



To: Kevin Mullin, Chair, Green Mountain Care Board  
Jessica Holmes, Board Member  
Robin Lunge, Board Member  
Tom Pelham, Board Member  
Maureen Usifer, Board Member  
Susan J. Barrett, Executive Director

cc: Sarah Kinsler, Director of Strategy and Operations

From: Beth Anderson, President & CEO, VITL 

Date: May 27, 2021

Re: Fiscal Year 2022 Budget Submission

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I am excited to submit VITL's proposed Fiscal Year 2022 (FY22) budget and supporting materials to the Green Mountain Care Board for your review. This memo provides an overview of our current year's work, the FY22 budget being presented, and the basis for our assumptions. The budget package is presented following the Budget Submission Requirements outlined in the Green Mountain Care Board's Annual Budget Guidance for Vermont Information Technology Leaders effective as of April 14, 2021.

We appreciate the opportunity to submit this information and look forward to answering your questions.

## **SECTION 1: ORGANIZATIONAL INFORMATION AND BUDGET NARRATIVE**

### **Section 1.1.A: Strategic Objectives, Opportunities, And Challenges**

In FY21, VITL has continued work to execute on our strategic plan that focuses on organizational stability, allowing VITL to meet its goals, serve as a credible partner to the State, and start important new collaborations and initiatives that will expand the value of the Vermont Health Information Exchange (VHIE) for patients and health care organizations.

VITL's FY21 accomplishments include:

- Continued support for the Vermont Department of Health's (VDH) COVID response: Last spring VITL partnered with the team at VDH and the Agency of Digital Services (ADS) to help provide the data they needed to inform resource and capacity planning, track infections, complete case reporting, and perform required federal reporting. The ability to access this data from the VHIE helped provide timely data to the State, and also removed data capture and reporting burden from providers. Throughout FY21, this partnership has continued and expanded to include informing immunization efforts and the collection of immunization data. As of April, VITL had:
  - Developed interfaces to 14 new labs that are performing COVID testing
  - Implemented interfaces to collected immunization data from 108 sites
- Provided support to the University of Vermont Health Network to ensure their health care providers had access to core patient data during the time of their cyberattack. Over the course of three weeks, we created over 1,600 new user accounts and delivered 23 training sessions. In addition, we worked with a number of other health

care organizations that rely on UVM's data to ensure they had access to the data they needed.

- Collaborative Services Projects: Implementation of the MedicaSoft platform continued throughout the year.
  - The first major achievement of the MedicaSoft project was accomplished in April with the delivery of a complete BluePrint extract. This extract was previously provided from the Vermont Clinical Registry, which was supported by a vendor for the State.
  - The clinical data maintained in the VHIE has been mapped to the new platform, and implementation and testing of the platform and data loads is ongoing. Our goal is to go-live on the platform in the fall.
  - The application of the terminology services tool that launched last spring was expanded, with 2,146 data concepts and codes mapped as of April 30.
  - There have been delays to some deliverables resulting from our team's ongoing focus on public health data needs, as well as lessons learned throughout implementation of the project. As a result, some of the deliverables anticipated for FY21 have been pushed to future years.
- Led planning for the collection and sharing of 42 CFR Part 2 data, including outreach to other HIEs to understand best practice, convening a stakeholder workgroup to advise on VHIE approach, developing consent collection and management solution technical requirements and draft designs along with outline of education plan; engaged clinicians and staff of stakeholder organizations. This work will be re-engaged following receipt of federal guidance regarding data sharing, which has been delayed until late this calendar year.
- Stood up a solution to assist Vermont hospitals meet the new Certificate of Participation requirement to deliver Admission, Discharge and Transfer notifications to community providers.
- Continued collaboration with the Health Information Exchange (HIE) Steering Committee on multiple initiatives to continue advancing the approved State HIE Plan.
- Developed policies and procedures to ensure VITL is in compliance with ONC's 21st Century Cures Act Final Rule supporting interoperability and seamless exchange of patient data.
- Developed a Technical Design Document to serve as the blueprint for a fully integrated VHIE ecosystem including the legacy VHIE system, the Collaborative Services projects and the Future Data platform
- Worked with the State and emergency services teams to develop a plan, policies and procedures to employ the use of the VHIE and national networks to support the work of emergency response teams during declared emergencies.
- Completed a data governance charter to define principles and practices and inform future work.
- Continued ongoing efforts to maintain the security and availability of the VHIE. Projects were initiated this year based upon lessons learned from the increase in frequency of attacks on health care organizations to ensure our practices are current and aligned with industry best practices.

VITL also began a strategic planning exercise to develop our strategic directions and a roadmap for the next 3-5 years. This work is underway, and we expect to provide an update to you at our next quarterly update.

The proposed FY22 budget was developed following conversations with the Department of Vermont Health Access (DVHA) about priorities for CY22, as well as to enable changes to our Calendar Year 2021 contract related to claims requested by the Agency of Human Services (AHS). While the original scope involved the ingestion of a Medicaid claims file, the new scope will allow for the expansion of our work to implement the ability to aggregate claims data into the VHIE for multiple payers, and to provide data extracts that deliver combined clinical and claims data for an individual using the tools implemented in the collaborative services infrastructure. In addition, CY21 work has been modified to allow for beginning work planned for implementation in CY22, including upgrading the data platform to FHIR R4 and planning for patient data access through APIs.

The FY22 budget was developed with the goals of:

- Completing the implementation of the MedicaSoft platform, and continuing to enhance the platform and the capabilities available to our customers and stakeholders.
  - Platform go-live in the fall, including historic data.
  - Designing and implementing the ability to ingest claims data into the VHIE, and match the claims data with the existing clinical data to create a linked patient record comprised of their clinical and claims data.
  - Piloting a new provider portal in the fall, and launching an enhanced portal to all of our participating health care organizations by next spring.
  - Transitioning to a more robust results delivery solution to provide timely data to health care providers.
  - Implementation of a robust reporting capability, that allows for more agile, flexible reporting to meet the needs of our customers and stakeholders. This will include reporting of combined claims and clinical data.
  - Plan for and begin an upgrade of the MedicaSoft platform to the most current version of FHIR (Fast HealthCare Interoperability Resource).
- Working with VDH and ADS to identify and onboard new labs and immunization providers to ensure the capture and reporting of new testing and immunization activity.
- Developing plans, policies, and procedures for the launch of a patient application programming interface (API) to support patient access and control of their own health care data.
- Decommissioning legacy databases to eliminate capabilities redundant with the new platform.
- Expanding the use of the provider portal by the VDH epidemiology team to support their work to perform case reporting on all reportable diseases.
- Evaluating whether VHIE data can support delivery of HEDIS reporting.
- Support the work of the Vermont Rural Health Alliance to execute the Model for Improvement with Vermont Federally Qualified Health Centers, and expanding the methodologies to other primary care practices.
- Delivering the BluePrint extract more frequently to inform the BluePrint for Health team's efforts to improve patient care.
- Furthering the data governance work started in FY21, to develop formal policies and procedures as well as a VHIE data dictionary to ensure appropriate management of VHIE data assets.

- Developing new interfaces to expand the data captured in the VHIE, as well as to ensure maintenance of existing interfaces as health care organizations change connections and platforms.

A significant challenge VITL has faced over the last year has involved balancing flexibility to respond to unexpected needs while seeking to deliver on our planned, contractual commitments. As identified above, VITL quickly pivoted in early 2020 to help support the State's response to the pandemic, with much of the work continuing today. In addition, we worked to support provider needs during a cyberattack. We expect there will be continued need for interfaces and data to support public health needs, though of course the trajectory of the pandemic and potential new needs is unknown. Increases or changes in these needs could further impact our ability to deliver on our FY22 commitments. However, as we did in 2020, we will keep in close communication with DVHA should needs begin to shift.

Finally, the sunset of HITECH funding on September 30 will have significant impacts on our work in CY22 and beyond. There will be a transition to new funding allocation levels from the Centers for Medicare and Medicaid Services (CMS) that we anticipate will be much lower than current levels, which will mean less overall funding for VHIE activities, even with the maintenance of the current levels of State matching funds. VITL has work underway, supported by a consulting firm experienced with HIEs, that involves designing and rolling out a revenue model that seeks to expand and diversify the sources of funding for VHIE activities. This model is likely to include charging fees for VHIE services and identifying new opportunities to deliver value to existing and new participants.

## **Section 1.1.B: Key Work Streams**

### 1.1.b.i Strategic Initiatives

The Health Information Exchange Strategic Plan developed by DVHA and the Health Information Exchange Steering Committee serves as the foundation for VITL's annual contract with DVHA and our work plans for each year. VITL continues to follow the guidance from the HIE Strategic Plan that supports the 3 key goals of HIE in Vermont:

1. Create One Health Record for Every Person - Support optimal care delivery and coordination by ensuring access to complete and accurate health records.
2. Improve Health Care Operations - Enrich health care operations through data collection and analysis to support quality improvement and reporting.
3. Use Data to Enable Investment and Policy Decisions - Bolster the health system's ability to learn and improve by using accurate, comprehensive data to guide investment of time, labor and capital, and inform policy making and program development.

The deliverables that are included in VITL's annual contracts with DVHA, and outlined in Section 1.1.a above, are developed based on this strategic plan and ensure alignment with the priorities set out by the Health Information Exchange Steering Committee. Our team continues to lead or participate in the subcommittees focused on furthering the work and priorities of the Steering Committee.

Beyond the HIE Strategic Plan, VITL continues to explore opportunities to diversify our revenue sources and maintain a sustainable business model. This will include identifying potential opportunities for

delivering new services and solutions to health care organizations. To guide the identification and selection of new initiatives we will employ a robust program for engaging stakeholders. Asking questions and listening closely to our clients, partners, and funders will help us understand what they need, whether new offerings make sense, and if they are sustainable.

#### 1.1.b.ii Summary of Revenue and Activities and Description of Work Streams

The following tables provide a summary of revenue and activities according to the categories of the Office of the National Coordinator for HIT (ONC) HIE Conceptual IT Services Model (Table 1) and description of the work streams planned that have significant impact on the FY22 budget.

*Table 1: Summary of VITL Revenue for the Proposed FY22 Budget by ONC HIE Conceptual IT Services Model Category*

<b>ONC HIE Conceptual IT Services Model Category</b>	<b>Total Proposed FY22 Revenue</b>	<b>Revenue Source(s)</b>	<b>Project Examples</b>
Foundational Services, including: <ul style="list-style-type: none"> <li>• Identity Management</li> <li>• Security</li> <li>• Consent Policy &amp; Management</li> <li>• Provider Directories</li> </ul>	\$4,409,000	State, OneCare Vermont (OCV)	<ul style="list-style-type: none"> <li>• Maintenance &amp; enhancement of new Collaborative Services Phase I infrastructure (MPI, Integration Engine, Terminology Services)</li> <li>• Continued consent education &amp; management</li> <li>• Exploring solutions for enhanced identity proofing and authentication</li> <li>• Vermont does not maintain a provider directory</li> </ul>
Exchange Services, including: <ul style="list-style-type: none"> <li>• Data Extraction and Aggregation</li> <li>• Data Access</li> <li>• Interoperability</li> <li>• Data Quality</li> <li>• Data Governance</li> </ul>	\$5,674,000	State, OCV	<ul style="list-style-type: none"> <li>• Completion of implementation of the MedicaSoft platform</li> <li>• Integration of claims data to the VHIE</li> <li>• Development of data governance policies and procedures</li> <li>• Enhancements to provider portal, including enhanced patient matching, expanded data, and link to national networks</li> <li>• Launch of patient data FHIR API to support interoperability</li> <li>• Expansion of data quality work partnership with Bi-State</li> </ul>
End-User Services, including: <ul style="list-style-type: none"> <li>• Reporting Services</li> <li>• Analytics Services</li> <li>• Care Coordination Tools</li> <li>• Notification Services</li> <li>• Consumer Tools</li> <li>• Patient Attribution &amp; Dashboards</li> </ul>	\$1,464,000	State, OCV, Patient Ping	<ul style="list-style-type: none"> <li>• Expansion of the MedicaSoft platform to support more robust data extraction and reporting</li> <li>• Transition of existing reporting to the MedicaSoft platform</li> <li>• Route tool for hospital ADT notifications required by CMS Conditions of Participation requirement</li> </ul>

Table 2: Summary of Key Work Streams for Proposed FY22 Budget

Workstream	Description	Total Contract Value CY21 & CY22	Anticipated Revenue FY22	Expense Drivers	Population Served/Units of Service Provided	Metrics	Notes
Collaborative Services Phase II: MedicaSoft platform go-live	Wave 2 of the project involves the mapping and loading of data to the new platform	\$935,000	\$935,000	<ul style="list-style-type: none"> <li>Platform implementation costs</li> <li>Licensing fees</li> <li>Consultant testing and implementation support</li> <li>VITL staff</li> </ul>	All patient data is included, and all participating healthcare organizations will benefit	<ul style="list-style-type: none"> <li>Uptime</li> <li>Message Volumes</li> </ul>	
Expand VHIE data: Claims	Aggregation of claims data in the VHIE for Medicaid and private payers, and expand reporting capabilities to link claims and clinical data	\$986,000 Not formalized	\$986,000	<ul style="list-style-type: none"> <li>Platform implementation costs</li> <li>Licensing fees</li> <li>Consultant support for requirements gathering and implementation</li> <li>Legal</li> <li>VITL staff</li> </ul>	Initial intended audience includes Medicaid, Blue Cross, and MVP beneficiaries	<ul style="list-style-type: none"> <li>Development of implementation guide</li> <li>Demonstrated ability to ingest claims data</li> <li>Demonstrated ability to extract linked claims and clinical data for patients</li> </ul>	Access parameters and use cases being developed by the HIE Steering Committee Claims Subcommittee will drive reporting requirements
Provider Portal release	Develop and launch enhanced provider portal for all users. Improvements include usability, enhanced patient matching, expanded data elements, and national exchange access	\$1,144,000	\$919,000	<ul style="list-style-type: none"> <li>Platform implementation &amp; enhancement costs</li> <li>Consultant support for requirements gathering, testing, and roll-out</li> <li>VITL staff</li> </ul>	All patient data available for patients not opted-out. Portal will be available to all participating health care organizations	<ul style="list-style-type: none"> <li>Portal users</li> <li>Queries performed</li> </ul>	
Platform upgrade to FHIR 4	The MedicaSoft platform will be upgraded	\$848,000	\$625,000	<ul style="list-style-type: none"> <li>Data mapping</li> <li>Consultant support for</li> </ul>	All VHIE participants	<ul style="list-style-type: none"> <li>Alignment with ONC &amp; CMS Inter-</li> </ul>	

	to the most current FHIR version (R4), which aligns with CMS interoperability goals. Phase I is developing a plan and data mapping in 2021; Phase II involves implementation in 2022			mapping and testing • VITL staff		operability Rules	
Interface remediation and implementation	Continue work to implement new and remediate existing interfaces with health care organizations to expand data available in the VHIE	\$1,021,000	\$488,000	<ul style="list-style-type: none"> <li>• VITL staff</li> <li>• Consultant support</li> </ul>	All VHIE participants	Expanded data access	This includes developing connections to support public health needs (e.g., immunization data)

## Section 1.1.C: Proposed FY22 Budget

### 1.1.c.i Budget Development Process

During the FY22 budget process, VITL worked closely with DVHA and AHS to develop work scope and funding aligned with the State's priorities for expanding access to health data for Vermonters. Following discussions with DVHA, our estimate for revenue of the CY21 contract reflected a shift in deliverables to allow us to expand the scope of claims work that we will do during FY22 while making additional funds available for planning of work we expect to be included in our CY22 contract. While there is an understanding between AHS and VITL of the changes to be made to the CY21 contract, an amendment to the contract is being drafted and has not yet been signed.

During our discussions about CY22, VITL provided initial estimates of various alternative projects which collectively were selected by DVHA and VITL to represent the best mix of value in meeting HIE enhancement/development priorities along with cost. Discussions also involved the appropriate scope of VHIE maintenance and operations, to ensure the categorization of our work aligned with CMS guidance regarding what are maintenance activities and to accurately reflect the total cost of maintaining and securing the VHIE, including the additional services implemented as a result of the Collaborative Services projects and the addition of claims data.

Once the assumptions regarding funding had been settled, the VITL leadership reviewed initial cost estimates to balance both magnitude and timing to arrive at budgeted expenses. Expenses have been estimated on a “bottoms-up” basis, meaning that VITL expenses were calculated at a detail level. Costs were also “time-phased” to provide a more accurate assessment of cash requirements.

With the sunset of the HITECH program on September 30, 2021, some funding from CMS for HIE activity will continue. However, we anticipate that the Centers for Medicare and Medicaid Services (CMS) funding rate will be significantly reduced. DVHA is still in discussions with CMS to agree to a new allocation rate. Given this uncertainty, the estimate for CY22 was based on what DVHA believes would be “worst case.” It should be noted that our agreement with the State regarding work scope and funding is still an initial estimate since approval from CMS has not been received or final negotiation of a CY22 contract will not occur until the fall.

#### 1.1.c.ii Budget Assumptions and Risks

- One of our fundamental assumptions, is that we are trying to maintain a consistent work force, one that is not unduly affected by significant shifts in year-to-year work volume. Therefore, our estimate for labor force includes a modest increase in employee headcount, while using consulting and contracted labor to fill the gap between current staffing and expected labor needs.
- VITL is a lean organization. Loss of crucial talent could impact the delivery of contractual requirements. While this has been an on-going risk, VITL continues to work to ameliorate this potential through cross-training of existing staff and contracting service providers for specific skills to backup critical skill areas.
- The FY22 proposed budget includes consultants with specific skill sets to help ensure our ability to deliver projects. Their availability could impact the delivery of contractual requirements, though we have been successful in securing the needed skills to date.
- The CY22 contract has not been signed, our estimates for FY22 are dependent on assumptions of funding levels and allocation rates from CMS. Though DVHA has submitted their allocation request to CMS, the final allocation may differ from our assumptions.

#### 1.1.c.iii Anticipated Revenue from Not Yet Executed Agreements

The FY22 budget includes estimates of VITL’s anticipated CY22 contract with DVHA. As detailed above, this contract will not be finalized until the fall. However, these estimates are included in the proposed budget.

VITL has either submitted or is working on several proposals which have not been included in the FY22 Proposed Budget.

- In April, we submitted a proposal for the State of Vermont Agency of Human Services (AHS) Medicaid Management Information System (MMIS) Interoperability Project – Application Programming Interfaces (APIs). This was a competitive proposal for a multiyear program for the development and implementation of APIs for patient data access along with 4 years of Maintenance & Operation (M&O) of the new system.



- We are included as a co-participant in an application for a Leading Edge Acceleration Projects (LEAP) grant through the Office of the National Coordinator for Health Information Technology (ONC) submitted by the Rhode Island HIE (RIQH).
- We are in discussions with the Colorado HIE (CORHIO) about the possibility of being included in a data visualization project that will involve collection of COVID data from across states.

#### 1.1.d Organizational Chart

This chart is included as an attachment to this memo

#### 1.1.e Acronyms/Glossary

This is included as the last page in the budget materials included as Section 2.

Additional sections outlined in the Budget Submission Guidelines are presented under separate cover, and include sections:

2. Proposed Budget, including a detailed narrative for the FY21 year-end projection and the proposed FY22 budget
3. Financial Data from Previous Fiscal Years
4. Contracts
5. Presentation to GMCB, which will include our quarterly review materials