

THINC, Inc.

Taconic Health Information Network and Community

THINC Meeting of the Board of Directors
September 2, 2009, 6:30pm-8:30pm

Board Members Present: Mike Duffy, Chair
Dr. Mark Foster
Dr. Eugene Heslin
Dr. Paul Kaye
Arthur Nizza
Robert Savage

Unable to participate: Joseph DeVirgilio, Jr.
Arthur Levin

Non-Board Members Present:

A. John Blair, III, MD; Deborah Bailey Brown, Allison Laquidara, Holly Miller, MD, Michelle O'Reilly, Susan Stuard

Meeting materials: 1) Meeting Agenda, 2) June 2009 Meeting Minutes, 3) THINC Amended and Restated By-Laws, 4) THINC 2007 Audited Financials and Management Suggestion Letter from Auditors 5) Summary of Federal RFP's, 7) THINC Project and Committee Update Reports, 8) HEAL 5 Risk Register, 9) Confidential Memorandum re: HEAL 1 Grant

I. PUBLIC SESSION

Approval of June 3, 2009 Meeting Minutes

Mike Duffy made the motion to approve the minutes of the June 2009 meeting. The motion was seconded, the minutes were unanimously approved.

Approval of Amended and Restated By-Laws

With the formal name change from THINC RHIO, Inc. to Taconic Health Information Network and Community, Inc. doing business as (DBA) THINC, Inc. Susan Stuard informed the board members of the need to update the by-laws to reflect the new name. The motion was made and seconded to approve the amended and restated by-laws for THINC, Inc.

2007 Audited Financials

THINC's 2007 audit conducted by UHY did not fulfill the NYS DOH requirement for an audit conducted according to government accounting standards. In order for THINC to meet the requirements outlined in the P4P contract that began in 2007, THINC engaged the services of Bailey Browne CPA & Associates to conduct a yellow book audit for the year ended December 31, 2007. Susan Stuard introduced Deborah Bailey Browne and Michelle O'Reilly of Bailey Browne CPA & Associates to the THINC Board of Directors. Bailey Browne CPA & Associates informed the board that the financial statements of THINC present fairly and drew an unqualified opinion. The 2007 audit disclosed a deficiency of segregation of duties, however, Bailey Browne noted that additional staff was hired as well as an outside CPA firm during 2008 in order to increase controls. The following areas were found to be an opportunity to strengthen THINC's internal controls. 1) Fraud Risk Assessment Program 2) Accounting Procedures Manual 3) Controls over Computers 4) Use of Standard Journal Entries Form 5) Budget 6) Standardization of Reporting, Documentation and Recordkeeping and 7)

Grant Performance. Ms. Browne noted that all of the above mentioned deficiencies, with the exception of segregation of duties and grant performance had been noted in the 2008 audit previously conducted by Bailey Browne CPA & Associates. THINC did provide Bailey Browne with a response to the deficiencies noted in the 2008 audit and the corrective action taken by THINC management. Susan Stuard stated that THINC would respond to the 2007 audit in the same manner and provide Bailey Browne with the corrective action THINC has taken to correct the deficiencies noted in the 2007 audit. The motion was made and seconded to accept the results of the 2007 audit.

Summary of Federal RFPs

Susan Stuard briefed the board regarding the Federal RFPs for Regional Health Information Technology Extension Centers (RHITECs) and State Health Information Exchange (State HIE).

RHITEC

"The purpose of the Regional Centers is to furnish assistance, defined as education, outreach and technical assistance, to help providers in the geographic service area select, successfully implement, and meaningfully use certified EHR technology to improve the quality and value of health care". A maximum of 70 RHITEC awards will be awarded totaling \$598million, the maximum award per recipient is \$30 million while the minimum is \$1 million. There will be three cycles in the application process. Applicants will be required to submit a preliminary application that will undergo an objective review. Successful preliminary applications will be requested to submit a full application for merit review. Successful full applications will be awarded four-year cooperative agreements.

Cycle one, the preliminary application is due on September 8, 2009 with approximate funding of \$189million. The preliminary applications will be awarded on September 29, 2009, the full application is then due on November 3, 2009 and the awardees will be announced on December 11, 2009. Cycle two, the approximate funding amount is \$225million with the preliminary applications due on December 22, 2009. Preliminary approvals will be announced January 19, 2010, the full application will be due on March 2, 2010 and the awardees will be announced on April 27, 2010. The final cycle, cycle three, will provide \$184million in funding, preliminary applications due on June 1, 2010 and preliminary approvals announced June 22, 2010. The full application will be due August 3, 2010 and awardees will be announced September 28, 2010.

RHITECs will be required to provide the following services. 1) Education and Outreach to Providers, 2) Participation in a National Learning Consortium, 3) EHR Vendor Selection and Group Purchasing 4) Onsite EHR Implementation and Project Management 5) Onsite Practice and Workflow Redesign 6) Functional Interoperability and HIE, 7) Privacy and Security Best Practices, 8) Progress Toward Meaningful Use and 9) Local Workforce Support. To be eligible, the applicant organization must be a non-profit organization, have the ability to assist a minimum of 1,000 priority primary care providers (family practice, OBGYN, pediatric and internal medicine) in the first two years must demonstrate experience, capacity, skill sets across implementation categories and care settings. THINC would like to target the initial funding round either alone or collaboratively with NYeC.

State HIE

The State Health Information Exchange Cooperative Agreement Program goal is "to advance and secure health information exchange across the health care system". There will be a maximum of one award per state, and this award may be given to a designated entity. NYS DOH has selected NYeC as that entity. There is a total of \$564 million across the 50 states, maximum award is \$40million and the minimum being

\$4million. The awards are four year agreements to begin in January 2010, the letter of intent due by September 11, 2009 and the full application due on October 16, 2009. The state plan consists of two components, 1) the strategic plan and 2) the operational plan. Those components will need to cover five domains, 1) governance 2) finance 3) technical infrastructure 4) business and technical operations 5) legal/policy. The five domains will have eight transactions priorities, 1) state-level directories 2) eligibility and claims 3) prescription and refill requests 4) lab orders and results 5) public health reporting 6) quality reporting 7) prescription fill status and history and 8) clinical summaries. The New York State Department of Health and NYeC will be submitting an application for the State Health Information Exchange Cooperative Agreement Program. The State HIE will align nicely with the \$35 million of funding NYeC is likely to receive from HEAL 10 to support the state network. THINC will be an active participant in any awarded activities.

Project Update

Susan Stuard updated the board members on the following projects.

- **HEAL 1**
296 EHR implementations have been completed to date. THINC anticipates the inability to meet the goal of 1,000 implementations per the HEAL 1 contract by the contract term date of July 31, 2010. 39 implementations were completed during Quarter 12. 86 implementations are projected for quarters 13 and 14. Payment has been received for quarters 10 and 11, however, payment is still outstanding for quarter 8.
- **Pay-for-Performance (P4P) / Medical Home**
CDPHP, MVP, Aetna and Hudson Health Plan's data acquisition is in process. United is planning it's data pull while Wellpoint is still reviewing the data request. THINC has received four of the six commitment letters from the health plans (CDPHP, MVP, HHP, and Aetna). United's letter is in process, Wellpoint has disclosed their planned incentive, but have yet to document in a letter. All slots are filled for the medical home project and THINC has received signed participation agreements for 213 physicians. Recruitment has begun, with little success for the quality metrics group, 15 physicians are currently enrolled. THINC and Taconic IPA will collaborate on recruitment efforts. Taconic IPA holds a monthly medical council meeting to discuss practice transformation for the medical home. Consultants from MassPro and TransforMed continue to work with the 13 practices participating in the project.
- **HEAL 5**
Quarter 4 SHIN-NY and CIS reports and vouchers were submitted to NYSDOH. The voucher totaled \$613,311, with \$126,881 from the CIS and \$486,430 from the SHIN-NY. Per THINC's contract requirements a draft of the Financial Sustainability Plan was submitted to NYS DOH on July 31, 2009. The THINC Board will be asked to review and finalize this plan. THINC completed calls with the participant hospital CIOs with regard to the integration timeline and collaboration with their hospital information system (HIS) vendor. These conversations revealed that eight of the 13 prospective hospitals will be changing their HIS vendor during the grant contract, which means that integration with the hospitals will occur after the HEAL 5 contract ends. Work continues on the development of THINC privacy policies with its Privacy and Consumer Committee. As requested by the Board, THINC has engaged Rim Cothren from Cognosante to complete the second portion of its due diligence engagement on MedAllies and the HEAL5 contract. THINC and MedAllies completed a first draft of a risk register to track risks relevant to the HEAL 5 project. The THINC Board will be asked to review this draft, suggest changes, and will review the risk register on an ongoing basis. John Blair updated the THINC board regarding MedAllies' HEAL 5 activities. MedAllies has completed a scheduled re-scoping and re-projection of the technical work plan based on specifications requirements,

integration feedback, identification of added resources, and input from Cognosante. The majority of the technical development for the UPHN/Public Health Services is complete. Work has begun on the technical design and development for ancillary network services. Web service testing has been acquired and deployed. The analysis of security requirements and design solutions has begun. Technical discussions were held to evaluate the service specifications with hospital information system vendors for integration. Additionally, discussions were held with eClinicalWorks regarding service specifications and THINC HIE architecture for integration, development and planning. Laboratory test ordering and results delivery into eClinicalWorks EHRs are consistently gaining momentum. The first interface is running via eHX and there will be more interfaces into the THINC HIE through the remainder of the HEAL 5 project.

Committee Update

- **Privacy and Consumer Committee**

The committee reviewed and finalized the Patient Engagement and Access policy. The discussion on consent policy began at the June meeting, a first draft of the policy was reviewed at the July meeting. THINC is anticipating the committee will complete the work on the consent policy at the September meeting.

- **Financial Oversight Committee**

The Finance Committee reviewed corrective action taken in response to Bailey Browne CPA & Associates 2008 management suggestion letter. The remediation steps were approved by the committee and a spreadsheet detailing THINC's corrective action was sent to Bailey Browne CPA & Associates.

- **Quality and Clinical Committee**

On June 22, 2009 the Quality and Clinical Committee held an all-day retreat at IBM in Somers NY. The group focused on a detailed review of the Pay-for-Performance and Medical Home projects. The committee identified the following items for expansion of the project: allow physicians to review the attribution of patients as well as review a draft of the quality profile. The committee also discussed making the quality profile publically available in 2010.

- **Information Technology Committee**

The committee reviewed the HEAL 5 project work plan and integration timeline for the public health, CCD, medication management and quality reporting use cases. Susan Stuard briefed the committee on the certificate of need (CON) language and the approval process for health information technology CONs by NYS DOH.

- **Public Health Committee**

The July meeting was cancelled. The committee will meet again on October 22, 2009 from 3-4pm.

THINC HEAL 5 Risk Register

At the request of the THINC Board of Directors and as a result of the due diligence engagement, THINC and MedAllies have prepared a risk register to summarize and track risks relevant to the HEAL 5 project. The document is broken down into two sections. Section one, focuses on THINC's mission and risks that stem from the HEAL 5 project and potentially have a large impact to THINC and section two, focuses on the risks associated with MedAllies and its engagement on the HEAL 5 project. Susan Stuard briefed the board members regarding the THINC mission risks. The first risk being, the IT solution falls short of the stated requirements, meaning not all vendors will get to SHIN-NY level 3 in the HEAL 5 timeframe. The mitigation is to communicate a plan that includes frequent communication of specifications to vendors, giving early warnings of the vendor realities and the contingency would be to negotiate with the state the terms of the HEAL 5 agreement regarding features/functions and institutions being delivered, or falling back to level 2 CHiP requirements. The second risk, some features may be planned for a later release than when physicians want them. THINC's mitigation is to communicate the release plan and roadmap with physicians, leverage the state influence to avoid flight to competitors. THINC may need to accelerate some priorities to keep some providers on board and the contingency is to reconsider prioritization on the roadmap if deflection is significant. The Board of Directors requested management to present to the board the risks that fall into the red category in the same format with mitigation and contingency plans.

New Business

There being no new business, the meeting was adjourned at 8:35pm.