



County of Los Angeles CHIEF EXECUTIVE OFFICE

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Chief Executive Officer

January 10, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

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UPDATE ON STATE'S EFFORTS REGARDING A HEALTH INFORMATION EXCHANGE PLAN (ITEM NO. 30, AGENDA OF JANUARY 11, 2011)

Item Number 30 on your Board's January 11, 2011 agenda is this Office's report on the Los Angeles Network for Enhanced Services (LANES) and the State's efforts regarding a health information exchange (HIE) plan. This memorandum provides an update on the recent release by Cal eConnect of the Request for Grant Applications (RFGA) for the State's Health Information Exchange Grant Program.

Cal eConnect posted the RFGA on December 24, 2010, and grant applications are due by January 31, 2011. A summary of the RFGA is attached (Attachment I), as well as the RFGA itself (Attachment II). The due date for submitting a Letter of Intent (LOI) to submit a grant application was January 5, 2011. While submitting a LOI is optional, it appears that submitting a LOI is more advantageous to a successful grant application. Therefore, the LANES Board prepared a LOI (Attachment III), which was signed by a member of the LANES Board, and submitted it to Cal eConnect by the deadline.

The RFGA includes the following key information:

- The RFGA is part of Cal eConnect's strategy for enabling electronic HIE in the State and seeks to stimulate the development of robust HIE infrastructure in California by supporting community level and statewide efforts to improve connectivity.

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- Eligible organizations include non-profit (501c3 and 501c4) Health Information Exchange Organizations (HIOs), provider organizations, public agencies, health plans, educational institutions, and other community-based organizations demonstrating capacity for HIE.
- Total funding for this initiative is \$3 million to be spread across a range of three to six successful applications. The maximum award amount per applicant is \$1 million.
- Grant proposals must identify matching funds equal to 50 percent of the total project budget. The LANES Board is currently reviewing options for identifying matching funds in the case grant funds are awarded to LANES.
- Notice of Intent to Award will be posted on February 28, 2011, and grants will be awarded on March 2, 2011.

Please contact me if you have questions or need additional information or your staff may contact Sheila Shima, Deputy Chief Executive Officer, at (213) 974-1160.

WTF:SAS
MLM:MM:gl

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Chief Information Office
Health Services

011011_HMHS_MBS_UPDATE ON STATE EFFORTS ON HIE PLAN

SUMMARY
CAL eCONNECT REQUEST FOR GRANT APPLICATIONS
HIE EXPANSION GRANT PROGRAM – CYCLE I

Cal eConnect posted their Request for Grant Applications (RFGA) for the HIE Expansion Grant Program on 12/24/2010. The RFGA includes the following information:

- Cal eConnect released the RFGA as part of its strategy for enabling electronic HIE under the State HIE Cooperative Agreement Program awarded to Cal eConnect by California's Health and Human Services (CHHS) Agency.
- The Expansion Grant Program seeks to stimulate the development of robust HIE infrastructure in California by supporting community level and statewide efforts to improve connectivity.
- The HIE Expansion Grant Program seeks to expand HIE capacity, enable California providers to achieve the meaningful use of Electronic Health Records, and improve health care quality, coordination, and efficiency. Through these efforts, grant recipients will serve as critical partners in Cal eConnect's strategy for enabling electronic health information exchange in California.
- Eligible organizations include non-profit (501c3 and 501c4) Health Information Exchange Organizations (HIOs), provider organizations, public agencies, health plans, educational institutions, and other community-based organizations demonstrating capacity for HIE.
- Cal eConnect will award grants in two funding cycles. Cycle 1 is to ensure funding is available to continue the growth and expansion of HIE capabilities across the state and Cycle 2 will seek to ensure utilization of the Core Services developed by Cal eConnect in 2011. Program guidance for Cycle 2 will be distributed in the spring of 2011.

- Key Dates:

Optional Letter of Intent Due	January 5, 2011
Applications due to Cal eConnect	January 31, 2011
Notice of Intent to Award posted	February 28, 2011 ^(A)
Grants Awarded / Project Kick-Off	March 2, 2011

^(A) Attachment II indicates February 25, 2011, however, Cal eConnect recently updated the date.

- Total funding for this initiative is \$3 Million to be spread across a range of three to six successful applications. The maximum award amount per applicant is \$1.0 million.

- Grant proposals must identify matching funds equal to 50% of the total project budget. Matching funds may come from other grants, commercial loans, or the applicants and/or its partners, and can include direct in-kind costs (indirect costs such as administrative costs cannot be included).
- The project term will be 12 to 18 months.
- Grant recipients must expand HIE capacity in their service domain and enable providers to meet prioritized Meaningful Use criteria leading to measurable care delivery improvements. The goals of the RFGA are:
 - Goal 1: Expansion of HIE Capacity – The Expansion Grant Program will support existing HIE efforts led by HIOs, health care systems, or community consortia that seek to dramatically increase the scope and scale of exchange between disparate and/or competing health care entities. Given the local nature of most healthcare delivery, the program seeks to enable robust exchange between multiple partners within specific medical service areas.
 - Goal 2: Achievement of Meaningful Use – The Expansion Grant Program will enable eligible health care entities participating in the Centers for Medicare and Medicaid Services Electronic Health Record Incentive Program to achieve HIE-related Meaningful Use criteria in accordance with Office of the National Coordinator guidance.
 - Goal 3: Care Delivery Transformation – Applications for this grant program should propose specific, measurable health system improvements in the following areas:
 - Care coordination, health outcomes, and/or patient safety
 - Clinical efficiencies that drive down the cost of health care delivery
 - Access to quality care among the underserved in rural, minority, or other communities experiencing health disparities attributed to limited access
 - Goal 4: Forming Strategic Partnerships – Grant recipients will become strategic partners with Cal eConnect and with each other through participating in a “Community of Practice” as part of the grant program. Staff and grant recipients will share knowledge, resources, and tools to advance the development and dissemination of HIE standards, policies, and operational best practices.



Request for Grant Applications
HIE Expansion Grant Program
Cycle 1

Cal eConnect, Inc.

RFGA-2010-006

Posted: December 24, 2010

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1. INTRODUCTION

1.1. Overview: Cal eConnect is launching a Health Information Exchange (HIE) Expansion Grant Program as part of its strategy for enabling electronic HIE under the State HIE Cooperative Agreement Program awarded to Cal eConnect by California's Health and Human Services (CHHS) Agency. This Request for Grant Applications (RFGA) includes a full description of the documents required for submitting a grant application.

1.2. Primary Objective: The Expansion Grant Program seeks to stimulate the development of robust HIE infrastructure in California by supporting community level and statewide efforts to improve connectivity.

1.3. Eligible Organizations: Non-profit (501c3 and 501c4) Health Information Exchange Organizations (HIOs), provider organizations, public agencies, health plans, educational institutions, and other community-based organizations demonstrating capacity for HIE.

1.4. Cycle 1 Key Dates: Cal eConnect will award grants in two funding cycles. Cycle 1 is to ensure funding is available to continue the growth and expansion of HIE capabilities across the state and Cycle 2 will seek to ensure utilization of the Core Services developed by Cal eConnect in 2011. Program guidance for Cycle 2 will be distributed in the spring of 2011.

Event	Dates
RFGA posted at www.caleconnect.org	Friday, December 24, 2010
Optional Letter of Intent Due	Wednesday, January 5, 2011
Written Questions on RFGA Due	Monday, January 10, 2011
Answers to written questions posted	Friday, January 14, 2011
Electronic Applications due to Cal eConnect	3:00 PM PST/ Monday, January 31, 2011
Hard copy Applications due to Cal eConnect	5:00 PM PST/ Monday, January 31, 2011
Notice of Intent to Award posted	Friday, February 25, 2011
Grants Awarded / Project Kick-Off	Wednesday, March 2, 2011

1.5. Award Amounts: Total funding for this initiative is \$3 Million to be spread across a range of successful applicants. Cal eConnect seeks to award 3 to 6 successful applications. The maximum award amount is \$1.0 million.

1.6. Project Funding Period: 12 to 18 months

1.7. Application Guidelines: All application materials shall be submitted via email in PDF form to grants@caleconnect.org and in hard copy to Cal eConnect, Inc., 1900 Powell Street, Suite 1000, Emeryville, CA 94608. They should be concise, single spaced and 11 pt font in Arial. Technical Proposals may not exceed 25 pages, not including appendices.

1.8. Contact Information: Rebecca Kriz, RN, Program Specialist, rkriz@caleconnect.org or 510-978-4844

2. PURPOSE

Cal eConnect requests proposals for Cycle 1 of the HIE Expansion Grant Program. This program seeks to expand HIE capacity, enable California providers to achieve the meaningful use of Electronic Health Records, and improve health care quality, coordination, and efficiency. Through these efforts, grant recipients will serve as critical partners in Cal eConnect's strategy for enabling electronic health information exchange in California.

Projects funded in Cycle 2 will focus on piloting Cal eConnect services and policies, including the Core Services. The RFGA for Cycle 2 will be released in the spring of 2011, in order to coincide with the development and availability of the Core Services. For more information about Cal eConnect and its core services, visit www.caleconnect.org.

3. BACKGROUND

3.1. HITECH and HIE

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009 (ARRA). This statute includes The Health Information Technology for Economic and Clinical Health Act of 2009 (the HITECH Act) that sets forth a plan for advancing the appropriate use of health information technology to improve quality of care and establish a foundation for health care reform.

The Office of the National Coordinator for Health Information Technology (ONC) was statutorily created by the HITECH Act within the U.S. Department of Health and Human Services (HHS). ONC serves as the principal federal entity charged with coordinating the overall effort to implement a nationwide health information technology infrastructure that allows for the electronic use and exchange of health information.

HITECH designates more than \$46.8 billion in incentive payments to eligible professionals and hospitals for the meaningful use of certified EHR technology (hereafter "Meaningful Use"), as defined in the final rules posted by the Centers for Medicare and Medicaid Services (CMS) on July 28, 2010. The legislation identifies HIE as a necessary enabler of Meaningful Use, and created the State HIE Cooperative Agreement Program to promote HIE across the health system.

3.2. Cal eConnect

Cal eConnect is a non-profit public benefit corporation, and has been selected by the California Health and Human Services Agency (CHHS) as the State Designated Entity responsible for deploying funds received from ONC by the state under the four-year State HIE Cooperative Agreement Program.

A primary objective for Cal eConnect under the State HIE Cooperative Agreement Program is to ensure that eligible providers¹ have transparent and seamless access to information exchange

¹ We use the term "eligible providers" to denote both the "eligible hospitals" and "eligible professionals" described in the CMS Final Rule on Meaningful Use. Similarly, we use the broad definition of "provider" found in the HITECH Act

services that will allow them to take full advantage of the EHR incentive program under ARRA. Cal eConnect will pursue this objective through (a) the development of statewide policies, (b) the development of core services, (c) the HIE Expansion Grant Program.

Statewide Policies and Services

Cal eConnect seeks to provide a trusted framework for HIE in California through the implementation of statewide policies and technical services.

Policies. Cal eConnect works closely with the California Office of Health Information Integrity (CalOHII) to identify and address policy barriers to HIE in the state. CalOHII develops, tests and enforces statutes, regulations, and guidelines, which Cal eConnect operationalizes through its services and programs. Cal eConnect provides input to CalOHII based on policy implementations in the field to inform future priorities.

Core Services. Cal eConnect's Core Services consist of agreed-upon standards for securely and reliably communicating health information (i.e., a *messaging framework* and an *authorization framework*) and shared software services to certify the identities and electronic addresses of communicating parties (i.e., an *Entity Registry* and *Service Registry*). The Core Services will be offered beginning in 2011. Additional services in high-priority areas such as e-prescribing and the exchange of structured lab data may be developed concurrently. Cal eConnect does not intend to offer duplicate services that compete with viable existing efforts, but instead will make strategic investments in shared services to overcome collective barriers to HIE.

<p>Vision</p> <p>Our vision is a health care system built on a solid foundation of health information exchange that provides safe and secure patient and provider access to personal and population health information, dramatically improving the health and wellbeing, safety, efficiency, and quality of care for all Californians.</p> <p>Mission</p> <p>Our mission is to collaboratively establish policies, services, and innovations that make possible the appropriate, secure, and efficient exchange of "electronic" health information for the purpose of improving health and health care safety, quality, access, and efficiency for all Californians.</p>
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3.3 Reference Documents

Considerable information about Cal eConnect may be found at our web site (<http://www.caleconnect.org/>). In addition, the following documents provide useful background to crafting a thoughtful response to this RFO.

(Subtitle D—Privacy, Section 13400. Definitions): "The term 'health care provider' has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations. Section 160.103. Provider of services (as defined in section 1861(u) of the [Social Security] Act, 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business."

California's HIE Strategic and Operational Plans developed by California stakeholders through a State-led process and submitted to ONC on March 31, 2010 as a requirement for funding under the State HIE Cooperative Agreement program. These plans provide a comprehensive approach to addressing the state's HIE needs, while acknowledging California's breadth, diversity, and the complexity of implementing state-level HIE initiatives. These documents provide important definitions and contextual information needed to evaluate the functional requirements outlined in the Technical Implementation Plan. See http://www.caleconnect.org/?page_id=22

The Technical Implementation Plan completed in June 2010 by a team of consultants and submitted to CHHS per the cooperative agreement among Cal eConnect, CHHS, and ONC. This plan reflects the approach to utilizing the agreed-upon framework described in the HIE Strategic and Operational Plans to create the Core Services deemed essential to maintain the integrity and relevance of statewide HIE. The plan acknowledges the fluctuating and evolving nature of industry standards and federal requirements related to sustaining statewide HIE. See http://www.caleconnect.org/?page_id=23

Draft Technical Specifications for the Core Services completed in July 2010 by technical consultants for Cal eConnect and presented as an addendum to the Technical Implementation Plan. The document describes high-level draft functional requirements and technical specifications of the Cal eConnect HIE infrastructure for core services. The purpose of the document is to expand on detail provided in The Plan and inform the Request for Proposals and contracting process for Core Services. See http://www.caleconnect.org/?page_id=23

ONC Program Information Notice (ONC-HIE-PIN-001) released to states on July 6, 2010. Provides recommendations and requirements for the activities of HIE Cooperative Agreement awardees and identifies key deliverables for 2011 to which Cal eConnect will be held accountable. See link at the bottom of this webpage: http://www.caleconnect.org/?page_id=66

4. PROGRAM DESCRIPTION

4.1 Goals

In Cycle 1, grant recipients must expand HIE capacity in their service domain² and enable providers to meet prioritized Meaningful Use criteria leading to measurable care delivery improvements. These goals are further described in the following paragraphs.

Goal 1: Expansion of HIE Capacity

While the HITECH Act and its associated programs provide substantial momentum and structure for the deepening of HIE, the most important drivers of HIE are concrete care delivery needs. California provider organizations, health information exchange organizations (HIOs), and others have developed significant HIE capability in response to these needs.

² We use the term "service domain" to designate the network of entities participating in – or targeted for participation in - a health information exchange effort. While a service domain may be concentrated or contained within a particular geographical area, we prefer it to the term "service area," which implies inclusion of all the providers in that geographic area.

The Expansion Grant Program will support existing HIE efforts led by HIOs, health care systems, or community consortia that seek to dramatically increase the scope and scale of exchange between disparate and/or competing health care entities. Given the local nature of most healthcare delivery, the program seeks to enable robust exchange between multiple partners within specific medical service areas. Applicants must define their service domain and describe how it corresponds to the current movement of patients across facilities. Applicants must also demonstrate existing commitment from exchange partners to support electronic HIE.

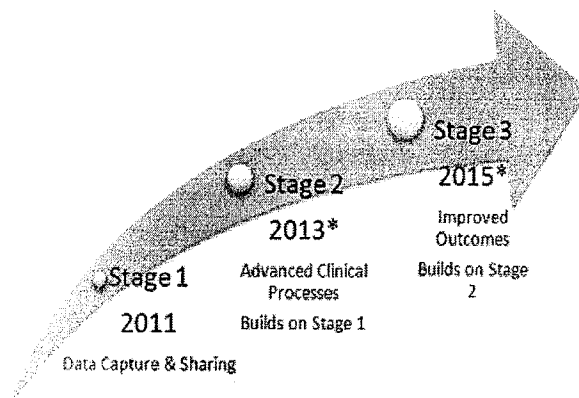
Cal eConnect recognizes that significant variability exists in the stages of adoption and use of HIT and HIE across the state. The Expansion Grant Program may fund projects in communities at varying stages of the adoption pathway depending upon their projected impact.

Goal 2: Achievement of Meaningful Use

The Expansion Grant Program will enable eligible health care entities participating in the CMS Electronic Health Record Incentive Program to achieve HIE-related Meaningful Use criteria in accordance with ONC guidance.

Priority will be given to projects that promote the achievement of Stage 1 Meaningful Use by eligible providers in accordance with one of the following priorities described in ONC-PIN-001 (see http://statehieresources.org/wp-content/uploads/2010/07/Program-Information-Notice-to-States-for-HTML_7-6_1028AM.htm):

- Enable eligible providers to meet the Meaningful Use criteria for e-prescribing, receipt of structured lab data, and/or exchange of patient care summaries
- Build capacity for public health systems to accept electronic reporting of immunizations, notifiable disease reports, and as well as other electronic data required for syndromic surveillance.



Cycle 1 of the Expansion Grant Program will also support the development of HIE infrastructure that lays the foundation for the increasingly complex exchange requirements expected in Meaningful Use Stages 2 and 3 to “make real the goal that information follows the patient” (CMS MU Final Rule, 44321).³

Given that eligible providers will need to exchange data with non-eligible exchange partners such as pharmacies and labs to demonstrate Meaningful Use, the Expansion Grant Program

³ Stage 2 criteria “expand upon the Stage 1 criteria to encourage the use of health IT for continuous quality improvement at the point of care and the exchange of information in the most structured format possible... We expect that stage two meaningful use requirements will include rigorous expectations for health information exchange” (MU Final Rule, 44321). Stage 3 criteria “focus on promoting improvements in quality, safety and efficiency leading to improved health outcomes, focusing on decision support for national high priority conditions, patient access to self-management tools, access to comprehensive patient data through robust, patient-centered health information exchange and improving population health (MU Final Rule, 44322).”

follows* the ONC-PIN-001 in placing additional emphasis upon developing capacity among pharmacies to receive electronic prescriptions and refill requests, and among labs to send results electronically as structured data. Applicants are encouraged to demonstrate how the proposed project will help providers in California achieve these goals.

Goal 3: Care Delivery Transformation

HIE is a critical enabler of the health system transformation envisioned in both the HITECH Act and the Affordable Care Act. Cal eConnect seeks applications for this grant program that propose specific, measurable health system improvements in the following areas:

- Care coordination, health outcomes, and/or patient safety
- Clinical efficiencies that drive down the cost of health care delivery
- Access to quality care among the underserved in rural, minority, or other communities experiencing health disparities attributed to limited access

Grant applicants should describe how their proposed plans to expand HIE capacity in their service domain will enable providers to meet one or more of the high-priority Meaningful Use criteria described above and lead to specific care delivery improvements.

For example, an HIO could apply as the prime applicant for their defined service domain with a focus on improved management of patients with a chronic disease. The project goal would be to expand the exchange of clinical care summaries between specialists based at local hospitals and referring primary care physicians to improve care coordination, reduce duplicative services, and improve a specific chronic disease outcome.

Goal 4: Forming Strategic Partnerships

HIE Expansion Grant recipients will become strategic partners with Cal eConnect and with each other through participating in a "Community of Practice" as part of the grant program. Staff and grant recipients will share knowledge, resources, and tools to advance the development and dissemination of HIE standards, policies, and operational best practices.

4.2. Program Evaluation

Cal eConnect will monitor Cycle 1 of the Expansion Grant Program through performance measures that reflect immediate ONC and State of California priority areas under the HIE Cooperative Agreement and the CMS Final Rule for Meaningful Use of EHRs. General HIE utilization measures will be tracked for all grant recipients. The denominator for each of these measures should include all applicable providers in the proposed HIE service domain. Grant applicants must propose clinical outcome and/or process measures relevant to their specific effort.

General HIE and EHR Utilization:

- % providers participating in electronic health information exchange
 - % providers sending electronic health information
 - % providers receiving electronic health information

Cal eConnect Request for Grant Applications

HIE Expansion Grant Program: Cycle 1

- % eligible providers meeting Stage 1 Meaningful Use criteria and qualifying for incentive payments
- % eligible providers meeting the Stage 1 Meaningful Use menu option for exchanging key clinical information

General HIE and EHR Utilization:

- % providers participating in electronic health information exchange
- % eligible providers meeting the Stage 1 Meaningful Use menu option for exchanging key clinical information
- % eligible providers meeting Stage 1 Meaningful Use criteria and qualifying for incentive payments

We will track these general HIE utilization measures for all grant recipients, and expect applicants to significantly increase both the relative and absolute percent of providers participating in electronic HIE within their service domain over the course of the grant term. Appropriate quantitative targets will be agreed upon by Cal eConnect and each individual grant recipient during the contracting process. Additional measures such as the following will be tracked depending upon the focus of each project.

Focus Area	Evaluation Metric
e-Prescribing	<ul style="list-style-type: none"> % pharmacies accepting electronic prescribing and refill requests % eligible providers meeting the Stage 1 Meaningful Use requirement for generating and transmitting prescriptions electronically
Labs	<ul style="list-style-type: none"> % clinical laboratories sending results electronically % eligible providers meeting the Stage 1 Meaningful Use menu set option for incorporation of clinical lab-test results into certified EHR technology as structured data
Care Summaries	% eligible providers meeting the Stage 1 Meaningful Use menu set option for providing a summary of care record for transitions of care or referral
Public Health	<ul style="list-style-type: none"> % health departments electronically receiving immunizations, syndromic surveillance, and notifiable laboratory results % eligible providers meeting the Stage 1 Meaningful Use menu set option for electronic immunization data submission
Clinical / Efficiency Outcomes	Grant applicants must propose clinical outcome and/or process measures relevant to their specific effort.

Absolute numbers of HIE transactions may also be monitored, such as lab results received into EHR, eRx messages sent, or CCDs delivered.

4.3. Eligibility

Prime applicants must be tax exempt 501(c)3 or 501(c)4 organizations⁴ or local or county government agencies or municipalities that are mission driven or seek to provide a public benefit and have an established governance structure.

Applications will be accepted from prime applicants who submit on behalf of a collaboration or consortium of at least five unaffiliated exchange partners⁵ committed to working together to achieve the grant application goals and that have an operational accountability or governance structure. Exchange partners including subcontractors to the prime applicant may be non-profit or for-profit entities, including technology vendors.

Prime applicants may include:

- Health Information Exchange Organizations (HIOs) and other nonprofit organizations demonstrating capacity for HIE
- Provider organizations (e.g. IDNs, hospitals, medical groups, health centers, clinics, etc.)
- Public agencies (e.g. county public health departments; state agencies; public universities; or federal agencies);

4.4. Matching Funds

Grant proposals must identify matching funds equal to 50% of the total project budget. Matching funds may come from internal sources or from other grant programs. If the funds are from another grant program, a letter of intent from that funder must be submitted with the application as a letter of support.

Matching funds may be contributed by the prime applicant and/or its exchange partners, as well as from other funding sources, including but not limited to other grants or commercial loans. The following criteria will be utilized to determine whether particular costs may be considered matching funds:

⁴ As an organization with a pending 501(c)3 application, Cal eConnect is restricting grant making activity to these non-profit types to ensure organizational integrity. While a 501(c)3 or 501(c)4 nonprofit may serve as the fiscal agent in a prime applicant role on behalf of a consortium of partners, evaluators will only award maximum points to the "Organizational Capacity" section of the proposal if the prime applicant is a proposed exchange partner and credible leader of the HIE effort.

⁵ Cal eConnect's definition of unaffiliated partners is equivalent to CMS's definition of different legal entities, "A separate legal entity is an entity that has its own separate legal existence. Indications that two entities are legal would include (1) they are each separately incorporated; (2) they have separate Boards of Directors; and (3) neither entity is owned or controlled by the other."

- Only direct costs will be counted toward the match. No indirect costs, such as administrative costs, will be counted. In-kind contributions are allowable as long as they are direct costs.
- Costs financed by program income during the term may count towards satisfying a match.
- Costs and third party in-kind contributions must be verifiable from the records from grantees and sub-grantees.
- Valuation of donated services. Unpaid services provided to a grantee will be valued at a rate consistent with those ordinarily paid for similar work.
- Supplies, equipment and space donated by or loaned by third parties will be valued at the fair market value or rental rate for such supplies, equipment and space.

4.5. Funding Allocation

Total funding for this initiative is \$3 Million to be spread across a range of successful applicants. Cal eConnect seeks to award 3 to 6 successful applications. The maximum award amount is \$1.0 million. The size of individual grants will be determined by the submitted budget, an evaluation of the scope of work presented, and the allocation of funds between all funded projects. Cal eConnect seeks to fund expansions and enhancements of Health Information Exchange that will provide an additional resource for providers in California to achieve the meaningful use criteria outlined in the CMS EHR Incentive program.

Funding for this program cannot be used for the following purposes:

- To supplant or replace current public or private funding.
- To supplant on-going or usual activities of the organizations involved in the project.
- To purchase or improve land, or to purchase, construct, or make permanent improvements to any building except minor remodeling that enables the full utilization of the technology being deployed.
- To reimburse pre-award costs or the costs of completing the grant application.

4.6. Participation Requirements

Grant recipients must:

- Comply with minimum HIE technical standards. Grant recipients will be required to comply with the minimum general criteria and data standards given in Appendix 3. This requirement is to ensure that participating providers and trading partners are interoperable with Cal eConnect services and able to exchange electronic health information in accordance with the present and future meaningful use criteria outlined by ONC in the EHR incentive program requirements.
- Comply with applicable state and national privacy and security laws. Awardees must attest to compliance with all applicable privacy and security laws relating to the electronic exchange of data.

- Comply With and Inform Cal OHII Privacy and Security Regulations. Applicants will be required to comply with the privacy and security requirements issued for the Cal OHII demonstration projects described in California Assembly Bill 278. Consistent with the terms of the State Health Information Exchange Cooperative Agreement Program, these efforts will inform ongoing policy development by CalOHII to support privacy and security and the harmonization of state and federal laws. See Appendix 2 for more detail.
- Participate in Formal Evaluation. Cal eConnect, in partnership with CHHS and ONC, will evaluate Expansion Grant Program projects. Entities receiving funding must assist the evaluator in gathering baseline and ongoing data based on pre-determined evaluation objectives.
- Engage in Community of Practice - Periodic conference calls and webinar sessions will be held to provide opportunities to share information among funded programs and provide additional technical assistance in a group learning environment. Participants will be expected to participate as sessions are made available. Implementation of policies such as the CalPSAB Privacy and Security Guidelines will constitute one area of focus.

4.7. Program Support from Cal eConnect

Cal eConnect will provide all grant recipients with the following support throughout the grant period.

- Grants Management Officer
- Technical Assistance
- Community of Practice
- Oversight and Guidance
- Standards/Guidelines/Policies
- Outreach and Consumer Engagement

5. SELECTION CRITERIA

5.1. Minimum Requirements

- Timely and complete submission of application to Cal eConnect in the required electronic and hard copy formats.
- Proof that prime applicant meets eligibility requirements which could either be a copy of a letter from the IRS notifying the organization of its tax exempt status or, if the applicant does not qualify for an IRS exemption letter, (for example if it is a government agency) a letter from the highest official stating that your group is a recognized part of the government agency making the request
- Letters of Commitment from, or Memorandum of Understandings with, a minimum of five unaffiliated exchange partners representing a variety of provider types that will enable the exchange of patient health information for the benefit of improving the quality and efficiency of care
- Financial commitments from prime applicant and its exchange partners to meet the 50% financial match requirement
- Attestation that grantee is in compliance with all state and federal laws related to the privacy and security of health information and will adhere to CalOHII requirements for

the demonstration projects authorized by California Assembly Bill 278 or seek a waiver, if appropriate

5.2. Proposal Submission Components and Scoring

Prime applicants may only submit one proposal per funding cycle. Applicants that meet the Minimum Requirements will be evaluated based on their presentation of the following:

Organizational Capacity – 20 points

- Experienced, strong project leadership
- Clear governance structure and functions
- Demonstrated HIE and/or related experience managing multi-stakeholder initiatives
- Active engagement and commitment from exchange partners and stakeholders

Connectivity Plan – 20 points

- Priority areas proposed by the applicant are well-justified, important, measurable, and meet Cal eConnect objectives for the program
- Proposed medical trading area and/or service domain represents significant opportunity for HIE with demonstrated demand for HIE services
- Proposal includes a robust set of exchange partners representing a diversity of organizational types within the medical trading area
- Credible plan to significantly increase the number of eligible providers utilizing HIE within the proposed service domain
- Credible plan to enable providers within the proposed service domain to meet one or more of the meaningful use criteria prioritized in ONC-PIN-001: e-prescribing, receipt of structured lab data, exchange of patient care summaries for transfers and referrals; OR credible plan to build the capacity of public health systems to accept electronic reporting of immunizations, notifiable diseases, and reports required for syndromic surveillance
- Capacity to provide HIE connectivity to providers in underserved, rural, minority, or other communities experiencing health disparities attributed to limited access.
- Description of current or planned privacy and security protocols that are consistent with current and future CalPSAB Privacy and Security Guidelines and state and federal regulations (see Appendix 2 for more detail)

Technology Plan – 20 points

- Implementation of technology platform that meets usability, interoperability, flexibility, and scalability standards specified in RFGA and Appendix 3
- Demonstrate use of data standards that will enable the secure exchange of patient information using nationally recognized industry data standards for messaging, such as CCD, C32, C38 and an acceptable database environment
- Implementation of exchange standards that will enable the structured exchange of electronic health information consistent with the exchange goals outlined in the Meaningful Use criteria and ONC-PIN-001
- HIE environment is flexible enough to accommodate the use of Cal eConnect's Core Services that will be required of funded projects in Cycle 2

Project Plan – 20 points

- Integrated and convincing plan to expand HIE capacity and enable achievement of one or more high-priority meaningful use criteria to measurably improve care delivery
- Project management plan that will enable efficient operations and accountability
- Robust partner engagement plan to strengthen and expand exchange partner relationships
- Plan to leverage existing state resources such as the California Telehealth Network, Regional Extension Centers, and state agencies seeking to improve interoperability and access to electronic HIE
- Approach to ensuring the private and secure exchange of electronic health information utilizing state and national privacy and security standards, including how the project will remain aligned with the current and future CalPSAB Privacy and Security Guidelines and state and federal regulations

Budget and Sustainability Plan – 20 points

- Funding request that is consistent with program goals and appropriate to the proposed project
- Clear justification for all budget items
- Funding sources to meet 50% match requirement
- Current financial stability (most recent quarterly financial report)
- Plan for future sustainability that identifies mechanisms to maintain services developed by the program

6. APPLICATION GUIDELINES

6.1. Cycle 1 Key Dates:

Event	Dates
RFGA posted at www.caleconnect.org	Friday, December 24, 2010
Optional Letter of Intent Due. Please send to grants@caleconnect.org .	4:00 PM PST/ Wednesday, January 5, 2011
Written Questions on RFGA Due. Please send to grants@caleconnect.org .	Monday, January 10, 2011
Answers to written questions posted	Friday, January 14, 2011
Electronic Applications due to Cal eConnect	3:00 PM PST/ Monday, January 31, 2011
Hard copy Applications due to Cal eConnect	5:00 PM PST/ Monday, January 31, 2011
Notice of Intent to Award posted	Friday, February 25, 2011
Grants Awarded / Project Kick-Off	Wednesday, March 2, 2011

6.2. Optional Letter of Intent

Cal eConnect requests that interested applicants submit a letter of intent no longer than two single spaced pages that includes a brief description of the proposed project, potential exchange partners, geographic and content focus (e.g. lab results, e-prescribing, public health),

and contact information. Letters of Intent are not required. **Letters should be submitted no later than 4:00 pm PST, Wednesday, January 5, 2011** via email in PDF or Word format to grants@caleconnect.org.

6.3. Application Packet

All application materials shall be concise, single spaced and 11 pt font in Arial. Technical Proposals, excluding Appendices, may not exceed 25 pages. All grant materials must be submitted in two formats:

1. Via email in Word or PDF format to grants@caleconnect.org no later than 3pm PST on January 31, 2011.
2. Three (3) hard copy addressed to Cal eConnect, Inc., Attn: Grants Management, 1900 Powell Street, Suite 1000, Emeryville, CA 94608 no later than 5pm PST on January 31, 2011.

Application proposals must include a (1) technical proposal, (2) financial proposal, and (3) letters of support. Details for each section provided below.

6.4. Required Contents of Technical Proposal

Cover Letter

A signed cover letter including the prime applicant name, address, project name, list of exchange partners, geographic and content focus (e.g. lab results, e-prescribing, public health), and information for the designated point of contact.

Executive Summary

- Brief description of how the project meets local needs and the criteria and goals of the HIE Expansion Grant Program
- A brief description of the prime applicant
- A list of participating exchange partners and a brief description of how each exchange partner will contribute to the project
- A description of the relationship and agreements entered into among the prime applicant and its exchange partners

Organizational Capability

Prime Applicant

- *Background information.* Include history, mission, governance structure, board composition, ownership and affiliations, staffing, number and type of customers served, and services provided, including scope and scale of current HIE services.
- *Past Performance.* Provide past performance information for at least 3 relevant projects, including name of project, project budget and timeframe, client or sponsoring organization including reference contact information, and brief project description. Past Performance information may be placed into a separate appendix.

- *Key Personnel Resumes.* Please provide resumes no more than 3 pages in length for all key personnel. Resumes may be placed into a separate appendix.

Exchange Partners

- *Exchange Partner Information.* Include brief description of the history, mission, governance structure, board composition, ownership and affiliations, staffing, number and type of customers served, and services provided, including scope and scale of current HIE services.
- *Commitment to Project.* For each partner, describe the nature and extent of the commitment from senior administrative and clinical leadership to the prime applicant and the proposed project. If relevant, include a description of previous collaboration with the prime applicant or other proposed exchange partners. This narrative component of the proposal will supplement commitment letters from exchange partners and/or Memorandums of Understanding between the prime applicant and exchange partners, which should be submitted in a separate appendix.

Connectivity Plan

- Rationale for the project focus and the proposed service domain representing a significant opportunity for HIE that furthers Cal eConnect's goals for this program.
- Goals for increasing HIE utilization among eligible providers in the service domain, enabling eligible providers to meet one or more of the meaningful use criteria prioritized in ONC-PIN-001, and improving specific care delivery outcomes.
- Any specific focus on HIE connectivity among providers in underserved, rural, minority, or other communities experiencing health disparities attributed to limited access should be highlighted.
- Description of current or planned privacy and security protocols that are consistent with current and future CalPSAB Privacy and Security Guidelines and state and federal regulations (see Appendix 2 for more detail)

Technology Plan

- Plan to implement technology platform that meets usability, interoperability, flexibility, and scalability standards specified in RFGA and Appendix 3
- Demonstrated use of data standards that will enable the secure exchange of patient information using nationally recognized industry data standards for messaging, such as CCD, C32, C38 and an acceptable database environment
- Implementation of exchange standards that will enable the structured exchange of electronic health information consistent with the exchange goals outlined in the Meaningful Use criteria and ONC-PIN-001
- HIE environment is flexible enough to accommodate the use of Cal eConnect's Core Services that will be required of funded projects in Cycle 2.

Project Plan

- Integrated and convincing plan to expand HIE capacity, enable achievement of one or more of the meaningful use criteria prioritized in ONC-PIN-001, and measurably improve care delivery
- Project management plan that will enable efficient operations and accountability, including narrative description of organizational approach to managing proposed project; proposed organizational chart showing relationship between internal resources and staff at exchange partners; key personnel biosketches
- Robust partner engagement plan to strengthen and expand partner relationships
- Compatibility of the proposed technical architecture with minimum data and exchange standards (as defined in Appendix 3)
- Approach to ensuring the private and secure exchange of electronic health information utilizing state and national privacy and security standards, including how the project will remain aligned with the current and future CalPSAB Privacy and Security Guidelines and state and federal regulations
- Dedication of a staff member for 2-4 hours per month during the course of the project to participate in a policy-focused Community of Practice managed by Cal eConnect to share challenges and successes in operational policy development and implementation with fellow Cal eConnect grantees and Cal eConnect and CalOHII staff
- Discussion of how the prime applicant will collaborate with Cal eConnect to ensure that project outcomes can be monitored, measured, and evaluated

6.5. Required Content for Financial Proposal

Budget: Provide a project budget that incorporates the funding needs for all the components of the application. The budget must include the amounts and source of the matching funds. Show the amount of each budget line item that will be funded with Cal eConnect grant funds. See Appendix 5: Budget Template.

Justification: Provide a detailed justification of the reasonableness of each budgeted item. These budget justifications should be specific enough to show what the prime applicant means by each request and how the request supports the overall project. See Appendix 6.

Current Financial Stability: Provide most recent quarterly financial statement or report.

Sustainability Plan: Describe a plan for future sustainability that identifies mechanisms to maintain services developed by the program.

6.6. Letters of Support

Please provide the following letters of support.

- Letters from all Exchange partner(s) – minimum of 5

- Letter of commitment from the source of all matching funds, if other than internal in-kind and cash
- Letters from other relevant supporters of the initiative

6.7. Questions

Applicants can submit questions via email to Rebecca Kriz rkriz@caleconnect.org by January 10, 2011.

6.8. Informational Webinar

Applicants are strongly encouraged to participate in two informational webinars. The information for each webinar will be sent to key stakeholders, posted on our website and sent to applicants who submit a letter of intent. A recording of the webinar will be available on the Cal eConnect website.

6.9. RFGA submission and Due Date

All application materials must be submitted by the dates and times outlined in this RFGA. Late or incomplete submissions will not be considered.

6.10. Changes to RFGA and Notice of Intent to Award Date

The date of the Notice of Intent to Award is subject to change. Please visit the Cal eConnect website regularly for updates and changes related to this RFGA. It is the sole responsibility of the applicant to stay informed of all changes, updates, and amendments.

7. TERMS AND CONDITIONS

After Cal eConnect has selected awardees, it will issue an award letter to the awardees. The award letter is not a commitment to provide funds, but may assist awardees in finalizing other sources of financing as required to secure the full project cost. The award letter will expire 90 days after issuance, and upon the termination of the award letter, Cal eConnect may reallocate the funds to one or more other Eligible Applicants.

Awardees must make breakthrough solutions (technology, process, infrastructure) openly available and reusable by others, for example by offering such solutions as open source tools or under Creative Commons licenses, or through other easily accessible and low-cost options.

7.1. Cal eConnect reserves the right to:

- Reject any or all applications received in response to this RFGA.
- Award more than one project resulting from this RFGA.

- Waive or modify minor irregularities in applications received after prior notification to the applicant.
- Adjust or correct cost figures with the concurrence of the applicant if errors exist and can be documented to the satisfaction of Cal eConnect, Inc.
- Negotiate with awardees within the requirements of the Cal eConnect HIE Expansion Grants Program to serve the best interests of the State.
- Modify the detail specifications should an insufficient number of applications be received that meet all these requirements.
- If Cal eConnect is unsuccessful in negotiating a contract with one or more awardees within an acceptable time frame, they may award the funds to the next most qualified applicant(s) in order to serve and realize the best interests of the State.
- Cal eConnect reserves the right to award grants based on geographic or regional considerations to serve the best interests of the State.
- Reject any application submitted by a prime applicant who is not in compliance with all state and federal requirements.

7.2. Supplemental Federal Terms and Conditions for ARRA Funded Projects

The following outlines the supplemental federal terms and conditions that Cal eConnect and its funded entities must adhere to as a result of this project being funded by ARRA. The entities funded as a result of this RFGA will be deemed contractors to Cal eConnect; therefore all of the following terms and conditions will apply.

ARRA FUNDED PROJECT: Funding for this contract has been provided through the American Recovery and Reinvestment Act (ARRA) of 2009, Pub. L. 111-5. All contractors, including both prime and subcontractors, are subject to audit by appropriate federal or State of California (State) entities. The State has the right to cancel, terminate, or suspend the contract if any contractor or subcontractor fails to comply with the reporting and operational requirements contained herein. **ENFORCEABILITY:** Contractor agrees that if Contractor or one of its subcontractors fails to comply with all applicable federal and State requirements governing the use of ARRA funds, the State may withhold or suspend, in whole or in part, funds awarded under the program, or recover misspent funds following an audit. This provision is in addition to all other remedies available to the State under all applicable State and federal laws.

PROHIBITION ON USE OF ARRA FUNDS: Contractor agrees in accordance with ARRA, Section 1604, that none of the funds made available under this contract may be used for any casino or other gambling establishment, aquarium, zoo, golf course, or swimming pools.

REQUIRED USE OF AMERICAN IRON, STEEL AND OTHER MANUFACTURED GOODS: Contractor agrees that in accordance with ARRA, Section 1605, neither Contractor nor its subcontractors will use ARRA funds for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel and manufactured goods used in the project are produced in the United States or in a manner consistent with United States obligations under international agreements, as further defined in Code of Federal Regulations (CFR) Title II, Part 176. The Contractor understands that this requirement may only

be waived by the applicable federal agency in limited situations as set out in ARRA, Section 1605 and applicable federal regulations.

WAGE RATE REQUIREMENTS: In accordance with ARRA, Section 1606, the Contractor assures that it and its subrecipients shall fully comply with said Section and notwithstanding any other provision of law and in a manner consistent with other provisions of ARRA, all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the federal government pursuant to ARRA shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the United States Secretary of Labor in accordance with Subchapter IV of Chapter 31 of Title 40, United States Code (Davis-Bacon Act). It is understood that the Secretary of Labor has the authority and functions set forth in Reorganization Plan Numbered 14 or 1950 (64 Stat. 1267; 5 U.S.C. App.) and Section 3145 of Title 40, United States Code.

INSPECTION OF RECORDS: In accordance with ARRA Sections 902, 1514 and 1515, Contractor agrees that it shall permit the State of California, the United States Comptroller General or his representative or the appropriate Inspector General appointed under Section 3 or 8G of the United States Inspector General Act of 1978 or his representative to: (1) examine any records that directly pertain to, and involve transactions relating to, this contract; and (2) interview any officer or employee of Contractor or any of its subcontractors regarding the activities funded with funds appropriated or otherwise made available by the ARRA. Contractor shall include this provision in all of the contractor's agreements with its subcontractors from whom the contractor acquires goods or services in its execution of the ARRA funded work.

WHISTLEBLOWER PROTECTION: Contractor agrees that both it and its subcontractors shall comply with Section 1553 of the ARRA, which prohibits all non-federal Contractors, including the State, and all contractors of the State, from discharging, demoting or otherwise discriminating against an employee for disclosures by the employee that the employee reasonably believes are evidence of: (1) gross mismanagement of a contract relating to ARRA funds; (2) a gross waste of ARRA funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of ARRA funds; (4) an abuse of authority related to implementation or use of ARRA funds; or (5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) awarded or issued relating to ARRA funds. Contractor agrees that it and its subcontractors shall post notice of the rights and remedies available to employees under Section 1553 of Title XV of Division A of the ARRA.

FALSE CLAIMS ACT: Contractor agrees that it shall promptly notify the State and shall refer to an appropriate federal inspector general any credible evidence that a principal, employee, agent, subcontractor or other person has committed a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving ARRA funds.

REPORTING REQUIREMENTS: Pursuant to Section 1512 of the ARRA, in order for state agencies receiving ARRA funds to prepare the required reports, Contractor agrees to provide Cal eConnect with the following information on a quarterly basis or upon request:

- a. The total amount of ARRA funds received by Contractor during the Reporting Period;

- b. The amount of ARRA funds that were expended or obligated during the Reporting Period;
- c. A detailed list of all projects or activities for which ARRA funds were expending or obligated, including:
 - (i.) The name of the project or activity;
 - (ii.) A description of the project or activity;
 - (iii.) An evaluation of the completion status of the project or activity; and
 - (iv.) An estimate of the number of jobs created and /or retained by the project or activity;
- d. For any contracts equal to or greater than \$25,000:
 - (i.) The name of the entity receiving the contract;
 - (ii.) The amount of the contract;
 - (iii.) The transaction type;
 - (iv.) The North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number;
 - (v.) The Program source;
 - (vi.) An award title descriptive of the purpose of each funding action;
 - (vii.) The location of the entity receiving the contract;
 - (viii.) The primary location of the contract, including the city, state, congressional district and country;
 - (ix.) The DUNS number, or name and zip code for the entity headquarters;
 - (x.) A unique identifier of the entity receiving the contract and the parent entity of Contractor, should the entity be owned by another; and
 - (xi.) The names and total compensation of the five most highly compensated officers of the company if it received: 1) 80% or more of its annual gross revenues in Federal awards; 2) \$25M or more in annual gross revenue from Federal awards and; 3) if the public does not have access to information about the compensation of senior executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 or section 6104 of Internal Revenue Code of 1986.;
- e. For any contracts of less than \$25,000 or to individuals, the information required above may be reported in the aggregate and requires the certification of an authorized officer of Contractor that the information contained in the report is accurate.

Any other information reasonably requested by the State of California or required by state or federal law or regulation.

Failure to Perform: Contractor assumes all liability for performance of this Contract and all subcontracts executed pursuant to or funded by this Contract, and hereby agree to this Contract for Program Management Services as listed.

Further, the Contractor assumes full liability for and agrees to reimburse the State for Contractor's or any of Contractor's sub-contractors' failure to comply with any term or condition of this Contract. Contractor shall assure that subcontracts are administered in accordance with this Contract, with any rules and regulations and with any amendments or changes thereto. Contractor agrees that the Cal eConnect or his designated agent has full recourse against the Contractor for the failure to perform all or any part of this Contract.

Failure to meet on-site attendance requirements, and provide acceptable deliverables, milestones and status reports on time may subject Contractor to possible delay of payment and/or the Cal eConnect pursuing remedies under this Contract in accordance with General Provisions.

APPENDIX 1: CHECKLIST

HIE Expansion Grant Program Cycle One

DEADLINE: January 31, 2011

		Page Limit	
Cover Letter			<input type="checkbox"/>
Technical Proposal		25	<input type="checkbox"/>
Financial Proposal			
	Budget		<input type="checkbox"/>
	Justification		<input type="checkbox"/>
	Funding Sources		<input type="checkbox"/>
	Project Financial Viability		<input type="checkbox"/>
	Applicant and Exchange Partner(s) Financial Viability		<input type="checkbox"/>
Letters of Support			
	Source of Matching Funds		<input type="checkbox"/>
	Eligible Applicant Leadership		<input type="checkbox"/>
	Exchange Partner(s)		<input type="checkbox"/>
	Community Support		<input type="checkbox"/>
	Other Relevant Support		<input type="checkbox"/>
Appendix			
	Key Personnel Resumes		<input type="checkbox"/>

APPENDIX 2: HEALTH INFORMATION EXCHANGE POLICY REQUIREMENTS

Protecting the privacy and security of electronic health information is of critical importance for Cal eConnect and the successful implementation of health information exchange in the state. Therefore, awardees, and any of their contractors providing HIE services, will be required to comply with applicable laws governing the exchange of electronic health information. Awardees must also comply with forthcoming privacy and security requirements to be issued by CalOHII for the demonstration projects authorized by California Assembly Bill 278. Consistent with the terms of the State Health Information Exchange Cooperative Agreement Program, these efforts will inform ongoing policy development by CalOHII to support privacy and security and the harmonization of state and federal laws.

The California Privacy and Security Advisory Board (PSAB), under the authority of the CalOHII, has drafted a set of Interim Privacy and Security HIE Guidelines for California submitted with the state application to the federal government for the State HIE Cooperative Agreement Program. The guidelines are based on a set of principles for fair information practices as well as baseline laws including HIPAA, California laws, ISO (International Organization for Standardization), NIST (National Institute of Standards and Technology), and PSAB Policy Recommendations. These guidelines will inform the CalOHII regulations for the AB 278 demonstration projects.

The CalPSAB principles, reproduced below, represent a strong foundation for the development of these regulations. Consistent adoption of the foundational principles in their current state (listed below) is an important step to ensuring the safe and secure exchange of data.

CalPSAB PRINCIPLES

1. **Openness**- There should be a general policy of openness about, developments, practices, and policies with respect to an individual's health information. Individuals should have means available to ascertain the existence and nature of their health information and the main purpose of its use, as well as the identity and residence of the individual's health information.
2. **Health Information Quality**- Personal health information should be relevant to the purpose for which it is to be used and, to the extent necessary for those purposes, should be accurate, complete, and kept up-to-date.
3. **Individual Participation**- Individuals should have the right to:
 - a. Obtain confirmation of whether or not the health information custodian has health information relating to the individual.
 - b. Receive their health information in a reasonable time and manner, at a reasonable charge, and in a format that is generally accessible by individuals.
 - c. Challenge the accuracy of their health information and, if successful, to have the health information corrected, completed, or amended.
4. **Collection Limitation**- There should be limits to the collection of personal health information and any such information should be obtained by lawful and fair means and where appropriate, with the knowledge and consent of the individual.
5. **Use Limitation**- Use and disclosure of personal health information shall be limited. Certain use and disclosure shall require consent.

6. **Purpose Limitation-** The purpose for with personal health information is collection should be specified no later than at the time of data collection. The subsequent use should be limited to those purposes.
7. **Security Safeguards-** Personal data should be protected by appropriate security safeguards against such risks as loss or destruction, unauthorized access, use, modification or disclosure of data.
8. **Accountability-** A health information custodian shall ensure compliance with laws, regulations, standards and organizational policies for the protection of individual's health information.

APPENDIX 3: TECHNOLOGY REQUIREMENTS

Cal eConnect is delivering a suite of services to facilitate the secure exchange of healthcare information among trading partners in a trusted framework.

The key software components that make up the Core Services are an Entity Level Provider Directory (ELPD), a Service Registry (SR), Connectivity Services (CS), and an Individual Level Provider Directory (ILPD), that are based on specifications and standards under development by ONC and include full support for provider discovery (as described for the NHIN Direct Project and NHIN Exchange (Connect)), and negotiation of a mutual set of exchange standards.

The Trust Framework (TF) provides for digital certificates at both the ELPD and ILPD entity level to establish a peer-to-peer non-repudiation connection between trusted entities. In addition, the TF will specify the minimum standard allowed for encryption (SSL/TLS) of the resulting communication between these trusted entities. Access to these Core Services shall be via secure web-services (SOAP and REST).

Grant recipients will be required to comply with the general criteria and data and exchange standards listed below to ensure that participating providers and trading partners are interoperable with Cal eConnect services and able to exchange electronic health information in accordance with the present and future meaningful use criteria outlined by ONC in the EHR incentive program requirements.

General Criteria:

- *Usability* – HIEs shall preconfigure, integrate, and make generally available through its commercially released application software product, at its sole expense and within 3 months from Cal eConnect's public announcement of availability, all Cal eConnect interoperable component technology, messaging framework, certificate authority, software, and any other work products produced and deemed necessary for the seamless, transparent, and uninterrupted access to Cal eConnect's services by any stakeholder, provider, hospital, organization, or entity. This access and communication should be through the use of the HIE vendor's application.
- *Interoperability* – HIE vendor shall maintain in its commercially released HIE application software product, at its expense, in perpetuity all Cal eConnect interoperable standards, component technology, and work products deemed necessary for the seamless, transparent, and uninterrupted communication with and access to Cal eConnect's services by any stakeholder, provider, hospital, organization, or entity through the use of HIE vendor's application.
- *Flexibility* – HIE vendor shall commit to the adoption of future federal or state standards related to electronic health information exchange and the implementation thereof in to the vendor's commercially released application within 120 days of request by Cal eConnect.
- *Scalability* – HIE vendor shall work with Cal eConnect to implement technology and services that may be inclusive of the needs of Public Health, Mental Health, and other California state agencies responsible for ensuring the private and secure exchange of

electronic health information that is retained in an EHR and dependent on transmission through a structured format and federal or state data standards, whether or not explicitly listed herein.

Data Standards:

- CCD (Continuity of Care Document) and CCR (Continuity of Care Record) - The CCD specification is an XML-based markup standard intended to specify the encoding, structure and semantics of a patient summary clinical document for exchange.
- C32 -The Summary Documents Using HL7 Continuity of Care Document (CCD) Component describes the document content summarizing a consumer's medical status for the purpose of information exchange.
- C38 - The Patient Level Quality Data Document Using IHE Medical Summary (XDS-MS) Component supports the communication of patient level quality data for quality measurement in a document sharing environment.

Exchange Standards:

- NHIN Direct Project
- NHIN Exchange (Connect)
- HTTP
- SOAP-based Web Services
- REST-based Web Services
- HL7 2.x and HL7 3.x
- X.12
- NCPDP
- DIACOM
- IHE Federal Architecture (PIX, PDQ, XDS, XDR at a minimum)
- Conformance with HITSP Interoperability Specifications (including C32 and C32 above)
- Environments scalable to accommodate incremental implementation approach
- Ability to transact with Cal eConnect Core Services by June 2011
- Embed trusted authority agent into EHR application
- All messaging conventions, standards, and protocols used in support of trusted framework and certificate authority.

APPENDIX 4: APPLICATION REVIEW AND SELECTION PROCESS

This document is intended to serve as an internal guide for evaluating the HIE Expansion Grant proposals and selecting the awards.

A. Funding Priorities

The HIE Expansion Grant Program seeks to stimulate the development of robust HIE infrastructure in California. In Cycle 1, grant recipients must (1) expand HIE capacity and (2) enable providers to meet prioritized Meaningful Use criteria leading to (3) measurable care delivery improvements.

While continuing to address these goals, projects funded in Cycle 2 will focus on promoting adoption and utilization of Cal eConnect services aimed at enabling the private and secure exchange of electronic health information.

B. Methods for Solicitation

The HIE Expansion Grant Program solicitation will be advertised on the Cal eConnect website and email distribution list, and linked to from the CHHS eHealth website. Other stakeholders including the Regional Extension Centers will also link to the online solicitation posting. The Cal eConnect Board of Directors and Advisory Group members will be asked to disseminate the solicitation to their member organizations. The solicitation will also be publicized through targeted media such as iHealthBeat and California Healthline.

C. Selection Criteria and Maximum Scores

Selection Criteria	Maximum Score
Proposal Minimum Qualifications (i.e. Eligibility Criteria, Proposal Completeness, Timeliness)	Accept/Reject
Organizational Capacity	20 points
Connectivity Goals	20 points
Technology Goals	20 points
Project Plan	20 points
Financial Proposal	20 points
TOTAL	100 points

D. Evaluation Team

Review Panel

The Review Panel will be comprised of at least five unbiased volunteer reviewers with expertise in health information exchange, including one Board member, one member of the Policy Advisory Group, one member of the Technology Advisory Group, and at least two subject matter experts from outside California. An additional five volunteer reviewers will be identified

prior to the proposal submission date in the event that more proposals than expected are received.

Selecting Official

The Cal eConnect CEO serves as the “Selecting Official” referenced in the CHHS-Cal eConnect Sub-Granting Policy. The Selecting Official will make award recommendations to the Board of Directors based on the outcome of the review process. The Selecting Official is not bound by the rankings, ratings or scores of the reviewers, provided the Selecting Official has a rational, documented basis for the differing evaluation.

Board of Directors

The Cal eConnect Board of Directors will make the final award decisions.

E. Review Process

Forming the Review Panel

- The Chief Executive Officer and the Chief Policy and Program Development Officer will recommend members of the Review Panel to the Executive Committee based on the categories given in the previous section.
- Upon approval by the Executive Committee, the Grants Manager will send out a Review Panel Request for Participation including the Request for Grant Applications, a Cal eConnect Confidentiality Form, and a Non-Compete Agreement. In the event that the invitee does not accept, Cal eConnect will make another selection.

Proposed Review Schedule (Dates Subject to Change)	
Forming the Review Panel	Dec 2010 - Jan 2011
In-Person Review Session	February 10, 2011
CEO Determines Funding Recommendations	February 18, 2011
CEO Presents Funding Recommendations to Board	February 25, 2011

Conducting the Review

- Immediately following the solicitation due date, staff will screen all applications for eligibility requirements and minimum qualifications. Any applicants whose proposals do not meet these requirements or qualifications will be notified in writing.
- Proposals from eligible applicants meeting the minimum qualifications will be sorted into funding categories based on their focus, whether geographically or in terms of content (e.g. focus on eRx, labs, public health, etc.). Categories will be determined based upon the range of proposals received.
- Review Panel members will be instructed to meet at a generally accessible location for one full-day session to conduct the evaluation. At the outset of the meeting, staff will lead a brief training session on how to use the evaluation tools, such as the evaluation scoring sheet, to maximize consistency and comparability.
- Review Panel members will individually review and score assigned proposals using an evaluation scoring sheet and other supporting materials. Each proposal will be reviewed

by at least three reviewers assigned to assessing all the submissions in the relevant funding category, and will receive the total combined score from these three-plus reviewers.

- The Review Panel will rank proposals within each funding category based on proposals' total combined scores.

Recommendation by the Selecting Official

- As the designated Selecting Official, the CEO will assess the Review Panel evaluations and rankings and determine which proposals from each funding category to recommend for funding, and at what funding levels.
- The basis for all decisions will be documented in the "Award Decision Document" and will include identification of who made the final decision and rationale for varying from the review panels' recommendations, as applicable. This document will include a list of all applications received; the relative scores assigned by the panelists; brief explanations as to why applications were not funded; and the policy considerations on which the decisions were based.

Final Award Decisions

- The CEO will make recommendations to the Board of Directors for final award decisions. Any Board members affiliated with organizations under consideration for funding will recuse themselves from the discussion and decision-making process.

All decisions at each step of the Review Process must be documented to provide an adequate administrative record to support Cal eConnect's final sub-grant award decisions should a protest or other review of these decisions be necessary.

F. Award Decisions and Appeals Process

The Cal eConnect Selecting Official and Board of Directors have discretion in making award decisions. Any protests or appeals of proposed award decisions shall be handled by Cal eConnect, according to written policies and procedures, and are not appealable to CHHS.

Grant making activities by Cal eConnect will follow the process for handling protests or appeals described in the organization's Procurement Policy, available on its website:

- a. A written protest must be received by the Chief Operating Officer or designee within five (5) working days after issuance of the Notice of Intent to Award a contract [or grant]
- b. The CEO will be notified immediately if a protest is received.
- c. Cal eConnect will designate an objective third party who will take necessary action to settle and resolve the protest appeal and will issue a final decision in writing to the protesting individual appealing and the procuring agency within ten (10) days of receiving an appeal.
- d. The CEO shall notify the Board of Directors and CHHS of any protests received and the outcome of the review process.

G. Funding Allocations and Justifications

Cal eConnect will distribute up to \$6 million over two funding cycles of the HIE Expansion Grant Program. Up to \$3 million will be distributed in each funding cycle. The equal allocation of funds between the two cycles reflects a balance between the need to distribute significant funding as soon as possible for HIE capacity development given aggressive CMS and ONC timelines in Cycle 1, and the imperative that adequate funding exists for projects in Cycle 2 promoting the adoption and implementation of Cal eConnect services.

H. Tracking, Reporting, and Grant Close-Out

Upon approval of grant awards by the Cal eConnect Board of Directors, Cal eConnect will work with each grant recipient to incorporate appropriate performance measures and deliverables or milestones into their contract. Payments will be deliverable-based over the contract term. Once the final report has been submitted the sub-grant will be considered closed out.

APPENDIX 5: BUDGET TEMPLATE

Please see attached Budget Template Excel spreadsheet posted on the Cal eConnect Grants webpage with this RFGA. The Budget Template includes fields for succinct narrative budget justifications.

APPENDIX 6: FUNDING SOURCE TEMPLATE

Please see the attached Funding Source Template posted on the Cal eConnect Grants webpage with this RFGA

Community Clinic Association of Los Angeles County
County of Los Angeles
Health-e-LA
Hospital Association of Southern California
L.A. Care Health Plan



January 5, 2011

Rebecca Kriz, RN
Program Specialist
Cal eConnect
via eMail

Dear Ms. Kriz,

The Los Angeles Network for Enhanced Services (LANES) intends to submit a full proposal for Cal eConnect's HIE Expansion Grant Cycle 1.

LANES is a public-private partnership formed by the County of Los Angeles, the Community Clinic Association of Los Angeles County, the Hospital Association of Southern California, Health-e-LA, and L.A. Care Health Plan for the purpose of improving healthcare delivery in Los Angeles County and surrounding areas by ensuring that important health information is available when and where it is needed. LANES will be partnering with the Long Beach Network for Health doing business as the Western Health information Network (WHIN) to provide the technology solution necessary to implement Health Information Exchange in Los Angeles.

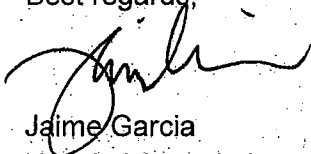
The Health Data Highway Project (HDHP) is designed to include all patients and healthcare delivery organizations in Los Angeles County which is defined by the Dartmouth Atlas' Los Angeles Hospital Referral Region. Our proposal to Cal eConnect is Phase 1 in achieving the goal of seamlessly connected care through the Meaningful Use of health information.

While the HDHP's intent is to serve all stakeholders, the funding available requires that we focus on some "key" or "linchpin" medical trading areas that will build on the existing infrastructure of the LANES members, as well as WHIN's existing data participants, in order to stimulate overall growth and create a "tipping point" of available data connections in LA County. Our plan includes connecting to the 8 REC-selected hosted EMRs, connecting at least 7 additional hospital sites, at least 16 community clinic organizations, and at least 3 additional medical groups/IPAs with large footprints.

LANES powered by WHIN will prioritize the exchange of information focused on by the Program Information Notice 001 (receipt of structured lab results, e-prescriptions, and sharing patient care summaries across unaffiliated organizations) and Public Health.

We are excited about this opportunity to partner with Cal eConnect in making HIE happen in California. I can be reached at 213-538-0702 or by email at jgarcia@hasc.org.

Best regards,

A handwritten signature in black ink, appearing to read 'Jaime Garcia', written in a cursive style.

Jaime Garcia
Hospital Association of Southern California

cc: LANES Board of Directors
Western Health Information Network