

# VITL FY2024 Budget Review

## Staff Recommendation

Jessica Mendizabal, Director of Data Management,  
Analysis and Integrity

May 31, 2023

# GMCB Oversight of VITL



- **Review and approve VITL budget.**
  - 18 V.S.A. § 9375(b)(2)(C): The Board is required to “Annually review and approve the budget, consistent with available funds, of the Vermont Information Technology Leaders, Inc. (VITL). This review shall take into account VITL's responsibilities pursuant to section 9352 of this title and the availability of funds needed to support those responsibilities.”
    - Under 18 V.S.A. § 9352(c)(1), VITL is “designated... to operate the exclusive statewide health information exchange network.” Each year, the Secretary of Administration (or its designee the Department of Vermont Health Access/DVHA) funds this work by “enter[ing] into procurement grant agreements with VITL.”
  - The Board’s oversight is intended to provide strategic guidance and policy parameters within which the Administration, through DVHA, operationalizes that relationship. GMCB first reviewed and approved VITL’s budget in 2016.

# Summary: VITL FY24 Budget



- Revenue: \$11,270,664
  - State funding (\$10,788,782, increased \$1,761,989 from the FY23 YE forecast)
    - Accounts for project work shifting from previous calendar years into FY24.
  - Non-state funding (\$481,883, decreased \$174,621 from the FY23 YE forecast)
    - Represents a potential decrease in some program fees and non-state contracts still under negotiations.
- Expenses: \$11,172,927
  - Labor-Related Expenses (including Fringe): \$4,343,447, 38% of total expenses and an increase of 35% from the FY23 YE forecast.
    - Includes one potential new position in technology.
  - Outside support: \$2,758,533, 25% of total expenses and an increase of 16% from FY23 YE forecast.
    - Includes project specific consultative work.
  - Software Server/Maintenance: \$2,596,203, 23% of total expenses and an increase of 11% from the FY23 YE forecast.

# Budget Review Criteria

- As established in GMCB's Annual Budget Guidance for VITL (approved April 14, 2021), the GMCB uses four principles to review VITL's budget:
  1. Transparency: The review process will be transparent.
  2. Public/Stakeholder Input: The review process will allow for stakeholder and public input.
  3. Alignment with HIE Plan Goals: The Board will review VITL's budget in order to determine whether it reflects a strategy and priorities consistent with the State's health care reform goals and the Health Information Exchange (HIE) Strategic Plan. The Board will not direct the technical details of VITL's work or the details of VITL's contractual relationship with the State.
  4. Alignment with VITL/DVHA Process:
    - The Board's review process will be structured and timed in order to assist the Department of Vermont Health Access (DVHA) and VITL in negotiating timely, effective agreements each year.
    - The process will result in Board decisions that are sufficiently clear to enable VITL to do its work and DVHA to support that work without requiring repeated clarification or intervention by the Board.

# Budget Review Criteria

## 1. Transparency: The review process will be transparent.

Transparency is measured by compliance with budget guidance and overall transparency of the budget process.

- VITL has complied with budget guidance; budget materials were submitted in a timely fashion and the submission included all requested components.
- Submission narrative, required financial statements, and most recent audited financial statements and IRS Form 990 are [posted to the GMCB website](#).

# Budget Review Criteria



2. Public/Stakeholder Input: The review process will allow for stakeholder and public input.

- VITL presented at the May 17 Board meeting and responded to questions and comments from the Board and the public at that time.
- A special public comment period was open from Wednesday, May 17 through Monday, May 29; GMCB received 0 written comments.

# Budget Review Criteria



*3. Alignment with HIE Plan Goals: The Board will review VITL's budget in order to determine whether it reflects a strategy and priorities consistent with the State's health care reform goals and the Health Information Exchange (HIE) Strategic Plan. The Board will not direct the technical details of VITL's work or the details of VITL's contractual relationship with the State.*

Alignment will be assessed relative to the goals of the 2022 Update to the HIE Plan (approved in December 2022, available at <https://gmcboard.vermont.gov/health-information-technology/health-it-plan>).

- Staff find that VITL's budgeted activities will advance the goals of 2022 Update to the HIE Plan: 1) Create one health record for every person; 2) Better Health Outcomes (new in 2022) 3) Improve health care operations; and 4) Use data to enable investment and policy decisions.

# Budget Review Criteria



- VITL's budget supports these goals by providing:
  - **Foundational Services:** identity management, included in the Collaborative Services Initiative; security; and continued work on consent policy;
  - **Exchange Services:** includes data extraction and aggregation, i.e., increasing the number of organizations meeting higher-level Connectivity Criteria; data quality; and data access, i.e., VITL Direct;
  - **End-User Services:** includes notification services, i.e., ADT alerts; and analytics services, i.e., the OneCare Vermont analytics gateway.
- Table 1 (Section 1, Narrative, pg. 4) provides a breakdown of how VITL's revenue and activities support the HIE Conceptual IT Services Model.



# Budget Review Criteria

## 4. Alignment with VITL/DVHA Process:

- *The Board's review process must be structured and timed in order to assist the Department of Vermont Health Access (DVHA) and VITL in negotiating timely, effective grant agreements each year.*
- *The process will result in Board decisions that are sufficiently clear to enable VITL to do its work and DVHA to support that work without requiring repeated clarification or intervention by the Board.*
- Staff have worked with DVHA to ensure that the review timeline will not conflict with federal contracting requirements for DVHA's agreements with VITL.

# Staff Recommendation

- Staff recommend approving the VITL FY2024 budget as presented, with the following condition(s):
  - In addition to reporting requirements outlined in the budget guidance, quarterly reporting should continue to include updates on:
    - VITL's strategic planning process and progress including work to design a future financial model that would diversify revenue sources;
    - Key projects including patient education and consent, expanding the data available in the VHIE;
    - Response to recommendations from the HIE cost benchmarking work underway with the Department of Vermont Health Access.
  - VITL will comply with mid-year budget update requirements as described in the Board's Annual Budget Guidance.

# Proposed Motion

- Suggested motion language:


*Move to approve VITL's FY2024 budget as submitted to the GMCB, subject to the conditions presented today by GMCB staff.*

# FY 24 Budget Discussion

# Amendment to the Vermont Health Information Exchange Plan

Kate O'Neill, Director of Data and Analytics

May 31, 2023



# DVHA Request to Amend HIE Plan Language



- DVHA submitted a written letter of request on May 24, 2023 for an amendment to the State's 2022 [HIE Plan](#) Appendix A: Protocols for Access to Protected Health Information on VHIE (p. 45).
- AHS's HIE Steering Committee approved/recommended this change at its April 3, 2023 meeting.
- Per [18 V.S.A. §9351](#) subsection (c), the GMCB needs to vote on approval of this change.
  - *The Department of Vermont Health Access, in consultation with the Steering Committee and subject to Green Mountain Care Board approval, may propose updates to the Plan in addition to the annual updates as needed to reflect emerging technologies, the State's changing needs, and such other areas as the Department deems appropriate.*

# HIE Plan Appendix A

## Amended Language



- Section 7—National Exchange
- A. General.** Each Individual’s electronic Protected Health Information that is contained in the Vermont Health Information Exchange shall be available for query-based exchange with national exchanges pursuant to Restatement II of the Data Use and Reciprocal Support Agreement (“DURSA”), April 13, 2019, and as amended in the future, unless a Participating Health Care Organization elects to not make their data available or the Individual has affirmatively elected not to have the Individual's electronic Protected Health Information shared in that manner.
- Participants in these exchanges shall access Protected Health information for permitted purposes pursuant to and as defined by DURSA to facilitate and protect eHealth Exchange.
  - Additionally, an individual’s PHI contained on the VHIE shall also be provided for permissible purposes to other organizations as required by federal law.
- A. VITL’s Responsibilities.** VITL, in coordination with **and subject to the approval of** the HIE Steering Committee, shall participate in the DURSA and any successor agreements thereto and shall comply with the requirements of participation. VITL may also participate in the exchange of Protected Health Information with other state or regional health information exchanges under direct agreements so long as they are consistent with the DURSA’s exchange framework and protections for the privacy, confidentiality and security of the health data.

# Proposed Motion

- Suggested motion language:

*Move to approve the amendment to add the requested language to the 2022 Vermont Health Information Exchange Plan as described in DVHA's May 24, 2023 Modification Request letter.*