



Pennsylvania eHealth Partnership Authority

*Annual Report to the Governor
and
General Assembly
as Required by Act 121 of 2012*

December 19, 2014



Pennsylvania eHealth Partnership Authority
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Letter from the Authority's Chairman

On behalf of the Pennsylvania eHealth Partnership Authority, it is my pleasure to present the Authority's 2014 Annual Report. We are pleased to relate the significant progress that the Authority has made in moving forward to accomplish our goal of enabling electronic health information exchange (eHIE) across our great Commonwealth.

Key to the Authority's ultimate success in establishing statewide eHIE is having a plan. On September 5, 2014, the Authority's Board unanimously approved a 2014-2017 Strategic and Operational Plan for Electronic Health Information Exchange. This Plan was the culmination of months of hard work and discussions among Board members, stakeholder committees, and staff that successfully harnessed the expertise of diverse organizations and individuals to advance eHIE in Pennsylvania.

We now have a detailed yet flexible roadmap for our shared journey toward improving patient care, enhancing population health, and reducing healthcare costs through electronic data exchange. Pennsylvania's plan is also consistent with the tenets and priorities of the just-released Federal Health IT Strategic Plan 2015-2020, which emphasizes that the interoperable exchange of health information will allow patients, providers, public health departments, and payers to securely exchange and use vital health information, thereby enhancing care delivery and public health, while also empowering individuals to make informed choices about their healthcare.

Heading into 2015, the Authority remains focused on our major priorities:

- Following up on 2014's successful pilot of the Authority's Pennsylvania Patient and Provider Network (P3N) by connecting additional regional health information organizations (HIOs)—and by extension their connected providers and those providers' patients—to the P3N.
- Establishing the Public Health Gateway (PHG), which will provide a secure, single point of entry for critical public health data. The PHG will allow healthcare providers and the HIOs to submit reportable public health information and clinical quality data to state agencies.
- Being the statewide convener for communication, best practices and consensus-building among healthcare providers, health insurers, state officials, patient advocates, HIOs and others interested in fulfilling the promise of statewide eHIE for the benefit of all Pennsylvanians.

Despite our very lean staffing, our greatest challenge is having sufficient funding to accomplish our statutory responsibilities. On December 5, 2014, and with the support of the HIOs that will connect to and through the P3N, the Board unanimously adopted a funding model that will be a key step toward achieving self-sufficiency for fiscal year 2017 and beyond.

I would like to extend my appreciation to all of our volunteer Board members and the Authority's small, efficient, and highly effective staff for all that was achieved in 2014.

On behalf of the Authority, thank you for your continuing support of our mission to establish statewide eHIE for the benefit all Pennsylvanians.

Respectfully,



David F. Simon, Esq.
Chairman

Letter from the Authority's Executive Director

Despite having the best healthcare resources in the world, the United States is ranked by the Institute of Medicine and other healthcare researchers at the top worldwide for per capita healthcare spending, but well down the list for healthcare outcomes. Electronic health information exchange (eHIE) is a key part of the solution to this paradox of American medicine. The implementation of eHIE can:

- Increase the speed and accuracy of diagnosis for individuals and populations by putting comprehensive clinical data just a mouse-click away from providers wherever and whenever needed.
- Reduce the occurrence of readmissions and redundant tests through the exchange of health information with other providers who have treated the same patients.
- Increase patient satisfaction by reducing their time spent in the healthcare system and eliminating potentially unnecessary testing.

Studies from California, Florida, New York, South Carolina, and Washington have demonstrated that the use of eHIE has produced multi-million dollar savings in those healthcare systems. Examples include reduced duplication of diagnostic tests in emergency rooms, fewer unnecessary emergency room visits, significant time savings for providers and patients, and—most importantly—improved quality of care. On a regional basis, Pennsylvania also has seen the benefits of eHIE, through better care coordination, reduced readmissions, and improved provider workflow and access to patient information. This robust data also lends itself to a healthcare system that is constantly learning and improving.

The Pennsylvania eHealth Partnership Authority has been critical to the cost-effective development and enabling of eHIE in the Commonwealth. From its earliest iteration as the Pennsylvania Health Information Exchange (PHIX) in 2008, through the creation of the Pennsylvania eHealth Collaborative in 2011, to its statutory roots under Act 121 of 2012, the Authority has been on a journey of immense complexity that has required countless technical, business, legal, governance, and related issues to be addressed. From the start, our progress toward statewide eHIE has depended on guidance and input from hundreds of diverse stakeholders—partnering with us on committees and workgroups, contributing to our 2014–2017 Strategic and Operational Plan, and helping stand up our governing Board under Act 121.

It is with much pride in what we have accomplished to date that we present our 2014 Annual Report, which details the progress we have made in enabling eHIE in Pennsylvania. Through its role as a convener and facilitator, the Authority is enabling a public-private synergy that capitalizes on the best of both worlds to implement the Pennsylvania Patient and Provider Network (P3N) and work to make eHIE ubiquitous in Pennsylvania.

It is also important to emphasize that we enter 2015 at a critical stage in the Authority's life, as we are on an upward trajectory toward achieving statewide eHIE in the near future. If the full benefits of eHIE are to be realized for patients, providers, and the public-private participants, the Authority will require sufficient resources to fulfill its vision and mission (discussed in detail in the Sustainability section of this report)—resources that represent a small investment toward an exponentially greater return for Pennsylvania's citizens. We look forward to productive discussions with the Governor's office and legislative leaders as we move into the 2015–2016 budget cycle.

As we reflect on 2014 and look ahead to 2015, the Authority remains committed to moving forward with our Strategic and Operational Plan and continuing our commitment to transparency, collaboration, and stakeholder involvement in all that we do. Key priorities will be the onboarding of health information organizations (HIO) to the P3N and continuing to demonstrate the value of the Authority and its work to our stakeholders, the HIO community, the Governor's office, state agencies, lawmakers, and, most importantly, the 12+ million Pennsylvanians who will reap the benefits of eHIE.

Alix Goss
 Alexandra (Alix) Goss
 Executive Director

PA eHEALTH PARTNERSHIP AUTHORITY

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The purpose of the Pennsylvania eHealth Partnership Authority is to improve healthcare delivery and healthcare outcomes in Pennsylvania by enabling the secure exchange of health information (eHIE).

The Authority was created through legislation approved in July 2012. It took over the work of the PA eHealth Collaborative, which began its work by providing leadership and strategic direction for public and private, federally funded and state-funded investments in health information technology initiatives, including health information exchange capabilities and other related health information technology efforts. The Authority's direction has considered the stakeholder community's needs and will complement commonwealth agency operations. It also will ensure ongoing interagency cooperation.

Follow the Authority on Twitter: @PAeHealth

2014-2017 Strategic and Operational Plan Approved
 The Pennsylvania eHealth Partnership Authority 2014-2017 Strategic and Operational Plan for Electronic Health Information Exchange (eHIE) was unanimously approved by the Authority Board on September 2, 2014.

2014 Plenary Meeting a Success
 More than 175 leaders from the fields of health information technology, healthcare, and healthcare policy convened in Harrisburg on October 11-12 for the Authority's 2014 Plenary Meeting. In addition, the Authority Board of Directors conducted its October meeting, and the Authority's registered stakeholders elected an 8-Office Non-Voting Board member to serve from 2014-2017.

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Executive Summary

This Report meets the obligations of the Pennsylvania eHealth Partnership Authority under Act 121 of 2012, Section 303(a)15, to “submit an annual report to the Governor, the President pro tempore of the Senate and the Speaker of the House of Representatives for distribution to appropriate legislative committees on the activities of the Authority for the year.”

Early 2014 marked the conclusion of most activities covered under the Authority’s previous strategic plan which was endorsed by both the Governor’s Office and the Office of the National Coordinator for Health Information Technology (ONC). The Authority developed an updated Strategic and Operational Plan in cooperation with various community stakeholders. The new 2014–2017 plan was adopted by the Authority’s Board on September 5, 2014, and is available on the Authority’s website.

2014 also marked the formation of two standing Board Committees. The Audit Committee oversees selection and engagement of independent auditing firms, including the firm that conducts the Act 121 mandated independent financial audit. The Audit Committee also serves as liaison between audit firms and the full Board. The independent auditor retained by the Authority, Zelenkofske Axelrod LLC, determined that the Authority’s financial statements, financial position, and the changes in financial position and cash flows for the year ended June 30, 2014, are “in accordance with accounting principles generally accepted in the United States of America.” The Board Finance Committee oversees routine financial management of the Authority and makes recommendations to the full Board regarding budgets and financial sustainability efforts.

The Authority’s services related to HIO governance, technical, and certification programs have been branded as the Pennsylvania Patient and Provider Network (P3N).

Using the Nationwide Privacy and Security Framework published by ONC in 2008 as its basis, the Authority has developed standardized policy framework for use across all P3N participants to include a

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Technical
implementation and
piloting of the P3N
concluded in 2014,
resulting in numerous
refinements to the
system and processes
that will be used to
onboard additional
health information
organizations (HIO) to
the P3N in 2015.

network privacy policy, a network use management policy, a network monitor-audit-breach policy, a notice of privacy practices for electronic health information exchange (eHIE), a statewide opt-out or opt-back-in form, a data use and reciprocal support agreement, and a participation/business associate agreement. This set of documents incorporates the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, Act 121, and other applicable Pennsylvania laws and regulations. The Authority has also established processes to facilitate patient consent choices in addition to the statewide opt-out or opt-back-in form noted above. The form is available in English and Spanish, as will be supporting educational materials concerning patient choice with regard to eHIE across the P3N.

Ongoing work involves resolution of several outstanding issues to reconcile Pennsylvania and federal law, especially around so-called “super-protected data”. The Authority’s policy framework will continue to evolve. Such continued work is critical to the ability for Pennsylvania to interoperate with other states.

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Technical implementation and piloting of the P3N concluded in 2014. The pilot resulted in numerous refinements to the system and processes that will be used to onboard additional health information organizations (HIO) to the P3N in 2015. The Authority also successfully concluded a proof-of-technology for electronic lab reporting that will serve as a foundation for the Public Health Gateway (PHG) deployment. The PHG will enable easier reporting and exchange between the public and private sectors.

Phase one of the PHG was defined in 2014 with an expected implementation through fall 2015 , and will enable private reporting via eHIE to the Department of Health’s Electronic Lab Reporting Registry, Immunization Registry, Cancer Registry and Syndromic Surveillance Registry. This phase will also enable reporting of Electronic Clinical Quality Measures and Meaningful Use Reporting to the Department of Human Services (formerly the Department of Public Welfare). Phase two of the PHG will, pending successful identification of funding, make these linkages bi-directional, and we anticipate adding exchange with other state agencies.

The P3N pilot also permitted testing and refinement of the HIO certification program, which leverages the policy and technical work described above to create a consistent framework for interoperability across HIOs. Version 2 of the certification framework was released in October 2014, and 2014 saw the identification and adoption by the Board of several P3N modifications required to support the rapid evolution of eHIE plans by the Authority’s private-sector partners. Version 3 of the certification program will integrate these changes and is expected to be released in mid-2015.

Meanwhile, another Authority certification program for Health Information Service Providers (HISP), originally launched in 2012, experienced considerable growth in 2014. Six certified HISPs are currently operating in Pennsylvania, serving nearly 10,000 customers. This success has been fostered by Authority incentive programs that helped to develop specific uses of this simple, scalable, and standards-based way to enable point-to-point exchange via secure messaging.

In 2014 the Authority worked with the Department of Public Welfare (now Department of Human Services) to secure up to \$12 million in funding from the Centers for Medicare & Medicaid Services (CMS) which will allow the Authority to assist private-sector HIOs in connecting hospitals and ambulatory providers to their networks, and then connect the HIOs to the P3N. As with previous CMS programs, this funding will support only certain classes of providers, and the Authority continues to seek funds to support connection for certain other provider communities, most notably behavioral health providers, long-term care and post-acute care providers, and home-health agencies.

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The Authority continues robust private-sector engagement via standing workgroups, stakeholder committees, and events.

As in previous years, the Authority continues robust private-sector engagement via various standing workgroups and stakeholder committees, and engagement events. It also continues to develop materials designed to educate the general public and providers not participating directly as stakeholders. These materials are available via the Authority’s website and can be leveraged by HIOs and HISPs as they seek to educate their constituents.

Finally, in February 2014, the Authority concluded performance under the ONC grant which provided much of the Authority's funding until this year. The Authority has requested increased appropriations in state fiscal year 2015-2016 to allow the Authority to complete P3N implementation and HIO onboarding. This funding will be critical to allowing the P3N adoption to mature, while also preparing the Authority to support ongoing healthcare reform efforts, such as Accountable Care Organizations and Patient-Centered Medical Homes.



The Pennsylvania eHealth Information Technology Act

Act 121 of 2012

Section 303(a)15:

(15) Submit an annual report to the Governor, the President pro tempore of the Senate and the Speaker of the House of Representatives for distribution to appropriate legislative committees on the activities of the authority for the year, including a summary of the receipts and expenditures, a list of contracts and a summary of any reportable security breaches that occurred and corrective actions that were taken.

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Vision

Electronic health information exchange (eHIE) enables initiatives striving to improve patient experience, population health and healthcare cost.

Mission

To establish a statewide interoperable system for participating organizations to electronically move health information in a manner that ensures the secure and authorized exchange of health information to provide and improve care to patients.

Guiding Principles

Privacy
Security
Governance
Transparent
Inclusive
Collaboration
Align and adapt
Interoperability
Efficiency
Technology platform
Incremental
Incentives
Operations

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The Pennsylvania eHealth Information Technology Act

Act 121 of 2012

Establishment and Governance

Act 121

The Pennsylvania eHealth Partnership Authority (Authority) was created in July 2012 with unanimous passage of Senate Bill 8, enacted as Act 121 of 2012. This Act:

- Established the Authority as an independent agency
- Established a public-private Board of Directors with 15 voting members and two ex-officio, non-voting members with powers to adopt bylaws to carry out the provisions of Act 121
- Established appointments and terms for the Board
- Directed the Board to develop, establish, and maintain a statewide electronic health information exchange (eHIE) statewide
- Directed the Board to adopt:
 - Policies and procedures to govern the electronic exchange of health information in accordance with this act
 - Rules, responsibilities and obligations for organizations and individuals to become and remain participants in the health information exchange
 - Policies and procedures for organizations and individuals to be suspended and disengaged as participants in the health information exchange
- Authorized the Board to employ individuals as necessary to carry out the work of the Authority
- Directed the Board to develop and conduct public information programs to educate and inform consumers and patients about health information
- Established reporting, oversight, and sunset dates for the Authority
- Created a Treasury Fund for use by the Authority and authorized the Authority to raise funds (including user fees) to support Authority activities and spend appropriately from the accumulated funds to support the mission
- Authorized the execution and creation of contracts and grants
- Required the creation of an opt-out registry and processes by which citizens may opt out of or opt back in to eHIE

Strategic and Operational Plan

The Authority achieved progress in accomplishing objectives in the initial Strategic and Operational Plan developed in collaboration with a diverse group of stakeholders and endorsed by both the Governor's Office and the Office of the National Coordinator for Health Information Technology (ONC). Early 2014 witnessed the completion of most specific goals and objectives included in that plan, and the expiration of the federal program that funded much of the Authority's activity since 2011.

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The plan is a detailed road map for the Authority, as work continues to advance electronic health information exchange (eHIE) in Pennsylvania.

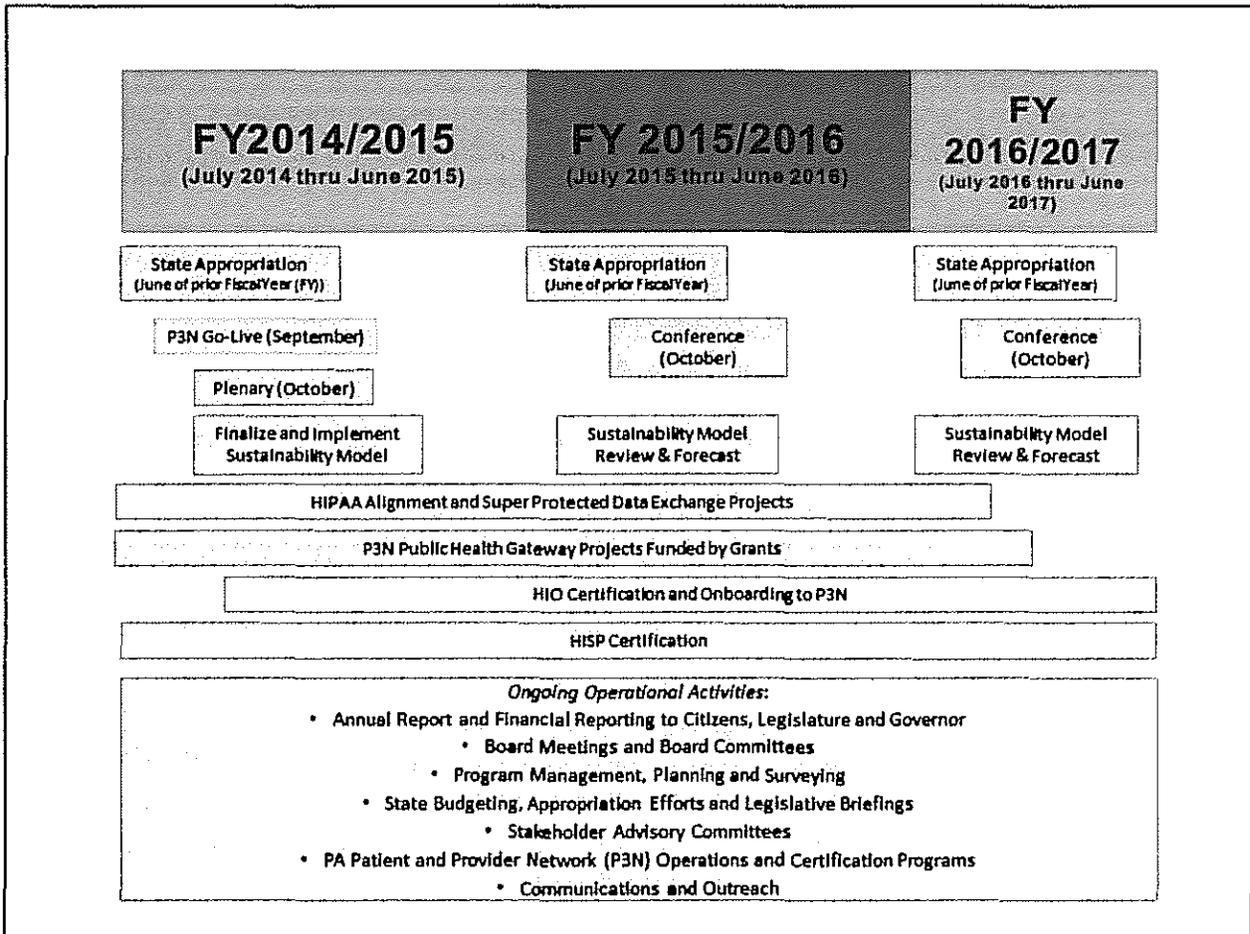
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In 2014, the Authority leveraged its partnerships with diverse stakeholders to develop a new Strategic and Operational Plan. The plan, unanimously approved by the Authority Board on September 5, 2014, succinctly defines the Authority’s mission “to establish a statewide interoperable system for participating organizations to electronically move health information that ensures the secure and authorized exchange of health information to provide and improve care to patients.”

The plan will serve as a detailed road map for the Authority over the next three years, as work under Act 121 of 2012 continues to advance electronic health information exchange (eHIE) in Pennsylvania. At the same time, the plan gives Authority Board and staff the ability to quickly adjust to the ever-changing healthcare and technology landscape to meet the evolving needs of all Pennsylvanians seeking healthcare.

In keeping with the Authority’s commitment to collaboration and transparency, the plan—developed through an iterative and incremental process—reflects the voices of participants and what they need to support their business models.

Below is a high-level graphic depicting the plan:



Board of Directors

Under Act 121, the Authority is governed by a 15-member Board of Directors, with two additional Board members serving in an Ex-Officio non-voting capacity. Current Board membership is as follows:

Member	Act 121 Represented Constituency	Act 121 Appointing Authority
David F. Simon, Chair	Consumers	Governor
Sharon Ackerman Register of Wills, Somerset County	Consumers	Governor
Michael Wolf Secretary, PA Department of Health	Secretary of Health or a designee, who shall be an employee of the Department of Health	n/a
Vincent Gordon Deputy Secretary, PA Department of Public Welfare	Secretary of Welfare or a designee, who shall be an employee of the Department of Public Welfare	n/a
Ellen Krajewski President/CEO, Susquehanna Community Health and Dental Center	Unserved or underserved rural or urban patient population	Governor, from names submitted by the Pennsylvania Area Health Education Center and Association of Community Health Centers
Thomas Beeman, Vice Chair President/CEO, Lancaster General Health	Hospitals	Governor, from names submitted by The Hospital & Healthsystem Association of Pennsylvania
Gaspere (Gus) Geraci, M.D. Consulting Chief Medical Officer, Pennsylvania Medical Society	Physician or Nurse	Governor, from names submitted by the Pennsylvania Medical Society, Pennsylvania Osteopathic Medical Association, Pennsylvania Academy of Family Physicians, and Pennsylvania State Nurses Association
Paul McGuire, Secretary Vice President of Operations, Mid-Atlantic Health Care, LLC	Assisted living residence, personal care home, long-term care nursing facility, continuing care facility, or behavioral or mental health facility	Governor
Robert Torres Vice President of Health Information, Capital Blue Cross	Insurance	Governor, from names submitted by the Blue Cross and Blue Shield plans and the Insurance Federation of Pennsylvania
David Borden Chief Technology Officer, MRO Corporation	Health Information Organizations	President pro tempore of the Senate, in consultation with Majority Leader and Minority Leader

Member	Act 121 Represented Constituency	Act 121 Appointing Authority
Christian (Chris) Carmody Senior Vice President, University of Pittsburgh Medical Center/President, ClinicalConnect HIE	Health Information Organizations	Speaker of the House, in consultation with Majority Leader and Minority Leader
Michael Fiaschetti President of Health Markets, Highmark Inc.	Health Information Organizations	President pro tempore of the Senate, in consultation with Majority Leader and Minority Leader
Dale Fuller Vice President/CIO, UPMC Altoona	Health Information Organizations	Speaker of the House, in consultation with Majority Leader and Minority Leader
Richard Snyder, M.D. Senior Vice President and Chief Medical Officer, Independence Blue Cross	Health Information Organizations	Speaker of the House, in consultation with Majority Leader and Minority Leader
James (Jim) Younkin Director of IT, Geisinger Health System Director, Keystone Health Information Exchange	Health Information Organizations	President pro tempore of the Senate, in consultation with Majority Leader and Minority Leader
Martin Ciccocioppo Vice President of Research, The Hospital & Healthsystem Association of Pennsylvania	Ex-Officio (Non- Voting)	Elected by "advisory groups with a diverse membership representing interested and affected groups and individuals."
Vicki Hoak CEO, Pennsylvania Homecare Association	Ex-Officio (Non- Voting)	Elected by "advisory groups with a diverse membership representing interested and affected groups and individuals."

Mr. Simon was appointed to the Board on March 13, 2014. He replaced Leslie Grey, who resigned. Mr. Simon was appointed Chair on March 13, 2014. He replaced Gaspere (Gus) Geraci, M.D., who continues his service on the Board.

Ms. Hoak was elected on October 22, 2014, for a three-year term. She replaced Kelly Lewis, who completed his term.

The Board meets at least eight times per year: once per quarter in person, and once per quarter telephonically. These meetings are all public meetings, and the Authority has noted increasing attendance by interested members of the public. The Board also holds executive sessions, as needed, to discuss legal or human resources issues, and attends board educational conference sessions conducted by Authority staff.

The Board has established two standing committees. The Audit Committee oversees selection and engagement of independent auditing firms, acts as liaison between such firms and the full Board, and reviews results of any audits, such as the annual financial audit required by Act 121. The Finance Committee oversees routine financial management of the Authority and makes recommendations to the full Board regarding budgets and financial sustainability efforts.



Program and Project Management

The Authority staff conducts program and project management in accordance with best practices as established in the Project Management Body of Knowledge (PMBOK), published by the Project Management Institute (PMI) and recognized by the American National Standards Institute (ANSI). The Authority has sought to align methodologies with the Enterprise Project Management Office, Office of Administration’s Office of Information Technology.

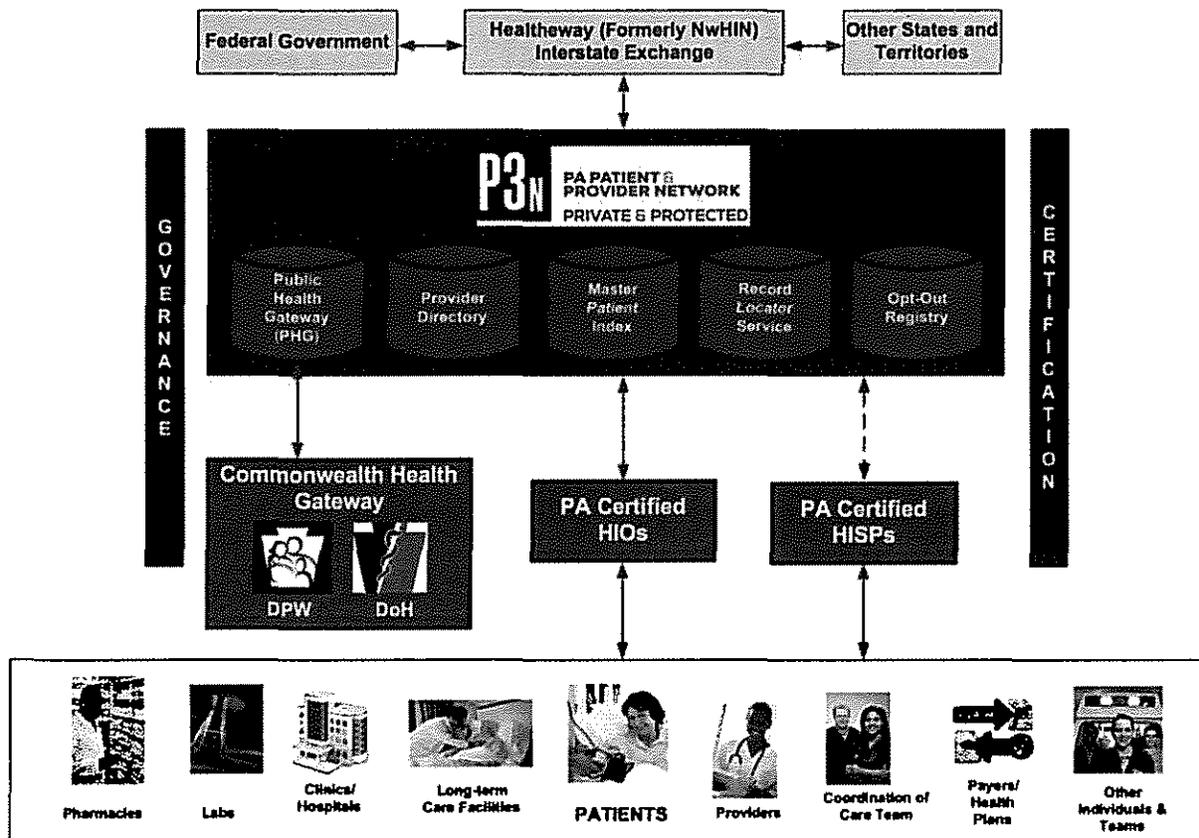
The Authority has established a policy and procedure framework with the goal of encouraging best practices, standardizing practices, and protecting against knowledge loss in case of staff turnover. In addition to various P3N and certification operational aspects, this framework includes general project management, artifact management, risk management, staff management, documentation management, Right-to-Know Law and Sunshine Act compliance, budget and finance management, procurement management, and management of stakeholder committees. The Authority conducts semi-annual internal audits for compliance with these policies and procedures and to ensure updating where necessary.

P3N: The Network of Networks

Working in close collaboration with stakeholders, the Authority has developed a network-of-networks model for eHIE in the Commonwealth. This means that the Authority enables various commercial health information organizations (HIO) and health information service providers (HISP) to coexist in trusted exchange communities and interoperate. The foundation of this network consists of three major components:

- Governance efforts to establish and implement uniform standards, legal relationships, and consistent interpretations across all participants.
- A thin layer of technical services called the Pennsylvania Patient and Provider Network, or P3N (before 2014, known as Community Shared Services, or CSS) for the HIO trust community.
- Certification programs to demonstrate the willingness and ability of certified organizations to comply with both governance and technical aspects of the network and, ultimately prove ability to interoperate.

Subsequent sections describe each of these components in detail.



Governance Activities

Legal, Privacy, and Security Framework

The development and use of secure exchange capabilities of health information involves the application of defined legal, privacy, and security considerations and protections. A key factor in achieving a high level of trust and compliance among patients, healthcare providers, and other healthcare organizations participating in the P3N, is the development of, and adherence to, a consistent and coordinated approach to privacy and security. Clear, understandable, and uniform principles are a first step in developing a consistent and coordinated approach to privacy and security while building trust; such principles—covering privacy, security, governance, transparency, and more—have guided the work of the Authority since its creation, and they are the foundation of the Authority’s Strategic and Operational Plan. These principles also are codified in “Ensuring Privacy and Security of Health Information Exchange in Pennsylvania,” a 2014 update of a white paper on eHIE originally released in 2009, and produced in collaboration with the Pennsylvania eHealth Initiative.

The Authority’s legal, privacy, and security framework was built on the Nationwide Privacy and Security Framework “eight principles” published by ONC in 2008, including:

- Individual Access – Individuals are entitled to access to their health records
- Correction – Individuals have the right to appropriate correction of their health records
- Openness and Transparency – Policies that affect health information should be transparent
- Individual Choice – Individuals shall be given an opportunity to make informed choices about the use and disclosure of their health information
- Collection, Use, and Disclosure Limitation – Health information shall be disclosed only to the extent necessary for a specific purpose
- Data Quality and Integrity – Health information shall be as accurate as possible
- Safeguards – Health information shall be protected with all reasonable administrative, technical, and physical safeguards
- Accountability – All appropriate monitoring and reporting shall be in place to report and mitigate non-adherence and breaches

The Authority’s framework accounts for applicable federal laws such as HIPAA (including the Omnibus rules clarification from January 2013) and HITECH. It also accounts for Act 121 and other applicable Pennsylvania laws and regulations. Policies and standards documents developed by the Authority include a network privacy policy, a network use management policy, a network monitor-audit-breach policy, eHIE language for inclusion in notices of privacy practices, a consent form for P3N opt-out or opt-back-in, a data use and reciprocal support agreement (DURSA), and a participation/business associate agreement.

Pennsylvania as a HIPAA-Plus State

The federal HIPAA law allows states to extend additional privacy protections to health information. A state that does this is known as a HIPAA-plus state. In Pennsylvania, HIPAA-plus health information protected by state law is known as super-protected data, or SPD. Pennsylvania law provides HIPAA-plus protection to three classes of data:

- Mental health diagnosis and treatment
- HIV/AIDS status and treatment
- Drug and alcohol treatment

The status of Pennsylvania as a HIPAA-plus state creates many challenges for providers as to the appropriate sharing of health information, and these challenges will expand when interstate medical record sharing becomes more common. Each state has its own legal framework as to medical record

sharing, and states with some records designated as SPD have layers of additional consents and legalities to harmonize. Authority stakeholders identified this issue as a top priority for Pennsylvania to address.

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The Authority's work on super-protected data focuses on crafting a process that allows data exchange to treat the whole patient, while protecting the patient's desire for privacy.
• • •

In 2014, the Authority convened stakeholders and advocates from each of the three SPD communities. The work focuses on crafting a process that allows data exchange to treat the whole patient, while protecting the patient's desire for privacy in these particularly sensitive areas. In the fall of 2014, the Authority's privacy committee developed several recommended approaches that were presented to the Authority's Board in December 2014.

It is worth noting that the federal government is also exploring this same issue through work at the Substance Abuse and Mental Health Services Administration (SAMHSA). SAMHSA asked for comments related to 42 CFR information, which focuses on drug and alcohol treatment. Pennsylvania's drug and alcohol regulations go beyond the restrictions in 42 CFR.

Joint State Government Commission

The Authority worked with the Joint State Government Commission in 2014 as part of their legislative direction to explore consolidation of Pennsylvania's health laws. The Authority educated both the full advisory committee, as well as the subcommittee on data, about the Authority, its enabling statute, stakeholder committee work, and plans for future activities through the new strategic plan. The Authority will continue to work with the Commission through the consolidation process.

Consent Management—The Authority finalized the consent management process in 2014. Act 121 of 2012 requires the Authority to develop and maintain a consent registry so an individual may opt out of the P3N. If an individual opts out of the P3N, his or her information is not then shared through the P3N. The Authority developed an easy-to-read opt-out and opt-back-in form. The Authority took great care—with extensive outreach to, and significant input from, its stakeholders—in developing a form that explains what electronic health information exchange is, the related benefits thereof, the practical implications of allowing the exchange of the data through P3N, and how one can opt out and opt back in. The Authority aimed to draft a form that would be at a reasonable reading level and consistent with best practices and what other state agencies provide. The Authority drafted the forms in both English and Spanish. Further, the Authority is exploring feasible ways to address other languages used in Pennsylvania. The Authority also developed an educational P3N brochure and outreach designed to strategically reach consumers, providers, and other Commonwealth agencies.

Privacy Officer—In an effort to further ensure the privacy of a patient’s protected health information, the Authority hired a full-time Privacy Officer. This individual oversees the consent management process and develops related processes and procedures to ensure the utmost protection of patient information shared across the P3N.

The Authority as the Gateway to Interstate eHIE

Patients’ need for healthcare does not stop at state borders, and thus borders must not serve as obstacles to eHIE. Just as it makes the most sense for an organization such as the Authority to facilitate interoperability across HISPs and HIOs operating within Pennsylvania, it makes sense for the Authority to streamline connections across state borders. The Authority continued liaison efforts in 2014 with its counterpart organizations in bordering states. While these efforts have not yet borne concrete plans to enable interstate eHIE, some progress is being made in that effort, particularly for the Pennsylvania-New Jersey relationship so critical in the Philadelphia region and the West Virginia platform alignment with the Pittsburgh region. The Authority hopes to conclude plans to start enabling this exchange in 2015. It is noteworthy that the Authority’s HIPAA-plus related efforts noted above will be critical to enable exchange across borders and facilitate patient mobility.

P3N Implementation

Core System Implementation and Pilot

The Authority’s thin technology layer—the P3N—enables a variety of functions as designed by the Technical Tiger Team in 2012 and procured in 2013. This includes a Master Patient Index (MPI) that uses demographic information contributed by network participants to establish links between “versions” of individuals from different systems and enable exchange across providers. Being able to establish a patient’s identity is not only crucial to sharing information across various systems, but also supports the statewide consent registry, another component of the P3N noted above. Other components include a provider directory, which does for providers what the MPI does for patients, and a record locator service (RLS), which helps network participants discover what clinical documents exist for a given patient and where those documents are, **without actually storing any clinical information about the patient within the P3N.**



**PA PATIENT &
PROVIDER NETWORK**

PRIVATE & PROTECTED

All of these components were successfully implemented, in cooperation with the Authority’s P3N technology vendor, Truven, by late 2013. The Authority then commenced testing of the P3N’s capacity to support interoperability across HIOs with three volunteer organizations. This “onboarding pilot” was concluded in September 2014 for two of the three organizations, Lehigh Valley Health Network and St. Luke’s University Health Network. The third HIO informed the Authority that it would not be concluding pilot activities. The onboarding pilot took considerably longer than originally envisioned, but has resulted in numerous refinements to the system, to the processes necessary to certify and onboard additional HIOs to the P3N, and to the documentation that supports onboarding. Onboarding was opened to any additional HIO at the end of 2014 (see certification efforts described below).

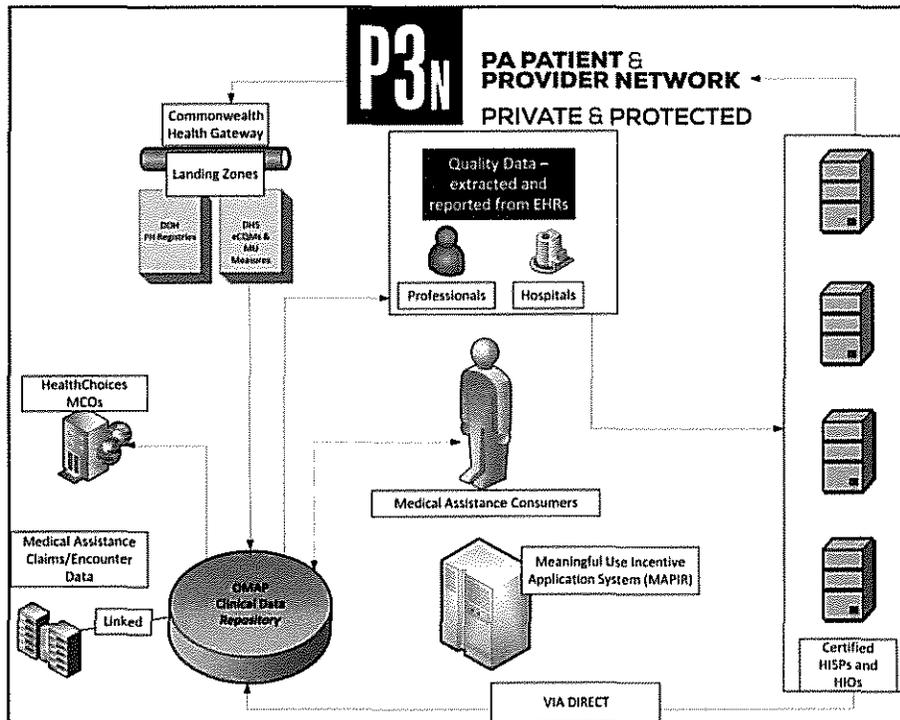
Public Health Gateway

In its original Strategic and Operational Plan, the Authority anticipated the formation of a "Commonwealth internal HIE" (CI-HIE) that would link all state agencies with an interest in health information exchange and allow them to participate like any other certified entity. The CI-HIE would then connect to the P3N to enable full eHIE between the government and private sector. Responsibility for enabling this public-private link was subsequently returned to the Authority and became what is known as the Public Health Gateway (PHG). PHG designs were refined over the course of 2014, and are perceived by both private and public stakeholders as having significant value. The PHG will improve administrative efficiency of public-private interaction for reporting to public health registries and Medicaid.

PHG phase 1 will consist of creating a "single point of connection" to permit submission of reports by the private sector to the Department of Health (DOH) and Department of Public Welfare (DPW) as follows:

- Electronic Lab Reporting Registry (DOH)
- Immunization Registry (DOH)
- Cancer Registry (DOH)
- Syndromic Surveillance Registry (Health Monitoring Systems/DOH)
- Electronic Clinical Quality Measures (DPW)
- Meaningful Use Reporting (DPW)

The Authority, in cooperation with DOH, Truven, HealthShare Exchange of Southeastern Pennsylvania (a regional HIO), and Abington Memorial Hospital, successfully completed a pilot proof of technology for electronic lab reporting (ELR) in October 2014. Through a grant obtained by the Department of Public Welfare from the Centers for Medicare & Medicaid Services (CMS), the Authority then commenced work to complete the remainder of PHG phase 1. Phase 1 is scheduled for completion by September 2015. The Authority also worked with DOH and DPW to design PHG phase 2, which will make the connections established in phase 1 to support bi-directional functions, and may include adding exchange between the private sector and the Pennsylvania Health Care Cost Containment Council (PHC4). The Authority is developing options for phase 2 funding.



HIO Recommendations

The designs for the P3N included in the Authority’s original Strategic and Operational Plan were developed in coordination with stakeholders and represented the best thinking that was available at that time. Health information technology, and eHIE in particular, is a rapidly developing industry. As expected, it became apparent in early 2014 that more recent developments made the original design incomplete, and in some cases, obsolete. Working with the Authority staff, the HIOs developed a series of recommendations for updates to the technical design and some aspects of the business model and policy framework, which were presented to the Board. Many of these were subsequently adopted by the Board and incorporated into the Authority’s new Strategic and Operational Plan.

As of late 2014, the Authority is working to complete the necessary design changes for some of the Board-adopted recommendations, and concluding analyses to better understand the financial and business impact of others.

Certification Programs

HIO Certification

Extensive cooperation with stakeholders defined and developed the HIO certification program that seeks to create a uniform and consistent framework of legal agreements and technical interoperability that must be adopted by all Authority certified health information organizations (HIO) to gain access to, and remain in, the P3N. Version 1 of the Authority’s HIO Certification Program was piloted alongside the P3N onboarding pilot noted above. Lessons learned from the pilot were applied and version 2 was released in October 2014. Once the changes noted in the HIO Recommendations section above are completed, the certification package will once again be updated and will be released as version 3 in mid-2015. The Authority is now working to schedule certification and onboarding for up to ten HIOs in 2015 and into 2016, depending on readiness of those organizations.

DIRECT and HISP Certification

The DIRECT Project was developed under the auspices of the federal HIT Policy Committee and specifies a simple, secure, scalable, standards-based way for users to send authenticated, encrypted health information directly to known, trusted recipients over the Internet. Commercial organizations that provide DIRECT services—also known as secure messaging—are known as health information service providers, or HISPs.

The Authority provides a certification program for HISPs, generally less complex than the HIO certification program, that ensures that participating HISPs have agreed to a common legal framework, can prove their ability to comply with the applicable technical standards, and have faithfully implemented security and privacy policies in keeping with DIRECT project guidance. The Authority requires certified HISPs to undergo interoperability testing with other HISPs to ensure that any client using one certified HISP’s services can communicate with any other client of any other HISP.

The Authority launched the HISP certification program in mid-2012. Since then the program has continued to grow, and there are now six Authority-certified HISPs operating in Pennsylvania, providing DIRECT services to nearly 10,000 customers, including healthcare providers, government agencies, and in some cases, patients. Usage has more than doubled in 2014, with a substantial portion of this

increase related to automated lab results being sent to providers thanks to an incentive program to develop this service offered by the Authority in 2013. Nearly 9,000 messages are now delivered every month and this number shows steady growth. The Authority monitors national DIRECT-related certification and accreditation programs to ensure that Pennsylvania remains aligned with evolving national standards.

Capacity Building Grants

The Authority has in the past offered a number of grants to HIOs, HSPs, or other organizations to help accelerate the development of the health IT and eHIE infrastructure in Pennsylvania. One such grant to HSPs helped to accelerate DIRECT adoption, while another led to the success noted above in enabling automated lab results delivery using DIRECT. One program was offered to HIOs and was instrumental in the readiness of two of the HIOs who participated in the onboarding program. Others have focused on public education and on health IT adoption by home health agencies.

In 2014 the Authority worked with DPW to obtain a grant from CMS that will allow the Authority to offer up to \$12 million to certified HIOs in 2015 to connect hospitals and ambulatory providers to their networks, and through the HIOs to the P3N. This program is critical to accelerating adoption of eHIE to enable both sustainability of the HIOs in their business models, and thus the HIOs ability to afford fees to help sustain the Authority and P3N. Note that the CMS grant includes a match requirement, and the Authority has also conducted fundraising efforts in partnership with the HIOs, expected to continue into 2015, to offset the Authority's match contribution to enable this important effort.

Unfortunately, the current onboarding grant program is limited to hospitals and ambulatory providers who are participants in CMS's EHR Incentive Program. This program leaves significant financial challenges for health IT and eHIE adoption by long-term and post-acute care providers, home health agencies, and other important healthcare provider types. Assuming the success of this onboarding grant program, the Authority expects to work in 2015 to identify funds to help these other provider types to join Pennsylvania's eHIE community.

Stakeholder Engagement

As noted throughout this report, the Authority has a long-standing policy of maximizing stakeholder involvement in Authority planning and activities. This involvement both creates trust with stakeholders due to the high level of transparency, and helps the Authority to avoid conflicts with the stakeholder community by reaching consensus based on a deliberative, repeatable process that is based on the needs of the private sector providing bottom-up influence, together with community-based public-sector participants engaged in the process. Most importantly, the Authority provides a safe, supportive climate for organizations who ordinarily may not be able to collaborate to come together to further the cause of eHIE and the Institute for Healthcare Improvement Triple Aim—improvement in quality of care, improvement in population health, and reduction in cost.

Stakeholders participated in the development of the Authority's current Strategic and Operational Plan, in the creation of the Authority's HSP and HIO certification programs, and in the development and adoption of a common legal, privacy, and security framework, in the detailed design of the P3N.

The Authority currently includes hundreds of individuals as stakeholders, including clinicians, academicians, IT experts, consumer, patient and trade advocacy groups, health insurance experts, legal experts, and local, state, and federal government employees. All of these stakeholders receive regular updates of Authority activities, and are invited to participate in the Authority's ongoing work via stakeholder committees and workgroups. They have also been invited to attend stakeholder plenary events, the most recent of which, a two-day event, was held in Harrisburg for presenting updates on Authority activities and to dialogue on topics of importance, including SPD.

The most active of the stakeholder committees in 2014 include:

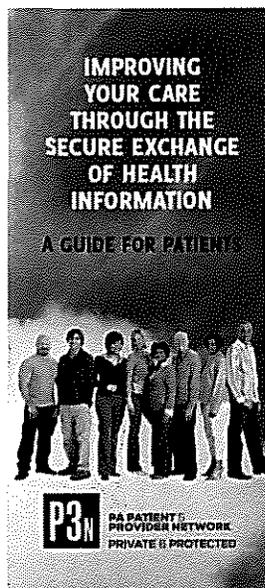
- P3N Operations Committee – consisting of technical experts, especially from those organizations accessing P3N services, this committee assists the Authority in providing appropriate oversight of Truven in its implementation and maintenance of P3N, acts as a forum for technical discussions regarding any proposed changes to the P3N (including routine system updates), and offers an advice forum for entities newly connecting to P3N to help avoid, or if necessary troubleshoot, technical complications.
- HIE Trust Community Committee – consisting of representatives from each Authority-certified HIO, this committee acts as a self-policing group for the trust community. It also serves as a forum for certified entities to collaborate on implementation of eHIE use cases, recommends changes to certification programs as the community evolves, and creates a forum for discussion of business implications for any P3N changes or outages.
- HISP Trust Community Committee – similar to the HIE Trust Community Committee, except the scope is specific to Authority-certified HISPs.
- Privacy, Security, and Standards Committee – a group of stakeholders, particularly those with privacy and security expertise, to vet legal ramifications of, including participation agreements, suggested changes to Authority certification programs, vet and recommend or adopt standards for interoperability, provide a forum for inter-organizational discussion and consideration of HIO- or HISP-related legal issues, and assist the Authority in planned efforts to identify recommendations for becoming HIPAA-aligned.
- Communications & Outreach Committee – consisting of marketing, advertising, and communications expert stakeholders, this committee assists the Authority in crafting messages, developing communications campaigns and materials, and the identification of communications channels. The work of this committee is especially important in Authority efforts to fulfill its legislatively mandated consumer education role.
- Safety Net Provider (SNP) Committee – consisting of representatives from safety net provider organizations, as well as organizations representing SNPs, this committee assists the Authority in defining who safety net providers are and ensuring that the Authority and its programming effectively include SNP in its target population, in order to reach the Commonwealth's most vulnerable residents and create an eHIE that is inclusive of all Commonwealth citizens.

Communications and Outreach

Transparency has been a watchword for all of the work of the Authority since its inception, and freely sharing information with the public and stakeholders is a critical component. To accomplish this, the Authority posts the vast majority of its work product on the Authority website at www.paehealth.org, and the Authority accepts communications from any interested party via email or phone.

Throughout the year, the Authority has delivered presentations to dozens of interested organizations in healthcare, government, health IT, and education. In early 2014, the Authority conducted a month-long consumer awareness advertising campaign on television, radio, and on Google Ads. Post-campaign metrics measured increased public awareness and an increase in traffic to the Authority website, but also suggested ongoing public confusion between eHIE and other public and private healthcare initiatives.

Authority staff continued to work with the Communications and Outreach Committee to develop, review, and finalize consumer materials for use by P3N-connected HIOs and their connected healthcare providers, as well as Authority staff and stakeholders:



- A new P3N brochure, providing a high-level view of the opt-out/opt-back-in process, was created and printed for Authority use. Customizable PDF and InDesign versions are available to HIOs for their use and for distribution to their participating providers. A Spanish version is under development.
- A consent management “flow” brochure for consumers is under development, and is expected to be available by early 2015. A Spanish version will be developed.
- A P3N window sticker, to be co-branded with the P3N logo and the participating HIO logo, is under development for distribution to HIOs and their participating providers.
- Several Authority fact sheets were developed during the year, including topic-specific fact sheets about super-protected data and the Public Health Gateway.

The Authority distributed a number of news releases and op-ed columns throughout the year, and the Authority has received media coverage in general news outlets within Pennsylvania and in national health IT trade media. The Pennsylvania Cable Network videotaped most of the 2014 Plenary Meeting sessions for later broadcast.

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The Authority developed an opt-out/opt-back-in form, an educational P3N brochure, and outreach designed to reach consumers, providers, and other Commonwealth agencies.

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Sustainability

The Authority requested flat funding of \$2.2 million in state appropriations in fiscal year 2013-2014, but received \$1.85 million (84% of the original request) in the approved state budget.

Federal funding under the ONC grant expired in February 2014. Ongoing funding for the Authority was intended to consist of a combination of fees paid by certified HIOs, private-sector contributions, and state appropriations, with the goal of reducing state appropriations over time. Originally slated to

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The Authority
continues to seek
operational
efficiencies.

commence sometime in 2014, it is now clear that HIO fees will not commence until mid-2015, at the earliest, and will not reach levels that contribute significantly to Authority sustainability until most HIOs are onboarded to the P3N in 2016. Similarly, efforts undertaken by the Authority to procure private-sector contributions have not succeeded except in specific cases such as sponsorship for Authority events such as our annual Plenary Meeting, or in relation to specific opportunities such as enabling the HIO onboarding grant.

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These factors, along with additional work assumed by the Authority that has significant value to the Commonwealth government, such as the PHG and support for state innovation efforts, led the Authority to submit a program revision request (PRR) on top of a flat funding request of \$1.85 million, to bring total requested funding for fiscal year 2015-2016 to \$4.7 million. The Authority plans to reduce the need for state funds in fiscal year 2016-2017.

To this end, the Authority continues to seek operational efficiencies. In 2014, the Authority reduced its use of contract positions by replacing all long-term positions with state employees. The Authority is working with Truven to identify opportunities to reduce implementation and ongoing contractual fees, especially around those aspects of the original procurement that are no longer required. Finally, the Authority continues to work with other agencies to identify opportunities for efficiency with respect to interagency agreements under which those other agencies provide administrative services to the Authority.

At the same time, the Authority continues to work to establish an HIO fee schedule. Please note that the Authority is in no way involved in any decisions by certified participants with regard to how or if they pass along Authority fees to their connected providers. Some will likely pass these fees along to their customers, while others may have sufficient private funding to absorb these fees, at least in the initial period while the value of eHIE and their services are being established with their constituents. The Authority's Strategic and Operational Plan reflects that the Board will consider formal adoption of a fee schedule in January 2015.

Financial Audit

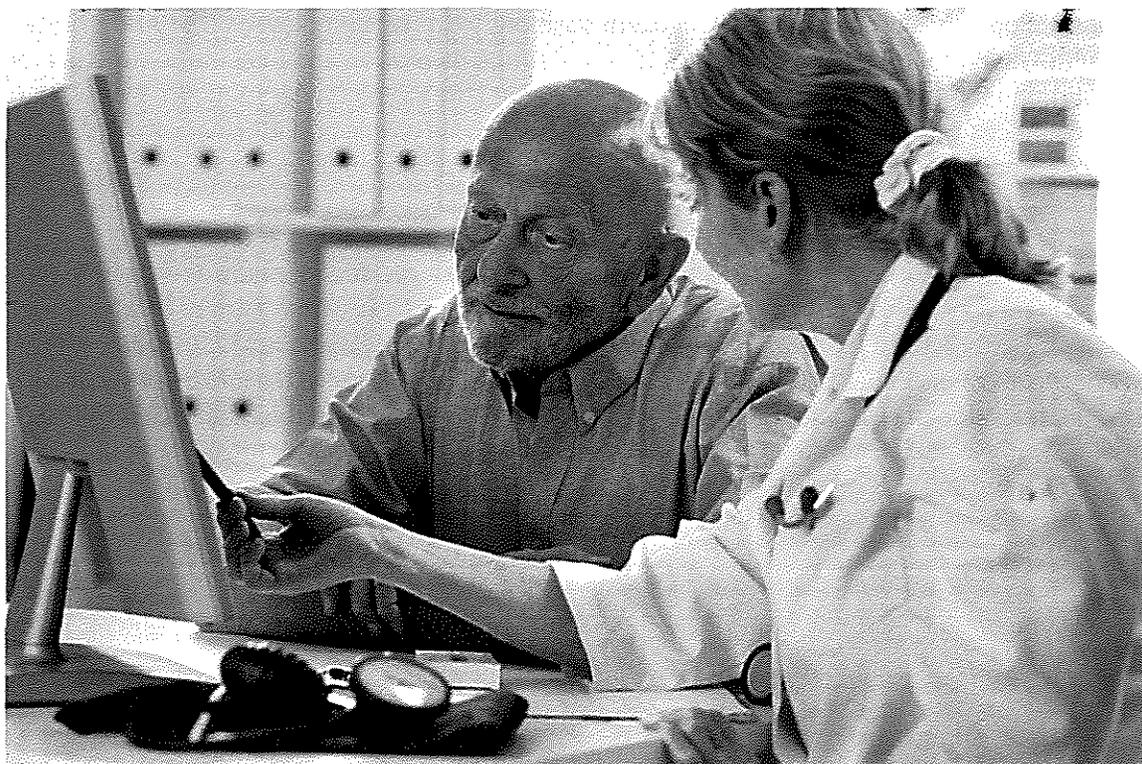
Section 303 of the Authority's enabling legislation (Act 121 of 2012) mandates a full independent audit of the Authority's finances be completed, with results submitted as part of this report.

In 2014, the Authority Board created a standing Audit Committee to oversee the selection and engagement of independent auditing firms, including the firm that conducts the Act 121 mandated independent financial audit. The Audit Committee also serves as liaison between audit firms and the full Board. The independent auditor retained by the Authority, Zelenkofske Axelrod LLC, determined that the Authority's financial statements, financial position, and the changes in financial position and cash flows for the year ended June 30, 2014, are "in accordance with accounting principles generally accepted in the United States of America."

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ONC Grant Conclusion

With the conclusion of the ONC Grant program in February, 2014, the Authority was required to undertake a variety of program closeout activities. Unfortunately the difficulties associated with the Authority's notice of Grant Award (NGA) from ONC reported in last year's annual report were not resolved until mid-2014. Despite these challenges, the Authority provided necessary program evaluation and program closeout reports to ONC and these reports were accepted by ONC.



The Pennsylvania eHealth Information Technology Act Act 121 of 2012

Section 303(a)15 – A summary of the receipts and expenditures, including a list of contracts

Timeframe

The Authority has completed this report covering the time period of State Fiscal Year (SFY) 2013-2014 (7/1/13 to 6/30/14).

Summary of Receipts

Receipts Detail Report for PA eHealth Partnership Authority (July 1, 2013 to June 30, 2014)			
Business Area 84 - PA eHealth Partnership Authority			
Transaction Date	Transaction Amount	Description	Notes:
7/3/13	\$450,000	Deposit-Grantee Contributions	CSS Grant Program
10/23/13	\$14,500	Deposit-Plenary Sponsorship Fees	Annual Plenary Event
N/A	\$1,539,669	Interfund transfer	Carryover of previous fiscal year funds
N/A	\$2,000,000	Intergovernmental transfer	Receipt of State Appropriated funds
N/A	\$8,477,741	Intergovernmental Revenue	Temporary coverage of federal expenditures
TOTAL	\$12,481,910		

Summary of Expenditures:

Expenditure Activity Report for PA eHealth Partnership Authority (July 1, 2013 to June 30, 2014)			
Expenditure Type	Business Area	Department	Expended Amount
Personnel Costs	84	PA eHealth Partnership Authority	
			\$913,929
Operational Expenses	84	PA eHealth Partnership Authority	
			\$9,347,116
TOTAL EXPENSES			\$10,261,045

**List of Contracts Executed by PA eHealth Partnership Authority
(July 1, 2013 to June 30, 2014)**

Contract Type	Grantee Name	PA Vendor #	Contract #	Execution Date	Contract Amount	Notes
Grant	Allied HIE	778008	84LPG03	10/30/13	\$200,000	Lab Pilot Grant Program
Grant	Geisinger Clinic	139535	84LPG04	12/04/13	\$200,000	Lab Pilot Grant Program
Grant	Secure Exchange Solutions	378020	84LPG01	10/31/13	\$100,000	Lab Pilot Grant Program
Grant	Secure Exchange Solutions	378020	84LPG02	10/30/13	\$100,000	Lab Pilot Grant Program
Grant	Park Ave. Capital dba MaxMD	777253	84LPG06	12/4/13	\$250,000	Lab Pilot Grant Program
Grant	Allied HIE	778008	84LPG07	12/4/13	\$125,000	Lab Pilot Grant Program
Grant	Secure Exchange Solutions	378020	84LPG05	12/4/13	\$100,000	Lab Pilot Grant Program
Grant	Secure Exchange Solutions	378020	84LPG10	12/4/13	\$100,000	Lab Pilot Grant Program
Grant	Geisinger Clinic	139535	84LPG09	12/5/13	\$250,000	Lab Pilot Grant Program
Grant	Punxsutawney Area Hospital	142697	84HHG03	1/2/14	\$167,718	Home Health Grant Program
Grant	At Peace Health Care Agency LLC	785519	84HHG04	1/9/14	\$33,402	Home Health Grant Program
Grant	Immediate Homecare Inc.	785511	84HHG02	1/3/14	\$59,205	Home Health Grant Program
Grant	Visiting Nurses Association of Indiana County	759370	84HHG05	1/3/14	\$100,900	Home Health Grant Program
Grant	VNA Health System	658026	84HHG01	1/3/14	\$178,250	Home Health Grant Program
Grant	HealthShare Exchange of Southeastern PA	777978	84CEG01	1/14/14	\$94,550	Consumer Education Grant Program
TOTAL					\$2,059,025	

The Pennsylvania eHealth Information Technology Act Act 121 of 2012

Section 303(a)15 – A summary of any reportable security breaches

The PA HIE-Network known as the P3N experienced no reportable security breaches in 2014.

References

Audited Financial Statements for the Year Ended June 30, 2014

http://www.paehealth.org/images/Audited_Financial_Statement_FY_2013-2014.pdf

The Pennsylvania eHealth Information Technology Act, Act 121 of 2012

<http://www.paehealth.org/resources?id=217>

2014–2017 Strategic and Operational Plan

http://www.paehealth.org/images/pdf/PAeHealth_2014-2017_Strategic_and_Operational_Plan.pdf

Health Insurance Portability and Accountability Act of 1996 (HIPAA)

<http://www.gpo.gov/fdsys/pkg/PLAW-104publ191/html/PLAW-104publ191.htm>

HIPAA Privacy and Security Rules

<http://www.hhs.gov/ocr/privacy/hipaa/administrative/index.html>

Health Information Technology for Economic and Clinical Health (HITECH) Act

http://www.healthit.gov/sites/default/files/hitech_act_excerpt_from_arra_with_index.pdf

Nationwide Privacy and Security Framework for Electronic Exchange of Individually Identifiable Health Information

<http://www.healthit.gov/sites/default/files/nationwide-ps-framework-5.pdf>

White Paper: “Ensuring Privacy and Security of Health Information Exchange in Pennsylvania”

http://www.paehi.org/files/live/Privacy_WhitePaper_2014_FINAL.pdf