



**Remarks
Public Hearing
Proposed Strategic Plan: Pennsylvania Health Information Exchange
10:00 a.m., Wednesday, January 27, Room 8E-B, East Wing**

**Kelly Lewis, JD/MBA
President & CEO
TechQuest Pennsylvania**

Senator Mike Folmer, Chairman
Senator John Wozniak, Democratic Chairman
Members of the Committee

On behalf of the technology industry in Pennsylvania and our many members, partners, projects and services supporting the technology industry, we are pleased to present testimony at this morning's hearing on the proposed strategic plan of the Pennsylvania Health Information Exchange – PHIX.

First off, let us acknowledge our organization has been, remains, and will be one of the biggest supporters and enablers for Pennsylvania to jumpstart a vibrant health information exchange platform that connects physicians, hospitals, health organizations and healthcare insurers and payors! Like many others we believe a strong and well-used Pennsylvania Health Information Exchange will save lives, improve healthcare quality, and reduce costs! We also understand the need for speed to undertake Health IT initiatives to secure ARRA stimulus funding. However, this PHIX effort is so important we believe every effort should be devoted to making sure the project is done right the first time: on-time, on-budget and open.

Accordingly, we remain concerned a contract with the State of Delaware and the Delaware Health Information ("DHIN") will be signed that is not in the best interests of the citizens of the Commonwealth of Pennsylvania.

At the end of my testimony, I attach the public comments we supplied to the Governor's Office for Healthcare Reform. Legally, we question whether or not the State can circumvent the public bidding processes to contract with DHIN. But most importantly, we believe a public, transparent, open and fair procurement process far outweighs any perceived benefit of using DHIN.

To meet timelines and open bidding: we support a fast-tracked IT Procurement by DGS/OA through the IT-ITQ.

We remain convinced the State can follow its streamlined IT procurement rules implemented by the Rendell administration to accomplish the PHIX projects with speed, transparency, fair-scoring and competition. Quite frankly, the Rendell administration is a national leader in IT procurement with the July 2009 release of the updated IT-ITQ (Information Technology – Invitation to Qualify, procurement system). The new IT-ITQ is a national model for the states. With TECNA and TECHAMERICA, two national technology groups, I am part of a

national effort to get more states to adopt provisions like the PA-IT-ITQ, because compared to many other states, Pennsylvania's IT-ITQ is open, fair and fast!

The Fast Track Idea: In short order, we believe DGS can and should announce the Health HIE (PHIX) and related Health IT contracts will go through the state's IT-ITQ. Upon this announcement, DGS should permit 30 days for Health IT vendors to sign-up under the IT-ITQ. Concurrently, the already existing PHIX Health IT strategy and Scope of Work should be sharpened and finalized for the IT-ITQ issuance. Then on day 31, the Project(s) should be timely released through the IT-ITQ. Within 7-10 weeks the received proposals can be reviewed, scored, winner declared, contract signed, and the project commenced. Certainly the issued IT-ITQ for the state's Health HIE and Health IT provisions would highlight the need for implementation and deployment speed, while offering best pricing for capital, implementation, and long-term operational costs. As we recently learned at a December 2009 Hearing of this Senate Committee, the PHIX contracts are a great opportunity for Pennsylvania to piggyback onto the Rendell administration's procurement improvements, not Delaware's miniscule purchasing power.

The state's health information exchange project is and will be one of the most important technology projects we do over the next decade. The new IT-ITQ is perfect in so many ways to make the PHIX HIE project a long-term success with credit to the Rendell administration. If it is rushed into the Delaware Health Information Network, we are concerned that the "legacy" may not be favorable or well-used by healthcare organizations. Simply put, that would be a real shame after so many people worked so hard to make IT procurement better under this administration for our Commonwealth.

Once again, thank you for the opportunity to present this testimony. We look forward to being a resource and supporter for Pennsylvania's strategy to deploy a vibrant Health Information Exchange. I look forward to answering any questions you may have.

Kelly Lewis is president and chief executive officer of TechQuest Pennsylvania, operated by the Technology Council of Central Pennsylvania.

The **Harrisburg Health Information Exchange** ("HHIE") was established in 2007 by the HHIE Advisory Board and TechQuest Pennsylvania to bring together healthcare and community leaders to improve healthcare quality, costs, access and patient safety through the deployment of health information technologies within and between health care organizations in the greater Harrisburg region. Through our collective efforts we want to speed the Harrisburg deployment of electronic medical records, electronic prescription solutions and health information exchange technologies in order to improve healthcare quality at the most critical time: the point-of-care. Our efforts will focus on sustainable business models combined with a complementary array of bundled-service-offerings that increase security, performance, return-on-investment (ROI), sustainability and participation. Because we are located in the state capitol region, we will also develop and showcase best practices in order to advance public policy awareness, legislative support and funding to help our region as well as other regions in the Commonwealth.

December 21, 2009

Ann S. Torregrossa, Esq.
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RE: Comments: Pennsylvania Health Information Exchange Proposed Strategic Plan

Dear Ms. Torregrossa:

On behalf of the technology industry in Pennsylvania and our many members, partners, projects and services supporting the technology industry, please permit this letter to serve as our comments to the Pennsylvania Health Information Exchange Proposed Strategic Plan.

With every understanding on the timeliness of the immediate issues, the 30 day public comment period over the Thanksgiving and Christmas holiday seasons presents logistical challenges upon which we raise these comments to the best of our networking abilities to provide a clear, concise and wise response to the plan. Specifically, because of timing our response is specifically focused on the technology aspects of the plan. Separately over a longer time period, we will review and comment on the non-technology aspects of the plan, most especially as they directly and indirectly impact the technology solutions.

Overall comments:

1. We believe every dollar spent by the state of Pennsylvania should utilize a procurement process that is open, transparent and fair.
2. We believe the HIE technology acquisition recommended in the strategic plan is an IT procurement. To speed the IT procurement process, we believe the State of Pennsylvania should use the Information Technology- Invitation to Qualify ("IT-ITQ"). The IT-ITQ will make this procurement process fast, open, transparent and fair.
3. The PHIX plan recommendation to use the Delaware Health Information Network ("DHIN") should first go through the time-honored and appropriate IT procurement rules, communities of practice and protocols established by state agencies, the Office of Administration, and the Department of General Services.
 1. Again we recommend the use of the IT-ITQ to speed this IT procurement.
 2. We believe the state could provide 60 days advance notice that the IT-ITQ system will be utilized permitting interested bidders the opportunity to sign-up under the IT-ITQ through DGS.
 3. The 60 day notice would also permit the state to finalize the IT-ITQ scope of work within the appropriate IT procurement channels.
4. By adopting the plan's recommendation to use DHIN, the state of Pennsylvania abandons its nationally-recognized use of Minority Business Enterprise and Women Business Enterprise allocations for IT procurements in Pennsylvania.
5. By adopting the plan's recommendation to use DHIN, the state of Pennsylvania is forgoing hundreds of jobs that would be maintained and created should Pennsylvania deploy an open, transparent and fair HIE RFP or HIE-IT-ITQ.

6. We believe the DHIN no-bid choice denies or greatly reduces the vast opportunities for Pennsylvania to lead the nation in Health IT innovation and the thousands of family-sustaining jobs projected to develop in the burgeoning Health IT industry.
7. Pennsylvania has the second largest graduate medical education industry in the nation, behind New York. Pennsylvania has medical systems with teaching hospitals vastly larger than Delaware and DHIN. The plan eliminates or greatly reduces the role Pennsylvania's graduate medical education system should play in the development and deployment of Pennsylvania's Health IT systems.
8. Pennsylvania's health care "history" and "politics" is vastly more complex. The plan seems to dismiss Pennsylvania's complexity by simply proposing a technology solution. In our experience, the business case and business model should drive the technology solution, not ease of procurement.
9. EMR and EMR/HIE Strategy Coordination: The HIE strategic plan barely mentions or references electronic medical records ("EMR"). When the plan mentions EMR the plan lacks clarity, focus and strategy on tying together a statewide EMR deployment strategy to coordinate, leverage and work together with the State's HIE strategy! Yet, the federal ARRA HEALTH IT focus is clearly on getting doctors to meet and exceed the "meaningful use" standards for EMR. Simply put; any PHIX HIE plan that lacks a clear focus on driving EMR meaningful use and EMR market penetration is doomed to struggle or failure.
10. Politically, we and many others believe the presented strategic plan is dead-on-arrival, DOA, in the Pennsylvania General Assembly in both caucuses and both party affiliations. Both the recommended revenue proposal and the no-bid IT procurement will meet large-majority opposition in both Chambers. This bi-partisan political opposition will provide a long delay, thereby defeating the proponents of the plan's "need for speed" arguments.
11. A large number of IT companies, many with large numbers of Pennsylvania employees, based on continuously announced and published reports by GOHCR, staffed up in order to properly prepare for the anticipated January 2010 RFP for the Health HIE bid. Upon learning that the PA-HIX could be sole-sourced to or through the Delaware Health Information Network, the initial reaction is at least 5 to 7 Pennsylvanians will be laid-off because of the plan's no-bid.
12. DHIN has a nice marketing budget, but frankly, HIE technology is so new, untested and non-mastered that no one state has a fully-functioning, rock-star HIE.
13. DHIN is the smallest state, with one of the more homogeneous health care markets. DHIN should be easier to start than every other state. Despite this, DHIN is no farther advanced than states with vastly greater complexity.
14. DHIN is the smallest state and therefore Pennsylvania fails to leverage the purchasing power of its 12 million residents and graduate medical education prowess.
15. DHIN may claim they are functioning as an HIE, but in lifting the hood, they are hardly setting the world on-fire with limited use of applications that are exchanging in real-time. Other larger states are doing more under more complex circumstances.
16. DHIN is powered by Perot Systems and Medicity, setting-up a non-bid situation should DHIN be selected as announced by GOHCR. By no-bid awarding to DHIN, Perot and Medicity, the PA Health Information Exchange contract unfairly impacts the IT industry in every state! Every company wants to bid so they can get their day in court so to speak... The PHIX plan unfavorably and unfairly impacts interstate trade and commerce.
17. Comparing DHIN to Pennsylvania's HIE needs is very questionable. DHIN is tiny potatoes in a homogenous state. Pennsylvania has ten (10) highly-complex medical referral regions, all 10 of which are individually larger and more complex than Delaware! And then there's the vast-complexity of Pittsburgh, Scranton/Wilkes-Barre, Lehigh Valley and Philadelphia!
18. We are concerned that the HIE vendor has been chosen or pre-selected on or before the 30 day Review period for the Pennsylvania HIE strategic plan, which was released on November 20th. We understand the parameters of ARRA and need for speed; but we believe the IT-ITQ could have been just as quick, as well as open and fair!

19. HIE Integration, on-loading of health systems and physicians, help-desk needs and complexity of the same, are almost silent and not fully weighed. These are real costs, recognized as major challenges in every state and regional HIE. We are very concerned that the strategic plan fails to full-recognize or explore these vast costs of time, resource and funding.
20. The plan lacks mention of developing best practices to drive EMR and HIE use. Failing to gain sufficient EMR/HIE market share penetration and required meaningful use, will result in millions of dollars of waste. The plan should focus on driving EMR/HIE market penetration and EMR/HIE meaningful use.
21. The plan avoids mention or reference to elderly care, correctional facilities, law-enforcement, youth centers, community health centers, state agencies and many other logical direct and indirect users and beneficiaries of a well-connected and utilized state HIE.
22. ARRA stimulus funding to Pennsylvania will maintain and create jobs in Delaware, not Pennsylvania.



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Cc: Senator Don White, Chair, Banking and Insurance Committee
Senator Michael Stack, Democratic Chair, Banking and Insurance Committee
Senator Patricia Vance, Chair, Public Health and Welfare Committee
Senator Vincent Hughes, Democratic Chair, Public Health and Welfare Committee
Senator Michael Folmer, Chair, Communications and Technology Committee
Senator John Wozniak, Democratic Chair, Communications and Technology Committee
Representative Tony DeLuca, Chair, Insurance Committee
Representative Nick Micozzie, Republican Chair, Insurance Committee
Representative Frank Oliver, Chair, Health and Human Services Committee
Representative Matt Baker, Republican Chair, Health and Human Services Com