The Value Proposition Achieving HIE Sustainability

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Agenda

- Background –
  - An evolving landscape
  - Efforts to understand and frame the issues and key questions

- Project observations and recommendations

- Developing a common conceptual framework

- State level experiences and observations

- Discussion

Background

- Early research and Steering Committee observations
    - Illustrated early start up strategies
    - Revealed challenges in working with a "statewide mission"
    - Pointed to a dynamic tension about value and building capacity versus sustainability
        - Struggle for initial capital investments
        - Tradeoffs - Using available opportunity and resources to get started, gain traction, having something to demonstrate value
        - Seeing and working toward the big picture roadmap (e.g. the context of NHIN)

States Illustrate Variety

- No one roadmap
  - RI: established mission based on community-wide quality improvement; robust stakeholder engagement enabled explicit discussion about principles underlying business models
  - CO: AHRQ SRD committed early to federated clinical data exchange as technical approach
  - MA: influence of health care/academic environment (and $$ from BCBS)
  - IN: Age and maturity, expertise, and Regenstrief

Project Research
Seeking Statewide Strategies

- Evidence of certain self-sustaining HIE services

- Preoccupation with the need for start up capital

- Heavy reliance on grants, state and federal funds

- Need to address underlying sustainability issues and factors

- Organizational models for SLHIE governance
  - Examples of $$ and staff to support statewide HIE leadership
  - Small number of HIE with sustainable HIE operations based on transactional efficiencies (IN, EHEN, UHIN)
- Progress in development
  - States poised to begin exchange
- Continued quest for long range sustainability models

Key Issues

- The value proposition for public good functions
  - Ensuring that HEI develops beyond siloed corporate interests to serve all statewide stakeholders and their data needs
  - Facilitating new levels of collaboration vs competition to realize data sharing
  - Serving public policy interest and consumer protection concerns by facilitating consistent reliable HIE practices
- Federal and state-level HIE linked to an agenda to transform health care
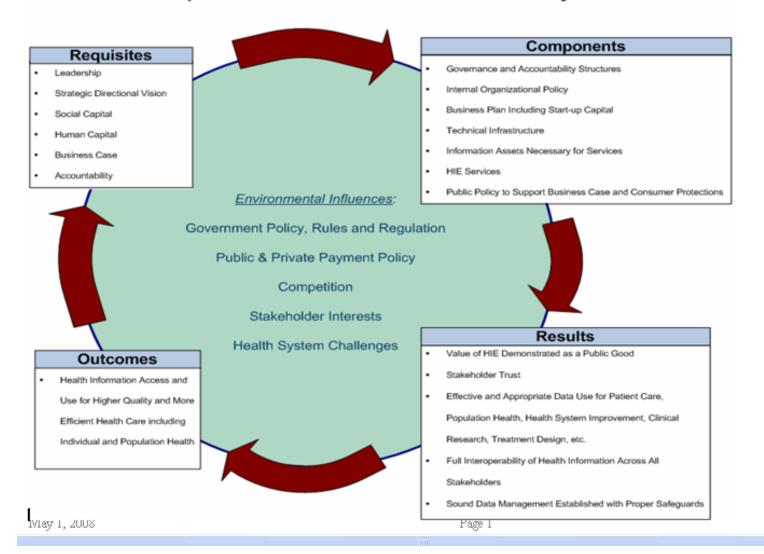
Value Proposition for SLHIE Recommendations

- Urgency
  - Mounting pressure from corporate health IT interests
  - Resistance to full participation from key players
- Need for a multi-level value proposition and business models across the continuum of local, state, national levels
  - Guidance for states
  - Criteria and measures to track progress
  - Links to AHIC use cases/NHIN core services
- Growing consensus for blended public-private financing strategy
  - Continued investments at provider level
  - Define contributions from public programs, public beneficiaries

- Linking the quality and HIE agendas
  - Ultimate importance of secondary data

- Need for restructured incentives
  - Creating a market for information

- Channeling resources and support for the functions of the SLHIE governance entity
  - Importance of state government empowerment for single source of SLHIE

Collaboration Across Levels

Conceptual Framework for HIE Sustainability

Requisites
- Leadership
- Strategic Directional Vision
- Social Capital
- Human Capital
- Business Case
- Accountability

Components
- Governance and Accountability Structures
- Internal Organizational Policy
- Business Plan Including Start-up Capital
- Technical Infrastructure
- Information Assets Necessary for Services
- HIE Services
- Public Policy to Support Business Case and Consumer Protections

Environmental Influences:

Government Policy, Rules and Regulation

Public & Private Payment Policy

Competition

Stakeholder Interests

Health System Challenges

Outcomes
- Health Information Access and Use for Higher Quality and More Efficient Health Care including Individual and Population Health

Results
- Value of HIE Demonstrated as a Public Good
- Stakeholder Trust
- Effective and Appropriate Data Use for Patient Care, Population Health, Health System Improvement, Clinical Research, Treatment Design, etc.
- Full Interoperability of Health Information Across All Stakeholders
- Sound Data Management Established with Proper Safeguards

View from the State Level

Significant Activity in Last 4 Months...
- California..... CalPERS endorses CalRHIO (April 08)
- Maine........... HealthInfoNet secures $4 million (Jan 08)
- New York..... NYSDOH announces $105 million for HIE (March 08)
- Tennessee... eHealth Council and AT&T partnership (Feb 08)

Stakeholder Expectations...
- Last year's interviews found that stakeholders expect returns on their contributions to and participation in state-level HIE activities

Primary Focus/Concern of Leadership...
- **State and local HIE leaders** reported that developing sustainable business models was their top concern in 2007

- **State Government Officials** cited securing stakeholder buy-in and defining business case as two of the top barriers to accomplishing their e-health priorities in 2007

What is DHIN

- Created statutorily in 1997 as a public instrumentality of the State of Delaware
  - To advance the creation of a statewide health information and electronic data interchange network for public and private use.
  - To be a public-private partnership for the benefit of all citizens of Delaware
  - To address Delaware's needs for timely, reliable and relevant health care information.

What We Do Today...

- **Secure Results Delivery**

  - Lab and Pathology Results

  - Radiology Reports

  - Admission Face Sheets

  - Secure Inbox

  - Auto-Print

  - EMR Interface

- **Public Health Reporting**

  - Real-time reporting of data from hospitals to the Division of Public Health's DERSS system
    (Delaware Electronic Reporting and Surveillance System)
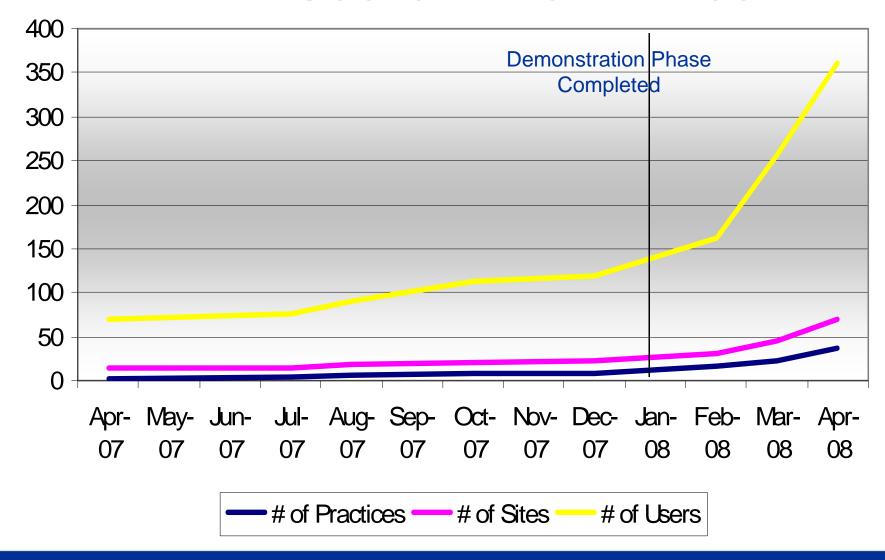
Data Senders

Achieving Critical Mass

Over 90% of Labs and Hospitalizations

DHIN Users: The 1ˢᵗ Year

Delaware Health Information Network

Defining the Value

- Reliable, secure and available information
- Support physicians regardless of their level of technology adoption
- Manage need along the adoption curve
- Critical mass and market forces
- Eliminate current delivery methods

Enhancing the Value
Adding new functions and services

- eOrder Entry – Summer 2008

- Patient Record Search – Summer 2008

- Patient Portal – Summer 2008

- Medication History – Fall 2008

- Radiology Images – Spring 2009

- Care Coordination – Long Term Care – Spring 2009

Planning for Long-Term Market Demand
2010-2011

- Chronic Disease Management

- Clinical Decision Support

- Benefit Eligibility and Claims Processing Enhanced

- Enhanced Public Health Reporting
    - Cancer Registry
    - Immunizations Registry
    - Birth Defects Registry
    - Trauma Registry
    - First Responders
    - Public Health Alerts

- Patient Portal
    - Review record history in DHIN
    - Securely communicate with practitioners

Financing Model: 3 Phases

- Phase I: Strategic Planning
  - AHRQ State and Regional Demonstration (FY05-10)
- Phase II: Capital Funding
  - State and Private Matching Funds (FY07-09)
    - Proportionate Share of the Cost
  - National Health Information Network (FY08)
- Phase III: Operations and Maintenance (FY10)
  - Fee/Subscription Model

Principles of Sustainability Planning

- Those paying for the system will define the model

- Those who benefit must pay

- Payment should be proportionate to benefit

- Keep it simple

Sustainability Modeling

- Define the Benefits
  - Saves Time
  - Saves Money
  - Improves Patient Care
- Quantify the Value
  - Hospitals, Labs, Radiology Facilities, etc.
  - Health Plans
  - Employers (ERISA)
- Provide Value Added Services
  - "EMR Lite"
  - Referrals and Consults
  - P4P Analytics

Sustainability Options

- Data Senders
  - Pay based on transaction volume
- Health Plans/ERISA Employers
  - PMPM and pay per use
- Physicians
  - Subscription fees for value add services

Questions?

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