

Kentucky e-Health Network Board

June 4, 2008

Minutes

Meeting No. 24

Capitol Annex – Room 129

3:00 pm – 4:30 pm

Board Members in Attendance:

Dr. Larry Cook, Co-Chair – University of Louisville
Dr. Carol Steltenkamp, Co-Chair - University of Kentucky
Jim Barnhart, Deputy Commissioner - Commonwealth Office of Technology
Dr. David Bensema – Kentucky Medical Association
David Bolt – Physician Practice Managers
Dr. Ford Brewer, Toyota Motor Manufacturing - Associated Industries of Kentucky
John Burkholder, Acting Executive Director - Kentucky Department of Insurance
Ron Carson, Proxy for Brad Cowgill - Kentucky Council on Postsecondary Education
Deborah Clayton, Commissioner – Kentucky Department of Commercialization & Innovation
Rep. Bob DeWeese - House of Representatives
Dr. William Hacker, Commissioner - Kentucky Department of Public Health
Betsy Johnson, Commissioner - Kentucky Department of Medicaid Services
Kelly Rodman – Health Insurance Business Headquartered in Kentucky
Senator Katie Stine - Senate
Dr. Kimberly Williams – Kentucky Medical Association

Others Present:

Steve Nunn, Deputy Secretary - Cabinet for Health & Family Services

Absent:

Barbara Haunz Asher – Citizen at Large
Murray Clark – Kentucky Hospital Association
Senator Julie Denton - Senate
Bruce Klockars – Kentucky Hospital Association & Rural Hospitals
Janie Miller, Secretary - Cabinet for Health and Family Services
Larry Mott - Business with Large Scale e-Strategy & Computer Information Technology
Rep. Tommy Thompson – House of Representatives

Staff:

Barbara Baker, Policy Advisor
Eric Duncan, Policy Advisor
Laura Cole, Project Manager
April Smith, Project Manager
Donna Veno, Assistant

The meeting was called to order by Dr. Carol Steltenkamp, Co-Chair.

Newly Appointed Board Members

Dr. Steltenkamp announced that Senators Julie Denton and Katie Stine were appointed by Senate President David Williams to represent the Senate on the Board. Governor Beshear appointed David Bolt to represent physician practice managers and Larry Mott to represent businesses engaged in large-scale e-strategy and computer information technology.

Welcome and Introductions

Board members and staff introduced themselves. Dr. Hacker reported that he addressed the American Medical Informatics Association's Annual meeting in Phoenix representing ASTHO

(Association of State and Territorial Health Officers). The American Medical Informatics Association has been in existence for 20 years and their focus is on clinical informatics. They have developed a public health track, looking at hospitals and physician practices' electronic health records moving to the technical side of information technology in e-health to more of the social side of e-health which focuses on systems development and sociology of adoption of electronic health records and the issues of privacy and security and the public awareness. The website will host on the slides that were and can be viewed at <http://www.amia.org>.

Review and Approval of April Board Minutes

Dr. Steltenkamp moved to approve the April board minutes; Dr. Hacker seconded the motion. Motion carried.

3rd Annual e-Health Summit Update

Barbara Baker reported that she and Eric Duncan met with the Kentucky Medical Association and they are excited about having the e-Health Summit as a part of their annual meeting. Their planning group will begin meeting in November. This will give us about a year to plan for the e-Health Summit.

Update on e-Health Request for Information

The RFI ended April 30, 2008. A list of the responders was distributed outlining general services offered, hardware and software products, and other services unique to each company. What was garnered from the RFI was that companies have the technology to move forward with e-health.

Remarks from Lt. Governor Daniel Mongiardo

The Lt. Governor reported on his trip to Washington several weeks ago where he met with congressional leaders, Department of Defense, Homeland Security, to propose that Kentucky be designated as a laboratory to build a national model as a prototype of Next Generation Healthcare. This prototype will serve as a foundation upon which the nation can respond to the Institute of Medicine's 2001 urge to bridge the gulf between care as it is and care as it can and should be.

He also discussed the Wall Street Journal report of the Congressional Budget Office's Paper ***"Evidence on the Costs and Benefits of Health Information Technology."*** That report stated that the Congressional Budget Office could not advise for investment in information technology because there was no solid proof of the return on investment. This report gives support to the development of a national laboratory to prove return on investment, and it fits into Kentucky's proposal to be the national laboratory for building a statewide e-health network. Kentucky will use their universities to provide research to prove the return on investment in information technology focusing on a financial return, improvement in health indices, improvement in quality of health care for patients, and a reduction in healthcare costs.

A white paper ***"Kentucky e-Health Network: A Case for Designing the Nation's Model"*** was prepared for Kentucky's Congressional Delegation, as well as proposed language for amendment to Senate Bill 1693, to make Kentucky eligible to be a national laboratory based on identified parameters. Kentucky is well positioned to take charge to change health care in this nation by developing a model for Next Generation Healthcare. Next Generation Healthcare will provide clinicians with all information and data about a patient during examination, provide current research on available treatments, and provide the ability to customize and tailor wellness and prevention through the use of genomics for the individual instead of society. Branding healthcare for marketing to 4 million patients in Kentucky is also needed. We have also requested \$125M per year over the next 2 years to fund this initiative.

Discussion continued on the cost of building a national health information network. The Commonwealth Fund estimates building a national health information network in five years would take \$156 billion. There was a question on how existing systems would be integrated. It is proposed that a utility would be set up that would integrate existing health information exchanges such as HealthBridge, LouHIE, Northeast RHIO, hospitals, physician practices, etc. to allow the exchange of

data and information. Dr. Ford Brewer informed the Board that Toyota has been in discussions with HealthBridge to take over their on-site employee healthcare project in San Antonio, Texas. HealthBridge is currently providing that service to several hospitals in Indiana as well as other places.

Healthcare Infrastructure Authority

Bob Esterhay, MD and Carol Ireson, PhD reported on the status of the Healthcare Infrastructure Authority's development of the Kentucky e-Health Network Model. The Authority met via a conference call and included representatives from the University of Kentucky, University of Louisville, Gary Ozanich of Northern Kentucky University, Betty Regan of Morehead State University, Lt. Governor Mongiardo, Eric Duncan and Barbara Baker. The Authority's goal is to facilitate the development of a comprehensive plan as set forth in Senate Bill 2 in 2005. The Authority's role is to facilitate, convene and talk to people across the state to identify next steps and recommendations to the Kentucky e-Health Network Board. In 2007, the Kentucky e-Health Action Plan was approved by the Board. The Authority recommends that the network model identified in the e-Health Action Plan be retained with minor clarifications and modifications to include the Kentucky e-Health Network Infrastructure Authority. The Office of the National Coordinator recently released its Strategic 2008-2012 Plan that addresses four themes: privacy and security, interoperability, adoption, and collaborative governance. Collaborative governance will allow for the inclusion of the public and private sector and stakeholders in identifying the vision and strategy for developing the Kentucky e-Health Network. It is recommended that the Authority's current leadership structure be retained and regular meetings held.

Carol Ireson, PhD summarized the recommendations for the Kentucky e-Health Network Board, the Kentucky e-Health Corporation, and next steps for the Healthcare Infrastructure Authority. The Kentucky e-Health Network Board will operate in accordance with its responsibilities under Senate Bill 2 and will provide oversight, recommendations, regulations, legislation and standards and will generate and provide funding to the Kentucky e-Health Corporation and other entities as appropriate.

Recommendations for the Kentucky e-Health Network Board include:

- Balance Board membership with more private sector representation;
- Control of the Corporation via oversight, regulations, legislation, funding, and adherence to standards;
- Approve governance task force co-chairs and members; and
- Consider task-force recommendations when available.

The Kentucky e-Health Corporation will act in accordance with its responsibilities as laid out under House Bill 185.

Recommendations for the Kentucky e-Health Corporation include:

- Let board membership evolve as the vision, strategy and plan are developed; and,
- Collaborate with community RHIOs and HIEs and other stakeholders, and as appropriate formalized relationships.

Next Steps for the Authority include:

- Move the Kentucky e-Health Network visioning and planning process forward;
- Fast-track development of the Kentucky e-Health Network Plan (update 2007 Kentucky e-Health Action Plan, and make modifications to the Corporation Business Plan as appropriate); and,
- Report recommendations back to the Board in a timely manner.

Dr. Steltenkamp stated that an ad hoc group would be established to review the current governance structure of both the Kentucky e-Health Network Board and the Kentucky e-Health Corporation. This group will look at the recommendation for more private sector representation on the Kentucky e-Health Network Board as well as reviewing the current Corporation's officers, set up, and its reporting nature to this Board. Dr. Steltenkamp and Dr. Cook will be putting together a recommended list of individuals for the ad hoc group and will send out the list to the Board members. In making these

recommendations, individuals should be cognizant of any potential conflicts of interests. This ad hoc group is asked to go forward with a clean slate for board memberships and recognize that the membership is set by statute and if revised, legislation will be required. It is suggested that an attorney with expertise in corporate law be appointed to the ad hoc group. The ad hoc group should also address expertise that is not currently available through the Cabinet or elsewhere in State Government, funding issues, and whether legal assistance could be provided by the Law Schools at the University of Kentucky and the University of Louisville.

The Medicaid Transformation Grant was also discussed. Commissioner Johnson was asked to review the grant and present back to the Board at its next meeting.

Board Meeting

The next meeting of the Board is scheduled for July 2, 2008 from 3:00 – 4:30 PM at the Capitol Annex, Room 129.

Submitted by Donna Venio
June 17, 2008