



IMPROVING YOUR CARE THROUGH THE EXCHANGE OF HEALTH INFORMATION

**Pennsylvania eHealth Partnership Program
HIO Fee Model and Schedule
Effective January 2019**

This document describes a sustainability fee schedule model that will be used to establish rates to be paid by certified health information organizations (HIO) as participants in the Pennsylvania Patient and Provider Network (P3N). It also describes processes associated with calculation and assessment of these fees, as well as processes for routine and unplanned modification of the fee schedule. The proposed model and schedule represent an extension of model and schedule, which were approved in April 2016 by the Pennsylvania eHealth Partnership Authority's Board of Directors.

General Principles

The Partnership's sustainability is based on several sources of revenue, including state appropriations, fees paid by HIOs, grants, and private donations. These sources must combine to meet the budgetary and legal requirements of the Partnership necessary to meet strategic and operational plans. This includes employee wages and benefits, contract expenses, and other operational costs. The goal for fees paid by HIOs is to raise funds necessary to help meet the Partnership's revenue requirements. The Department of Human Services (Department) is proposing that that annual HIO fees be frozen at the SFY18-19 for SFY19-20 and SFY20-21.

The sustainability fee model for the Partnership is a scaled flat-fee model. Participating HIOs are categorized as small, medium, large, or very large depending on their self-reported levels of participation within their networks. All HIOs within a given size category pay the same annual rate. During the initial onboarding year, actual fees will be prorated for partial-year participation.

Process

The Partnership will use information reported quarterly by certified HIOs to produce a point structure, the schedule of how points translate into size categories, and a the fee schedule to calculate the next quarter's fee for each certified HIO. Fiscal years run from July 1 through June 30. The fee and point schedule for each fiscal year will go into effect on July 1 of each year. An ongoing quarterly maintenance and billing cycle then follows:

- First month of each calendar quarter (Jan, Apr, Jul, Oct):
 - HIOs submit updated participation reports
- Second month of each calendar quarter (Feb, May, Aug, Nov)
 - Partnership calculates current sizes of HIOs
 - Partnership reduces rates (flat percentage for each category) if anticipated revenues exceed anticipated required revenues over next 36 months)

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- Third month of each calendar quarter (Mar, Jun, Sep, Dec)
 - Partnership bills HIOs
 - HIOs remit within that same month

HIOs are always billed according to actual levels of participation within their organizations, not according to any estimations of future participation developed by or provided to the Partnership. When an HIO crosses the threshold to move from one size category to a higher size category, based on information provided in their quarterly participation reports, the increase or decrease in fees for that HIO will be implemented in the next billing invoice to that organization.

The Fee Schedule

The following table provides the fee schedule that was adopted by the Board on April 15, 2016, for state fiscal years 2015-2016, 2016-2017, 2017-2018, and 2018-2019. The table also includes the Department's proposed fees for SFYs 2019-2020 and 2020-2021. The Department will set the actual fee schedule for each SFY, as well as any modifications to the model, approximately twelve months before any year's fee schedule takes effect.

HIO Fee Schedule as of January 9, 2019

Category	State Fiscal Year					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Small	\$22,500	\$22,500	\$26,000	\$30,000	\$30,000	\$30,000
Medium	\$45,000	\$45,000	\$52,000	\$60,000	\$60,000	\$60,000
Large	\$90,000	\$90,000	\$104,000	\$120,000	\$120,000	\$120,000
Very Large	\$135,000	\$135,000	\$156,000	\$180,000	\$180,000	\$180,000

Billing is conducted on a quarterly cycle and commences once an HIO completes onboarding to the P3N. If an HIO joins the P3N part-way through a fiscal year, they will only be billed for the portion of the year they are connected to the P3N, starting in the first full month in which they connected to the P3N. For example, an HIO that becomes operational in its connection to the P3N on December 15 will be billed for six months (January through June) of that fiscal year, or half the total amount reflected in the table.

Size Category Calculation

The size category for each participating HIO will be based on a point system. Points are assigned to various types of participants within each HIO. The point structure may be modified by the Department, informed by input from HIOs participating in the P3N and the Advisory Board. The following chart shows the point structure.

Point Schedule for HIOs with Payer or Hospital Participation	
Payers	
Pennsylvania covered lives for which payers have HIE access via your HIO	1 point per 1,000 covered lives
Hospitals	
Per location, regardless of affiliation ¹ .	
Critical Access Hospitals ²	0 points
Small Hospitals (<150 beds)	25 points
Medium Hospitals (150-300 beds)	50 points
Large Hospitals (>300 beds)	100 points
Alternative Point Schedule (Applies to HIOs that DO NOT include participation by hospitals or payers)	
Facilities	
Per location, regardless of affiliation ¹ . Includes entities owned by and/or physically located within a hospital	
Ambulatory Surgery Centers	15 points
Long-Term/Post-Acute Care Facilities	2 points
Mental Health/Substance Abuse Facilities	5 points
Outpatient Cancer Treatment Centers	2 points
Physical Therapy/Occupational Therapy Practices	1 point
Pediatric Rehabilitation Practices	1 point
Urgent Care Centers	5 points
Practices	
Per location, regardless of affiliation ¹ .	
Community Clinic/FQHC/Safety Net Providers ³	0 points
Primary Care Physician Practices	1 point
Specialist Physician Practices	2 points
Multi-specialty Practices	3 points
Independent Diagnostic Service or Treatment Providers	
Per location, regardless of affiliation ¹ . Does not count entities owned by an organization counted above.	
Independent Imaging Centers	2 points
Independent Reference Laboratories	0 points
Other Providers	
Per organization	
Ambulance/EMS services	0 points
Independent Pharmacies	0 points
Home Health Agencies	2 points

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Point Schedule Footnotes:

1 – “Per location, regardless of affiliation” means HIOs must report one instance for each physical address, even if those multiple locations share common corporate ownership. Only entities with access to information retrieved via eHIE are counted, but “access” includes information that has been downloaded into a shared EHR, even if the entity itself does not perform these downloads. For co-located entities, count one instance for each individually licensed entity. Include only entities physically operating in Pennsylvania. Exclude entities physically operating in other states, regardless of shared corporate ownership, and regardless of whether these entities have access to information retrieved via eHIE. HIOs requiring further clarification, or requesting exceptions, may submit such matters to the Partnership Board’s Finance Committee via Partnership staff.

2 – “Critical Access Hospital” includes only those hospitals receiving this official designation from the Centers for Medicare & Medicaid Services or from the Pennsylvania Department of Human Services. More information is available at: <http://www.hrsa.gov/healthit/toolbox/RuralHealthITtoolbox/Introduction/critical.html>

3 – This category includes practices that have received official FQHC designation from the Bureau of Primary Health Care or the Centers for Medicare and Medicaid Services of the US Department of Health and Human Services. It also includes those organizations meeting the “Safety Net Provider” definition as defined by the Partnership’s Safety Net Provider Committee and adopted by the Partnership’s Board (expected ~April 2015).

Note that additional categories of participant (i.e. other facilities and practices) and other requirements may be included in reporting required or requested from certified HIOs to the Partnership. These reporting requirements are included in certification program documents and related policy documents, and are associated with grant programs offered by the Partnership. Reporting requirements related to assessment of fees should not be interpreted as obviating any of these additional reporting requirements.

HIOs are assigned a size category based on a total of points across their participants according to the following schedule:

Size Categories	
Points	Category
Less than 200	Small
200 to 999	Medium
1,000 to 2,500	Large
More than 2,500	Very Large

Size categories will be reviewed and approved by the Board on an annual basis, along with the fee schedule. HIOs will provide the Partnership with a quarterly report structured as above that provides their actual participation at the time of the report. The Partnership will use this report to calculate each HIO’s size and produce an invoice to the HIO accordingly.

Auditing

The Partnership reserves the right to audit the reports on participation provided by participating HIOs. This may include a requirement for the HIOs to provide system audit logs to the Partnership along with any supporting information required to validate that HIOs are accurately reporting participation rates to the Partnership.

Partnership Services

HIOs receive the following services from the Partnership in exchange for their certification, connection to the P3N, and payment of fees.

- **Citizen-centric focus and alignment** through facilitated conversations between participating HIOs and stakeholders that ensures both the Partnership and participating HIOs can represent our mutual efforts as being “the right thing to do” for Pennsylvania’s citizens, and thus worthy of both political and economic support.
- **Alignment with national and state interagency efforts** through Partnership participation in efforts such as the ONC’s Interoperability Roadmap and the State Medicaid HIT Plan. These coordination and participation efforts between the Partnership, other state agencies, and federal efforts, helps to ensure alignment with Partnership strategic planning and lays the groundwork for Partnership access to funding to either defer costs to participating HIOs or enable grants to HIOs. Partnership education and outreach to HIOs concerning these efforts also helps participating HIOs avoid unexpected future disruptions driven by state or federal decisions.
- **Certification program** that ensures all participating HIOs are operating on a level playing field regarding interoperability standards, privacy, and security. Enables interoperability without multiple integrations. Multiple connection models and option are supported.
- **Unified legal framework** such that any participating organization need only sign a participation agreement with the Partnership instead of working out multiple legal arrangements with other HIOs.
- **Grant programs** available only to certified HIOs to support HIOs in their development or onboarding efforts. Funding for these programs normally derives from governmental sources that would otherwise be unavailable to the commercial HIOs.
- **Statewide patient consent management** including a single, easily accessed repository for patients’ opt-out and opt-back-in choices, using a statewide Partnership opt-out/opt-back-in form available to all HIOs and connected providers.
- **Statewide patient identity management** to enable consent management and clinical document exchange.
- **Statewide encounter notification service** to enable the sharing of patient encounter information across HIOs with standard Admission, Discharge, and Transfer (ADT) Messages.
- **Public health gateway** that enables “one-stop-shop” connection to various government agencies. Connections via PHG include the Department of Health’s Electronic Lab Reporting Registry, Cancer Registry, Immunization Registry, and Syndromic Surveillance Registry; and the Department of Human Service’s electronic Care Quality Measures Registry.
- **Authoritative state-level provider directory** that includes state licensure data for individual practitioners and facilities and national provider identifier.
- **Facilitated clinical document exchange** on behalf of those HIOs using XDS and mediated exchange on behalf of those using XCA.
- **HIE Trust Community** that enables collaboration between HIOs without anti-trust concerns.
- **Other stakeholder committee facilitation**, such as Privacy, Security and Standards Committee work on “Super Protected Data” as requested by the HIOs.
- **Ongoing interstate engagement efforts** addressing both technical connections and legal frameworks. Connections to other states expected to phase in over the next several years.