Statewide Electronic Health Information Exchange System   **FY2018 Request:**   **$7,628,548**
Reference No: **48632**

AP/AL: Appropriation	**Project Type:** Information Technology / Systems / Communication
Category: Health/Human Services	
Location: Statewide	**House District:** Statewide (HD 1-40)
Impact House District: Statewide (HD 1-40)	**Contact:** Michael Frawley
Estimated Project Dates: 07/01/2017 - 06/30/2022	**Contact Phone:** (907)465-1870

Brief Summary and Statement of Need:

The Health Information Technology for Economic and Clinical Health (HITECH) Act, enacted as part of the American Recovery and Reinvestment Act (ARRA) of 2009 was signed into law on February 17, 2009 to promote the adoption and meaningful use of health information technology. As originally enacted, the HITECH Act stipulates that, beginning in 2011 through 2021, healthcare providers would be offered financial incentives for demonstrating the use of electronic health records. The State of Alaska elected to participate in the Medicaid Provider Incentive Payment Program and the Department of Health and Social Services (DHSS) was tasked to manage this program.

Funding:	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	Total
1002 Fed Rcpts	$6,865,693	$4,684,095	$3,286,440	$3,286,440	$3,286,440		$21,409,108
1003 G/F Match		$520,455	$365,160	$365,160	$365,160		$1,615,935
1243 SBR	$762,855						$762,855
Total:	$7,628,548	$5,204,550	$3,651,600	$3,651,600	$3,651,600	$0	$23,787,898

☐ State Match Required	☐ One-Time Project	☐ Phased - new	☐ Phased - underway	☑ On-Going	
0% = Minimum State Match % Required		☐ Amendment	☐ Mental Health Bill		

Operating & Maintenance Costs:

	Amount	Staff
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Prior Funding History / Additional Information:

Sec1 Ch16 SLA2013 P66 L4 SB18 $30,187,500
Sec1 Ch5 SLA2011 P84 L28 SB46 $36,518,800
Sec40 Ch15 SLA2009 P80 L27 SB75 $23,947,500
Sec40 Ch15 SLA2009 P80 L31 SB75 $2,727,500

Project Description/Justification:

The original authorization for the Medicaid Electronic Health Record (EHR) Incentive Program was $36,518,800 Federal American Recovery and Reinvestment Act (ARRA) which was appropriated under Sec1 Chapter 5, FSSLA 2011, Page 84, line 28. The Medicaid Electronic Health Record (EHR) Provider Incentive Payment Program sunsets in 2021, it is anticipated that states will have to continue provider validation, payment and auditing activities through 2022.

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This project will manage the Medicaid Electronic Health Record (EHR) Incentive Payment Program for Alaska and issue incentive payments to eligible professionals and eligible hospitals for their ability to utilize electronic health record solutions in a meaningful manner, as stipulated by the Electronic Health Record (EHR) Incentive Payment Program by Centers for Medicare and Medicaid Services (CMS). This project also supports the ability for healthcare providers to submit required reports to the State of Alaska for Public Health. This project also supports the ability for healthcare providers to connect to the statewide Health Information Exchange (HIE) and be able to achieve meaningful use for transitions of care for Alaskans. This project also supports the interoperability and technology implementations for the Department for initiatives such as Medicaid Redesign (2016 Senate Bill 74), Enterprise Service Bus, Master Client Index, and identity management solutions to allow the secure, encrypted transmission of electronic protected health information by healthcare providers and the Department.

Is this a new systems development project? Or, an upgrade or enhancement to existing department capabilities?
This is a continuation of an existing appropriation for existing department capabilities.

FY2018 Total Costs

Total	$7,628,548
Total Federal Financial Participation (90%)	$6,865,693
Total General Funds (10%)	$762,855

Breakdown of FY2018 Total Costs

State Personnel, including benefits	State Support	$2,075,596
Travel, Training, Conferences, other administrative (postage, computer, paper, etc.)	State Support	$77,500
HITECH Contractor Costs	Contracted Service	$5,149,883
Hardware/Software Costs	State Support	$232,852
Capital Funds Administration	Capital Improvement Project	$150,717
Total		**$7,628,548**

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Total Federal Financial Participation (90%)		$6,865,693
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HITECH contractor costs can be split into 3 categories: Medicaid Management Information Systems (MMIS), Health Information Technology (HIT), and Health Information Exchange (HIE).

MMIS activities are distinct from the enterprise MMIS managed by the Division of Health Care Services. HITECH related MMIS activities are related to the sharing of Medicaid claims data with the HIE and syncing patient demographic data between the HIE and the DHSS master client index. The activities will conclude at the end of federal fiscal year 2017 so only one quarter of state fiscal year 2018 costs are included in this capital project ($50,625).

HIT contracting activities total $2,709,384 and include the following:

1. Modifications to the State Level Registry Solution: providers who are submitting required data to receive an incentive payment for using an Electronic Health Record solution and being a meaningful user has to submit their data via our State Level Registry solution. As a result of CMS rule changes for the Incentive Payment program for Medicaid we have to make technical changes to our State Level Registry solution.
2. Electronic Health Record (EHR) Incentive Program Onboarding: we will be seeking a contractor who can help us do outreach and marketing to healthcare providers who may be eligible for the Medicaid Incentive Program to either get them to start the program or to move through the phases of meaningful use for the program. We believe there is a population of providers who have not even started the program and could be eligible and we want to make sure as many providers as possible can participate in this CMS program to receive incentive payments for using electronic health record systems and being meaningful users.
3. Administrative and Technical Support Consulting: this is a contract to help our program staff with CMS requirements for the Medicaid EHR Incentive Program. These are activities like: an environmental scan of Alaska's health information technology landscape, submitting our annual funding requests to CMS, submitting our annual State Health Information Technology Plans to CMS, and other related activities.
4. HITECH MITA 3.0 (State Self-Assessment): CMS requires states to complete state self-assessments for any new information technology they provide funding support for to determine how we perform business before a system is implemented and then what our day-to-day operations/business will be like after a system is implemented. CMS is asking that all states complete a state self-assessment for our Health Information Technology environment and the related infrastructure.
5. Environmental Scan: CMS is requiring states to update our environmental scan (what exists today) for our health information technology landscape for our entire state.
6. Health IT Infrastructure Roadmap Development: this activity will support Senate Bill 74 – Health Information Infrastructure Plan for a contractor to develop look specifically at DHSS's existing technology and how it can support Alaska's system of care.

HIE contracting activities total $2,389,874 and include the following:

1. Medicaid Claims Data Feed to the Health Information Exchange: this is an activity to incorporate Medicaid claims into the Health Information Exchange which will allow Alaska Medicaid recipients to view within the Health Information Exchange both their clinical data (their health care data) and their Medicaid claims data. It is our hope/desire that in addition to having the Medicaid claims data available to patients in the Health Information Exchange other payer data (Blue Cross/Blue Shield, Aetna, etc.) will be also become available to patients to view in the Health Information Exchange. Blue Cross/Blue Shield is already participating in our Health Information Exchange.

2. Medicaid Personal Health Record (PHR): our Health Information Exchange has personal health record functionality within it that patients can use to view their clinical data, share their clinical data with other healthcare providers in secure manners, print their clinical data, and other related activities. This activity is specifically to implement the ability for Alaska Medicaid recipients to be able to use the Health Information Exchange Personal Health Record solution in an easy, user friendly way.

3. Clinical Quality Measure Reporting: healthcare providers have to submit clinical quality measure data not only to the State but also to the Federal government for a variety of programs, including the Medicaid EHR Incentive Program. This activity it to create a single mechanism for providers to submit all their clinical quality measure data (for as many State required programs) as possible by one method: via the Health Information Exchange. This will reduce the costs to the provider and also to DHSS by having a single mechanism for this data transmission.

4. Behavioral Health Onboarding: this is an activity to directly support the connection/participation of behavioral healthcare providers to the Health Information Exchange. CMS will help to fund the initial connection costs for providers to an Health Information Exchange. This activity will also help to connect the statewide Health Information Exchange to the DHSS Behavioral Health system (AKAIMS) so the State can received required data from behavioral health providers by one mechanism.

5. Prescription Drug Monitoring Program: this is an activity to connect the existing Prescription Drug Monitoring Program system (AWARxE) to the Health Information Exchange.

6. PRISM System Development: DHSS has a specific system that collects required STD/HIV data. This activity is to connect the STD/HIV system within DHSS (called PRISM) to the Health Information Exchange so providers have one method to submit their required data to DHSS.

7. Public Health System Modernization: this activity is to help update/upgrade the many of the existing Public Health systems from older technology like MS Access that do not support modern technology like Electronic Health Records and Health Information Exchanges so these Public Health Systems can receive required data from providers by one method: from the Health Information Exchange.

8. Medicaid Redesign Support: this activity is specifically related to Senate Bill 74 – Health Information Infrastructure Plan. This is the work to hold stakeholder meetings and develop the final Health Information Infrastructure Plan that takes into account existing technologies such as the Health Information Exchange.

9. Master Client Index (MCI) Enhancement: as a result of many of the activities listed above we will have to make modifications/enhancements to our Master Client Index to utilize and support this technology. We utilize the Master Client Index between systems to capture client demographic data so we can re-use and share this data amongst all the DHSS programs. An

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example of how this works: a client walks into a Public Assistance office and is working with a case worker to sign up for services. The eligibility and enrollment system will take the minimum data a client provides (usually their name, but maybe a date of birth or other demographic) and it will connect to the Master Client Index to see if the client already exists within our system. If the client already exists, the Master Client Index will transmit the client's demographic data to the eligibility and enrollment system and the case worker can make updates as necessary (which is also transmitted back to the Master Client Index to keep all systems in sync). If the client doesn't exist the case worker can enter the data which is then transmitted to the Master Client Index. If the client's demographic data changes the Master Client Index will also notify other DHSS systems (e.g. the Juvenile Justice system) that there are changes to an existing client and that other DHSS system can select to incorporate this updated client demographic data.

10. myAlaska Authentication: This activity is specifically to connect myAlaska to the Health Information Exchange so Alaskans can sign in and view their data within the Health Information Exchange from myAlaska. We are also planning as part of this activity to implement the required security needed under HIPAA and other federal standards (NIST, MARSe, etc) such as multifactor authentication. This will allow DHSS to utilize myAlaska but also still meet the security requirements needed when working with electronic protected health information. These extra security requirements do not exist within myAlaska today. myAlaska is not a true identity management tool, it is a basic identity validation tool. From a technical perspective there is a difference between identity management and identity validation.

Future Years

FY2019

State Personnel, including benefits	State Support	$1,500,000
Travel, Training, Conferences, other administrative (postage, computer, paper, etc.)	State Support	$77,500
HITECH Contractor Costs	Contracted Service	$3,500,000
Hardware/Software	State Support	$25,000
Capital Funds Administration	Capital Improvement Project	$102,050
Total		**$5,204,550**
Total Federal Financial Participation (90%)		**$4,684,095**
Total General Funds		**$520,455**

(10%)		

FY2020

State Personnel, including benefits	State Support	$1,500,000
Travel, Training, Conferences, other administrative	State Support	$80,000
HITECH Contractor Costs	Contracted Services	$2,000,000
Capital Funds Administration	Capital Improvement Project	$71,600
Total		**$3,651,600**
Total Federal Financial Participation (90%)		**$3,286,440**
Total General Funds (10%)		**$365,160**

FY2021

State Personnel, including benefits	State Support	$1,500,000
Travel, Training, Conferences, other administrative	State Support	$80,000
HITECH Contractor Costs	Contracted Services	$2,000,000
Capital Funds Administration	Capital Improvement Project	$71,600
Total		**$3,651,600**
Total Federal Financial Participation (90%)		**$3,286,440**
Total General Funds (10%)		**$365,160**

FY2022

State Personnel, including benefits	State Support	$1,500,000
Travel, Training, Conferences, other administrative	State Support	$80,000
HITECH Contractor Costs	Contracted Services	$2,000,000
Capital Funds Administration	Capital Improvement Project	$71,600

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Total Federal Financial Participation (90%)		$3,286,440	
Total General Funds (10%)		$365,160	

How will service to the public be measurably improved if this project is funded?

- Reduce duplicate services being handled by individual systems
- Improve data for coordination between consumers and other healthcare stakeholders
- Improve coordination between Department of Health and Social Services systems
- Improve coordination between consumers, healthcare stakeholders and the Department of Health and Social Services
- Reduce overhead costs by combining service within Department of Health and Social Services
- Improve privacy and security of data for Department of Health and Social Services systems

Does the project affect the way in which other public agencies will conduct their business?

This project directly supports healthcare providers and stakeholders abilities to implement and utilize technology to support interoperability within their organization and also with other organizations and their consumers. Healthcare organizations would be less likely to implement modern technology to support meaningful use and interoperability if they were not receiving a federal funded incentive. This will ultimately increase the cost of healthcare services to the consumers. This project also reduces the cost to healthcare stakeholders who need and/or desire to communicate with the Department of Health and Social Services by providing more effective means of communication. This project reduces the cost and technology burdens to all stakeholders.

What are the potential out-year cost implications if this project is approved? (Bandwidth requirements, etc.)

Ongoing costs to maintain the data feed for the Medicaid claims data will be minimal.

What will happen if the project is not approved?

Without this project healthcare providers and recipients will see health care costs rise if advancements in technology are not implemented. Electronic health record technology supports healthcare outcomes and help to reduce healthcare costs nationwide.

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