

# VITL Budget Presentation & Quarterly Update

June 9, 2021



# Agenda

- ❑ Overview
- ❑ FY22 Budget Request
- ❑ COVID-19 Support Update
- ❑ Collaborative Services Update
- ❑ Consent Update
- ❑ Security Update
- ❑ Quarterly Report

# Overview

# FY21 Achievements

- Ongoing support for the Vermont Department of Health's COVID response
- Continued implementation of the MedicaSoft platform
  - Blueprint extract delivered in April
- Led planning for the collection and sharing of 42 CFR Part 2 data
- Ensured compliance with ONC's 21st Century Cures Act Final Rule
  - Solution for new Certificate of Participation requirement
- Assisted partners with data needs during cyberattack
- Created plan, policies, and procedures to use VHIE in emergencies
- Continued ongoing efforts to maintain the security and availability of the VHIE
- Initiated strategic planning

# CY21 Contract Changes

- DVHA priority to expand claims implementation
- Agreed to CY21 contract changes to:
  - Develop implementation guides and standards
  - Ingest claims data from private payers
  - Create linked data extracts
  - Initiate planning for some CY22 deliverables

# FY22 Budget Overview

- Complete implementation of MedicaSoft platform, FHIR R4, and APIs
- Expand data types: claims, use cases for social determinants of health
- Launch enhanced provider portal
- Implement sustainable business model
- Continue program of outreach and client engagement
- Enhance and maintain system security and availability
- Explore opportunities to expand support for VDH

# FY22 Challenges

- Based on lessons of the last year, balancing flexibility for the unexpected with delivering planned commitments
- Sunset of HITECH funding on September 30, 2021, and expectation of lower Centers for Medicare and Medicaid Services (CMS) allocation levels
- Implementation of a sustainability model that involves financial commitment of participants

# Proposed FY22 Budget



# FY21 Year End Forecast

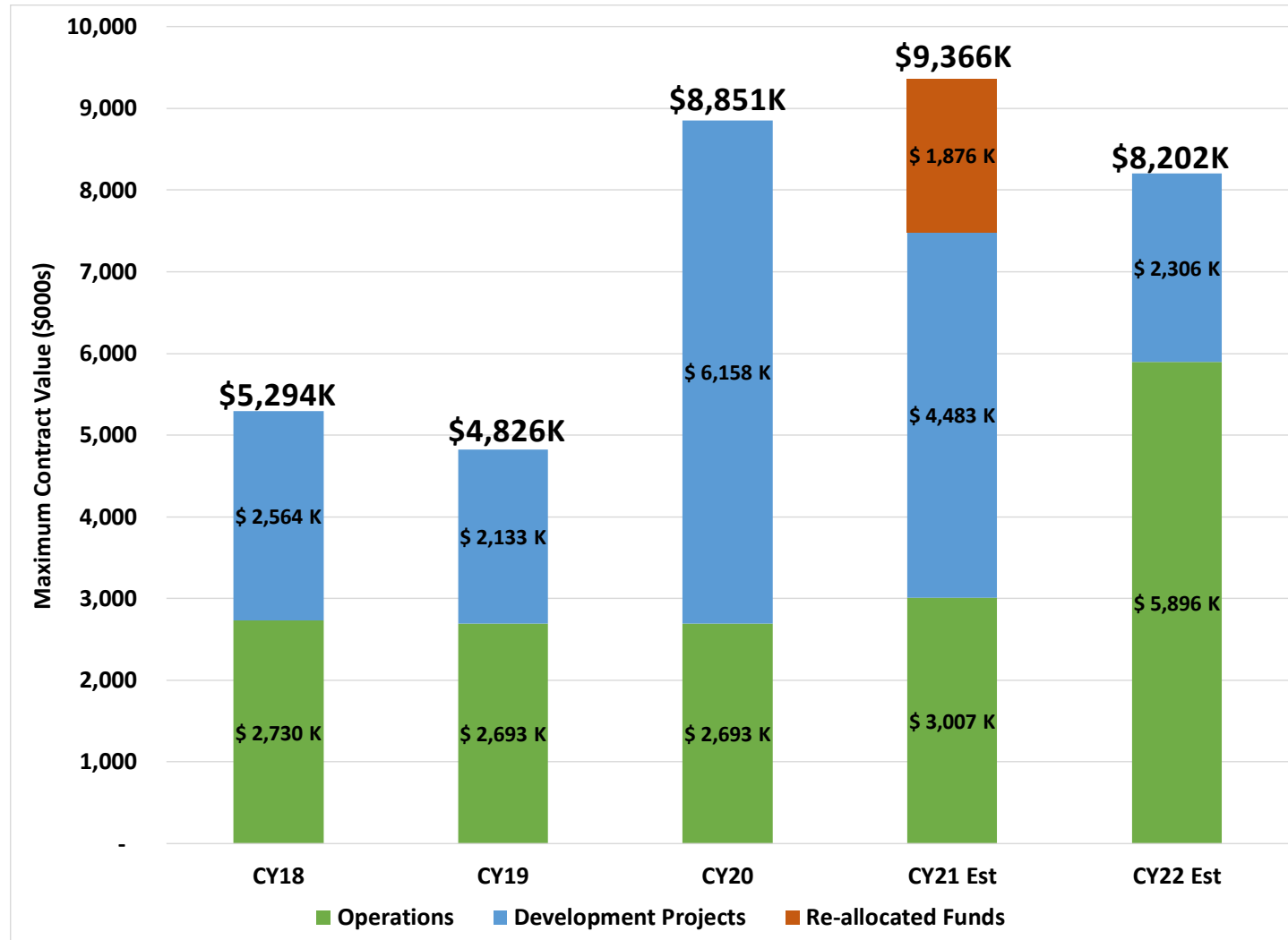
Item	FY21 Updated Budget	Variance	FY21 Year End Forecast
SOV-DVHA	8,895,802	(1,091,552)	7,804,251
OCV	810,000	39,996	849,996
All other revenue	190,000	39,666	229,666
Potential impacts to revenue	(98,958)	98,958	-
<b>Total Revenue</b>	<b>9,796,844</b>	<b>(912,931)</b>	<b>8,883,913</b>
Total personnel costs	3,295,637	2,951	3,298,589
VHIE hosting costs	1,045,885	-	1,045,885
Information Technology	2,170,334	(357,840)	1,812,494
Consulting/Legal/Accounting	2,069,222	(297,079)	1,772,143
Occupancy	145,980	-	145,980
All Other Expenses	501,219	(31,500)	469,719
Contingency	150,000	(150,000)	-
<b>Total Expenses</b>	<b>9,378,277</b>	<b>(833,468)</b>	<b>8,544,809</b>
<b>Change in Net Assets</b>	<b>418,568</b>	<b>(79,464)</b>	<b>339,104</b>
CAPEX	(328,238)	257,710	(70,528)
<b>Change in Net Assets (with CAPEX)</b>	<b>\$ 90,329</b>	<b>\$ 178,246</b>	<b>\$ 268,576</b>

- Year end forecast reflects reallocation of some CY21 revenue from FY21 to FY22
- Shift in work scope reduces consulting and IT expenses
- Use of contingency was not necessary

# FY22 Budget Assumptions

- Seeks to maintain the right balance of staff, with contractors and consultants to support variable work volume and periodic needs
- Depends on continued availability of skilled consultants/contract labor
- Based upon agreed changes to CY21 contract and projections for CY22, assumes final contracts align to those projections
- Costs trend as projected

# State Funding by Year



- CY21: reallocation for expanded claims project and planning for CY22 deliverables
- CY22: increase in Operations reflects shift of collaborative services projects to operations, support for Blueprint, and interface remediation

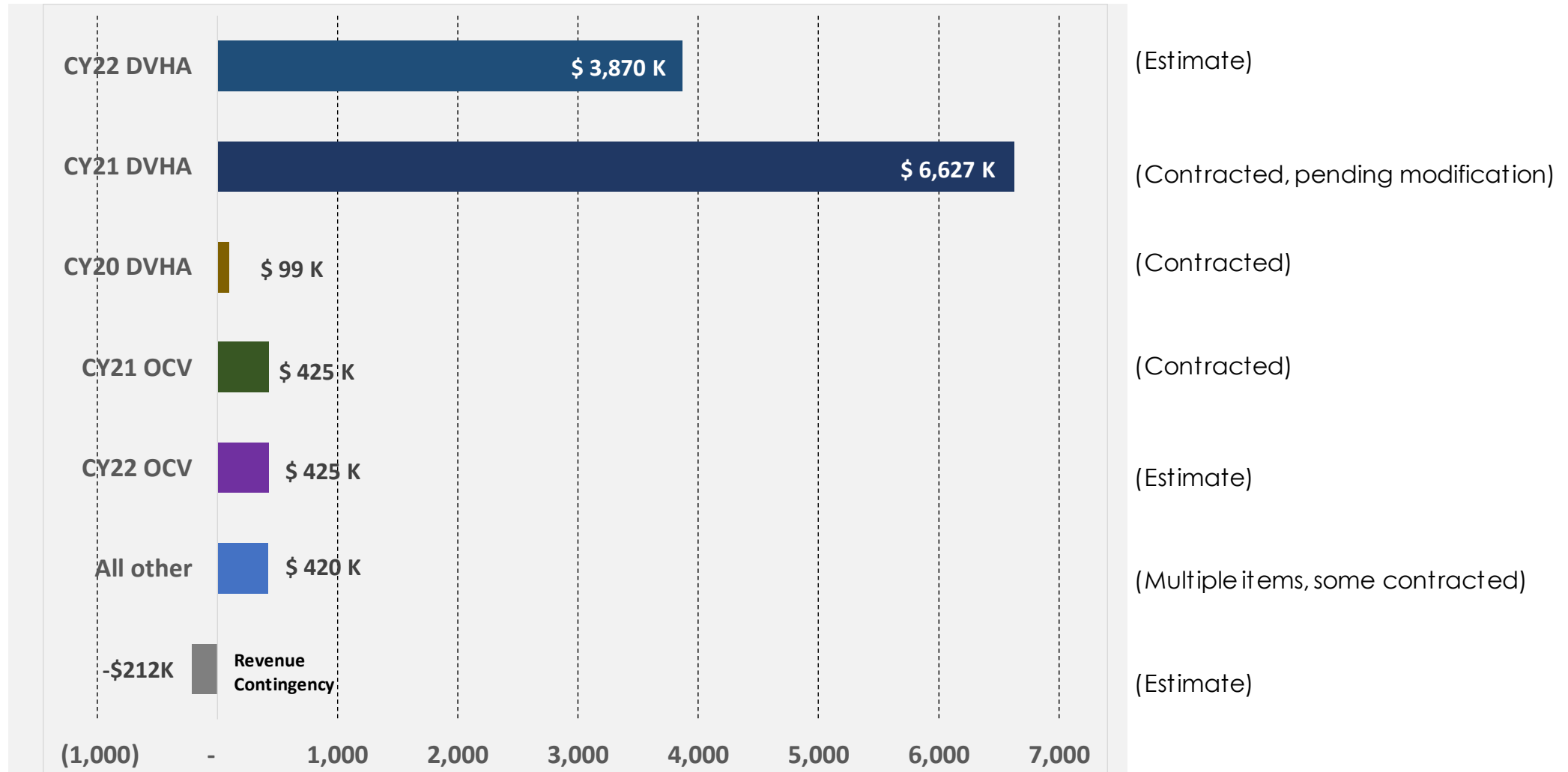
# FY22 Revenue

Revenue source	FY20 Audited	FY21 Updated Budget (Jan. 2021)	FY21 Year End Forecast	FY22 Budget
Prior State contracts				
CY19	2,398,867			
CY20	3,459,527	5,201,852	5,105,238	98,924
CY21	-	3,693,950	2,699,013	6,627,115
CY22 (est.)	-	-	-	3,870,225
Total State Contracts	5,858,394	8,895,802	7,804,251	10,596,264
OCV	812,290	810,000	849,996	849,996
All Others	197,033	190,000	229,666	420,604
Potential impacts to revenue	-	(98,958)	-	(212,499)
<b>Total Revenue</b>	<b>6,867,717</b>	<b>9,796,844</b>	<b>8,883,913</b>	<b>11,654,365</b>

- CY21 contract reflects reallocation of funds to expand claims work scope and to perform preparatory work and planning for CY22 deliverables
- CY22 estimate developed in collaboration with DVHA
- Potential impacts to revenue is a contingency of about 2% for potential negative impacts to VITL's revenue projection

# FY22 Projected Revenue

**Total FY22  
Forecast  
Revenue  
\$11,654K**

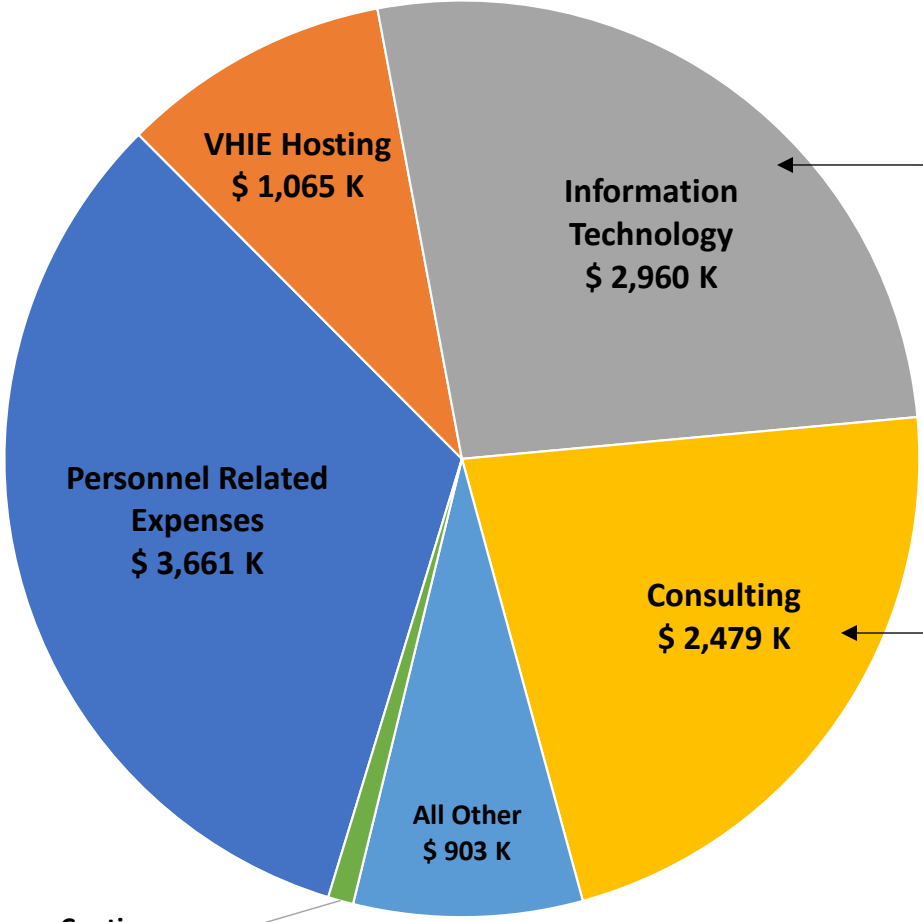


# FY22 Expenses

	FY20 Audited	FY21 Updated Budget (Jan. 2021)	FY21 Year End Forecast	FY22 Budget
Revenue	6,867,717	9,796,844	8,883,913	11,654,366
Expenses				
Labor Cost	2,064,138	2,440,741	2,370,375	2,634,226
Fringe Related Costs	755,161	854,897	928,213	1,026,674
Personnel Related Expenses	2,819,298	3,295,637	3,298,589	3,660,900
VHIE Hosting	974,384	1,045,885	1,045,885	1,064,679
Information Technology	1,456,697	2,170,334	1,812,494	2,959,774
Consultants	225,960	1,863,270	1,556,191	2,478,865
Occupancy	143,638	145,980	145,980	147,837
Legal & Accounting	196,621	205,952	215,952	207,798
Education	36,356	49,522	19,522	50,550
Insurance	83,625	88,594	88,594	102,848
EE Recruitment/Prof. Dev.	23,821	160,828	160,828	159,488
Telecommunications	52,860	52,457	52,457	59,241
All Other	136,160	149,819	148,319	175,590
Contingency	-	150,000	-	100,000
Total All Expenses	6,149,422	9,378,277	8,544,809	11,167,570
<b>Change in Net Assets (w/o CAPEX)</b>	<b>\$ 718,296</b>	<b>\$ 418,568</b>	<b>\$ 339,104</b>	<b>\$ 486,796</b>
CAPEX	-	(328,238)	(70,528)	(431,177)
<b>Change in Net Assets (with CAPEX)</b>	<b>\$ 718,296</b>	<b>\$ 90,329</b>	<b>\$ 268,576</b>	<b>\$ 55,619</b>

- Labor represents 33% of total spend
- Information Technology costs are 27% of total spend
- Consultants/contract labor are 22%
- VHIE Hosting costs are 10%

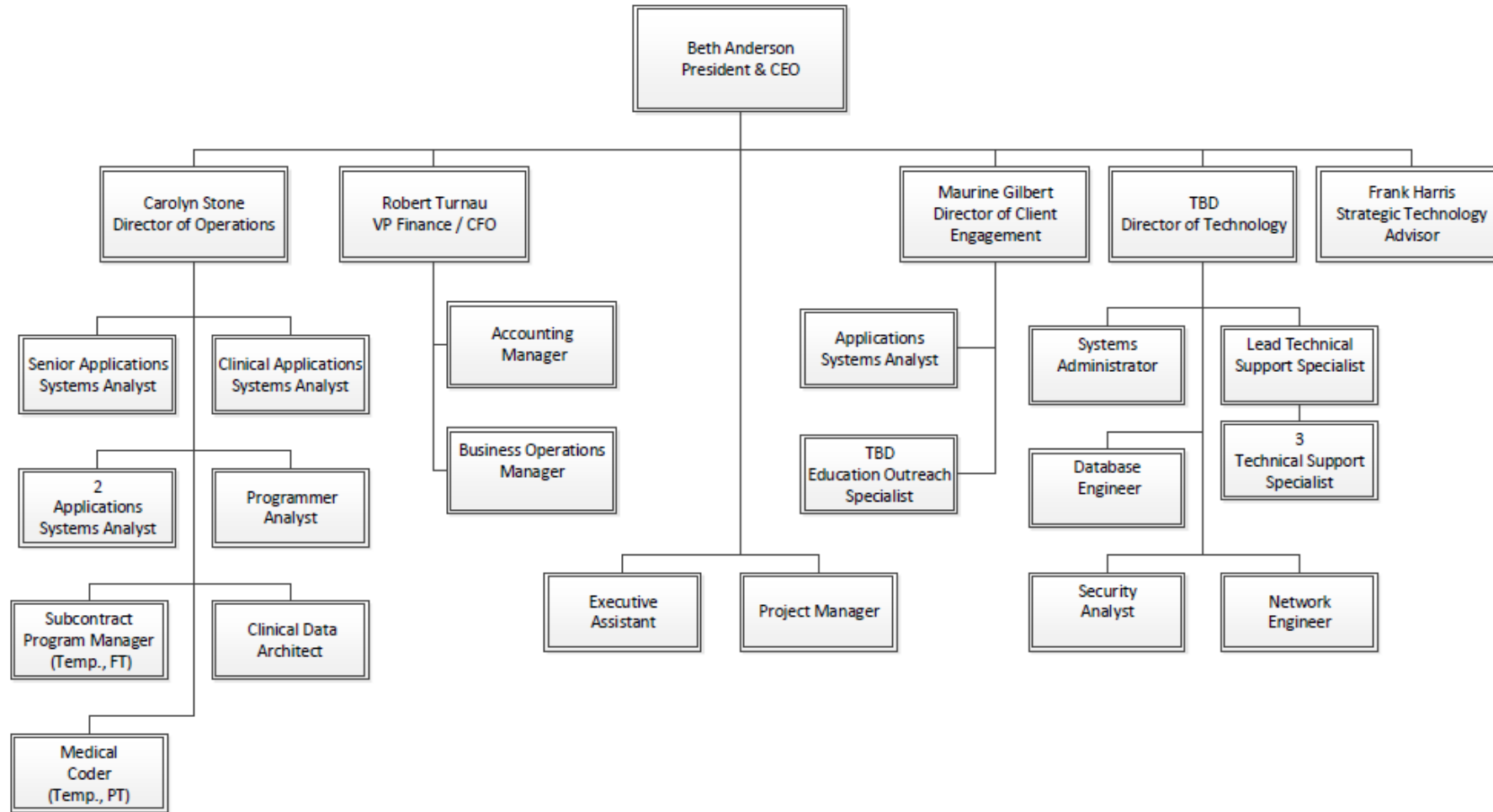
# FY22 Expenses



Data Security	\$361K
Network	\$492K
Software	\$2,106K

R4 Upgrade	\$574K
Claims Expansion	\$477K
Reporting & Data Quality	\$441K
Data Testing	\$340K
Provider Portal	\$412K
General Business	\$145K
Education	\$ 90K

# VITL Organization Chart



Current as of May 2021



# FY22 Headcount

Department	End of Year FTEs				Variance	
	FY20	FY21	FY21	FY21	FY22	Forecast
	Actual	Budget	Jan Forecast	Year End Forecast	Proposed Budget	to Budget
Administration	6.0	6.0	7.0	6.0	6.5	0.5
Client Engagement	1.0	3.0	3.0	2.0	3.0	1.0
Technical Support	4.0	4.0	4.0	4.0	4.0	0.0
Operations	6.6	6.6	9.0	8.4	10.0	1.6
Technology	<u>5.0</u>	<u>5.0</u>	<u>6.0</u>	<u>6.0</u>	<u>5.0</u>	<u>(1.0)</u>
<b>Total</b>	<b>22.6</b>	<b>24.6</b>	<b>29.0</b>	<b>26.4</b>	<b>28.5</b>	<b>2.1</b>
Subtotal core staffing	22.6	24.6	25.6	25.0	25.6	0.6
Subtotal temporary staffing	0.0	0.0	3.4	1.4	2.9	1.5

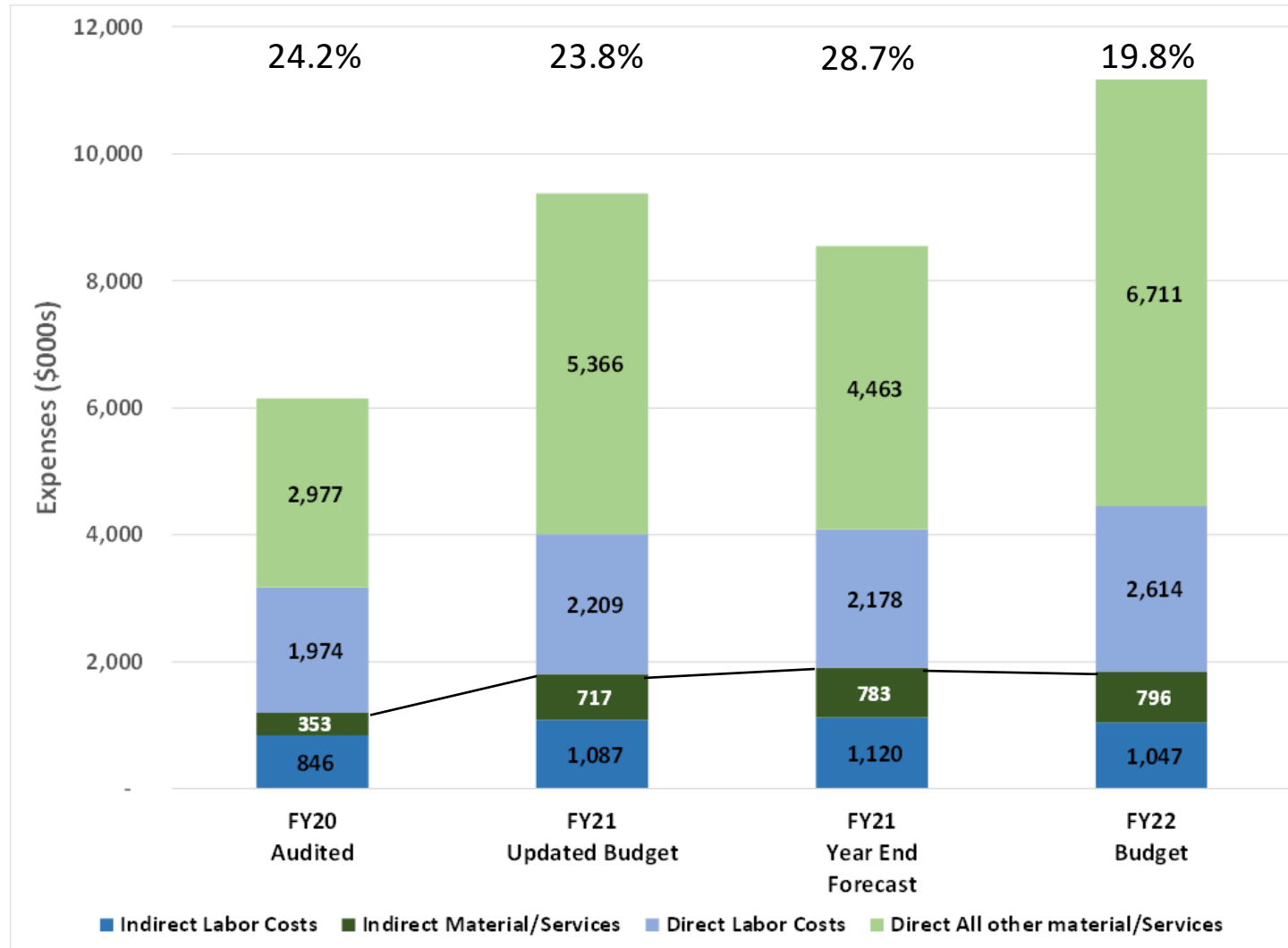
- A lean organization focused on meeting stakeholder requirements
- Org chart reflects current staffing including open positions
- FY22 Budget adds 2.5 new FTEs (two operations analysts, PT financial support)

# FY22 Personnel Costs

<b>Personnel Costs</b>	<b>FY20 Audited</b>	<b>FY21 Updated Budget (Jan. 2021)</b>	<b>FY21 Year End Forecast</b>	<b>FY22 Budget</b>
Labor Cost-Core	2,064,138	2,263,343	2,262,461	2,386,836
Labor Cost-Temporary	-	177,397	107,914	247,390
<b>Total Labor Cost</b>	<b>2,064,138</b>	<b>2,440,741</b>	<b>2,370,375</b>	<b>2,634,226</b>
Employee Benefits	262,201	311,808	320,878	345,863
Payroll Taxes	186,557	224,182	208,383	231,579
PTO Expense	203,165	249,238	320,400	356,064
Retirement Contributions	56,399	69,668	67,640	75,168
All Other	46,838	-	10,913	18,000
<b>Total Fringe Costs</b>	<b>755,160</b>	<b>854,896</b>	<b>928,214</b>	<b>1,026,674</b>
<b>Total Personnel Costs</b>	<b>2,819,298</b>	<b>3,295,637</b>	<b>3,298,589</b>	<b>3,660,900</b>

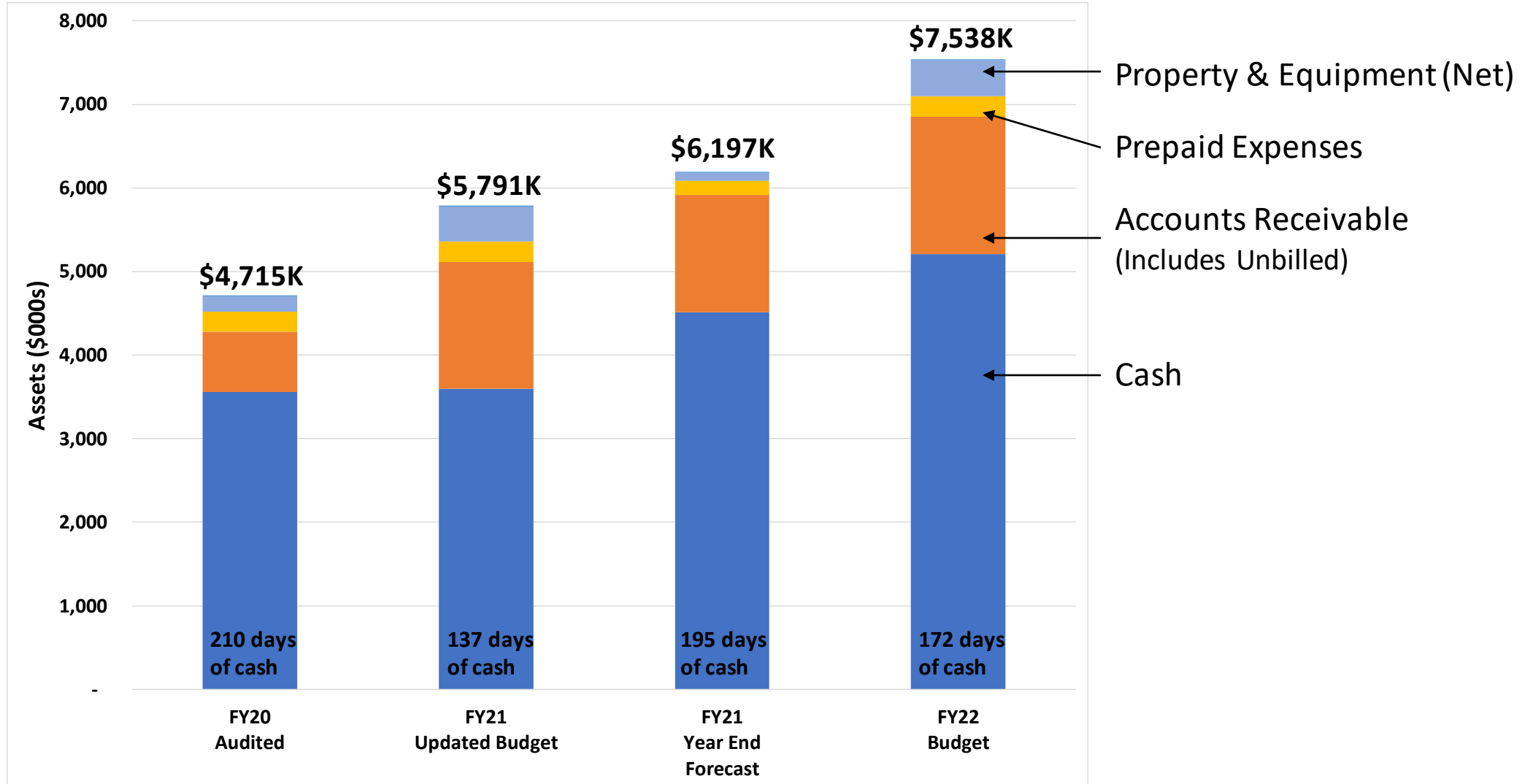
- New FTEs assumed to begin in July
- Cost of Living Increase included 2.5% (none in FY21)
- No significant changes to benefits plan

# Indirect Rates



- VITL has worked hard to keep indirect costs in check over the past three years
- Small organization, where the changes in direct cost or indirect drive large changes in the rate
- FY22 includes indirect costs to address business sustainability, training and development needs

# Balance Sheet Assets by Year



# COVID Update

# COVID-19 Support

- Began work with VDH to support State's pandemic response in April 2020
- Data access and reporting to minimize manual data collection burden for staff and health care professionals
  - Provider portal access to Epidemiology team for case reporting
  - Automated data for daily HHS reporting
  - Data to support high risk immunization registration
- Interfaces for testing and immunization data
  - 14 new testing labs
  - 108 new immunization sites
- Provider portal roll out to EMS/EMT teams
- Many future opportunities for HIE to support public health activities

# Collaborative Services

# MedicaSoft Platform Implementation Update

- First major deliverable completed in April
  - Blueprint clinical data extract was delivered
- Project schedule updated to reflect capabilities and prioritization of claims - Next wave of deliverables planned by September 30
  - Full clinical database live
  - Claims database established with first production data
  - Provider portal pilot kicked off
- Future phases will include OneCare Vermont reporting, claims reporting, platform expansion, and patient Application Programming Interfaces (APIs)



# MedicaSoft Status and Next Steps

- Complete remaining validation and data quality work on the full clinical database
- Finalize claims requirements, create submission guide for claims data ingestion, and validate first file ingestion
- Portal requirements were finalized in May, and validation of data and functionality has started

# Consent Update

# Consent Update

- VITL has continued providing consent education to participating organizations & offering consent education tools for their use with patients
  - Includes development of new website (coming soon) with updated consent education toolkit for partners
- VITL is continuing to hold on broad direct-to-the-public education tactics while COVID-response and vaccination-promotion messages require full attention

# Sensitive Data Sharing Project Changes

- VITL anticipated federal guidance clarifying CARES Act's changes to the 42 CFR Part 2 data sharing regulations by late March
- On April 9, SAMSHA announced it intends to publish amendments later in 2021
- VITL will wait for these amendments before further exploring options for sensitive data sharing design – for clarity for patients, providers, and other stakeholders, and to minimize burden on participating organizations
- In the interim, VITL will pursue opportunities to educate and engage the substance use disorder and mental health treatment communities on health information exchange, building a foundation for future data sharing

# Security Update

# Security Enhancements

## Identifying and Analyzing Risk

- Annual assessment
- Plan of action & milestones

## Protecting Endpoints

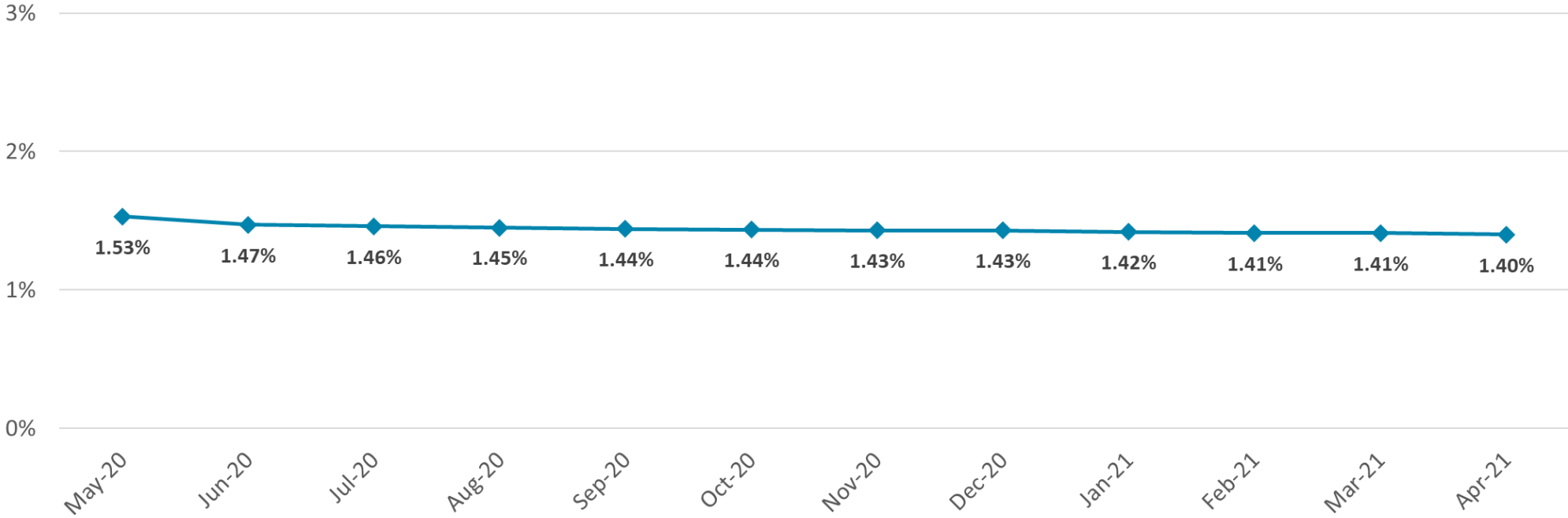
- Application control
- Next generation anti-malware

## Ensuring Resilience

- 24/7 monitoring and rapid response
- Reviewing opportunities for further enhancements

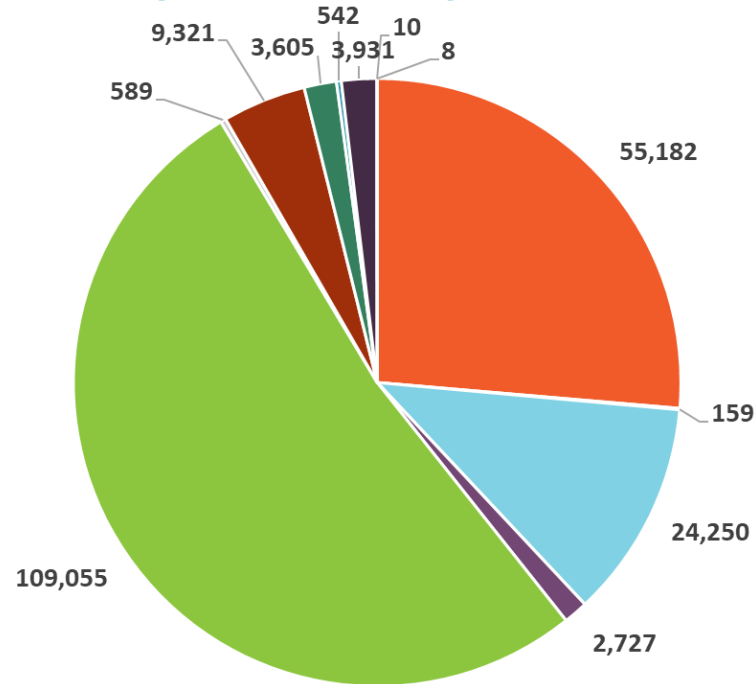
# Quarterly Report

# Percent of Vermont Patients Opted Out of the VHIE



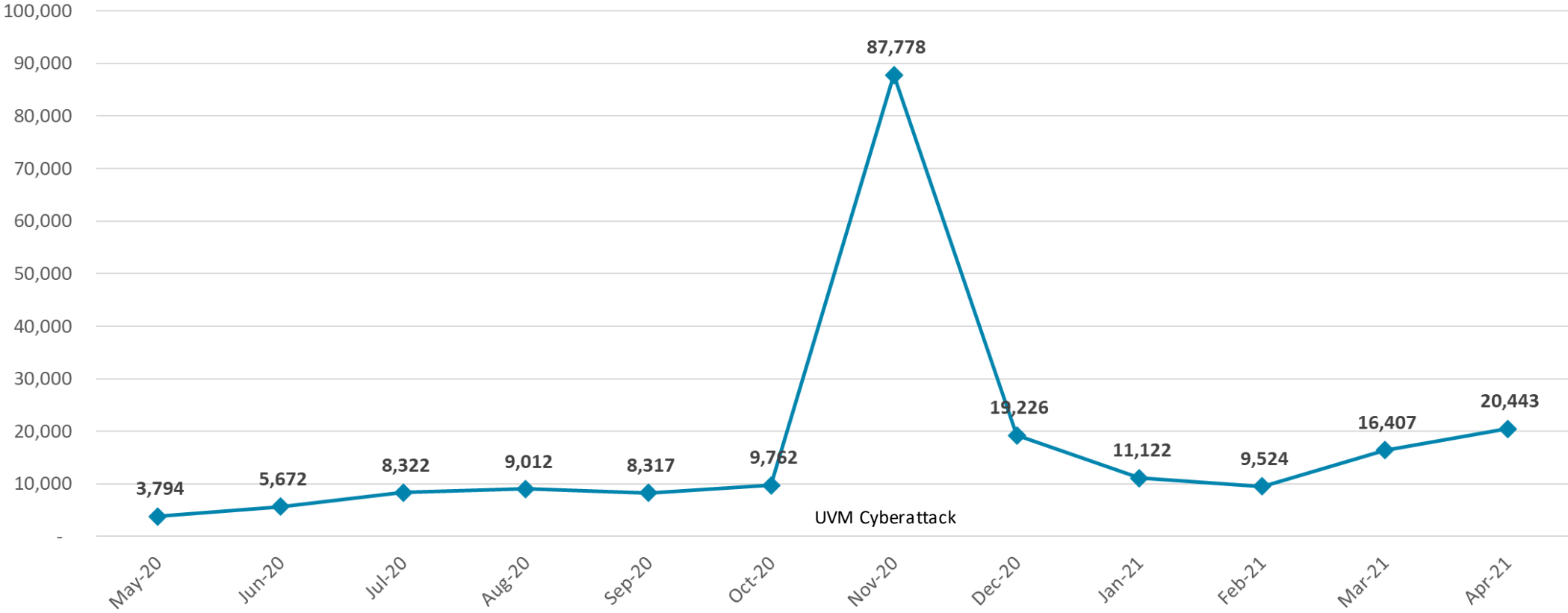


# VITL Access Queries by Organization Type May 2020 - April 2021



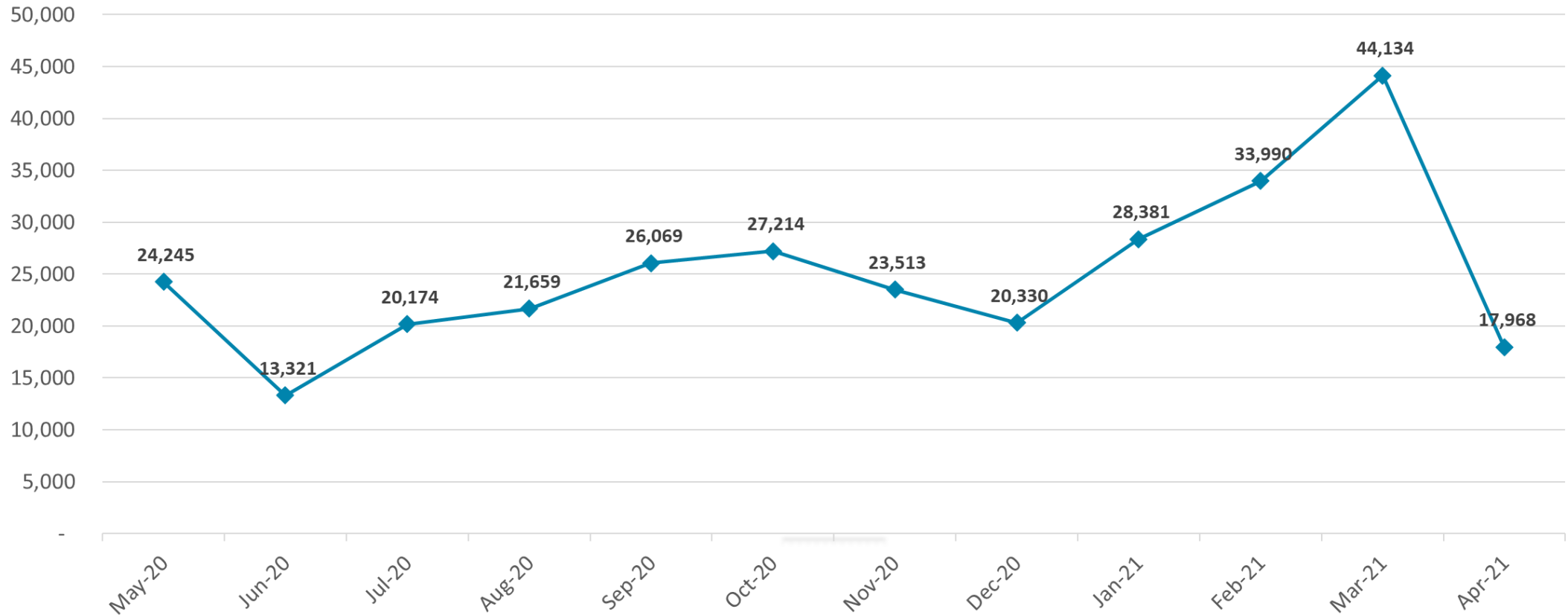
- Federal/State Agency: 55,182
- Hospital Owned Practice: 2,727
- Federally Qualified Health Center: 9,321
- Emergency Services: 3,931
- Long-Term Care: 159
- Hospital: 109,055
- Designated Agency: 3,605
- Retail Pharmacy: 10
- Independent Practice: 24,250
- Home Health Agency: 589
- Community Health Center: 542
- Specialized Services Agency: 08

# VITL Access Queries by Month

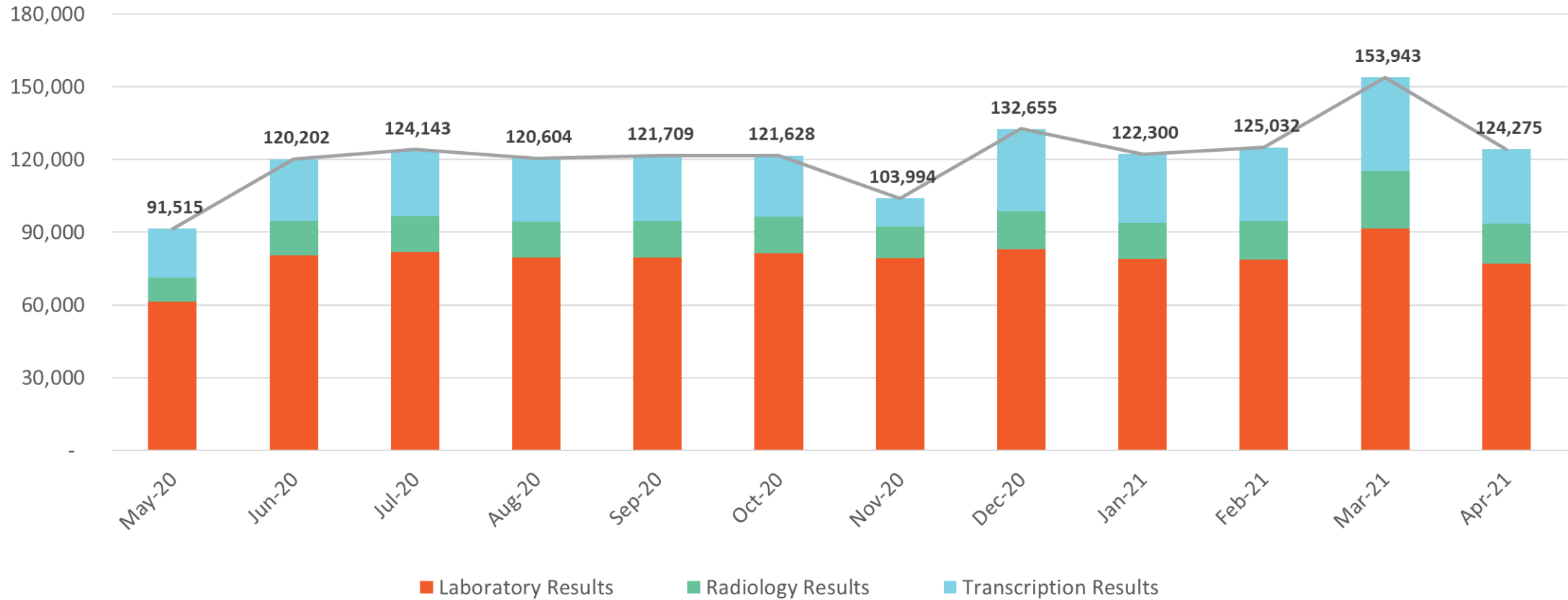


# Queries of the VHIE via eHealth Exchange

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

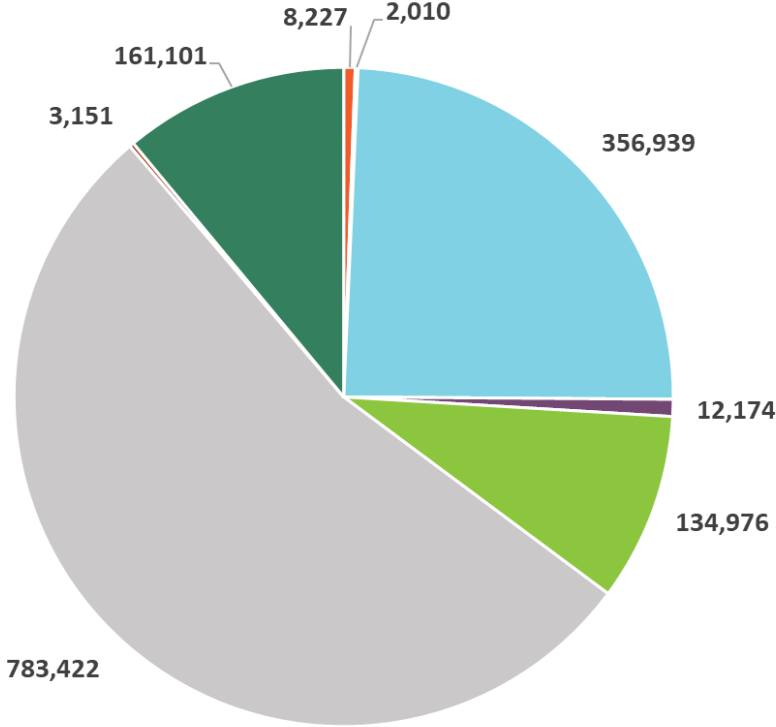


# Results Delivery by Result Type



Number of providers receiving results = 555

# Results Delivery by Organization Type May 2020 - April 2021



- Federal/State Agency: 8,227
- Hospital Owned Practice: 12,174
- Designated Agency: 3,151
- Long-Term Care: 2,010
- Hospital: 134,976
- Rural Health Center: 161,101
- Independent Practice: 356,939
- Federally Qualified Health Center: 783,422

# Interfaces & Connectivity Criteria

- VITL has a contract target of 30 interfaces and 25 Public Health interfaces in 2021, and has met both targets by supporting COVID interface needs this year
- VITL will continue to work with the Department of Vermont Health Access, the Agency of Digital Services, the Vermont Department of Health, and other agencies to support their data needs in responding to COVID in the second half of 2021
- VITL will be working with the HIE Steering Committee on creating claims data Connectivity Criteria and reviewing the existing criteria in Q3 for submission with the HIE plan in the Fall.

# Meaningful Use and Security Risk Assessment Consultation

