NEVADA HEALTH INFORMATION EXCHANGE BOARD OF DIRECTORS MEETING MINUTES

January 15, 2014
1:00 pm

Department of Employment, Training and Rehabilitation
500 E. Third St.
Carson City, NV

Department of Employment, Training and Rehabilitation
2800 East St. Louis Avenue
Las Vegas, NV

BOARD MEMBERS PRESENT

Carson City
Elizabeth "Betsy" Aiello, Vice Chair
Andrew "Andy" Pasternak IV, MD
Lindsey Harmon, Secretary
David LaBarge, NV-HIE CEO, Ex officio
Lynn O'Mara, State Health IT Coordinator, Ex officio
Amber Joiner, DHHS Deputy Director, Ex officio

Las Vegas
Brian Labus, Chair
Linda Montgomery, Treasurer

Via Telephone:
Eric Lloyd
Mary Siero

BOARD MEMBERS EXCUSED

NV-HIE STAFF PRESENT:

Carson City
Jane Holman, NV-HIE Director of Marketing
Sherry Hayden, NV-HIE Director of Finance
Hope Tingle, NV-HIE Staff

Via Telephone
Carolyn Cramer, NV-HIE Legal Counsel
Chris Henkenius, HIE Consultant

DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS) STAFF PRESENT

Stefani Hogan, OHIT

OTHERS PRESENT

Via Telephone:
Eric Maddox, HealthInsight
Todd Radtke, NRHP
Dana Edberg, UNR
Chad Anderson, UNR
Erin Russell, United Healthcare
Jeanne Wendel, UNR

Las Vegas:
Debra Huber, HealthInsight
Rachel Papka, HealthInsight

Carson City:
Kim West, Quantum Mark

1. Call to order, roll call, determination of a quorum and announcements
Mr. Labus called the meeting to order at 1:04 pm. Ms. Tingle called the roll, and informed Mr. Labus that a quorum was present.

2. Public comment
Ms. Joiner gave an update about additional grant funding to support NV-HIE (Nevada Health Information Exchange) Operations through the second week of March 2014, with another potential grant which would carry NV-HIE through to the second week of April 2014. The Statement of Work for these two grants would mirror what is currently in the Sub-Grantee Statement of Work, but will also include the need for a beefed up Sustainability Plan. These two additional grants would count as funds toward the match. Ms. Joiner also advised the Board she had received word from the ONC (Office of the National Coordinator) that there would be no extension granted to the states for this project period.

Dr. Pasternak asked how much the two grants are. Ms. Joiner responded the first grant is in the amount of $55,989 and the second grant is approximately $50,000. These two grants can only be used for operational expenses and not contractual obligations.

Ms. Huber, from Health Insight, read excerpts from a letter, dated July 11, 2013, and sent to Mr. Labus with Mr. Willden and Mr. LaBarge receiving copies. Ms. Huber wanted to make sure the members of the board were clear on the goals of HealthInsight and HealtHIE Nevada and to clarify any question regarding their (HealthInsight) intention and support of our (NV-HIE) efforts:

> I am writing at the request of the Board of Directors of HealtHIE Nevada, a community-based, privately-funded 501(c)3 Nevada corporation to share our experiences over the past 3 years.....
>
> HealthInsight is the Quality Improvement Organization and the Regional Extension Center (REC) for Nevada and Utah. The REC is an initiative to help primary care providers adopt and meaningfully use

electronic health records and is funded by the same federal agency, the Office of the National Coordinator (ONC) that funds the State HIT program.....

HealthInsight staff have attended all NV-HIE Board meetings and have offered our assistance to support and collaborate with NV-HIE since its creation. In April, we were asked to provide information [April of last year] about HealtHIE Nevada to the NV-HIE Board. Our plan was to provide an update of our experiences launching an HIE here in Nevada: the successes, the barriers, and the lessons learned. Since that presentation did not occur, and the NV-HIE is now embarking on a major initiative to secure an IT contract, the HealtHIE Nevada Board felt that it would be even more beneficial [when we wrote this back in July] for your board to be aware of our approach, our journey, and our future plans [again prior to your getting that technology].

We believe that the current path with both an active, robust community-based, statewide, and privately funded HIE (HealtHIE Nevada) and a planned state-affiliated HIE (NV-HIE) is not designed to result in success. This approach poses great risk for both organizations: including duplication of services, confusion among providers and consumers, dilution of resources and commitment, and an uncertain financial future for both our organizations.....

Perhaps the thorniest of the many issues facing any HIE are the availability of funding for its start-up and the long-term sustainability of the enterprise [something you are facing today]. In its first two plus years of operation, HealtHIE Nevada has already invested millions of dollars to hire and train staff, launch the technology, and recruit participants. As we review the planning documents for NV-HIE, we don't see a clear way for NV-HIE to cover the start-up expenses, secure the necessary non in-kind matching funds required [which are considerable] by ONC, and provide for long-term sustainability.....

Both HealtHIE Nevada and HealthInsight Nevada are interested in working with NV-HIE in a more formalized manner in order to facilitate our mutual success. We look forward to supporting and providing input into NV-HIE's critical and mandated role to set standards, develop regulations, and provide oversight for the exchange of health information in our State. We view these legislatively-mandated roles for the NV-HIE as valuable leadership and critical activities to assure the long-term success of health information exchange in Nevada.

However, we believe a partnership between NV-HIE and HealtHIE Nevada would provide more effectively for the management and operations of the actual data exchange and would dramatically increase the likelihood that effective health information exchange will be available to benefit the citizens of Nevada in the coming years. Working together [working together], we can take advantage of the extensive community investment already in place, bring immediate value to the community, and build new policies, services, and models that will assure continued success in the future.....

Ms. Huber advised that she had not received a response to this letter, however, we (HealthInsight) continue to come to your (NV-HIE) meetings and continue to offer, in good faith, that we want to work together with you. We don't have any real answers or a plan but as fellow Nevadans, we're happy to do what we can to assist. If a brainstorming session...if some way we can come together to assist we are happy to do that.

3. Approve December 10, 2013, meeting minutes

Mr. Labus asked if there were any changes to the minutes of the December 10, 2013, meeting. Hearing none, the minutes were approved as written.

4. Approve January 8, 2014, meeting minutes
Mr. Labus asked if there were any changes to the minutes of the January 8, 2014, meeting. Hearing none, the minutes were approved as written.

5. Presentation of Treasurer's Report
Ms. Montgomery presented December's Treasurer's Report. However, the Financial Report itself was not included in the meeting materials. It will be sent out as a follow-up.

6. Approve immediate signature authority for the President and CEO of NV-HIE to $10,000 for all transactions and all NV-HIE accounts, including but not limited to Heritage Bank checking account, Heritage Bank VISA card, etc.
Mr. LaBarge gave a brief explanation of the reason for the need to increase his signature authority for these accounts. After some discussion, Ms. Montgomery made a motion to table the item. Ms. Harmon asked if she was still a signatory on the account and was advised that she was not. Ms. O'Mara made a suggestion that if Ms. Harmon was willing to be a signatory on the account, she could sign the checks after conferring with Ms. Montgomery. Ms. Aiello asked if the motion was to table the item for another day, and Ms. Montgomery indicated the motion was to table the item indefinitely. Mr. Lloyd asked if there was any harm in increasing the limit and Ms. Siero indicated she felt there wasn't any harm in doing that.

MOTION: Ms. Montgomery made a motion to table the item for an indefinite period of time.
SECOND: Dr. Pasternak seconded the motion.
APPROVED: Failed

The motion required four votes to pass, but received only three. The motion to table the item failed. No motion to vote on providing the signature authority was put forth.

7. Approve amendment to the By-laws to change NV-HIE fiscal year to January to December from July to June.
Ms. Hayden explained the purpose of this request. Ms. Aiello indicated if we change the fiscal year, we will need a new budget right away. Ms. Hayden advised a new budget has already been prepared.

MOTION: Ms. Harmon made a motion to approve changing the NV-HIE fiscal year to January to December.
SECOND: Ms. Montgomery seconded the motion
APPROVED: Unanimously

8. State HIE Cooperative Agreement Update
Ms. O'Mara reiterated ONC has denied all requests for a no-cost extension and that no more grant funding will be available after February 7, 2014. DHHS (Department of Health and Human Services) is still looking for funds for working capital, and that the less we draw down on the grant the less the match is going to be. Currently the match amount is $1.3 Million. Per Ms. O'Mara, DHHS currently has $300,000 in in-kind matching funds.

9. Present CEO Report
Mr. LaBarge presented the CEO Report.

Key Accomplishments Week Ending Friday 01/10/2014:

1. **Administrative**
   a. Hiring NV-HIE Staff
      1. Per instructions received from the Board at the January 8, 2014, Ad Hoc Board Meeting, the hiring for all current vacant positions at NV-HIE is on hold.

2. **Finance**
   a. The Director of Finance and Operations has completed the following policies:
      1. Human Resource Policies
      2. Finance Policies
      3. Travel and Expense Reimbursement Policy
      4. Employee Handbook
   b. The Director of Finance and Operations is exploring alternative funding options to provide cash flow until such time as our revenue stream from operations is adequate to sustain the operation.
   c. The Director of Finance and Operations has heard from the insurance agencies who are bidding on the Cyber and Breach insurance policy and has provided them with additional information and clarification with assistance from Chris Henkenius, our HIE consultant.
   d. The Director of Finance and Operations has submitted the December Financial Status Report and Request for funds to DHHS.
   e. The expense projections for 2014 for NV-HIE were submitted to UNR for use in the sustainability model they are preparing.
   f. Ms. Hayden attended the HealtHIE Nevada Town Hall Meeting on January 9 in Carson City. She was able to see an actual demonstration of the Optum functionality to compare and contrast against the Orion functionality.

3. **Information Technology - Orion Health HIE System Implementation**
   a. Received DWSS test files for demographics and eligibility. Orion is mapping the files and testing internally. NV-HIE and DWSS should start testing next week.
   b. Initiated Public Health projects for Immunizations, BioSense, and Electronic Lab Reporting. Meetings with Public Health being scheduled. David LaBarge is working with DWSS on agreements.
   c. Implementation continues on schedule with Orion. Work continued on provisioning the Demo and Training environments.
   d. Work started on Help Desk setup.
   e. Draft policies and procedures completed.

4. **Marketing and Communications Report**

a. Continuing work with website/logo development specifically:
    1. Page content
b. Continuing work on the Implementation/Internal Plan, specifically completion of:
    1. Opt-In description and form
    2. login page
    3. standard disclaimers

Mr. LaBarge gave an update and advised that while we will continue to interview potential staff, we are not offering any employment based on the Board's instructions. Mr. LaBarge also followed up on the email Ms. Joiner received from ONC. He and Ms. Cramer did have a meeting with Orion Health regarding renegotiating the contract related to the payment of $300,000 due this year. Orion Health was asked to change the amount to a grant in-kind, and they are considering this option. Mr. LaBarge has had multiple conversations with the landlord and has provided him with a letter advising we will not be moving into Suite B at 3064 Silver Sage Drive in Carson City. The deposit we made for Suite B will be used to cover the February rent for that suite.

There was extensive discussion about NV-HIE's Sustainability Plan. Mr. Labus asked that further discussion be continued during the appropriate agenda item.

10. Review Professional Liability risk related to NV-HIE Board Member service
Ms. Cramer provided an explanation of the liability and risks the board members could be subject to under various scenarios. Ms. Aiello asked if we fiscally obligate and then don't have funds, the board could be liable for those expenses? Ms. Cramer responded that the Board doesn't want to spend money they know they don't have. Mr. Lloyd asked if the pay back provision is not covered by the D&O (Directors and Officers). Discussion continued but a break was needed due to technical difficulties with the video conferencing equipment at 2:19 pm.

The meeting was reconvened at 2:29 pm.

Mr. Labus requested that both items 11 and 12 be combined for purposes of continued discussion.
Item 11. Discuss and decide on how the Nevada Health Information Exchange (NV-HIE) should proceed, given the recent guidance from the ONC Office of Grants Management to not allow pre-payment of services or bills beyond the program period of performance. For purposes of this grant, that date is February 7, 2014 and Item 12. Discuss and decide on the future course of the NV-HIE
Mr. LaBarge is asking the Board to authorize him to sign and accept the two grants, one in the amount of $55,989 and the other approximately $50,000, from DHHS to allow for continued operations of the NV-HIE through the middle of April 2014. The Statement of Work in the first grant is almost identical to the sub-recipient grant we are currently under. These grants would allow us to continue our marketing campaign and give us time to look for additional sources of revenue. We will continue to work with DHHS as well as continuing our current initiatives.

Ms. Aiello voiced that unless we believe we can get dollars outside of sustainability, where is the money coming from? Ms. Montgomery concurs with Ms. Aiello and asked where the document was from UNR (University Nevada Reno) and when it could be re-tooled. Ms. Harmon asked if the re-tooling could be completed by April. Ms. Siero indicated she feels the Board needs to see the re-tooled plan in the next few days. Ms. Siero also asked why the Medicaid eligibility information would be of help in marketing NV-HIE's product. Mr. LaBarge gave a brief explanation of the benefits related to that information, and advised the Board receipt of that information by NV-HIE is also in Statute. Dr. Pasternak agreed with Ms. Siero in that our main focus needs to be on the health-related information.

Ms. Aiello voiced her concerns throughout the remainder of the meeting that it is unknown at this current time where additional operational funding is going to be found to sustain NV-HIE until it becomes self-sustainable. Dr. Pasternak voiced a lack of faith in DHHS's ability to actually get additional funds given their track record regarding getting 200 providers to sign up on DIRECT, and is not optimistic about their chances for additional funding.

Mr. Labus asked what the deliverables are for the two grants DHHS is offering. Ms. Joiner gave a brief explanation of those deliverables. Mr. Lloyd had the following three questions to ask:

1. How much do we need monthly to cover expenses? Mr. LaBarge responded that we need between $48,000 and $55,000.
2. What is our (the Board's) liability to DHHS if we accept the additional DHHS funds? Ms. Cramer responded that we would need to tell our vendors what we currently have.
3. Where are we and have the other 19 states signed with Orion and expecting the same favor we are? Mr. LaBarge did confirm that other states are in the same boat but does not know how many of them are signed with Orion.

Ms. Montgomery brought to the Board's attention that she was holding two checks pending her signature for significant amounts of money, one in the amount of $200,000 and one for $31,000. Ms. Joiner explained what those two items represented and that she had received an email from Ms. Okubo approving the expenditures out of the current grant funds. Ms. Montgomery would like the verbiage on the invoice changed to indicate these amounts have been approved for payment. Ms. Joiner will forward the email from Ms. Okubo to Ms. Montgomery and staff at NV-HIE will update the invoice accordingly. Ms. Siero asked if there was a situation where we would not pay the check, and Ms. Montgomery also felt the checks should not be paid. Ms. O'Mara clarified that the $200,000 payment to Orion was for a milestone deliverable which Orion had met and were then entitled to payment. The second check is for a prorated amount for the first week of February for the operating system.

After additional discussion, Mr. LaBarge asked for a roll call vote on whether or not the Board will authorize him to sign and accept the two additional grants from DHHS. Ms. Aiello would like to know what Orion's answer is to our contract renegotiations before voting. Ms. Harmon also indicated a desire for additional time to think about approval/denial of Mr. LaBarge's request. Dr. Pasternak again voiced his frustration, and Ms. Siero commented that "it feels like we are just kicking the can down the road," which Dr. Pasternak concurred with. Ms. Harmon

indicated she is not ready to make a decision. Mr. Lloyd would like to see the self-sustainability plan and hear what the decision is from Orion before making a decision. Mr. Labus asked what information the board members would need in order to feel comfortable making a decision about accepting the additional funds from DHHS. Ms. Montgomery feels they need to have some confirmation from Orion that they will be agreeing with Mr. LaBarge's proposed changes to the contract; need an outline of the Sustainability Plan; need to know what other sources of funds are confirmed. With this additional information, Ms. Montgomery would feel better about making a decision. Ms. Siero indicated she would be willing to wait a week to make this decision as well with the additional information.

MOTION: Ms. Montgomery made a motion to table this item for continued discussion at a follow-up meeting.
SECOND: Ms. Siero, Ms. Harmon and Mr. Lloyd all seconded the motion.
APPROVED: Unanimously

Items 13, 14, 15, and 16 were not addressed due to time constraints and room availability.

13. Review and approve Fiscal Policies and Procedures
A. Travel Reimbursement Policy

MOTION:
SECOND:
APPROVED:

14. Review and approve Audit Committee Charter

15. NV DIRECT Update

16. Update on IRS form 1023 filing to request 501(c)3 status

17. Public Comment #2
There was none.

18. Adjournment
Mr. Labus adjourned the meeting at 4:20 pm as the meeting rooms needed to be vacated prior to 4:30 pm.

CERTIFICATE OF SECRETARY

I, Lindsey Harmon, the undersigned, the duly elected and acting Secretary of the NEVADA HEALTH INFORMATION EXCHANGE (A Nevada Non-Profit Corporation), do hereby certify that the foregoing Meeting Minutes of said Corporation are a true and correct reflection of the Board of Director's Meeting held on the 15 day of January, 2014.

Lindsey Harmon

Lindsey Harmon, Secretary