

To: Owen Foster, Chair, Green Mountain Care Board
Jessica Holmes, Board Member
Robin Lunge, Board Member
David Murman, Board Member
Thom Walsh, Board Member
Susan J. Barrett, Executive Director

cc: Jessica Mendizabal, Data Project Director

From: Beth Anderson, President & CEO, VITL

Date: May 21, 2024

Re: Fiscal Year 2025 Budget Submission

Thank you for the opportunity to submit VITL's proposed Fiscal Year 2025 (FY25) budget and supporting materials to the Green Mountain Care Board for your review. This memo provides an overview of our current year's accomplishments, and the FY25 budget for which we are requesting approval, including the basis for our assumptions. The budget being presented was approved by VITL's board of directors on May 20, 2024. This package is presented following the Green Mountain Care Board's Annual Budget Guidance for Vermont Information Technology Leaders effective as of April 14, 2021.

We appreciate your consideration of the submission and look forward to your questions.

SECTION 1: ORGANIZATIONAL INFORMATION AND BUDGET NARRATIVE

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

FY24 Activities

In FY24, VITL's work and accomplishments in support of those goals include:

- FY24 advanced a number of projects with the Vermont Department of Health (VDH):
 - Continued implementing the ability for health care organizations to directly query VDH's Immunization Registry (IMR) from within their EHR through the VHIE – 15 new connections anticipated by fiscal year end. This service now provides history and also forecast information.
 - Worked with VDH and their vendor to inform a prioritized, forward-looking plan for integrating VDH and VHIE data needs.
 - Completed an evaluation of race, ethnicity, and language data in the VHIE and are working with VDH to engage providers in improving collection & standardization of race data submitted to the VHIE.
 - Built capability to deliver electronic lab reporting for all reportable diseases – piloted with two hospitals.
 - Began pilot to provide masked and aggregated data sets for the Department of Health Statistics.
 - Continued to provide Covid reporting.

- VITL also advanced core services, such as data contribution, and added new functionality in service of the health care community.
 - 150 new data interfaces anticipated by year end.
 - 25 new connections to deliver results to providers anticipated by year end.
 - Increasing VITLAccess awareness and usage
 - 44% increase in queries
 - 41% increase in active users (# with a chart access in a month)
 - Working with DVHA deliver clinical data for the Medicaid Data Lake.
 - Working with VCCI to integrate two social determinants of health questionnaires.
 - Planning for the development and launch of application programming interfaces (APIs) that will allow greater data access and interoperability. Unfortunately, following a robust procurement and planning process, our chosen vendor declined to sign a contract and the implementation of this work was delayed to FY25.
- Continuing work to align our security program National Institute of Standards and Technology (NIST) 800-53 standards.
- Ongoing collaboration with the Health Information Exchange (HIE) Steering Committee to continue advancing the approved State HIE Plan.
- Delivering two new, robust patient education campaigns engaging new media outlets with the goal of reaching new audiences and ensuring Vermonters are aware of how their health data may be shared, and their choice related to making their data available to share.

FY25 Budget

The proposed Fiscal Year 2025 budget was developed following conversations with our partners at the Agency of Human Services (AHS) about the contract and priorities for the coming year. A draft contract has been submitted to the Centers for Medicare & Medicaid Services (CMS) for their approval, and we expect to sign the final contract by June 30. This will be the second year that our contract year aligns with both VITL's and the State's fiscal year.

Maintenance and Operations (M&O) funding increased for FY25, to allow for Cost-of-Living Adjustments (COLAs) and vendor contract escalations and to accommodate new M&O activities resulting from project implementations during FY24. The FY25 budget also supports the following design, development, and implementation (DDI) work:

- Continuing to enhance the Vermont Health Information Exchange (VHIE) platform and the capabilities available to our customers and stakeholders, including:
 - Continue work initiated in FY24, developing application programming interfaces (API) based on modern interoperability standards set by the Centers for Medicare and Medicaid (CMS) and the Office of the National Coordinator of Health IT (ONC) that will enable greater access to patient data from the VHIE. In addition to work to make the APIs available, this effort involves significant infrastructure to ensure careful authentication, authorization, and controls to ensure appropriate data access.
 - Enhance the provider portal accessibility and security.
 - Continue to create connections to deliver results to providers at the point of care.

- Continuing our work with the Vermont Department of Health:
 - Continue roll-out of Immunization Registry query capability to up to 13 new organizations.
 - Pilot the first two integration priorities – delivering birth registry data and all immunization registry data to the VHIE for access.
 - Expand the delivery of reportable disease data (ELR) for additional hospitals.
 - Work to deliver key data elements directly to the Women Infants and Children (WIC) program, based upon a successful program implemented in another state.
 - Continue work to pilot usefulness of masked data for the Department of Health Division of Health Statistics and Informatics.
 - Providing additional data with immunization reporting.
- Expanding the data available in the VHIE:
 - Continue to build data interfaces to enable even more health care data to flow into and out of the VHIE.
 - In support of a state-wide initiative, develop standards for and begin collection of social determinants of health (SDOH) data from the CMS Accountable Health Communities (AHC) Health Related Social Needs (HRSN) screening tool and work to make the data available for health care organizations.
 - Develop a plan for and implement the ability to identify and protect sensitive data types.
 - Support the State’s Medicaid Data Aggregation & Access Program to provide support to new provider types (e.g., long term care, behavioral health) seeking to participate with and submit data to the VHIE.
- Continuing work with AHS to enable the use of VHIE capabilities (e.g. patient and provider matching) to support the Medicaid Analytics and Reporting project.
- Beginning work with AHS in support of the goal of building a Unified Health Data Space. This includes supporting the gathering of health care community feedback on their need and goals for reporting and analytics.
- Creating a two-year program of provider outreach to ensure those providing care to Vermonters are aware of the VHIE, what data is available, and how they can access the data. This program will include significant community outreach, including participating in grand rounds and delivering educational webinars.
- Continuing public education about how health data is shared through the VHIE, and the options available to each individual.

In addition, the proposed budget includes revenue we anticipate generating from the provision of data and reporting for new partners, which are currently in discussions, captured under “Data Delivery Services.”

Section 1.1.B: FY25 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 four goals of health information exchange 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. Better Health Outcomes (NEW) – Promote health and wellness for individuals and communities.
3. Improve Health Care Operations - Enrich health care operations through data collection and analysis to support quality improvement and reporting with the goal to reduce health care costs and provide insight to improve the delivery and experience of care.
4. 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 contract 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 participate in or lead 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 work includes identifying potential opportunities for delivering new services and solutions to health care organizations. The proposed FY25 budget reflects revenue we anticipate generating from new data delivery services we are currently discussing with new partners.

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

The following table provides a summary of FY25 budgeted revenue and activities according to the categories of the Office of the National Coordinator for HIT (ONC) HIE Conceptual IT Services Model. Please note revenues reflect FY25 contract revenue, deferred revenues, and other revenue sources.

ONC HIE Conceptual IT Services Model Category	Total Proposed FY25 Revenue	Revenue Source(s)	Project Examples
Foundational Services, including: <ul style="list-style-type: none"> • Identity Management • Security • Consent Policy & Management 	\$3,509,563	FY25 State Contract	<ul style="list-style-type: none"> • Maintenance & enhancement of the Collaborative Services infrastructure (MPI, Integration Engine, Terminology Services) • Continued patient consent education & management • Ensuring privacy and security of patient data

Exchange Services, including: <ul style="list-style-type: none"> • Data Extraction and Aggregation • Data Access • Interoperability • Data Quality • Data Governance 	\$6,433,118	FY 25 State Contract, Deferred Revenue	<ul style="list-style-type: none"> • Maintenance and ongoing enhancements to the Clinical Data Repository (MedicaSoft) • Creation of an API infrastructure to support data access and interoperability • Enhancements to provider portal • Support for VDH, including Covid reporting, immunization query, and expanded lab reporting • Expanding data types in the VHIE, including Part 2 data and social determinants of health • Data completeness evaluation and reporting
End-User Services, including: <ul style="list-style-type: none"> • Reporting Services • Analytics Services • Care Coordination Tools • Notification Services 	\$2,114,806	FY25 State Contract, Data Delivery Services, event notification vendors, HISP users	<ul style="list-style-type: none"> • Results Delivery service for providers • Event notification services, Route tool for hospital event notification, and Direct Messaging services • Support for the Blueprint for Health and Vermont Chronic Care Initiative • Implementing new data delivery services

The next table provides a summary of the key design and development project workstreams that will be active during Fiscal Year 2025, and the associated FY25 Contract funding available for the projects.

Workstream	Description	Maximum Revenue FY25 Contract	Expense Drivers	Population Served/ Units of Service Provided	Metrics
Data access through FHIR APIs	Design and implementation of application programming interfaces (APIs) that align to ONC standards and will allow for greater interoperability and access to patient data	\$350,000	<ul style="list-style-type: none"> - VITL staff & contractors for design, testing, & documentation - Costs for procurement, build and launch of required infrastructure - Vendor costs for annual licensing for required software and infrastructure 	All patients with data in the VHIE; Health Care Organizations seeking to exchange data with the VHIE using new FHIR capabilities	<ul style="list-style-type: none"> -# Connections -# Data accesses - Volume of data exchanged

Developing interfaces to integrate new data	Design, implementation, and testing of new connections to collect data into the VHIE, or deliver results from the VHIE	Up to \$1,120,950	- VITL staff and contractors	Organizations seeking to begin/expand exchanging data with the VHIE; All patients with data in the VHIE	- # Interfaces developed - Data types collected - Volume of data exchanged
Expanding partnership with and support for Vermont Department of Health	Work includes connecting health care organizations to the immunization registry, collecting reportable lab data, data for WIC, and masking pilot.	Up to \$551,250	- VITL staff and contractors	All Vermonters; VDH public health efforts; health care organizations seeking immunization data; health care organizations required to report lab data; WIC	- # Organizations connected - # Messages exchanged - # Data queries
Supporting Medicaid and the Unified Health Data Space	Work to integrate VHIE data and capabilities to support the Medicaid Analytics Platform. Participation in activities toward design and creation of Unified Health Data Space	Up to \$1,200,000	-VITL staff (existing and new) and contractors -Licensing new software services	All Vermonters; providers seeking analytics and data extracts; Medicaid operations and beneficiaries	- TBD with projects

In addition, the FY25 contract includes funding of \$377,020 to support Bi-State Primary Care Association / Vermont Rural Health Alliance (VRHA) programs in support of Federally Qualified Health Centers.

It is important to note that the FY25 contract allows for the potential for additional activities, which are not included in VITL's FY25 Proposed Budget because it is not known whether/when these projects will be initiated.

Section 1.1.C: Proposed FY25 Budget

1.1.c.i Budget Development Process

During the FY25 budget process, VITL worked closely with the Health Data Officer and the HIE Program Team at the Agency of Human Services (AHS) to develop work scope and funding that align with the State's priorities for expanding access to health data for Vermonters. Discussions occurred in March and April. Once the assumptions regarding funding were agreed, the VITL team developed cost estimates for projects based upon the information we were able to discuss with the State team. Expenses have been estimated on a "bottoms-up" basis, meaning that VITL expenses were calculated at a detail level.

1.1.c.ii Budget Assumptions and Risks

- This budget assumes approval of estimated cost allocations and the FY25 contract by the Centers for Medicare and Medicaid Services (CMS).
- VITL seeks to maintain a consistent work force, one that is not unduly affected by significant shifts in year-to-year work volume. Our estimate for staffing includes an increase of two staff positions, one dedicated to MDLAS and the Unified Health Data Space and a patient matching specialist. In addition, the budget includes a provider outreach position, which will be structured under a two-year contract. VITL will use consulting and contracted labor to fill the gap between current staffing and expected labor needs to complete contracted project work and/or provide skills that are not needed on an ongoing basis.
- The 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.
- VITL is a lean organization and loss of talent could impact the delivery of contractual requirements particularly in this competitive hiring market. VITL continues to work to minimize potential impacts through cross-training of existing staff and contracting service providers for specific skills to backup critical skill areas. While we have had open positions this last year, we have made progress in hiring for open positions this spring. The labor market remains tight and there has been significant upward pressure on salaries as remote work has become more accessible.

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

As mentioned above, VITL is in discussions with a few parties to identify and implement curation and delivery of custom data sets. The FY25 budget includes approximately \$155k in new revenue from these sources. As always, if any changes in our revenue or expense forecasts change during the year, we will follow the Budget Guidance regarding submitting an updated budget to the Board.

1.1.c.iv Reinvestment of Funds

The approval of our FY23 and FY24 budgets included dedicating the use of some money from VITL reserves to support improvements to our technical platform, specifically a redesign of our integration engine (\$175k) and creation of a new message archive (\$650k). Design and planning work against these projects occurred in FY24, and implementation of the archive will continue in FY25. This reserve is shown on our Balance Sheet.

1.1.d Organizational Chart

This chart is included in the budget materials packet.

1.1.e Acronyms/Glossary

This is included as the last section in the budget materials packet.

1.1.f Data Flow Diagram

A data flow diagram depicting how data is received to and shared by the VHIE is included with our budget packet for reference.

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

1. Proposed Budget packet, includes FY24 year-end projection and the proposed FY25 budget.
2. Financial Data from Previous Fiscal Years, which includes our most recently filed 990 and FY23 audit.
3. Contracts for work to be executed during the budget year, where they have already been executed.
4. Presentation to GMCB, which includes an overview of the proposed budget packet and our quarterly review materials.

VITL's mission is to securely aggregate, standardize, and share the data needed to improve the effectiveness of health care for Vermonters.

VITL's vision is to be a leader in collaboratively delivering actionable data that leads to better health.