

OFFICE OF HEALTH INFORMATION TECHNOLOGY

Enabling Laws

Act 252 of 2016
A.C.A § 25-42-101 et seq.

History and Organization

The Office of Health Information Technology (OHIT) was established through a Miscellaneous Federal Grant authorized by the American Recovery & Reinvestment Act (ARRA) of 2009, which included the Health Information Technology for Economic & Clinical Health Act (HITECH) of 2009. HITECH authorized grants to promote health information technology as part of the overhaul of the healthcare system. OHIT was created to promote a health information exchange for information sharing among health care providers.

The Health Information Exchange (HIE) is necessary for electronic movement and use of health information according to national standards and exists independently of the Health Benefits Exchange proposed under the Patient Protection & Affordable Care Act of 2009. OHIT will continue to provide information about health care providers, patients, and patient records, regardless of which benefits exchange option the state chooses.

The 88th Regular Session of the General Assembly passed Act 891 of 2011 which established the Office of Health Information Technology and the governance structure for the State Health Alliance for Records Exchange (SHARE).

Act 891 established:

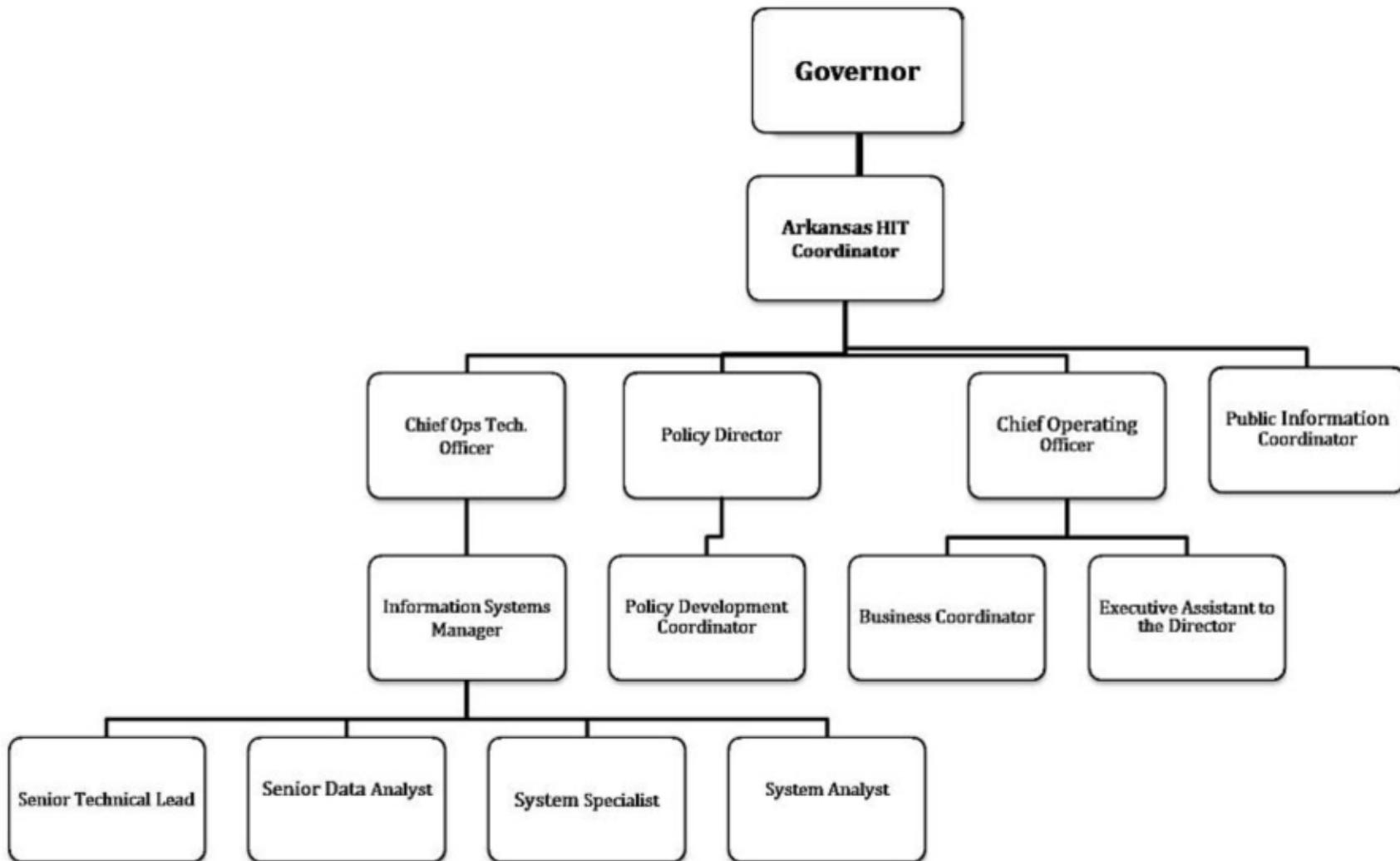
- The Office of Health Information Technology, provided the initial governance structure of the State Health Alliance for Records Exchange (SHARE), and authorized the Office to form a non-profit corporation at the proper time,
- The policies creating the Office and SHARE,
 - Details privacy and security components of SHARE and authorizes the Office to promulgate any additional rules and regulations,
 - The authority to establish reasonable fees or charges for the use of SHARE to fund operational costs of the Office and SHARE,
 - The Health Information Technology Fund, and

- OHIT shall serve as the coordinator of all health information technology efforts in Arkansas.

In January 2012, OHIT began Phase I implementation of SHARE to facilitate communications (connections) among health care organizations in the state. In May 2012, OHIT received approval from the Office of the National Coordinator (ONC) to begin Phase II implementation of SHARE to deploy the health information exchange connections and functions to enable health care providers to exchange clinical record information through a secure and Health Insurance Portability and Accountability (HIPAA) of 1996 compliant system. Arkansas is the first state to receive approval to move from Phase I to Phase II.

As of July, 2014, OHIT has connected 18 hospitals and almost 200 physician practices to SHARE, the statewide health information exchange. This effort has involved building electronic interfaces with a variety of brands of hospital information systems (HIS) and many different electronic medical record (EMR) systems. In addition, SHARE also has approximately 3,000 users of the Secure Messaging, encrypted email system that enables health care providers to exchange messages and patient specific clinical information in a private, secure email system.

OHIT has coordinated health information technology development activities with the Arkansas Department of Health, Arkansas Department of Human Services-Division of Medical Services, the Arkansas Insurance Department, the Arkansas Center for Health Improvement, and the Arkansas Foundation for Medical Care (AFMC)/Regional Extension Center.



Agency Commentary

The Office of Health Information Technology (OHIT) was legislatively authorized by Act 891 of 2011. The office is responsible for planning

and implementing the State Health Alliance for Records Exchange (SHARE), Arkansas's health information exchange and for coordinating health information technology activities and funding throughout the state. Through the use of SHARE, individuals, health care providers and health organizations can electronically share health-related information throughout Arkansas. Along with providing a secure messaging system for point-to-point communication between healthcare providers, OHIT launched the health information exchange in the fall of 2012. OHIT has established a fee structure for participants in SHARE as authorized in A.C.A. § 25-42-101 et seq. The Office is authorized also to form a nonprofit corporation to be known as the State Health Alliance for Records Exchange.

The Agency requests a Change Level increase of \$ \$387,417 each year of the Biennium for Regular Salaries and Personal Services Matching for positions approved by the Personnel Committee upon recommendations from the Office of Personnel Management (OPM). This increase in State positions will reduce OHIT's contractor/consultant costs by \$1.9 million. The Agency requests Base Level for the State Operations appropriation (HUA7100) funded by General Revenue for the 2017-2019 Biennium as well as federal funds provided through grants and CMS. The CMS funds are being made available through 90/10 matching for activities related to the Patient Centered Medical Home Program and for the expansion of health information exchange services.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS OFFICE OF HEALTH INFORMATION TECHNOLOGY
FOR THE YEAR ENDED JUNE 30, 2014

Findings

Recommendations

None

None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2016

None

Employment Summary

	Male	Female	Total	%
White Employees	0	4	4	50 %
Black Employees	0	4	4	50 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			4	50 %
Total Employees			8	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
N/A	N/A	N	N	0	N/A	0	0.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2015-2016		2016-2017		2016-2017		2017-2018						2018-2019					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
F04 OHIT-State Match	919,589	9	3,436,336	12	6,072,244	12	3,441,714	12	3,829,131	16	3,728,475	14	3,442,505	12	3,829,922	16	3,729,266	14
M64 OHIT - State Operations	1,619,037	0	1,000,000	0	2,200,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0
M90 SHARE-IAPD HIE PCMH Program	2,997,162	1	4,000,000	0	9,442,800	0	2,486,515	0	3,605,255	0	3,605,255	0	2,486,515	0	3,605,255	0	3,605,255	0
Total	5,535,788	10	8,436,336	12	17,715,044	12	6,928,229	12	8,434,386	16	8,333,730	14	6,929,020	12	8,435,177	16	8,334,521	14

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	1,906,690	25.2	2,032,445	21.3			1,096,109	12.8	1,096,109	12.8	1,096,109	12.8	2,546,565	25.3	1,427,825	16.0	1,427,825	16.0
General Revenue	4000010	1,700,000	22.5	1,000,000	10.5			1,000,000	11.6	1,000,000	11.6	1,000,000	11.6	1,000,000	10.0	1,000,000	11.2	1,000,000	11.2
Federal Revenue	4000020	2,853,108	37.7	4,000,000	42.0			4,000,000	46.5	4,000,000	46.5	4,000,000	46.5	4,000,000	39.8	4,000,000	44.8	4,000,000	44.8
Special Revenue	4000030	1,108,435	14.6	2,500,000	26.2			2,500,000	29.1	2,500,000	29.1	2,500,000	29.1	2,500,000	24.9	2,500,000	28.0	2,500,000	28.0
Total Funds		7,568,233	100.0	9,532,445	100.0			8,596,109	100.0	8,596,109	100.0	8,596,109	100.0	10,046,565	100.0	8,927,825	100.0	8,927,825	100.0
Excess Appropriation/(Funding)		(2,032,445)		(1,096,109)				(1,667,880)		(161,723)		(262,379)		(3,117,545)		(492,648)		(593,304)	
Grand Total		5,535,788		8,436,336				6,928,229		8,434,386		8,333,730		6,929,020		8,435,177		8,334,521	

Agency Position Usage Report

FY2014 - 2015						FY2015 - 2016						FY2016 - 2017					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
12	9	3	12	0	25.00 %	12	8	4	12	0	33.33 %	12	9	3	12	0	25.00 %

Analysis of Budget Request

Appropriation: F04 - OHIT-State Match

Funding Sources: MHI - Health Information Technology Fund

This appropriation was created as a requirement of the Cooperative Agreement for a state match and sustainability of the health information exchange after the end of the federal funding period.

The appropriation is funded by the Health Information Technology Fund for use by the Office of Health Information Technology (OHIT) for operating expenses of the Office of Health Information Technology and the State Alliance for Records Exchange (SHARE). Funds include fees or charges for use of the exchange, funds transferred from the General Improvement Fund or other funds, gifts, bequests, foundations grants and gifts, Governor's or other emergency funds, federal grants and matching funds, proceeds from bond issues, interagency transfer of funds, and other funds that may be appropriated by the General Assembly.

Base Level Regular Salaries and Personal Services Matching include the continuation of the previously authorized 2017 Salaries and Career Service Payments for eligible employees. Personal Services Matching includes the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

The Agency requests a Change Level increase of \$387,417 for each year of the 2017-2019 Biennium for Regular Salaries and Personal Services Matching as follows:

- Four (4) new positions, the HIT Technical Director, two (2) HIT Interface Developers, and the HIT Onboarding/Outreach/Training Coordinator.

The Executive Recommendation provides for the Agency Request which includes the four (4) new positions. Subsequent to Agency's initial Budget Request, the Office of Personnel Management and Agency personnel evaluated the Agency's position usage and ongoing staffing needs. The Executive Recommendation reflects position reductions based on the personnel evaluation. The Executive Recommendation also includes merging the Agency with the Department of Health by a Type 2 transfer.

Appropriation Summary

Appropriation: F04 - OHIT-State Match

Funding Sources: MHI - Health Information Technology Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	531,162	725,219	732,720	726,508	1,022,040	949,154	726,908	1,022,440	949,554
#Positions		9	12	12	12	16	14	12	16	14
Personal Services Matching	5010003	121,891	232,420	224,884	236,509	328,394	300,624	236,900	328,785	301,015
St Health Info Exch, Personal Se	5900046	266,536	2,478,697	5,114,640	2,478,697	2,478,697	2,478,697	2,478,697	2,478,697	2,478,697
Total		919,589	3,436,336	6,072,244	3,441,714	3,829,131	3,728,475	3,442,505	3,829,922	3,729,266
Funding Sources										
Fund Balance	4000005	810,519	999,365		63,029	63,029	63,029	0	0	0
Special Revenue	4000030	1,108,435	2,500,000		2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Funding		1,918,954	3,499,365		2,563,029	2,563,029	2,563,029	2,500,000	2,500,000	2,500,000
Excess Appropriation/(Funding)		(999,365)	(63,029)		878,685	1,266,102	1,165,446	942,505	1,329,922	1,229,266
Grand Total		919,589	3,436,336		3,441,714	3,829,131	3,728,475	3,442,505	3,829,922	3,729,266

FY17 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2013-2015 Biennium. Expenditure of appropriation is contingent upon available funding.

Change Level by Appropriation

Appropriation: F04 - OHIT-State Match
Funding Sources: MHI - Health Information Technology Fund

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	3,441,714	12	3,441,714	100.0	3,442,505	12	3,442,505	100.0
C06	Restore Position/Approp	387,417	4	3,829,131	111.3	387,417	4	3,829,922	111.3

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	3,441,714	12	3,441,714	100.0	3,442,505	12	3,442,505	100.0
C06	Restore Position/Approp	387,417	4	3,829,131	111.3	387,417	4	3,829,922	111.3
C13	Not Recommended	(27,770)	0	3,801,361	110.4	(27,770)	0	3,802,152	110.4
C19	Executive Changes	(72,886)	(2)	3,728,475	108.3	(72,886)	(2)	3,729,266	108.3

Justification

C06	This increase in State positions will reduce OHIT's contractor/consultant costs by \$1.9 million.
C19	Subsequent to the Agency's initial Budget Request, the Office of Personnel Management and Agency personnel evaluated the Agency's position usage and ongoing staffing needs. The Executive Recommendation reflects position reductions based on the personnel evaluation. It eliminates the Dept. Business Coordinator (C119) position and the Public Information Coordinator (C120) position.

Analysis of Budget Request

Appropriation: M64 - OHIT - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation was authorized during the 2014 Fiscal Session. It provides for personal services, and operating expenses of the State Health Alliance for Records Exchange (SHARE) and the Office of Health Information Technology.

Funding is derived from General Revenue.

The Agency requests Base Level appropriation of \$1,000,000 each year of the 2017-2019 Biennium.

The Executive Recommendation provides for the Agency Request. The Executive Recommendation also includes merging the Agency with the Department of Health by a Type 2 transfer.

Appropriation Summary

Appropriation: M64 - OHIT - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2015-2016	2016-2017	2016-2017	2017-2018			2018-2019		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
St Hlth Info Exch Pers svcs & Op. 5900046	1,619,037	1,000,000	2,200,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	1,619,037	1,000,000	2,200,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Funding Sources									
Fund Balance 4000005	200,685	281,648		281,648	281,648	281,648	281,648	281,648	281,648
General Revenue 4000010	1,700,000	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Funding	1,900,685	1,281,648		1,281,648	1,281,648	1,281,648	1,281,648	1,281,648	1,281,648
Excess Appropriation/(Funding)	(281,648)	(281,648)		(281,648)	(281,648)	(281,648)	(281,648)	(281,648)	(281,648)
Grand Total	1,619,037	1,000,000		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Analysis of Budget Request

Appropriation: M90 - SHARE-IAPD HIE PCMH Program

Funding Sources: FHT - Federal

This appropriation was established through the authority of the Miscellaneous Federal Grant Holding Account during the 2013-2015 biennium. The agency received funding from the Centers for Medicare and Medicaid Services (CMS). The Health Information Exchange (HIE) through the Office of Health Information Technology, will assist to ensure a successful implementation of the State Health Alliance for Records Exchange (SHARE) for all hospitals and primary care providers participating in the Patient Centered Medical Home (PCMH) program.

The Agency's Change Level request totals \$1,118,740 each year of the 2017-2019 Biennium. The increase is for the continuation of appropriation established through the Miscellaneous Federal Grant (MFG) process and consists of the following:

- Operating Expenses increase of \$1,100,890 each year and,
- Conference and Travel increase of \$17,850 each year.

The Executive Recommendation provides for the Agency Request. The Executive Recommendation also includes merging the Agency with the Department of Health by a Type 2 transfer.

Appropriation Summary

Appropriation: M90 - SHARE-IAPD HIE PCMH Program

Funding Sources: FHT - Federal

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2015-2016 Actual	2016-2017 Budget	2016-2017 Authorized	2017-2018			2018-2019		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	86,777	318,343	0	0	0	0	0	0	0
#Positions		1	0	0	0	0	0	0	0	0
Personal Services Matching	5010003	21,252	76,402	0	0	0	0	0	0	0
Operating Expenses	5020002	68,989	1,100,890	0	0	1,100,890	1,100,890	0	1,100,890	1,100,890
Conference & Travel Expenses	5050009	10,946	17,850	0	0	17,850	17,850	0	17,850	17,850
Professional Fees	5060010	2,809,198	2,486,515	9,442,800	2,486,515	2,486,515	2,486,515	2,486,515	2,486,515	2,486,515
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	0	0	0	0	0	0	0	0	0
Total		2,997,162	4,000,000	9,442,800	2,486,515	3,605,255	3,605,255	2,486,515	3,605,255	3,605,255
Funding Sources										
Fund Balance	4000005	895,486	751,432		751,432	751,432	751,432	2,264,917	1,146,177	1,146,177
Federal Revenue	4000020	2,853,108	4,000,000		4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Total Funding		3,748,594	4,751,432		4,751,432	4,751,432	4,751,432	6,264,917	5,146,177	5,146,177
Excess Appropriation/(Funding)		(751,432)	(751,432)		(2,264,917)	(1,146,177)	(1,146,177)	(3,778,402)	(1,540,922)	(1,540,922)
Grand Total		2,997,162	4,000,000		2,486,515	3,605,255	3,605,255	2,486,515	3,605,255	3,605,255

Budget exceeds Authorized Appropriation in Regular, Salaries, Personal Services Matching, Operating Expenses, and Conference & Travel Expenses due to a transfer from the Miscellaneous Federal Grant Holding Account.

Change Level by Appropriation

Appropriation: M90 - SHARE-IAPD HIE PCMH Program
Funding Sources: FHT - Federal

Agency Request

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	2,486,515	0	2,486,515	100.0	2,486,515	0	2,486,515	100.0
C01	Existing Program	1,118,740	0	3,605,255	145.0	1,118,740	0	3,605,255	145.0

Executive Recommendation

Change Level		2017-2018	Pos	Cumulative	% of BL	2018-2019	Pos	Cumulative	% of BL
BL	Base Level	2,486,515	0	2,486,515	100.0	2,486,515	0	2,486,515	100.0
C01	Existing Program	1,118,740	0	3,605,255	145.0	1,118,740	0	3,605,255	145.0

Justification

C01	The Agency is requesting a total change level request of \$1,118,740 each year of the biennium for continuation of appropriation established through the MFG process. An increase of \$1,100,890 each year in Operating Expenses and \$17,850 each year in Conference & Travel.
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