

THE STATE-LEVEL HIE CONSENSUS PROJECT

*A Resource to Support Statewide HIE Development and
Foster Effective HIE Planning and Implementation*

The State-level Health Information Exchange (HIE) Consensus Project (Project) provides real-time research, analysis and shared learning to help state-level HIE leaders with planning and implementation efforts. Since 2006, this Project has been sponsored by the Office of the National Coordinator for Health IT (ONC) through a contract with the AHIMA Foundation. The Project focuses on state-level HIE issues, options, and challenges and provides a venue for convening, deliberation and consensus-building - helping to synthesize and disseminate emerging lessons learned about effective HIE development that will help to improve health care.

The Project is guided by a 13 member [Steering Committee](#) and supports a [State-level HIE Leadership Forum](#), where public and private sector HIE leaders can participate from across all states to learn, share and advise evolving health IT strategy with state-level perspectives.

The Project's work points to [key aspects of HIE planning and implementation](#) that are linked to meeting goals for real and substantive changes in health care. There are critical roles and functions for organized state-level HIE entities to serve as brokers for collaborative intra and interstate HIE, providing multi-stakeholder governance and linking pragmatic HIE implementation to achieving public policy objectives. Major areas of infrastructure must be addressed to achieve effective statewide HIE that impacts health and health care: governance and accountability; health system improvement goals and priorities; technical architecture; privacy and security policies; financing; and health IT adoption.

The following executive summary highlights key findings from the Project's most recent report, an invaluable synthesis of guidance for states as they respond to the new federal context for HIE development. This report can be found, along with numerous other reports, presentations, and resources, at the Project's Web site www.slhie.org.

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“Advancing Effective State-Level Approaches to Interoperability in the New Federal Context”

A Report of the State-level HIE Consensus Project

Released May 2009

EXECUTIVE SUMMARY

New Opportunities, New Responsibilities

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA) and, in doing so, committed significant resources to expand health information technology (IT) adoption and the secure and effective exchange of health information.

Within this new health IT agenda, states will play a pivotal role in creating and implementing plans, directing resources, and ensuring the investments yield improvements in the quality, safety and efficiency of health care. The health IT provisions of the ARRA will establish new accountability requirements, generate new reimbursement incentives, create new technical assistance centers, and introduce new collaborative arrangements that will require states to align resources, manage implementation, and coordinate activities amidst an array of new programs and obligations.

To ensure resources are effectively and efficiently deployed, states will need comprehensive strategies that take into account the complex challenges of advancing interoperability and serve the collective needs of all stakeholders.

Building upon Current State-level HIE Efforts

States have played an important role in aligning health IT and health information exchange (HIE) development with health policy goals. In nearly three-quarters of states, stakeholders in the public and private sectors have organized state-level HIE initiatives to foster collaboration in the public interest, coordinate activities and optimize resource allocation, and create the required accountability, policy, and technical frameworks to sustain their HIE development efforts.¹

While “states” include a broad array of stakeholders, institutions, populations and sectors within geopolitical borders, often the term “state” is used to refer to the actions of state government. Here, “state-level” is being used to reference the broad range of HIE roles, functions, issues and strategies that include state government participation but involve more broad public-private activities and collaboration. State governments play key roles as part of the state-level HIE efforts that are occurring; however, states vary as to how and where certain state-level HIE roles and activities are led and/or hosted e.g. within or outside of state government versus private sector. In any case, *state-*

¹ American Health Information Management Association. “State-level HIE Value and Sustainability Approaches for Financing and Bringing Interoperability to Scale.” November 5, 2008. Available online at <http://www.slhie.org/Docs/StateLevelHIEValueandSustainability.pdf>.

level refers to a set of distinct collaborative, public and private sector efforts for achieving *statewide* HIE that address:

- *Social capital and stakeholder consensus*: pragmatic solutions
- *Priorities*: HIE, health care reform targets, stakeholder value propositions
- *Investments and activities* (planning and implementation)
- *Infrastructure*: governance, technology, policy, HIE services, business model/ financing
- *Links*: Addressing needs and barriers (local and statewide)

As the breadth and intensity of state-level HIE efforts have steadily increased, so too have efforts to assist stakeholders plan, align resources, and develop effective implementation strategies. The State-level HIE Consensus Project (Project) was created in 2006 to study, assess, and provide recommendations to support development of effective state-level HIE considering the intersection of local, state and nationwide efforts.² For the last three years, the Project has studied and reported on the opportunities, key issues, and challenges for planning, implementing and evaluating HIE efforts. During 2008, the Project launched the Leadership Forum (Forum) to seek to engage all state-level HIE initiatives and share research results and lessons learned in an effective and timely manner.

Two other projects have been instrumental in assisting states, especially state government, to understand the HIE roles and relationships emerging. The State Alliance for e-Health, sponsored by the National Governors Association, has developed a series of valuable reports and recommendations regarding the complex and multi-faceted roles for state government vis-à-vis health IT and HIE.³

In addition, the National Conference for State Legislatures, through its Health IT Champions or HITCh effort, has maintained a database of State health IT legislation and State health IT Executive Orders, and synthesized information regarding prevailing state health policy trends related to fostering health IT and HIE best practices.⁴

Given the opportunities, obligations and timeframes posed by new federal law, the Project responded to assist the Forum and state-level HIE leaders in the near term as they consider comprehensive strategies to align health IT and HIE plans with a sustainable, high performing health system. This is one of several targeted analyses completed during the first quarter of 2009 to address topics identified by the Project's Steering Committee and Forum as key priorities.

This brief distills a key set of information about prevailing state-level HIE approaches, stages of development and planning and implementation issues as state-level HIE leaders strive to develop strategic next steps for their statewide HIE progress. This report synthesizes information from three major sources: (1) the Project's existing field research and three year body of findings on the critical governance, policy, technical, and financing issues for state-level HIEs; (2) in-depth key informant interviews conducted with representatives from a select number of states (9) in March 2009; and (3) feedback from the Project Steering Committee and Forum.⁵

² Additional information, reports, and resources are available online at <http://www.slhie.org/>.

³ Additional information on the State Alliance for e-Health is available online at <http://www.nga.org/center/ehealth>.

⁴ Additional information on the HITCh is available online at <http://www.hitchampions.org/>.

⁵ The list of informants is provided in *Attachment 2*.

Key Findings For Bringing Interoperability To Scale

This analysis points to three overriding strategic priorities critical for the success of state-level HIE efforts across stages of development.

Aligning Health IT and HIE Efforts to Support Health System Improvement

While technology can introduce new and powerful tools to improve healthcare, the deployment of health IT and the development of interoperable systems alone will not guarantee better, safer, more cost effective, accessible healthcare.

Health IT and HIE strategies are simply means to an end and must be guided by and framed within the context of specific healthcare objectives. As stated by incoming National Coordinator for Health IT, Dr. David Blumenthal, in a recent article in the *New England Journal of Medicine*, “[health IT] – computers, software, Internet connection, telemedicine- [should be seen] not as an ends in itself but as a means of improving the quality of healthcare, the health of populations, and the efficiency of healthcare systems.”⁶

The Project’s research efforts have consistently pointed to a link between quality improvement and HIE; based on the experiences and lessons learned from HIE development efforts, achieving widespread interoperability is a prerequisite in order to transform health care to deliver improved quality and cost-effectiveness. States with explicit and strong commitments to leverage HIE as part of their broader health care agendas have had the most success to date in financing and implementing state-level HIE initiatives.⁷

State-level HIE leaders report that the ARRA provides them with a unique opportunity to develop new, or refine their existing, comprehensive, statewide interoperability plans to address health IT adoption strategies. They assert that despite variation in strategies that may be deployed across states, any efforts to expand both provider adoption of health IT and information exchange must be linked to achieving common goals and priorities and part of a comprehensive and statewide healthcare improvement strategy.

Creating Mechanisms for Real Public-Private Collaboration

There are distinct and critical functions that have been categorized and described as the state-level HIE role of governance: these are convening and coordinating activities that are carried out by an organized body with a specific charter to guide statewide HIE development. The Project’s findings indicate that state-level HIE governance is a role that must address the diverse, dynamic and often divergent needs of local stakeholders yet also align statewide strategies with directions under the national strategic plan for health IT.⁸

Achieving HIE implementation to meet healthcare improvement goals requires an effective structure for sustained collaboration and coordination across sectors and among diverse

⁶ Blumenthal, David, MD. “Stimulating the Adoption of Health Information Technology.” *New England Journal of Medicine*. March 25, 2009. Available online at <http://content.nejm.org/cgi/content/full/NEJMp0901592>.

⁷ American Health Information Management Association. “State-level HIE Value and Sustainability Approaches for Financing and Bringing Interoperability to Scale.” November 5, 2008.

⁸ The ARRA calls for funding and programs to be tied to the “strategic plan developed by the National Coordinator.” The current version of the National Coordinator’s strategic plan, “The ONC-Coordinated Federal Health Information Technology Strategic Plan 2008-2012” is available online at <http://www.hhs.gov/healthit/resources/HITStrategicPlan.pdf>.

stakeholders. This collaborative structure provides a critical piece of infrastructure – a mechanism for negotiating health IT and HIE solutions among diverse interests (e.g., providers, payers, purchasers, researchers, consumers, policy makers) taking into account pragmatic implementation challenges, and balancing these against the public interest in health system improvements. This is a new and challenging role to achieve in practice; it requires operationalizing an effective public-private partnership structure to address financing, technical approach, data exchange policies, communication and education. The state-level HIE governance entity must have the resources, authority and social capital to develop an effective collaborative HIE governance framework, necessary to ensure consistent policy, technical, and financial approaches to advance interoperability.

Planning for Sustainability

For many, the magnitude of funding from the ARRA has created the impression that the financial obstacles for health IT have been resolved. While the funds represent an unprecedented investment, they will not address the persistent challenges to sustaining a health information infrastructure that meets the demands of a high performing healthcare system.

As stakeholders begin the process of creating or updating their statewide plans, it will be critical to avoid the temptation of addressing short term financial needs at the expense of the longer term systemic considerations that will ultimately determine the success of the stimulus investment. States need to act now and engage public and private payers and purchasers in a dialogue to develop the financial mechanisms needed to ensure the long term viability of these efforts.

Complete Report Available at

<http://www.slhie.org/reports.asp>