

## ***Case Study***

# **Leveraging Existing Leadership to Support Health IT and HIE: Lessons Learned From Minnesota's Medical Assistance Program**

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**Report Contract No. HHS A2902007-10079T**

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**AHRQ Publication No. 10-0097-EF  
July 2010**



Agency for Healthcare Research and Quality  
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**HEALTH IT**



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### **Agency Overview**

Minnesota's Medicaid program, the Medical Assistance Program, administered by the Department of Human Services (DHS), provides coverage for approximately 774,000 Minnesotans and an additional 2,400 children who qualify for coverage under the Children's Health Insurance Program (CHIP). The CHIP program is integrated into the Medical Assistance Program. Approximately 60 percent of beneficiaries are enrolled in Medicaid managed care.

### **Introduction**

The American Recovery and Reinvestment Act (ARRA) and, more specifically, the Health Information Technology for Economic and Clinical Health (HITECH) Act, included significant dollars for health information technology (health IT) and health information exchange (HIE). In addition, the legislation gives new prominence and leadership responsibilities to Medicaid agencies in health IT/HIE activities via the electronic health record (EHR) adoption incentive program and participation in State-level activities. This legislation requires that agencies shift their perspective to take a larger role in health IT/HIE and also reconfigure their existing leadership structures to accommodate these changes. The following section describes how Minnesota's Medical Assistance Program is leveraging existing leadership structures to support the HITECH requirements and increase participation in health IT/HIE activities across Minnesota.

### **Project Details**

Prior to the implementation of ARRA/HITECH, Minnesota had a number of health IT initiatives already in place. These included pay-for-performance (P4P) programs for diabetes and cardiovascular care as well as several applications developed with Medicaid Transformation Grant funding: Children's Mental Health Outcome Measures; automated authorization of services; and a third functionality to be implemented in June 2010, which will provide medication, emergency room, and inpatient history to select Minnesota Health Care Programs (MHCP) providers regarding their MHCP patients. The State's Medicaid Management

Information System is used to supply the Medicaid medication history to the Minnesota Health Information Exchange (MN HIE).

In addition to the health IT/HIE programs currently operating under the DHS, the agency also participates in the State's e-Health Advisory Committee. The committee was established in 2004 under Minnesota Statutes, section 62J.495, to accelerate the use of health IT to improve health care quality, increase patient safety, reduce health care costs, and enable individuals and communities to make the best possible health decisions. It also provides recommendations to the Commissioner of Health on achieving the vision of Minnesota's e-Health Initiative. DHS is a member of the Committee and represented by the State Medicaid director. Currently, the State is leveraging the committee to gather stakeholder input and provide feedback on the expanded health IT/HIE initiatives within the State.

In addition to the activities internal and external to Medicaid, the State also has two legislative mandates in place that have impacted their activities: all providers are required to adopt electronic prescribing by January 2011 and all providers are required to adopt interoperable EHRs by 2015. DHS is taking advantage of the fact that the new incentive programs and meaningful use regulations will align reasonably well with the timelines that were already mandated by the State.

With ARRA, DHS is taking a broader perspective and is looking for ways to accelerate adoption across the State to help meet the 2015 mandate in addition to supporting meaningful use. ARRA has also precipitated the alignment of resources across the Minnesota Department of Health (MDH), Medicaid, and the Regional Extension Center (REC). DHS is currently examining existing resources to determine how they can be interwoven with the new ARRA requirements. DHS sees a clear opportunity to gain resources, expertise, and support from external partners with support from the State HIE Cooperative Agreements and REC program. Via the REC, Medicaid has a much greater opportunity to assist providers in reaching both the meaningful use standards and the State's own mandate for EHR adoption. The RECs will substantially support providers to adopt and use EHRs. In addition, the agency can revisit opportunities that previously weren't seen as feasible due to time requirements or resource and staffing needs.

## **Next Steps**

Minnesota continues to review and update its governance structure to accommodate the specific tasks required under ARRA/HITECH. MDH established the Office of Health Information Technology (OHIT) in September 2009 to coordinate and facilitate an integrated statewide approach to health IT and HIE. This office incorporates the work of the existing MDH Center for Informatics, the Minnesota e-Health Initiative, and other projects that support the use of health IT as a means to improve clinical and public health practice in Minnesota. DHS, OHIT, Minnesota's REC, and other HITECH funding recipients will work together to coordinate activities, minimize redundancy, and maximize effectiveness of health IT funding.

## **Lessons for Other Medicaid Agencies**

Looking internally at existing resources to determine how they can be interwoven with the new ARRA requirements is an effective strategy for leveraging existing work and determining where

gaps exist. Minnesota drew on its existing framework and stakeholder community to support a smooth transition for the incentive program and other changes under ARRA.

In addition to an analysis of current and planned work, States can benefit by having strong champions for health IT and HIE. In Minnesota, both the Medicaid director and medical director have been strong advocates for health IT and HIE and Medicaid's participation. The agency also has a culture of innovation and appreciation for incremental progress that supports the integration of new opportunities and funding mechanisms as they emerge.

Finally, agility and responsiveness are required to move forward in a changing environment. The health IT/HIE environment overall and the Medicaid/CHIP environment more specifically are in a state of flux and will continue to evolve as the relevant Federal regulations emerge and implementations take place. By drawing on existing resources, agencies can more effectively manage the burden of an evolving environment.

### **Additional Information**

For additional information about this case study, please contact [Medicaid-SCHIP-HIT@ahrq.hhs.gov](mailto:Medicaid-SCHIP-HIT@ahrq.hhs.gov) or call 1-866-253-1627.