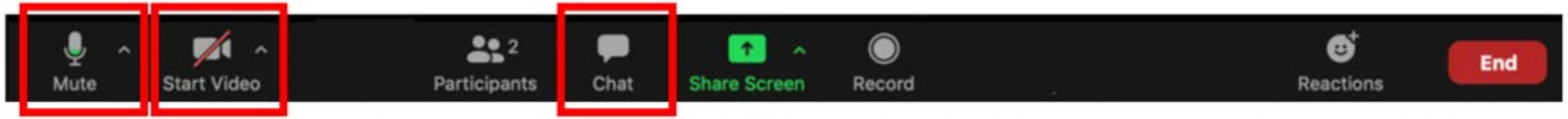
Indian Health Service

Health Information Technology Modernization Program

TRIBAL CONSULTATION / URBAN CONFER
MODERNIZATION RESOURCES
MAY 10, 2023

Technical Notes and Support

- If you lose connectivity during the session, simply **re-click your access link** to re-join the meeting
- If you experience technical difficulties, **send a note using the chat box** on the bottom menu bar - we'll assist you from there



- Enjoy the session!

Rules of Engagement

- **Before commenting or asking a question**, please state your name and the Tribe or organization you are representing either verbally or in the chat box

- Active participation is welcome from Tribal leaders and Urban Indian Organization leaders (or designees) only

- Members of industry and other participants are invited to **listen only** unless directly addressed
  - Questions asked on behalf of vendors will not be answered

Opening in a Good Way

Gene Sorrell
Tribal elder, Confederated Salish and Kootenai Tribes

Agenda

Div. of Health IT Modernization and Operations Updates Acquisition Update Recent Milestones Budget Context	Mitchell Thornbrugh	10 min
Budget Formulation Process Overview Role of the Budget Formulation Workgroup Funding Request Overview	Jillian Curtis	15 min
Tribal Shares Fundamentals Overview What is a PSFA Current OIT PSFAs	Jennifer Cooper	25 min
Technology Business Management	Phil Wise	5 min
Open Dialogue	Mitchell Thornbrugh	30 min
Closing	Mitchell Thornbrugh	5 min

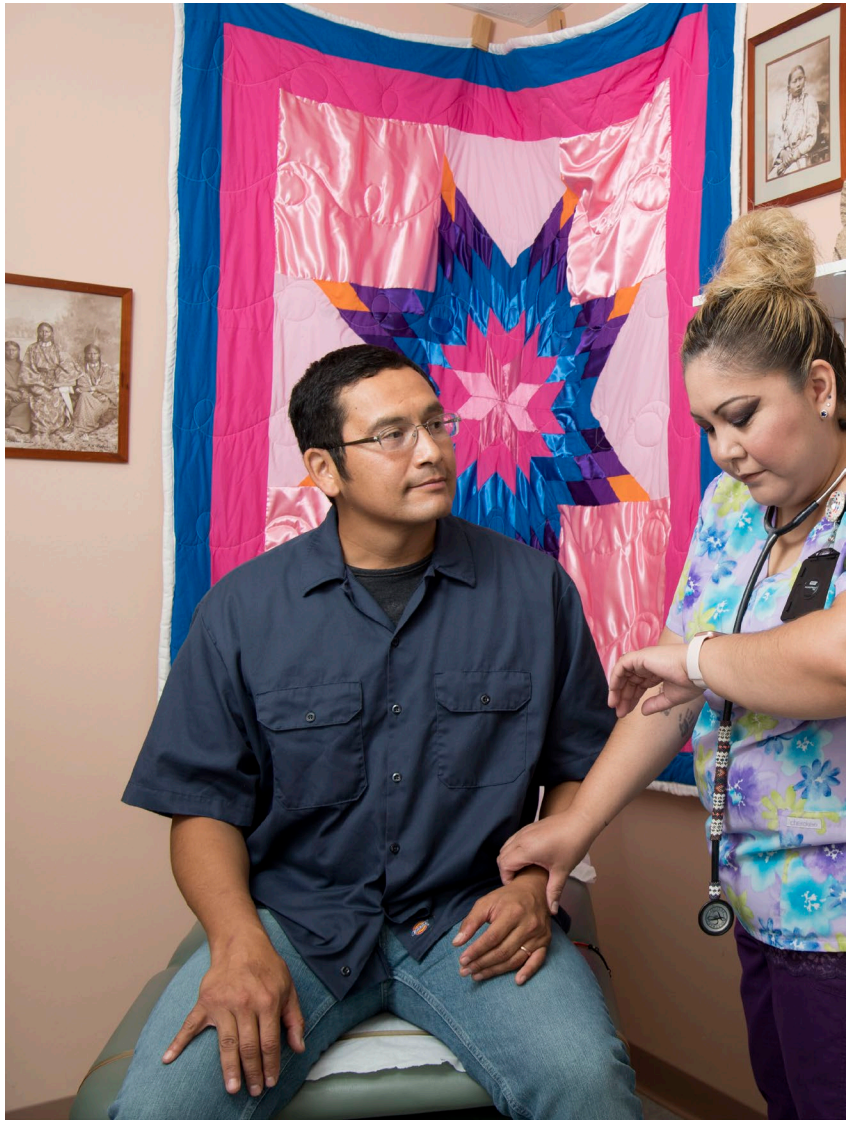
ACQUISITION UPDATE AND RECENT MILESTONES

MITCHELL THORNBRUGH

CHIEF INFORMATION OFFICER

We need your input

1. If there was a modified or updated PSFA structure, what would you want to see differently?
2. What are the new capabilities that we need in a modernized solution and how do we handle them? (e.g., enterprise EHR, archiving, data center, common interoperability framework, protocols for national repositories)
3. How should Urbans be represented in any new models?
4. How should we handle one-time funding vs. recurring?

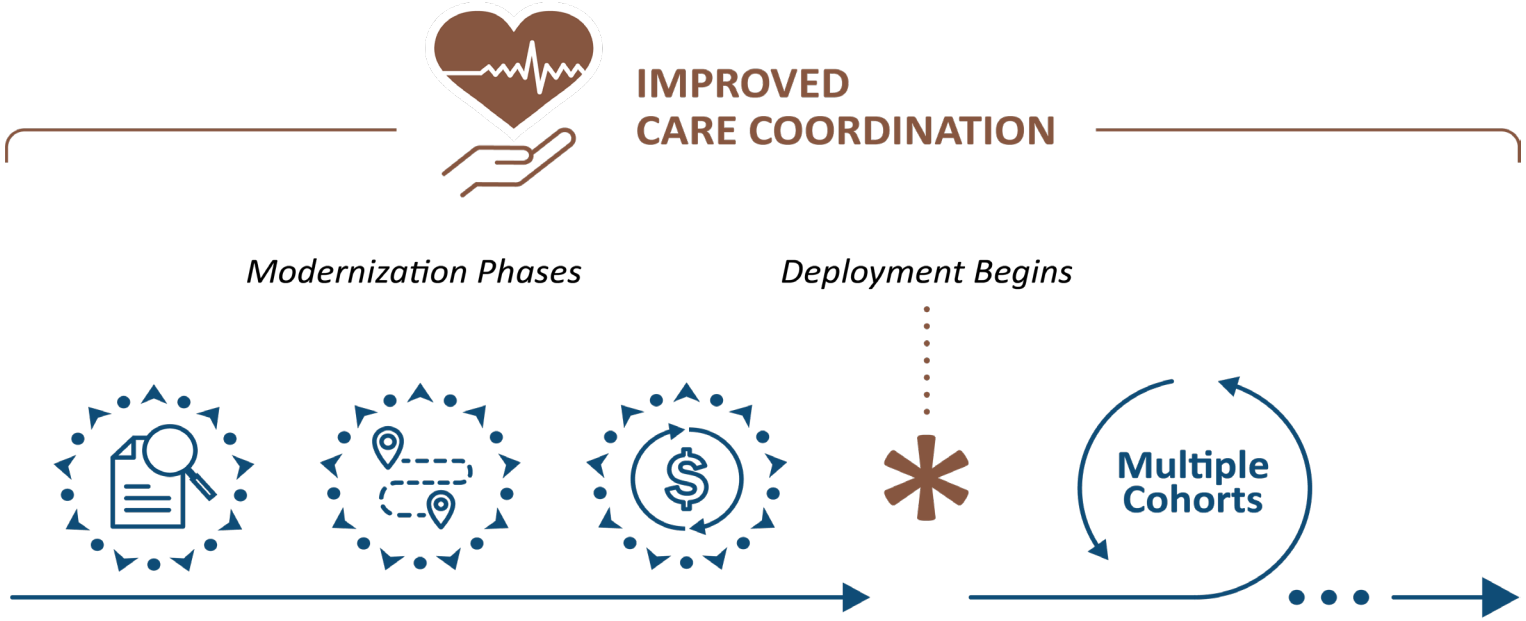


IHS Health IT Modernization Program Summary

- In consultation with Tribes and conferring with Urban Indian Organizations the Indian Health Service (IHS) began a multi-year Health Information Technology (IT) Modernization Program
- At the center of the Program is the replacement of the Resource and Patient Management System (RPMS) with a commercial electronic health record (EHR) solution that meets or exceeds existing capabilities
- The enterprise approach to health information technology will offload the majority of health IT development, minimize technical support burden for facilities, permit focus on system optimization for end-users, and promote standardization and best practices

Enterprise Electronic Health Record Development

The Program will methodically create and deploy the new enterprise EHR solution across Indian Country in collaboration with our partners



RESEARCH

(2018-2019)
Culminated in HHS/IHS Modernization Research Project Report with three modernization approaches to consider

PLAN

(2020-2021)
Collected feedback described in decision memo to replace RPMS and develop acquisition strategy

BUY AND BUILD

(2022-2024)
Established Executive Steering Committee and DHITMO to support acquisitions and begin system build

TRAIN DEPLOY OPERATE

(2025+)
Focus on change management support, local infrastructure and mitigation, user training, and multi-year rollout in cohorts, across I/T/U

Governance Model for IHS Health IT Modernization

Federal Responsibilities

Executive Steering Committee — Establish priorities & guide modernization actions

Program Management Office — Operations, planning, contract management, risk management

Consult and confer in partnership to achieve program outcomes

Partnership to Guide Healthcare Modernization

Communication with all I/T/U partners

- Health IT Implementation Advisory Group
- Interoperability Group
- Data Management & Analytics Group

Routine meetings to achieve program outcomes

Share experience and perspectives

Enterprise Collaboration

Enterprise Collaboration Group*

Sample Domains

- Quality
- Ambulatory Care
- Hospital/ED Services
- Specialty Care
- Behavioral Health
- Revenue Cycle
- Purchased/Referred Care
- Health Information Mgmt.
- Population Health
- Data Analytics
- Patient Engagement
- More . . .

Existing AI/AN Advisory Groups

Legend:

- Step 1 – Federal responsibilities
- Step 2 - Tribal, Urban, and Federal (IHS)
- Step 3 - I/T/U enterprise solution participants*

* Comprising representatives of organizations participating in multi-tenant enterprise solution

Statement of Interest

Opportunity for Tribes and Urban Indian Organizations to formally express interest in participating on the IHS enterprise EHR solution

- The Enterprise Collaboration Group will be comprised of Subject Matter Experts from healthcare organizations participating in the new enterprise EHR
- IHS desires to learn which Tribal and Urban healthcare entities have a likely interest in becoming a tenant on the shared system, so that we can begin to engage with those future users
- IHS has prepared a brief "Statement of Interest" form on which Tribal and Urban healthcare entities can indicate their expected interest in partnering with IHS on the shared enterprise solution
- The Statement of Interest is NON-BINDING, but will serve as a means to connect with likely partners for purposes of system configuration, organizational assessment, and implementation planning
- More information about the Statement of Interest will be provided in a planned Dear Tribal Leader and Urban Indian Organization Leader letter

Contracting Approach

Acquisitions to support IHS Health IT Modernization

Three significant contracts planned for award in FY2023

1) **Program Management Office (PMO) services***
   - PMO contractor will support federal leadership in the Division of Health Information Technology Modernization and Operations (DHITMO) with a broad range of responsibilities throughout the Modernization Program life cycle
   - IHS selected Native American owned Kadiak, LLC to provide PMO support services

2) **Organizational Change Management (OCM) support***
   - OCM contractor will provide expertise to assist DHITMO on the "people" side of change
   - OCM services will be provided by Totem, LLC

3) **Enterprise Electronic Health Record System**
   - EHR solution vendor and technology integrator contract
   - Two-phase evaluation process, Phase 1 completed early FY 2023
   - Phase 2 included EHR Product Demonstrations for I/T/U participants with nearly 700 registered advisors; garnering over 30,000 inputs
   - Final evaluation processes are underway and on track

*These contracts are set-asides for Indian Small Business Economic Enterprises under the authority of the Buy Indian Act

IHS Director's Bi-Weekly Updates for Tribal and Urban Indian Leaders

- This newsletter features content from across the organization that IHS Director Tso thinks is important for Tribal and Urban Indian leaders to know and share with their community

- Sign up at the IHS website to receive the newsletter

- Past issues are in the IHS online newsroom

BUDGET CONTEXT

MITCHELL THORNBRUGH

CHIEF INFORMATION OFFICER

Cost Estimate Based on Life Cycle Cost Estimate Methodology

Health IT Modernization cost estimate is $4.5-$6.2 billion dollars over 10 years across Indian Country

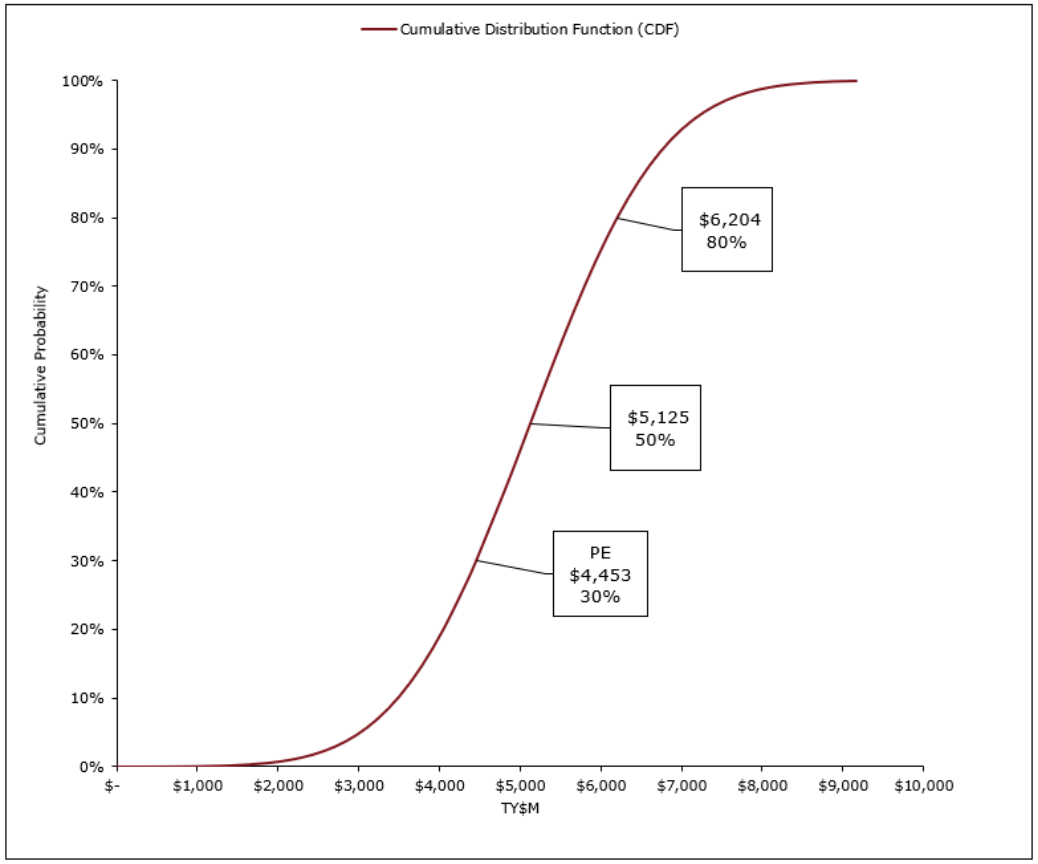
Follows the GAO 12-step cost estimation process and incorporates labor and non-labor categories

Considers the full spectrum of healthcare IT system implementation, including development, modernization, and enhancement costs, plus operations and maintenance costs for multiple fiscal years

Considers both physical and IT infrastructure needs to prepare facilities for the Health IT Modernization solution

- Costs include Program Management Office (PMO) contractor, Organizational Change Management (OCM) contractor, Health IT solution vendor & integrator, Government personnel, and FFRDC partnership
- Costs include development, modernization, and enhancement (DME) and operations & maintenance (O&M)

Cost Risk & Uncertainty



Confidence Levels	Costs (M)
80%	**$6,204**
75%	$5,990
70%	$5,797
65%	$5,619
60%	$5,450
55%	$5,286
50%	**$5,125**
45%	$4,964
40%	$4,800
30% (Point Estimate)	**$4,453**

For this Life Cycle Cost Estimate, it is assumed that the confidence level of the Point Estimate (PE) is 30%; there is a 70% chance that the costs are higher, which aligns with historical data

Life Cycle Cost Estimate Conclusions

- Electronic Health Record System Modernization budget line currently has recurring funding levels of **$217.5M**
- The *average annual LCCE Point Estimate cost is $445M at the 30% confidence level (CL), risk adjusted at the 80% CL to **$620M**
- Additional funding will be required to address the goals of IHS Health IT Modernization

** The average annual cost is based on a 10-year total cost of either $4,453M or $6,204M*

Health IT Modernization Funding to Date

IHS uses one-time and recurring funding to support Health IT Modernization

Recurring Appropriations

- FY2022 appropriations provided a total of **$144.5M** in recurring funding for EHR modernization, an increase of $110M from FY2021
- FY2023 Omnibus Appropriation increased recurring EHR modernization funding to **$217.5M**
- The advance appropriation for FY2024 specifically **excludes** use of funds for EHR modernization

One-Time Funding

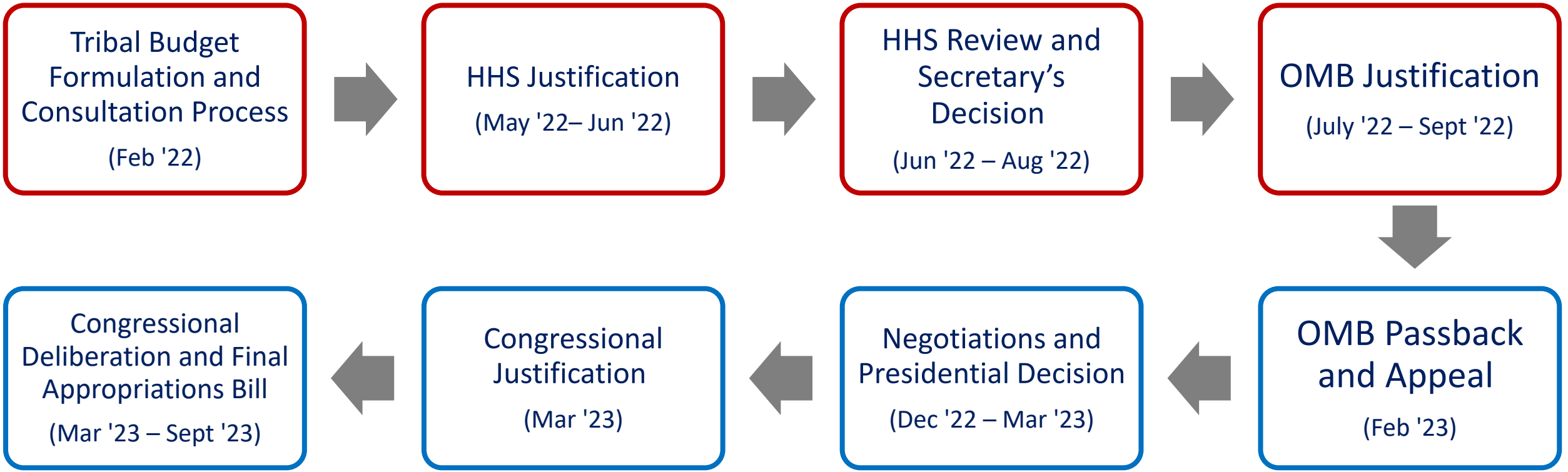
- The CARES Act of 2020 provided **$65M** in one-time funding to accelerate the Program
- The American Rescue Plan Act (ARPA) provided **$70M** of one-time funding in FY2021 for the IHS Electronic Health Record
- IHS also distributed $141M from the CARES Act and ARPA to federal, tribal, and urban sites in FY2021 for telehealth and technology needs

IHS BUDGET FUNDAMENTALS

JILLIAN CURTIS

DIRECTOR OF OFFICE OF FINANCE AND ACCOUNTING (OFA)

IHS Budget Timeline for FY2024 Budget (effective Oct 2023)



Budget Formulation Workgroup Role

The National Tribal Budget Formulation Workgroup provides input and guidance to IHS in matters related to the budget formulation cycle and identifies national priorities, policies, and budget recommendation.

- The workgroup comprises two Tribal representatives from each of the 12 Areas; A **Tribal representative must be an elected/appointed Tribal official**
- **The workgroup meets twice a year at the:**
  - Evaluation/Planning Meeting (July-August TBD)
  - National Tribal Budget Formulation Work Session (February 2024 – TBD)
    - During the National Tribal Budget Formulation Work Session, the Tribal caucus convenes and selects the tribal workgroup Co-Chairs

Advance Appropriations

- For the first time ever, the FY2023 budget includes a total of $5.1 billion in advance appropriations for the Indian Health Service

- This includes almost all programs in the Services and Facilities Accounts

Activities that did not receive advance appropriations include:

- ❑ Electronic Health Record Modernization
- ❑ Indian Health Care Improvement Fund
- ❑ Health Care Facilities Construction
- ❑ Sanitation Facilities Construction
- ❑ Contract Support Costs
- ❑ Section 105(/) Lease Payments

Advance Appropriations *(cont.)*

For programs that received Advance Appropriations, FY2024 funding levels are flat with FY2023

- This means that IHS will have to seek anomalies for any funding needed above that amount during an FY2024 Continuing Resolution

- IHS will likely need to request anomalies for FY2024 Staffing and Operating Costs for Newly Opening Facilities, for example

Status of FY2024 Budget

- The FY2024 Congressional Justification was released March 14, 2023

- IHS has begun discussion with Congress on the FY2024 budget

FY2024 President's Budget Summary

- The FY2024 President's Budget builds on the FY 2024 advance appropriation using a two-pronged approach
- In FY2024, the budget requests $9.7 billion, which is $2.5 billion or 36% above FY2023 enacted
- This includes $8.1 billion in discretionary funding and $1.6 billion in proposed mandatory funding
- The budget proposes to reclassify Contract Support Costs and section 105(l) leases as mandatory

FY2024 President's Budget Summary (cont.)

- Starting in FY2025, the budget requests a mandatory funding formula for the next 9 years, culminating in a total of $44 billion in FY2033, and exempts the IHS from sequestration
- Compared to FY2023 enacted level of $7.1 billion, the FY2033 proposed funding level is an increase of +$36.9 billion or 519%
- This proposal would provide a net total of $192 billion over 10 years for the IHS budget

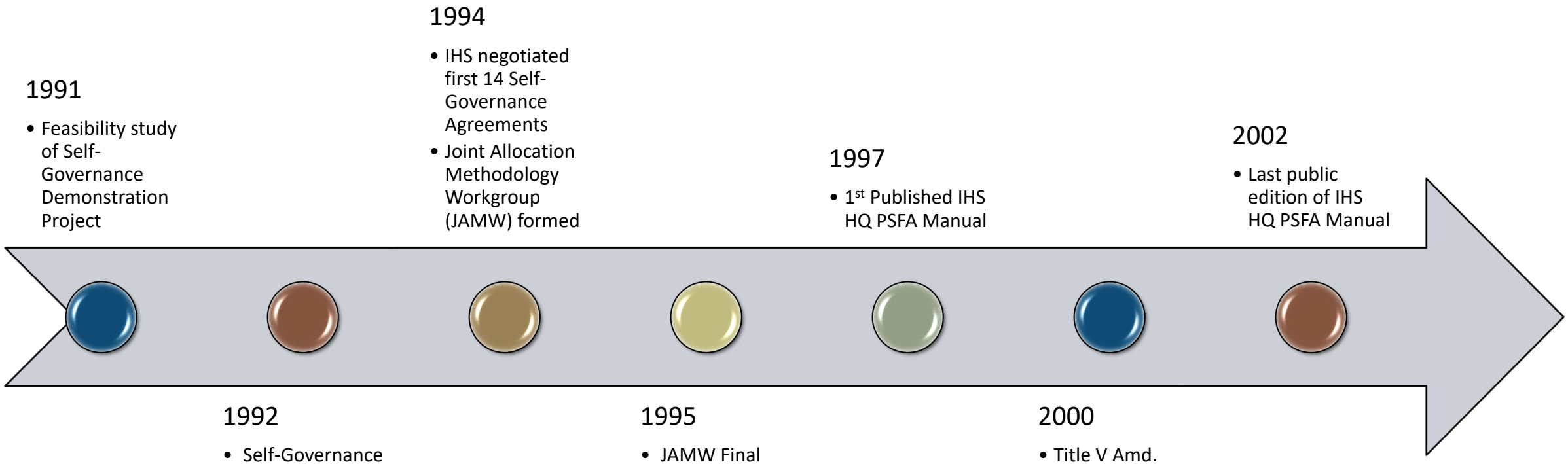
TRIBAL SHARES FUNDAMENTALS

PUBLIC LAW 93-638, INDIAN SELF DETERMINATION AND EDUCATION ASSISTANCE ACT (ISDEAA)

JENNIFER COOPER

DIRECTOR OF OFFICE OF TRIBAL SELF-GOVERNANCE (OTSG)

History of IHS Tribal Shares



Key Concepts

Activities IHS carries out

Associated funds

Programs, Services, Functions, and Activities (PSFAs)

Associated

Tribal Share

Means programs, services, functions, and activities (or portions thereof) that IHS carries out that an Indian Tribe may elect to carry out through a contract or compact

Means the associated portion of funds used by IHS to carry out the PSFAs to be contracted

Inherent Federal Function

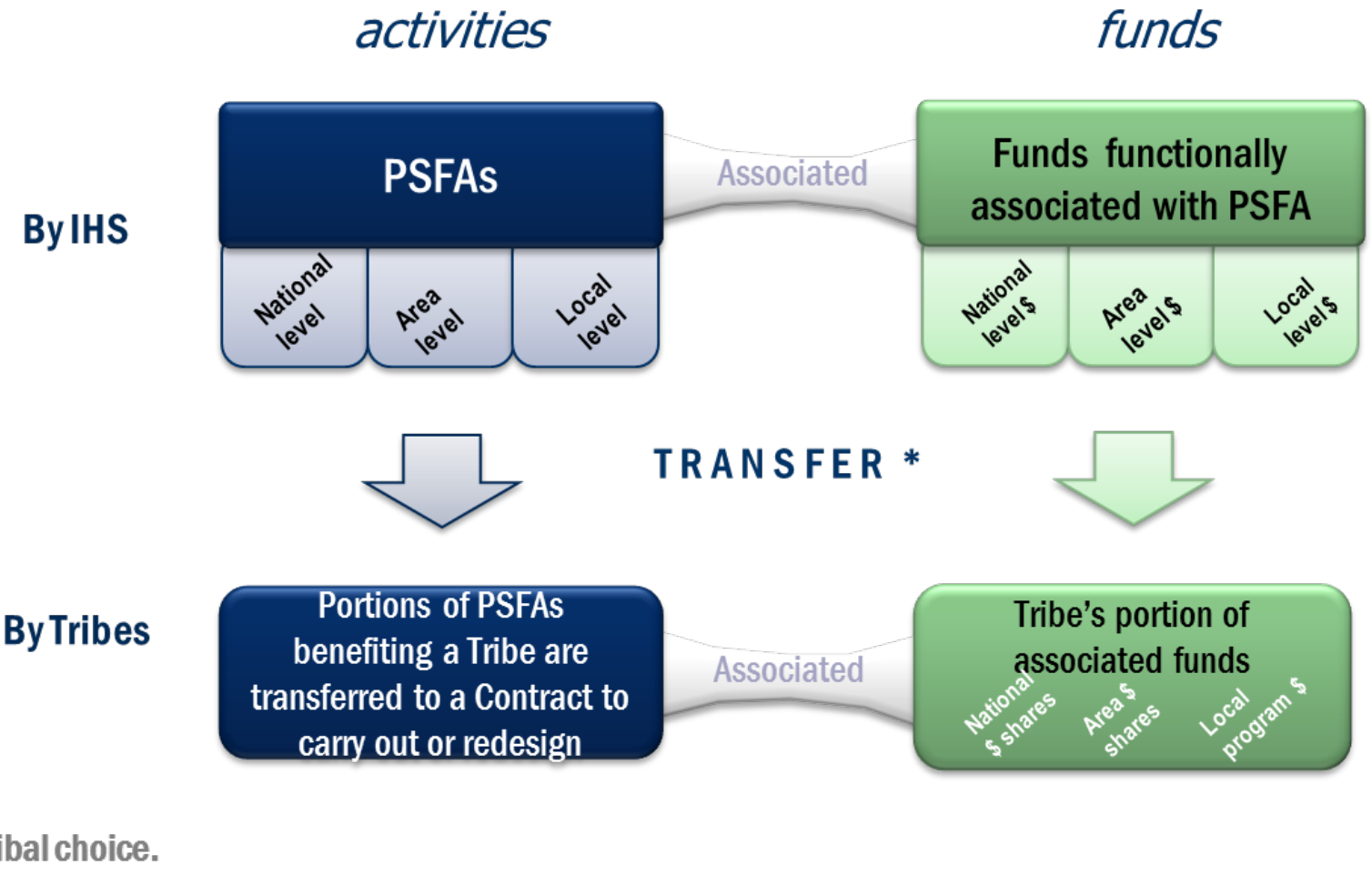
Associated

Residual

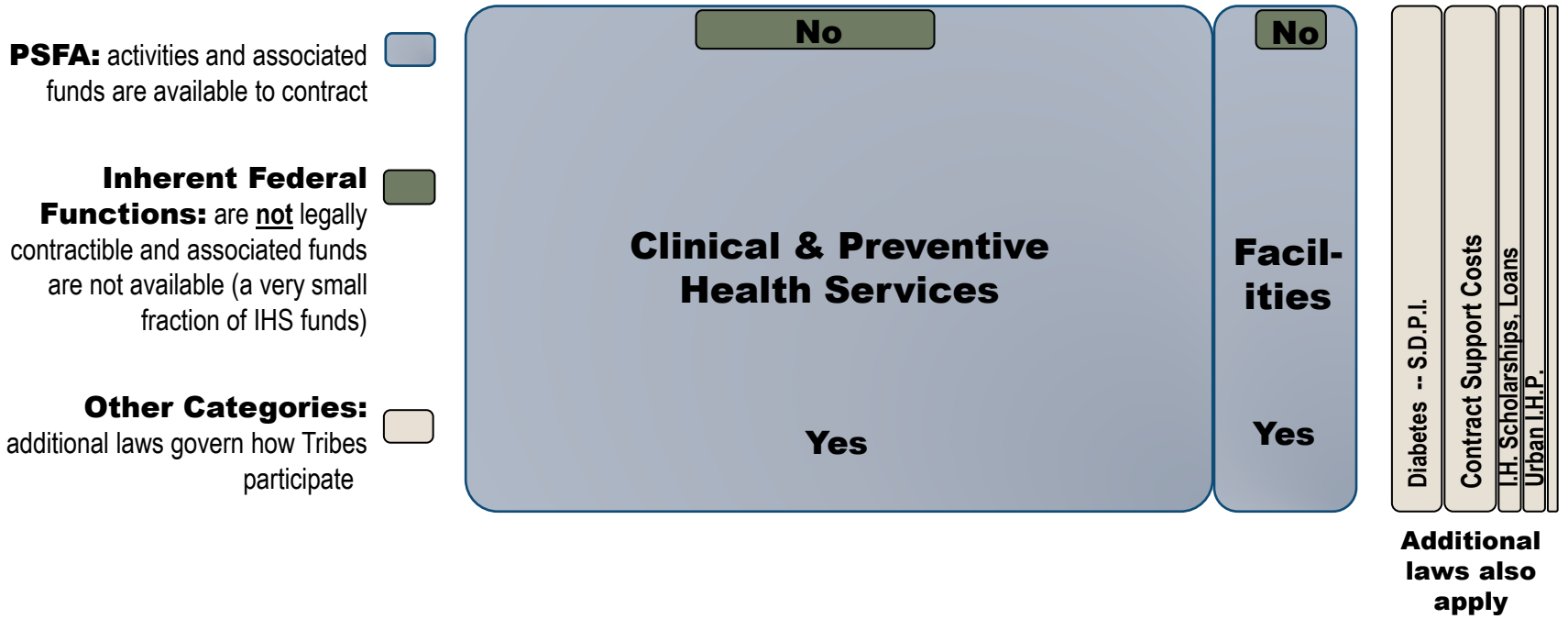
Means those governmental functions that only IHS must perform that cannot legally be delegated to Tribes

Means associated portion of funds used by IHS to carry out remaining inherent Federal functions when all other PSFAs are contracted

ISDEAA – Permits Transfer from IHS to Tribes



* A Tribal choice.



Figures are suggestive of the proportions of the IHS budget.

Transferrable Categories of PSFA

Extent of Self-Determination Contracts – Current and Hypothetical

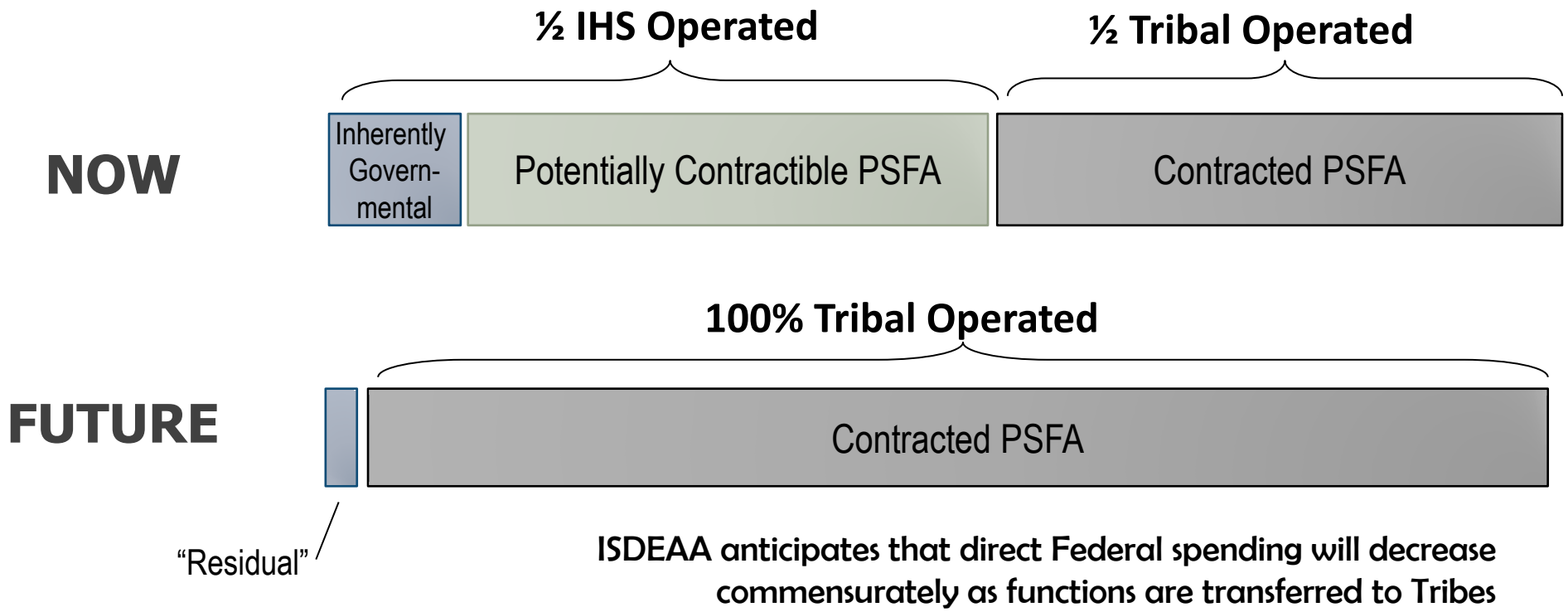
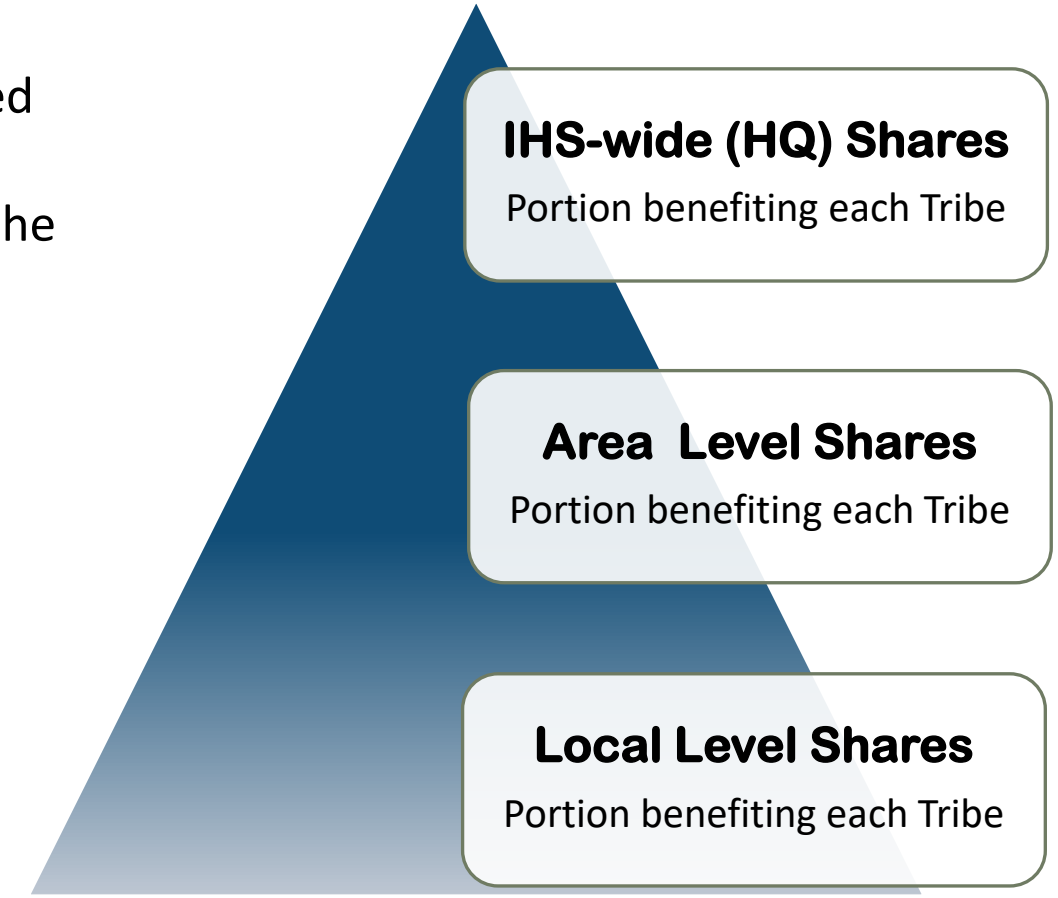


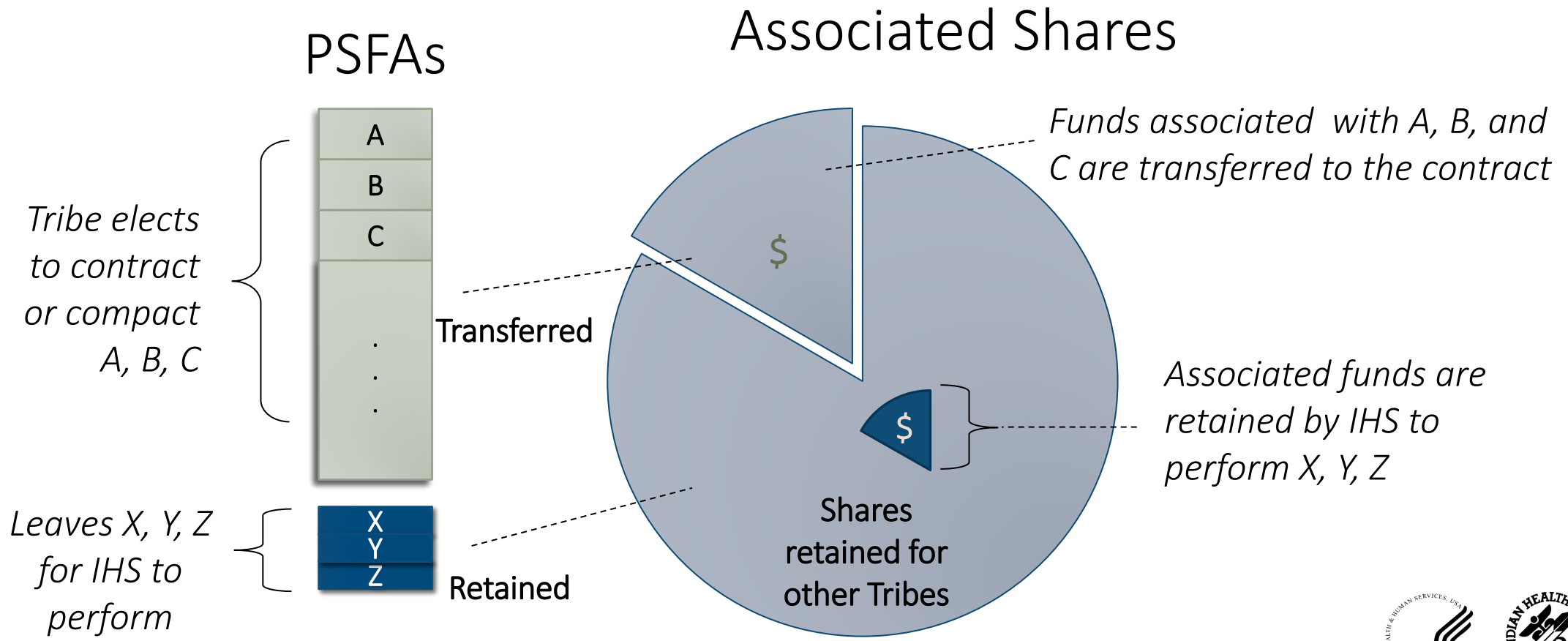
*Illustration only, bar scale is hypothetical

PSFAs & Tribal Shares

PSFAs and associated funds are available from all 3 levels of the IHS. Location and dispersion does not affect amounts available for contract.



“Transferred” vs. “Retained”



FUNDING FORMULAS

How Are Tribal Shares Determined?

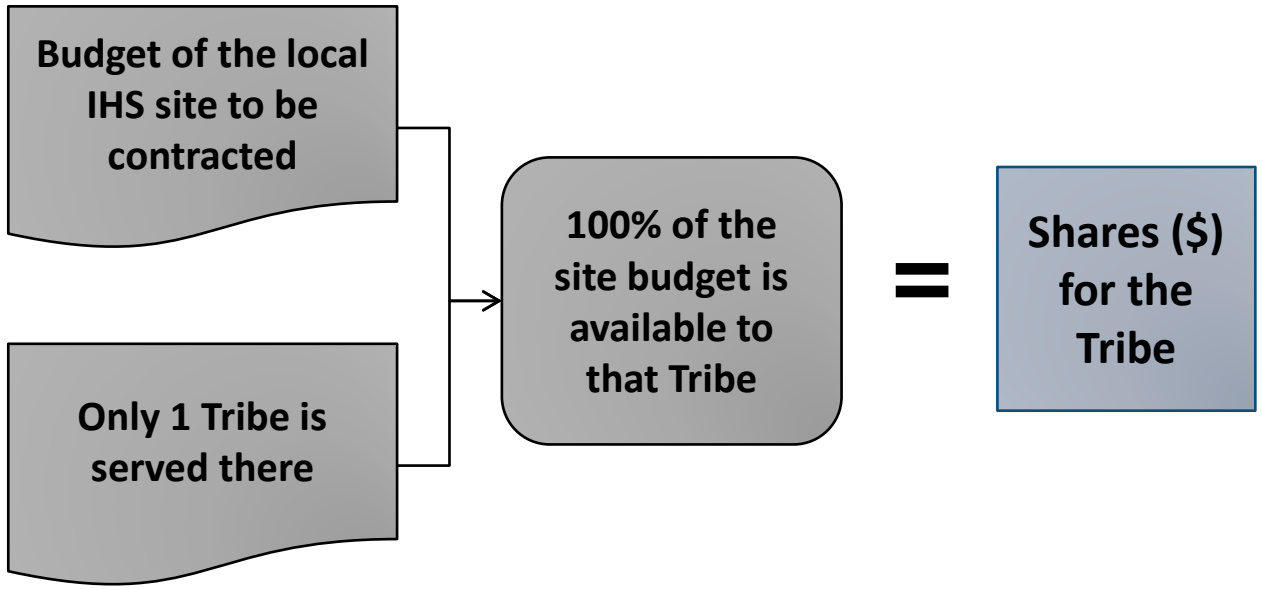
Direct Financial Measures: Shares are precisely determined when financial accounts record actual spending for PSFAs for a Tribe, e.g. IHS funds at a local site serving 1 Tribe.

Program Measures: Shares may be calculated in proportion to workloads, services, or patient counts for each Tribe. These formulas are most common for PSFAs associated with the Office of Environmental Health and Engineering.

Proxy Formula: A proxy formula calculates shares in proportion to indirect measures such as user counts, number of Tribes, or other general distributive factors. Most HQ PSFAs.

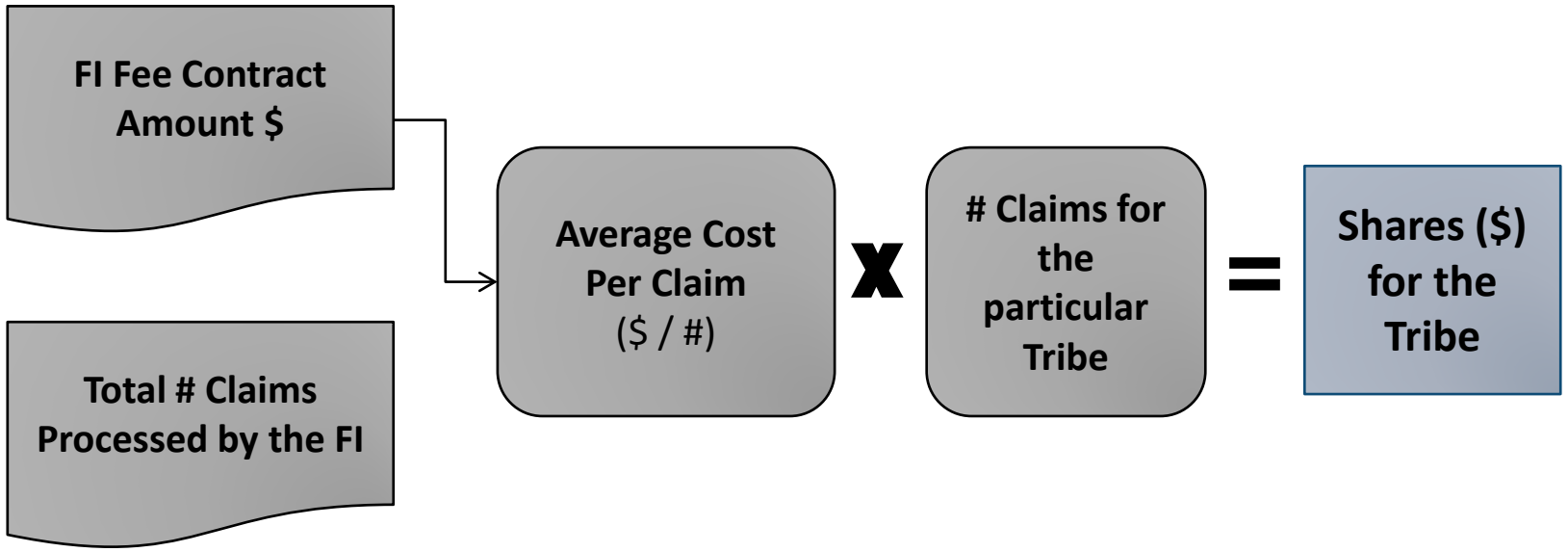
Direct Financial Measure Example: 1 IHS Site Serving Only 1 Tribe

When financial accounts record IHS expenditures for a program serving only 1 Tribe, the process to identify that Tribe's shares is straightforward. The entire amount may be labeled "shares" and 100% are available when the Tribe contracts the program.



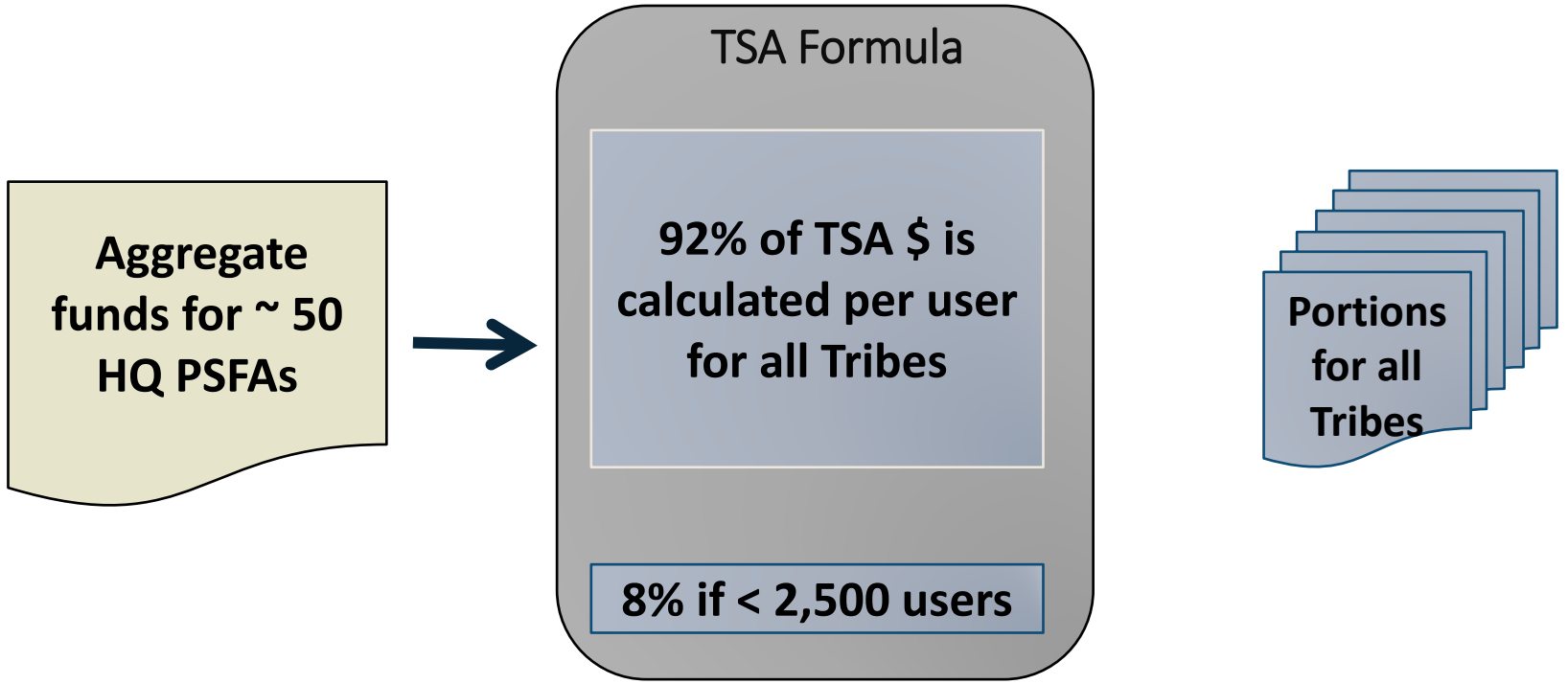
Program Measure Formula Example: Fiscal Intermediary (FI) PSFA (IHS-wide)

The FI processes claims for IHS operated Purchased/Referred Care (PRC) programs. The FI is paid a fee per claim processed. A Tribe can contract for this function. Shares associated with the PRC FI are proportional to the claims workload.

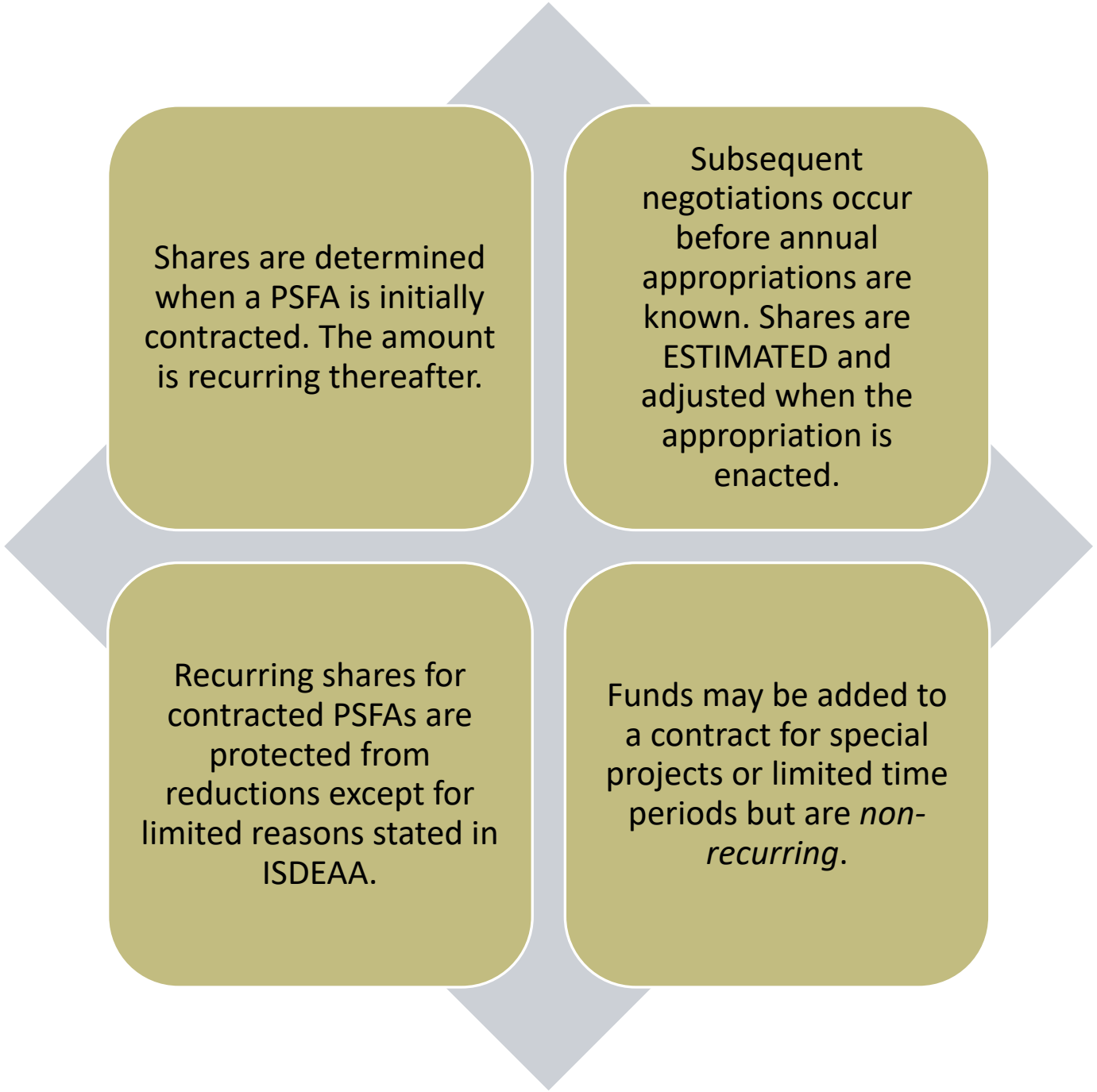


Proxy Formula Example: Tribal Size Adjustment Formula

- Most of HQ PSFAs collectively benefit more than 574 Tribes.
- The TSA formula calculates a dollar benefit for all Tribes in proportion to Tribal user counts.



Protections for Tribal Shares

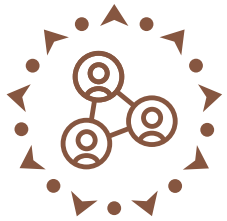


OIT Programs, Services, Functions & Activities

The IHS identified 4 major Headquarters-level IT functions in the 1990s

National Database Services

Maintain/Manage Central Databases
Process National Applications
Provide Workload/Statistical Info (Outputs)
Provide Technical Assistance & Problem Resolution

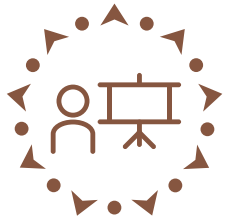


Telecommunications Management Services

Provide Telecommunications Network
Provide for Data Movement
Provide Technical Assistance and Problem Resolution

Software Development & Maintenance Services

RPMS Applications Related Support
Software Upgrades/Patches Distribution
Operating System Related Support
Software Licenses Coordination



System Support & Training Services

Support Distributed Application Systems
Provide Technical Support and Training

The Office of Information Technology has 3 headquarters budget line items that fund the management of Tier III of the IT structure at the IHS: 126, 137, and 16.4% of 1301

TECHNOLOGY BUSINESS MANAGEMENT TAXONOMY

PHIL WISE

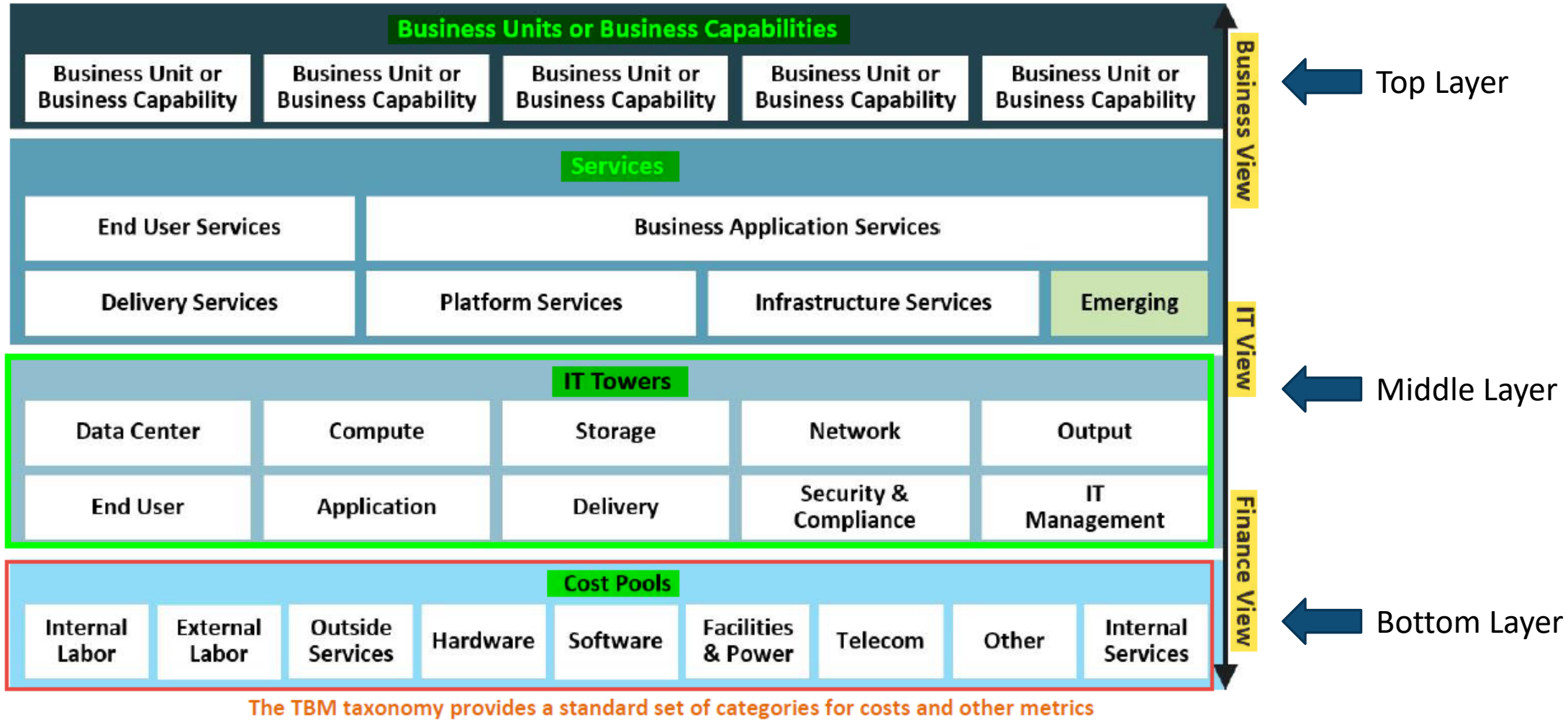
DIRECTOR, DIVISION OF PROGRAM MANAGEMENT & BUDGET

What Is Technology Business Management (TBM)?

TBM provides a standard taxonomy to describe cost sources, technologies, IT resources (towers), and solutions and is required by Federal IT Acquisition Reform Act

- OMB adopted TBM Council Taxonomy to standardize IT budget development and tracking
- TBM utilizes a layered perspective:
  - Top Layer: Business View –> Business Capabilities
  - Middle Layer: IT View –> IT Towers (standard investments)
  - Bottom Layer: Finance View –> Cost Pools
    - Cost Pools are in large part analogous to Budget Object Class Code families and enable cost rollup for all IT spend

IT Budget Taxonomy Standardization



The TBM taxonomy provides a standard set of categories for costs and other metrics

Storage	**Centralized data storage for application programs and code, databases, files, media, email, and many other forms of information. Excludes internal storage included with a typical server configuration or end-user device such as a laptop, desktop or mobile phone, or tablet.**	
	Online Storage	Central storage such as SAN, NAS and similar technologies for the distributed compute infrastructure; includes the equipment, software, and labor to run and operate. Optional Level 3 categories include: On-Premises, Public Cloud Storage.
	Offline Storage	Offline storage resources used for archive, backup & recovery to support data loss, data corruption, disaster recovery and compliance requirements of the distributed storage.
	Mainframe Online Storage	Mainframe attached storage arrays and the associated equipment, software, and labor to run and operate.
	Mainframe Offline Storage	Any storage resources used for archive, backup & recovery to support data loss, data corruption, disaster recovery and compliance requirements of the mainframe storage.

TBM Tower/Sub-Tower Example

Benefits of TBM

- TBM allows an apples-to-apples comparison of IT spend across different business components of an agency or even between agencies
- TBM Towers and Sub-Towers facilitate Category Management by providing groupings of similar IT spend

We Need Your Input... part 2

1. If there was a modified or updated PSFA structure, what would you want to see differently?
2. What are the new capabilities that we need in a modernized solution and how do we handle them? (e.g., enterprise EHR, archiving, data center, common interoperability framework, protocols for national repositories)
3. How should Urbans be represented in any new models?
4. How should we handle one-time funding vs. recurring?

We Want to Hear from You

Please submit comments on Health IT Modernization following the session and before **June 10, 2023**

Email or copy:

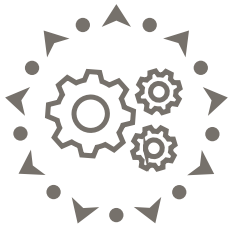
consultation@ihs.gov or urbanconfer@ihs.gov

SUBJECT LINE: **Health IT Modernization TC/UC**

Invitation to Participate in Focus Groups

Interoperability Group

Responsible for reviewing and suggesting strategies, operational requirements, clinical practice standards, and performance measures that inform the interoperability solution design and project planning



Data Management & Analytics Group

Responsible for reviewing and suggesting strategies that support effective data use, security and privacy controls, and standards

Implementation Group

Responsible for helping IHS understand the lessons learned, challenges, and strategies used by other federal agencies, Tribes, and Urban Indian Organizations to modernize their health IT capabilities

Subject matter experts from I/T/U organizations can email Modernization@ihs.gov to volunteer for a focus group of interest

Submit name, title, credentials, organization represented, email address, and focus group(s) they would like to support

Focus groups will be activated after the RFP award announcement

Vendors cannot participate

In Closing

Today's slides will be posted at
https://www.ihs.gov/newsroom/triballeaderletters/
https://www.ihs.gov/newsroom/urbanleaderletters/

Sign up for Modernization@ihs.gov
to receive future announcements and invitations

Next Tribal Consult/Urban Confer: IHS Health Information Technology Modernization Leaders Engaging in Governance
Date: August 2, 1:30-3:00 ET

Thank you

Stay informed on the Health IT Modernization Program at www.IHS.gov/HIT

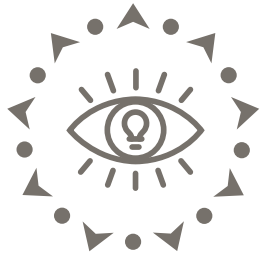
Email or copy:

consultation@ihs.gov or urbanconfer@ihs.gov

SUBJECT LINE: **Health IT Modernization TC/UC**

IHS Mission

To raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level



IHS Vision

Build healthy communities and quality health care systems through strong partnerships and culturally responsive practices

Health IT Modernization Tribal/Urban Engagement

- **January – February 2023 –** Product demonstrations hosted, 5 clinical scenarios each
- **March 2023 –** Tribal Consultation and Urban Confer session on preparing for change and program milestones
- **February 2023 -** DTLL/DUIOLL announcing registration for four Tribal Consultations and Urban Confers in 2023
- **December 2022 –** DTLL/DUIOLL published announcement for Modernization Product Demonstration Sessions beginning in late January
- **November 2022** – Tribal Consultation and Urban Confer session on lessons learned from the commercial EHR implementations at the Muscogee Creek Nation Department of Health, American Indian Health & Services Santa Barbara Urban Program, and Alaska Native Tribal Health Consortium
- **August 2022** – DTLL/DUIOLL published announcing the release of a Request for Proposals seeking commercial products to replace the Resource and Patient Management System (RPMS)
- **August 2022** – Tribal Consultation and Urban Confer session about the Program's data management strategy and focus group participation
- **July 2022 –** DTLL/DUIOLL invitation to participate in conversations around the effectiveness of current engagement efforts in the Health IT Modernization Program and provide insight to support continued engagement with partners
- **May 2022** – Tribal Consultation and Urban Confer session around the Modernization Program's governance approach, effective IT governance, and promotion of focus groups for I/T/U clinical and technical SMEs
- **March 2022** - Tribal Consultation and Urban Confer session around the benefits of the EHR Modernization Program, Program trajectory, and acquisition strategy
- **February 2022** – DTLL/DUIOLL announcing a series of upcoming Tribal Consultation/Urban Confer sessions around the Health IT Modernization, in particular Program updates, opportunities for participation, and next steps
- **August 2021 –** DTLL/DUIOLL announcing Program updates and asking for written feedback to the RFI containing the Statement of Objectives
- **May 2021** – DTLL/DUIOLL announcing a data call to inform Tribal Health Programs and Urban Indian Organizations' experiences with electronic health record acquisitions and costs
- **April 2021** – DTLL/DUIOLL announcing IHS decision for full replacement of the Resource and Patient Management System after significant tribal and urban engagement and input
- **December 2020** – DTLL/DUIOLL announcing Listening Sessions for input on next steps in the Health IT Modernization
- **November 2019** – DTLL/DUIOLL announcing the Strategic Options for the Modernization of the Indian Health Service Health Information Technology Roadmap Executive Summary and Strategic Options for the Modernization of the Indian Health Service Health Information Technology Final Report
- **October 2018** – DTLL/DUIOLL announcing the IHS Health IT Research Project and first steps in evaluation options in modernizing Health IT
- **July 2017** – DTLL/DUIOLL announcing two additional listening sessions for further input and recommendations around how to best modernize the RPMS EHR
- **June 2017** – DTLL/DUIOLL announcing two listening sessions for input and recommendations around approaches to modernize the RPMS EHR

Several independent reviews identified **opportunities** for Health IT to improve AI/AN patient care

- The U.S. Government Accountability Office Report 19-471 listed RPMS as a "critical federal legacy system in need of modernization"
- Two U.S. Department of Health and Human Services Office of Inspector General reports cited deficiencies (A-18-16-30540 and A-18-17-11400)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