

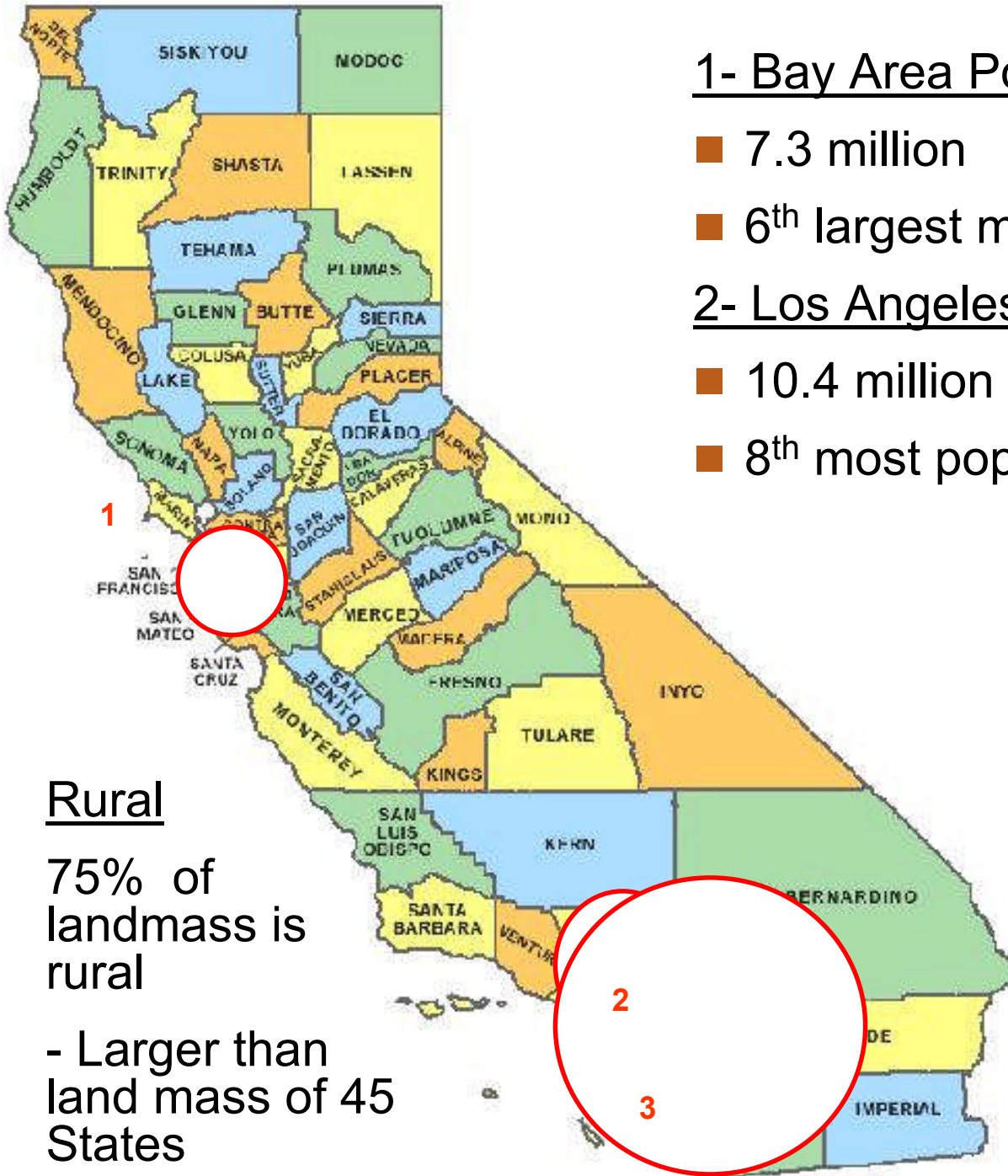


eHealth and Health Reform

April 29, 2010
HIMSS Advocacy Day



California Health & Human Services Agency



1- Bay Area Population:

- 7.3 million
- 6th largest metropolitan area

2- Los Angeles County Population:

- 10.4 million
- 8th most populous **State**

3 – “Southern California” Population (LA, San Diego, Orange, Riverside and San Bernardino):

- 20.7 million
- 2nd most populous State (bigger than rest of California, only Texas is bigger)

Rural

75% of landmass is rural

- Larger than land mass of 45 States

Successes and Failures

- Kaiser Permanente's \$4+ Billion EHR initiative
- Santa Barbara County's \$10 million Care Data Exchange
 - Teachable moments
 - The power of market forces
- HIE Planning effort mantra: "provide value"

Market Forces in the Federal HIE Program

“Medicare and Medicaid meaningful use incentives are anticipated to create demand for products and services that enable HIE among eligible providers... The resulting demand for health information exchange will likely be met by an increased supply of marketed products and services to enable HIE, resulting in a competitive marketplace for HIE services.”

-Federal HIE Cooperative Agreement FOA

Get it Done Yesterday

“The four-year project period is intended to allow recipients time to complete the goals of the program. However, applicants are ***strongly encouraged*** to plan projects and budgets that accomplish most of the project goals and milestones within the first two years of the project period to best enable HIE capacity.”

-Federal HIE Cooperative Agreement FOA

Medicare Incentives

Medicare may provide up to \$44,000 per provider for meaningful use.

Calendar Year	First CY in which the EP Receives Incentive Payments				
	2011	2012	2013	2014	2015 +
2011	\$18,000	-----	-----	-----	-----
2012	\$12,000	\$18,000	-----	-----	-----
2013	\$8,000	\$12,000	\$15,000	-----	-----
2014	\$4,000	\$8,000	\$12,000	\$12,000	-----
2015	\$2,000	\$4,000	\$8,000	\$8,000	\$0
2016	-----	\$2,000	\$4,000	\$4,000	\$0
TOTAL	\$44,000	\$44,000	\$39,000	\$24,000	\$0

Regional Center (REC) Cooperative Agreement Program

Health IT RECs Funding-Partnership Summary

Year	Federal Amount of Costs	Recipient Amount of Costs
1	90 percent	10 percent
2	90 percent	10 percent
3	10 percent	90 percent
4	10 percent	90 percent

Stage 1 HIE Priorities

- “Pushing” messages from point to point
- Critical Functions:
 - Lab
 - Hospital, Provider (and patient) document (CCD) delivery
 - Public health reporting (immunization registries and surveillance)
- Required core services:
 - Provider identity registry
 - Directory service (aka: phone book/routing service)

Cal eConnect

- Formed when the California eHealth Collaborative (CAeHC) and CalRHIO submitted a joint proposal in response to the RFI
- Role:
 - Manage a collaborative process to develop and enforce policy guidance (privacy and security policies) through grants and contracts
 - Support grant making and procurement processes
 - Revise strategic and operational plans as needed
 - Develop sustainability model and business plan
 - Carry out additional requirements described in state grant

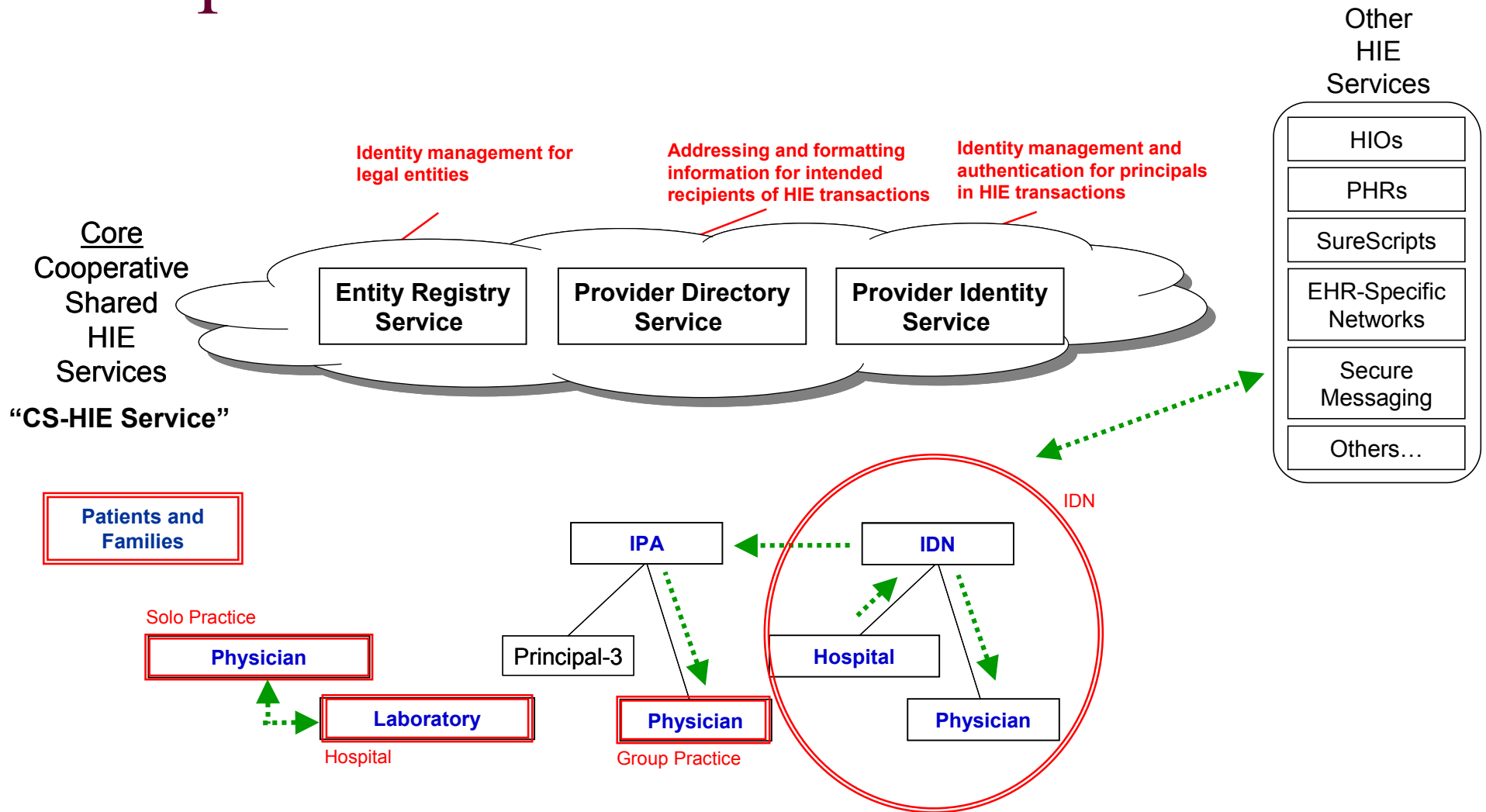
Board of Directors Constituency

1. California Assembly Committee on Health Chair
2. California Senate Committee on Health Chair
3. California Secretary of the Health & Human Services Agency
4. California State Administrator (determined by State, may include the Department of Health Care Services, Department of Managed Health Care or other departments)
5. CEO of the HIE-GE
6. Co-chair (at-large – 1)
7. Co-chair (at-large - 2)
8. Consumer (1)
9. Consumer (2)
10. Employer
11. Health Informatics
12. Health information exchange organization
13. Health information exchange organization
14. Health Plan – private
15. Health Plan - public
16. Hospital - private
17. Hospital - public
18. Labor
19. Physician – Independent
20. Physician – Medical Group
21. Public health (local public health officer)
22. Safety net clinic

Governance Entity Initial Board of Directors

1. David Lansky (Co-chair)
2. Don Crane (Co-chair)
3. Marge Ginsburg (Consumer)
4. Bill Beighe (Health Information Exchange Organization)
5. Howard Kahn (Public Health Plan)
6. David Joyner (Private Health Plan)
7. Tom Priselac (Private Hospital)
8. Brennan Cassidy, MD (Independent physician)
9. Ron Jimenez, MD (Public Hospital)
10. Ralph Silber (Community Clinic)

Proposed Technical Architecture



Entity Registry Service

- A trusted “Certificate Authority” for legal entities that wish to exchange health information using the CS-HIE resources
 - Legal Entity = Physician practice, hospital, pharmacy, lab, immunization registry, etc.
 - *Not* individual physicians, administrative staff, or consumers
- Certificate Authority “provisions” entities in a widely trusted manner
 - Certifies legitimacy of the entity and its conformance to security/privacy policies
 - “Revokes” certification for entities when appropriate
- Entity Registry = repository of valid, active certificates for provisioned legal entities

Legal Entity Responsibilities

- Maintain internal registry of its providers
- Reliably authenticate these providers when they “log in” within the entity’s domain
 - Providers may be authenticated locally by their entities
- Provide an electronic directory of the providers within the legal entity
 - The directory must be accessible in a standard format as a “web service”, available to all other entities with access to the Entity Registry Service

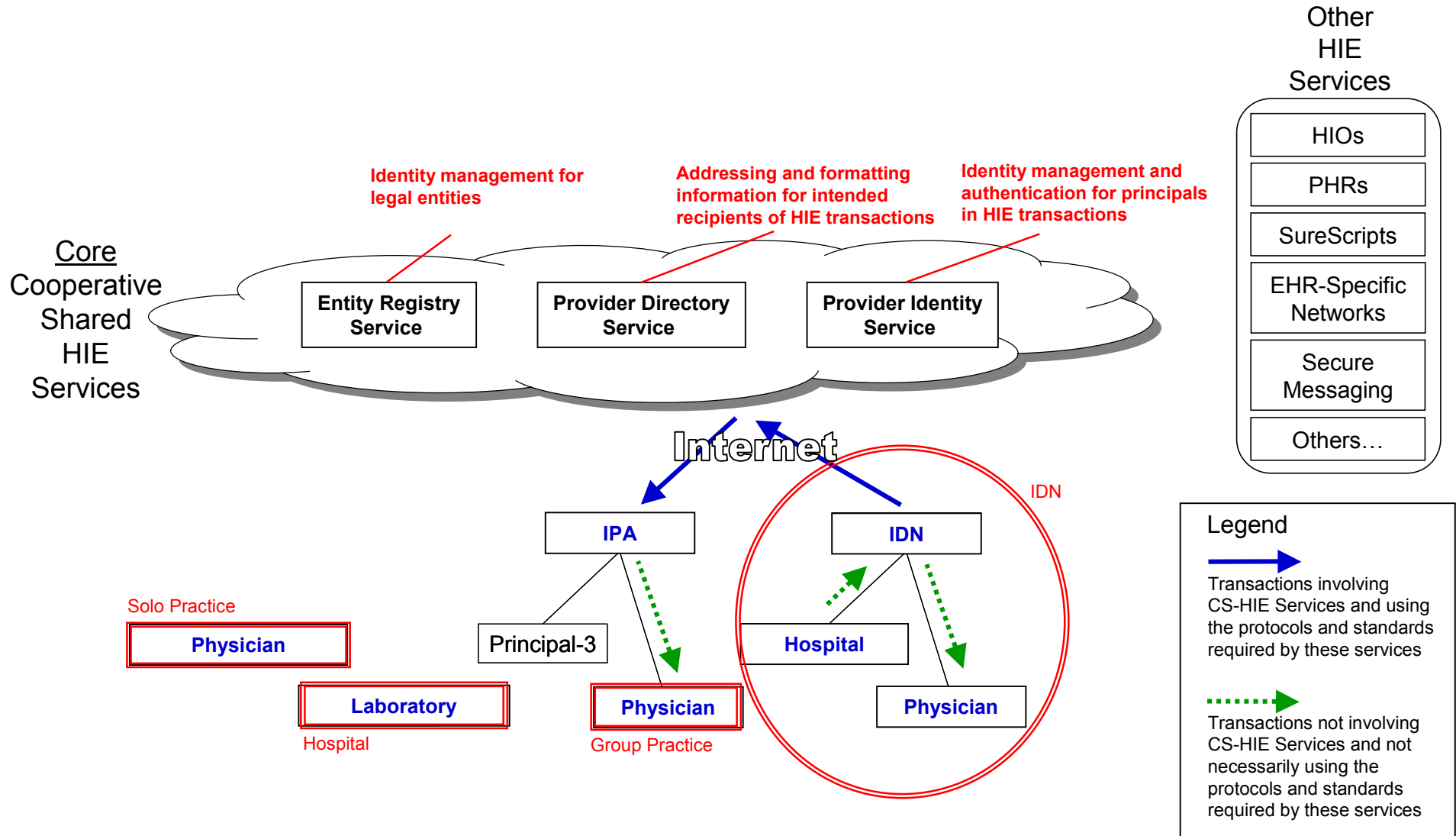
Provider Directory Service

- Centrally hosted repository of Provider Directory entries
 - Intended for entities that cannot or choose not to host their own Provider Directory
 - Any legal entity can choose to use it
 - The source entity (not the service) is responsible for accuracy and timeliness of the entries
- Smaller organizations may especially benefit from this service

Provider Identity Service

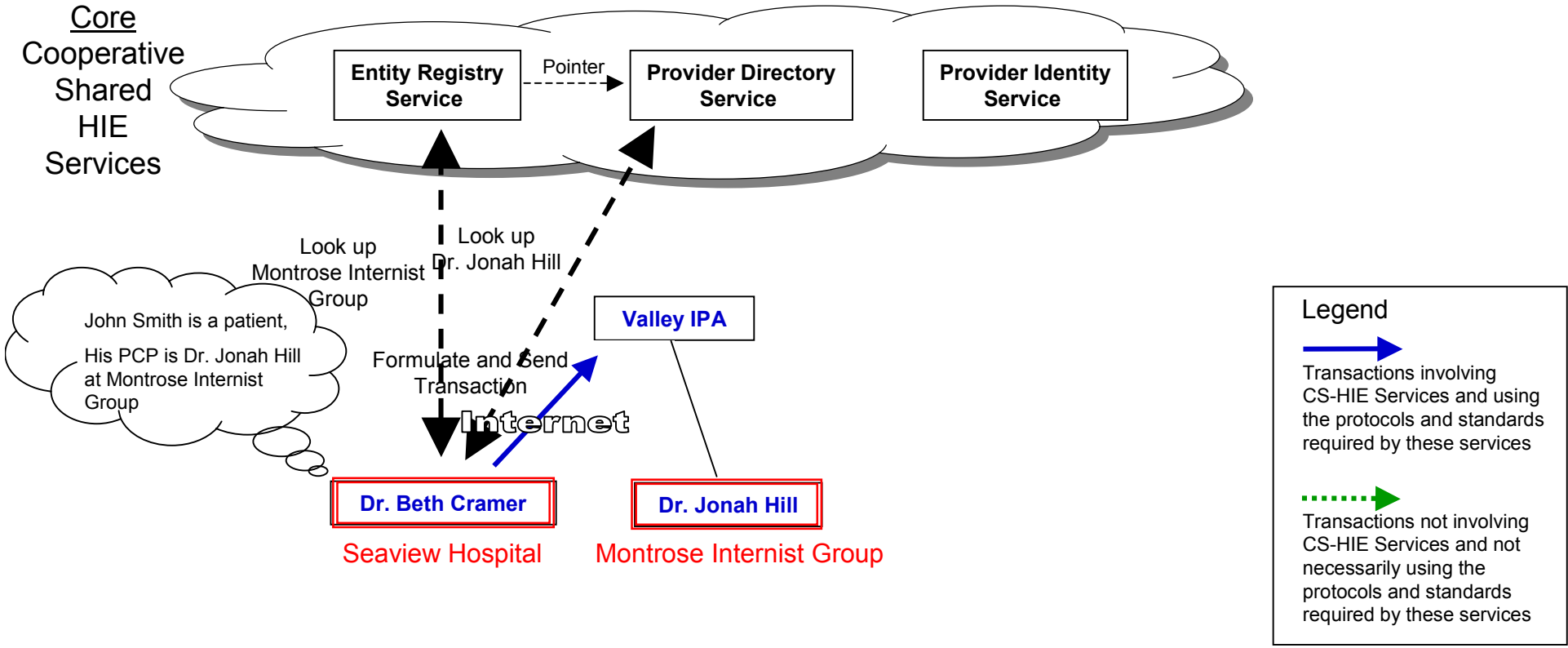
- Centralized, trusted service for provisioning and authenticating providers involved in HIE transactions
 - Intended for entities that are not trusted to authenticate their own providers
- Use of Provider Identity Service is entirely optional
 - Entities may provision and authentication their own providers
- May or may not prove to be needed...

Proposed Technical Architecture

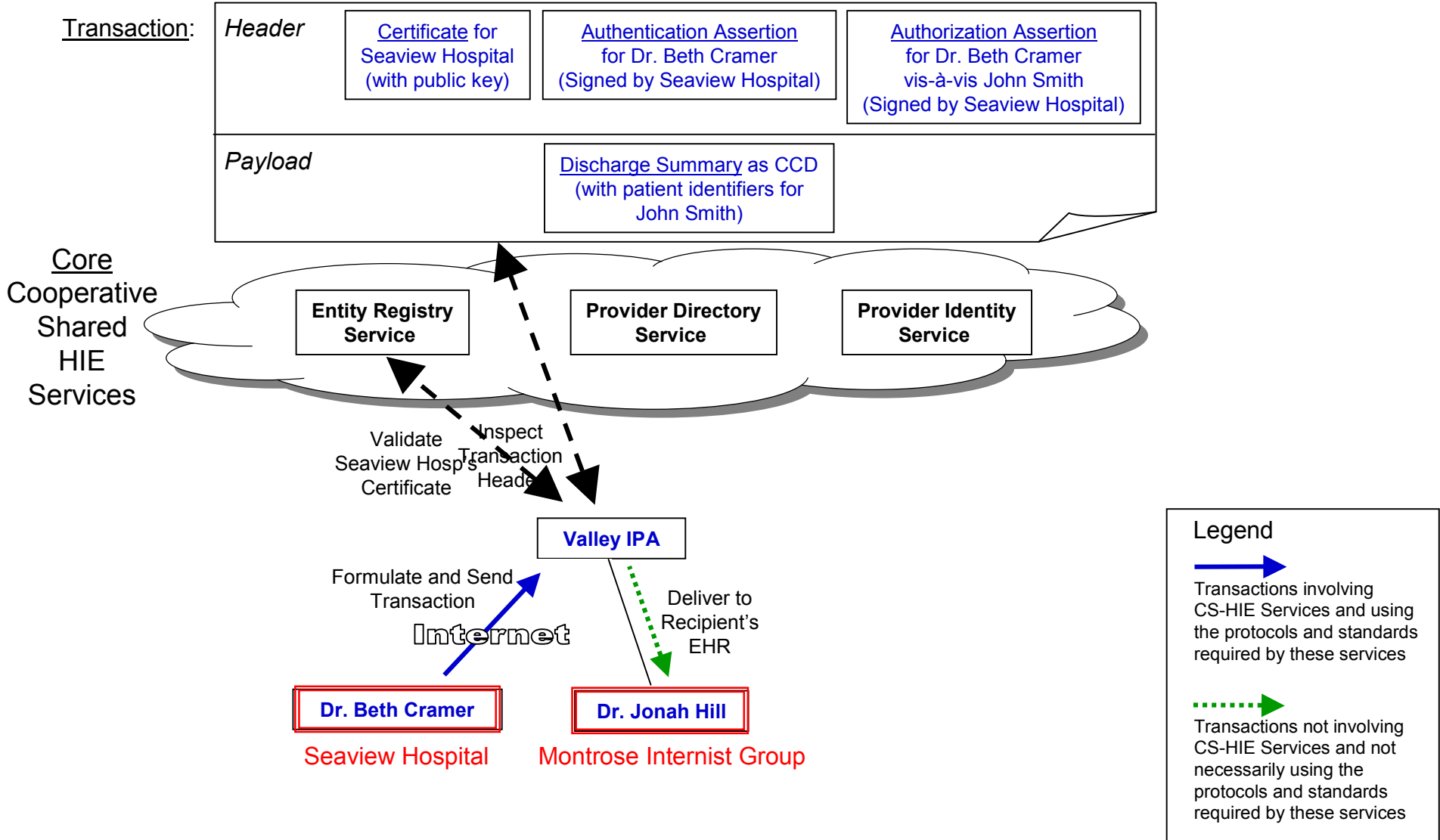


Example: Hospital Discharge Summary

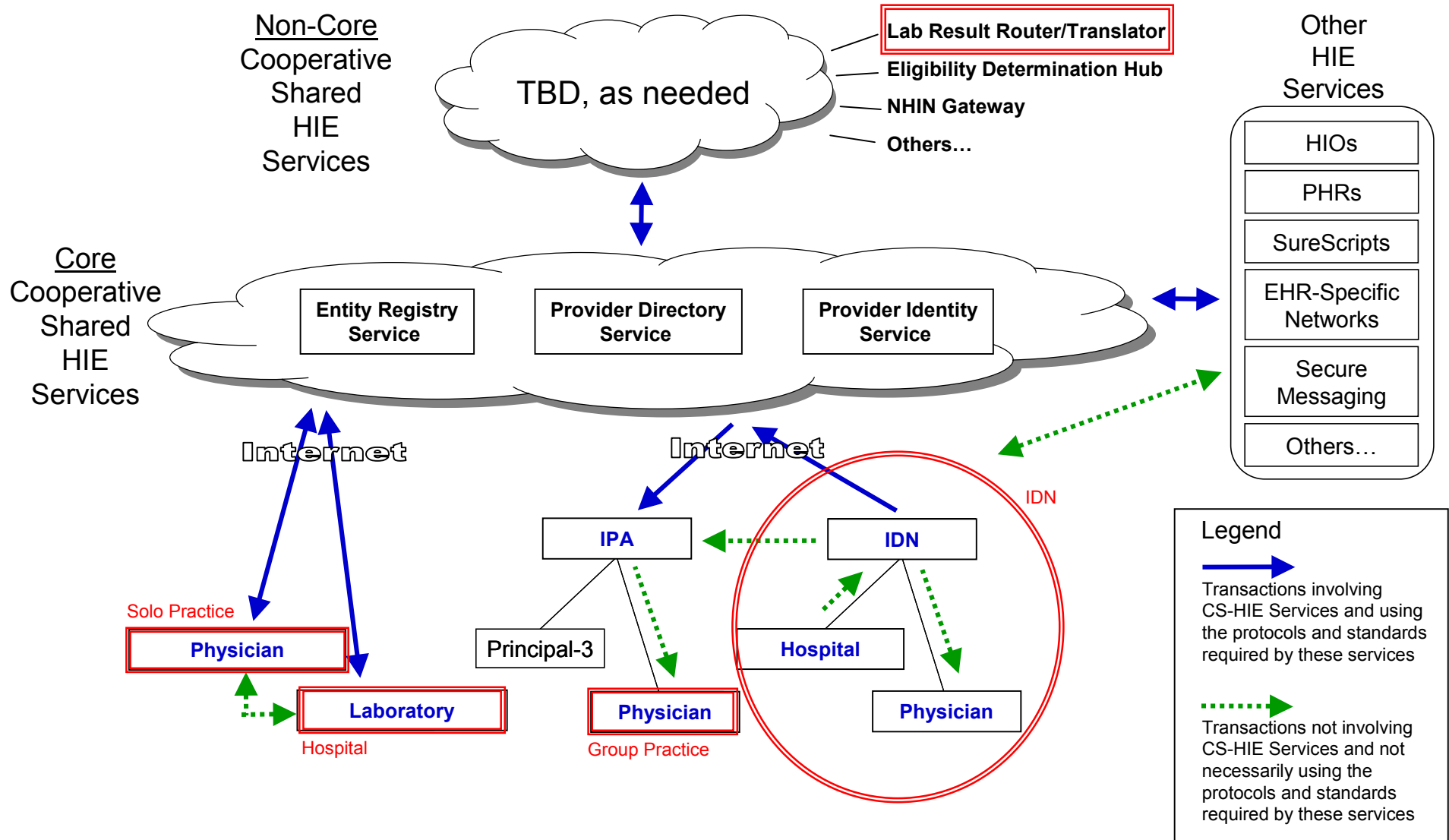
Legal Entity	Principal	Transaction	Address	Protocol
Montrose Internist Group	Dr. Jonah Hill	Receive Hospital Discharge Summary	www.valleyIPA.org/InBox/DcSummary	CCD Level 2



Example: Hospital Discharge Summary



Proposed Technical Architecture



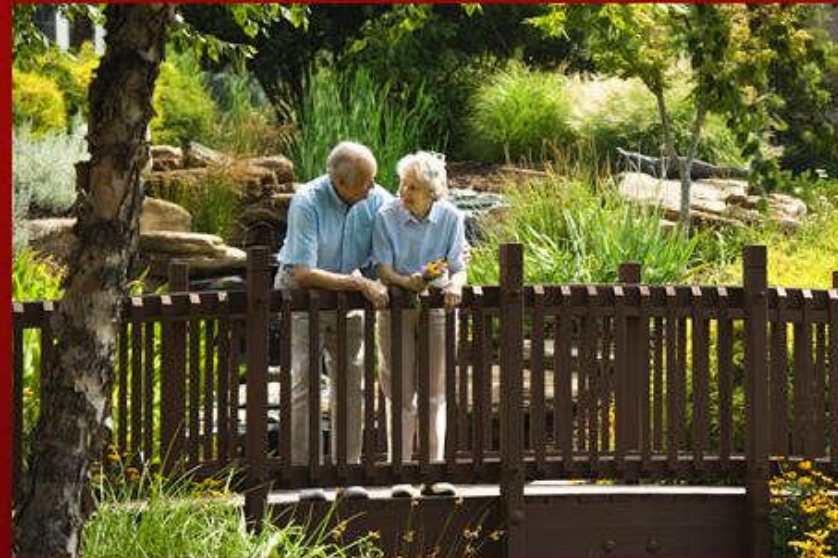
Summary

- The Core CS-HIE Services are intended to provide
 - A trust infrastructure in which parties can determine the authenticity of HIE transactions that they receive from arbitrary counterparties
 - A directory infrastructure in which parties can determine where and how to direct HIE transactions intended for specific recipients via the internet
- Much technical and policy work remains to flesh out the design of these services
 - Define the policies surrounding the HIE certificate authority and the granting of Entity Registry entries
 - Define the technical design of Entity Registry entries and Provider Directory entries
 - Define the technical design of authentication and authorization assertions
- Functions not addressed in current architecture:
 - Master Patient Index
 - Record Locator Service
 - Patient Consent Registry
 - Why not?
 - Vexing technical, business and privacy issues
 - Not needed for majority of Stage 1 meaningful use functions

HEALTH INSURANCE REFORM *and* YOU

This Friday, April 30 at 2:30 pm EDT, join our webchat with HHS Secretary Sebelius and health reform experts about how the new law protects consumers through stronger insurance company oversight.

Submit your questions to healthreform@hhs.gov. Watch live at www.hhs.gov/live.



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What's in it (potentially for Health IT)

- Grants for long-term care facilities for EHRs:
 - Nationally, only \$67.5 *million* over four years
- Insurance Exchange
- Enrollment modernization and administrative simplification
- Accountable Care Organizations
- Primary Care Extension Programs

Why we need to understand Medical Loss Ratios

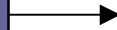
- What is it?
 - The proportion of premium dollars that must be spent on medical care
- Why its important in HCR:
 - Requires plans in the individual and small group market to spend 80 percent of premium dollars on medical services, and plans in the large group market to spend 85 percent. Insurers that do not meet these thresholds must provide rebates to policyholders. *Effective on January 1, 2011.*
- Implications:
 - If health IT is considered an administrative expense, the incentives for plans is to reduce this expense
 - Secretary Sebelius has the authority to make the determination if HIT is an administrative or clinical expense

And why 2011 will be a watershed year

- HITECH:
 - First checks for incentive programs will issued
- Health Reform:
 - 7.3 million CA residents who do not currently have insurance could begin to get affordable coverage
- HIPAA 5010 transactions required by January 1, 2011
- Prerequisite for ICD-10; required by October 2013 for payment!

Health Information Exchange (HIE) Timeline

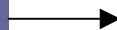
Application & Strategic Plan



Submitted
October 16, 2009

- Narrative
- Landscape Assessment
- Letters of Support
- Budget (over 4 years)

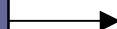
Governance Entity



Announced
Cal eConnect on
March 8, 2010

- Intent to select
- Planning grant in April
- Full grant and ONC approval in June

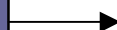
Operational Plan



Submitted:
April 6, 2010

- eHealth Summit March 11
- Public comment through March 22
- Submit to ONC on April 6

HIE Implementation



Begin:
July, 2010

- Revised four year budget
- Initiate grant and procurements
- Fully staffed and operational

Two issues to consider for Advocacy Day

1. Ensure that we meet our timelines here in the State
 - Appropriate funding for HIE as quickly as possible, don't let it get caught up in budget delays
2. Health Reform:
 - Ensure the Health IT is not incorporated into administrative overhead in the medical loss ratio calculation

Government 2.0

- Twitter: <http://Twitter.com/CAeHealth>
- Website: www.ehealth.ca.gov
- Operational and strategic plan:
<http://www.ehealth.ca.gov/eHealthPlan/tabid/72/Default.aspx>
- Sign up for listserv, bulletins, send comments and questions: ehealth@chhs.ca.gov
- Next Public Webinar Thursday May 13 1pm – 2pm
webinar sign-up:
<https://www1.gotomeeting.com/register/778130384>