



Texas Statewide HIE Implementation

Key Points, General Approach, Timeline, and Budget

KEY POINTS

- HHSC will continue to serve as the fiscal agent for this federal grant program.
- The THSA will serve as the governing or convening body for maintaining stakeholder engagement and support for health information exchange (HIE) implementation in Texas. In coordination with HHSC, the THSA will direct the use of federal funds and be responsible for policy development in the areas of finance, technical infrastructure, HIE business operations, and privacy and security.
- The Strategic and Operational plans support regional HIE solutions rather than a centralized state solution.
- Initial HIE implementation activities will support e-prescribing, lab results and delivery, and clinical summary exchange, the core requirements for this grant program and for providers and hospitals to achieve meaningful use under the Medicaid and Medicare electronic health record incentive program.

GENERAL APPROACH

Goal

Enable improvements in the quality and efficiency of the Texas health care sector by establishing an electronic HIE infrastructure for the state.

Objective

Deliver private, secure, and reliable HIE services to all Texas patients and providers through local HIE networks where the capacity exists and through contracts administered from the state level where it does not.

Strategies

- 1) General state-level operations
- 2) Local HIE grant program
- 3) White space coverage

Strategy 1: General State-Level Operations

HHSC and THSA will identify and implement state-level operations to enable the establishment and operation of HIE capacity statewide.

- 1) Administer governance structure.
 - a. Administer THSA board.
 - b. Establish and administer collaboration council and task forces to support consensus building on policy development.
- 2) Identify core HIE services.
 - a. Electronic prescribing
 - b. Electronic laboratory ordering and results delivery
 - c. Electronic exchange of clinical summaries
- 3) Establish and maintain required policies and standards for sub-state HIEs (local or non-geographic).
 - a. Establish and maintain privacy and security policies and standards
 - i. Commission data collection to support development of consent policy.
 - ii. Educate policymakers on consent options.
 - iii. Adopt consent policy (based on legislative direction).
 - iv. Commission legal services to support development of trust agreements and consent form, and to provide ongoing analysis of legal framework.
 - v. Develop Texas HIE trust agreements.
 - vi. Develop universal consent form.
 - vii. Identify security standards (policy).
 - b. Establish and maintain interoperability and other technical standards.
 - i. Commission technical consulting services to support identification of technical standards.
 - ii. Identify data exchange standards (including implementation specifications).
 - iii. Identify security standards (technical).
 - c. Establish and maintain required financial and other business practices.
- 4) Develop and administer statewide evaluation plan to inform sustainability planning.
 - a. Measure impact of HIE at the local and state levels.
 - b. Identify value of HIE.
 - c. Identify beneficiaries of HIE.
 - d. Develop sustainability models and business plans.
- 5) Develop state-level shared services.
 - a. Record locator service (to connect sub-state HIEs)
 - b. Provider directory service (to provide network addresses and communication protocols to connect providers and other entities with authorization to share health information)
 - c. National Health Information Network connectivity (to facilitate nationwide interoperability and connectivity with federal partners)

Strategy 2: Local HIE Grant Program

HHSC and THSA will develop a grant program to provide partial funding for the planning, implementation, and operations of local HIE initiatives/networks.

- 1) Identify minimum criteria for applying/candidate local HIEs.
- 2) Develop Request for Applications (RFA) for local HIE grant program.
- 3) Accept and evaluate applications from local HIEs based on meeting minimum criteria for applying/candidate local HIEs and stated intent to plan for, and implement core HIE services, and required policies and standards for local HIEs (as described above in General State-Level Operations).
- 4) Award grants to qualifying local HIEs to:
 - a. Develop plans for upgrading or implementing local HIE infrastructure to deliver core HIE services, and implement required policies and standards.
 - b. Upgrade or implement local HIE infrastructure to deliver core HIE services, and implement required policies and standards; and
 - c. Monitor and evaluate local HIE impact to inform sustainability planning.

Strategy 3: White-Space Coverage

HHSC and THSA will contract with one or more entities to provide HIE connectivity to regions of the state without local HIEs.

- 1) Develop Request for Proposals (RFP) to provide HIE services for areas not served by a local HIE. Respondents can propose to cover some or all of the unserved areas. Innovative financing models are encouraged. Eligible respondents can include vendors, local HIEs, RECs, or any others with the technical wherewithal to deliver HIE services.
- 2) Accept and evaluate proposals for quality, cost, readiness, coverage, and stated willingness to deliver core HIE services, implement required policies and standards for sub-state HIEs, and participate in program evaluation.
- 3) Execute contracts with respondents to establish full HIE coverage of white space.
- 4) Monitor contracts to ensure delivery of core HIE services and adherence to required policies and standards for sub-state HIEs.
- 5) Monitor and evaluate impact to inform sustainability planning.

HIE IMPLEMENTATION TIMELINE: KEY ACTIVITIES AND TASKS FOR 2010 - 2013

	2010		2011			
	Q3	Q4	Q1	Q2	Q3	Q4
General State-Level Services	Establish governance structure	Administer governance structure				
	Identify core HIE services	Monitor implementation of core HIE services				
		Establish required policies and standards for local/regional HIEs	Maintain policies and standards for local/regional HIEs			
		Establish interoperability and other technical standards	Maintain interoperability and other technical standards			
Local HIE Grant Programs	Develop and distribute RFA	Evaluate applications and make grant awards	Local HIE planning	Local HIE implementation		
White Space Coverage		Develop and distribute RFP	Evaluate proposals and execute contracts	White space HIE implementation		

	2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
General State-Level Services	Develop shared state-level services	Implement shared state-level services	Operate shared state-level services					
Local HIE Grant Programs	Local HIE operations				Evaluation	Sustainability dialogue, development of sustainability model	Transition to sustainability	
White Space Coverage	White space HIE operations							

BUDGET

General state-level operations

Program Year	2010*	2011	2012	2013	Total
General State-Level Operations					
THSA Admin	\$1,319,761	\$760,754	\$760,755	\$760,755	\$3,602,025
OeHC Admin**	\$97,183	\$130,000	\$130,000	\$130,000	\$487,183
Legal Services	\$95,000	\$100,000	\$92,000	\$67,000	\$354,000
Public Opinion Research	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Technical Consulting	\$100,000	\$142,000	\$125,000	\$100,000	\$467,000
State-Level HIE Services (RLS + PDS + NHIN)	\$0	\$0	\$500,000	\$1,000,000	\$1,500,000
Evaluation	\$0	\$0	\$0	\$500,000	\$500,000
Subtotal: General State-Level Operations	\$1,711,944	\$1,232,754	\$1,707,755	\$2,657,755	\$7,310,208

* Includes a transition from planning to implementation

** The salary for the State HIT Coordinator is supported through another source of funding

Local HIE (base)

Program Year	2010	2011	2012	2013	Total
Local HIE (Base)					
Local HIE services (Core HIE services)	\$1,500,000	\$0	\$0	\$0	\$1,500,000
Subtotal: Local HIE (Base)	\$1,500,000	\$0	\$0	\$0	\$1,500,000

White space coverage (base)

Program Year	2010	2011	2012	2013	Total
White Space Coverage (Base)					
Non-geographic, local HIE services (Core HIE services)	\$1,000,000	\$500,000	\$500,000	\$0	\$2,000,000
Subtotal: White Space Coverage (Base)	\$1,000,000	\$500,000	\$500,000	\$0	\$2,000,000

Proportional funding for local HIE grant program and white space coverage

	2010	2011	2012	2013	All Years
Proportional Funding for Local HIE Grant Programs and White Space Coverage					
Planning	\$2,700,000	\$0	\$0	\$0	\$2,700,000
Implementation	\$6,300,000	\$0	\$0	\$0	\$6,300,000
Operations	\$0	\$5,400,000	\$2,700,000	\$0	\$8,100,000
Evaluation	\$0	\$0	\$900,000	\$0	\$900,000
Subtotal: Proportional Funding	\$9,000,000	\$5,400,000	\$3,600,000	\$0	\$18,000,000

Totals

	2010	2011	2012	2013	Total
Totals by Program Year	\$13,211,944	\$7,132,754	\$5,807,755	\$2,657,755	\$28,810,208
Grand Total					\$28,810,208

Federal requirement for non-federal match

	2010	2011	2012	2013	All years
Totals by Program Year	\$13,211,944	\$7,132,754	\$5,807,755	\$2,657,755	\$28,810,208
NonFed match divisor (federal fiscal year)	0 and 10	10 and 7	7 and 3	3	
NonFed match required (total/divisor)	\$1,254,285	\$992,835	\$1,773,177	\$885,830	\$4,906,127

Local matching requirement as non-federal match

	2011	2012	2013	Total
Proportional funding to local HIEs (Assumes 80% of provider population claimed)	\$7,200,000	\$4,320,000	\$2,880,000	
Local match: 25%	\$2,250,000	\$1,080,000	\$720,000	\$4,050,000

Proportional Funding for Local HIEs

To achieve the state-level strategy to support local HIEs, HHSC and the THSA will develop a grant program to provide partial funding for the planning, implementation, and operations of local HIE initiatives and networks. The THSA will be responsible for developing the criteria for applying for the HIE grants, distributing an RFA, and evaluating the responses to determine if the criteria are met. Prior to release of the RFA, the THSA will seek stakeholder feedback on the tentative proportional funding model, funding formula, assumptions, and approach to validating provider engagement.

In addition to the criteria mentioned in Section 14.1.3 (THSA HIE Functional Report Card and Assessment), applying HIEs will be required to demonstrate local support to be eligible for the 2011 Planning and Implementation Grants. This may be accomplished in part through letters of support from stakeholders, but must include commitments from hospitals and physicians who are willing to guarantee their support and participation in the local HIE initiative. These commitments will indicate that the community in question will be able to initiate and sustain HIE activity at a local level in the timeframe required by the statewide HIE plans.

Funding Formula

Texas’ ambitious long-term goal for HIE is to connect every provider and hospital in the state. The funding formula for the local HIE grants will incorporate this goal by linking award amounts to the target capacity of an HIE, validated by the volume of commitments. The other factors that must be used to determine grant amounts will be the budget constraints which are noted in the budget above.

- ❑ Total Local HIE Award = (Target # of Hospitals * Hospital Multiplier) + (Target # of Physicians * Physician Multiplier) + 2011 Planning Award
- ❑ Local HIE Award Planning Award = \$75,000 or 15%, whichever amount is greater
- ❑ Total Local HIE Implementation and Operations Award = 80% Local HIE Award
- ❑ Total Local HIE Evaluation Award = 5% Local HIE Award

Award Amounts for scheme 1 vs. scheme 2

Award Period	Award Amount Scheme 1	Award Amount Scheme 2
Planning Award 2011	\$75,000	15% of total award amount
Development Award (2011)	(Total award - \$75,000) * 50%	45% to total award amount
Operations Award (2012–2013)	(Total award - \$75,000) * 45%	35% of total award amount
Evaluation Award (2013)	(Total award - \$75,000) * 5%	5% of total award amount

Hospitals and providers not accounted for by local HIEs will be allocated to the white space strategy.

Assumptions

	Approximate Population	Multiplier	Amount Available for Proportional Allocation
Hospitals	600	\$10,000	\$6,000,000
Doctors	40,000	\$300	\$12,000,000
Total			\$18,000,000

Expected local expenditures of proportionally allocated amounts by year

	2011	2012	2013
Planning	15%		
Implementation	35%		
Operations		30%	15%
Evaluation			5%
Total	50%	30%	20%

Local HIE operations expenditure components

Program Year	2010	2011	2012	All Years
Proportionally allocated amount	\$9,000,000	\$5,400,000	\$3,600,000	\$18,000,000
Local HIE base per year	\$1,500,000	\$0	\$0	\$1,500,000
White space base per year	\$1,000,000	\$500,000	\$500,000	\$2,000,000
Totals	\$11,500,000	\$5,900,000	\$4,100,000	\$21,500,000

Approach to Validating Provider Engagement

Partnering with local HIEs to build HIE capacity in the state is a strategy that will maximize the impact of Texas' HIE outreach and effectiveness. It is critical that in the planning, implementation, operation, and evaluation periods the THSA's local HIE partners maintain and increase their commitments from hospitals and physicians. Each round of grants will require proof of commitments. Additionally, as part of grant monitoring, the THSA will verify that commitments indicated in an application are being fulfilled through the delivery of services.

Local HIE applicants will be required to submit proof of provider commitments according to the following schedule, and based on the target number of providers claimed in the application.

Schedule of proof of provider commitments

	Hospitals	Physicians
With application (est. Jan 2011)	20%	20%
With plan submission (est. Jul 2011)	20%	20%
Third quarter report (est. Oct 2011)	20%	20%
Fourth quarter report (est. Jan 2012)	20%	20%