

**Delaware Health Information Network  
Board of Directors**

**Wednesday, January 25, 2017  
2:00 p.m. - 4:00 p.m.**

**Christiana Care Corporate Data Center  
One Reads Way  
New Castle, DE 19720**

**Meeting Minutes**

**CALL TO ORDER:**

Board Chair Randy Gaboriault called the meeting to order at 2:04 p.m.

**October 19, 2016 MEETING MINUTES:**

Bill Kirk moved to accept the meeting minutes of the October 19, 2016 DHIN Board of Directors' meeting as presented. Meredith Stewart-Tweedie seconded the motion. Minutes were unanimously approved.

**COMMITTEE STATUS REPORTS:**

Executive Committee: The Executive Committee met on December 8<sup>th</sup>. Revision of the DHIN By-Laws were reviewed by the Committee and be will presented for final approval to the Board of Directors at the January meeting.

Meredith Stewart-Tweedie reviewed the DHIN By-Law revisions with the Board of Directors and motioned for approval as presented. Bill Kirk seconded the motion. Revision of DHIN By-Laws were unanimously approved.

Finance Committee: The Finance Committee met by conference call on January 20<sup>th</sup>. Items of discussion:

- Annual Financial Audit by Belfint Lyons Shulman
- Discussion of December 2016 of P&L and Financial Reports
- Discussion of Mid-Year Reforecast

Christina Bell and Jonathan Moll of Belfint Lyons Shulman presented the DHIN Board of Directors with the scope/results of their testing of internal control and compliance (see attached).

Steve Saville motioned for approval of the DHIN Financial Statement and Independent Auditors Report for June 30, 2016 and 2015 as presented by Belfint Lyons Shuman. Dr. Steinberg seconded the motion. Financial Statements and Auditors Report for 2015/2016 were unanimously approved.

Steve Saville motioned for approval of the DHIN quarterly statements and Mid-Year Reforecast as presented. Dr. Hawtof seconded the motion. DHIN's quarterly statement and Mid-Year Reforecast were unanimously approved.

**ACTION ITEM:**

October 19, 2016 Board of Directors Meeting minutes were unanimously approved.

**ACTION ITEM:**

Revision of DHIN's By-Laws were unanimously approved.

**ACTION ITEM:**

Financial Statement and Auditors Report for June 30, 2016 and 2015 were unanimously approved.

**ACTION ITEM:**

DHIN's quarterly statement and Mid-Year Reforecast were unanimously approved.

## **MANAGEMENT REPORTS:**

### **Financial Report**

Statement of Cash Flows: Mike Sims presented DHIN's financial statements for December 2016 and noted that DHIN's cash balance decreased in the first quarter of FY2017 due to the payment of over \$600K in accounts payable. Included in those payables were funds to Gartner for its strategic planning and architecture assessment projects, payment of performance incentives to DHIN staff, as well as payment of accrued monthly vendor expenses. Accounts Receivable balance shows that DHIN issued an invoice for \$1M to Highmark for its annual contribution, and payment has not yet been received.

As previously discussed, one of the Medicaid Managed Care Organizations is severely delinquent in its payments; DHIN has been collaborating with Medicaid to resolve the situation and as a result, the State's Medicaid Managed Care Unit is working to help resolve the situation.

In addition, \$173K in receivables were due from ONC for incurred expenses, which have since been collected. DHIN currently has \$5.6M in cash on hand.

Profit & Loss: Mike Sims presented an overview of DHIN's new P&L layout, which is consistent with the direction of DHIN's new five-year strategic plan. Mike noted that DHIN's Operating Revenue was right on target; and that for Non-Operating Revenue, grant revenue consists of reimbursement of our incurred grant expenses. DHIN's grant expenses are below plan due to savings as DHIN was able to create its own reporting related to the ONC grant, a delay in implementing the grant funded Provider Directory, stakeholder surveys, the Personal Health Record (PHR) project, and the analytics platform.

DHIN also continues to realize savings in its CCD efforts through effective architecture. DHIN posted a profit of \$339K in the first quarter.

DHIN's balance sheet position remains strong and has ended the quarter at \$7.5M in reserves, which puts DHIN in a position to move forward with investments as outlined in DHIN's strategic plan.

### **CEO Update**

#### **FY17 GOALS:**

##### **Successfully Execute Grant Outcomes and Spend Down:**

DHIN is currently below target with our spend down due to the Medicity Upgrade. In addition, several items for the grant have come in substantially lower in cost than we originally projected. The ONC Grant Officer was on site in December and very pleased with DHIN's progress in executing the grant.

One of DHIN's target groups is the Long Term and Post-Acute Care Communities. Progress has been extremely slow and there has been little/no traction in engaging these organizations. ONC has given DHIN permission for a scope change in the grant that will reflect the fact that we will not be able to accomplish all items we originally set out to do. DHIN will continue to engage the LTPAC communities to the extent they are prepared to do so.

DHIN has exceeded goals for both ENS and CCD exchange, and use of the Scorecard. Currently 104 practices are sending CCDs at the conclusion of each encounter and all are displaying in the community health record.

A part of our supplemental grant, we are focusing on the on-boarding of additional organizations to send ADTs and emphasizing inter-state exchange; DHIN continues onboarding additional walk-in clinics as data senders. In addition to MedExpress' five walk-in clinics, we have recently on-boarded Newark Emergency Care and we are in the process of on-boarding Ambient Care.

We have executed a contract with MDIVE to send CCDs after each Telehealth encounter throughout the state of Delaware. In addition, contracting is in progress to send a record of all CCHS Telehealth encounters via American Well.

Also under the supplemental grant, is the increase of Event Notifications among organizations other than eligible professionals. Therefore, DHIN is in discussion with the Division of Family Services as an ENS user for foster children.

Along with the expansion of on-boarding additional organizations to send ADTs and the increase of Event Notifications, DHIN is also expanding interstate exchange. Through CRISP (Maryland's HIE) we will be adding West Virginia; DHIN is in the process of adding NJSHINE (Southern New Jersey); DHIN is also in contract negotiations with HSX (Pennsylvania); and in discussion with Utah and Florida, as they have also expressed possible interest; along with Vermont, Ohio, Michigan and Colorado.

#### Develop Governance and Technical Specifications in Support of the Health Claims Data Base:

DHIN's By-Laws have been revised to stand up the governance. With ONCs permission, DHIN has been able to repurpose grant dollars to retain Freedman Consulting; Freedman has worked with sixteen All-Claims Data Bases. We are asking them to advise us on:

- Suitability of IMAT platform for claims database
- Technical specs for file formats, frequency of submission
- Staffing plan, hiring plan & skill mix
- Development of SOW or RFP (if needed)

#### Achieve HITRUST Security Certification:

DHIN submitted documentation for HITRUST certification to BluePrint at the end of December 2016. Through March 2017, we will be addressing any deficiencies that are identified and submitting our application for consideration. DHIN should have the results/notification of certification no later than June 2017.

#### Develop Required Provider Scorecard V2 Functionality and Four Releases:

To date, all four releases for the Provider Scorecard have been implemented. With the collaboration of the Health Care Commission and DCHI, there were modifications to the required functionality. The fourth is scheduled for release in February 2017. DCHI is now in the process of deliberating on the future path of the scorecard.

FY17 Roadmap Tasks:

Execute Year 1 Elements of Strategic Plan and Technology Refresh:

New Staff Hires:

- Director of Marketing: Stacey Schiller
- Clinical Informaticist: Angie Kaiser
- Integration Analyst (Mirth certified): Evaluating resumes
- Chief Innovation Officer (EA, Tech): Working on PD

Staff Development:

- All of DHIN's Management team has been certified in ITIL Foundation
- Remainder of staff will be trained in two groups of 10; classes are scheduled for February and March
- Management team will be off-site in early February to strategize implementation of ITIL principles in a small organization and multi-year staff development plan

Segmented Marketing and Stakeholder Communications:

- DHIN Summit was held on December 16<sup>th</sup>
- Following-up with individuals for face-to-face meetings
- Meeting with population health and other business units of hospitals
- Working on scheduling meetings with key legislators
- Met with Medical Society leadership team
- Met with Governor Carney's transition team

Miscellaneous:

Contracting with United Health Care is moving slowly. They have acknowledged they must pay us and have accrued the funds, but cannot pay until the contract is final.

CIGNA seems ready to execute an agreement for their members in Delaware.

**OTHER BUSINESS:**

Randy Gaboriault motioned for approval the renewal of a three-year term for the following DCHI Board Members: Traci Bolander, Mid-Atlantic Behavioral Health; Alan Greenglass, CCHS, Christiana Care Quality Partners; Kathy Janvier, Delaware Technical Community College. Dr. Hawtof seconded the motion. Motion to renew DCHI Board member terms for three years was unanimously approved.

**ACTION ITEM:**

Renewal of three-year term for DCHI Board members was unanimously approved.

**NEXT BOARD MEETING:**

The next DHIN Board of Directors Meeting will be held on April 19, 2017 from 2:00 p.m. to 4:00 p.m. at DHIN.

**PUBLIC COMMENT:**

No one from the public offered comments.

**ADJOURN:**

The meeting adjourned at 4:00 p.m.



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We identified certain deficiencies in internal control, described below, that we consider to be significant deficiencies.

**Financial Statement Close Process**—During our audit of the FY 2016 financial statements, we discovered beginning FY 2016 account balances did not agree to ending FY 2015 audited balances. This discrepancy was caused by (1) management’s failure to record certain entries that were proposed by us and accepted by management during the FY 2015 financial statement audit and (2) management’s recording of transactions within FY 2015 after completion of the FY 2015 financial statement close process. As a result, during FY 2016, assets, liabilities, change in unrestricted net position and total unrestricted net position, were over/(under)stated by \$(19,398), \$(50,000), \$57,029, and \$(29,053), respectively. We recommend DHIN evaluate its financial reporting close procedures to mitigate this risk in the future. We believe DHIN can accomplish this by (1) expanding its year-end closing procedures to ensure all adjustments proposed by external auditors, and accepted by management, are recorded timely within the general ledger and (2) reconciling prior fiscal year-end audited balances to current fiscal year opening balances.

**Bank Reconciliation Procedures**—During much of FY 2016, cash was understated by \$33,277 as a result of outstanding checks being included on the bank reconciliation which had already cleared the bank. Bank reconciliations should be reviewed for accuracy and completeness on a timely basis to ensure cash is being accurately reported by DHIN throughout the fiscal year.

**Employee Credit Card Usage**—DHIN allows the use of a corporate credit card by various employees for business-related purchases. A receipt is required for all expenditures, regardless of the dollar amount. Authorized card holders provide their receipts to the Provider Relations Business Manager who reviews the statements and related receipts on a monthly basis.

FY 2015 audit procedures revealed that in a sample size of 16 monthly charges incurred at the individual employee level, 7 charges were not accompanied by a receipt evidencing the business purpose of the expense. In addition, the Provider Relations Business Manager was an authorized card holder and, under the current policy, was reviewing her own expenditures.

During our FY 2016 audit procedures, we found that in a sample size of 32 monthly charges at the individual employee level, 6 charges were not accompanied by a receipt evidencing the business purpose of the expense. All of the missing receipts were related to travel expenses associated with grantor and vendor meetings and appeared to be reasonable and valid business expenses of DHIN. Evidence of an independent review of the transactions incurred by the Provider Relations Business Manager was not complete.

We again recommend that (1) the CFO review expenditures of the Providers Relations Business Manager on a monthly basis and evidence this review by an initial of approval on each page of the monthly statement and (2) incorporate procedures to assure that all supporting receipts are obtained.

**Attendance**

***Board Members Present***

Meaghan Brennan  
Randy Gaboriault  
Dr. Jeffrey Hawtof  
Laura Howard  
Bill Kirk  
Kathleen Matt  
Dr. Nathan Merriman  
Steve Saville  
Dr. Gary Siegelman  
Dr. Terri Steinberg  
Meredith Stewart-Tweedie

***DHIN Staff Present***

Dr. Jan Lee  
Ali Charowsky  
Randy Farmer  
Mark Jacobs  
Mike Sims

***Board Members Absent***

Donna Goodman  
Rich Heffron  
Michael Hojnicky  
Dr. Stephen Lawless  
Kimberly Reinagel-Nietubicz  
Tom Trezise

***Guests Present***

Christina K. Bell, Belfint, Lyons & Shulman, P.A.  
Monica Horton, Attorney General's Office  
Jonathan D. Moll, Belfint, Lyons & Shulman, P.A.