

wnyhealthenet

WNYHealth^eNet, LLC

A Collaborative Administrative Transaction Network Model

presented to:

AHRQ Patient Safety and Health IT Conference

Successful Implementation and Sustainability

June 5, 2006

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www.wnyhealthenet.org

Presentation Topics

What / Who is WNYHealth^eNet?

Why was WNYHealth^eNet formed / Benefits?

Guiding Principles

Workgroups

Accomplishments

Funding Requirements / Cost Savings

Lessons Learned

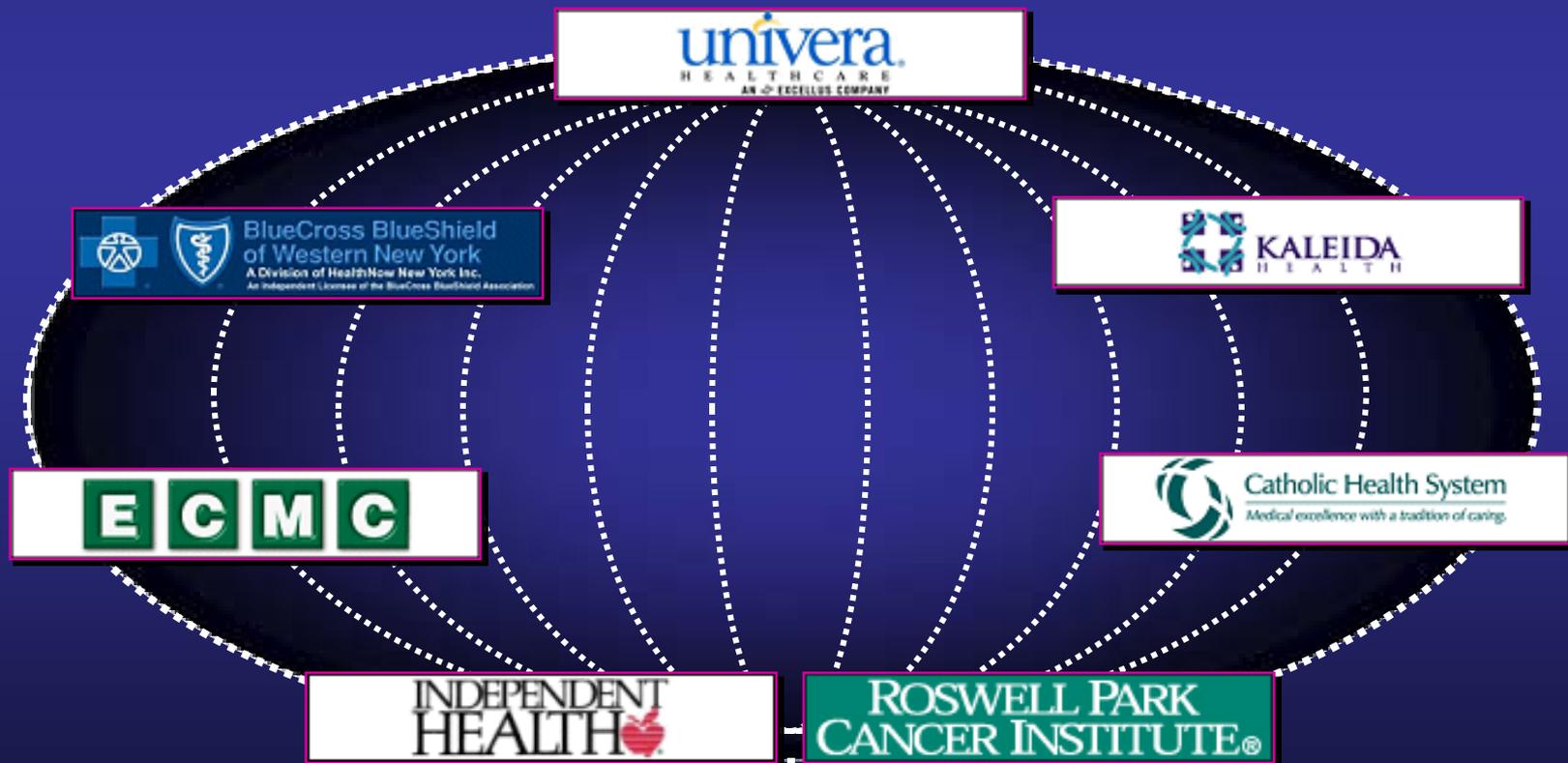
Next Steps

What is WNYHealth^eNet?

A consortium whose members studied the feasibility of jointly developing a community-wide approach to addressing compliance with Title II of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Electronic Transactions

Who is WNYHealth^eNet? Community Healthcare Partnership



Why did we form a consortium?

- Opportunity to collaborate to achieve regulatory compliance
- All healthcare entities have to be compliant
- For an accelerated role through a collaborative approach to HIPAA
- Leverage existing network connectivity
- Lowers development & operating costs through shared resources

Protect
Patient
Information



Benefits

- **Creates a community culture which values cooperation**
- **Develop a technical model with open access**
- **Address needs of:**
 - *Consortium members*
 - *Independent physicians*
 - *Members of physician practice plans in WNY Community*

Benefits

- Avoids vendor “click fees” (cost per transaction)
- Coordinates implementation with common community-wide standards
- Gain significant business value from transactions by utilizing MORE than just the minimum elements
- Provides the technical infrastructure and forum for future initiatives
- Increase utilization of communications ring that exists between local payers & providers.

Guiding Principles

- **Equal Shared Funding (To Date)**
- **No data stored at any site**
- **No operations run by any member**
- **Equal Voting - Consensus if possible**
- **Must be HIPAA Compliant**
- **Must be used for non-competitive, commodity type functionality**

Project should benefit broader community (free for community providers)

WNYHealth^eNet Consortium Workgroups

- **Steering Committee (7 CIO's)**
- **Legal & Governance Team**
- **Network, Security & Authentication Team**
- **Web Development & Provider Relations Team**
- **Transaction Workgroup**
- **Communications & Funding Team**
- **Finance Team**
- **Productions & Operations Team**

Accomplishments

- Created governance structure, operational agreements, user licensing & confidentiality agreements
- Selected & assembled working teams that represent needs of each entity. Contracted web development firm.
- Secured network connection with all members & service agency of the consortium
- MSP (managed care service provider) contracted to provide hosting and helpdesk services
- Recognized nationally, in 2003 by Astra Zeneca, as one of three top cooperative healthcare IT communities
- Expanded payor offering to include Fidelis Care New York™ (a New York-based Medicaid HMO)
- Recognized by InfoTech Niagara 2006 as the outstanding leader in healthcare achievement in the Greater Buffalo/Niagara region

Accomplishments

- **Contracted Project Manager**
- **Implemented 270/271 eligibility transaction - web, batch & system to system (Includes NYS Medicaid, Medicare – WIP)**
- **Implemented 276/277 claim status inquiry & response transaction - web**
- **Implemented 278 Referral inquiry & response, Authorization inquiry & response, Referral request & response transactions- web (Included NYS Medicaid)**
- **Completed community standard for 837 & 835 Institutional & Professional claim / remit guides**
- **Since inception in June 2002: 50+ million transactions and 20,000 users across Upstate NY.**

FUNDING REQUIREMENTS

Capital Expenditures (each Member):

**Feasibility
Study**

\$34,000

Member Development and Operational Expenditures:

2001 Member Contributions

\$ 98,000

**Approximate Annual Member
Contributions: 2002, 2003, 2004,
2005, Projected 2006**

\$200,000

PROJECTED COST SAVINGS

Expected annual savings, once all transactions are in place:

\$3.1

million per year for the payers collectively

+ \$3.2

million for the providers collectively

= \$6.3

million / year for WNY healthcare community!

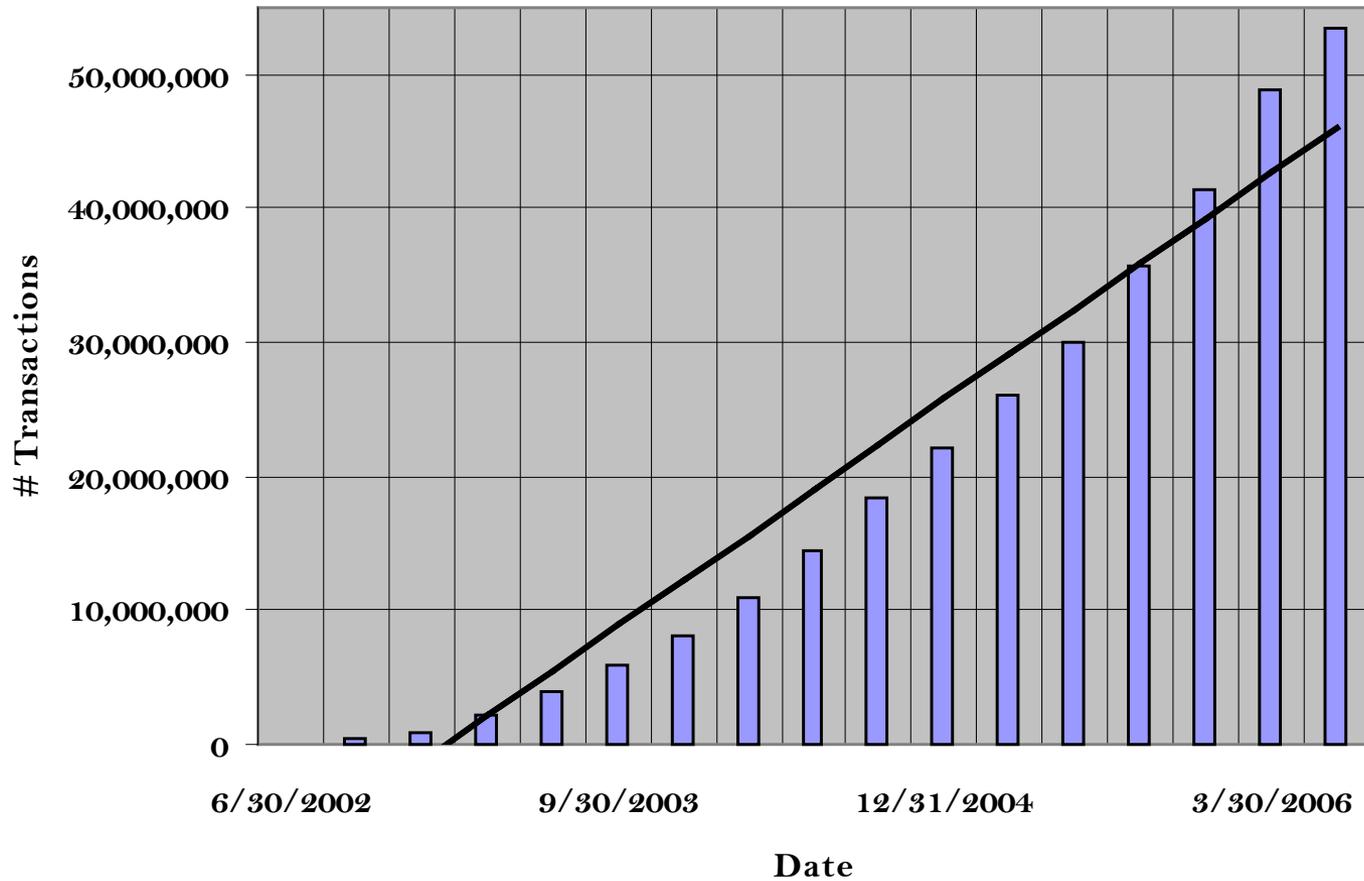
ESTIMATED ANNUAL COST SAVINGS*

A Click-fee based comparison:

\$.30	National average processing charge per transaction
<u>\$.04</u>	WNYHealthNet processing charge per transaction. (Based upon operating contributions from members since 6-10-2002 go-live)
\$.26	Difference in average processing charge per transaction
50,000,000	Total number of transactions processed on www.wnyhealthenet.org since 6-10-2002
\$13,000,000	Estimated Cost Savings for the 4 year period
\$3,250,000	Estimated Annual Cost Savings per year for the 4 year period

* - Does not include any member-based ROI

WNYHealthNet, LLC Transaction History Report for the period 6-10-02 through 5-22-06



Lessons Learned

- Always return to core motivations overarching objectives
- Work for consensus, but vote if you must
- Create an opportunity for an early success
- Promote the program by appealing to convenience, privacy & security
- Prepare to grapple with ambiguity
- Maximize the benefit of steering & other committees
- Develop responsive structures
- Give an objective party the role of project manager
- Know the bounds of the project manager's role
- Empower your work teams & embrace their recommendations

Next Steps

- **Continue working with community to collaborate on initiatives to share information which reduce cost of care and improve care quality throughout Upstate New York, both administratively & clinically**
- **Continue to pursue and apply for grant funding to further clinical initiatives (EMR) and fund operations**
- **Structure next phase of a communications strategy to effectively represent the positive impact that WNYHealthNet has had in the Upstate New York healthcare community**

AHRQ Planning Grant



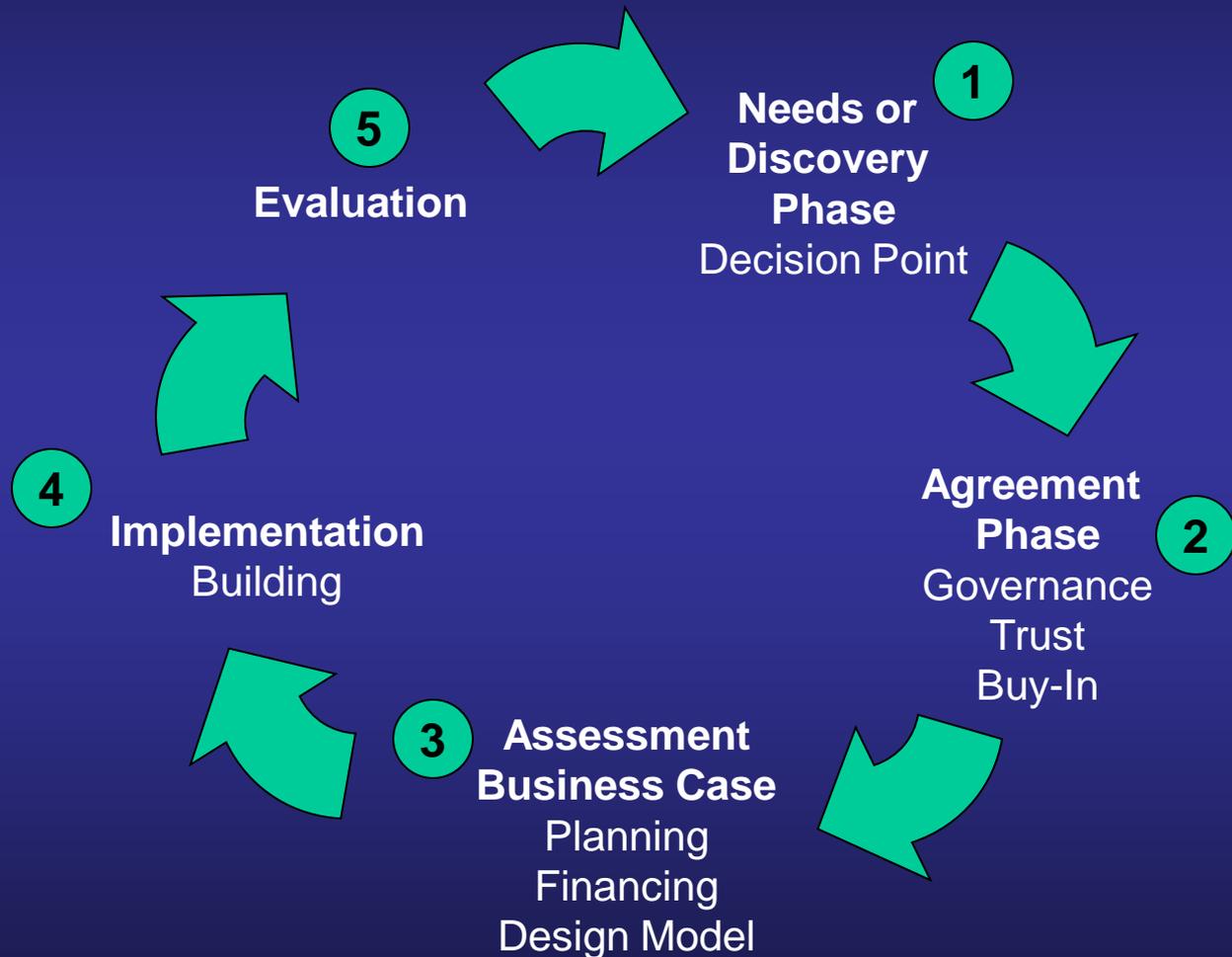
WNYCHIP
WESTERN NEW YORK COOPERATIVE
HEALTH INFORMATION PORTAL

Presented by: Susan D. Scamurra

Project Manager, AHRQ Planning Grant

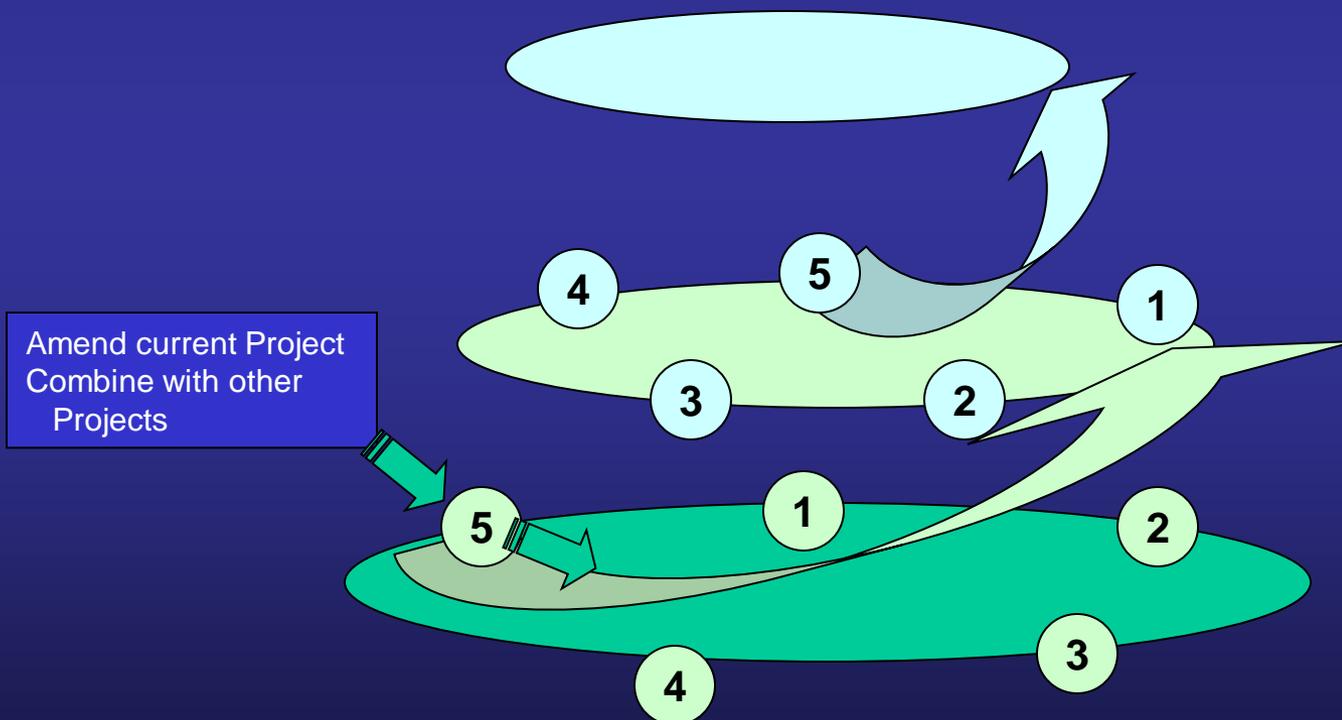
www.wnychip.org

Model Used for AHRQ Planning Grant



AHRQ Planning Grant

Expanding the process (process improvement)



AHRQ Planning Grant

Lessons Learned

- Each HIT project is unique
- Unique on-going process for each
- Keep vision and goals in forefront
- Strong foundation
- Continually leverage projects and
- Assess for synergy and best fit
- Communication, communication, communication