Wyoming Healthcare Commission
Electronic Health Records Network Recommendation

History
In 2004, the Legislature asked the Wyoming Healthcare Commission to find a way to build connections between public and private healthcare providers who share information on paper, but could serve patients and the public better by sharing information electronically. The Legislature requested a complete description of how those connections will happen, what they will cost and what benefits will result.

Recommendations

The hub (Pages 39-47, Centralized Network Services)
The Commission is recommending the construction of a central "hub" that will allow public and private healthcare providers who share information electronically to connect without everyone having the same software package. The hub will allow transfer of medical information privately and securely. The price tag for this central hub and its essential components is $4.7 million. The Commission believes that General Fund money is the best central hub financing source because there is little "return on investment" for individual providers, as the benefits flow generally to patients and payors.

The spokes (Pages 22-27 and Pages 52-56)
In addition to the hub, the Commission recommends supporting "spoke" development. The spokes are about 10 hospitals and 250 to 300 physicians (in groups or individual practices) who are thought to be "ready, willing and able" to use the hub and the information it provides when treating patients. Based on the work of the IT2 sub-committee, the Commission estimates it will cost $30 million to get the first round of hospitals and providers on line and maintaining active participation through a five-year period. The Legislature could provide this funding through loans, matching grants, revised reimbursement or other avenues of giving providers incentive to become spokes. The Commission believes these incentives are necessary because it will cost every participating physician and hospital significant time and money to join the network -- even with the state's assistance.

Power behind the wheel (Pages 30-33, Focused Initiatives)
Enhanced services available through an electronic medical records network are the carrots the Commission recommends offering to entice physicians and hospitals to join in this effort. Specifically, four "focused initiatives" are inducements to adoption of electronic medical record technology utilization:
- ePrescribing,
- Administrative claims processing,
- Portals to other hospitals and
- Continuity of care records for every patient treated.

Some hospitals and physicians will tap into all four services immediately. Others will want only one or two services initially. The cost of the four services is factored into the $30 million recommended for the hospitals and providers referred to as "spokes."

Technical support and continuous monitoring of the electronic health records network will be required to assure that all patient privacy rights are protected, the right software is installed at the right time, in the right place, and the state's dollars are carefully stretched to cover as much work as possible. The Commission is recommending that the State appropriate $3.8 million over the course of five years to create a service organization with hands-on "techies" who can work with hospitals, physician offices, pharmacies and payors. The service organization also can provide the technical staff for the Wyoming Health Information Organization (WyHIO). The WyHIO will be responsible for resolving the highly complex legal, electronic and organizational questions that will arise. Some money will have to be set aside within that $3.8 million to adequately staff in the WyHIO and allow it to form the necessary alliances and partnerships that will make the hub operate successfully.

The energy supply
The total package recommended by the Healthcare Commission requests $41 million in General Fund money over five years. The Commission believes this will result in a basic electronic health records network that will serve as the foundation for integrating all providers (hospitals, physicians, pharmacies, etc., public and private).

The knowledge used to formulate the recommendations
Attached to these recommendations is the study document that shows Wyoming hospitals, physicians and other providers are in varying stages of readiness for electronic health records. The Commission believes that without a significant infusion of State funds, these individual business units lack the financial incentive to install and use electronic medical records. State funding also will help overcome proprietary and legal hurdles that currently prevent sharing patient information.

The electronic health records network study document will be presented to the Labor, Health and Social Services Committee on Oct. 17, 2005, at 7 a.m. The recommendations attached to the study document were developed by the Wyoming Healthcare Commission over several weeks' time, with input from John Snow, Inc., the contractor hired to study Wyoming's potential for an electronic health records network, and Dr. Geoffrey Smith, chairman of the Commission's Information Technology Technical Management Subcommittee.

Conclusion
The Commission is confident that implementation of these recommendations will result in the construction of a functioning electronic health records network. Partial funding can generate partial results, but will not create a fully operable system that can transform the way patients are served.

Appendix
Table 1: EHR Network Strategic Approach Summary

Leadership	The Wyoming Health Information Organization (WYHIO)			
Principles	**Enable** the Wyoming healthcare community through technology	**Share** health information electronically	**Promote** value-based focused initiatives	**Manage** the health information network effectively
Projects	• Expand EMR use in private practices • Improve Hospital IS • Enhance Wyoming Network Infrastructure	• Provide Central Network Services as the hub to connect the Wyoming healthcare community	• ePrescribing • Continuity of care record • Hospital Portal Gateway • Administrative Transaction Processing	• Technology Support Organization (TSO)

Table 2: EHR Network Approach Cost Summary

Total 5-year Project Costs			
Fixed Costs	**Cost per provider**	**# of Providers**	**TOTALS**
WYHIO and TSO			$3,830,000
Payor Integration			$80,000
Pharmacy Integration			$120,000
CNS			$4,525,000
Variable Costs			
Hospitals			
Using Existing Technology	$607,500	4	$2,430,000
Enhancing Existing Technology	$7,885,000	6 hospitals (assuming 50% State grant match)	$23,655,000
Purchasing New Technology	$11,185,000	0	$0
Small Providers			
Read only CCR	$8,000	50	$400,000
Hosted Solution	$34,500	50	$1,725,000
Using Existing Technology	$45,000	50	$2,250,000
Purchasing New Technology	$124,000	0	$0
Medium Providers			
Read only CCR	$22,600	10	$226,000
Using Existing Technology	$105,600	20	$2,112,000
Purchasing New Technology	$285,600	0	$0
TOTAL PROJECT COST			$41,353,000