REQUEST FOR PROPOSAL

for

Assessment of the Impact and Value of the Delaware Health Information Exchange

RFP # 2020-001

RETURN PROPOSALS TO:
RANDY FARMER
DELAWARE HEALTH INFORMATION NETWORK
107 Wolf Creek Blvd., Suite 2
Dover, Delaware 19901

Label proposal with "RFP # 2020-001, Assessment of Impact and Value of DHIN" and respondent's company name and address, point of contact (with phone number and email address) for the proposal.

Important Procurement Milestones – See body of RFP for complete proposal requirements

Publish Request for Proposals	April 1, 2020
Questions Due (Submit electronically to jan.lee@dhin.org; CC: ali.charowsky@dhin.org)	5:00 PM April 15, 2020
Answers to questions posted to http://www.DHIN.org/about/vendors/	April 30, 2020
Proposals Due. DHIN reserves the right to reject late proposals. Proposals will be privately opened.	5:00 PM, Friday, May 29, 2020
Bids Opened.	5:00 PM, Friday, May 29, 2020
Notification of Award	Up to Jun 9, 2020
Follow Up and Negotiations	Up to Jun 19, 2020
Anticipated Contract Award Date	NLT June 30, 2020
Anticipated Contract Start Date	July 1, 2020

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1 PURPOSE FOR REQUEST FOR PROPOSAL

The Delaware Health Information Network (DHIN) seeks proposals from qualified entities for a rigorous assessment of the impact and value of the DHIN and its services.

DHIN became operational as the first state-wide Health Information Exchange in 2007, through a contract with the Agency for Health Research and Quality (AHRQ). A formal assessment of value and benefits realization was accomplished at the conclusion of that contract in 2011. This assessment identified value that DHIN had provided along a number of key dimensions.

As a recipient of an HIE Cooperative Agreement grant from the Office of the National Coordinator, DHIN was again required to provide a final evaluation of the value created and the extent to which the programmatic goals of the grant had been fulfilled. This was accomplished in 2013, and it took some of the findings of the 2011 study and brought them forward in time. The results of both the 2011 and 2013 studies will be made available to the successful bidder as a baseline for further evaluation.

DHIN has not undertaken a rigorous, formal third party assessment of value and benefits realization since the 2013 study. Since that time, the HIE landscape has changed and continues to change in significant ways. Technology supporting health data exchange is now being "baked into" EHRs, and is more broadly available than it was when DHIN began, and member organizations have choices available to them today that they did not have previously. While DHIN enjoys almost universal adoption within Delaware today, it is not a foregone conclusion that this will never change. In particular, the newly released rules by ONC and CMS in support of the interoperability and information blocking requirements of the 21st Century Cures Act and the emerging Trusted Exchange Framework and Common Agreement (TEFCA) create both potential threats and opportunities for DHIN.

In partial preparation for our next five-year strategic plan, DHIN seeks to understand the current extent of health data exchange in Delaware, both that which is and that which is NOT mediated by DHIN. We seek also to understand ways in which DHIN is uniquely positioned to drive value in ways that cannot be easily achieved through other channels of health information exchange. We seek to identify and to be able to clearly articulate to stakeholders the value that DHIN brings to them and to the broader healthcare ecosystem, and to do so, where possible, in concrete quantitative terms. Qualitative measures of value are also useful, but quantitative measures are strongly preferred.

Areas of benefit evaluation should include (but not be limited to) the following:

- Patient care, such as reductions in readmissions, preventing admissions, avoiding adverse events, quality/cost of care analysis
- Overall health care costs, such as elimination of duplicate tests or procedures, reduction in ER visits, decline in average cost per case by diagnosis, reduction in overall hospitalization days per 1000 population, reduction in 30-day readmissions.

- Population health, care coordination and chronic disease management activities such as reduced admissions or ER visits based on specific diseases, reduced cost of care per case for specific diseases, comparison of DHIN community to risk databases (e.g. BFRSS), increased reach of patients in the community for preventive and screening procedures and tests
- Provider efficiency and satisfaction such as reduced cycle time from order to results, reduced wait time for patient history to support care decisions, increased physician time spent with patient, improved and timely access to information
- Patient/consumer satisfaction such as eliminating redundancy in providing information between providers, easier access to health care information, reduced time to receive results
- Administrative costs for information sharing and management including reduction in resource costs to manage paper, technology costs avoided, productivity gains
- Specific benefits to State agencies, such as Division of Public Health, Division of Medicaid and Medical Assistance, Division of Substance Abuse and Mental Health, the Delaware Healthcare Commission, the State Employee Benefits Committee, and perhaps others.
- Benefits to payers, both direct and indirect, such as gains from leveraging the Community Health Record to facilitate HEDIS chart reviews and general care coordination activities as well as general benefits from efficiencies generated in the broader state health care ecosystem.
- The value and return on DHIN's considerable investment in ITIL-IT Service Management training and certification for its staff and management team.

In parallel with this RFP, DHIN has released an RFP for facilitation of the development of our next five-year strategic plan (RFP #2020-002). It is possible that one organization may bid on both RFPs and propose to conduct the activities of both in an integrated way. Proposals should clearly articulate the organizational qualifications for each engagement, and the activities related to each engagement so that DHIN can award them separately or as a single contract, whichever DHIN deems to be in its best interest. Proposals should identify any pricing advantages to awarding as a single contract.

2 DELIVERABLES AND MILESTONES

Interim Reports	Throughout at a cadence TBD
First draft report	NLT Feb 26, 2021
Final draft of report and executive summary	NLT March 31, 2021
Presentation to DHIN Board of Directors	April 2021, exact date TBD

The successful bidder must describe an approach that will gather input from the key stakeholder groups, provide periodic feedback to DHIN, and result a final report. The approach must take into consideration the possibility that most of the work must be accomplished while the nation and our key stakeholders are grappling with the realities of a global pandemic of COVID-19. The final deliverable is a written report with an executive summary suitable for briefing DHIN's board of directors and key stakeholder groups and for driving ongoing marketing messaging. This will be due not later than March

31, 2021. These final work products are expected to be professional in appearance, content, spelling, grammar, and vocabulary. The report is to be briefed at the April 2021 Board of Directors meeting.

3 PROPOSAL REQUIRED ELEMENTS

The proposal should be prepared simply, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. Overall readability and professionalism of presentation may be considered in evaluating the proposal. The quality and timeliness of the proposal will be deemed to be predictive of the quality and timeliness of the final work product. The proposal should demonstrate the qualifications of the bidder and all staff to be assigned to this engagement. It should also specify the approach that will be used to meet the Request for Proposals requirements.

3.1 General Requirements

Proposals must include the following elements:

- Cover Letter attesting that the person signing is entitled to represent the bidding organization, empowered to submit the bid, and authorized to enter into negotiations and a contract including the provisions contained herein. The cover letter should include any exceptions to the terms and conditions specified in this RFP, citing the section of the RFP for which the exception applies.
- Title Page labeled with "RFP # 2020-001, Assessment of the Impact and Value of the Delaware Health Information Network" and respondent's company name and address, point of contact (with phone number and email address) for the proposal and date of the proposal. If the proposal is intended to cover both this RFP and the RFP for Strategic Planning Facilitation, a single title page can be used and it should contain the label for both RFPs.
- Statement of Corporate Capabilities describing your organization's experience and capabilities to provide the services requested and your knowledge of the current state and trajectory of the health information exchange industry nationally and DHIN's position in that landscape. Please also indicate your experience in working with organizations in a relatively early stage of implementation of the ITIL framework of best practices in IT Service Management.
- Detailed proposal, to include:
    - Description of overall approach
    - Credible presumptive work plan and schedule
    - Project staffing plan
    - Pricing and fee structure
- References from at least three organizations for which the bidder has performed similar work. Organizations that resemble DHIN are preferred references. Reference should include client name, services performed, period of engagement, contact person, title, address and telephone number.
- Executed Warranties (Attachment A to this RFP)
- Other material deemed relevant (optional)

3.2 Project Work Plan

The proposal must include a credible presumptive work plan that clearly describes activities, resources, key dates and milestones showing how the bidder intends to accomplish the work and produce the final deliverables not later than March 31, 2021. It will be necessary to schedule meetings with key individuals and groups well in advance in order to get optimal attendance. Before final contract signing, the work plan may be adjusted by mutual agreement based on further discussion and negotiation. The agreed work plan will be included by reference in the contract and can only be modified thereafter by signed mutual agreement.

The work plan will include:

- The tasks to be performed, consistent with the scope of services and schedule
- The time allocated to each activity and the responsible person(s) associated with each task
- Whether the task will be performed on-site at the DHIN offices or off-site at another location
- DHIN resources expected to be involved in the task and their role
- Stakeholder resources expected to be involved in the task and their role
- Contractor resources expected to be involved in the task and their role

3.3 Staffing Plan

The proposal must include an organizational chart and staffing plan relevant to the services described in the proposal. Resumes of project manager and staff to be assigned to this project should be included in the proposal. The contractor is expected to manage problems with little or no disruption to the activities performed under the contract. Assignment of experienced personnel will be key to achieving this. Provision of a plan of action / correction will be provided to DHIN in a timely manner and within 48 hours of identification of a problem.

The contractor is required to provide throughout the life of the contract:

- An experienced project manager with a record of successful outcomes with similar projects
- A proficient and professionally capable staff to support the tasks
- Methodologies and approaches to ensure collegial and professional working relationships with DHIN leadership and stakeholders
- Continuous monitoring and feedback of the quality and timeliness of the products and services provided under this contract

The contractor's staffing plan must be organized in a manner that addresses each of these areas and must also identify all resources used for the performance of work under the contract with their roles clearly defined, and their relationship to the remainder of the contractor organization established and identified in the organizational chart. This plan should include, at a minimum, the:

- Number of staff proposed to support the project
- Hours bid for each person proposed to work on the project

- Level (management, technical, clerical) for each person proposed to work on the project
- Hours and schedule for when staff will be present on-site at the DHIN office or at a stakeholder designated location. Staff hours for off-site activity should be clearly identified as "off-site".

The staffing plan should ensure a reasonable balance of independent, off-site work and on-site time to develop rapport with DHIN leadership and key stakeholders and interact as needed with all individuals necessary to ensure project milestones and deliverables are met. Use of collaboration tools such as teleconference or Webex™ is acceptable unless the objectives of the engagement require or can best be met through face-to-face interaction. A contingency plan should be developed to address the possibility that the ongoing COVID-19 pandemic may limit travel and social gathering.

All staff identified in the proposal for this engagement must be assigned until the tasks for which they were proposed have been completed and approved unless:

- An individual terminates his/her employment with the contractor, or
- An individual becomes physically or mentally unable to carry out the duties assigned by the contractor, or
- The DHIN CEO requests that an individual be removed from the project.

3.4 Work Space

Bidders should describe the work space necessary for successful completion of this project for all times proposed to be on-site at the DHIN office.

3.5 Pricing Methodology

A flat fee proposal is preferred. Should any variable fees be included in the proposal, they must be clearly described and the basis for such fees included, along with best estimate of the anticipated total cost of the engagement.

Pricing proposal should clearly reflect payment milestones connected to project milestones and acceptance of deliverables. Payment will be provided within thirty (30) days of receipt and acceptance of invoices. DHIN's obligation to pay under the terms of this agreement is contingent on the timely performance by the ccontractor of its obligations and duties. The contractor agrees that upon complete performance of this agreement, the maximum extent of DHIN's obligation is the total contract consideration and waives any and all claims for interest, costs, any other sums or any other relief.

DHIN is not responsible for any costs incurred by a respondent related to the preparation or delivery of the response or any other activities related to this RFP.

4 SUBMISSION OF PROPOSALS

Proposals should be submitted in seven unbound copies (no 3-ring binders) and one soft copy (Microsoft Word) in a sealed package delivered in person, by US postal service or other delivery service to:

Randy Farmer
Delaware Health Information Network
107 Wolf Creek Blvd, Suite 2
Dover, DE 19901

One copy must contain original signatures in all required locations. The sealed package should be conspicuously labeled, **"SEALED PROPOSAL – DHIN RFP # 2020-001."**

Questions regarding this Request for Proposal must be received in writing not later than **5:00 PM ET**, **April 15, 2020** by mail or attachment to an email to Info@dhin.org. Questions pertaining to a specific section or page of the RFP must reference that section. Answers to questions will be posted at http://www.DHIN.org/about/vendors/ by **April 30, 2020**. Those who submitted questions will receive an email notification when answers are posted to the website. All others must check the website for answers. All questions and answers submitted with regard to this RFP will be posted.

Any changes or modifications to a proposal must be made in writing; submitted in the same manner as the original response and conspicuously labeled as a change or modification to a previously submitted proposal. Changes or modifications to proposals shall not be accepted or considered after the hour and date specified as the deadline for submission of proposals. DHIN reserves the right to request clarification and/or further technical information from any contractor submitting a proposal. All responses, to include changes or modifications to proposals, must be received by **5:00 p.m., ET, May 29, 2020** in order to be considered. Timeliness in meeting proposal deadlines will be deemed predictive of timeliness in meeting the deliverables under this engagement.

5 EVALUATION, SCORING, AND SELECTION

5.1 Proposal Review Committee

The Proposal Review Committee shall consist of no fewer than three and no more than seven individuals selected from DHIN Management and the DHIN Board of Directors. Each member shall score all proposals independently before meeting as a group for discussion of the proposals. During discussion, any member of the Proposal Review Committee may elect to change a score upward or downward based on new insights or understanding. In the unlikely event of an unresolvable tie in scores, the final decision shall be made by the DHIN CEO in consultation with the Board Chair.

DHIN reserves the right to withdraw this RFP, to reject any non-conforming proposals, or to waive minor defects in the proposal or allow the bidder to correct such defect if the best interest of DHIN will be served by doing so. DHIN also reserves the right to accept a portion or portions of a proposal.

DHIN places great importance on cultural alignment with its suppliers and contractors. An otherwise successful bidder may be disqualified if reference checks and personal interactions create concerns about cultural fit.

5.2 Basis of Scoring

Evaluation Item	**Weight**
1. Meets mandatory RFP provisions	Pass/Fail
2. Completeness and credibility of proposed work plan	20%
3. Ability to perform the work in the time allotted for the project	20%
4. Qualifications, prior experience, and performance on similar projects	20%
5. Knowledge of the national environment and trajectory of health information exchange	15%
6. Quality of written proposal	15%
7. Cost	10%
Total	**100%**

5.3 Notification of Award

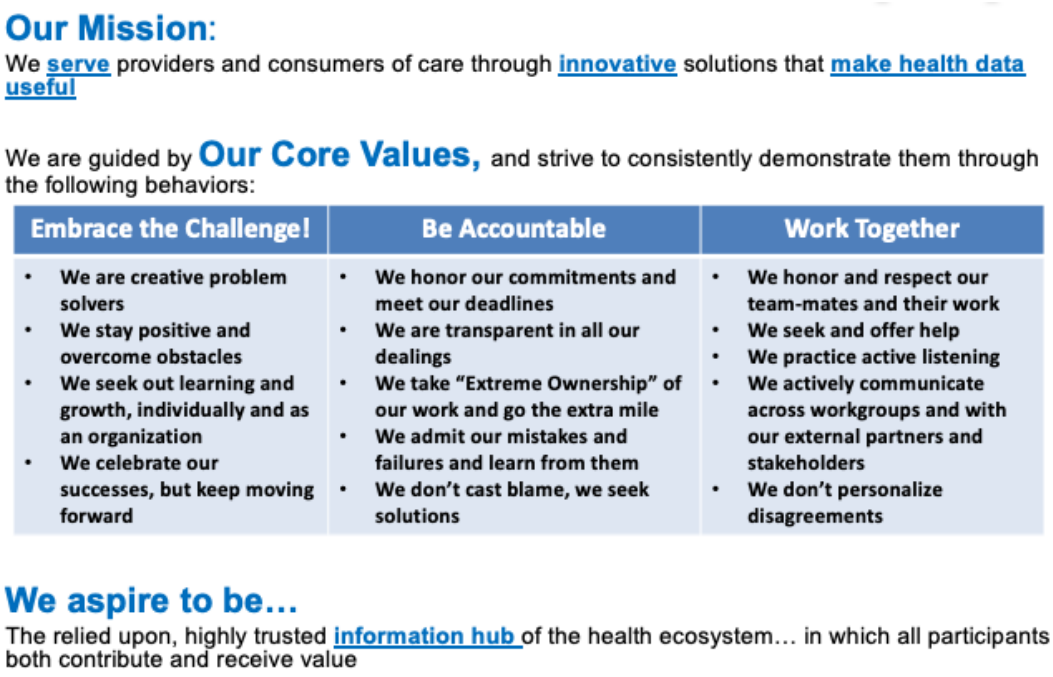
Notification of Award will be made to all bidders by June 9, 2020.

Respondents whose proposals were not accepted will be notified as soon as a selection is made, or if it is decided that all proposals are not accepted. Any proposal failing to respond to all requirements may be eliminated from consideration and declared not acceptable.

6 BACKGROUND – DHIN'S HISTORY AND CURRENT STATE

Mission, Vision, Values

Figure 1 represents the current statement of DHIN's mission and vision, our core values and the behaviors that demonstrate those values.



Our Mission:

We serve providers and consumers of care through innovative solutions that make health data useful

We are guided by **Our Core Values,** and strive to consistently demonstrate them through the following behaviors:

Embrace the Challenge!	Be Accountable	Work Together
• We are creative problem solvers • We stay positive and overcome obstacles • We seek out learning and growth, individually and as an organization • We celebrate our successes, but keep moving forward	• We honor our commitments and meet our deadlines • We are transparent in all our dealings • We take "Extreme Ownership" of our work and go the extra mile • We admit our mistakes and failures and learn from them • We don't cast blame, we seek solutions	• We honor and respect our team-mates and their work • We seek and offer help • We practice active listening • We actively communicate across workgroups and with our external partners and stakeholders • We don't personalize disagreements

We aspire to be…

The relied upon, highly trusted information hub of the health ecosystem… in which all participants both contribute and receive value

Legislative History

The Delaware Health Information Network (DHIN) is a statutory (16 *Del. C.* Ch. 103) not-for-profit instrumentality of the State of Delaware with the rights, obligations, privileges and purpose to promote the design, implementation, operation and maintenance of facilities for public and private use of health care information in the State. DHIN's statutory mission is to develop and operate a state-wide health information network integrating clinical, financial, and patient satisfaction data sources to inform decisions (16 *Del. C*. § 10303). The DHIN is intended by law to be a public-private partnership for the benefit of all citizens of Delaware.

DHIN was statutorily established in 1997, under the direction of the Delaware Health Care Commission. Following a period of incubation, the enabling statue was amended in 2010, and effective January 1, 2011, DHIN became a semi-autonomous not-for-profit public instrumentality of the state of Delaware.

History of Services Offered

Two core services have made DHIN a ubiquitous and indispensable component of the Delaware healthcare ecosystem.

- *Clinical Results Delivery* -- DHIN went live as the first state-wide operational health information exchange in May, 2007. The primary service offered in the first two years was electronic results delivery, with particular emphasis on delivery of lab results. Other supported data types include pathology results, radiology reports, transcribed reports, and admission face sheets (ADTs). The original "data senders" were Christiana Care Health System in New Castle County, Bayhealth (previously known as Kent General Hospital) in Kent County, Beebe Medical Center in Sussex County, and Lab Corp. DHIN delivers results and reports from data senders to the ordering and "copy-to" providers on behalf of the performing organization.

DHIN has always striven to provide value to everyone and meet them where they are on the technology adoption curve. Therefore, DHIN delivers results by three channels, and end users may elect to receive results by any combination of these channels:

- Electronic health record (EHR) integration -- There are now 31 EHRs for which DHIN has certified that a single interface to DHIN will allow multiple data types from multiple data senders to be transmitted directly to the EHR and stored and displayed correctly. Users of these EHRs represent approximately 75% of all DHIN members who use an EHR. DHIN continues to work with other EHR vendors to make such an interface available to their clients as well.

- Clinical inbox – This functions much like web-mail, in that results are viewed by a user in an online portal. From there, results can be printed or downloaded to the user's local system.

- Auto-fax – This feature faxes results to practices that still prefer to receive paper copies. It also functions as a fail-over delivery channel for the other two so that we avoid a single point of failure. Additionally, there is a single format for reports from all data senders sent through DHIN, so users quickly become habituated to where and how results will appear on the screen and the printed page.

- *Community Health Record* -- In 2009, the addition of more data senders (St Francis Hospital, Doctors Pathology Service, and Quest Diagnostics), and the addition of a record locater service, master person index, and a query portal enabled DHIN to offer a longitudinal Community Health Record (CHR). The CHR aggregates data about each patient across time, geography, care settings and data sources and allows authorized users to query for results and reports they would otherwise not know about nor have access to without time-consuming requests for information from multiple previous healthcare settings.

These two core services, results delivery and the Community Health Record, have achieved near 100% adoption in Delaware through a self-reinforcing "virtuous cycle." The more data that is available through the Community Health Record, the more valuable the CHR is to providers and the more of them enroll in DHIN. Conversely, the more end-users in DHIN demand that data of interest be available through the CHR, the more the labs, hospitals, and imaging centers find a business case for using DHIN as their results delivery channel.

All Delaware acute care hospitals and commercial labs and over 95% of imaging centers now participate as "data senders." Additionally, three Maryland hospitals near the Delaware-Maryland border also participate. The number of ambulatory providers currently enrolled in DHIN as end users of the Community Health Record actually exceeds the number of practicing providers in Delaware. Providers in contiguous states with an affiliation with one of DHIN's member hospitals use DHIN as the preferred channel for results delivery and query. Additionally, DHIN has entered

into exchange agreements with HIEs in our contiguous states. Based on the zip code of residence of the patient, ADT's, ORUs, C-CDA documents, and pdfs are actively pushed between DHIN and CRISP (the HIE covering Maryland, West Virginia, and the District of Columbia). ADT's are exchanged between DHIN and NJSHINE (covering Southeastern New Jersey) and six emergency departments in Southeast Pennsylvania, also based on the zip code of the patient's home. This interstate exchange of data enhances several of DHIN's key services. DHIN's data repository currently contains data on over three million individuals from all 50 states.

In addition to these core services, DHIN has introduced additional services and capabilities over the years. Our current service catalog consists of the services listed in Figure 2, with additional services in the pipeline. The first five services listed are considered "The Big Five," based on the level of adoption and utilization and their financial contribution to DHIN's revenue stream. Public Health Reporting is a special case of message delivery that DHIN performs on behalf of its member hospitals. Other services are less broadly adopted.

Fig. 2

1. Results Delivery
2. Community Health Record
3. Event Notification Service (ADT-based alerts and notifications
4. Clinical Gateway (Roster-based bulk transfer of data)
5. All-Payer Claims Dabase/Analytics
6. Public Health Reporting (Syndromic Surveillance, Electronic Lab Reporting)
7. Specialized Message Delivery (into a system other than an EHR)
8. Image Sharing (enhancing service to the CHR
9. Single Sign-On (from EHR into the CHR)
10. Medication History (enhancing service to the CHR)
11. Personal Health Record (consumer-facing equivalent of the CHR)
12. Patient alerting/fraud detection
13. Patient-directed transmission of records to a third party
14. Care Summary exchange (receipt of ambulatory and post-acute data into the CHR)
15. Direct Secure Messaging
16. Bio-specimen Sourcing for Research
17. Clinical Trial Candidate Sourcing
18. End-of-Life Orders Registry

Financial History

The General Assembly of Delaware established DHIN by statute in 1997, and there followed a 10-year period of formation efforts. Many people representing a wide range of subject matter and technical expertise and a variety of interest groups participated in formulating DHIN's structure, governance, business model, service prioritization, and consent model. In 2006, DHIN was awarded a contract under

the Agency for Healthcare Research and Quality (AHRQ) State and Regional HIE Demonstration Project that enabled DHIN to procure a technology platform to support early high priority services and use cases. In addition to this federal funding, the Delaware General Assembly appropriated $9 million in capitalization assistance across a five year period, with the expectation that DHIN would be self-sustaining at the end of that time, and with the proviso that DHIN could not draw down State funds until dollar-for-dollar private matching funds were secured.

In the early years of DHIN, the private funding came almost exclusively from Delaware hospitals and the national reference labs, with a one-time donation of $250,000 contributed by Blue Cross Blue Shield of Delaware. The financial model was a cost recovery model, in which the cost of operating the DHIN network was split almost evenly between federal, state, and private sources.

DHIN is designated by statute as the state-sanctioned provider of health information exchange services. As the "State Designated Entity," (SDE), DHIN has received substantial assistance through federal funding sources over the years, beginning with the AHRQ contract ($4.7 million, 2007-2010), and including the HIE Cooperative Agreement sponsored by the Office of the National Coordinator for Health IT (ONC) under the HITECH Act ($4.7 million, 2010-2014). DHIN was one of 12 states to be awarded another cooperative agreement grant by ONC with the programmatic goals of advancing the adoption and implementation of health IT and the actual interoperable exchange of health data, with emphasis on assisting entities not eligible for funding under the EHR Incentive Program, as well as "Eligible Professionals." ($2.75 million, 2015-2017).

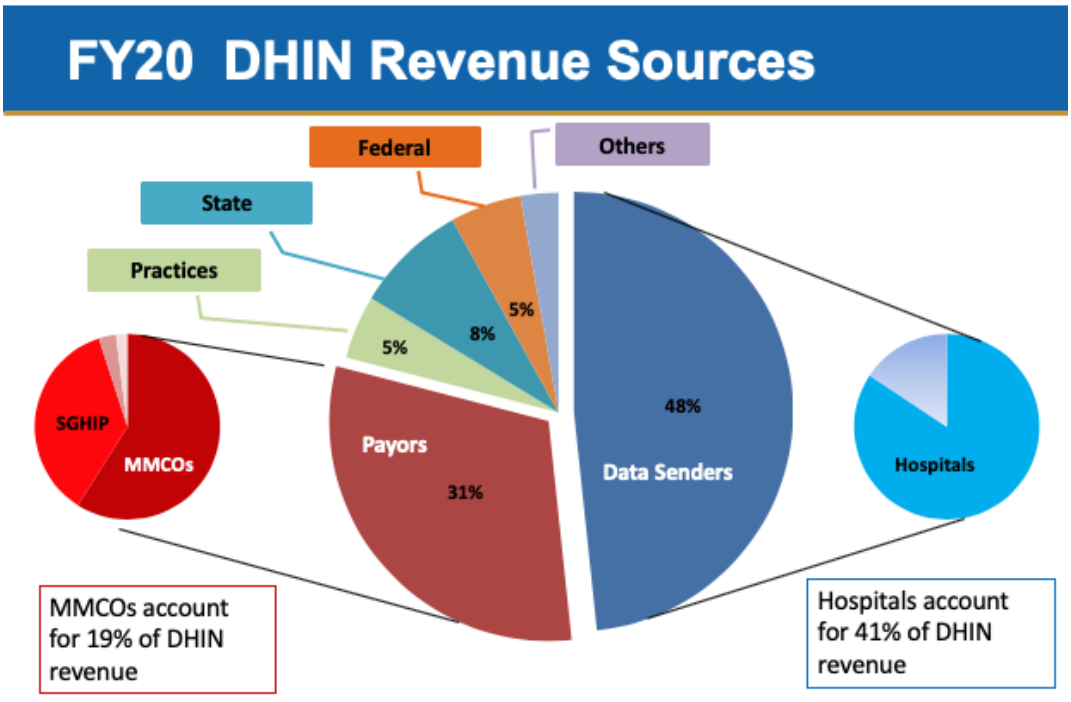
DHIN has also indirectly benefited from grant funds awarded to other Delaware entities, both private and State. Christiana Care Health System received a large grant from the Center for Medicare and Medicaid Innovation (CMMI), part of which was used to fund DHIN's development of the service we now call "Clinical Gateway," which is currently used not only by CCHS, but by all of the major payors in the Delaware health insurance market as well as by a state-wide Accountable Care Organization (ACO). Clinical Gateway is a population health management tool, which enables bulk transfer of data on a set of patients defined by a membership roster. DHIN also partnered with the Delaware Health Care Commission, the recipient of the federal State Innovation Models (SIM) grants, to develop the State's innovation plan and implement key technology-related portions of the plan. DHIN is currently partnering with the Division of Medicaid and Medical Assistance (DMMA) to enhance the Health Care Claims Database in ways that will specifically benefit DMMA, and thus has been able to leverage a one-time State appropriation of $2 million to receive enhanced federal financial participation in a 90/10 federal/state match through the period of "Design, Develop, and Implement" (DDI). Following this period, DHIN can continue to receive federal support through an MOA with DMMA specifically for HCCD operations at the 75/25 level as long as the State will continue annual appropriation of the 25% match required by CMS. In 2020 dollars, that equates to roughly $500 thousand per year in an ongoing commitment from the State. We have begun the discussions with key legislators and opinion leaders regarding this need and opportunity.

DHIN has always viewed federal grant funding as a tool to jump-start important work and reach critical mass of adoption quickly. However, a sustainable business model cannot rely on grants for long term success, and we are always cognizant of the need to plan beyond the grants.

Financial strength has come not only from growth in participation in DHIN's core services, but in diversification of service lines. "The Big Five" services, as previously described, are provided in groups, or service bundles, to hospitals, payors, and practices. Fees for hospitals and other data senders are based on the volume of data submitted to DHIN. Payors participate on a PMPM basis. Modest fees are charged to the outpatient practices based on the specific set of services they adopt. To the best of our knowledge, DHIN is the only community HIE that has actually lowered our participation fees, not once, but three times. In FY16, the data sender per transaction fees were lowered by 10%, and in FY19 by another 8%. In FY 17, payor fees were lowered by 3%. As a mission-driven, not-for-profit state instrumentality, DHIN strives to keep participation fees as low as possible compatible with sound financial management and positioning for continued growth.

A recognized current weakness in DHIN's financial position is the fact that, due to a highly consolidated payor and hospital market in Delaware, one dominant payor and one large health system together account for 42% of DHIN's annual revenue. Continued growth and development of the Analytics service line is seen as "the next big thing" for DHIN, and an important opportunity to reach completely new market segments and for further diversification of our revenue stream

Fig. 3



Per direction from the DHIN board of directors, a capital reserve has been established equivalent to at least six months of operational expenses and a year of new development costs. This will enable

continued growth and expansion of services without relying on grants or capital funding by the State, and provides a buffer for unanticipated "jolts" in the revenue stream.

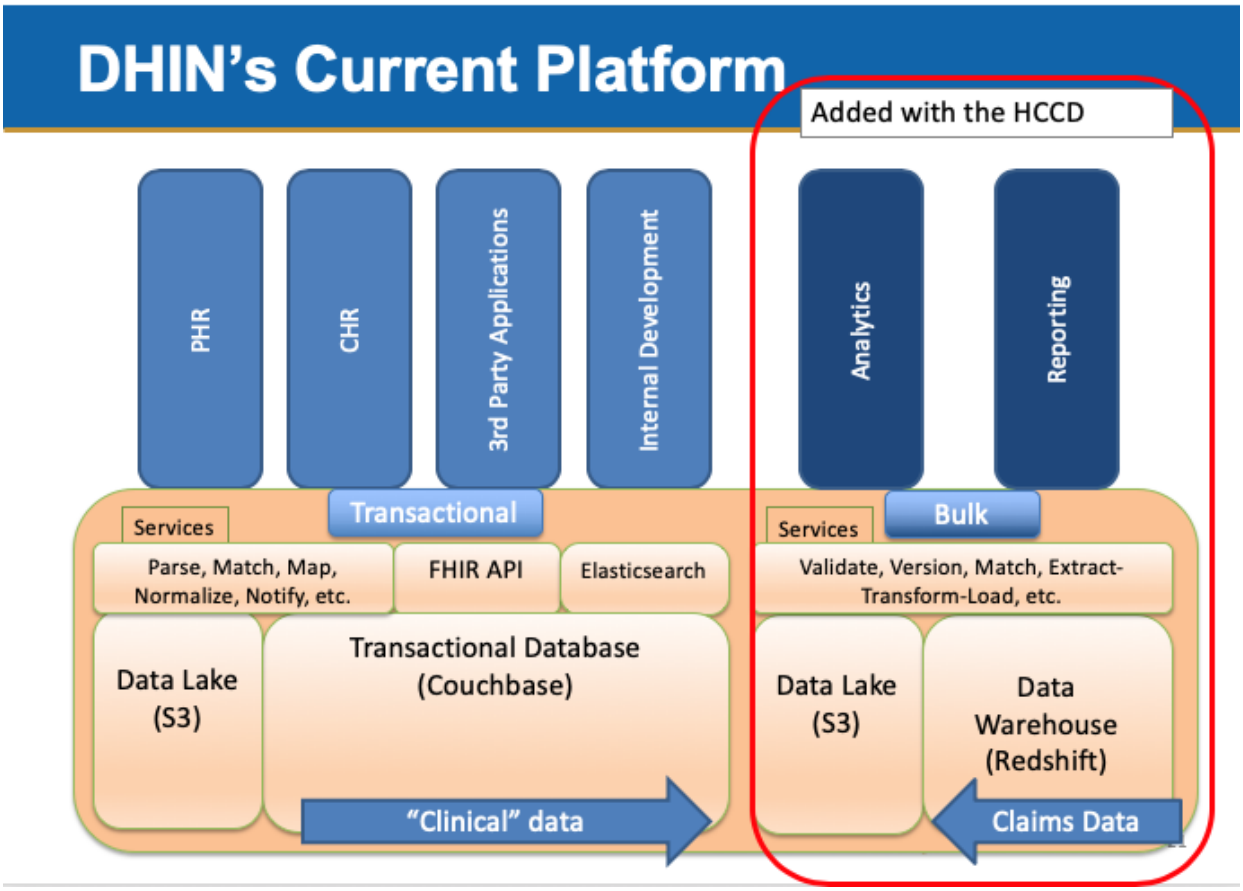
Current Environment

DHIN began operations in 2007 with a thin layer of contracted management oversight and with Medicity as the provider of a single-vendor technology solution. Over the years, as DHIN shifted to employed staff and a CEO and as we grew in size and in breadth of services, it became evident that no single vendor could support the full range of services DHIN needed to provide in order to remain relevant within our own market. However, our prime vendor had a very tightly integrated and proprietary technology platform that did not easily permit integration with third party solutions.

Over a period of several years, DHIN began working our way toward a more modern and open architecture that would give us more direct control over our critical infrastructure, would incorporate newer interoperability standards required by ONC and CMS, and would enable us to make future upgrades and refresh our technology stack without having to completely rip and replace our entire platform. The key principles we adopted for this transition were modularity, flexibility, and cost containment. We have moved most of our infrastructure to the cloud, and by the end of Q1 FY21, we should have completed that migration. We manage some of our own infrastructure in the Google cloud, some of it in the Amazon cloud, and we have partnered with a solution provider who hosts our clinical and claims data in the AWS cloud, as well as provides us with a range of data services.

Figure 4 is a high level representation of our current platform. The vertical blue boxes represent third party tools which can connect to the data via FHIR APIs. The most recent step in our technology refresh was the replacement of the Community Health Record provider portal. Thus, for the first time, our data is hosted and managed by one vendor while the front end application is managed by another vendor A new challenge which has emerged in this transition is that of managing a multi-vendor, multi-cloud environment such that end-to-end service level agreements with our customers are met.

Fig. 4



Previous and Future Business and Strategic Plans

DHIN's history to date can be divided into four distinct periods. The first stage was that of *formation*, in which the concept of a state-wide health information exchange was fleshed out and designed.

The second state was that of *capitalization*, in which federal funding was leveraged to acquire a technology solution and a mix of state and private funds were pledged in support of initial development and operations, and early, high-value services were introduced.

The revised DHIN enabling statue in 2010 brought the requirement for DHIN to submit a five year business plan to the Governor and General Assembly detailing a strategy for ongoing business *sustainability*. The strategy for that period focused on market saturation with the core services of results delivery and the Community Health Record.

Having fully executed or exceeded all goals of the previous business plan, we sought to chart a new course for the next five years. An assessment by Gartner Consulting Services revealed a need for significant *capacity development*. We needed a more modern and affordable technology stack capable of supporting a large array of new services, customers and market segments. We needed staff with the necessary knowledge and skills to address emerging needs and business opportunities. And we needed

a more rigorous approach to managing IT services across the lifecycle, following the ITIL framework of best practices in IT Service Management. DHIN has fully embraced and continues to mature in our adoption of this framework.

Fig 5

FORMATION	CAPITALIZATION	SUSTAINABILITY	CAPACITY BUILDING
1997 -- 2005	2006 -- 2011	2012 -- 2016	FY 17 – FY21
Search for a funding model Enabling statute; DHIN under HCC Environmental scan • Level of EHR adoption • Availability of broad band connectivity **Prioritization of service development**	**Federal** AHRQ grant for implementation **State Capital Bond Bill** (5-yr pledge) **Private** $-for-$ match required to draw down State funds **Financial model based on cost recovery** **Exclusively focused on core services (results delivery & longitudinal community health record)**	**Statute amended; DHIN to function as a self-sustaining business** **Value-based business model** Hire of CEO and staff **Market saturation with core services** Modest expansion of service lines Execution of HIE Cooperative Agreement Lowered participation fees in FY 16 Fully executed FY 12 – FY 16 business plan	Five major domains of work: **1 - Enterprise solution and architecture –** modernize and modularize the solution architecture for "best in class" solutions **2 - Service Offering** – manage from a full lifecycle perspective **3 - Service Operations and Management** – Improve the quality and delivery of services **4 - Customer Marketing Segmentation** **5 - Organizational Capabilities** – hire, train, or contract for the full range of needed knowledge and skills

In parallel with this RFP, DHIN has issued another RFP for facilitation of our next five-year strategic plan. We seek to understand and be able to articulate the value and benefits DHIN has brought to our stakeholders up to the present time, and we seek also to understand how DHIN should position ourselves to continue to provide value in the face of a rapidly evolving national landscape. This RFP seeks to address the first of these, and the strategic planning RFP the second.

7 CONTRACT REQUIREMENTS

7.1 RFP, Proposal and Final Contract

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder. Prices must remain valid for at least ninety (90) days. Contract negotiations will include price re-verification if the price guarantee period has expired. DHIN reserves the right to contract with the successful bidder for all or any portion of the proposed deliverables. If bidders are unwilling to comply with RFP requirements, terms and conditions, objections must be clearly stated in the cover letter.

The RFP and the executed contract between DHIN and the successful bidder shall constitute the contract between DHIN and the contractor. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: Contract, RFP. The proposal may be incorporated into the contract by reference. No other documents shall be considered. These documents contain the entire agreement between DHIN and the Contractor.

7.2 Choice of Laws

The form of this engagement will be a professional services contract interpreted under the laws of Delaware.

7.3 Independent Contractor

The successful bidder will be considered an independent contractor to DHIN, and is not an employee, agent, joint venturer, or otherwise under the direction or control of DHIN or the State of Delaware. The contractor retains all control and direction over its employees, officers and agents in performing under this engagement, except that DHIN retains the right of direction, content and form of the final deliverables.

7.4 No Subcontracting

The contractor shall perform this engagement with its own employees or officers and shall not subcontract any of the work unless DHIN provides written consent otherwise.

7.5 Compliance with Other Laws

The successful bidder will be required to warrant (see Attachment A) that it is in complete compliance with all provisions of applicable Federal, State, and local laws, acts, and regulations that outlaw discrimination based on age, race, color, religion, national origin, gender, handicap, and veteran status, etc. and must further warrant complete compliance with all provisions of Federal, State, and local laws, acts, and regulations regarding any required permits, licenses, registration, taxes, or fees.

7.6 DHIN's Sole Property

All information in any form or the analysis of such information that is obtained, collected, produced or compiled by the contractor shall be the sole and exclusive property of DHIN, and the contractor shall not release nor provide such information, analysis, conclusions or documents to another without express written consent of DHIN, and this provision will survive termination or completion of the engagement.

7.7 Indemnification

Pursuant to Delaware law 29 *Del. C.* § 69, a bidding party who is successful shall indemnify and hold DHIN and the State of Delaware harmless from any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities of every kind and character resulting from contractor's breach of any of its warranties or the error, omission or negligent act of the contractor, its agents, employees or representatives, in the performance of the contractor's duties under any agreement resulting from award of this proposal.

7.8 Freedom of Information

All proposals become the property of DHIN and will not be returned to contractors. DHIN will not divulge specific content of proposals to the extent that the contractor identifies contents as privileged or confidential. Any information not so designated will be considered public information and may be subject to disclosure under the Freedom of Information Act ("FOIA"), codified at 29 *Del. C*. § 10001-10006.

7.9 Insurance Required

As a part of the contract requirements, the Contractor shall obtain at its own cost and expense and keep in force and effect during the term of this contract, including all extensions, the minimum coverage of:

a) **Automotive Liability Insurance** covering all automotive units used in the work with limits of not less than $100,000 each person and $300,000 each accident as to bodily injury and $25,000 as to property damage to others.
b) **Worker's Compensation Insurance** under the laws of the State of Delaware and Employer's Liability Insurance with limits of not less than $100,000 each accident, covering all Contractor's employees engaged in any work hereunder.
c) **Comprehensive Liability -** Up to one million dollars ($1,000,000) single limit per occurrence including:
    a. Bodily Injury Liability - All sums which the individual or company shall become legally obligated to pay as damages because at any time resulting therefrom, sustained by any person other than its employees and caused by occurrence.
    b. Property Damage Liability - All sums which the individual or company shall become legally obligated to pay as damages because of injury to or destruction of property, caused by occurrence.

c. Contractual liability, premises and operations, independent contractors, and product liability.

d) Forty-five (45) days written notice of cancellation or material change of any policies shall be required.

7.10 Default

Any failure of the contractor to perform any of its obligations or duties under this agreement in a timely fashion is a material breach of the contract that allows DHIN, at its sole option, to terminate the contract without further obligation to the contractor, or to waive such default in writing. DHIN shall thereupon have the right to terminate this contract by giving written notice to the contractor of such termination and specifying the effective date thereof, at least fifteen (15) days before the effective date of such termination. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other material prepared by the contractor in the performance of the contract shall, at the option of DHIN, become its property, and the contractor shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials which is usable to DHIN. DHIN's waiver of a default in any instance shall not be construed to be a waiver in any other circumstances.

7.11 Opportunity to Cure

In the event, a party to this agreement commits a default of its obligations, the other party shall provide the defaulting party with a written notice of such default and 15 business days to cure such default.

7.12 Dispute Resolution

Each party shall use reasonable efforts to settle any disputes related to this Agreement through efficient communication and informed discussion.

8 CONTRACT MANAGEMENT AND COMMUNICATIONS

The Delaware Health Information Network (DHIN) will retain ultimate decision making authority required to ensure project tasks are completed.

DHIN will provide active assistance in scheduling necessary meetings with key stakeholders. The successful bidder is expected to be very proactive in requesting such assistance, and driving toward a schedule that will complete the engagement with all deliverables on the timeline specified in the proposal and work plan. A schedule over run of 10% or greater will invoke a 10% monetary penalty unless it is clearly due to factors not under the reasonable control of the selected bidder.

The Project Leadership Team (PLT) will consist of the DHIN senior management team. Any member of the team may be called upon to assist in providing background information germane to the successful completion of the engagement.

Staff Coordination - The COO and General Counsel will serve as the contact points through which the contractor may relay questions or problems, will coordinate all necessary contacts between the contractor and DHIN stakeholders and will report to the CEO on the effectiveness, quality and timeliness of the Contractors services.

Approval of Deliverables - The CEO will review, evaluate, and approve all deliverables prior to the contractor being released from further responsibility.

Policy Decisions - The DHIN CEO and Board of Directors retain final authority for making policy decisions affecting completion of this project.

Contract Issues – the DHIN CEO or General Counsel shall be contacted regarding questions and/or problems of a contractual/deliverable nature and shall be responsible for resolving legal issues and interpreting contract terms and conditions. The CEO is the sole authority authorized to approve changes in any of the requirements under this contract. These changes include, but will not be limited to the following areas: scope of work, price, quantity, and contract terms and conditions.

Payment Issues – The DHIN CFO is the point of contact for any questions or problems regarding invoicing or payment.

ATTACHMENT A
PROPOSER WARRANTIES

1. Proposer warrants that it is in complete compliance with all provisions of applicable Federal, State, and local laws, acts, and regulations that outlaw discrimination based on age, race, color, religion, national origin, gender, handicap, and veteran status

2. Proposer warrants that it is in complete compliance with all provisions of Federal, State, and local laws, acts, and regulations regarding any required permits, licenses, registration, taxes, or fees.

3. Proposer warrants that it has insurance as required by paragraph 2.4.8 of the Request for Proposal # 2020-001, and will provide a copy of the certificate of insurance upon request.

4. Proposer warrants that it is willing and able to comply with Delaware laws.

5. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of Delaware Health Information Network.

6. Proposer warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement of understanding for a commission or percentage, brokerage or contingent fee excepting bona-fide employees and/or bona-fide established commercial or selling agencies maintained by the proposer for the purpose of securing business. For breach or violation of this warranty, DHIN shall have the right to annul the contract without liability or at its discretion to deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee

4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official:_____

Name (typed):_____

Title:_____ Date:_____