# DC HIE POLICY BOARD

# Sustainability Subcommittee Kick-Off Meeting

June 9th, 2016

Sustainability

# AGENDA

1) Introductions
2) Review Subcommittee Mission and Draft Charter
3) Subcommittee's Approach
4) Key Sustainability Q's
5) Next Steps

# CURRENT MEMBERS

| # | SUBCOMMITTEE MEMBER | AFFILIATION | BOARD MEMBER |
|---|---|---|---|
| 1 | **Alison Rein *(CHAIR)*** | AcademyHealth | YES |
| 2 | **Claudia Schlosberg** | DC Dept. of Health Care Finance | YES |
| 3 | **Chris Botts** | DC Dept. of Health Care Finance | YES |
| 4 | **LaQuandra Nesbitt** | DC Dept. of Health | YES |
| 5 | **Andersen Andrews** | DC Dept. of Health | NO |
| 6 | **Donna Ramos-Johnson** | DC Primary Care Assoc. | YES |
| 7 | **Justin Palmer** | DC Hospital Assoc. | YES |
| 8 | **Peter Stoessel** | AmeriHealth | YES |
| 9 | **Scott Afzal** | CRISP | NO |

# DRAFT CHARTER

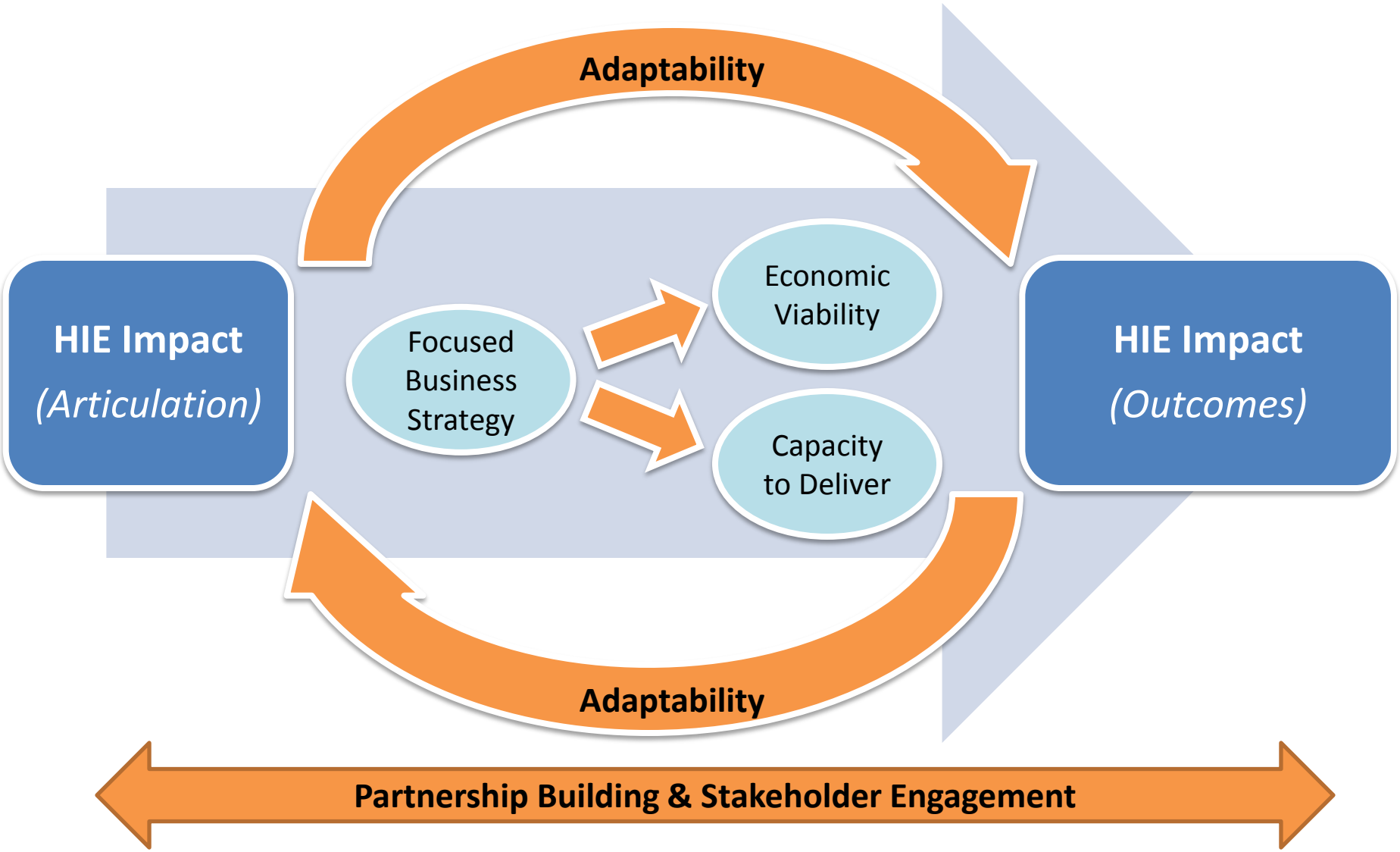
I. Purpose
   - Recommendations to Board representing best approach(s) to establishing long-term, sustainable HIE in the District

II. Composition & Meetings

III. Responsibilities & Duties
   - Analyze nationwide models and best practices
   - Discuss potential barriers and challenges
   - Recommendations for implementation

IV. Reports

# APPROACH TO SUSTAINABILITY




***Source***: Robert Wood Johnson Foundation; Aligning Forces for Quality – Sustainability Framework

# KEY PRINCIPLES

- Focused Business Strategy
  - Determine need (market research)
  - Articulate unique value proposition (benefit stakeholders receive)

- Economic Viability
  - Understand financial data
  - Diversify revenue streams
  - Charge for services

- Capacity to Deliver *(talent, infrastructure and processes)*
  - Leadership , Board and culture

# KEY QUESTIONS

- What value drivers are needed to encourage current and future HIE participation from stakeholders?
- Which drivers currently exist in the District?
- Are there barriers and challenges to implementing such drivers?
- What are the various revenue sources that can be leveraged?
- How can these efforts support other payers?

# HIE MODELS OVERVIEW

| Private Non-Profit(s) with strong State Government Collaboration\Role | Public Utility or Authority with State Government Oversight | Private For-Profit with State Government Collaboration | State/Government Led |
|---|---|---|---|
| May participate in governing body through one or more seats on the board | Convene stakeholders and reach consensus on a governing authority (utility commission) to oversee the exchange operations | May participate in governing body in some way | Convene stakeholders and reach consensus on architecture, operations, and financing |
| Support and participate in the development of standards that align with intrastate, interstate, and federal standards | Establish and enforce privacy and security policies | Support development of contractual agreements to operate the exchange | Own and operate HIE, or directs subsidiary |
| Support development of contractual agreements to operate the exchange | **Utility or Authority**<br>• Finance (set fees), construct, and operate the exchange | Ensure public programs and public health care delivery systems are appropriately represented included in the HIE | Establish and implement privacy and security policies |
| Ensure public programs and public health care delivery systems are appropriately represented and included in the HIE | **Commission or Board**<br>• Review rates and determine feasibility and reasonable rate of return | Monitor to ensure consumers are protected and the HIE is being developed in a fair and equitable manner | Establish agreements and contracts for participating in and financing the HIE |
| Monitor to ensure consumers are protected and the HIE is being developed in a fair and equitable manner | Review and determine requests for use and data within the exchange for research and other purposes | Develop intervention strategies and regulatory options to address market failures | Finance the development and sustainability of the HIE |
| | Ensure compliance with privacy and security policies | | Review and decide requests for use of the HIE |

# HIE MODELS OVERVIEW (Con't)

## POTENTIAL REVENUE SOURCES

| SOURCE | DESCRIPTION |
|---|---|
| **Grants** | Public or Privately funded |
| **Usage Fee** | Subscription, membership or transaction fees |
| **Public Utility Levies** | Taxes/fee schedule for public good |
| **Shared Revenue** | 3rd Party compensated through share of HIE revenue |

## POTENTIAL HIE VALUE ADD

| TYPE | DESCRIPTION |
|---|---|
| **Clinical Services** | Lab/Radiology results delivery, ePrescribing or secure messaging |
| **Admin. Services** | Prior authorization submission to HIE vs payer(s) |
| **Payer Value Added Services** | Potentially reduce costs through increased support of care management |
| **Provider Value Added Services** | MU reporting, quality measurement reporting, or continuity of care services |

# PRO'S vs CON'S

| BUSINESS MODEL | PRO | CON |
|---|---|---|
| **Non-Profit** | Tax exempt status and special tax credits can help reduce funding challenges | Strict conflict of interest rules; constraints raising capital; increased executive compensation scrutiny |
| **Public Utility** | Ensured level of cash flow based on government approved utility charges | Requires assistance of federal/state funds; subject to government priorities |
| **For-Profit** | Flexible return on investment (ROI) targets | Private funding required |
| **State/Government Led** | Source of funds is a known commodity (e.g., state/gov. budget) | Funds dependent on current administration priorities & fiscal climate |
| **Blended/Hybrid** | Diversified funding streams | High-level of oversight; sustainability is interdependent |

# NEXT STEPS

- Review key meeting takeaways for Board Chair Report
- Gather list of current assets (i.e., what current efforts can be leveraged?)
- Determine potential topic(s) for next meeting
- Recruit additional, non-Board members?
- Schedule next subcommittee meeting