

**NEVADA HEALTH INFORMATION EXCHANGE BOARD OF DIRECTORS  
MEETING MINUTES**

**October 1, 2013  
2:00 PM**

<b>Department of Employment, Training and Rehabilitation 500 East Third Street First Floor Auditorium Carson City, NV</b>	<b>Department of Employment, Training and Rehabilitation 2800 East St. Louis Avenue Conference Room C Las Vegas, NV</b>
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**BOARD MEMBERS PRESENT**

*Carson City*

Elizabeth "Betsy" Aiello, Vice Chair  
Andrew "Andy" Pasternak IV, MD  
David LaBarge, NV-HIE President and CEO, Ex officio

*Las Vegas*

Brian Labus, Chair  
Eric Lloyd  
Linda Montgomery

*Via Telephone:*

Lindsey Niedzielski  
Amber Joiner, DHHS Deputy Director, Ex officio  
Lynn O'Mara, State Health IT Coordinator, Ex officio

**NV-HIE STAFF PRESENT:**

Carolyn Cramer, NV-HIE Legal Counsel  
Bill Cunningham, NV-HIE Director of IT  
Drew Simmons, NV-HIE Executive Assistant

**DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS) STAFF PRESENT**

Megan May, Director's Office, DHHS  
Stefani Hogan, Director's Office, DHHS  
Sherri McGee, Division of Health Care Financing and Policy

**OTHERS PRESENT**

*Carson City:*

Kim West, Quantum Mark

*Las Vegas:*

none

*Via Telephone:*

Tristan VanHorne, Orion Health	Erick Maddox, HealthInsight
James Sullivan, Cognizant	Jeff Miller, Orion Health
Rachel Papka, HealthInsight	Chris Slabaugh, Northern Nevada Development Authority

### **1. Call to order, roll call, determination of a quorum and announcements**

Mr. Labus called the meeting to order at 2:01 pm. Ms. Hogan called the roll, and informed Mr. Labus that a quorum was present.

### **2. Public comment**

Ms. O'Mara commented that although portions of the federal government are currently shutdown, DHHS has been informed by its ONC Project Officer that there was full access to Nevada's State HIE grant funds, and we were encouraged to proceed with our implementation as per our timeline.

### **3. Approve September 3, 2013 meeting minutes**

Mr. LaBarge presented the September 3, 2013 meeting minutes for the Board's review and approval. Dr. Pasternak identified a misspelling. No other comments or corrections were noted.

**MOTION: Dr. Pasternak moved to approve the September 3, 2013, meeting minutes with the correction as noted.**

**SECOND: Ms. Montgomery**

**APPROVED: UNANIMOUSLY**

### **4. Present Treasurer's Report for October 1, 2013**

Ms. Montgomery explained that information necessary to complete the treasurer's report had not been received since this meeting was being held on the first of the month. She requested this item be tabled until the next meeting.

### **5. Present and Discuss Letter of Intent (LOI) for office space located at 3064 Silver Sage, Carson City, and Authorize NV-HIE CEO to sign Lease**

Mr. LaBarge provided the Board with an update on office space for the NV-HIE operations. He explained that he had been looking for space over the last three months, focusing on the Carson City area, as the price per square footage was less than Reno and because of the close proximity to DHHS and other state agencies.

Mr. LaBarge explained he had been in negotiations with the landlord and real estate agent for space located at 3064 Silver Sage in Carson City. As of that morning, a new lease agreement had been negotiated and reviewed by NV-HIE legal counsel that included the following:

- 1,500 square feet of office space at \$1.20 per square foot;
- Four offices, a conference room, space for cubicles, and a small kitchen area;
- Some furniture and phones.
- 

Terms of the lease agreement included: 1 month deposit payable today, if approved by the board. \$3600 due on October 11<sup>th</sup> for November and December rent. In December, a six month lease would be signed and rent pre-paid for that period. He noted that this expense is well under what is currently in the approved budget. He also noted that within the lease agreement are protections for the NV-HIE such as: a 60-day "opt-out clause" that would provide reimbursement for pre-paid rent with 60-day notice from the NV-HIE. Ms. Montgomery asked for clarification that this clause was part of the written document. Mr. LaBarge replied in the affirmative.

Ms. Montgomery reiterated for the Board, that Mr. LaBarge's request to the Board included approval of pre-paid rent to be disbursed on or about January for a 6-month period.

Mr. Aiello wanted assurance that the grant allowed for this pre-payment. Ms. Hogan confirmed that pre-paid office rent was an expense that was allowable under the conditions of the grant.

**MOTION: Mr. Lloyd moved to approve the leasing agreement as outlined by Mr. LaBarge**

**SECOND: Dr. Pasternak**

**APPROVED: UNANIMOUSLY**

## **6. Present CEO Status Report**

Mr. LaBarge announced that NV-HIE and Orion Health (OH) had signed a Software as a Service (SaaS) Agreement on Thursday September 26, 2013, for HIE System Services. Prior to signing, the final SaaS Agreement was reviewed by Amber Joiner, DHHS Deputy Director (for Director Mike Willden) and Ms. O'Mara, State HIT Coordinator. He continued with his report:

### **Key Accomplishments This Week:**

Contract Negotiations with Orion Health

- a. The SaaS Agreement was signed last Thursday, September 26, 2013
- b. The NV-HIE and OH began the HIE system implementation on Friday 9/27/13

Hiring the Key NV-HIE Staff

- a. Director of Finance
  - The job description has been posted on the NV-HIE website, and Nevada Department of Employment, Training, and Rehabilitation (DETR) website.
  - A message has been posted on Craigslist redirecting applicants to the NV-HIE and DETR websites.
  - The job description has also been posted on free job boards at UNR, UNLV, and WNC.
  - Three resumes have been received to date. 30 minute introductory interviews will be scheduled the week of 9/30/13.
- b. Director of Marketing and Communications
  - The job description has been posted on the NV-HIE website, and the Nevada Department of Employment, Training, and Rehabilitation (DETR) website.
  - A message has been posted on Craigslist redirecting applicants to the NV-HIE and DETR websites.
  - The job description has also been posted on free job boards at UNR, UNLV, and WNC
  - Four resumes have been received to date. 30 minute introductory interviews will be scheduled the week of 9/30/13.

NV-HIE Finances

- a. Self-sustainability Planning and Development
  - A conference call with Deloitte Consulting was held with Liesa Jenkins and her team to review and discuss self-sustainability alternatives and pathways

- A second meeting with NV-HIE, Northern Nevada Development Authority and Office of Health Information Technology has been scheduled with Lee Weber Koch for the week of 9/30/13.
- b. NV-HIE Budget Status
  - Sub-recipient grant check in the amount of \$161,139.00 was received.
- c. Heritage Bank Checking Account Status
  - Sub-recipient check was deposited 9/26 in the amount of \$161,139.

#### Commercial Office Space for NV-HIE Staff

- a. Fourth submission of the commercial office space Letter of Intent (LOI) was submitted to the realtor and landlord for consideration. This will be a talking point at the October 1, 2013 Board Meeting.
- b. An IT infrastructure proposal for the space is in process and will include network, telephony and print solutions for the facility. All core IT services are expected to be available within 7-10 business days of lease signing.

#### NV-HIE Board Meeting on Tuesday 9/03/13 Follow-up

- a. NV-HIE Implementation Timeline Requested by the NV-HIE Board
  - The first draft Timeline was distributed to NV-HIE Board on Thursday 9/05/13.
  - A detailed Project Timeline was emailed to the NV-HIE Board on Friday 9/20/13

#### The first NV-HIE Board Nominating Committee meeting was conducted 9/19/13

- a. Eric Lloyd was elected Chair.
- b. The first Nominating Committee discussion focused around the desired character, industry, background, and geographic location of the Board and the process to select and on-board them.
- c. Nominations for the Board position will be forwarded to David LaBarge by 9/27/13 and he will contact nominees during the week of 9/30/13 to discuss the responsibilities, purpose, and commitments necessary to be a member of the NV-HIE Board.
- d. A follow-up Nominating Committee meeting is being scheduled for the week of 10/07/13.

NV-HIE Board member 1:1 updates with David LaBarge have been scheduled with individual NV-HIE Board members for every other week.

### **7. Present Nominating Committee Report**

Mr. Lloyd provided the Board with a summary of the Nominating Committee meeting held on September 19, 2013. He explained the Committee established an informal process to nominate an individual to the NV-HIE board. Board members should submit nominations for the open position to Mr. LaBarge by September 27, 2013. He will then contact nominees during the week of September 30<sup>th</sup>. The next Nominating Committee meeting will be scheduled the week of October 7<sup>th</sup>. Mr. LaBarge will present the Committee with feedback from the nominee discussions. At that point, the Nominating Committee will make a collective decision on who to recommend to the full Board of Directors for approval. Mr. Labus asked for clarification as to what the next step would be once the Nominating Committee recommended a candidate. Ms. Cramer explained that in accordance with the Board's bylaws, the name is advanced to the full Board for final approval. Ms. O'Mara clarified that it was up to the Nominating Committee to

establish criteria for new Board members and a process for selecting new Board members, as well as have that process documented and applied consistently. Mr. Labus stated an agenda item would be put on the next Board of Directors meeting.

Ms. Montgomery asked how many potential Board member candidates the Committee had to date. Mr. LaBarge replied there were four candidates.

Mr. Labus stated that he appreciated the efforts of the Nominating Committee and would look forward to their recommendation at the next Board of Directors meeting.

#### **8. Review and Discuss proposed NV-HIE Board conflicts of interest policy to support current bylaws and meet 501(c)3 status requirements, and Approve the policy**

Mr. Labus explained that the Board had first discussed the Conflicts of Interest policy at the August 6<sup>th</sup> meeting, and again at the last Board meeting. He then asked Ms. Cramer to review the policy and lead the discussion on this item.

Ms. Cramer reviewed the current draft of the Conflicts of Interest Policy, highlighting key points. She believed the policy provided a clear process for the board to discuss, address and ultimately resolve any potential conflicts. Ms. Cramer acknowledged that Mr. Lloyd had provided her a copy of the Southern Nevada United Way Conflict of Interest Policy. She had reviewed the policy, but stated that this particular policy applied more towards employees of the organization rather than the entity itself. Ms. Cramer stated that NV-HIE employees already do have a conflict of interest policy in place.

Ms. Aiello noted that the policy requires periodic reviews. Just as the Bylaws require an annual audit, she recommends there is a tracking system to ensure meeting these requirements and holding the Board accountable. Dr. Pasternak recommended reviewing this policy annually, perhaps in conjunction with the beginning of each fiscal year. Both new and continuing Board members could sign the policy at that time. He also commented that new Board members who joined during the interim would need to sign the policy, once appointed.

Ms. Cramer reminded the Board that as with any policy, it can be reviewed periodically by the Board and revised. She stated that a policy is needed at this time in order to satisfy IRS requirements for non-profit boards.

Ms. Montgomery asked about the audit requirement. Ms. Cramer explained the annual financial audit helps to demonstrate compliance with the Board's Bylaws on a consistent basis. It is the responsibility of Mr. LaBarge to help the Board with ensuring this happens.

Ms. Aiello expressed concern regarding the fact that the audit had not been done yet and about the basis of compensation phrase in Article 7a: "competent survey information and the result of arm's length bargaining." Ms. Cramer noted that since the NV-HIE did not have significant expenditures until the last month of its fiscal year 2013, an audit would not take long to complete. Mr. Labus suggested revising the compensation wording to "whether compensation arrangements and benefits are reasonable", and Ms. Cramer stated that was acceptable.

Ms. Montgomery raised concern about the use of the word “loyal” versus “fiduciary” in Article 1, and stated she did not like “undivided loyalty.” Dr. Pasternak agreed with Ms. Montgomery. After further discussion, Dr. Pasternak suggested, “Additionally, an officer, director, staff member or contractor of the Organization has a duty to use the Organization’s funds and property to advance the public benefit of the Organization rather than private interests.” Mr. Labus agreed with Dr. Pasternak. Mr. Labus recapped the Article 1 and Article 7 a. changes. He then suggested that Article 6 include, “Each director, principal officer, member of a committee with governing board delegated powers, staff member and contractor shall at the initial term of appointment and annually sign a statement which affirms such person.”

**MOTION: Ms. Montgomery moved to approve the Conflict of Interest Policy as amended in the three areas.**

**SECOND: Ms. Aiello**

**APPROVED: UNANIMOUSLY**

#### **9. Informational Item: Status of IRS Form 1023 filing to request 501(c)(3) status**

Ms. Hogan reported that the required annual list of officers and directors has been submitted to the NV Secretary of State’s office on time. The new Board member (Director) will be added when selected. The Conflict of Interest policy, when approved will be submitted with the current Bylaws to the IRS to update the NV-HIE’s current application for 501(c) 3 status. The letter requesting IRS expediting is being draft and will be submitted once verification of the Conflict of Interest and updated bylaws is received from the IRS. There is no additional fee to request the expediting.

#### **10. Informational Item: NV DIRECT Update**

Ms. Hogan provided the Board with an update on NV DIRECT. There are 35 current participants, 21 pending and 2 attestation forms have been received to date. Ms. Hogan stated that she would be providing the Community Health Nurses an NV DIRECT presentation/overview. Dr. Pasternak stated he would like NV DIRECT to provide a listing of who is currently participating in DIRECT, listing the doctor’s offices and contact person. Ms. O’Mara explained that would be something we could look into, taking into consideration any state law requirements for giving out information. Mr. Lloyd said he might have some contacts and would pass along. Mr. Sullivan of Cognizant inquired about the type of provider offices enrolled in NV DIRECT and their geographic location. Ms. Hogan stated that family practice and specialty groups were represented, with offices located in Reno, Carson City and Las Vegas.

#### **11. Public Comment**

Ms. Aiello asked that the Audit be included in the next meeting agenda. Dr. Pasternak asked for an update on the grant match activities to be included in the next meeting as well. Ms. O’Mara explained that grant match is a part of the sustainability plan, and DHHS and Mr. LaBarge were currently working on the plan.

#### **12. Adjournment**

There being no further business to come before the NV-HIE Board, Mr. Labus adjourned the meeting at 3:37pm.

**NEVADA HEALTH INFORMATION EXCHANGE BOARD OF DIRECTORS  
MEETING MINUTES**

**October 21, 2013  
3:00 PM**

**Teleconference**

**BOARD MEMBERS PRESENT**

Elizabeth “Betsy” Aiello, Vice Chair  
Brian Labus, Chair  
Eric Lloyd  
Linda Montgomery  
Andrew “Andy” Pasternak IV, MD  
David LaBarge, NV-HIE President and CEO, Ex officio  
Lynn O’Mara, State Health IT Coordinator, Ex officio  
Amber Joiner, DHHS Deputy Director, Ex officio

**BOARD MEMBERS EXCUSED**

Lindsey Niedzielski

**NV-HIE STAFF PRESENT:**

Carolyn Cramer, NV-HIE Legal Counsel

**DEPARTMENT OF HEALTH AND HUMAN SERVICES (DHHS) STAFF PRESENT**

Stefani Hogan, Director’s Office, DHHS  
Megan May, Director’s Office, DHHS  
Ernesto Hernandez, Division of Public and Behavioral Health

**OTHERS PRESENT**

Erick Maddox, HealthInsight  
Sovon Nath, Cognizant  
Tracy Okubo, ONC

**1. Call to order, roll call, determination of a quorum and announcements**

Mr. Labus called the meeting to order at 3:02 pm. Ms. Hogan called the roll, and informed Mr. Labus that a quorum was present.

**2. Public comment**

There was none.

**3. Present Treasurer’s Report for October 1, 2013**

Ms. Montgomery reported that the NV-HIE finances were in order and in-line with their financial report for September. Ms. Aiello asked if the Board members could receive a copy of the financial report prior to voting. Mr. Labus reminded the Board that the treasurer’s report was an informational item, and did not require a vote by the board. Mr. LaBarge stated that he and Ms. Montgomery would ensure the Board had a report to review for the next treasurer’s report.

**4. Present results of the Nominating Committee recruitment to fill vacant NV-HIE Board position, Recommend, Discuss and Approve Mary G. Siero to fill the vacancy, and Determine any next steps –**

Mr. Lloyd reviewed the Nominating Committee process and, on behalf of the Committee, recommended the Board vote to approve Mary G. Siero to fill the NV-HIE Board vacancy. Mr. LaBarge explained that Ms. Siero was unable to attend today's meeting, and provided a summary of her background and experience.

**MOTION: Ms. Aiello moved to approve Mary G. Siero to fill the vacancy on the NV-HIE Board of Directors.**

**SECOND: Dr. Pasternak**

**APPROVED: UNANIMOUSLY**

Dr. Pasternak left the meeting at 3:30 pm, after this discussion and vote.

**5. Review, Discuss, and Approve addition to existing University of Nevada, Reno College of Business sub-grant for the development of the NV-HIE Sustainability Plan, and Determine any next steps**

Mr. LaBarge presented the University of Nevada, Reno College of Business proposed sub-grant proposal and statement of work for the development of the NV-HIE Sustainability Plan (attached to these minutes):

PHASE I: Collect and organize essential information about the current vendor's service offerings and cost structure, services and prices offered by HIEs in other states, interactions between HIEs and private sector HIEs in other states, and the market structures of Nevada's health care providers, insurers and payors. Some useful components of this information will be supplied by the Evaluation study. Additional components will be collected and organized during Phase I of the Sustainability study.

PHASE II: Identify potential target markets and/or customers for NV-HIE. Determine the revenue potential of the target markets/customers, including the pricing structure, for NV-HIE. These steps will be completed by implementing a Quality Function Deployment strategy to examine service package options from the customer perspective.

Mr. LaBarge asked the Board to approve this proposed statement of work with a budget of \$71,310, payable in two firm fixed payments: Phase 1- \$38,790 and Phase 2 - \$32,520.

Mr. Labus asked if this work was included in the previously approved UNR sub-grant. Mr. LaBarge explained that the Board had previously approved UNR's scope of work for the evaluation process, and this scope of work was in addition to that work. This additional work and funds were approved by the DHHS the Office of Health IT and ONC. Funds for this additional work would be an addition to the NV-HIE sub-recipient award from DHHS. Ms. O'Mara confirmed the funds were available from the OHIT budget, and would be transferred to the NV-HIE award, if approved by the Board.

Ms. Aiello asked if the Board had received the statement of work in the meeting material packet for today's meeting. Mr. LaBarge explained that it inadvertently had not been included, and

stated he would get to the Board after the meeting. The Board discussed the requirement and urgency of the Board's approval for this additional scope of work. Clarification was made that UNR could not begin working on this additional activity without Board approval.

Ms. Cramer clarified that the additional funds provided by OHIT would be ear marked for UNR for this scope of work ONLY, and could not be used for any other activity. Ms. O'Mara confirmed this for the Board.

Mr. Labus asked if UNR could at a later date come back and ask for additional funds. Mr. LaBarge explained this was a fixed price contract. Ms. O'Mara reiterated that funds were available from the DHHS grant budget and that the NV-HIE sub-recipient budget would be increased by this amount. Ms. Okubo reaffirmed that ONC supports this critical activity and timeline.

**MOTION: Ms. Montgomery moved to approve this additional scope of work to the existing University of Nevada, Reno College of Business sub-grant for the development of the NV-HIE Sustainability Plan.**

**SECOND: Mr. Lloyd**

**APPROVED: UNANIMOUSLY**

#### **6. Informational Item: Appointment of the Audit Committee**

Pursuant to the Board's Bylaws, Mr. LaBarge informed that Board that the appointment of the 3-member Audit Committee would need to be done during the Board's regular meeting on November 5, 2013. He explained that the Committee members must be voting Board members. The Board discussed possible members, and received clarification that the role of the Committee would be to coordinate and provide oversight for the audit performed by an outside accounting firm. Ms. Aiello asked if funds were available in the current budget for this activity, and Ms. O'Mara replied in the affirmative. Ms. Cramer reminded the Board that this item was an informational only for this meeting, and no action could be taken at this time.

#### **7. Public Comment**

Ms. Aiello requested staff, in the future, to provide the Board with a link or copy of documents supporting items the Board is expected to vote on. Ms. Montgomery agreed. Mr. LaBarge assured the Board that documents related to agenda items would be furnished in the future.

#### **8. Adjournment**

There being no further business to come before the NV-HIE Board of Directors, Mr. Labus adjourned the meeting at 4:07 pm.

**Dr. Wendel, Dr. Edberg, Dr. Vreeland, Dr. Mukhopadhyay, Dr. Anderson**  
**University of Nevada, Reno / College of Business**  
**Departments of Information Systems, Economics, and Accounting**

The Sustainability Study will include two phases.

Tasks to be completed during Phase I, will include:

- Identify the HIE services that will be offered by NV-HIE
- Determine the NV-HIE’s cost to offer the services
- Establish the NV-HIE’s operating budget, based on the services to be offered and their costs.

Tasks to be completed during Phase II, will include:

- Identify potential target markets and/or customers for NV-HIE
- Determine the revenue potential of the target markets/customers, including the pricing structure, for NV-HIE.

These tasks will be completed by completing the following components detailed in Table 1. Table 2 provides the budget for this fixed-price contract. Tables 3 and 4 provide sample information available from two existing data sources on hospitals and physicians. Table 5 provides an illustrative template for the Quality Functional Deployment analysis.

<b>Table 1: components and tasks</b>	
<b>Component</b>	<b>Tasks</b>
<p><b>PHASE I: Collect and organize essential information about the current vendor’s service offerings and cost structure, services and prices offered by HIE_PPPs in other states, interactions between HIE_PPPs and private sector HIEs in other states, and the market structures of Nevada’s healthcare providers, insurers and payers. Some useful components of this information will be supplied by the Evaluation study. Additional components will be collected and organized during Phase I of the Sustainability study.</b></p> <p><b>Phase I report Dec. 6, 2013 (This report date is based on the assumption that this contract will be finalized by Oct 4, 2013.</b></p>	
1. Identify the HIE services that will be offered by NV-HIE	Obtain this information from the NV-HIE organization and its vendor. The timing of the availability of detailed information is not known.
2. Determine the NV-HIE’s cost to offer the services	Obtain this information from the NV-HIE organization and its vendor. The timing of the availability of detailed information is not known.
3. Establish the NV-HIE’s operating budget, based on the services to be offered and their costs	This operating budget may depend on volume; hence it may be necessary to develop a set of scenarios for further analysis.
Collect and organize baseline information	<ol style="list-style-type: none"> <li>1. Internet search using web pages for statewide and regional HIEs</li> <li>2. Conduct 8-10 telephone interviews with managers of operating</li> </ol>

<p>that will be needed to inform steps 4 and 5. Essential information for steps 4 and 5 includes:</p> <p>prices and services offered by existing statewide HIE's (using internet search). (if possible) price and service package information for private-sector HIEs (using internet search).</p> <p>EMR/HIE utilization rates for physicians and hospitals</p> <p>Profile of physicians, hospital, insurers, managed care firms, and ACO's in NV.</p>	<p>statewide HIE's to gather information about customer volumes and types and the numbers and types of competing private-sector HIEs (This assumes that contact information will be provided by the NV-HIE, it's vendor, and/or the State of Nevada HIT Coordinator)</p> <ol style="list-style-type: none"> <li>3. Prepare descriptive statistics using the AHA data on hospital EMR features, budgets for EMR systems, and intentions to meet Meaningful Use criteria. This data will be purchased for the years 2008 and 2012, to provide a longitudinal view. The IT information is available for 3500 hospitals nationwide, the budget information is available for 5900 nationwide. This data will provide a useful starting point for understanding market potential within Nevada, and for comparing NV_HIE market opportunities with the opportunities in peer states. The IT information will be analyzed for the Evaluation; the additional information about IT budgets and Meaningful Use intentions will be analyzed for this sustainability study. See Table 3 for an example of the types of useful information included in this data. It is our current understanding that it will be possible to link the IT dataset to the hospital characteristics dataset, by hospital.</li> <li>4. Existing physician survey data on proportions of physicians (nationwide) using EMR and HIE will be analyzed for the Evaluation study. Those results will be useful for the sustainability study. For a sample of the relevant information available from this survey, see Table 4. (At this point, we have a version of this data that does not specify the geographic location and specialty of the physicians. We are applying for the more complete version of the data that will include this information.</li> <li>5. NV data on numbers and locations of physicians, hospitals, insurers, managed care firms and ACOs. This must be compiled from a variety of sources.</li> <li>6. Telephone interviews with operating PPP_HIEs (in other states) to learn information about PPP competitive and complementary relationships with private sector HIEs, growth rates, marketing experience, revenue sources, experience with changes in price structure, financial sustainability and revenue from state agencies)</li> </ol>
<p>Phase I report Dec 1:</p>	<p>Integrate this information with existing market studies for NV (from previous consulting contracts) to summarize baseline information and generate a preliminary set of pricing scenarios for further analysis.</p>
<p><b>PHASE II: Steps 4 and 5 will be completed in Phase II.</b></p> <p><b>Step 4: Identify potential target markets and/or customers for NV-HIE</b></p> <p><b>Step 5: Determine the revenue potential of the target markets/customers, including the pricing structure, for NV-HIE</b></p> <p><b>These steps will be completed by implementing a Quality Function Deployment strategy to examine service package options from the customer perspective.</b></p> <p><b>Phase II report by Feb 5, 2014.</b></p>	
<p>Interview potential customers in NV and across state borders, to understand their</p>	<p>The Quality Function Deployment (QFD) strategy will provide the framework for this analysis. (For an example, see <a href="http://www.qfdonline.com/qfd-examples/chocolate_chip_cookie_qfd.pdf">http://www.qfdonline.com/qfd-examples/chocolate_chip_cookie_qfd.pdf</a> or see Table 5 below.)</p>

viewpoints on two issues: “what is the job to be done?” (using the Clay Christenson definition) What alternate strategies are available for addressing these customers goals?	Three steps will be required to complete the QFD analysis: 1. The stakeholder interview results (from the Evaluation study) will provide the starting point for implementing this strategy, by providing the information needed to identify the key quality characteristics of potential customers. 2. Additional interviews will be scheduled, to learn more about customer perceptions of unmet needs, alternate plans for filling those gaps, and potential value that can be provided by NV-HIE. Some of these interviews may be follow-up interviews with stakeholders interviewed for the NV-HIE Evaluation; other interviews may involve potential customers that were not included on the stakeholder interview list (but were identified during the stakeholder interview process). 3. This information will be used to develop 2-4 potential packages of services for financial analysis. This information and the potential packages of services will be reviewed with NV-HIE before proceeding to the final component.
Develop ROM estimates of costs and revenue for potential packages of services and pricing structures.	1. Appropriate experts within the NV-HIE vendor organization will be interviewed to develop (i) ROM estimates of the feasibility and cost of providing the services discussed by potential customers, and (ii) the market potential for services offered at the implied prices (based on the vendor’s experience in other states). This information may duplicate some of the information collected from the vendor initially. However, if customer descriptions of preferred services differ from the initial service package offering, additional cost information will be required. 2. The baseline information summarized in the Phase I report will be combined with the additional customer detail developed in the QFD analysis to support analysis of potential price structures.
Develop a preliminary assessment of stakeholder reactions to the potential price structures.	A small number of additional stakeholder interviews will be conducted to obtain feedback about the conclusions of the QFD analysis.

<b>Table 2: Budget</b>	
<b>PHASE I:</b> develop preliminary information about price structure options by early November	
Professors (Accounting, Information Systems, Economics), Graduate Student, Purchase data	<b>\$38,790</b>
<b>PHASE II:</b> implement a Quality Function Deployment strategy to examine service package options from the customer perspective by Feb 7.	
Accounting professor (who also has approximately 10 years of experience as the Vice Provost of the University of Nevada, Reno), Graduate student	<b>\$32,520</b>
<b>TOTAL FOR PHASES I AND II</b>	<b>\$71,310</b>