buy-in by entities de-selected.	• Build upon existing structure/composition and legal entity.	• Change in composition likely required. • Potential dual mission could be disruptive. • New focus for some members.
FUNDING	• Direct alignment with mission and services.	• Sole dependency on HIE services.	• Leverage existing revenue base to cover HIE expense and potentially accelerate HIE activities..	• Existing business may compete.
LIABILITY	• Already exists in the marketplace.	• Lack of company track-record could be more costly.	• If IT or HIT, positive track record could facilitate HIE inclusion.	• Increases with HIE specific issues.
TIMING	• Can be less than 30 days to establish. • Quick ramp-up if follow Strategic/ Operational plans.	• Delays in 501(c)(3) establishment.	• Existing 501(c) (3).	• Could be lengthy: new business; change in mission, board, services, etc. • New business risks

New versus existing – advantages and disadvantages

ISSUE	NEW ENTITY - PRO	NEW ENTITY - CON	EXISTING ENTITY - PRO	EXISTING ENTITY – CON
PUBLIC PERCEPTION	• Leverage involved stakeholders and work on statewide HIE over past years.	• Overall 'new' aspect of HIE can have negative perception.	• If positive could be leveraged.	• If negative would create major challenge.
STAKEHOLDER PERCEPTION	• Independent and impartial nature of representing entire State HIE efforts. Board composition will influence.	• Not all stakeholders will be able to be represented on the Board. Board composition will influence.	• A trusted and impartial entity could accelerate support. Board composition the issue.	• Negative perception or concerns of bias could result in lack of stakeholder support. Not all stakeholders will be represented on Board. Board composition.

Indiana's approach – History

- There are 5 HIE's in the state with different talents all aiming for financial sustainability
  - Michiana Health Information Network (MHIN)
  - Med Web
  - Indiana Health Information Exchange (IHIE)
  - HealthLinc
  - Healthbridge
- The State of Indiana doesn't mandate anything regarding HIE and wants competition to drive results
- Statewide HIE strategy was being coordinated by the 5 HIE's, Medicaid with help from BioCrossroads – an economic development group in Indiana
- ONC announced the cooperative agreement in October 2009

Indiana Health Information Technology, Inc. (IHIT)

- Created October 2009 to serve as Indiana's State Designated Entity (SDE) for ONC Cooperative Agreement
- Objective
  - Serve as a conduit of funds from ONC (and eventually Medicaid transformation) funds to HIE's
  - Have broad stakeholder
  - Enable a HIT Coordinator that is separate from the State
- Established as a temporary 501 (c) (3) with no jurisdiction over 5 entities that operate HIE's within Indiana (beyond allocate funds)
- Not yet underway, although shell structure exists today
  - Board to be announced in near future
  - HIT Coordinator not yet on board

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Privacy and Security Work Group Update

Privacy and Security Work Group Update

- Kick off, plus three meetings have been held
- Six meetings remaining
- Google Groups for discussions outside of meetings
- Multiple stakeholders including:
  - mental health
  - attorneys
  - consumer representatives
  - technical security
  - compliance officers

Schedule for Governance

1. **Consent recommendation: Review March 4**
   Consent policy: Approve March 18

2. **Authorization recommendation: Review March 18**
   Authorization policy: Approve March 31

3. **Authentication recommendation: Review March 18**
   Authentication policy: Approve March 31

4. **Access recommendation: Review March 18**
   Access policy: Approve March 31

5. **Audit recommendation: Review March 31**
   Audit policy: Approve April TBD

6. **Breach recommendation: Review March 31**
   Breach policy: Approve April TBD

General Overview

- Not dictating specific policies to Community HIEs
- Developing *minimum* requirements for Community HIEs to connect to the MIHIN backbone
- Focusing on what needs to be in place for proposed use cases
- Not creating new barriers where currently they do not exist

General Overview

- Balancing consumer privacy and security interests with HIE purposes
- Creating policies/principles that promote:
  - Integrity and confidentiality
  - Portability and ready access
- What's happening now
  - All kinds of information is exchanged now
  - Consumers think a lot of this is already happening
  - Regardless of options the 3%-5% will choose to not participate

Policies

- Consent
- Access
- Authentication
- Authorization
- Audit
- Breach

Discussion / Questions

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Finance Work Group
Recommended Finance Guiding Principles

Decisions that will require FWG action in order to finalize the sustainability plan:

1) Finalize Financing Principles **~ FWG 02-18-10 (GWG 03-04-10)**

2) Finalize List of "Ongoing Activities" **~ FWG 03-11-10 (GWG 03-18-10)**
   - Governance
   - Technology Services
   - Operating/business Services

3) Finalize Funding Sources & Mechanisms to be used in sustaining MiHIN **~ FWG 03-11-10 (GWG 03-18-10)**

(Continued):

4) Finalize 5-year Capital and Operating Budgets to be the basis for sustainability modeling **~ FWG 03-17-10 (GWG 03-18-10)**

5) Approve Financial Sustainability Pro Forma **~ FWG 03-26-10 (GWG 03-31-10)**

6) Approve Financial Sustainability section of the MiHIN Strategic Plan **~ FWG 03-26-10 (GWG 03-31-10)**

Recommended Financing Principles

Financial Sustainability – Financing Principles

	Financing Principle	Funding Implications
1	Multi-stakeholder collaboration is needed for success	Membership, Subscription , and Sponsorship Fees based upon equitable formulas
2	MiHIN must be self-sustaining	Not dependent upon grants
3	MiHIN business model must balance cost, value, & risk	Fee-for-Service Fees in addition to Membership, Subscription, Sponsorship Fees
4	Stakeholders must see value to justify the investment	
5	MiHIN should leverage existing private and public HIT investments, and to the extent possible not duplicate these existing or planned investments	

Financial Sustainability – Financing Principles

	Financing Principle	Funding Implications
6	Grants should be used to enable the launch and evaluation of a new value added service, but should not be relied upon for the long term sustainability of a service or for MiHIN itself	Fee-for-Service & Transaction Fees in addition to Membership, Subscription, & Sponsorship Fees
7	Revenue should not be sought disproportionately from any one stakeholder or group of stakeholders	Membership, Subscription , and Sponsorship Fees based upon equitable formulas
8	Those who benefit should participate in paying the costs; long-term sustainability will be dependent upon fair contribution from those who benefit	Are benefits broader than individual ROI calculations, do they include societal benefits warranting the use of Membership, Subscription , and Sponsorship Fees based upon equitable formulas

Financial Sustainability – Financing Principles

	Financing Principle	Funding Implications
9	MiHIN must be attractive to a broad range of stakeholders and be implemented in phases to deliver early results to promote adoption	
10	MiHIN must encourage adoption by being an open and non-proprietary network	
11	MiHIN must support participant access to non-MiHIN supplied HIT applications hosted by other participants or service providers	

Governance Model – Decisions to be made next

- **Decisions related to establishing governance**
  - Formation
  - Board
  - Contracting
  - Flow of funds