

House District 26
Senate District 13

THE TWENTY-SEVENTH LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN):

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:
Hawaii Health Information Exchange

Dbas: Hawaii Health Information Exchange

Street Address: 900 Fort Street Mall – Suite 1305; Honolulu, HI 96813

Mailing Address: Same as above

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name: CHRISTINE M. SAKUDA

Title Executive Director

Phone #: 808-441-1313

Fax #: 808-441-1472

e-mail Csakuda@hawaiihiie.org

3. TYPE OF BUSINESS ENTITY:

- NONPROFIT CORPORATION
 FOR PROFIT CORPORATION
 LIMITED LIABILITY COMPANY
 SOLE PROPRIETORSHIP/INDIVIDUAL

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

4. FEDERAL TAX ID #

5. STATE TAX ID #

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2015: \$ 1,000,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
 EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$1,000,000
FEDERAL \$1,401,795
COUNTY \$0
PRIVATE/OTHER \$2,422,149

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE

APPLICANT'S SIGNATURE

CHRISTINE SAKUDA, EXECUTIVE DIRECTOR
NAME & TITLE

JANUARY, 29, 2015
DATE SIGNED



RECEIVED
1-30-15

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Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A brief description of the applicant's background;

Established in 2006, the mission of the Hawai'i Health Information Exchange (Hawai'i HIE) is to facilitate the delivery of quality health care services to patients statewide by providing reliable health information when and where it is needed. Hawai'i HIE develops the policies and technical infrastructure necessary for building a secure IT network supporting the exchange of information between Hawai'i's health care providers.

Hawai'i HIE has received consistent support from the Hawai'i Legislature, dating back to April 2006, when the Legislature voted to support a bill requesting the cooperation of the Legislature and Hawai'i Department of Health to facilitate the development of a health information organization in Hawai'i. This established the formation of a health information exchange system.

In May 2009, the Legislature adopted a resolution urging Governor Linda Lingle to designate and assert the Legislature's endorsement of the Hawai'i Health Information Exchange to serve as the state's qualified state-designated entity (SDE). This allowed Hawai'i HIE to be the vehicle to coordinate health information exchange technology initiatives to ensure that Hawai'i would be able to rapidly respond to and qualify for grant funding through the American Recovery And Reinvestment Act of 2009 for health care information exchange technology.

State Administration support of Hawai'i HIE as the SDE was reaffirmed in February 2012, by Governor Neil Abercrombie and again in 2014 through resolution SCR36.

In pursuit of its mission and the implementation of all its assigned SDE activities, Hawai'i HIE adheres to the following set of guiding principles:

- Be inclusive
- Commit to quality
- Create user value
- Be transparent
- Ensure privacy and security
- Be sustainable
- Ensure manageability
- Adopt relevant rules and standards
- Use the present to achieve the future

In accordance with the above principles, Hawai'i HIE strategic plan encompasses the following enabling goals and objectives:

1. Ensure full statewide participation in all aspects of the Hawai'i HIE plan with special attention given to ensuring participation by neighbor island communities
2. Promote health information exchange through the creation and implementation of a stakeholder-centered governance process that organizes stakeholders in an effective manner, takes inventory of the resources and needs of individual stakeholders, and provides effective coordination of programs
3. Develop plans to build shared infrastructure (near term) that is sustainable (long term)
4. Assist eligible providers so they have connectivity and knowledge in order to become "meaningful users" of health information exchanges and receive financial payment incentives from Medicare and Medicaid
5. Develop cooperative, synergistic relationships with relevant state agencies to enable maximum use of health care data at all levels, e.g. use of immunization and cancer registries
6. Establish effective coordination leading to beneficial information exchange with all interested stakeholders
7. Engage independent physicians on all levels of information exchange, providing technical education and assistance, especially through the cooperative efforts of the Hawai'i Pacific Regional Extension Center (HPREC)
8. Develop stakeholder agreements on data standards to be utilized at the state level and ensure that the standards and technical architecture are compatible with national standards
9. Establish a privacy framework to guide the development of health information exchange so that consumers will have both knowledge of and confidence in the processes by which such information is exchanged
10. Emphasize the role of Hawai'i HIE in bringing improved health care to all the people of Hawai'i, especially in promoting the public interest as the SDE for health information exchange

During the period 2011 – 2014, the Hawai'i HIE received two grants from the Office of the National Coordinator (ONC) for Health Information Technology totaling approximately \$10 million. One of these ONC grants supported the development of the policy and technical infrastructure needed for build-out of a statewide health information exchange (HIE). The second ONC grant funded the implementation of a regional extension center (REC) tasked to support Hawai'i providers with adoption of certified electronic health record technologies (CEHRT) and Meaningful Use attestation within the Medicare/Medicaid EHR Incentive Programs.

As part of its sustainability plan, in 2012, the Hawai'i HIE established funding protocols that stipulate a subscription schedule for participating stakeholders to support the ongoing operations of the Hawai'i HIE. To date, Hawai'i health care entities that have committed to participate include Hawai'i Pacific Health, Queens Medical Center, the Hawai'i Health Systems

Corporation (HHSC), Castle Medical Center, Clinical Laboratories of Hawai'i (CLH), Diagnostic Laboratory Services (DLS), and the Hawai'i Medical Services Association (HMSA). The annual subscription fees committed to by these Hawai'i HIE stakeholders is projected to be \$1,179,000 for FY2015 and \$1,181,000 for FY2016.

In FY 2014 and FY 2015, the Hawai'i HIE also was awarded contracts from the Hawai'i State Department of Health (DOH) totaling \$1.575 million and the Hawai'i State Department of Human Services MedQuest Division (DHS MQD) totaling \$200,000 to match a federal award of \$2,000,000 to build out HIE infrastructure to the MQD providers. The intent of these contracts is to substantiate the Administration's responsibilities to financially support the Hawai'i SDE and its efforts to build the statewide HIE, as well as facilitate the development of network infrastructure supporting enhanced public health and quality reporting from health care facilities and physician practices to the Department of Health and the Department of Human Services.

With the public and private sector financial support that it has received to date, the Hawai'i HIE has achieved the following major accomplishments:

1. Completed and approved data governance policies for the exchange of health information by Hawai'i HIE stakeholders.
2. Implemented a national standards-based secure messaging platform that supports the exchange of messages containing protected health information and Transitions of Care documents between approximately 500 providers across the State of Hawai'i. This includes the build-out of a dedicated, secure messaging network supporting DOH Child and Adolescent Mental Health Division (CAMHD) information exchange between its administration, family guidance centers and contracted purchase of service (POS) agencies and a distributed secure messaging network supporting Transition of Care documents transmittal from specified HHSC hospitals to community providers.
3. Implemented initial phase of data interfaces that supports the transmittal of patient clinical encounter information from Castle Medical Center, Hilo, Medical Center, Diagnostic Laboratory Services, and Clinical Laboratories of Hawai'i into the Hawai'i HIE Community Health Record (CHR).
4. Implemented network gateway services supporting the transmission of Syndromic Surveillance data from Hawai'i hospitals to the Hawai'i State Department of Health.
5. Implemented network gateway services supporting the transmission of Electronic Laboratory Results data from Hawai'i hospitals to the Hawai'i State Department of Health.
6. Implemented network gateway services supporting the transmission of Immunization data from hospitals and physician practices to the Hawai'i Immunization Registry
7. Implemented secure message transport capabilities supporting the transmission of clinical encounter information from hospital and physician practices to the Hawai'i Tumor Registry.
8. Facilitated the adoption of Certified Electronic Health Record Technologies with over 800 providers.

9. Facilitated the attestation for Meaningful Use with over 400 providers.

The goals and objectives related to the request:

The Hawai'i HIE is seeking financial support from the Legislature to continue its work to further build out the HIE network infrastructure and add new data interfaces from key stakeholders. The \$1 million request represents the estimated State fair share amount to support the Hawai'i HIE as the State SDE.

A major premise underlying the development of a health information exchange is that its utility is dependent on the scope and quality of clinical encounter information contained in the CHR. Failure to ensure timeliness and accuracy of clinical encounter information can result in the rejection of the CHR by participating providers, and failure to achieve a tipping point in the percentage of records contained in the CHR associated with total clinical encounters in Hawai'i can also result in depressed acceptance of the HIE by participants.

2. State the public purpose and need to be served;

Today, 83% of hospitals and 52% of office-based physicians in Hawai'i have adopted at least a basic EHR, accounting for over 30 different systems. This fragmentation in the health care market place, along with the formative state of standards/policies supporting health information exchange, fosters administrative and clinical inefficiencies that result in significant costs to the Hawai'i health care system. Even more importantly, these inefficiencies and redundancies can directly affect the quality of patient care. Along with significantly improving the coordination of care for patients, according to several recent, national studies, the availability and use of an HIE can:

- Reduce preventable hospital readmissions by 25%
- Decrease malpractice claims, with an average settlement of \$334,559, by 3.7%
- Decrease medication errors, with 45% due to a lack of patient information at the point of care
- Increase time physicians spend with patients, by reducing chart pulls by 35%

The major goal of the Hawai'i HIE is to connect disparate health care providers to share clinical and administrative information meaningfully, resulting in increased efficiencies and decreased costs for the state's health care delivery system. In Hawai'i, there is no comparable organization with the level of industry stakeholder support and policy/technology framework that the Hawai'i HIE offers. In this respect, the Hawai'i HIE is unique in its capabilities to accomplish the following:

- Improve the quality of care and outcomes for everyone and decrease disparities by implementing a statewide *Community Health Record* containing clinical encounter information that can be queried by authorized providers to support real-time patient treatment

- Decrease fragmentation, waste, and complexity in how health care is delivered by facilitating health information exchanges between providers, while following Hawai'i-specific and federal, HIPAA-compliant policy standards refined and agreed upon by the Hawai'i HIE and the network of providers it supports.
- Decrease health care costs by facilitating the implementation of EHR interfaces that support health care provider/payer and State information exchange requirements through the common Hawai'i HIE network infrastructure while mitigating the build-out of point-to-point connections that are expensive and labor intensive to deploy and operate
- Enhance care coordination and support Meaningful Use requirements by facilitating the end-to-end connection of provider EHR systems through secure messaging capabilities

The Hawai'i HIE can offer two recent use cases that demonstrate the role that it plays in the Hawai'i health care community and the level of trust/dependency that key Hawai'i health care industry entities have developed in the Hawai'i HIE as a neutral party with significant technological/policy reach. One, HMSA, recently engaged with the Hawai'i HIE Board of Directors to promote a partnership to develop multi-payer/provider initiatives supporting improved health outcomes for all Hawai'i citizens and reduced financial and administrative burdens for health care providers. The partnership is in its formative stage but has the potential to significantly address common problems that have impacted the delivery of health care services in a cost-efficient manner. Another, The Queens Medical Center, recently awarded Hawai'i HIE with a contract to implement a Referral Management Solution and a private HIE supporting the 1,050 providers in its Queen's Clinically Integrated Physician Network (QCIPN). This initiative will utilize the capabilities of the Hawai'i HIE CHR, as well as the data sharing agreement framework that will be needed to support exchange of clinical encounter information between the QCIPN provider participants who are largely composed of independent physician practices.

3. Describe the target population to be served; and

Ultimately, the beneficiaries of the services provided by the Hawai'i HIE are all residents of Hawai'i. Faster, increased availability of accurate patient information leads to better care, and, therefore, outcomes. This will especially benefit those in more isolated areas, as well as high-risk patients, such as the elderly or patients with mental illness.

With virtually all major payer organizations either currently or prospectively participating with the Hawai'i HIE, that will account for approximately 80% of the 1.4 million individuals in the State of Hawai'i. In FY 2015-2016, Hawai'i HIE plans to onboard approximately 1,500 providers as users of the *Community Health Record*. Based on a conservative average of 1,200-1,500 patients per provider, an estimated 1,800,000-2,250,000 patient encounters may be potentially impacted during that time. During this same period, the Hawai'i HIE estimates that it will provide Meaningful Use-related technical support services to an estimated 500 providers. Using the 200 patients per provider assumption, this could result in impact on an estimated 100,000 patients.

Beneficiaries also include the providers who are current and/or prospective data contributors/users. These include but are not limited to:

- State of Hawai'i Agencies (Department of Health, Department of Human Services, Department of Public Safety, Department of Budget & Finance, Employer-Union Health Benefits Trust Fund (EUTF))
- Hawai'i Payer Organizations (AlohaCare, HMSA, Kaiser Permanente, Ohana Health Care, United Healthcare)
- Hawai'i Acute Care Facilities (The Queens Medical Center, Hawai'i Pacific Health, Hawai'i Health System Corporation's (HHSC) network of hospitals, Castle Medical Center)
- Hawai'i Provider Health Centers and Independent Practices (over 1,000 including 14 federally qualified community health centers)

4. Describe the geographic coverage.

The Hawai'i HIE's goal is to create a meaningful and secure information technology network infrastructure for all health care providers with supporting governance and data sharing policies that support the entire patient population across all islands in the State of Hawai'i.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

During the FY 2015 – 2016 period covered by the proposed Grant in Aid, Hawai'i HIE has the following deliverables in its deployment road map:

1. Data interfaces from major health systems, including the four Hawai'i Pacific Health hospitals (Straub Clinic and Hospital, Pali Momi Medical Center, Kapiolani Medical Center, and Wilcox Memorial Hospital), Queen's Medical Center facilities (Queen's Medical Center, Queen's Medical Center West Oahu and Moloka'i General Hospital), Kona Community Hospital, Maui Memorial Hospital, and Kula Hospital
2. Data interfaces from major Hawai'i community health centers including Kalihi Palama Health Center, Waianae Coast Comprehensive Health Center, Waimanalo Health Center, Waikiki Health Center, Malama I Ke Ola, and Bay Clinic
3. Data Interfaces from provider practices utilizing the following certified EHR technologies: eClinicalWorks, NextGen, GE Centricity, and Aprima
4. Continued facilitation of ongoing and new data transmittals from provider practices through the Hawai'i HIE hosted network gateways to the Department of Health in support of State electronic laboratory results and Immunization Registry reporting requirements

5. Continued facilitation of ongoing and new secure message transmittal connections between Hawai'i HIE participants and other community providers
6. Onboarding and training of 1,500 providers as users of the CHR

During the proposed Grant in Aid period, the Hawai'i HIE also expects to receive 90/10 Medicaid funding through the Department of Human Services (DHS) that is dedicated to building HIE infrastructure to support the information requirements of the Hawai'i Medicaid program. Depending on the amount approved by the Centers for Medicare & Medicaid Services (CMS), the funding will support the implementation of technologies supporting the transmittal of clinical encounter information from Hawai'i providers to DHS for patients enrolled in Medicaid-funded health plans. Hawai'i HIE expects that the clinical encounter information received from Hawai'i providers will support case management, quality health care outcomes, and cost containment initiatives at DHS.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

CY2015 Q3	CY2015 Q4	CY2016 Q1	CY2016 Q2	CY2016 Q3 (will begin during grant period)
Hawai'i Pacific Health (Hospital Data Interface)	Maui Memorial Hospital and Kula Hospital (Hospital Data Interface)	NextGen (EHR Data Interface)	Waimanalo Health Center (Community Health Center Data Interface)	Kalihi Palama (Community Health Center Data Interface)
Queens Medical Center (Hospital Data Interface)	eClinicalWorks (EHR Data Interface)	GE Centricity (EHR Data Interface)	Public Health Reporting Data Interfaces	Waianae Coast Comprehensive Health Center (Community Health Center Data Interface)
Kona Community Hospital (Hospital Data Interface)	Public Health Reporting Data Interfaces	Onboard/Train 1,500 CHR Users	Secure Messaging Connections	Bay Clinic (Community Health Center Data Interface)
Aprima (EHR Data Interface)	Secure Messaging Connections	Public Health Reporting Data Interfaces		Waikiki Health Center (Community Health Center Data Interface)
Secure Messaging Connections		Secure Messaging Connections		Malama I Ke Ola (Community Health Center Data Interface)
				Public Health Reporting Data Interfaces
				Secure Messaging Connections

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

Our evaluation approach incorporates Hawai'i HIE's priorities, recommendations from progress reviews, data collected and measured by the Hawai'i HIE and the Regional Extension Center (REC), surveys and discussions with participants, and industry research/lessons learned regarding progress of health information exchange.

Because Hawai'i HIE is still in the roll-out phase of our main product, the *Community Health Record (CHR)*, to date, evaluation has focused on our role in facilitating other aspects of information technology across the state—specifically, the impact of the HIE in EHR adoption for providers, its role in achievement of Meaningful Use for both providers and hospitals, and facilitating roles that the HIE played for health initiatives throughout the state.

As we move further along in the development of the CHR, we will evaluate the following:

- Total number of providers participating in HIE
- Number of new participants per month (providers and organizations)
- Number of unique patients covered
- Total number of providers who have attested for MU by quarter and year
- Number of CHR queries
- Number of secure messages sent through HHIE for the month and year
- Number of medication queries made for the month and year
- Number of providers receiving security training by quarter and year

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

The Hawai'i HIE will improve the quality of health care by having patient information available to the proper health care provider at the appropriate time of care. Measurements of effectiveness will be based on operational connections with the agencies/organizations below and will be published on the www.hawaiihie.org website and reported to the appropriate agency. Examples are below:

- Hawai'i Department of Health
- Hawai'i Immunization Registry
- Hawai'i Tumor Registry
- Hawai'i Hospitals and Laboratories to Epidemiology Branch

- Federally-Qualified Health Centers and Hawai'i Health Systems Corporation
- CAMHD

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.

See attached pages for budget forms.

2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2016.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
250,000	250,000	250,000	250,000	1,000,00

3. The applicant shall provide a listing of all other sources of funding that they are trying to obtain for fiscal year 2016.

Hawai'i HIE is obtaining additional funding from health care providers within the State of Hawai'i. This funding, in the form of subscriptions, is based on the number of beds at each hospital, the number of subscribing members within the Health Plans, and various levels of interoperability within other organizations. As stated above, to date, Hawai'i health care entities that have committed to participate include Hawai'i Pacific Health, Queens Medical Center, the Hawai'i Health Systems Corporation (HHSC), Castle Medical Center, Clinical Laboratories of Hawai'i (CLH), Diagnostic Laboratory Services (DLS), and the Hawai'i Medical Services Association (HMSA). Subscriptions for labs and other ancillary services are based on a formula that accounts for market share, usage of Hawai'i services, and the benefits their data brings to the community. The annual subscription fees committed to by these Hawai'i HIE stakeholders is projected to be \$1,179,000 for FY2015 and \$1,181,000 for FY2016.

Hawai'i HIE is also involved in other projects to subsidize operational costs that will provide fees for additional implementation services such as the Med-QUEST SMHP IAPD currently under review by CMS.

4. The applicant shall provide a listing of all state and federal tax credits that have been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

Hawai'i HIE has not applied for state or federal tax credit.

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2014.

Unrestricted - Undesignated:	\$1,172,512
Unrestricted – Invested in Software Licenses:	\$1,351,802
Unrestricted – Invested in Property & Equipment:	<u>\$100,401</u>
Total Unrestricted Assets:	\$2,624,715

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

Hawai'i health care providers recognized a need for health information exchange as early 2004 and supported an HIE pilot project called the Holomua Project, a Health IT Demonstration Grant funded from 2004-2007 through the U.S. Department of Health and Human Services, Agency for Health Care Research and Quality. With a vision of sharing meaningful health care data across the provider network in a safe and secure way, the Hawai'i HIE was incorporated in 2006 as a non-profit and received its 501(c)(3) status in 2010.

Many of the original stakeholders that helped found the Hawai'i HIE are represented on the Board today and set the strategic direction of the organization. Christine Sakuda, the current Executive Director of the Hawai'i HIE was one of the founding members of the Board of Directors and served as its President before becoming its first Executive Director. Deep experience in health care and technology extend beyond the Executive Director to all members of the Hawai'i HIE management team.

The Hawai'i HIE was awarded the ONC Cooperative Agreement from February 8, 2010, to February 7, 2014, in the amount of \$5,602,318. During this program Hawai'i HIE has been identified by the Grantee Recognition Program for reaching Milestone #1 in ePrescribing and Directed Exchange. The Grantee Recognition Program acknowledges grantee accomplishments in achieving State HIE programmatic goals that improve patient care and enable providers to achieve Meaningful Use.

In addition to this recognition, the HPREC has surpassed their Milestone 1 goal (525 providers) of registering 655 providers, and exceeded their Milestone 2 goals by 54 providers who have actively met the CMS Meaningful Use Stage One measures. The HPREC program was awarded \$4,715,318 by ONC.

Through its deep experience in health information technology, Hawai'i HIE has judiciously utilized on-going expenses of \$5,602,318 federal dollars and implemented key HIT services in accordance to its ONC Cooperative Agreement. Hawai'i HIE's field staff have effectively trained and enrolled over 500 users statewide on its HIT applications. Hawai'i HIE has also developed privacy and operational policies governing the exchange of PHI by soliciting stakeholder input through in-kind time and contribution without receiving any state financial commitment as of this date.

Leveraging the HIT, policies and procedures developed from the ONC grant, Hawai'i HIE secured a two-year contract worth \$2.86M with the Research Corporation of the University of Hawai'i to provide advance technology and solutions to support the Centers for Medicare & Medicaid Services Innovation Pharm2Pharm Grant awarded to the University of Hawai'i Hilo College of Pharmacy. The Pharm2Pharm innovation pilots use of Pharmacists as consultants to improve efficacy of medication and reduce preventable visits to Emergency Departments and hospitals due to adverse medication reactions. The expertise provided by Hawai'i HIE include:

1. Facilitating the implementation of the innovative model by providing technology and equipment to Consulting Pharmacists to assure that they can have timely, secure communications with other members of the care team, real-time access to data and language-translation services as they serve as counsellors to patients and consultants to physicians.
2. Engaging Federal and State agencies to secure waivers to rules and regulations that prevented the Consulting Pharmacists from accessing important clinical and laboratory data.

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. The applicant shall also describe how the facilities meet ADA requirements, as applicable.

Hawai'i HIE is currently located at Pioneer Plaza, 900 Fort Street Mall, Suite 1305, Honolulu Hawai'i, 96813. ADA access is available at this facility.

The data center and computing facilities are hosted by the contracted HIE software vendor in Salt Lake City, UT and Boulder, CO. The data center and computing facilities are SAS-70 certified.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

Staff:

Executive Director: Oversees the entire program. Assumes at least a master's degree in public administration, business administration, information management or an equivalent degree or comparable work experience; with at least five years of experience in management associated with information technology, grants or federal contracts, or related businesses. Coordinates communications with ONC, Hawai'i HIE Executive Committee, Board of Directors, and public and private stakeholders.

Director of HIE Services: Assumes at least a Master's degree in public administration, business administration, information management or an equivalent degree or comparable work experience; with at least 3 years of experience in management associated with information technology, grants or federal contracts, or related businesses. Manages the day-to-day ongoing operations and progress of the project to include workforce development, support with community colleges and universities, and implementation of the sustainability plan.

Executive Office Manager: Assumes a Bachelor's degree in business or an equivalent degree of comparable work experience; with at least 3 years of project coordination experience. The executive office manager performs day-to-day administrative assistance.

Communications and Outreach Specialist: Assumes a Bachelor's degree in business or communications or an equivalent degree of comparable work experience; with at least 3 years of communications related experience. Oversees the marketing plan, develops technical content for marketing material and fact sheets, presentations, testimony, website, etc., and provides input into the communication methodologies to interface with public and private providers.

Project Manager: Assumes bachelor's degree in information technology, information systems, computer engineering or an equivalent degree of comparable work experience; with at least 3 years of IT project development experience. Leads the coordination of the HIE technical infrastructure development, coordinates and develops plans for staying on time and on budget. Responsible for development of technical specifications, user requirements, technical design, network

infrastructure, security protocols, equipment requirements, application capacities, and lifecycle timelines. IT director will also oversee privacy, security, data access and audit.

IT Interface Analyst (2): Assumes bachelor's degree in information technology or an equivalent degree of comparable work experience with at least 3 years of project IT architecture development experience. Responsible for basic HIE programming and maintenance of the HIE. Provides lead support to help providers develop system interfaces and is the primary lead to coordinate with vendors and develop standardized specifications.

Clinical Analyst (3): Assumes a Bachelor's degree in business, nursing or an equivalent degree of comparable work experience; with at least 3 years of implementation and training and education experience. Responsible for coordinating user (physician-based) training, training and user guide documentation, clinic workflow schematic and business processes. Experienced in medical workflow design and implementing/using an EMR.

Meaningful Use Advocate: Assumes a Bachelor's degree in public administration, business, or an equivalent degree or comparable work experience; with at least 3 years of experience in Meaningful Use, CMS policy, grants or federal contracts, or related businesses. Responsible for ensuring that needed Meaningful Use information is gathered and disseminated to appropriate stakeholders and helps develop and execute strategies to accomplish this.

Client Services Director: Assumes at least a Master's degree in public administration, business administration, information management or an equivalent degree or comparable work experience; with at least 3 years of experience in management associated with information technology, grants or federal contracts, or related businesses. Manages the day-to-day ongoing operations of the HPREC program and progress of the project to include workforce development, support with community colleges and universities, and implementation of the sustainability plan.

HPREC Provider Consultants (4): Assumes a Bachelor's degree in public administration, business, or an equivalent degree or comparable work experience; with at least 3 years of experience in health care IT and with EHR applications within a clinical setting. Responsible for providing assistance to Primary Care Physicians (PCPs) and any other medical professional subscribing to the Hawai'i HIE to attest to Meaningful Use guidelines from CMS.

Finance Manager: Assumes a Bachelor's degree in finance, accounting, or an equivalent degree and comparable work experience; with at least 3 years of experience in financial management, accounting, and grants or federal contracts, or related businesses. Responsible for all fiscal operations and activities of the Hawai'i HIE; ensuring agency compliance with Generally Accepted Accounting Principles;

development and monitoring of agency budgets: financial and management reporting, taxes, audit, internal controls, finance policy and procedures.

Support Tech: Assumes Associate's Degree or equivalent in information technology or a related Field; with proficiency in using and troubleshooting office and HIE software and equipment. The Support Tech is expected to maintain cordial and professional relationships with staff, Hawai'i HIE stakeholders, vendors, and the general public.

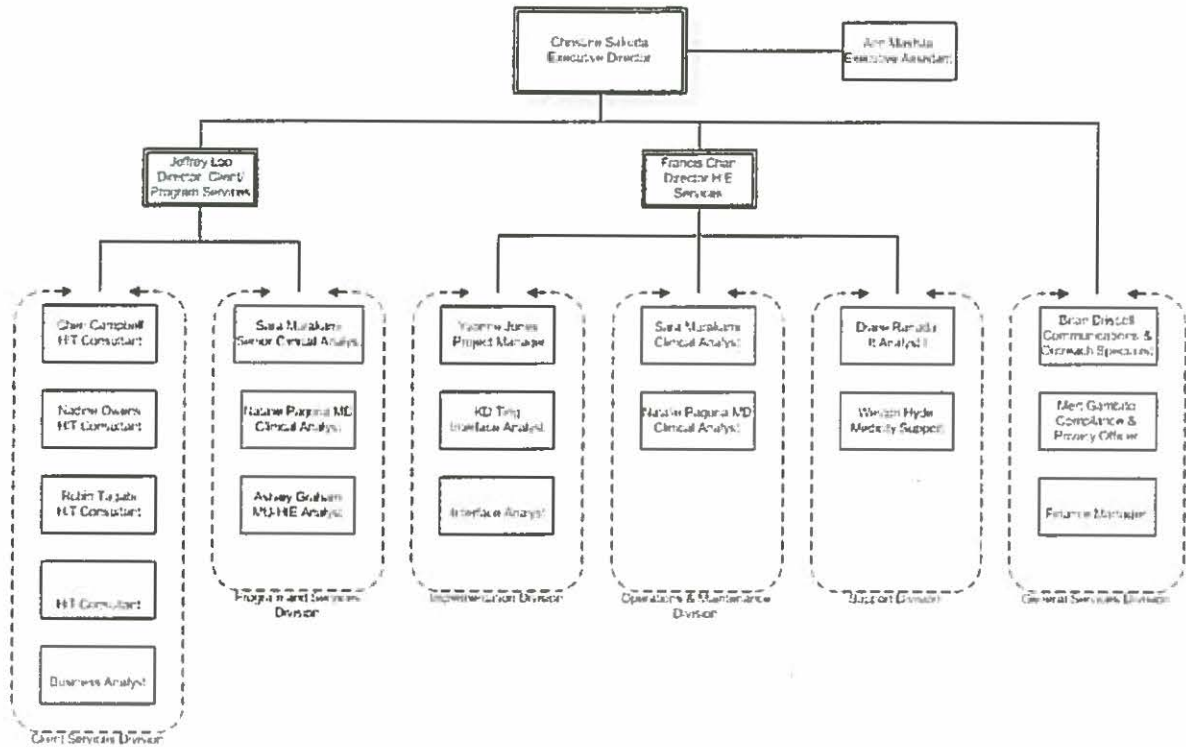
Privacy Security Officer: Contract services to provide oversight and mitigation in the event of any negative impacts revolved around security management and patient privacy rights.

Pertinent Contracts

- **Medicity:** Health Information Exchange vendor serving a national network of more than 1,000 hospitals, 250,000 end-users, and 20 regional and state-wide HIE organizations.
- **HCS:** Medication history and reconciliation software vendor.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.



C. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees by the organization by position.

Applicant Hawai'i Health Information Exchange Period: July 1, 2015 to June 30, 2016				
POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY* A	% OF TIME	TOTAL
			ALLOCATED TO GRANT REQUEST B	STATE FUNDS REQUESTED (A x B)
Executive Director	1		30.00%	
Client Service Director	1		30.00%	
Privacy & Compliance Officer	1		30.00%	
TOTAL:	3	\$ 497,490	30.00%	\$ 149,248
JUSTIFICATION/COMMENTS: *Annual salaries includes fringes & benefits				

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgment. If applicable, please explain.

The applicant has no pending litigation at this time.

B. Licensure or Accreditation

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

The Hawai'i HIE signed a Memorandum of Agreement with the Governor on February 14, 2012, affirming its role as the State Designated Entity (SDE) for Hawai'i. When the national ruling occurs, the Hawai'i HIE is best positioned to be licensed as a certified health information exchange service provider to exchange personal health information within the state, across state lines, and into the Pacific Territories.

C. Federal and County Grants

The applicant shall separately specify the amount of federal and county grants allowed since July 1, 2014.

The following is a contract with the Department of Health (not a grant).

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.	Develop and administer health information exchange capacity for Meaningful Use (MU) public health reporting	From: June 01, 2014 To: June 30, 2015	Department of Health	State of Hawaii	\$825,000

D. Private Educational Plan

The applicant shall provide specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of the question.

N/A

E. Future Sustainability Plan

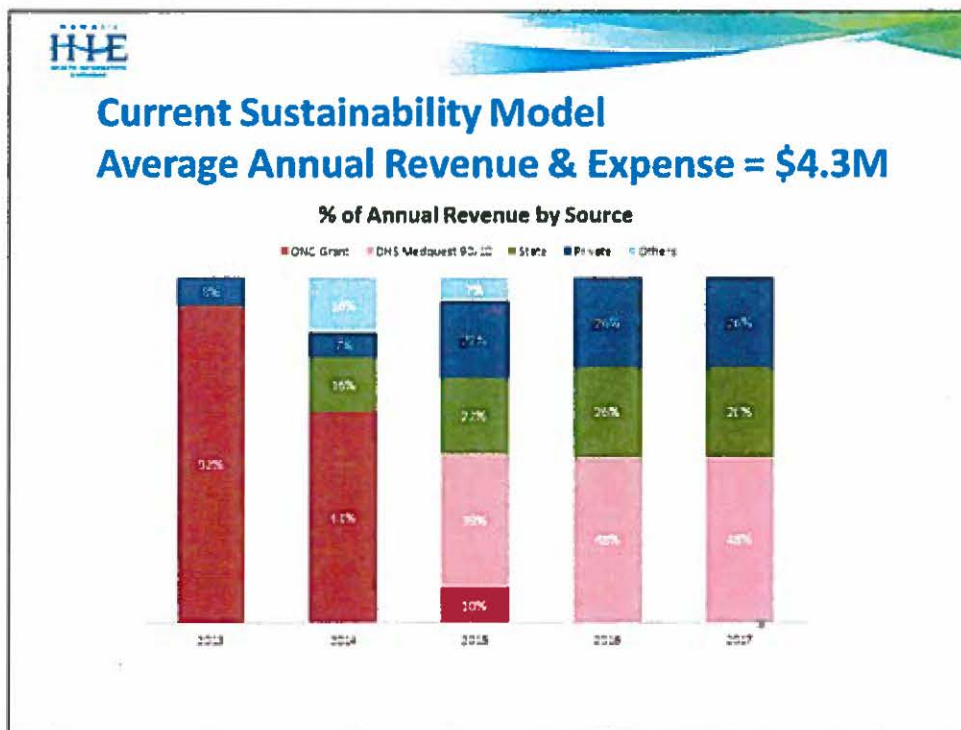
The applicant shall provide a plan for sustaining after fiscal year 2015-16 the activity funded by the grant if the grant of this application is:

- 1) Received by the applicant for fiscal year 2015-16, but
- 2) Not received by the applicant thereafter

The State is an important part of Hawai'i HIE's roadmap. In fact, State support of the Hawai'i HIE was required to receive federal funding from the federal Office of the National Coordinator for Health IT (ONC) in 2010 to build a community health IT infrastructure. This specific GIA request is to support a series of important deliverables scheduled for the grant period and is not intended to be the state vehicle on an ongoing basis. The plan to sustain activities after the grant period is over is to offer built-out services to the State and Private stakeholders.

If the grant is not received by the applicant thereafter, the Hawai'i HIE will continue to seek funding through state contracting sources and the Private Stakeholder community in accordance to the organization's sustainability plan.

The current sustainability plan of the Hawai'i HIE is based on shared support by State, Federal, and Private Stakeholders. Since the State is a major stakeholder and beneficiary of the Hawai'i HIE, as defined in the State Healthcare Innovation Plan (SHIP at <http://www.hawaiihealthcareproject.org/index.php/resources/healthcare-innovation-plan.html>) and the State Medicaid Health IT Plan, its financial support is critical. The following diagram describes the current sustainability model for of the Hawai'i HIE:



F. Certificate of Good Standing (If the Applicant is an Organization)

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2014.



**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

CERTIFICATE OF VENDOR COMPLIANCE

This document presents the compliance status of the vendor identified below on the issue date with respect to certificates required from the Hawaii Department of Taxation (DOTAX), the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Commerce and Consumer Affairs (DCCA).

Vendor Name: HAWAII HEALTH INFORMATION EXCHANGE

DBA/Trade Name: HAWAII HEALTH INFORMATION EXCHANGE

Issue Date: 01/30/2015

Status: Compliant

Hawaii Tax#: [REDACTED]
FEIN/SSN#: XX-XXX1519
U#: No record
DCCA FILE#: 214771

Status of Compliance for this Vendor on issue date:

Form	Department(s)	Status
A-6	Hawaii Department of Taxation	Compliant
	Internal Revenue Service	Compliant
COGS	Hawaii Department of Commerce & Consumer Affairs	Exempt
LIR27	Hawaii Department of Labor & Industrial Relations	Compliant

Status Legend:

Status	Description
Exempt	The entity is exempt from this requirement
Compliant	The entity is compliant with this requirement or the entity is in agreement with agency and actively working towards compliance
Pending	The entity is compliant with DLIR requirement
Submitted	The entity has applied for the certificate but it is awaiting approval
Not Compliant	The entity is not in compliance with the requirement and should contact the issuing agency for more information

BUDGET REQUEST BY SOURCE OF FUNDS
(Period: July 1, 2015 to June 30, 2016)

Applicant: Hawai'i Health Information Exchange

BUDGET CATEGORIES	Total State Funds	Total Federal Funds	Total Private Funds	(d)
	(a)	(b)	(c)	
A. PERSONNEL COST				
1. Salaries	496,306	0	1,158,047	
2. Payroll Taxes & Assessments	50,822	0	118,584	
3. Fringe Benefits	35,287	0	82,337	
TOTAL PERSONNEL COST	582,415		1,358,968	
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island	7,887	0	18,403	
2. Insurance	14,039	0	32,758	
3. Lease/Rental of Equipment	0	0	0	
4. Lease/Rental of Space	34,912	0	81,462	
5. Staff Training	15,256	0	35,598	
6. Supplies	10,185	0	23,764	
7. Telecommunication	46,800	0	109,200	
8. Audit & Accounting Fees	10,418	0	24,309	
9. Legal	14,328	0	33,432	
10. Interface Cost	0	429,000	0	
11. Capital Improvements	0	699,045	0	
12. Advertising/Marketing/Outreach	27,629	0	64,469	
13. Software Hosting	145,590	123,750	339,711	
14. Software Maintenance Fees	81,563	0	190,313	
15. Contract Services	8,977	150,000	109,764	
TOTAL OTHER CURRENT EXPENSES	417,585	1,401,795	1,063,181	
C. EQUIPMENT/SOFTWARE PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
TOTAL (A+B+C+D+E)	1,000,000	1,401,795	2,422,149	
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	1,000,000	Jorge W. Gutierrez 808-441-1351		
(b) Total Federal Funds	1,401,795	Name (Please type or print) Phone		
(c) Total Private Funds	2,422,149	Signature of Authorized Official Date		
TOTAL BUDGET	4,823,944	Finance Manager Name and Title (Please type or print)		

**BUDGET JUSTIFICATION
PERSONNEL - SALARIES AND WAGES**

Applicant: Hawai'i Health Information Exchange				
Period: July 1, 2015 to June 30, 2016				
POSITION TITLE	FULL TIME EQUIVALENT	ANNUAL SALARY A	% OF TIME ALLOCATED TO GRANT REQUEST B	TOTAL STATE FUNDS REQUESTED (A x B)
Executive Director	1	\$ 200,041.10	30.00%	\$ 60,012.33
Executive Office Manager	1	\$ 58,764.19	30.00%	\$ 17,629.26
Client Service Director	1	\$ 152,259.65	30.00%	\$ 45,677.90
Finance Manager	1	\$ 103,581.18	30.00%	\$ 31,074.36
Communications and Outreach Specialist	1	\$ 85,430.80	30.00%	\$ 25,629.24
Meaningful Use Advocate	1	\$ 97,635.20	30.00%	\$ 29,290.56
IT Interface Analyst	2	\$ 195,874.52	30.00%	\$ 58,762.36
Director of HIE Services	1	\$ 124,963.29	30.00%	\$ 37,488.99
Project Manager	1	\$ 108,472.71	30.00%	\$ 32,541.81
IT Support Tech	1	\$ 47,768.02	30.00%	\$ 14,330.41
HPREC Provider Consultants	4	\$ 340,638.23	30.00%	\$ 102,191.47
Clinical Analyst	3	\$ 280,764.66	30.00%	\$ 84,229.40
Privacy & Compliance Officer	1	\$ 145,189.64	30.00%	\$ 43,557.34
TOTAL:	19	\$ 1,941,383.20	30.00%	\$ 582,415.41
JUSTIFICATION/COMMENTS:				

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Period: July 1, 2015 to June 30, 2016

Applicant: Hawaii Health Information Exchange

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
NOT APPLICABLE			\$ -	
TOTAL:			\$ -	
JUSTIFICATION/COMMENTS: NOT APPLICABLE				

BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2015 to June 30, 2016

Applicant: Hawaii Health Information Exchange

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2013-2014	FY: 2014-2015	FY:2015-2016	FY:2015-2016	FY:2016-2017	FY:2017-2018
PLANS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LAND ACQUISITION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
DESIGN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CONSTRUCTION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
JUSTIFICATION/COMMENTS: NOT APPLICABLE						

GOVERNMENT CONTRACTS AND/OR GRANTS

Applicant: **Hawaii Health Information Exchange**

	CONTRACT DESCRIPTION	EFFECTIVE DATES	AGENCY	GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)	CONTRACT VALUE
1.	Develop and administer health information exchange capacity for Meaningful Use (MU) public health reporting	From: June 01, 2014 To: June 30, 2015	Department of Health	State of Hawaii	\$825,000
2.	NOT APPLICABLE				\$0
3.	NOT APPLICABLE				\$0
4.	NOT APPLICABLE				\$0
5.	NOT APPLICABLE				\$0
6.	NOT APPLICABLE				\$0
7.	NOT APPLICABLE				\$0
8.	NOT APPLICABLE				\$0
9.	NOT APPLICABLE				\$0
10.	NOT APPLICABLE				\$0
				TOTAL	\$825,000

**DECLARATION STATEMENT OF
APPLICANTS FOR GRANTS PURSUANT TO
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
 - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
 - c) Agrees not to use state funds for entertainment or lobbying activities; and
 - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.

- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is incorporated under the laws of the State; and
 - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.

- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
 - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
 - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Hawaii Health Information Exchange
(Typed Name of Individual or Organization)

(Signature)

1/29/2015

(Date)

Christine Sakuda
(Typed Name)

Executive Director
(Title)