

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2106 Session of 2009

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SIPTROTH, SONNEY, SWANGER, THOMAS, YOUNGBLOOD, BRADFORD AND
KORTZ, NOVEMBER 23, 2009

AS AMENDED ON SECOND CONSIDERATION, HOUSE OF REPRESENTATIVES,
SEPTEMBER 21, 2010

AN ACT

1 Establishing the Pennsylvania Health Information Exchange
2 Authority and the Health Information Technology Fund; and
3 providing for grants and loans for health information
4 technology and for duties of the Department of Community and
5 Economic Development.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 CHAPTER 1

9 PRELIMINARY PROVISIONS

10 Section 101. Short title.

11 This act shall be known and may be cited as the Health
12 Information Technology Act.

13 Section 102. Definitions.

14 The following words and phrases when used in this act shall
15 have the meanings given to them in this section unless the
16 context clearly indicates otherwise:

17 "Clinical decision support system." An interactive computer

1 system that assists health care providers in applying new
2 information to patient care through the analysis of patient-
3 specific clinical variables.

4 "Community-based health care clinic." A nonprofit health
5 care center located in this Commonwealth providing comprehensive
6 health care services without regard for a patient's ability to
7 pay and:

8 (1) meets either of the following criteria:

9 (i) serves a federally designated medically
10 underserved area, a medically underserved population or a
11 health professional shortage area; or

12 (ii) serves a patient population with a majority of
13 that population having an income less than 200% of the
14 Federal poverty income guidelines; and

15 (2) includes any of the following:

16 (i) a federally qualified health center as defined
17 in section 1905(1)(2)(B) of the Social Security Act (49
18 Stat. 620, 42 U.S.C. § 1396d(1)(2)(B)) or a federally
19 qualified health center look-alike;

20 (ii) a rural health clinic as defined in 1861(aa)(2)
21 of the Social Security Act (49 Stat. 620, 42 U.S.C. §
22 1395x(aa)(2));

23 (iii) a hospital outpatient clinic certified by
24 Medicare;

25 (iv) a free or partial-pay health clinic that
26 provides medical home and primary care services by
27 volunteer and nonvolunteer health care providers; or

28 (v) a nurse-managed health care clinic that is
29 managed by advanced practice nurses, a federally
30 qualified health center or an independent nonprofit

1 health or social services agency.

2 "Department." The Department of Community and Economic
3 Development of the Commonwealth.

4 "Fund." The Health Information Technology Fund established
5 in section 503.

6 "Health care facility." A health care facility as defined
7 under section 802.1 of the act of July 19, 1979 (P.L.130,
8 No.48), known as the Health Care Facilities Act, or an entity
9 licensed as a hospital under the act of June 13, 1967 (P.L.31,
10 No.21), known as the Public Welfare Code.

11 "Health care provider." A person licensed by the
12 Commonwealth to provide health care or professional medical
13 services. The term includes, but is not limited to, a physician,
14 a dentist, a pediatrician, a certified nurse midwife, a
15 podiatrist, a certified registered nurse practitioner, a
16 physician assistant, a skilled nursing facility, nursing home,
17 home health entity, a community-based health care clinic and
18 community mental health center.

19 "Health informatics." Any of the following:

20 (1) The electronic exchange of health care information
21 among entities in the health care system, including, but not
22 limited to:

23 (i) Physicians and other health care providers.

24 (ii) Health insurance companies and health
25 maintenance organizations.

26 (iii) Federal and State government health payers.

27 (iv) Employers.

28 (v) Pharmacies and pharmacy benefit managers.

29 (vi) Laboratories.

30 (vii) Public health agencies.

1 (2) The provision of the most current, complete and
2 accurate information possible when making health care
3 decisions regarding patients.

4 (3) The sharing and exchange of health care information
5 among organizations that are owners or custodians of the
6 health care information.

7 (4) The use of information technology to enable and
8 improve the exchange and presentation of health care
9 information.

10 (5) The adoption and use of electronic medical record
11 technology, where appropriate, within the health care system.

12 (6) The reduction of total health care costs through
13 improved quality and reduction in redundancies and
14 administrative waste.

15 "Health information." Information that:

16 (1) is created or received by a health care provider,
17 health plan, public health authority or health care
18 clearinghouse; and

19 (2) relates to the past, present or future physical or
20 mental health or condition of an individual, the provision of
21 health care to an individual or the past, present or future
22 payment for the provision of health care to an individual.

23 "Health information exchange" or "HIE." The electronic
24 movement of health-related information among organizations
25 according to nationally recognized standards.

26 "Health information technology." Hardware, software,
27 integrated technologies or related licenses, intellectual
28 property, upgrades or packaged solutions sold as services that
29 are designed for or support the use by health care entities or
30 patients for the electronic creation, maintenance, access or

1 exchange of health information.

2 "Health information technology regional extension center." A
3 United States-based nonprofit institution or organization or
4 group of nonprofit institutions or organizations, meeting the
5 requirements established by the Office of the National
6 Coordinator and created to:

7 (1) Encourage adoption of certified electronic health
8 records by clinicians and hospitals.

9 (2) Increase the probability that adopters of electronic
10 health record systems will become meaningful users of the
11 technology.

12 (3) Assist clinicians and hospitals to become meaningful
13 users of electronic health records.

14 "Health information technology system." The secure use of
15 information and communication technology that may include:

16 (1) electronic health records;

17 (2) personal health records;

18 (3) e-mail communication;

19 (4) clinical alerts and reminders;

20 (5) clinical decision support systems; or

21 (6) other technologies that store, protect, retrieve and
22 transfer clinical, administrative and financial information
23 electronically within health care settings.

24 "Health insurer." Any of the following providers of health
25 care insurance coverage:

26 (1) an insurer licensed under the act of May 17, 1921
27 (P.L.682, No.284), known as The Insurance Company Law of
28 1921;

29 (2) a health maintenance organization as defined in
30 section 3 of the act of December 29, 1972 (P.L.1701, No.364),

known as the Health Maintenance Organization Act; or

(3) a nonprofit health plan corporation operating under 40 Pa.C.S. Chs. 61 (relating to hospital plan corporations) and 63 (relating to professional health services plan corporations).

"Interoperability." The ability of different information technology systems and applications to exchange data securely, accurately, effectively and in a manner that maintains and preserves the clinical purpose of the data.

"National Coordinator." The head of the office of the National Coordinator of Health Information Technology.

"Program." The Health Technology Program established in Chapter 3.

"Protected health information." Protected health information under 45 CFR Parts 160 (relating to general administrative requirements) and 164 Subpts. A (relating to general provisions) and E (relating to privacy of individually identifiable health information).

"Qualified electronic health record." An electronic health record that has been generated under the Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123 Stat. 115) and that is applicable to the type of record involved.

CHAPTER 3

PENNSYLVANIA HEALTH INFORMATION EXCHANGE (PHIX)

Section 301. Scope of chapter.

This chapter relates to facilitating and assisting in the development and operation of a Statewide health information exchange.

Section 302. Definitions.

The following words and phrases when used in this chapter

1 shall have the meanings given to them in this section unless the
2 context clearly indicates otherwise:


3 "Authority." The Pennsylvania Health Information Exchange
4 (HIE) Authority established under section 303(a).

5 "Board." The board of directors of the Pennsylvania Health
6 Information Exchange (PHIX) Authority established under section
7 303(b).

8 Section 303. Establishment of the Pennsylvania Health
9 Information Exchange Authority.

10 (a) Establishment.--There is established a body corporate
11 and politic to be known as the Pennsylvania Health Information
12 Exchange (PHIX) Authority.

13 (b) Board.--The powers and duties of the authority shall be
14 vested in and exercised by a board of directors.

15 (c) Board composition.--The board of the authority shall
16 consist of ~~17~~ members, appointed in accordance with the
17 following: 

18 (1) An individual appointed by the Governor from a list
19 of three qualified individuals with experience in health
20 informatics recommended by a technology industry organization
21 operating and based in Pennsylvania.


22 (2) Four Commonwealth residents with an expertise in
23 health informatics. Each of the following persons shall
24 appoint one person:

25 (i) The President pro tempore of the Senate.

26 (ii) The Minority Leader of the Senate.

27 (iii) The Speaker of the House of Representatives.

28 (iv) The Minority Leader of the House of
29 Representatives.

30 (3) Three physicians ~~appointed by the Governor~~, ONE OF 

1 WHOM SHALL BE APPOINTED BY THE MAJORITY LEADER OF THE SENATE,
2 ONE OF WHOM SHALL BE APPOINTED BY THE MINORITY LEADER OF THE
3 SENATE, AND ONE OF WHOM SHALL BE APPOINTED BY THE MAJORITY
4 LEADER OF THE HOUSE OF REPRESENTATIVES, from a list of six
5 qualified licensed physicians recommended by the Pennsylvania
6 Medical Society and the Pennsylvania Osteopathic Medical
7 Association. Each shall serve initial terms of three years.
8 One appointee shall be from a practice employing ten or fewer
9 physicians. One appointee shall be from a rural practice. One
10 appointee shall be part of a large urban or suburban practice
11 of 51 physicians or more.

12 (4) Seven individuals with expertise in health
13 informatics appointed as follows:

14 (i) Two individuals representing a community-based
15 health care clinic, one of whom from a federally
16 qualified health center. One shall be appointed by the
17 Majority Leader of the Senate and one shall be appointed
18 by the Majority Leader of the House of Representatives.

19 (ii) Three individuals recommended by the Hospital
20 and Healthsystem Association of Pennsylvania, one of whom
21 shall be a representative of rural hospitals. One shall
22 be appointed by the President pro tempore of the Senate
23 and one appointed by the Speaker of the House of
24 Representatives. The remaining individual shall be the
25 representative of rural hospitals and appointed by the
26 Majority Leader of the House of Representatives.

27 (iii) One representative of the Blue Cross and Blue
28 Shield plans in Pennsylvania, appointed by the Minority
29 Leader of the Senate.

30 (iv) One representative of a licensed insurer other

1 than a Blue Cross or Blue Shield plan, appointed by the
2 Minority Leader of the House of Representatives.

3 (5) The Secretary of Public Welfare or a designee.

4 (6) A representative of consumers who is not primarily
5 involved in the provision of health care or health care
6 insurance appointed by the ~~Governor~~ MINORITY LEADER OF THE
7 HOUSE OF REPRESENTATIVES.

8 (7) Two individuals appointed by the Governor, one with
9 expertise in privacy and the other with expertise in health
10 information security.

11 (d) Terms.--Members of the board shall not serve more than
12 three full consecutive terms. Each board member shall serve a
13 term coterminous with the board member's appointing authority
14 unless replaced earlier by the appointing authority.

15 (e) Quorum.--A majority of the members of the board shall
16 constitute a quorum.

17 (f) Action.--Notwithstanding any other provision of law,
18 action may be taken by the board at a meeting upon a vote of the
19 majority of its members present in person or through the use of
20 amplified telephonic equipment if authorized by the bylaws of
21 the board.

22 (g) Meetings.--The board shall meet at the call of the
23 chairperson or as may be provided in the bylaws of the board.
24 The board shall hold quarterly meetings which shall be subject
25 to the requirements of 65 Pa.C.S. Ch. 7 (relating to open
26 meetings). Meetings of the board shall be held within this
27 Commonwealth. Records of board meetings are subject to the act
28 of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know
29 Law.

30 (h) Chairperson.--The chairperson shall be the person

1 appointed under subsection (c) (1).

2 (i) Formation.--The authority shall be formed within 60 days
3 of the effective date of this section.

4 (J) DISSOLUTION.--THE AUTHORITY SHALL BE DISSOLVED, IF AFTER
5 THREE YEARS OF OPERATION THE COSTS OF THE AUTHORITY, INCLUDING
6 SALARIES AND NECESSARY EXPENSES FOR THE PROPER OPERATION AND
7 ADMINISTRATION OF THE EXCHANGE, EXCEED REVENUES, INCLUDING
8 TRANSACTION FEES FOR USES.

9 Section 304. Powers and duties.

10 (a) General rule.--The board shall:

11 (1) Adopt bylaws necessary to carry out the provisions
12 of this chapter.

13 (2) Employ staff as necessary to implement this chapter.

14 (3) Make, execute and deliver contracts and other
15 instruments.

16 (4) Apply for, solicit, receive, establish priorities
17 for, allocate, disburse, contract for, administer and spend
18 moneys in the fund under Chapter 5 and other funds made
19 available to the board from a source consistent with the
20 purposes of this chapter.

21 (5) Participate with the department in applying for and
22 distributing grants and loans under Chapter 5.

23 (6) Accept Federal grants to carry out the purpose of
24 the authority that includes administering grants and loans in
25 accordance with the terms of the grants.

26 (7) Impose subscription or transaction fees for users of
27 the health information exchange which shall be used to pay
28 for the exchange's operation.

29 (b) Exchange of electronic information.--The authority
30 shall:

1 (1) Define the vision for a Statewide health information
2 exchange system to electronically exchange health care
3 information among entities in the health care system. This
4 shall include, but is not limited to:

5 (i) Health care providers.

6 (ii) Health insurance companies and managed care
7 organizations.

8 (iii) Federal and State government health payors.

9 (iv) Employers.

10 (v) Pharmacies and pharmacy benefit managers.

11 (vi) Laboratories.

12 (vii) Public health agencies.

13 (2) Encourage, facilitate and assist in:

14 (i) The development of the Statewide health
15 information exchange system.

16 (ii) The ongoing operation of the Statewide health
17 information exchange system, including monitoring the
18 performance, quality and security of the Statewide health
19 information exchange system.

20 (3) Oversee a collaborative Statewide process using
21 public and private expertise to develop common policies,
22 clinical goals, technical requirements and architectural
23 standards for this Commonwealth's health information exchange
24 system consistent with emerging Federal requirements.

25 (4) Develop policies using a collaborative Statewide
26 process to ensure compliance with section 305.

27 (c) Statewide health information technology plan.--The
28 authority shall facilitate with the department the development
29 of a Statewide health information technology plan that includes
30 the implementation of an integrated electronic health

1 information infrastructure for the sharing of electronic health
2 information among health care facilities, health care
3 professionals, public and private payers and patients. The
4 health information technology plan shall:

5 (1) Support the effective, efficient, Statewide use of
6 electronic health information in patient care, health care
7 policymaking, clinical research, health care financing and
8 continuous improvements to quality.

9 (2) Propose methods to educate the general public and
10 health care providers about the value of an electronic health
11 infrastructure for improving patient care.

12 (3) Promote the use of national standards for the
13 development of an interoperable system, which shall include
14 provisions relating to security, privacy, data content,
15 structures and format, vocabulary and transmission protocols.

16 (4) Propose strategic investments in equipment and other
17 infrastructure elements that will facilitate the ongoing
18 development of a Statewide infrastructure.

19 (5) Recommend funding mechanisms for the ongoing
20 development and maintenance costs of a Statewide health
21 information system, including funding options and an
22 implementation strategy for a loan and grant program.

23 (6) Propose to incorporate the existing health care
24 information technology initiatives in order to avoid
25 incompatible systems and duplicative efforts.

26 (7) Address issues related to data ownership, governance
27 and confidentiality and security of patient information.

28 (8) Once the Statewide health information technology
29 plan has been drafted, the plan shall be posted for public
30 comment for a period of 30 days. Written input shall be

submitted to the authority. Public comment shall be reviewed and considered by the authority before a final plan is adopted.

(d) Statewide health information exchange.--The authority shall establish Statewide health information exchange capabilities for streamlining health care administrative functions, including:

(1) Communicating point-of-care services, including laboratory results, diagnostic imaging and prescription histories.

(2) Communicating patient identification and emergency room required information in conformity with Federal and State privacy laws.

(3) Real-time communication of enrollee status in relation to health plan coverage, including enrollee cost-sharing responsibilities.

(4) Current census and status of health plan-contracted providers.

(e) Security measures.--The authority shall develop and establish appropriate security standards to protect both the transmission and the receipt of individually identifiable health information or health care data that include:

(1) Appropriate security standards to protect access to any individually identifiable health information or health care data that may be collected, assembled or maintained by the authority.

(2) Levels of security and protection for access to and control of individually identifiable health information, including mental health care data and data relating to specific disease status that is governed by more stringent

1 Federal or State privacy laws.

2 (3) Policies and procedures for the authority for taking
3 disciplinary actions against a board member, employee or
4 other person with access to individually identifiable health
5 care information that violates Federal or State privacy laws
6 related to health care information or data maintained by the
7 corporation.

8 (4) Privacy, security operational and technical
9 standards to assist health information exchanges in this
10 Commonwealth to ensure effective Statewide privacy, data
11 security, efficiency and interoperability across networks.

12 (f) Advisory panels.--The board may create any advisory
13 panels that the board considers useful to advise the board and
14 the authority on issues determined by the board. The authority
15 may create advisory panels to advise the board and the authority
16 on a particular issue. The board shall consider the interests of
17 the following when creating an advisory panel:

18 (1) Health care provider.

19 (2) Insurers.

20 (3) Managed care organizations.

21 (4) Health care information systems.

22 (5) Hospitals and health systems.

23 (6) Laboratory services.

24 (7) Radiological services.

25 (8) Community-based health care clinics.

26 (9) Health information exchange organizations.

27 (10) Pharmacies.

28 (11) Dentists.

29 (12) Pediatricians.

30 (13) Any other health care providers.

1 Section 305. Prohibited use of information.

2 The authority shall not engage in any of the following:

3 (1) The collection and analysis of clinical data AND ←
4 DATA RELATING TO ANY INDIVIDUAL WITHOUT THE EXPRESS WRITTEN
5 CONSENT OF THE INDIVIDUAL.

6 (2) The comparison of health care providers to other
7 health care providers.

8 (3) The creation of evidence-based standards for the
9 practice of medicine.

10 Section 306. Appropriate use of information.

11 The authority may provide access to aggregated, de-
12 identified, protected health information to local health
13 information exchanges, Commonwealth-accredited universities and
14 public health departments for the purposes of disease
15 management, population health assessments and identifying public
16 health trends or incidents.

17 Section 307. Annual report.

18 (a) Deadline and contents.--The board shall report no later
19 than ~~July 1, 2010~~ SEPTEMBER 1, 2012, and annually thereafter to ←
20 the General Assembly on the activities in the preceding year.

21 The report shall include:

22 (1) A schedule of the year's meetings.

23 (2) Updates to the Statewide plan created under section
24 304.

25 (3) Updates to privacy, security, operational and
26 technical standards to assist health information exchanges in
27 this Commonwealth to ensure effective Statewide privacy, data
28 security, efficiency and interoperability across networks.

29 (4) A list of any grants or loans that the authority
30 assisted in attaining for any health care provider or health

1 information exchange.

2 (5) A summary of the fund receipts and expenditures,
3 including a financial statement and balance sheet.

4 (b) Distribution.--The report shall be distributed to the
5 Secretary of Health, the chair and minority chair of the Public
6 Health and Welfare Committee of the Senate and the chair and
7 minority chair of the Health and Human Services Committee of the
8 House of Representatives.

9 (c) Public access.--The annual report shall be made
10 available for public inspection and shall be posted on the
11 authority's publicly accessible Internet website.

12 CHAPTER 5

13 LOANS OR GRANTS FOR INFORMATION NETWORKS PROGRAM

14 Section 501. Purpose.

15 This chapter relates to assisting health care providers in
16 funding for health technology information facilitating and
17 assisting in the development and operation of a Statewide health
18 information exchange.

19 Section 502. Health Information Technology Program.

20 (a) Establishment.--The Loans or Grants for Information
21 Networks (LOGIN) Program is established in the department to
22 administer loans or grants:

23 (1) under the American Recovery and Reinvestment Act of
24 2009 (Public Law 111-5, 123 Stat. 115); or

25 (2) from sources other than those in paragraph (1) that
26 shall be used to provide funding to health care providers or
27 health information technology regional extension centers to
28 encourage the adoption and implementation of health
29 information technology.

30 (b) Eligible activities.--The program may provide grants or

1 loans to health care facilities, health care providers or health
2 information exchanges.

3 (c) Grants.--Grants shall be used to conduct activities to
4 facilitate and expand the electronic movement and use of health
5 information among organizations according to nationally
6 recognized standards through activities that include:

7 (1) Training and dissemination of information on best
8 practices to integrate health information technology.

9 (2) Promoting the interoperability of clinical data
10 repositories or registries.

11 (3) Promoting technologies and best practices that
12 enhance the protection of health information by all holders
13 of individually identifiable health information.

14 (4) Improving the secure electronic exchange of health
15 information.

16 (5) Improvement and expansion of the use of health
17 information technology by public health departments.

18 (6) Providing technical assistance for the development
19 and dissemination of solutions to barriers to the exchange of
20 electronic health information.

21 (7) Promoting effective strategies to adopt and utilize
22 health information technology in medically underserved
23 communities.

24 (8) Assisting patients in utilizing health information
25 technology.

26 (d) Loans.--Loans may be used for the following activities:

27 (1) The purchase by health care providers and health
28 care facilities of qualified electronic health record
29 technology.

30 (2) Enhancing the utilization of qualified electronic

1 health record that may include costs associated with
2 upgrading health information technology so that it meets
3 criteria for a qualified electronic health record technology.

4 (3) Training personnel in the use of qualified
5 electronic health record technology.

6 (4) Improving the secure electronic exchange of health
7 information.

8 (5) Purchasing clinical decision support systems.

9 (e) Limitations.--

10 (1) The amount of a loan to a health care facility or
11 health care provider may not exceed:

12 (i) \$1,000,000 for a health care facility.

13 (ii) \$50,000 for a health care provider.

14 (2) A grant under this subsection shall require a
15 matching commitment of 20% of the grant or loan which can be
16 in the form of cash or equivalent in-kind capital or
17 services.

18 (3) No less than 25% of available funds shall be used
19 for loans to health care providers in counties of the fourth,
20 fifth, sixth, seventh or eighth class.

21 (4) No less than 15% of available funds shall be used
22 for loans to health care providers with 50 or fewer
23 practicing physicians.

24 (f) Loan requirement.--A loan made under this section shall
25 require all of the following:

26 (1) Have an interest rate that does not exceed the
27 market interest rate.

28 (2) Require the principal and interest payments on each
29 loan to commence not later than one year after the date the
30 loan was awarded.

(3) Require each loan to be fully amortized no later than ten years after the date of the loan.

(g) Health information technology regional extension centers.--Nothing in this section shall prevent a health care provider or health care facility from using a loan received under this section to contract for services provided by a health information technology regional extension center.

Section 503. Fund.

~~(a) Establishment.~~—A fund is established in the State Treasury to be known as the Health Information Technology Fund. The following shall be deposited in the fund:

(1) Money appropriated to the fund by the General Assembly.

(2) Grants and loans received under the American Recovery and Reinvestment Act of 2009 (Public Law 111-5, 123 Stat. 115) or other Federal law.

(3) Earnings derived from the investment of the money in the fund after deducting investment expenses.

(4) Loan repayments of principal and interest.

(5) Funds derived from any other source.

Section 504. Application.

(a) Submission.--In order to receive a loan or grant under this chapter, a health care facility or health care provider center shall submit an application in a form and manner prescribed by the department.

(b) Requirements.--An application submitted under subsection (a) shall set forth the manner in which the health information technology system will do the following:

(1) Comply with all criteria adopted by the National Coordinator.

1 (2) Protect privacy and security of health information.

2 (3) Maintain and provide permitted access to health
3 information.

4 (4) Improve the quality of health care by reducing
5 health care costs, serious preventable adverse events,
6 medical errors, inappropriate care and incomplete information
7 and the coordination of care and information among health
8 care providers, health insurers and other entities.

9 (5) Ensure interoperability with other systems and
10 health care providers.

11 (6) Provide consumer access to personal medical
12 information.

13 (7) Comply with all Federal and State laws and
14 regulations relating to security and notification of any
15 breach of electronic medical records.

16 (8) Ensure that the health care provider or health care
17 facility will become a meaningful user, as determined by the
18 Centers for Medicare and Medicaid Services, of a qualified
19 electronic health record.

20 Section 505. Duties of department.

21 (a) Duties.--The department shall:

22 (1) Administer the health information technology program
23 to provide grants and loans to eligible health care providers
24 and health care facilities.

25 (2) Award grants and loans in all geographic areas of
26 this Commonwealth.

27 (3) Require the use of standards for health information
28 technology that are consistent with those developed by the
29 National Coordinator and the Centers for Medicare and
30 Medicaid Services, when applicable.

1 (4) Develop a grant and loan application form with input
2 from the Pennsylvania Health Information Exchange Authority,
3 the Department of Public Welfare, the Insurance Department,
4 the Department of Health and the Governor's Office.

5 (5) Develop the criteria for awards of a grant and loan
6 with input from the Pennsylvania Health Information Exchange
7 Authority, the Department of Public Welfare, the Insurance
8 Department, the Department of Health and the Governor's
9 Office.

10 (6) Provide a loan application form within 90 days of
11 the effective date of this section.

12 (7) Ensure that health information technology policies
13 and programs of the department are coordinated with the
14 Pennsylvania Health Information Exchange Authority, the
15 Department of Public Welfare, the Department of Health, the
16 Governor's Office of Health Care Reform and other executive
17 branch agencies with Federal agencies.

18 (8) Share appropriate data relating to the use of health
19 information technology systems with the Pennsylvania Health
20 Information Exchange Authority, the Department of Public
21 Welfare, the Health Care Cost Containment Council, the
22 Patient Safety Authority and other State agencies. Data
23 collected by a State agency relating to the operation of
24 health information technology systems in this Commonwealth
25 shall be shared with the department.

26 (9) Give preference to applications which provide health
27 information technology systems that link multiple health care
28 providers and which provide direct patient access to health
29 care information.

30 (10) Audit loans awarded under this act.

1 (11) Provide ongoing assessment of the benefits and
2 costs of health information technology systems, including
3 information relating to reduction in medical errors,
4 reduction in physician visits, economic impact, efficiencies
5 and other information.

6 (12) Develop a public information program to inform the
7 public of the efficiency and safety advantage of health
8 information technology.

9 (b) Exceptions.--Federal grants or loans for health
10 information technology shall be administered under the
11 conditions and requirements in the grant.

12 Section 506. Accountability.

13 (a) Information required.--Within one year of the award of a
14 loan under this act, the recipient shall provide all of the
15 following to the department:

16 (1) A report on the status of the strategic plan and the
17 development of the health information technology system.

18 (2) An accounting of the expenditure of funds from the
19 loan and from other sources.

20 (3) A report on any reductions in medical errors,
21 increases in efficiency and advances in the delivery of
22 patient-centered medical care.

23 (b) Annual report.--The department shall submit an annual
24 report to the chair and minority chair of the Banking and
25 Insurance Committee of the Senate and the chair and minority
26 chair of the Insurance Committee of the House of
27 Representatives, which report shall include the number and
28 amount of grants and loans awarded, a description of the system
29 being funded, total amount of funds spent and the projected
30 impact on the delivery of health care.

1 CHAPTER 20

2 MISCELLANEOUS

3 Section 2001. Effective date.

4 This act shall take effect ~~in 60 days~~ JANUARY 19, 2011.

