



VITL Budget Presentation and Quarterly Update to the Green Mountain Care Board

June 8, 2022



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Overview

CMS Funding Update

- The Vermont Health Information Exchange (VHIE) has been certified by the Centers for Medicare and Medicaid Services (CMS) as a Vermont Medicaid Enterprise module
 - One of the first health information exchanges to achieve this certification
 - Ongoing operations funding eligibility
 - State may request enhanced federal funding participation
- CMS shift in funding focus
 - Will no longer fund the creation of connections for exchange of data (interfaces)

FY22 Achievements

- Outcomes Based Certification
- Expanded partnership with Vermont Department of Health
- Continued implementation and enhancement of the Collaborative Services project
- Launched a new clinical portal, designed with user feedback
- Demonstrated the ability to ingest claims data and link patient records
- Prepared a new patient education campaign
- Began implementing a new Strategic Framework including new Mission and Vision, new Strategic Directions, and an ongoing Security Commitment

Strategic Directions

Focus on Our Customers	The customer's experience is the focus of everything we deliver, including communications, products, services, and support. We are committed to understanding the needs of our internal and external customers. We achieve this understanding through proactive engagement, delivering on our commitments, and creating value for those we serve.
Tell Our Story	We actively share our story, illuminating the value of our work through dedicated communications efforts and in our everyday interactions with our customers and stakeholders. All team members tell our story, to ensure that VITL is understood as an essential component of the health care ecosystem that serves Vermonters.
Be the Go-To Partner for Exchanging Vermont's Health Information	VITL's health information exchange platform is the primary platform for the exchange, aggregation, and access of Vermonters' health data. Customers and stakeholders trust that VHIE data is accurate, reliable, and secure. VITL is building national recognition as a leading HIE.
Build a Learning Organization	We regularly engage our customers and stakeholders, our peers in other states, industry experts, and national collaboratives to learn and evolve. We foster a culture that encourages seeking out external knowledge and ideas, understanding customer needs, and applying what we learn to our work.
Ensure Sustainability	We develop and manage to a sustainable business model with a robust set of products and services, a broad customer base, and diverse revenue sources. We make decisions and investments with the intention that Vermonters will continue to benefit from health information exchange in the future.

Anticipated Calendar Year 2023 State Contract

Total Expected State Contracts	\$7,244,712
Maintenance and Operations	\$6,982,212
VDH Interfaces	\$187,500
Immunization Registry Integration	\$75,000

- Increase in Maintenance and Operations funding (M&O) to reflect expansion of work and interoperability
- Public Health work supported by CDC and other grants

FY23 Anticipated Projects

Contracted Projects

- Enhancing patient access to their health data
- Platform upgrade to newest release of data standard
- VITLAccess clinical portal enhancements
- Reporting expansion
- Immunization Registry integration
- Medicaid interoperability support
- Interfaces for public health data

Other Activities

- Expanded outreach and client engagement
- Refining product roadmap
- Exploration of opportunities:
 - in-EHR data delivery
 - NCQA DAV program with payers

FY23 Budget Overview

FY22: Year End Forecast

- Projected Year End net assets of \$250k vs budget of \$56k
- Revenue forecast \$1M less than plan as some project work shifts into FY23
- Expenses forecast \$1.2M less than plan as some project expenses shift into FY23
 - Network (\$0.3M), Software (\$0.5M), and Outside Support (\$0.3M)
- Balance Sheet
 - Deferred revenue is expected to be \$1.4M at year end
 - Cash on Hand projected to be \$5.1M or 189 days

FY23 Budget Overview

- Budgeted Net Assets of \$75k
- Revenues reflect shift in CMS sources and funding priorities
- Expenses are aligned with project commitments and operational needs

FY23 Budget Comparison

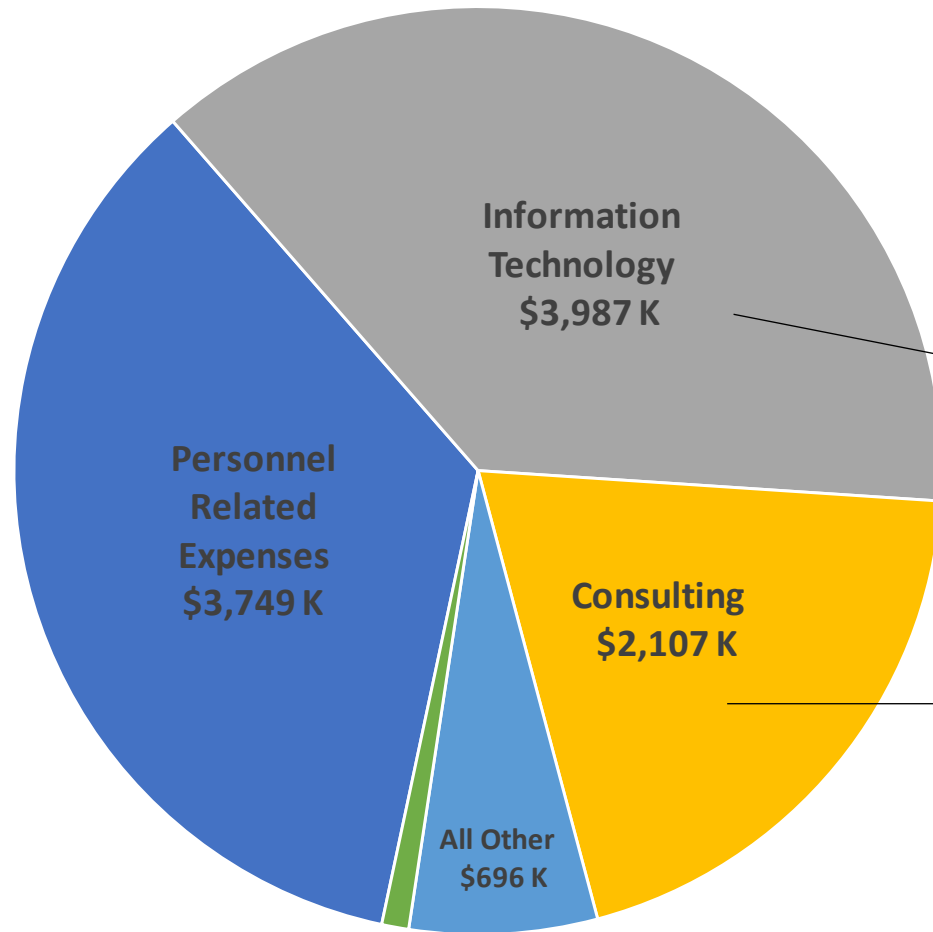
Item	FY21 Audited	FY22 Approved Budget	FY22 Year End Forecast	Variance	FY23 Proposed Budget
SOV-DVHA	7,617,444	10,785,631	9,722,608	445,323	10,167,931
OCV	849,996	637,497	639,998	(209,998)	430,000
All other revenue	227,540	231,237	253,458	(98,265)	155,193
Total Revenue	8,694,980	11,654,365	10,616,064	137,060	10,753,124
 Total personnel costs	 3,266,777	 3,660,900	 3,561,581	 186,931	 3,748,512
Network Expenses	377,783	688,728	410,750	268,046	678,797
Software	2,375,573	3,710,654	3,216,409	92,128	3,308,537
Consulting/Legal/Accounting	1,349,563	2,672,711	2,313,370	(206,170)	2,107,200
Education & Outreach	42,762	91,150	90,390	66,686	157,076
Occupancy	147,555	147,897	117,568	(54,448)	63,120
All other expenses	400,522	489,657	605,920	(129,744)	476,177
<u>Contingency</u>	<u>-</u>	<u>100,000</u>	<u>50,000</u>	<u>50,000</u>	<u>100,000</u>
Total Material/Services	4,693,758	7,900,797	6,804,408	86,498	6,890,906
 Total All Expenses	 \$ 7,960,535	 \$ 11,561,697	 \$ 10,365,989	 \$ 273,429	 \$ 10,639,418
Change in Net Assets	\$ 734,445	\$ 92,668	\$ 250,075	\$ (136,369)	\$ 113,706
Carry Forward Project Investment			\$ (175,000)		\$ 175,000
Investment: Rhapsody Redesign					(175,000)
 Add back CAPEX		(37,050)	-	(40,000)	(40,000)
Adjusted Net Assets	\$ 734,445	\$ 55,618	\$ 75,075	\$ (1,369)	\$ 73,706

FY23 Revenue

Revenue Source	FY21 Audited Financials	FY22 Approved Budget	FY22 Year End Forecast	Total FY23 Revenue
CY20 DVHA	4,852,171	98,924	588,345	-
CY21 DVHA	2,765,273	6,627,115	5,156,574	1,443,338
CY22 DVHA	-	3,870,225	3,977,689	4,970,987
CY23 DVHA (est.)	-	-	-	3,753,606
Total State Contracts	7,617,444	10,596,264	9,722,608	10,167,931
OCV	849,996	637,497	639,998	430,000
All other	227,540	420,605	253,458	155,193
Total Revenue	8,694,980	11,654,366	10,616,064	10,753,124

- Revenues
 - ~\$1.4 million of CY21 activities to be completed in FY23
 - Remaining development work from the CY22 contract
 - Shift to funding of M&O in CY23 is reflected in 2H FY23
 - Reduction in OneCare Vermont contract revenue

FY23 Expenses



- Expenses

- Largest categories are Labor, Software, and Outside Support
- These lines include a combination of ongoing and one-time costs

Data Security	\$ 339K
Network	\$ 341K
Software	\$3,309K

Project Support	\$1,324K
Bi-State / VRHA	\$ 149K
General Consulting	\$ 424K
Legal/Accounting	\$ 210K

Expenses: Labor

- Labor costs increase ~\$187k relative to FY22
 - Creates three roles:
 - Clinical Advisor (part time)
 - Finance Analyst
 - Outreach/communications position
 - Two currently vacant roles are captured as Outside Support (contractors) for FY23
 - Includes COLA and anticipated health care cost increases

Expenses: Software & Outside Support

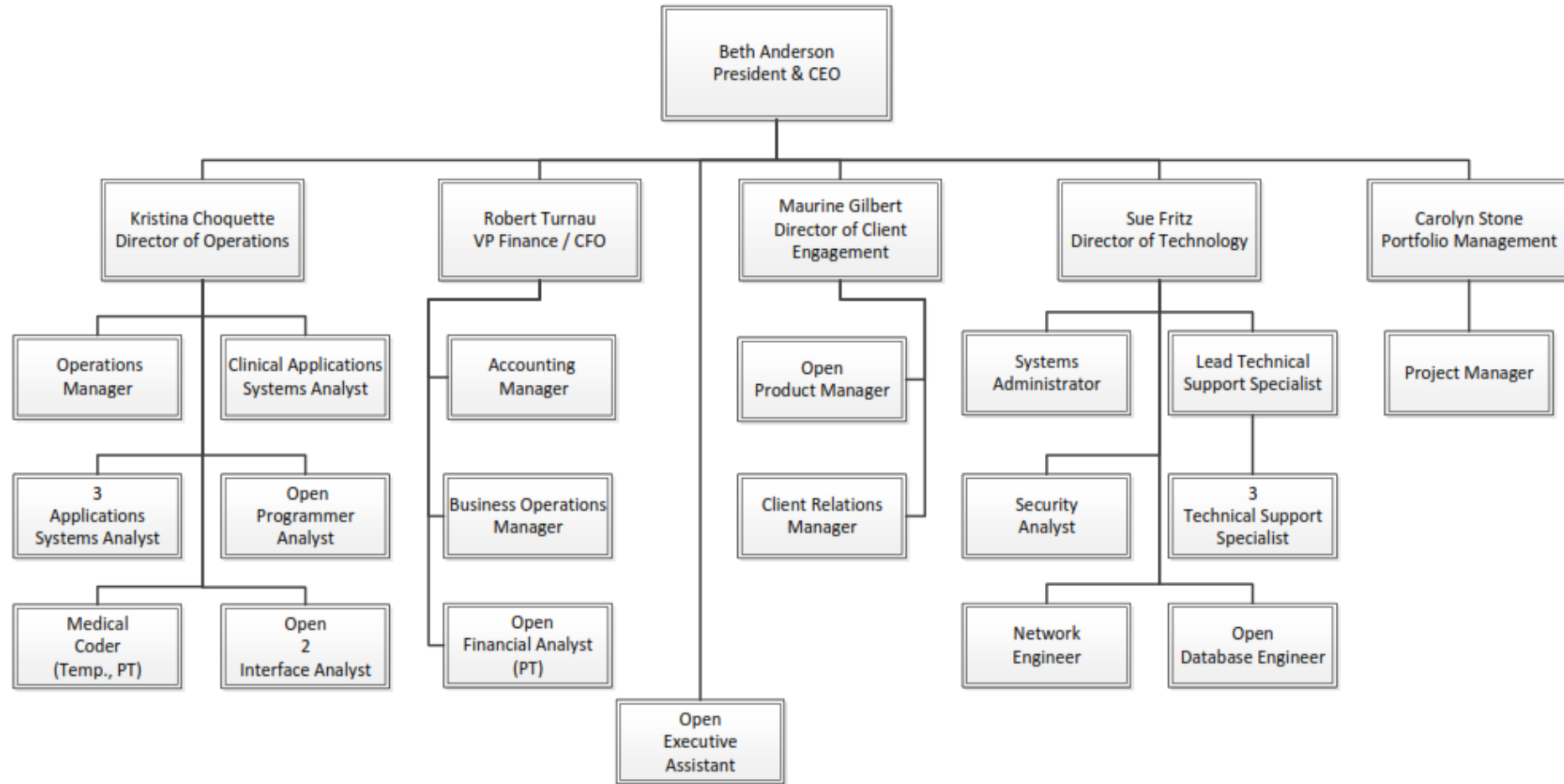
Software reflects annual licensing and contracted development

- \$2.3m reflects ongoing licensing costs for VHIE components
 - Clinical Data Repository
 - Master Patient Index
 - Integration Engine
 - Terminology Services
 - Results Delivery
- \$100k in business software
- \$872k (26%) in one-time costs for development & enhancements

Outside Support includes contractors to support one-time project work

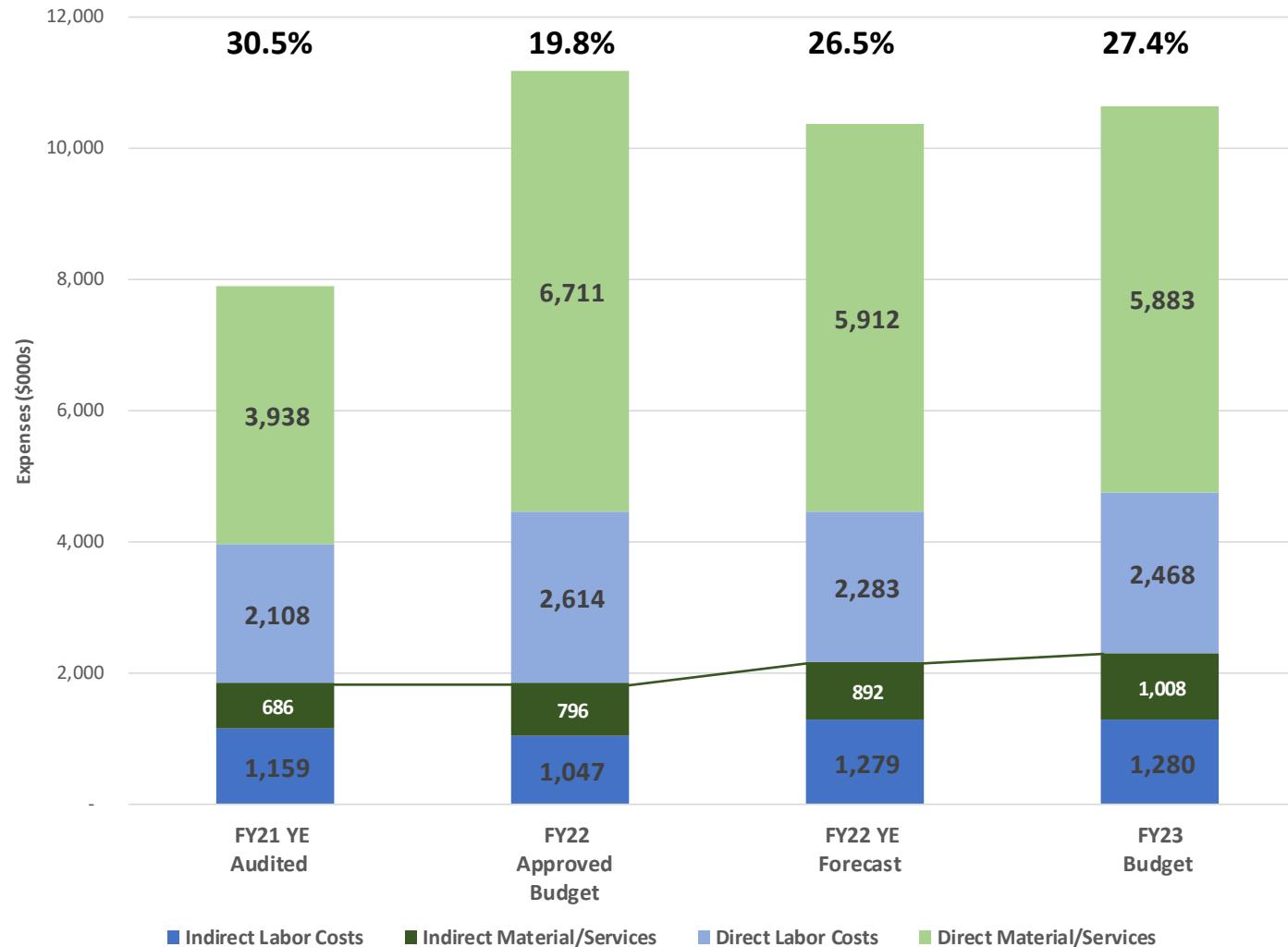
- Total budgeted costs of \$2.1 million
- 76% of costs are associated with project & enhancement work
- Remaining costs include legal, audit, general consulting

FY23 Staffing



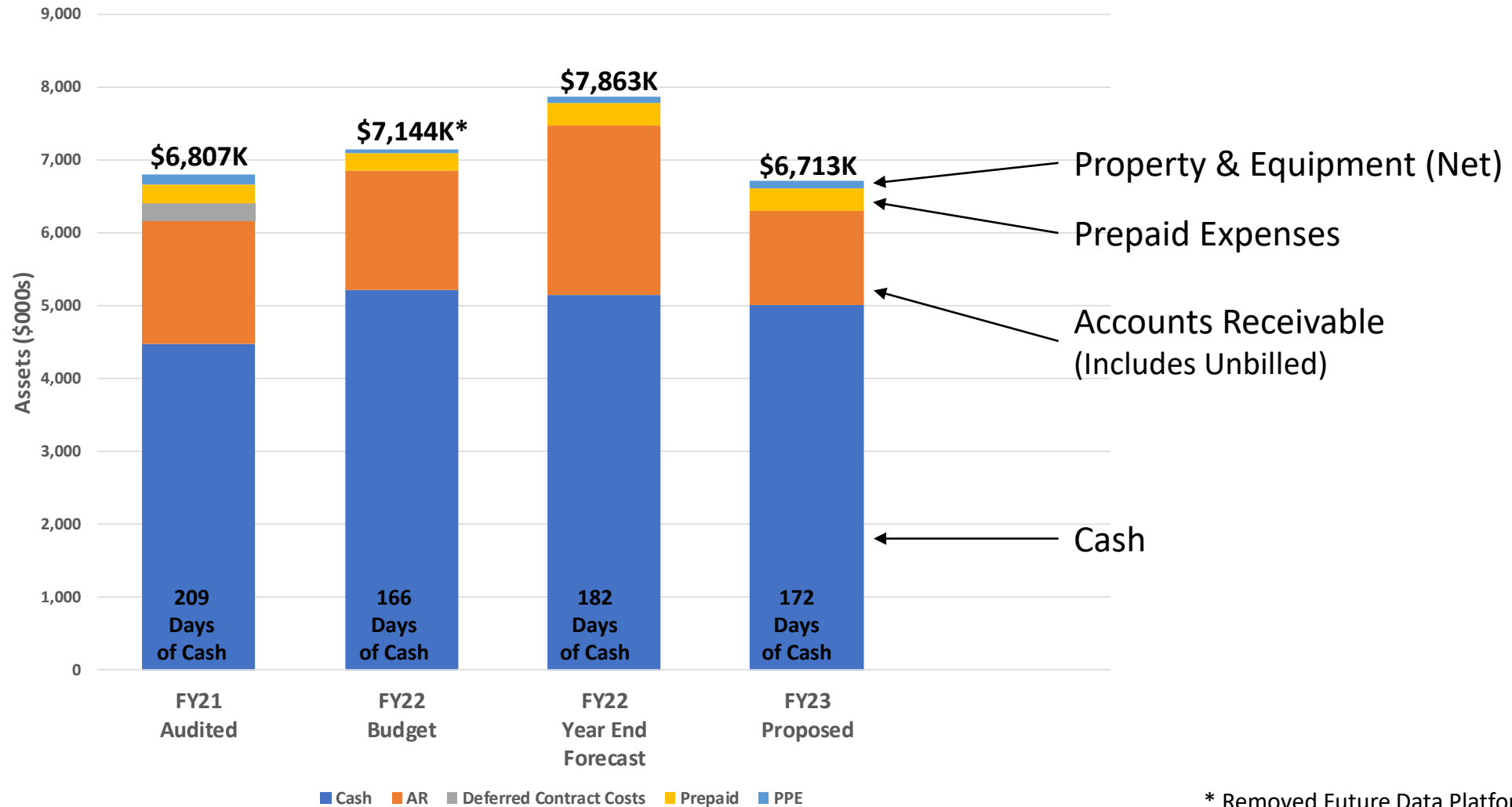
Current as of May 2022

FY23 Indirect Rate



- VITL has been working to keep indirect costs in check
- Due to the scale of VITL's budget, small changes in costs will drive shifts in the rate

FY23 Balance Sheet Assets



* Removed Future Data Platform CAPEX from PP&E

Investing FY22 Surplus Funds

- The FY23 budget anticipates using up to \$175k of FY22 surplus funds to support a redesign of the Rhapsody integration engine to:
 - address complexity created over time,
 - standardize procedures, and
 - leverage advanced functionality.
- This will result in efficiencies in supporting the tool and building new interfaces, and allow us to expand our capabilities for future work.

VITL Sustainability Model Development

Goals

- With transition to new funding sources and funded priorities, VITL will continue efforts to define a sustainable fee structure that allows the organization to
 - Continue to build new connections with organizations wanting to submit data to the Vermont Health Information Exchange and support when providers change their electronic health records (EHRs)
 - Allow for customer-led design, and implementation of new services to support access to actionable data by providers at the point of care

Program Updates

- Collaborative Services: MedicaSoft Platform Implementation
 - VITLAccess Clinical Portal
 - Patient Consent Education
 - Security Update

MedicaSoft – Overall Project Update

- New VITLAccess clinical portal pilot complete, portal launched
- 90% of interfaces transitioned to VITL interface engine
- Results Delivery and Direct Messaging transition underway
- Reporting Database enhancements and performance tuning in progress
- Projects in progress for fall delivery
 - Patient Application Programming Interface (API) planning
 - Technical design for Social Determinants of Health (SDOH) data ingestion
 - Bi-Directional Immunization query and retrieve technical design

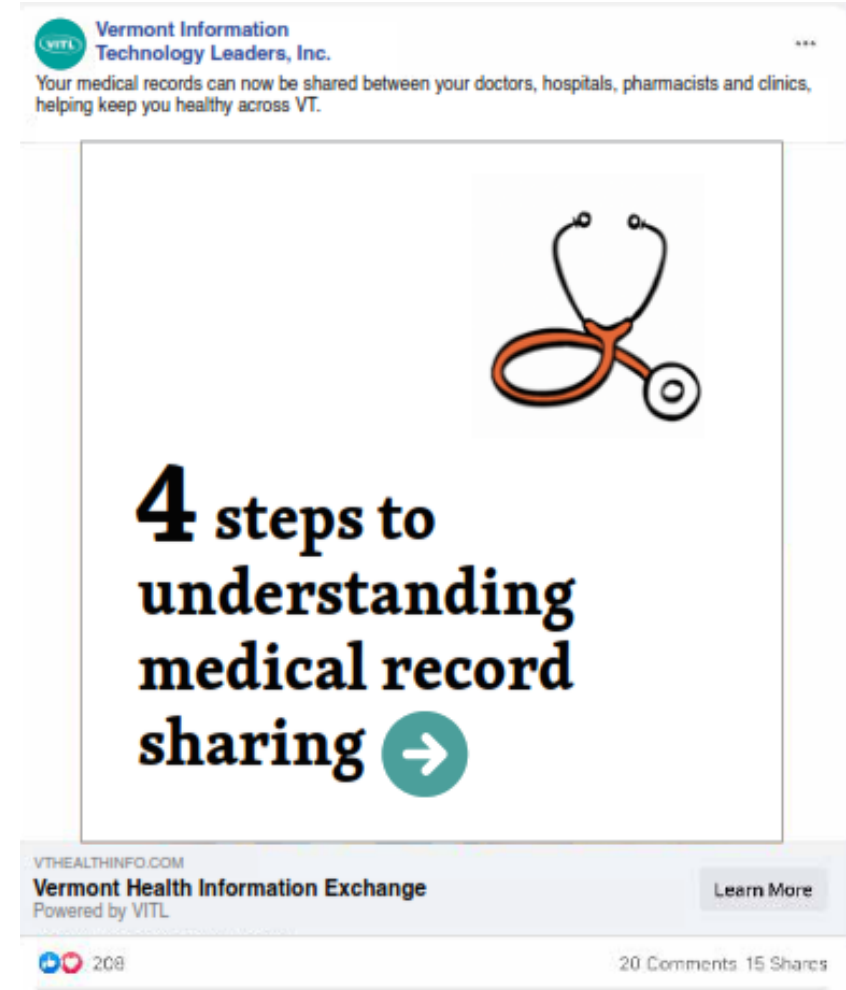
VITLAccess Provider Portal

- Roll out to users began April 19th, continues in waves
- Outreach directly to users to invite new account activation, build awareness of resources, encourage use
 - Live trainings offered 2x a week
 - New VITLAccess Learning Hub with user manual, quick videos, recorded webinars, more
 - Support Team available for questions
- Positive feedback about user interface, available data

Patient Consent Education

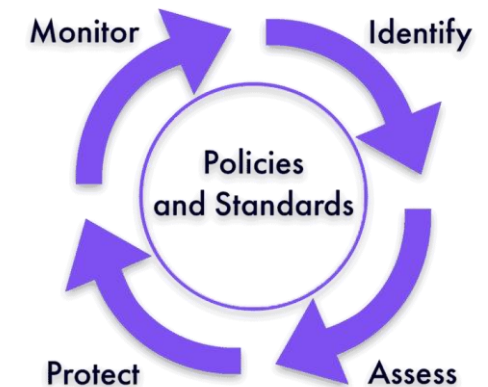
- Re-launching direct outreach to Vermonters in June 2022
- Paid placement on Facebook, Instagram, YouTube
- Goal is views, awareness
- Supplements ongoing education by participating organizations

Sample social post:



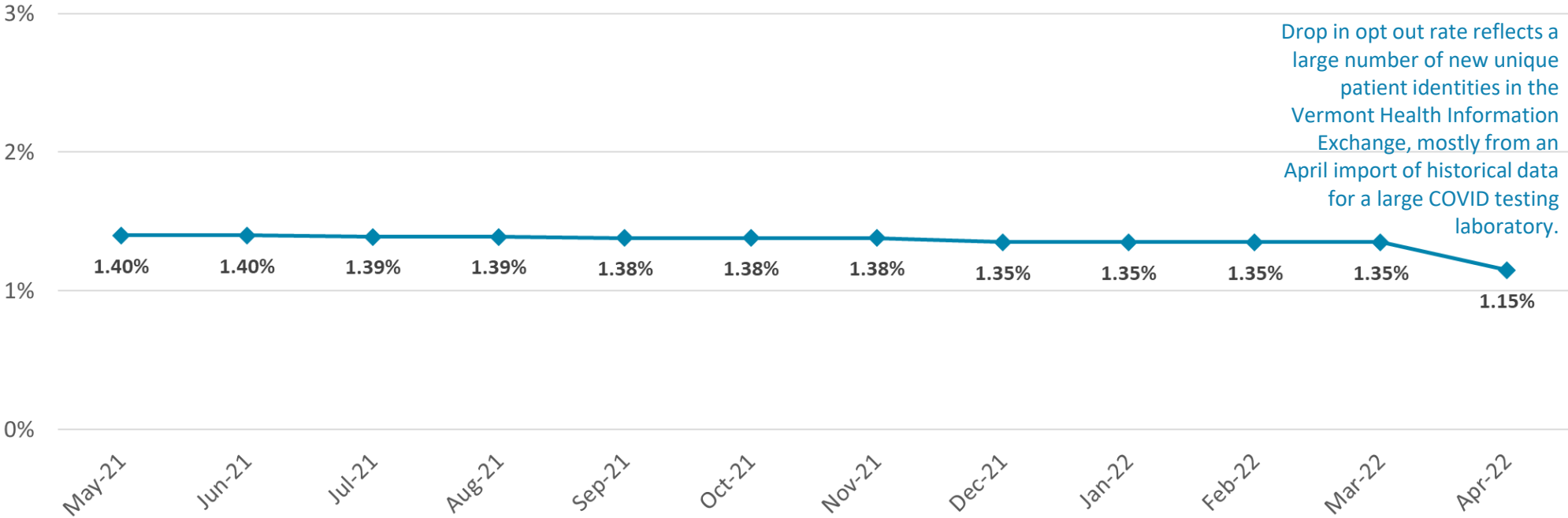
Update on the Security Life Cycle

- In January of 2022, our 2021 3rd party penetration test was completed.
 - Results were successful, with no critical vulnerabilities in either internal or external infrastructure.
- During February of 2022 VITL staff and 3rd party vendors conducted Disaster Recovery tabletop tests of the 4 VHIE subsystems (Rhapsody, TermAtlas, Verato and MedicaSoft)
 - Overall, the exercises were successful, exhibiting solid understanding of our recovery plans.
 - Regular testing of these recovery plans is a key element of our security and resiliency commitment. This round of tabletop testing was expedited by the CMS certification timeline; we will be conducting additional disaster and continuity tests as part of our standard security life cycle.
- In March of 2022 VITL finalized its *Systems Security Planning Policy*
 - A System Security Plan (SSP) is a foundational element of the CMS certification process and will be an evolving responsibility shared between VITL and each of the VHIE vendors.
- We are currently finalizing our annual 3rd party security assessment.



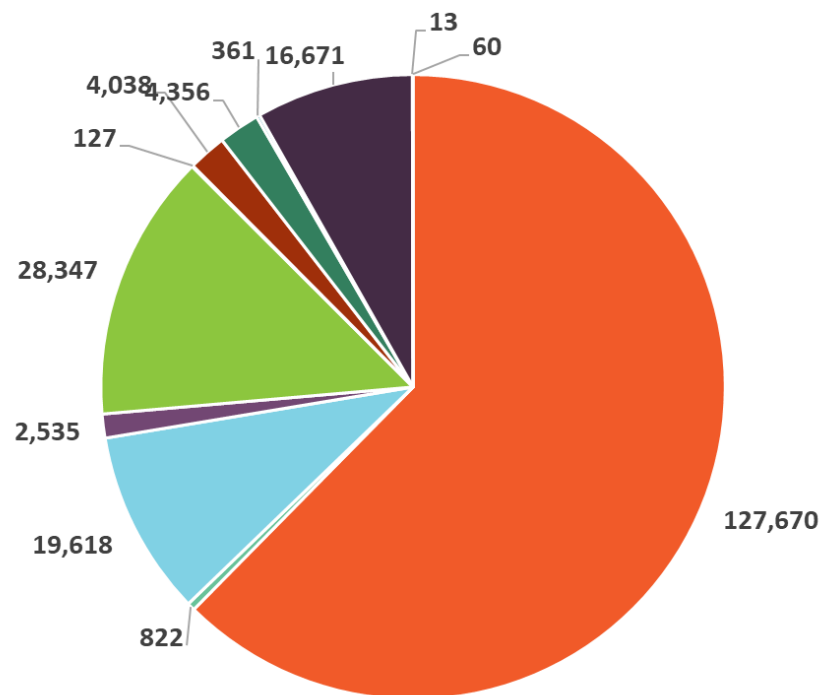
Quarterly Metrics

Percent of Vermont Patients Opted Out of the VHIE



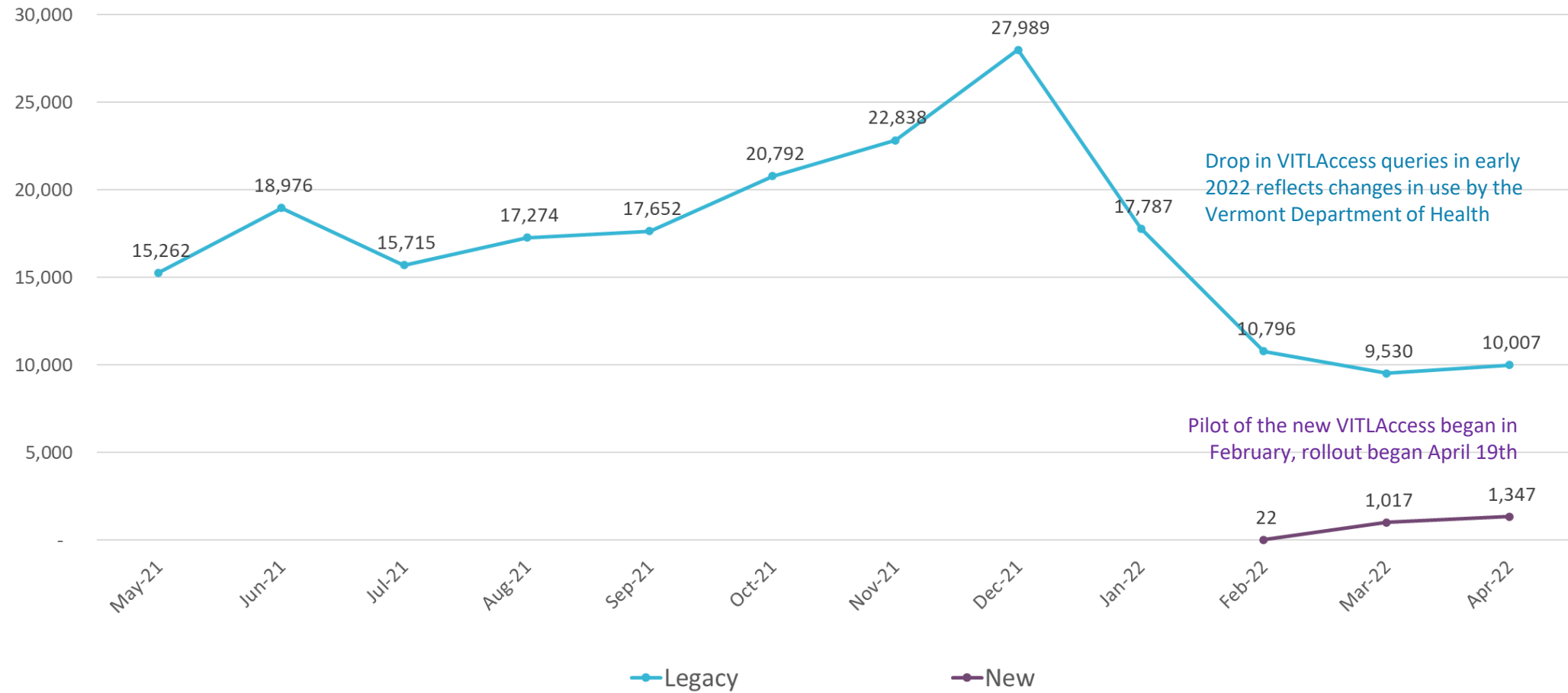
Legacy VITLAccess Queries by Organization Type

May 2021 - April 2022



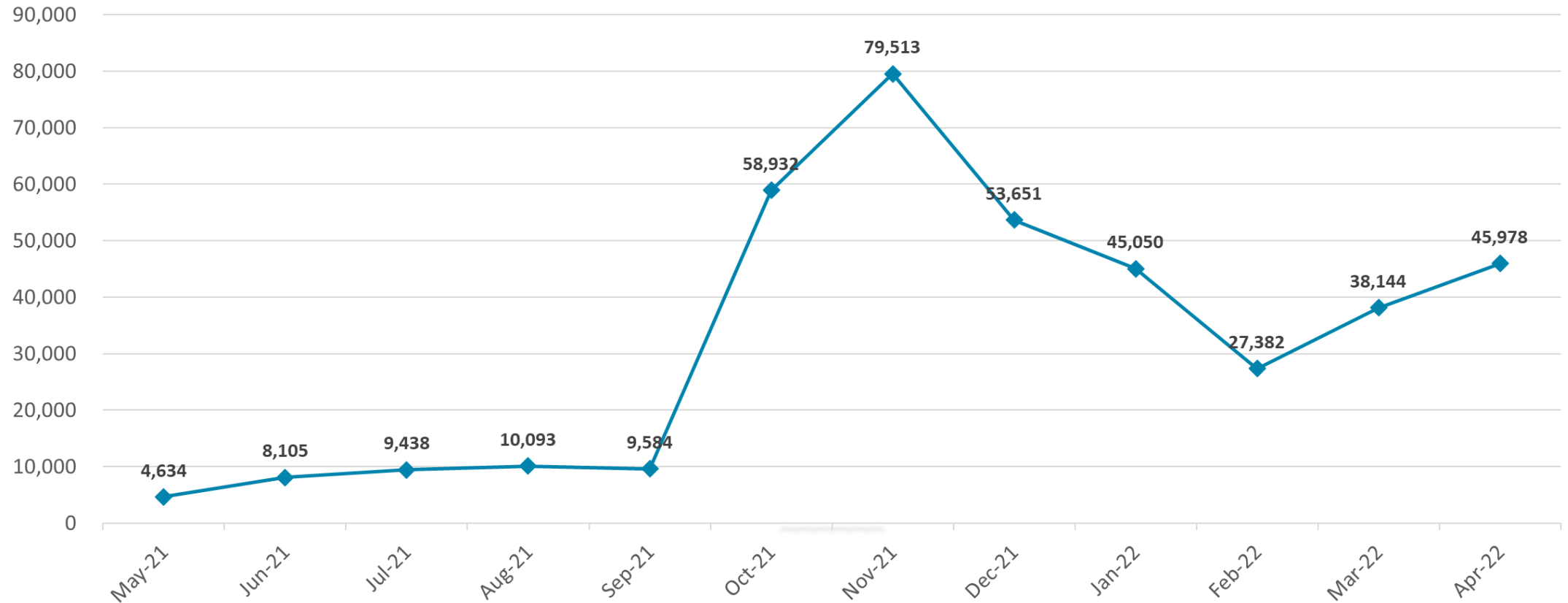
- Federal/State Agency: 127,670
- Hospital Owned Practice: 2,535
- Federally Qualified Health Center: 4,038
- Emergency Services: 16,671
- Long-Term Care: 822
- Hospital: 28,347
- Designated Agency: 4,356
- Retail Pharmacy: 13
- Independent Practice: 19,618
- Home Health Agency: 127
- Community Health Center: 361
- Specialized Services Agency: 60

VITLAccess Queries by Month

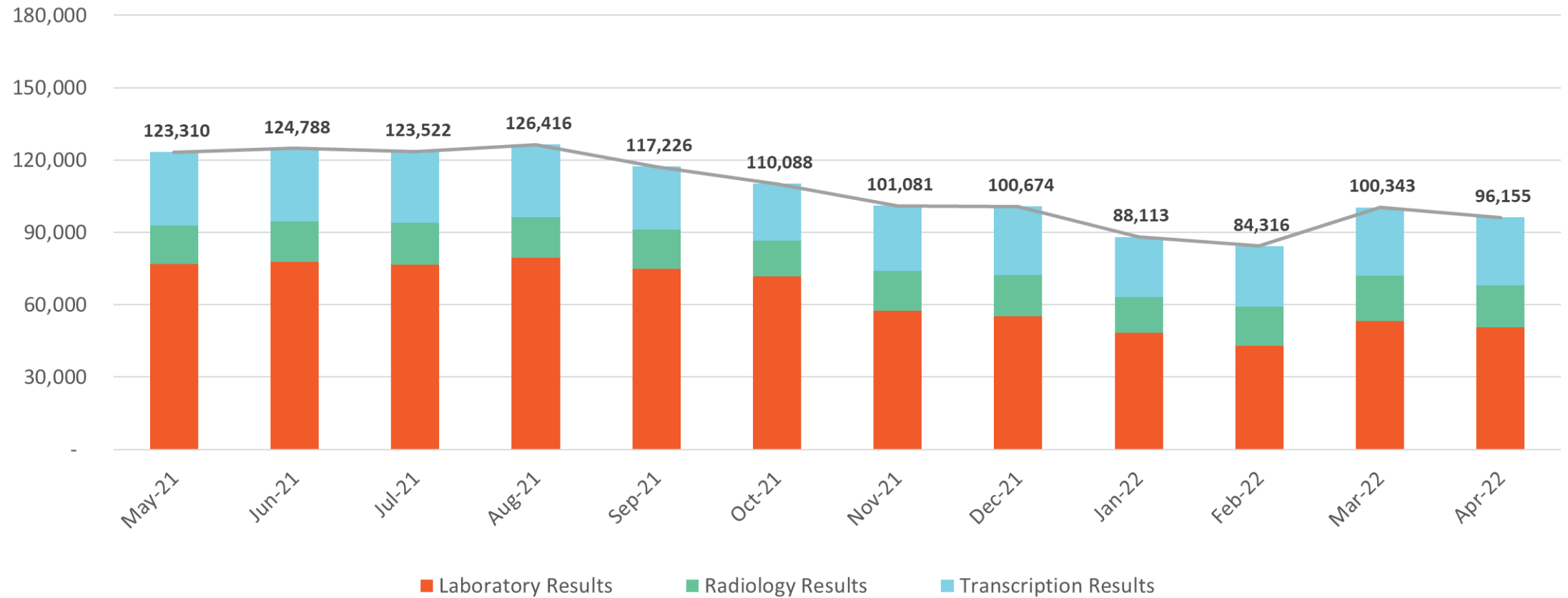


Queries of the VHIE via eHealth Exchange

(University of Vermont Medical Center, Veterans Affairs, Department of Defense)

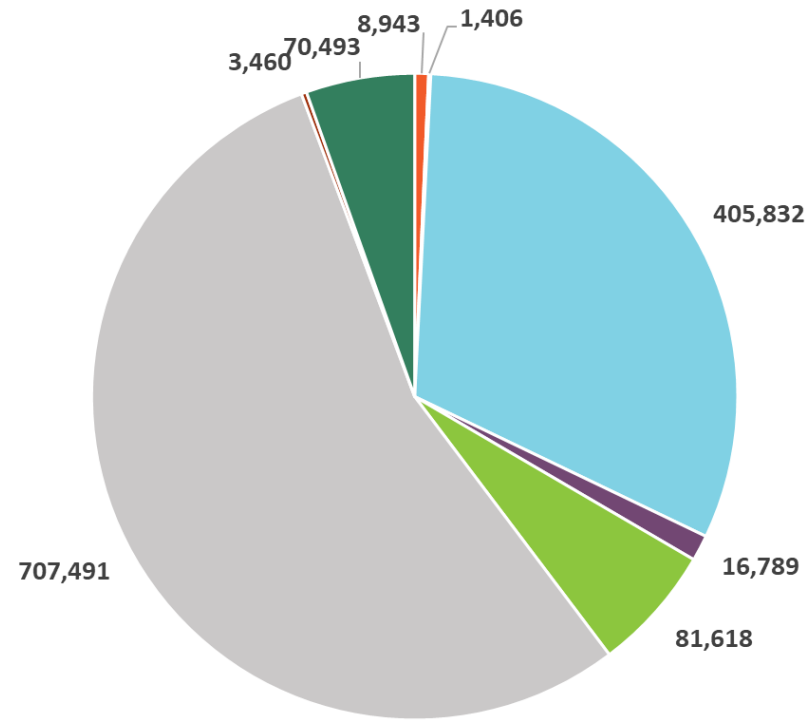


Results Delivery by Result Type



Number of providers receiving results = 599

Results Delivery by Organization Type May 2021 - April 2022



■ Federal/State Agency: 8,943
■ Hospital Owned Practice: 16,789
■ Designated Agency: 3,460

■ Long-Term Care: 1,406
■ Hospital: 81,618
■ Rural Health Center: 70,493

■ Independent Practice: 405,832
■ Federally Qualified Health Center: 707,491

Appendix

Abbreviations

ADS: Vermont Agency of Digital Services

AHS: Vermont Agency of Human Services

API: Application programming interface – a connection between computers or between computer programs

CMS: Centers for Medicare and Medicaid Services

CY: Calendar Year

DVHA: Department of Vermont Health Access

FHIR: HL7's Fast Healthcare Interoperability Resources data standard

FY: Fiscal Year (VITL's fiscal year begins on July 1)

HIE: Health Information Exchange

HITECH Act: Health Information Technology for Economic and Clinical Health Act

OBC: CMS' Outcomes Based Certification program, focused on ensuring projects receiving federal financial participation are meeting state and CMS needs (details were included in our November 2021 update)

OCV: OneCare Vermont

VDH: Vermont Department of Health

VHIE: Vermont Health Information Exchange

YTD: Year to Date