



*Protecting, maintaining and improving the health of all Minnesotans*

September 11, 2009

David Blumenthal, MD, MPP  
National Coordinator for Health Information Technology  
Department of Health and Human Services  
200 Independence Avenue, S.W.  
Washington, DC 20201  
Tel: (202) 690-7151  
StateHIEgrants@mailto:hhs.gov

Re: Letter of Intent to Apply for Funding Opportunity Number EP-HIT-09-001  
State Grants to Promote Health Information Technology Planning and Implementation Projects

Dear Dr. Blumenthal:

The State of Minnesota intends to apply for funding opportunity EP-HIT-09-001, American Recovery and Reinvestment Act of 2009, State Grants to Promote Health Information Technology within the State Health Information Exchange and Cooperative Agreement Program, Funding Opportunity Announcement (FOA). The Minnesota Department of Health (MDH) is the official State Agency responsible to apply for the State Grants to Promote Health Information Technology Program. This Letter of Intent is submitted on behalf of the State of Minnesota only. MDH will not apply to be a Health Information Technology Regional Extension Center for HIT.

**Title of Project: Minnesota e-Health Connect**

The Minnesota e-Health Connect Project will serve to coordinate disparate programs and facilitate an integrated statewide approach to health information exchange incorporating programs including: the Minnesota Health Information Exchange (MN HIE), the Minnesota Department of Human Services (DHS-State Medicaid Agency), MDH, other State Agencies, Community Health Information Collaborative (CHIC), Medicare, the Minnesota VA Medical Center (VAMC), counties, private and public health care providers, and community health system programs.

**Primary Point of Contact:**

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**Key Personnel:**

**Minnesota Department of Human Services (DHS):**  
Brian Osberg, State Medicaid Director  
Bob Paulsen, Medicaid HIT Coordinator

**MDH Office of Health Information Technology (OHIT):**  
Martin LaVenture, Director  
Elizabeth Cinqueonce, Deputy Director

**MN Health Information Exchange (MNHIE):**  
Michael Ubl, Executive Director

**Project Leadership & Statewide HIT Coordination**

MDH Office of Health Information Technology (OHIT) and the State Government Health IT Coordinator, in consultation with the Minnesota e-Health Initiative, will be responsible for oversight and leadership of the project, including efforts to update the Minnesota Strategic Plan and the development

and execution of an Operational Plan to enable statewide health information exchange in the State of Minnesota.

OHIT will work with DHS, Minnesota's Regional Extension Center, and other HITECH funding recipients (e.g. Section 3016) to coordinate activities, minimize redundancy and maximize effectiveness of HIT funding. OHIT and DHS are using common stakeholder forums to ensure integration between Minnesota e-Health Connect and the requirements of Section 4201, Medicaid Incentive Payments. Minnesota's Medicaid HIT Plan will accelerate the development of Medicaid's capacity to facilitate care coordination and improved quality and efficiency and will be consistent with the broader statewide vision for health information exchange. OHIT plans to make available existing stakeholder forums to provide input to Regional Extension Centers and facilitate coordination between their activities and Minnesota e-Health Connect.

**State Plan Status**

Minnesota has a State Plan that is partially consistent with planning guidance. Minnesota will update its Strategic Plan to specifically address HIE development, and develop an Operational Plan to detail how the plan will be executed to enable statewide exchange. The updated State Plan, consistent with the FOA requirements, will be submitted within three months of the start date of the anticipated award.

**Participating Stakeholders Involved in Minnesota e-Health & Exchange Activities**

**The Minnesota e-Health Initiative**, a public-private collaborative, was established in 2004 under the direction of the Commissioner of Health as the legislatively-chartered Minnesota e-Health Advisory Committee. The committee consists of 25 members representing a broad range of stakeholders charged with advising the Commissioner on matters related to e-health. This well-respected body is trusted by the health community, and will continue to facilitate the planning process that will generate consensus and community support for successful implementation of strategic and operational plans for exchange in Minnesota. Representation on the committee includes:

Consumers	Pharmacists/pharmacies
Academics/Informatics	Health care purchasers & employers
Health plans	Expert in clinical guideline development
Large hospitals	Quality improvement organization
Small hospitals	Professional with expert knowledge of HIT
Local public health agencies	Training/Education/Health Professional Schools
Nurses	Community Clinics/FQHCs
Physicians	Minnesota Department of Administration
Long term care	Minnesota Department of Commerce
HIT vendors	Minnesota Department of Health
Clinic managers	Minnesota Department of Human Services (Medicaid)
Laboratories	Minnesota exchange organizations (ex-officio)

Beyond the Minnesota e-Health Initiative, Minnesota has a rich tradition of collaboration and many of the following community organizations are working on various aspects of health information exchange:

**The Minnesota Department of Health (MDH)** is the state agency charged with carrying out Minnesota's commitment to public health and employs a variety of programs and strategies in the pursuit of its mission to protect, maintain, and improve the health of all Minnesotans. MDH's direct role in health information exchange includes the statewide immunization registry, which exchanges immunization data among health care providers, parents, public health agencies, and schools in all 87 Minnesota counties. In addition, MDH is the lead agency responsible for policy development surrounding Minnesota health reform efforts and leads the Minnesota e-Health Initiative described above.

**The Minnesota Department of Human Services (DHS)** is the state agency responsible for administering the Minnesota Medicaid program. They are recognized as leaders in efforts to establish innovative information systems and the enterprise architecture necessary to support the needs of the program through the MITA initiative and the development of the state's MMIS system. As a founding partner of the Minnesota Health Information Exchange, DHS played a significant role in shaping the development of electronic health information exchange capacity in Minnesota.

**The Minnesota Health Information Exchange (MN HIE)** is a not-for-profit organization established in 2007 as a state-wide secure network designed to safely share patient-specific clinical and administrative information among health care organizations in Minnesota and adjacent counties in bordering states. It is the largest health information exchange in this area of the country.

**The Community Health Information Collaborative (CHIC)** is a non-profit organization, established initially to facilitate information exchange among providers in the northeast region of the state. CHIC was one of 14 exchange organizations chosen to demonstrate clinical data exchange with the National Health Information Network (NHIN). CHIC is beginning to expand this work to assessments and metrics.

**The Administrative Uniformity Committee (AUC)** is a multi-stakeholder committee supported by the MDH to develop agreements among Minnesota payers and providers on standardized administrative transactions to reduce administrative costs.

In addition to activities initiated by the entities named above, there are multiple community health system efforts underway to exchange information among community providers.

### **Governance Capacity**

**Progress and Current Status.** The Minnesota e-Health Advisory Committee is a collaborative forum that has provided clear leadership on policy issues related to EHR adoption, and includes all of the stakeholders needed to achieve the project's goals for statewide exchange, accountability and public transparency. However, Minnesota needs a more refined governance structure to manage fully the implementation, deployment and sustainability of health information exchange. Currently, MN HIE and CHIC are governed by boards that provide strategic direction and oversight to business planning and operations. MN HIE's board includes representation from payers, providers and state government. CHIC's board is comprised of member hospital, clinic and other provider representatives.

**Project Plan.** This project, under the guidance of the Minnesota e-Health Initiative and direction of OHIT, will lead the development of a governance structure to meet the statewide needs. This structure will coordinate the existing publicly funded programs within MDH, DHS, and the private sector, and harmonize the governance capacity of the disparate health care entities described previously.

The Minnesota Office of Health Information Technology will oversee the development of a statewide approach for exchange and the coordination and implementation of statewide exchange across all state government projects related to health information technology. The Minnesota e-Health Initiative's foundation of broad stakeholder consensus will provide the forum to align the membership and important missions established by the programs identified above and allow Minnesota to meet the need for rapid and thoughtful action to frame the statewide concept for exchange.

### **Legal and Policy HIE Capacity**

**Progress and Current Status.** From 2005 to 2008, under the guidance of the Minnesota e-Health Advisory Committee, the Minnesota Privacy and Security Project (MPSP) received contracts with the Health Information Security and Privacy Collaboration (HISPC). This project completed a comprehensive

review of laws and practices that either enable or impede the efficient electronic exchange of health data. The project identified the most significant privacy and security issues and gaps facing organizations in implementing the electronic exchange of health information and developed solutions to address these gaps. This work informed the 2007 re-codification and updating of the Minnesota Health Records Act to support secure and confidential electronic exchange of health information.

Minnesota has a number of integrated delivery networks serving patient populations that extend into neighboring states, making secure and confidential multi-state sharing of electronic health information of high importance. The HISPC work in Minnesota and our border states can serve as a foundation for bridging differences in our state privacy and security laws and frameworks.

**Project Plan.** The project will create a formalized structure, policy and statutory framework for the oversight and governance of exchange organizations in Minnesota, and exchange of health information across state lines. Future efforts will unify data sharing and legal agreements by building on the existing efforts of Minnesota's health information exchange organizations. This funding will allow us to review and unify subscription agreements, privacy and security policies and procedures, standard templates for consultant agreements, non-disclosure agreements, data exchange and support agreements, business associate agreements and master technology service agreements. The project will also provide for collaboration and solidification of policy, privacy and security requirements for interstate and inter-organizational health information exchange, including: data sharing, laws, regulations, and adaptation to health information security by organizations involved in the exchange of personal health information.

### **Technical Infrastructure Capacity**

**Progress and Current Status.** MN HIE currently provides services that allow providers to look up patients, access medication history, and manage patient consent consistent with Minnesota and federal privacy and security laws. MN HIE is developing the capacity to exchange immunization records, lab results, patient eligibility, Continuity of Care Documents (CCD), and making enhancements to security. MN HIE is also exploring methods of exchanging data with Personal Health Records (PHRs) for State employees. CHIC has developed a personal health record, participated in clinical data exchange demonstration with NHIN, and developed a record locator service.

**Project Plan.** Minnesota will use this project to ensure that Minnesota's exchange capacity fully meets the requirements of meaningful use. This project will integrate, enhance, and expand existing exchange mechanisms that support administrative transactions (e.g., eligibility claims, and remittances), clinical transactions (e.g., e-prescribing, CPOE, and care coordination), and other required reporting (e.g., outcome and quality reporting). These enhanced services will significantly expand providers' and others' ability to share information and coordinate patient care, and will ensure that the technical infrastructure is secure, reliable, standards based, and supports core services statewide to maximize interoperability.

### **Business and Technical Operations Capacity**

**Progress and Current Status.** Significant resources have been invested by the private and public sectors through MN HIE and CHIC to implement business services and technical operations capacity needed for exchange in Minnesota. Nonetheless, Minnesota needs greater resources to add operational capacity to meet the expectations of meaningful use and to connect and synchronize existing efforts. Examples of Minnesota's current investments in business and technical operations by MN HIE and CHIC include:

- Procuring vendor contracts to maintain systems operations and development of exchange services related to medication history and immunization data.
- Implementing formal project management to oversee the development of the technical infrastructure.

- Instituting change management procedures to document changes during the implementation process.
- Implementing a help desk to provide on-going support to subscribers.
- Creating policies and procedures for privacy and security, including documents required under the Minnesota Health Records Act and HIPAA for the management of patient consent.

**Project Plan.** This project will facilitate the convergence of diverse business and technical operations that exist today. Funding will be applied to further procurement, development, formal project management, systems maintenance, change control, outcome measures, and reporting to ensure comprehensive HIE enabled meaningful use. The project will build upon existing technology already in place through entities such as MN HIE, CHIC, DHS, and the statewide immunization registry and include a focus on access to health information for rapid disaster or emergency response.

### **Finance Capacity**

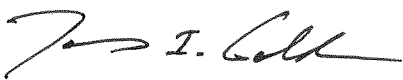
**Progress and Current Status.** The private and public sectors have invested significant resources through MN HIE and CHIC in the development and operations of the technical services previously outlined. MN HIE founding partners' original investment supported the development of a business plan, governance structure, technology requirements and evaluation of potential funding models. Its business plan will require further review and validation by stakeholders to ensure that it enlists broad support and participation by all Minnesota health care providers. CHIC updated their financial policies and procedures to better support administration and billing processes. They are currently assessing return on investment for participating organizations, conducting market analysis, and building a sustainable funding structure. CHIC continues to pursue funding from private and public sources and marketing efforts.

**Project Plan.** This funding opportunity will assist Minnesota's exchange organizations to review and update their current business models to support the full range of services required for statewide information exchange to enable meaningful use, and ensure long-term viability. The review will include evaluation and development of such items as management of finance policies, procedures and controls, sustainability plans, pricing strategies, market research, public and private financing strategies, financial reporting, business planning and audits.

### **Minnesota Project Summary & Impact on Citizens of the State**

The Minnesota e-Health Initiative has done significant work to ensure that the policy framework is in place to support the use of Health Information Technology and protect patient privacy. The Minnesota e-Health Connect Project will expand these efforts to serve the interest of all Minnesotans and build the health information exchange capacity to enable meaningful use. This project will build upon current capacity to ensure prompt and secure availability of the comprehensive information necessary to make quality care decisions and achieve the transformed health care delivery system envisioned by health reform. Minnesota e-Health Connect **will serve the public interest** as Minnesotans experience improved health care quality, increased patient safety, reduced health care costs, improved population and public health, and ready access to the information necessary for individuals and communities to make the best possible health decisions.

Respectfully yours,



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