

Taconic Health Information Network & Community

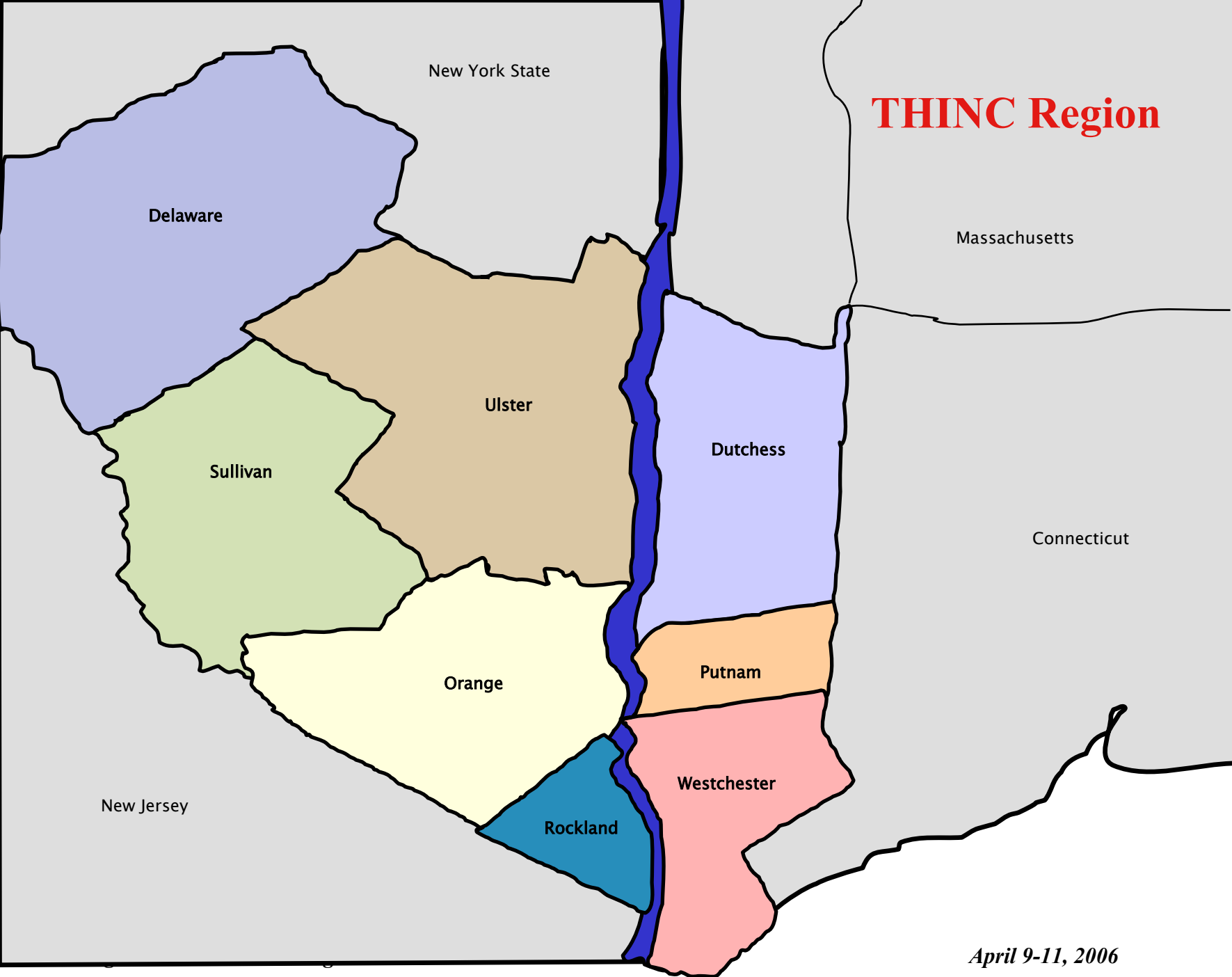
Fundamentals of Securing Upfront Funding and Developing a Sustainable Business Model for Health Information Exchange

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Today's Discussion

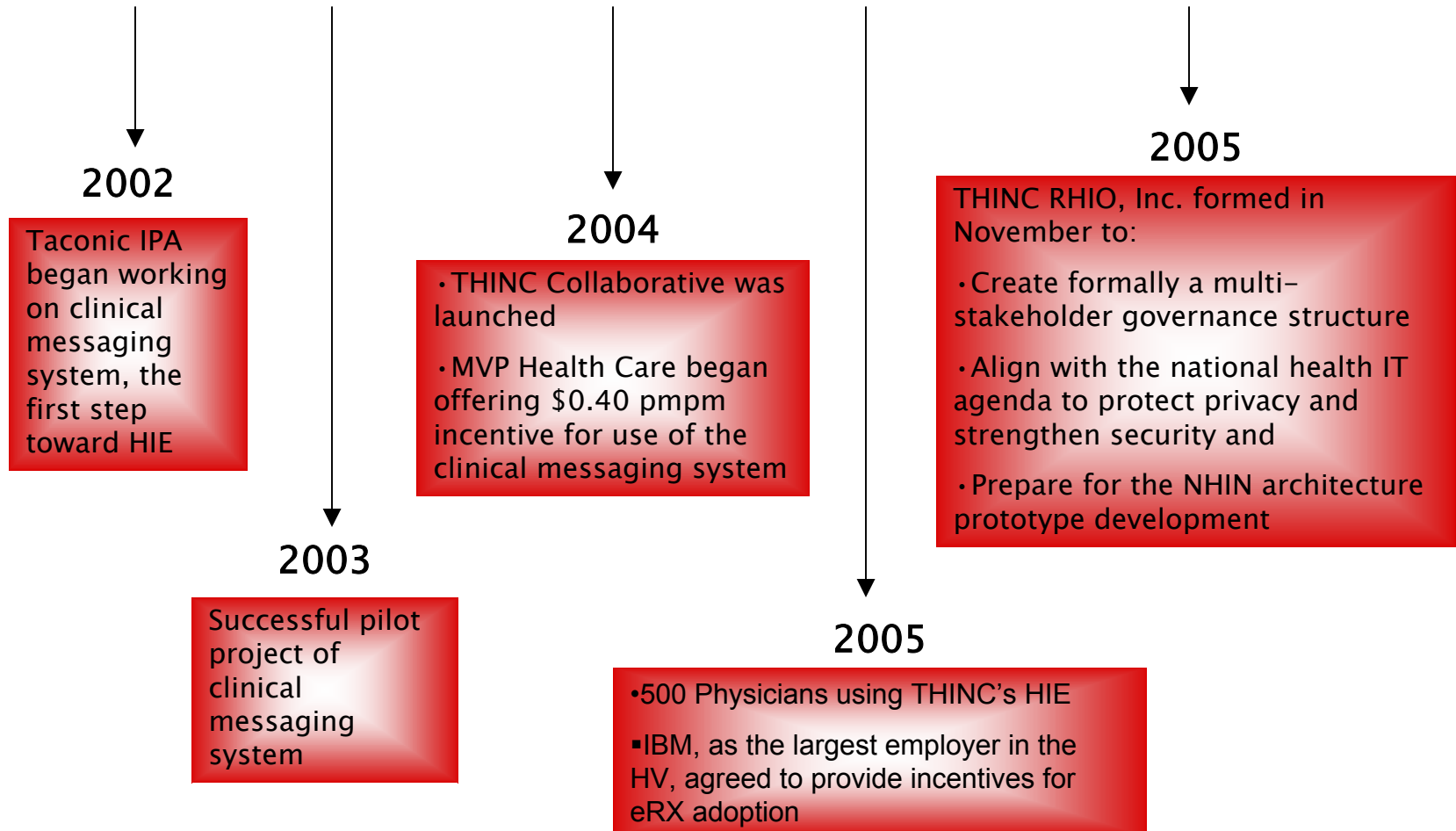
- ❖ Overview of THINC RHIO
- ❖ Upfront Funding
- ❖ Business Model

THINC Region



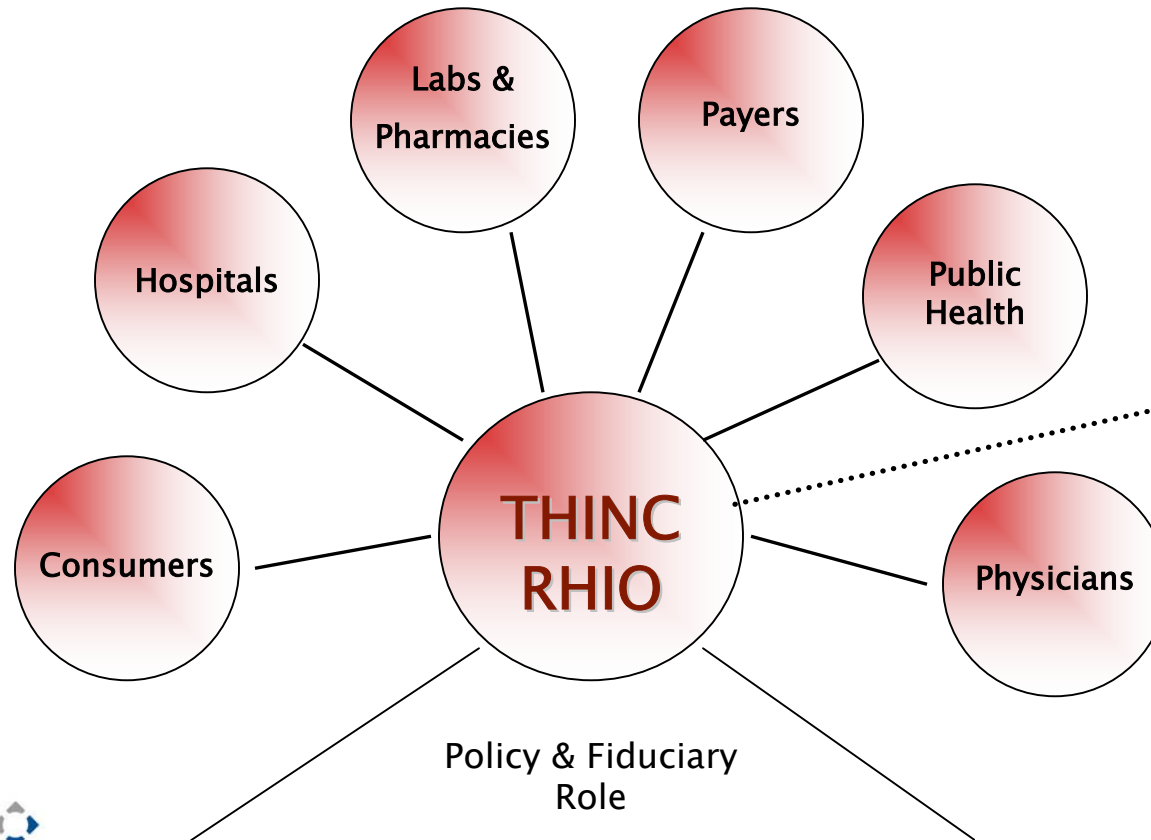
April 9-11, 2006

THINC History



THINC RHIO Organizational Overview

- ❖ Founded 2005
- ❖ Not-for-Profit
- ❖ 8 Counties
- ❖ Multi-Stakeholder Organization
- ❖ Two anchor partners
 - Taconic IPA
 - research and evaluation efforts
 - MedAllies
 - technology services



THINC RHIO Operating Committees

- Privacy & Consumer
- Security & Technology
- Quality & Clinical
- Public Health
- Financial Oversight


MedAllies
*Technology Services
& Support*

Taconic IPA
Research & Evaluation

Upfront Funding - Sources

❖ Sources

▪ Grant Funds

- CCBH = \$30,000K
- ARHQ = \$1,500,000M
- ONC contract via IBM for NHIN contracts = \$235,000
- Applied for HEAL NY Health IT Funds = TBD

▪ Stakeholder Investment

- Taconic IPA = \$2M

Upfront Funding - Strategies

- ❖ Strategies to secure upfront funding
 - Strong, Physician-led leadership.
 - Early demonstration of value of health IT to physicians.
 - Began working on incentive program from the start.
 - Partnered with technology service provider, MedAllies, to ensure day-to-day management of implementation and support activities.

Sustainable Business Model

❖ 3 Components

- Grant funds
- Stakeholder contributions
- Pay for Performance

Grant Funds

- ❖ Grant funds will subsidize physician and provider payments for HIE/EHR/eRx adoption until payers incentives are implemented.

Stakeholder Contributions

❖ Stakeholder

■ Hospitals

- No up front costs
- Pay monthly HIE service fee
 - \$6000 per month

■ Taconic IPA Physicians

- No upfront costs
- Pay discounted EHR/eRX/HIE service fee through grant funding off set until payer incentives are available.
 - \$300-\$600 per month

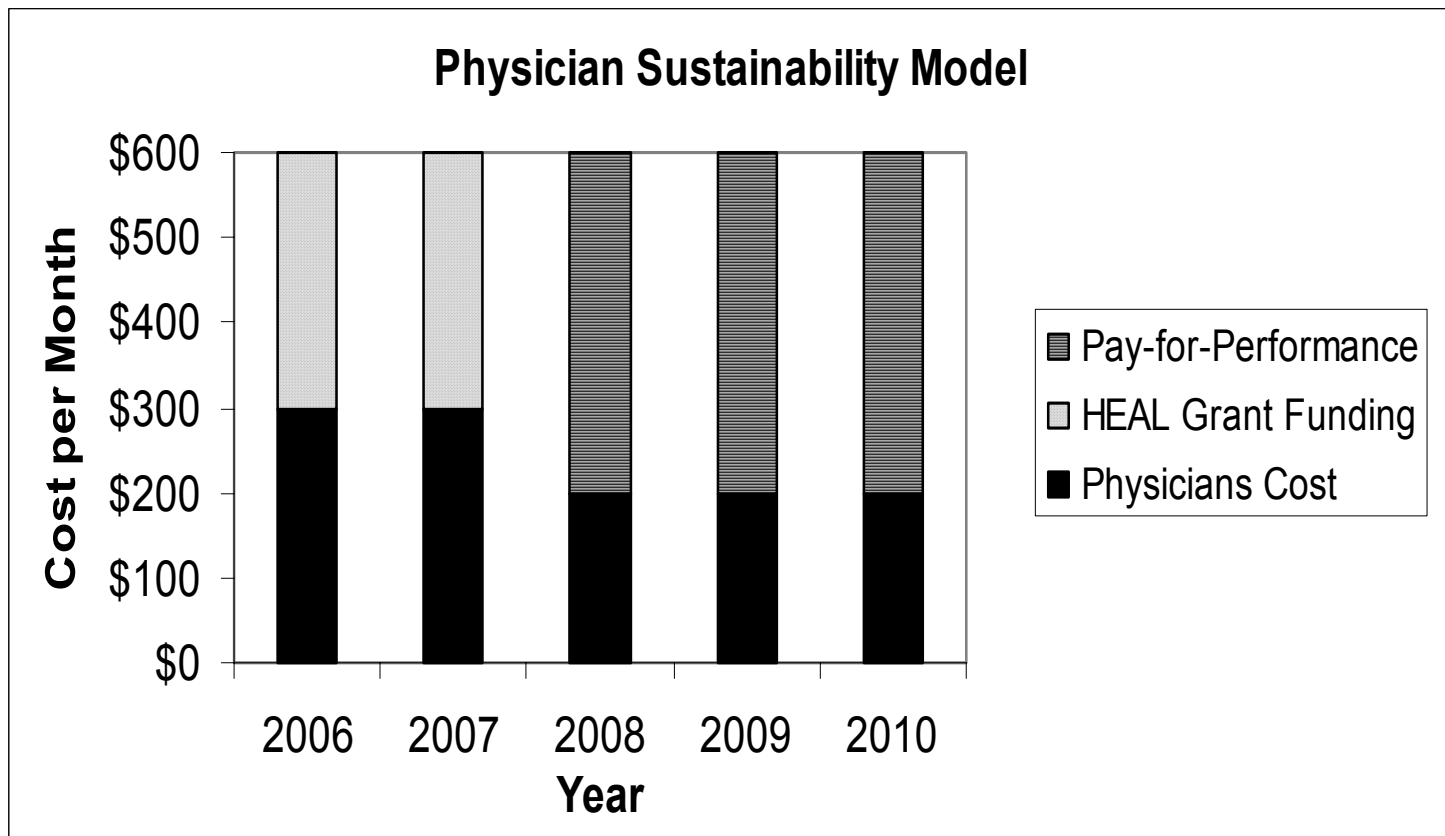
Payer Incentives

- ❖ Current P4P programs
- ❖ Technology incentives
- ❖ Projected incentive program
 - Coordinated measures
 - Coordinated reporting
 - \$500 per month per 2000 patients by 2008

Payer Incentives

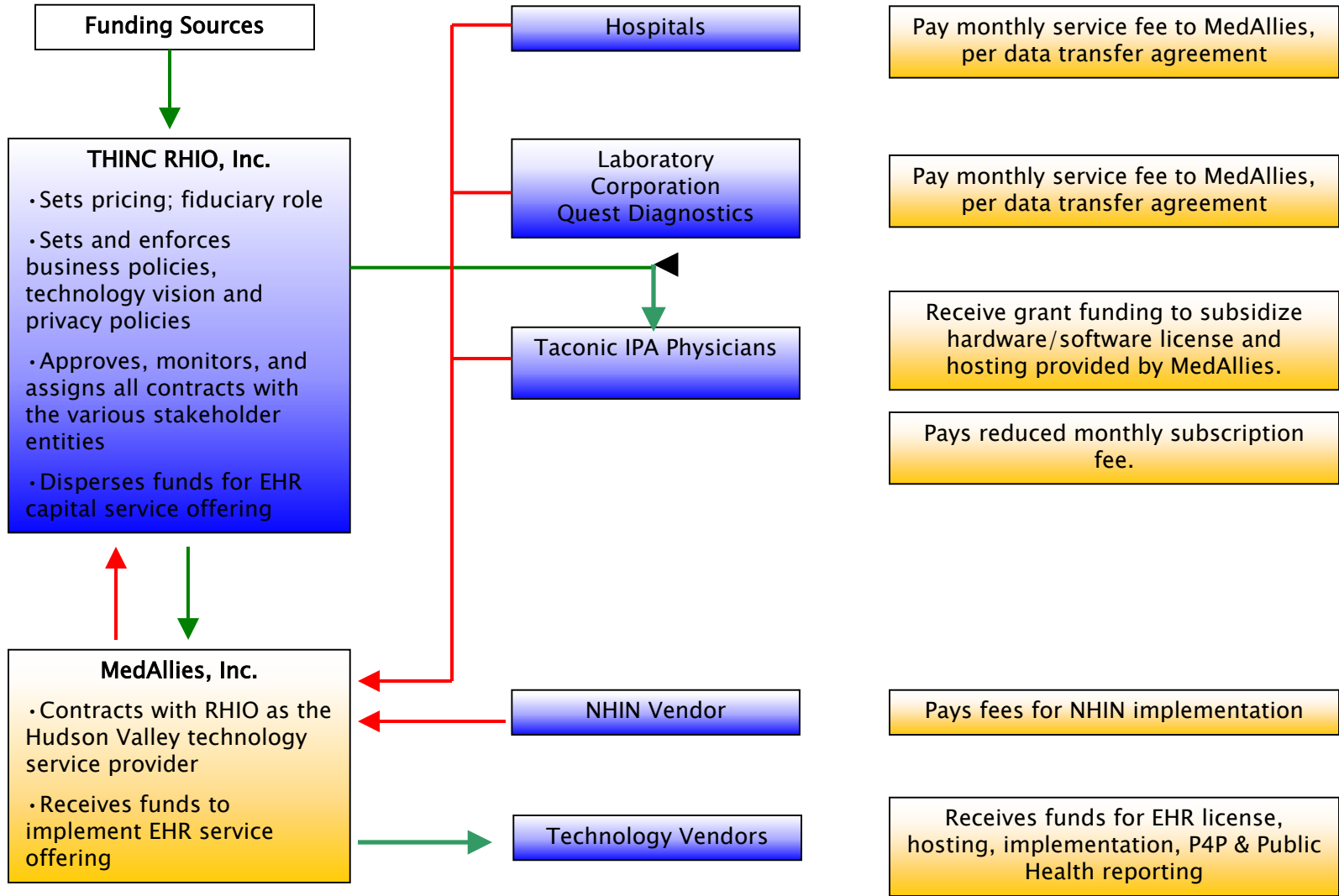
- ❖ THINC RHIO Quality & Clinical Committee comprised of 3 working groups:
 - Provider
 - Payer
 - Metrics

Physician Sustainability Model



— Funding Flow
— Monthly fees for HIE
Service & funds for RHIO

Proposed Funding Structure



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Thanks for your time!

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