Extending Our Reach

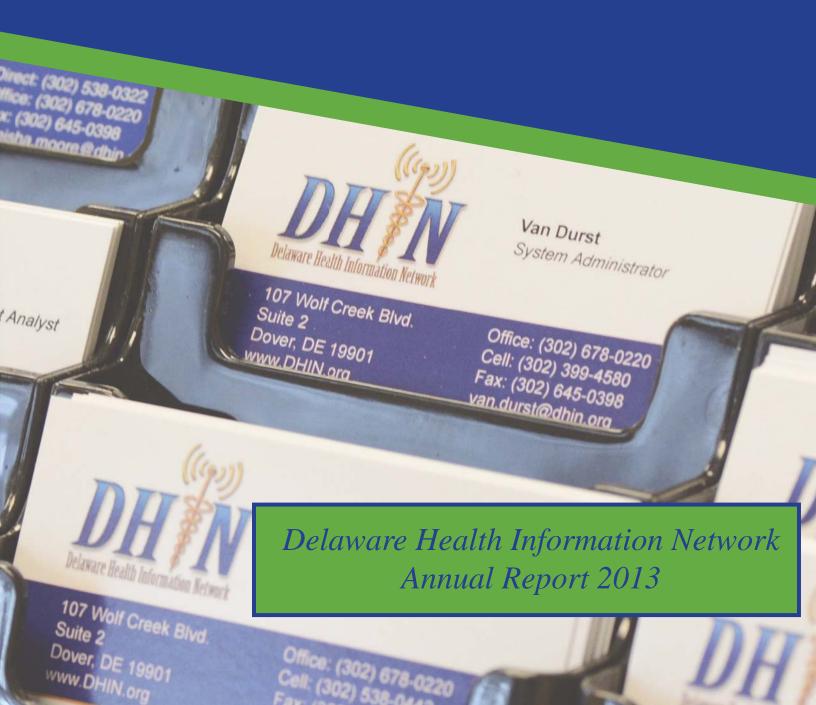


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Letter from Management

Dr. Jan Lee, Executive Director of DHIN

Fiscal year 2013 was an historic year for the Delaware Health Information Network (DHIN). This is the first year in which DHIN received no funding through the capital bond bill. Revenue from operations fully covered the cost of operations, and federal grant funds enabled continued growth and development. Financial support for DHIN by the State of Delaware transitioned to the operational budget of the State agencies which receive value from services provided by DHIN. DHIN is recognized as a national thought leader and model for financial sustainability of health information exchange. We have grown dramatically in membership (both volume and diversity), functionality and services, and geographical boundaries, inspiring the theme of this report, "Extending Our Reach."

It was a year in which DHIN's reach and influence extended beyond Delaware's borders and generated another set of national "firsts" for Delaware to claim (and we all know "it's great to be first!"). Health care knows no boundaries and neither should the flow of information needed to support health care. DHIN's efforts to innovate and deliver meaningful change in the area of health information exchange (HIE) have borne fruit in meaningful connections not just with our neighboring state of Maryland, but states as distant as Kansas and Hawaii.

This annual report highlights how our team, working closely with our vendors and stakeholders, built on the momentum established in FY 2012. The report describes how DHIN's Board, managers and staff met, and in some cases exceeded, our organizational goals for the year. The report also outlines DHIN's financial standing, reflecting why we are frequently referred to nationally as a model of sustainability for other HIE organizations. Finally, this annual report highlights the key initiatives that will drive our efforts in FY 2014. Our focus will be directed in several areas including consumer engagement initiatives as well as in diversifying the nature of our products and services.

We have deep appreciation for our customers, funders and partners and for the support you provide as we undertake these new endeavors. Your engagement strengthens our commitment to extending our reach and influence as the nation's first and most mature statewide health information exchange, building a more complete community health record for the people of Delaware. Please enjoy the highlights of FY 2013 and what's next in FY 2014 in this annual report.

Sincerely,

Jan Lee

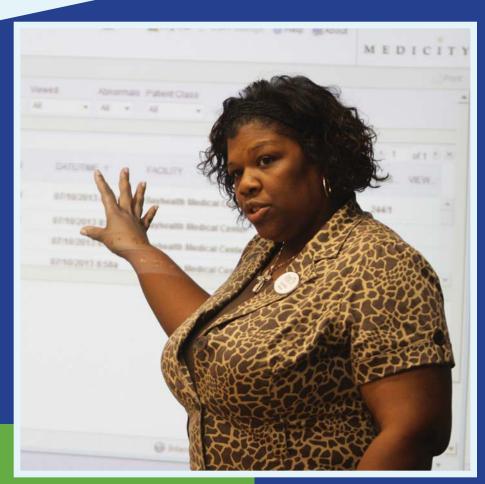
Our Mission and Vision

Our Mission:

To facilitate the design and implementation of an integrated, statewide health data system to support the information needs of consumers, health plans, policymakers, providers, purchasers and research to improve the quality and efficiency of health care services in Delaware.

Vision:

Share real-time clinical information among all health care providers (office practices, hospitals, labs, diagnostic facilities, etc.) across the state to improve patient outcomes and patient-provider relationships, while reducing service duplication and the rate of increase in health care spending.



DHIN Relationship Manager Lakeisha Moore conducts a training on how to use DHIN's online tool.

The First and Most Mature Statewide Health Information Exchange in the Nation

DHIN is the state-sanctioned provider of health information exchange (HIE) services for Delaware and is the only HIE currently operating in the state. DHIN's FY 2013 key metrics reflect strong engagement among key stakeholders:

- 100% of Delaware acute care hospitals participate in DHIN, plus one Maryland hospital on Delaware's southern border.
- 100% of Delaware's skilled nursing facilities and 80% of assisted living facilities use DHIN to view clinical results for their residents.
- 100% of Delaware Federally Qualified Health Centers (FQHCs) receive their clinical results exclusively through DHIN.
- DHIN's participating hospitals represent 100% of all staffed hospital beds and 100% of all emergency department visits.
- Eight hospital emergency departments and laboratories send data through DHIN to Delaware Division of Public Health (DPH) for public health monitoring.
- More than 1.5 million unique patients are represented in the DHIN patient directory, including patients from all 50 states and 90% of Delaware residents.
- 98% of providers currently practicing and placing clinical orders in Delaware are enrolled in DHIN.
- More than 7,000 providers and staff at 660 Delaware practices are live on DHIN. Of these practices 366 receive clinical results/reports exclusively through DHIN.
- Two national reference laboratories (LabCorp, Quest Diagnostics) as well as Doctors Pathology Services, Accu Reference Labs, and Med Labs participate in DHIN. 99% of laboratory tests ordered or performed in Delaware are reported through DHIN.
- 95% of imaging studies ordered or performed in Delaware are reported through DHIN.
- Over 11 million deliveries of clinical results and reports are made each year on DHIN.

100% of Delaware Acute Care Hospitals Sending Data

This year DHIN became the first health information exchange in the nation to have all acute care hospitals in its state delivering medical results to its statewide network.

- October 2012 The Nemours/Alfred I. duPont Hospital for Children went "Live" on the Delaware Health Information Network.
- April 2013 Nanticoke Memorial Hospital (NMH) began posting its patient reports and test results to the Delaware Health Information Network.

* "Live" indicates the transition from testing and certification to delivering actual clinical results and reports.

"We are very excited to welcome Nemours to DHIN. Now, real-time clinical information, including the results of all patient tests conducted at the duPont Hospital for Children, are posted on the network. That ensures providers will have the most up-to-date clinical information and will improve the quality and safety of care provided to Delaware's children."

Dr. Jan Lee DHIN Executive Director

DHIN Relationship Manager Dorothy McCluskey works with Sara Murakami of Hawaii's HIE. DHIN executed an agreement with HHIE to serve as a consultant in their network launch.

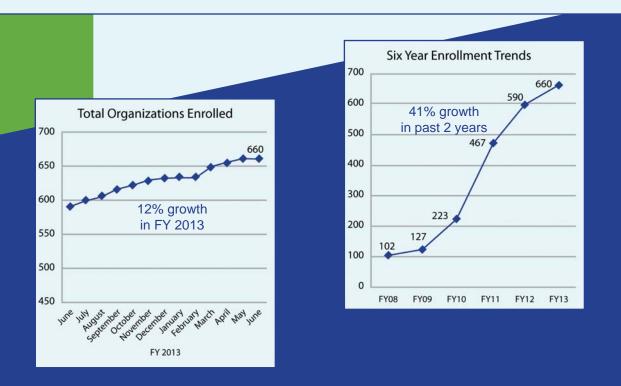


Enrollment Increases and Diversifies

Participation in DHIN continued to increase this year with 660 organizations enrolled, a 12% year over year increase. This also represents a 41% increase over the past two years.

DHIN is more than just a highly sophisticated way of delivering medical results as it also serves as the community health record for Delaware medical providers. Any organization that supports the care of Delawareans* can receive great benefits from enrolling in DHIN. In FY 2013, DHIN increased the number of "search" organizations by nearly 50%, adding 62 new organizations in such specialties as dentistry, optometry, psychiatry, pain management, long term care, and chiropractics. As the community health record is enriched with new data types specific to these diverse user segments, DHIN will deepen the engagement of the "search-only" practices by receiving medical results for their patients on DHIN.

*In order to qualify for enrollment into DHIN an organization must be able to demonstrate that they have an appropriately licensed medical director on staff (MD's, DO's, NP's, PA's and ED's).



"As a DHIN data sender, we are really seeing the benefit of DHIN practices signing off. We used to print about 100+ transcriptions per day for Delaware practices. We had a great big copier machine to print all of the transcribed documents. Now that practices are "signed off" with DHIN and using more efficient ways to receive their transcribed documents we are down to printing around 20 transcriptions per day and wondering what to do with this big printer!"

Stephanie Brumberg Christiana Care Health Services, Transcription Department

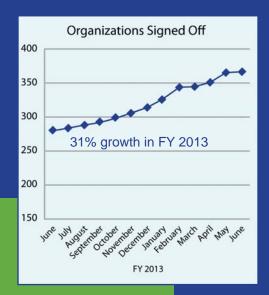
Exceeded Goal in Signed Off Practices

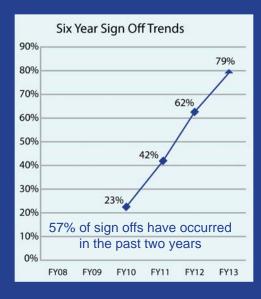
Practices that make orders are asked to "sign off," thereby accepting DHIN as the exclusive channel of delivery of medical results. This allows the hospitals, labs and radiology firms that participate in DHIN as data senders to achieve a return on their investment in DHIN by discontinuing providing results through other less efficient channels. The resulting cost savings for the data senders to deliver results is shared with DHIN. Thus, the practice sign-off rate is the single most important business metric for DHIN, as well as being an indicator of relevance and value to the end users.

DHIN increased its number of signed off practices to a level of 79%, representing a 31% increase over FY 2012. It also exceeded the fiscal year goal of 75%.



Jody Wilson and Caitlin Baskerville collaborate on technical requirements ensuring the seamless delivery of medical results to the clinical providers enrolled in DHIN.





Breaking Ground with New Features

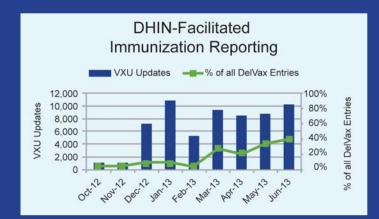
Immunization Records

DHIN and the Delaware Division of Public Health (DPH) launched a streamlined process increasing both speed and accuracy to what had been a manual process. This feature has enabled organizations like CVS pharmacy and Nemours/Alfred I. duPont Hospital for Children, as well as ambulatory practices, to systemically submit their immunization records to the DPH immunization registry database (DelVax) through the system administered by DHIN.

As of June 2013, 38% of all immunization updates for the month occurred electronically through DHIN. That level has resulted in the virtual elimination of the backlog of paper records waiting to be entered into DelVax. In years past, DPH would periodically hire temporary staff to catch up with the backlog of literally tens of thousands of immunization updates submitted by paper. DHIN is now saving DPH this expense. Furthermore, when a patient's immunization records are now accessed through DelVax, it is very likely that the user will actually see a complete, up-to-date record of immunizations. That's progress!

Medication History

DHIN conducted a five month pilot of a medication history service for providers, which enables a user to retrieve a 12-month prescription fill history for patients in the DHIN system. The system includes almost every Delaware resident and a few thousand patients from neighboring states. This service continues to be offered to DHIN participants on a subscription basis.



"The DHIN has proved invaluable to my practice. Because of it, we have improved patient care and saved on practice overhead at the same time. My staff no longer has to spend time hunting down results. It can be retrieved in one spot from multiple data sources. DHIN is not only helpful for history on existing patients but it is exceptionally helpful for obtaining medical history on a new patient. Having this information easily available to my practice has helped expedite visits and has allowed my staff and me to spend more quality time with our patients."

Dr. Angela Saldarriaga, MD Family Practice

Federal Funds and New Partnerships used for Technology Development

Meaningful Use

DHIN is continuing to use its federal grant funding to support Stage 2 Meaningful Use. DHIN offers a solution for any Meaningful Use measure involving moving data from an Electronic Medical Record of a provider to another user, such as to the Division of Public Health, a provider, or a patient. It has developed and is in the process of implementing several initiatives related to consumer engagement, image viewing and transitions of care. The tools include ProAccess Meaningful Use certified software, certified Electronic Medical Record (EMR) integrations, iTriage mobile app and DHIN immunization and newborn screening submission processes.

Adding New Technology

DHIN is expanding its technology infrastructure to permit a broader range of tools and functionality. One initiative is the implementation of a new alert system, where primary care providers will receive system generated notifications when their patients are discharged from a DHIN enrolled hospital. Health plans will also be notified when one of their members has been discharged. With near real-time notification of visits to the emergency department, physicians can follow-up and health plans are able to engage case managers promptly to ensure the member has all the information and resources they need to follow discharge instructions and stay healthy.

"What you see reflected by these results is that our mission plays out every day through the direct support required to enable each new provider and each new service, one at a time. We are changing health care delivery in our nation. Our work directly fuels the "Triple Aim" to improve the health of the population; enhance the patient experience of care (including quality, access, and reliability); and reduce, or at least control, the per capita cost of care."

Mark Jacobs Chief Information Officer of DHIN



Mark Jacobs, Chief Information Officer of DHIN

DHIN adds Electronic Medical Record Interfaces

Practices

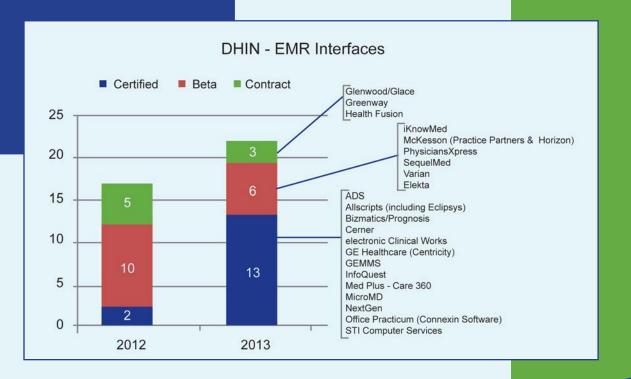
269 practices using an electronic medical record (EMR) are using one of the 13 EMR's with a certified results delivery interface to DHIN. This represents 68% of all DHIN practices using an EMR. For these users, clinical results provided through DHIN flow directly into the provider's EMR, meaning he or she never has to leave the EMR to retrieve clinical results or reports and incorporate them into their medical record system. A single interface to DHIN enables results from all of DHIN's 18 data senders to be directly incorporated into the practice's EMR. Practices save from \$18,500 to \$28,500 on the cost of interfaces through steep discounts negotiated by DHIN. The remaining 32% of EMR users are using a wide range of other EMRs, and DHIN is continually working to develop, test, and certify additional EMR interfaces.

"I already see several benefits of using DHIN for my practice. Before I had to wait for paper mail, but now results are available much quicker through our DHIN/EMR interface. DHIN also saves me time from reviewing duplicate faxes. The results flow directly into my EMR and are saved to the patient's chart which relieves my staff from having to scan multiple copies of same results. Instead, I can direct them to do other things, which can save the practice overhead costs. I can also forward follow up messages to my staff and then save that information to the patient's chart. It really has helped our practice workflow."

Dr. Huy Le, MD Funk, Callahan, and Le







Interfaces

- New contracts were added in FY 2013 with Glenwood/Glace, Greenway and Health Fusion.
- There are 269 Practices and 1,037 Providers with an available certified EMR interface.
- DHIN has increased from 2 to 13 certified interfaces during FY 2013.
- DHIN has increased from 86 practices (334 providers) with an available certified interface to 269 practices (1,037 providers) with a certified EMR interface.
- Among the 269 practices, there are 155 practices (58%) with a live DHIN integration.

"In primary care, we are overloaded with faxes and paperwork. I am a solo internist and since I started using DHIN recently I feel that I am better organized and have more time to spend with patients, having their labs and test results at my fingertips. The technical support that I have received from DHIN so far has been exceptional and my office staff training went smoothly. The DHIN website is user friendly and we were up and running in no time. So I'm telling my colleagues, 'Let's DHIN' and be done with paper!"

Dr. Darius Sypek, MD Delmar Medical Center

Atlantic General Became the First Out-of-State Hospital to Report Through DHIN

Another exciting "first" for DHIN is being the first statewide health information exchange to be joined by a hospital in another state. Atlantic General Hospital of Berlin, Maryland signed a letter of agreement to become the first out-of-state hospital to report results for Delaware patients through DHIN. Located on the Maryland Eastern Shore, near the Delaware line, the hospital often sees Delaware residents who live or work nearby or come to the Delaware beaches on vacation.

Atlantic General Hospital was losing millions of dollars in uncompensated care, much of it for Delaware residents being seen in their emergency department. They were ordering tests without the awareness that the tests had been done recently in Delaware. They approached DHIN seeking the cost savings that Delaware hospitals have been receiving for the past six years by participating in DHIN. They knew if they could see the information in the DHIN Community Health Record, it would prevent duplicate ordering of tests, thereby saving them a lot of money.



"As a primary care physician, information is vital to the delivery of patient-centered care. Without accurate records, the patient-physician relationship is never properly cemented. DHIN has bridged this gap by bringing clinically relevant information to providers in Delaware. Easy to access during an office visit, DHIN has provided a vital tool to all participants. The leader in health technology is DHIN – a model program that has set the example for the future."

Teshina N. Wilson, DO Chief Medical Officer Henrietta Johnson Medical Center

About 20% of the emergency room patients at Atlantic General Hospital are from Delaware.

DHIN Successfully Shared Data with Another State Health Information Exchange

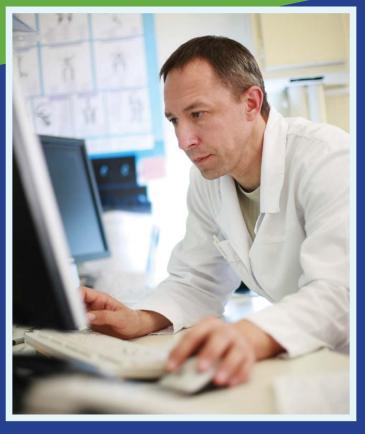
Two of the nation's largest health information exchanges successfully tested the ability to electronically share patient information across states.

The Executive Director of Kansas Health Information Network (KHIN) has a family member with a vacation home near the Delaware beaches. She wanted to be sure that her relative's health care information, maintained in Kansas, could follow her to Delaware and vice versa. This situation prompted the design of a test case for state to state health information exchange.

DHIN and Kansas Health Information Network (KHIN) successfully validated HIPAA-compliant national interoperability by facilitating the secure exchange of patient records between each organization via Direct Secure Messaging. Direct Secure Messaging allows point-to-point encrypted communication between two health care professionals who have a legitimate reason for exchanging protected health information.

"DHIN saved us! The network went down in our office so we lost access to the computers in our network. One of our patients drove quite a distance to come check on his lab work. I remembered that I could access the DHIN website from my smart phone (iPhone), so I logged into ProAccess, typed in the patient's name and was able to access the patient's labwork from my smartphone."

Kim Arcuri Office Manager Irena Stolar, M.D., PA



Doctors find DHIN increases their productivity.

Leader in Consulting and National Forums

We continue our position as a leader in the field through demonstration projects, leadership in national forums, and consulting with other HIEs. The DHIN staff is able to speak from experience as they raise issues for the federal government to consider when setting policy, and as they support other states striving to attain similar outcomes.

DHIN has been selected to consult to the State of Hawaii's Health Information Exchange (HHIE) on its launch of ProAccess, the software that organizes and delivers medical results in Delaware's community health record. DHIN staff will work with the Hawaiian team on the onboarding of data senders, training of end-users and the ongoing support of the network. This is believed to be the first time an HIE has formally consulted to another HIE for the development and launch of its program.



DHIN and staff from Hawaii's HIE collaborate on best practices.

"DHIN has been a great partner in our on-going fight against cancer. The information on DHIN supports the collective effort for finding better ways to diagnose and treat the various cancers, thus improving survival outcomes. DHIN has helped fill in the diagnostic, treatment, and follow up gaps in order to present a complete picture of the patients' clinical cancer journeys, which in turn, furthers the war on cancer."

Mary Sorrell, CTR Cancer Registry Coordinator Union Hospital of Cecil County

DHIN is Financially Sustainable

2013 Goals and Performance

Created by the state legislature as a public-private nonprofit in 1997, DHIN generated 100% of its operating revenue from service fees during its fiscal year 2013. DHIN had goals to secure at least \$200,000 in new revenue sources and to fulfill requirements to maintain its grant funding stream of \$4.7 million. Its performance exceeded its goals:

- Data sender revenue exceeds business plan projections by \$419,163.
- Better than projected performance against grant spend-down plan.

Path Forward

The achievements and momentum generated in FY 2013 positions DHIN well for even greater accomplishments in FY 2014. The organizational goals for FY 2014 focus on further solidifying DHIN's financial standing, cultivating new relationships and developing revenue streams that will further develop our mission and support new technology and innovations for patients and providers. DHIN will also broaden the relevance of its products and services, making the first real effort to engage consumers with value added benefits that are only possible because of DHIN. Finally, DHIN will implement new technologies and IT systems to increase its ability to leverage new opportunities more quickly and efficiently. In addition to the organizational goals, DHIN will continue to play a prominent role in statewide initiatives and entrepreneurial opportunities to further the agenda of meaningful change, transforming health care for the better in Delaware.



"These are exciting times for the nation's first and most mature statewide health information exchange and we look forward to extending our reach, improving health care for the people of Delaware."

Michael Sims DHIN Chief Financial Officer

Michael Sims Chief Financial Officer of DHIN

Statement of Financial Position

for the year ended June 30, 2013

	2012	2013
ASSETS		
Cash and Cash Equivalents	\$2,332,193	\$2,263,130
Restricted Cash	228,228	0
Receivables		
Trade	81,035	327,600
State	483,886	0
Federal	83,703	82,814
Lease Deposit	6,979	6,979
Property and Equipment - Net	0	11,302
TOTAL ASSETS	\$3,216,024	\$2,691,825
LIABILITIES		
Accounts Payable	908,341	149,270
Accrued Expenses	98,320	108,724
Deferred Revenue	0	36,750
TOTAL LIABILITIES	\$1,006,661	\$294,744
NET ASSETS		
Restricted	228,228	0
Unrestricted	1,981,135	2,385,779
Invested in Capital Assets, Net of Related Debt	0	11,302
TOTAL NET ASSETS	\$2,209,363	\$2,397,081
TOTAL LIABILITES AND NET ASSETS	\$3,216,024	\$2,691,825

DHIN's total assets exceeded total liabilities by \$2,397,081 at the close of FY 2013.

During the prior year, a certain amount of DHIN's net assets represented resources that were subject to external and internal restrictions on how they could be utilized. At the close of FY 2013, no amount of DHIN's net assets was subject to external or internal restrictions.

Total unrestricted net assets increased \$404,644 (or approximately 20 percent) during FY 2013.

Total restricted net assets decreased \$228,228 (or 100 percent) during FY 2013.

During FY 2013, DHIN purchased \$14,458 of capital assets, of which \$3,156 was depreciated during the fiscal year.

As a result, net assets invested in capital assets, net of related debt increased \$11,302 (or 100 percent).

Statement of Operations

for the year ended June 30, 2013

	2012	2013
OPERATING REVENUE		
Data Sender Fees	\$1,784,959	\$2,658,612
Payer Fees	0	1,048,939
Professional Services Income	151,350	9,612
TOTAL OPERATING REVENUE	\$1,936,309	\$3,717,163
EXPENSES		
Administration	225,169	292,993
Contractual (Non-Technical)	865,725	887,577
Depreciation	0	3,156
Implementation Costs	396,972	1,120,017
Licenses and Software Maintenance	1,046,042	1,049,748
Marketing	71,796	107,930
Operations	1,076,699	1,050,662
Personnel	1,417,069	1,651,812
TOTAL EXPENSES	\$5,099,472	\$6,163,895
OPERATING LOSS	\$(3,163,163)	\$(2,446,732)
NONOPERATING REVENUE		
State Operating Assistance	2,996,900	0
Federal Grant Income	746,964	1,630,537
Contributions	0	1,000,000
Interest Income	3,822	3,913
TOTAL NONOPERATING REVENUE	\$3,747,686	\$2,634,450
CHANGE IN NET ASSETS	\$584,523	\$187,718

DHIN activities increased DHIN's total net assets by \$187,718 during FY 2013.

Operating revenues increased by \$1,780,854 (or approximately 92 percent) during FY 2013 as a result of signing new contracts with Medicaid, insurance carriers of the State's Benefit office, and signing eight new data senders during the year.

Leadership and Staff

DHIN Executive Management

Dr. Jan Lee, Executive Director
Mark Jacobs, Chief Information Officer
Michael Sims, Chief Financial Officer
Randall Farmer, Director of Provider Relations and Business Development
Spiros Mantzavinos, Director of Operations and Government Affairs
Richard Wadman, Senior Program Manager

DHIN Staff

Ali Charowsky, Executive Assistant Van Durst, System Administrator

Ashley Eason, Contractor (not pictured)

Wendy Fitzgerald, Customer Support Coordinator

Andy Gillan, EHR Integration Project Analyst

Lakeisha Moore, Provider Relationship Manager

Dorothy McCluskey, Provider Relationship Manager

Meghna Patel, Sr. Provider Relationship Manager (not pictured)

Jamie Rocke, Provider Relationship Manager

Pierre Theron, Project Manager

Brandy Strauss, Project Analyst

Jody Wilson, Project Analyst

Caitlin Baskerville, Provider Relationship Coordinator

Michael MacDonald, IT Coordinator

Michele Ribolla, IT Coordinator

Jonathan Val, IT Coordinator Natalie Smith, IT Coordinator



DHIN Staff

Fiscal Year 2014 DHIN Board of Directors

Executive Officers

Randall Gaboriault*, Chair, Chief Information Officer, Christiana Care Health System

Andre G. Bouchard*, Vice-Chair, Managing Partner, Bouchard, Margules and Friedlander

Bettina Tweardy Riveros*, Secretary, Advisor to the Governor, Delaware Department of Health and Social Services Designee

Donna Goodman*, Treasurer, Vice President and CFO/COO, Westside Family Healthcare

Board Members

Meaghan Brennan, Deputy Director, Budget Development, Planning, Delaware Office of Management and Budget

Stephen Groff, Director of Medicaid and Medical Assistance

Jeffrey E. Hawtof, MD, FAAFP, Vice President, Medical Operations and Informatics, Beebe Medical Center

A. Richard Heffron*, Senior VP for Government Relations, Delaware State Chamber of Commerce

William Kirk, III*, Esq., Vice President and Corporate Secretary, Highmark Blue Cross Blue Shield Delaware

Stephen Lawless, MD, Vice President, Quality and Patient Safety, Nemours/Alfred I. duPont Hospital for Children

Kathleen S. Matt, PhD, Dean, College of Health Services, University of Delaware and Executive Director, Delaware Health Sciences Alliance

Brian Posey, Director, AARP Delaware

Kimberly Reinagel-Nietubicz, Representative, Delaware Office of the Controller General **Stephen Saville**, JD, President & CEO, Medefis, Inc.

Gary Siegelman, MD, MSc, Senior Vice President, Chief Medical Officer, Bayhealth Medical Center

James H. Sills, III, Secretary/CIO Delaware, Department of Technology and Information

Terri Steinberg, MD, Chief Medical Information Officer, Christiana Care Health System

Thomas Trezise*, Trellist Ventures

^{*} Executive Committee member

Current Membership in DHIN

Hospitals (100% plus out of state)

Bayhealth

Beebe

Christiana Care Health System

St. Francis

Nemours / Alfred I. duPont

Nanticoke

Atlantic General*

Radiology Groups (~97% of studies)

Tri-State Open MRI

Papastavros Associates

Ocean Medical Imaging

Mid-Del Imaging

DE Diagnostic GP*

Diagnostic Imaging Associates*

Labs (~99% of results)

Lab Corp

Quest

Doctors Pathology Services

Med Labs Diagnostics*

Accu Reference Labs*

Mercy Diagnostics Labs*

Health Plans (~43%)

Medicaid

State Employees

Highmark Blue Cross Blue Shield Delaware

* New agreements in FY 2013

Providers (98%)

Over 7,000 users in 660 practices

Home Health Agencies (4)

FQHCs (100%)

Skilled Nursing Facilities (100%)

Assisted Living (80%)

Hospice (3)

Pharmacies (5)*

Division of Public Health

Other HIEs

CRISP, Maryland*





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www.DHIN.org