

2016

An Opportunity to Leverage Federal Dollars to Support Interoperability and Health Information Exchange

SMD#16003



Department of Health Care Services
Information Management Division
Office of Health Information Technology
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INTRODUCTION

The Centers for Medicare and Medicaid Services (CMS) Medicaid Data and Systems Group and Office of the National Coordinator (ONC) Office of Policy, partnered to update the guidance on how states may support health information exchange and interoperable systems to best support Medicaid providers in attesting to Meaningful Use Stages 2 and 3. This updated guidance allows State Medicaid Agencies to leverage Medicaid HITECH funds to support all Medicaid providers with whom Eligible Providers (EPs) wish to coordinate care with.

The mission of the California Department of Health Care Services (DHCS) is to provide Californians with access to affordable, integrated, high-quality health care, including medical, dental, mental health, substance use treatment services and long-term care. Our vision is to preserve and improve the overall health and well-being of all Californians.

DHCS's programs and quality strategy emphasize prevention-oriented health care that promotes health and well-being. This is done to: a) serve those with the greatest health care needs through the appropriate and effective expenditure of public resources, with a focus on improving the health of all Californians; b) enhancing quality, including the patient care experience, in all DHCS programs; and c) reduce the Department's per capita health care program costs. DHCS has embarked on a path of transformation and innovation supporting the Medi-Cal 2020¹ Waiver, to achieve its commitments to the public and the people it serves.

Updated guidance provided in SMD #16003 places DHCS in a unique position to leverage Medicaid HITECH funds to support activities which align with the department's mission and vision, including HIE onboarding and systems for behavioral health providers, long term care providers, substance abuse treatment providers, home health providers, correctional health providers, social workers, emergency medical services providers and so on. It may also support the HIE on-boarding of laboratory, pharmacy or public health providers.

Given the breadth of potential activities eligible for HITECH funding at the local and state level, and recognizing the limited State staff resources available to support evaluation and funding of these activities, it is critical that efforts be coordinated and support DHCS's mission, including Medi-Cal 2020 waiver activities.

¹ <http://www.dhcs.ca.gov/provgovpart/Pages/medi-cal-2020-waiver.aspx>

Potential Uses

The underlying principle behind SMD#16003 and HITECH statute supporting the Medical EHR Incentive Program, supports the pursuit of initiatives to encourage the adoption of certified EHR technology which promote health care quality and the exchange of health care information under this title, subject to applicable laws and regulations governing such exchange. Activities include but are not limited to those which follow below.

HIE On-boarding

State Medicaid Agencies may use this enhanced funding to on-board Medicaid providers who are not incentive-eligible, including public health providers, pharmacies and laboratories. So, for example:

- Long term care providers may be on-boarded to a statewide provider directory
- Rehabilitation providers may be on-boarded to encounter alerting systems
- Pharmacies may be on-boarded to drug reconciliation systems
- Public health providers may be on-boarded to query exchanges
- EMS providers may be on-boarded to encounter alerting systems
- Medicaid social workers may be connected to care plan

Such on-boarding must connect the new Medicaid provider to an EP, and help that EP in achieving MU stage 2 and 3.

HIE Architecture

Several HIE modules and use cases are specifically called out for support:

- **Provider Directories:** with an emphasis on dynamic provider directories that allow for bidirectional connections to public health and that might be web-based, allowing for easy use by other Medicaid providers with low EHR adoption rates
- **Secure Messaging:** with an emphasis on partnering with DirectTrust
- **Encounter Alerting**
- **Care Plan Exchange**
- **Health Information Services Providers (HISP) Services**
- **Query Exchange**
- **Public Health Systems**

Any requested system must support Meaningful Use for a Medicaid EP in some manner. So, for example, the content in the Alerting feed or Care Plan must potentially help an EP meet an MU measure.

Public Health Systems

The major distinction from previous permitted funding options, is that Medicaid HITECH funds can be used for more than interfaces for EPs- now it can be used for the Public Health infrastructure more broadly to allow EPs to meet MU.

Provider Directories

- Enable HIE
- MMIS funding has always been available for Medicaid provider directories but the directory only supports Medicaid in most instances
- This new option would allow for the inclusion of non-eligible providers in a statewide HIE's provider directory, funded in part by Medicaid with HITECH funds

Care Plan Exchange

- Sending an electronic care plan between providers (physical and behavioral health, for example)
- MU alignment:
- Summary of Care
- Health Information Exchange
- View, download, transmit

Care Plan Scenarios

Scenario 1: Unidirectional Exchange of a Care Plan during a complete handoff of care from the sending Care Team (e.g. Hospital setting) to a receiving Care Team (e.g. Home Health Agency and PCP)

Scenario 2: Exchanging a Care Plan between Care Team Members and a Patient

- Setting 1: Hospital or ED where Patient is discharged from sends Care Plan to Care Team in non-acute care setting
- Setting 2: Care Team including Patient in Acute Care Setting creates harmonized Care Plan for exchange with a second Care Team in a non-acute care setting
- Setting 3: Patient receives Care Plan in their personal health record application or patient system.

Interoperability Standards

Medicaid systems must adhere to Medicaid Information Technology Architecture (MITA)*, which requires adherence to seven conditions and standards:

- Modularity Standards
- MITA Condition
- Industry Standard Condition
- Leverage Condition
- Business Result Condition
- Reporting Condition
- Interoperability Condition

Process

Funding for activities outlined in SMD#16003 go directly to the state Medicaid agency in the same way existing Medicaid HITECH administrative funds are distributed. Steps necessary to secure Federal funding include:

- Updating the State Medicaid Health Information Technology Plan (SMHP)² to include a high level description of the proposed initiatives or activities
- State submission of an IAPD (Implementation Advanced Planning Document), requesting approval of enhanced federal funding for the initiative. The IAPD must include a detailed description of the initiative, required staffing, comprehensive budget information, cost allocations, and details regarding the source of matching funds. IAPD's are submitted to CMS for review and approval.
- States must complete Appendix D (HIE information) for the IAPD as appropriate
- Federal funding for HIE and Interoperability activities described in SMD#16003 is in place until 2021 and is a 90/10 Federal State match. The state is responsible for securing the 10% match. As such, DHCS will need to work with potential recipients of this enhanced funding to identify a source for the 10% match. Please note, matching funds are subject to federal funding rules and cannot be provided directly from providers/entities benefiting from the enhanced funding.
- The funding is for HIE and interoperability **only**, not to purchase/provide EHRs.
- The funding supports one time implementation costs **only**, it is not available for maintenance and operational costs.
- The funding must be cost allocated if entities other than the state Medicaid agency benefit
- **All providers or systems supported by this funding must connect to Medicaid EPs.**

Submission Information

If you are interested in submitting an idea, provide the following detailed information in a document (limited to 10 pages) and send to Raul Ramirez, Chief, Office of Health Information Technology, via email at raul.ramirez@dhcs.ca.gov with the subject line "HIT Funding Opportunity"

Please include a Statement of Needs and Objectives including:

- A summary of project goals, objectives, and needs, and the anticipated benefits of the proposed project
- How does the project tie into Meaningful Use?
- How does it benefit Medicaid Meaningful Use EHR incentive providers?
- Potential costs
- Source of 10% Matching Funds
- Contributions

² http://www.dhcs.ca.gov/provgovpart/Documents/OHIT/CA_St_Medicaid_HIT_Plan_v2.4.pdf

The submissions will be reviewed and will be points for further discussion as DHCS updates the SMHP “To-Be HIT Landscape” and “HIT Roadmap.” The current CMS approved SMHP is posted on the DHCS website. There is no submission due date, as the SMHP is updated on an annual basis and funding runs to 2021.

DHCS expects to work with stakeholders to develop a series of projects represented by a series of IAPDs. Considerations for distinct projects may be funding sources and recipient characteristics, such as specific technical needs based on the current environment. These will be developed on a flow basis.

Examples of current projects that have received funding through this process prior to the SMD 16003 include:

- California Technical Assistance Program ([http://www.dhcs.ca.gov/provgovpart/Pages/California_Technical_Assistance_Program_\(CTAP\).aspx](http://www.dhcs.ca.gov/provgovpart/Pages/California_Technical_Assistance_Program_(CTAP).aspx))
- California Immunization Registry project (CAIR 2.0)
- California’s Reportable Disease Information Exchange (CaREDIE)

To read the full SMD#16003 letter, please see <https://www.medicaid.gov/federal-policy-guidance/downloads/SMD16003.pdf> .