

NORTH CAROLINA HEALTH & WELLNESS TRUST FUND COMMISSION

NORTH CAROLINA HEALTH INFORMATION TECHNOLOGY (HIT) COLLABORATIVE

The Health and Wellness Trust Fund Commission (HWTF) is charged by N.C. Gen. Stat. § 147-86.33(a)(7) with administering the provisions of Article 6C of the General Statutes, which includes addressing the health needs of vulnerable and underserved populations and developing a comprehensive, community-based plan with goals and objectives to improve the health and wellness of the people of North Carolina. Since 2001, HWTF has established an excellent reputation investing in programs and partnerships that address access, prevention, education and research to help all North Carolinians achieve better health.

Governor Bev Perdue will designate HWTF as the Qualified State-Designated Entity to apply for and receive North Carolina's share of the Health Information Technology (HIT) grant and loan funds under the American Recovery and Reinvestment Act (ARRA). Designating HWTF as the State entity meets the first requirement necessary to apply for federal funds from the Office of the National Coordinator for Health Information Technology (ONC). Once federal funds are secured, HWTF will prepare the action plan for HIT implementation in North Carolina.

The American Reinvestment and Recovery Act (ARRA) allocates approximately \$19 billion to health information technology (IT) projects. It includes two major components that have an immediate and direct impact on health IT efforts in North Carolina.

1. **Health Information Technology for Economic and Clinical Health (HITECH) Act:** The HITECH Act formally established the Office of the National Coordinator (ONC). The ONC will use these funds to promote a nationwide health IT infrastructure, to facilitate the creation and dissemination of health IT policies and standards, and to create regional health IT extension centers. These health IT extension centers will support physicians and hospitals in the implementation and adoption of health information technology.
2. **Medicare and Medicaid incentives:** The incentives and penalties provided through Medicare and Medicaid reimbursement are designed to help physicians and hospitals acquire electronic health record (EHR) technology. In order to receive these new and significant incentives, physicians and hospitals will have to prove "meaningful use" of their "certified" EHRs. The criteria for "meaningful use" and "certified" EHRs are currently being developed and will be defined by the end of 2009.

HWTF will establish a North Carolina Health Information Technology Collaborative (HIT Collaborative). The Governor, in consultation with the HWTF Chair, will appoint members from the public, private and non-profit sectors to serve on the HIT Collaborative. The Collaborative will establish an Advisory Group, with additional representatives from the public, private and non-profit sectors, to help develop the application and action plan for federal HIT funds.

The HIT Collaborative shall make recommendations to the full HWTF Commission regarding the NC HIT Action Plan. Federal funds secured for HIT will be held in a separate sub-account of the main HWTF funds balance, therefore, all decisions regarding the disbursement of HIT funds shall be made in accordance with HWTF Commission's policies and procedures.

NC Health Information Technology Collaborative (continued)

The Governor will appoint a Chair and two Vice Chairs for the HIT Collaborative. The HIT Collaborative will consist of members who shall represent the following stakeholders and/or backgrounds:

- North Carolina Department of Health and Human Services
- North Carolina Medical Society
- North Carolina Nurses Association
- North Carolina Hospital Association
- Community Care of North Carolina
- North Carolina Association of Health Plans
- North Carolina Health Quality Alliance
- North Carolina Area Health Education Centers
- North Carolina Healthcare Information and Communications Alliance, Inc.

Ex-Officio members:

- HWTF chair
- HWTF executive director
- Representative from the Office of the Governor
- North Carolina Healthcare Information and Communications Alliance, Inc. executive director

In undertaking its purpose, the HIT Collaborative will accomplish the following:

- Act as a public-private partnership and serve as a focal point for health care stakeholders and key non-profit partners to build a plan on NC health IT policy priorities, and collaborate on state and regional health IT implementation efforts.
- Aim to create a secure, interoperable, statewide health information network that will advance the public's interest in health and improve the quality, safety, efficiency and accessibility of healthcare.

The Health and Wellness Trust Fund Commission has allocated up to \$300,000 from HWTF general funds to support the operations of the HIT Collaborative, and Commission staff will arrange for and direct staff necessary to support the work of the Collaborative.

The HIT Collaborative shall submit an annual written report of its findings and recommendations to the HWTF Commission by June 30th of each year. The Collaborative will commence during FY 2009-2010 and will continue until disbanded by the HWTF Commission.