Funding Considerations

• SIM Grant Federal Opportunity Announcement (FOA) Information
• Funding and the Shared Services Stack of Infrastructure Functions
• State Medicaid Directors Letters: 10-016 and 11-004
• Medicaid and HITECH Funding Possibilities and Implications
SIM Grant FOA Information

• SIM Grant funding is possible for Health IT and HIE
  • Can include infrastructure for collecting and managing model testing initiatives, including associated HIE, Provider Directory, Master Person Index, data management and analytics, even an All Payer Claims Database (APCD)

• SIM funding may not supplant existing federal or state funding
  • Coordinate with projects that may already be funded for needed infrastructure (SMHP, EHRIP, IAPD considerations)
Funding and the Shared Services Stack

• Functions or services are translated into systems defined by requirements; system solutions are procured to provide the needed functions/services

• Technical solutions to support the HIE implied by the stack with data sources and users can also be funded and procured

• Ongoing maintenance funding is impacted by funding decisions for implementation
Health IT Funding Through Medicaid: Options

• **MMIS-MITA:**
  • 90/10 Medicaid funding for Design, Development and Implementation of technology supporting the Medicaid program
  • 75/25 Medicaid funding for ongoing operations/maintenance

• **90/10 HITECH Act:**
  • HITECH-HIT to support the administration of the EHR Incentive Program and to support “meaningful use”
  • HITECH-HIE to support Medicaid fair share along with funding from external partners
  • HITECH-MMIS related for the support of the administration of the Medicaid Program
  • (provider directories)

• **50/50 Medicaid Administrative:**
HITECH HIE Funding Parameters

90/10 funding is available for HIE activities provided that:

• Funds are used for time-limited Design Development and Implementation Activities
• States leverage efficiencies with other Federal HIE funding
• HIE costs are divided equitably across other payers based on the “fair share” principle and are appropriately allocated.

Resources for implementation:

• SMD* Letter-Use of Administrative Funds to Support HIE (11-004)
• Frequently Asked Questions (FAQs)
• SMD Letter-Federal Funding for Medicaid HIT** Activities (10-016)
HITECH Processes: Required Federal Funding Documents

• **State Medicaid HIT Plan:** SMHP – at least annually – prior or simultaneous to IAPDU

• **Implementation Advanced Planning Document:** I-APD and I-APDU (Appendix A and D)

• **Pre-approval of Contracts**
Procurement Considerations

• Health IT Project Plan Phases:
  • Planning and Design
  • Pre-Procurement
  • Procurement
  • Implementation

• State Project Management Oversight Considerations
• Quality Assurance Considerations (QA)
• Systems Integrator Considerations
• Independent Validation and Verification (IV&V) Considerations
Discussion Questions and Topics: Funding

• **COORDINATION OF FUNDING STREAMS**: Are you coordinating your SIM funding for Health IT and HIE with HITECH/Medicaid funding through the SMHP and IAPD processes?

• **FAIR SHARE**: Is “fair-share” funding for HIE-related projects being pursued?
  • How are you determining a fair-share allocation for Medicaid?
  • Who are the other payers? Are they participating?

• **TIMELINES AND ALIGNMENT**: How does your funding timeline align with your procurement timeline? And how do these timelines align with your SIM Grant timeline?
Discussion Questions and Topics: Procurement

• **MARKET INFORMATION**: Are you doing any market analysis – vendor scans or RFIs?

• **STATE IT OVERSIGHT**: Does your state have existing governance for the oversight of IT (including Health IT) projects and procurement?

• **QUALITY ASSURANCE**: Are you planning to use a QA vendor for your Health IT projects?

• **INDEPENDENT VERIFICATION AND VALIDATION**: Are you planning to use an IV&V vendor for your Health IT projects?

• **SYSTEMS INTEGRATOR**: Are you planning to use a Systems Integrator to manage the implementation?
Next Steps

• Policies and Procurement Discussion
  • Combined Affinity Groups Call for Provider Directory and Identity Management
  • **Monday October 19, 2015**
  • Email appointment will be sent

• Send additional comments and questions on funding and procurement to:
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