



West Virginia Health Information Network

Presentation to the Board regarding
Medicaid IT Funding Options



Scope of the Project

- Purpose: Present information on Medicaid Funding Options to assist WVHIN in deciding next steps to implement Pathway plan
- Deliverables:
 - Four teleconference presentations and responses to questions regarding funding options, in April
 - Short Report on Funding Options
 - Presentation of Report to the WVHIN Board, June 18



Framing the Question

- Funding Is Linked to Other Dimensions
- Governance – Who Controls, Who Is Accountable for Delivery
- Functionality – Which Solution Best Meets WVHIN Goals
- Interoperability – Maintains “Network of Network” Model
- Presentation Addresses: Funding, Governance, Functionality, and Other Dimensions



Topics of the Presentation

- Medicaid Funding Sources
- Four Basic Models for Health Information Exchange
- Comparison of Four Models Based on:
 - Governance, Financing, Sustainability
 - Functionality, Time Line, Provider Adoption
- Open Discussion of Models
- Summary of Strategic Benefits
- Next Steps



Medicaid Funding Sources

- Traditional Funding Based on Social Security Act, Title XIX, Part 11
 - Primary source of funds for development (90% federal match) and operation (75%) of a Certified Medicaid Management Information System
 - Definition of the MMIS is expanding to cover aspects of health information exchange
 - Proven process for approval of Advance Planning Document now linked to Medicaid Information Technology (MITA) leading to federal funding
 - Cost Allocation formula used when MMIS functions are shared with non-Medicaid entities



Medicaid Funding Sources

- New Funding Based on Recovery Act
 - Grants to States for Planning and Implementation related to support of “Meaningful Use” of Electronic Health Records in HIE environment
 - Administrative fees for Medicaid to identify providers receiving incentives for EHR and to verify Meaningful Use
 - Based on approval of IT Plan
 - Grant money available only for next four years



Use Both Sources to Support HIE

- Keep Medicaid Funding Sources Separate
- Integrate Development (Share in Cost)
- Share in Cost of Operations
- Cost Allocation Plan Tracks Medicaid and Non-Medicaid Expenditures



Four Basic Models

- A – WV Public Private Partnership (Status Quo)
- A1 – WV PPP with Strong Medicaid Participation
- B1 – Medicaid-Centered Model with Partitioned WVHIN Use
- B – Medicaid-Centered Model with PPP Participation



Model A – WV PPP

- Current WVHIN Charter, Governance, Strategy
- Focuses on Provider to Provider Exchange of Clinical Information
- Implements Pathway
- State Medicaid Agency Is a Participant
- Maintains Network of Networks Structure; HIN Supports Directory



Model A1-WV PP with Strong Medicaid Participation

- Hybrid Model; Favors HIN Needs
- Uses PPP Charter as Base
- Increases Role and Responsibility of Medicaid in the Partnership
- Realigns Some Priorities to Attract Medicaid Funding
- DHHR Secretary Could Name Medicaid Commissioner as Designee



Model B1 – Medicaid-Centered with WVHIN Partitioned Use

- Hybrid Model; Favors Medicaid Needs
- Core Services Shared by All
- Separate Medicaid and Non-Medicaid Partitions
- Maintains Network of Networks Structure
- Contract Describes Roles and Responsibilities and Cost Allocation Rules



Model B – Medicaid Centered Model

- Essentially, a Medicaid HIE Platform and Infrastructure
- WVHIN Participates via MOU
- Meets Medicaid Administrative Requirements
- Incorporates Selected HIN Clinical Exchange which Benefit Medicaid and Non-Medicaid Providers and Payers
- Incorporates Network of Networks



Comparison of Business Models Using Different Factors

- Governance
- Financing
- Sustainability of Operations
- Support for Pathway Functionality
- Time Line
- Provider Adoption



Comparison of Governance

1. A- WVHIN Board As Is
2. A1 – WVHIN Board; Medicaid Has Stronger Role
3. B1 – Joint Medicaid/HIN Governing Board; Medicaid Controls its Partition; HIN Controls its Partition (Partitions Are Virtual, Separate)
4. B – Medicaid Governance with HIN Defined Roles and Responsibilities



Common Business Functionality

- Business Processes Shared by MMIS/MITA, WVHIN:
 - (1) Drug-Drug Interaction Alerts
 - (4) Disease Management
 - (13) Immunization Registry
 - (15) Verification of Provider Credentials
- Benefit of Joint Development, Shared Services



Common Technical Functionality

- Shared Technical Services
 - Authenticate User
 - Authorize User
 - Log, Track, Account for Activity



Comparison of Interoperability and Network Structure

- A – HIN Develops Pathway Network; Medicaid Develops a Network; Both Subscribe to Rules of Interoperability
- A1 – Medicaid Funding Can Support Multiple Network Interfaces
- B1 – Creates Hub with Joint Medicaid/HIN Governance; Separate Virtual Data Stores and Functions
- B – Medicaid Creates Hub; HIN Subscribes to Some Interfaces



Comparison of Financing Implementation

- A – Use State Funding; Public and Private Grants
- A1 – Same as A plus Medicaid/Federal Funding
- B1 – Uses Medicaid/Federal Funding plus PPP Funding for Non-Medicaid Functions
- B – Primary Funding is Medicaid/Federal



Comparison of Sustainability of Operations

- A – Depends on Provider and Payer Subscriptions and Additional Payer Support
 - A1 – Same as A but Has More Medicaid/Federal Support for Operations
 - B1 – Common Functions Supported by Medicaid/Federal; Depends on Subscriptions and Grants for Non-Medicaid Functions
 - B – Fully Supported by Medicaid/Federal



Comparison of Support for Pathway Functionality

- A – Fully Meets Pathway Goals
- A1 – Meets Pathway Goals Plus Some Medicaid Functions
- B1 – Supports common HIN/Medicaid Functions; Pathway Goals Met in HIN Partition
- B – Supports Medicaid Functionality and Agreed-on Pathway Functionality



Comparison of Time Line

- A – Fastest to Initiate; Long Term Capabilities Delayed by Funding and Adoption Scenarios
- A1 – Same Time Line as A, but Medicaid Implementation Subject to Federal Approval
- B1 – Anticipate Long Time Line Due to Design and Planning Negotiations
- B – Time Line Is Subject to Medicaid Plans and Federal Approvals



Comparison of Provider Adoption

- Note: In All Models, Provider Adoption of HIN Is Aided by Recovery Spending on Provider Adoption of Electronic Health Records
- Opportunity for the HIN and Medicaid to Promote “Meaningful Use”
- WVHIN Offers Platform for Meaningful Use



Open Discussion of the Pros and Cons of Four Different Models



Summary of Strategic Benefits

- Medicaid/MITA/Enhanced Federal Match and Recovery Act Grants Provide Funding Sources – Seek Model that Maximizes Benefit to WV Residents
- National Focus on Interoperability and Exchange of Clinical Information
- Many WVHIN Pathway Priorities Are Consistent with ONC and MITA Objectives



Possible Next Steps

- Determine Medicaid Level of Involvement
- Assess Impact of Medicaid/HIN Blended Goals on Current Pathway Strategy
- Focus on Recovery Act Grants for Planning and Implementation
- Assess Needs of Small Providers



... and the Winner Is ...

- Further Discussion of Options