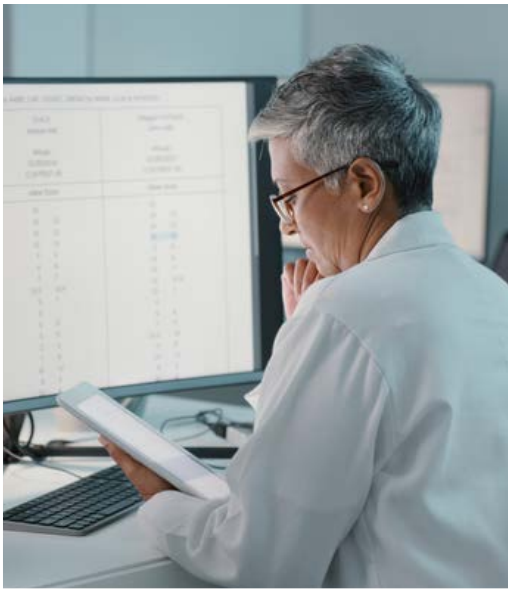
DHIN Delaware Health Information Network

2025 ANNUAL REPORT



We empower public and private partners to make data-driven decisions through innovative health data services.

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A Message from Our CEO

Fiscal Year 2025 was a year of meaningful progress for Delaware Health Information Network—and one that reaffirmed both the importance of our mission and the value of the work we do every day on behalf of Delawareans. As we entered the fourth year of our five-year strategic plan, we remained focused on strengthening DHIN's role as Delaware's trusted health information exchange while continuing to expand how our data, technology, and services support providers, public partners, and communities across our State.

This year's progress reflects the priorities that continue to guide our organization: maintaining DHIN's relevance in a value-based care environment, strengthening our partnership with the State, supporting long-term business sustainability, and investing in the core services that remain central to our mission. Those priorities are not simply strategic goals on paper; they represent our commitment to remaining responsive, reliable, and forward-looking in a healthcare landscape that continues to evolve.

One of the most important ways we advanced that commitment in FY25 was through the continued growth of DHIN's data and analytics capabilities. Through the Health Care Claims Database (HCCD) and our broader clinical data resources, DHIN helped providers, researchers, State agencies, and other partners better understand healthcare utilization, cost, and quality across Delaware. During the year, we advanced multiple analytics projects for State agencies and expanded our ability to prepare de-identified datasets that can accelerate research and policy analysis while maintaining strong privacy protections.

We also made important investments in the infrastructure that powers DHIN's services and underpins the trust that others place in us. During FY25, we continued optimizing our Master Patient Index (MPI), a critical capability that helps validate that health information is accurately matched to the right individual. Since entering the optimization phase of our upgraded matching platform, our team has closed more than 824,300 tasks related to reviewing and resolving potential mismatches and duplicate records. We also completed more than 30 enhancements to the Community Health Record, improving usability and functionality for the clinicians and care teams who rely on DHIN information every day. In addition, we brought the Event Notification Service (ENS) in-house, giving us greater control over future improvements and a more responsive experience for subscribers.

DHIN's partnership with the State remains foundational to our work, and we continued to serve as the State-sanctioned health information exchange while renewing key agreements, supporting State-operated healthcare facilities, and advancing analytics projects funded through State partnerships. At the same time, we explored new opportunities to extend DHIN's value, including efforts to support clinical trial recruitment through the responsible use of de-identified claims and clinical data.

> These efforts reflect the broader role DHIN can play, not only in healthcare operations and care coordination, but also in innovation, research, and expanding access to new possibilities for patients across Delaware.

FY25 was a strong year financially. Through careful execution of our technology roadmap, we reduced ongoing costs, expanded and renewed service subscriptions, and outperformed our initial net income projection. This solid financial position helped us reduce unit pricing for participating hospitals—for the third time in DHIN's history—while continuing to reinvest in the systems, security, and operational capabilities needed to drive future growth. We also maintained HITRUST certification for key infrastructure and services, reinforcing our commitment to safeguarding sensitive information and meeting rigorous security standards.

We accomplished a lot in FY25, and I am excited about what lies ahead. DHIN will continue to invest in the data, tools, and partnerships that strengthen care coordination, support healthcare transformation, and improve outcomes for the communities we serve. We are proud of the progress reflected in this report, and we remain committed to building on that momentum in the years ahead.

Sincerely,

Jan Lee, MD, MMM, FAAFP
Chief Executive Officer

Our Strategic Plan

Year Four of DHIN's strategic plan is built upon the progress made delivering value and driving innovation for our partners. Each strategic initiative requires financial and human investment and supports our desire to serve as Delaware's unbiased, community trustee for health data.

THE INITIATIVES NECESSARY TO ACHIEVING SUCCESS:

1. **AUGMENTING OUR DATA** by acquiring types and sources to support evolving information needs of our customers
2. **STRENGTHENING OUR APPROACH** to data governance
3. **BUILDING STRONG PARTNERSHIPS AND ALLIANCES** especially with state government
4. **MEASURING AND COMMUNICATING VALUE** to our stakeholders
5. **DRIVING GROWTH OF OUR NEWER SERVICES** especially the analytics service line
6. **CONTINUOUSLY EVALUATING OUR COST AND PRICING STRUCTURES** adjusting as appropriate

DHIN's Strategic Plan: Year Four

In FY2021, DHIN launched a five-year strategic plan to guide organizational priorities, operations, and growth. In year four, the plan continues to serve as the roadmap for advancing DHIN's vision: to be the preferred, highly trusted provider of health data services that enable healthcare transformation, promote health equity, and improve quality while saving time, money, and lives.

Throughout FY25, DHIN continued to advance the plan through work aligned to four strategic themes:

1. Maintaining DHIN's Relevance in a Value-Based Care-Driven Market
2. Strengthening Our Ties to the State
3. Strengthening Business Sustainability
4. Maintaining Our Current Strengths and Advantages

1. Maintaining DHIN's Relevance in a Value-Based Care-Driven Market

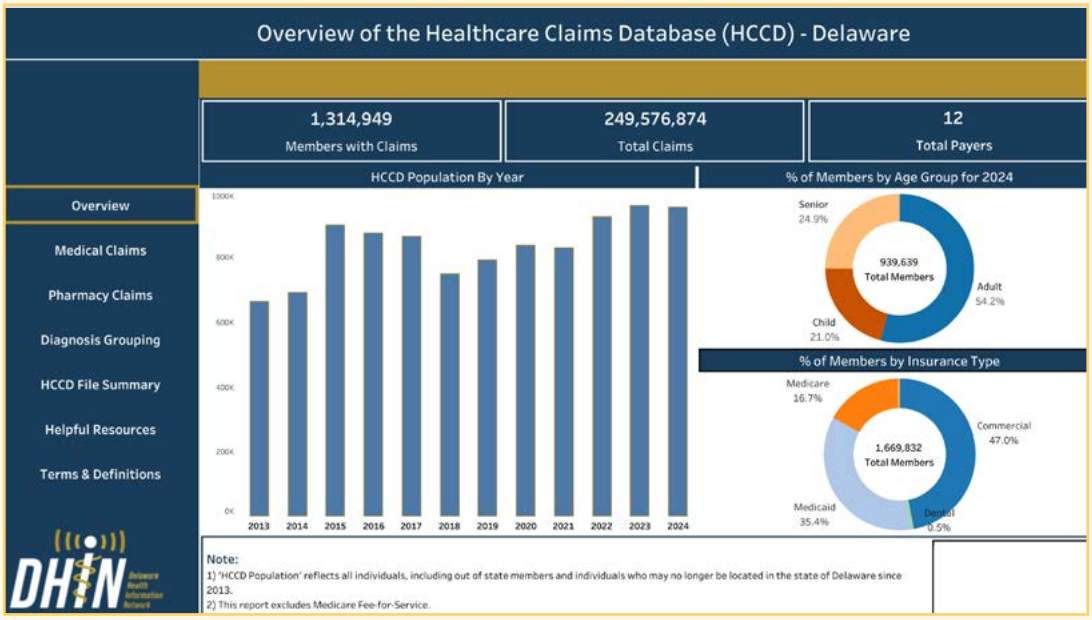
As policymakers continue to assess value-based care (VBC) and associated payment reform, the availability and accessibility of relevant data is of paramount importance. Emerging payment models require data from multiple sources to measure effectiveness and track payment milestones. In Delaware, DHIN is uniquely positioned to support this work through its long-standing role as the State-sanctioned health information exchange.

DHIN's past success provides a sturdy foundation, but maintaining relevance in a rapidly evolving market requires continued investment and adaptation. In response, DHIN and its Board of Directors have remained focused on strengthening the organization's capabilities to meet growing demand and emerging industry needs.

In FY25, DHIN expanded its data governance controls and capabilities as part of this strategic effort. DHIN hired a new Director of Data Management with Delaware-based healthcare experience to help meet the challenges associated with significant industry reform efforts. Under this leadership, DHIN continued adapting its infrastructure and governance practices so that data received from multiple sources is curated and maintained in formats that meet current demands and support future reporting and access needs. A key example is the conversion of care summaries from largely static PDF documents into searchable, discrete data elements—an enhancement that will improve utility for payment reform and help smaller practices participate more effectively in value-based care arrangements.

DHIN also began developing standardized de-identified datasets to support research and policy analysis. Updated regularly as new claims data is received, these combined claims and clinical datasets can generate actionable insights that inform healthcare policy and improve health outcomes. By making data more standardized and accessible for appropriate use cases, DHIN is improving its ability to respond to a greater volume of analytic requests in a more efficient, scalable manner.

Additionally, DHIN expanded efforts to educate current and prospective customers and partners about the scope and accessibility of its data resources. During the year, DHIN's analytics team developed a series of project summaries that highlight the team's capabilities and demonstrate how DHIN data can support high-value use cases.



Source: HCCD population overview by year, 2013 - 2024.

2. Strengthening Our Ties to the State

DHIN's relationship with the State of Delaware remains foundational to its mission. In FY25, DHIN renewed key contracts with the Division of Medicaid and Medical Assistance (DMMA) to support the HCCD and with the Division of Public Health (DPH) to provide services related to reportable diseases and other conditions. DHIN also continued delivering health information exchange services to State-operated healthcare facilities, including those managed by the Division of Services for the Aging and Adults with Physical Disabilities (DSAAPD) and the Division of Substance Abuse and Mental Health (DSAMH).

By the end of FY25, DHIN also had seven active analytics projects underway on behalf of Delaware State agencies. Supported by an initial, one-time investment from the General Assembly, DMMA, and the Office of Management and Budget (OMB), these efforts underscore the growing role of the HCCD in helping agencies improve care, policy, and outcomes for Delawareans statewide.

3. Strengthening Business Sustainability

In a rapidly changing healthcare environment, DHIN continues to serve as a trusted, stable leader in health information exchange. As costs rise across the healthcare ecosystem, DHIN remains focused on delivering high-value services in a cost-effective manner for providers, patients, and public-sector partners. During FY25, the organization executed its technology roadmap and reduced ongoing costs by approximately $33,000, while also expanding and renewing service subscriptions totaling $286,000. These efforts, combined with disciplined execution of the strategic plan, helped DHIN outperform its projections.

DHIN's strong financial position also enabled the organization to reduce hospital participation unit pricing for the third time in its history. Guided by its Governor-appointed Board of Directors, DHIN intends to reinvest its capital surplus in technology and operational improvements that lower costs while preserving the flexibility needed to support the State and other stakeholders as policy and market demands evolve.

4. Maintaining Our Current Strengths and Advantages

DHIN's core services, including the Community Health Record (CHR), Results Delivery, Analytics, Event Notification Service (ENS), and Clinical Gateway, remain central to the organization's value proposition. These services are the backbone of the organization and continue to be a primary reason an organization chooses to partner with DHIN.

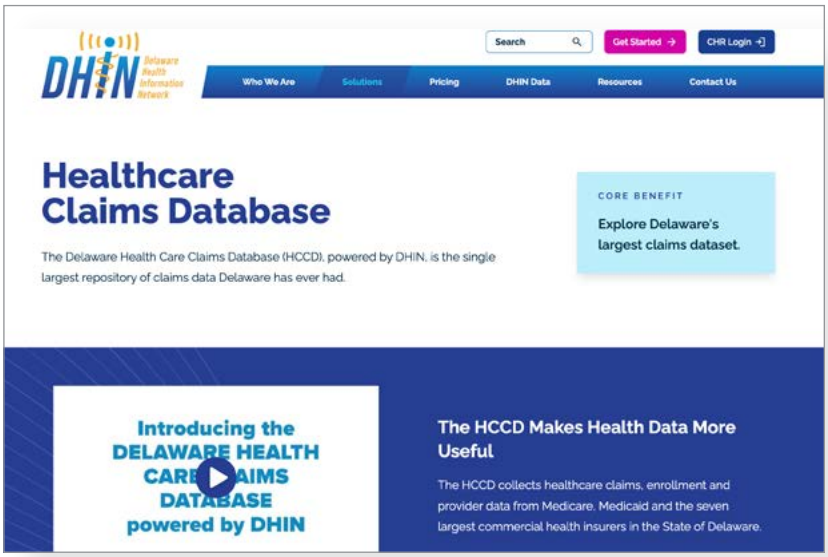
As described below, DHIN's strategic plan emphasizes continuous improvement of these core services to ensure they remain responsive to changing needs. In FY25, DHIN made significant improvements to its Master Patient Index (MPI), the identity-matching tool supporting all core services—and completed more than 30 enhancements to the CHR. Together, these updates improved usability, reliability, and performance across the platform.

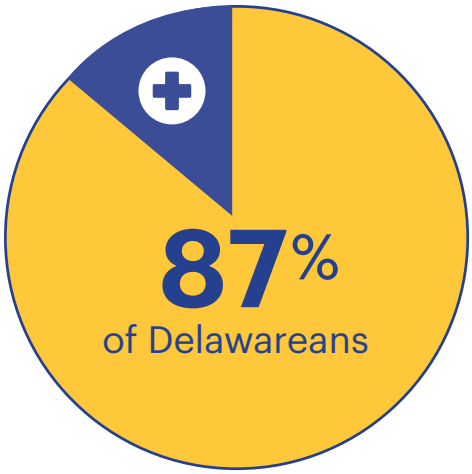
DHIN also continued to explore new opportunities for sustainable growth. One area of focus is the use of DHIN data to help identify potential participants for clinical trials, creating a more efficient and cost-effective way to connect patients with emerging treatment options. During FY25, DHIN executed an agreement with a clinical trial resource organization to support this work and continued pursuing additional partnerships and lines of business that can expand the organization's impact for Delawareans.

A Decade of Claims Data
Healthcare Claims Database (HCCD)

In 2017, the Delaware General Assembly established the statewide HCCD under the administrative management of DHIN. The statutory purpose of the HCCD was four-fold:

- Foster the “Triple Aim” of improved care, improved healthcare quality and experience, and affordability
- Support population health research and analysis (e.g., disease prevalence, utilization data, etc.)
- Assist healthcare entities in assessing and managing financial risk for population healthcare, as we move toward value-based payment and new care delivery models
- Improve public health through increased transparency of accurate healthcare claims information





The HCCD contains claims of nearly one million people, meaning we have data on most Delawareans (87%), including Medicare, Medicaid, and several commercial plans. Its purpose is to improve healthcare access, quality, and affordability by enabling analysis of utilization patterns identifying trends, and supporting value-based care initiatives statewide.

HCCD Financials

Initial funding of the HCCD was grant-supported. In FY18, the State established an account at OMB and provided $2 million in appropriated funding to support DHIN and establish the HCCD. To maximize the effectiveness of this funding, DHIN worked with DMMA and ultimately received Center for Medicare and Medicaid Services (CMS) Inter-Agency Planning Document (IAPD) funding approval in May 2019. Obtaining this approval was significant for the HCCD, because much of the work that needed to be performed fell within categories of technological development that were supported by an enhanced federal match rate. DMMA and the General Assembly have continued to be staunch supporters of the HCCD and provided an additional $3 million appropriation in FY24. This $5 million combined appropriation is expected to last into FY28.

DHIN expects the overall funding mix to shift over time between a 90/10 development and a 75/25 operational-funding rate. As with all claims databases, continued State support will be necessary to maintain the HCCD in future years. DHIN is fully aware of the significant trust and investment the State and federal government have placed in DHIN through this continued funding and remains committed to using those funds responsibly. As with DHIN's clinical health information exchange services, DHIN will continue to seek responsible investments in technological improvements to bring down the costs of operation over time.

Right data. Right patient. Right time.

Patient identification remains one of the most complex challenges in managing health data. As a steward of records for nearly five million patients who have received care in Delaware and the surrounding region, DHIN places a high priority on accurately matching data to the correct individual.

Identity proofing and matching are critical to ensuring that the right information is available for the right patient at the right time. DHIN's Master Patient Index (MPI) serves as the central identity-matching resource for Delaware and is built on an algorithm that uses demographic data, including name, date of birth, gender, address, phone number, and other identifiers that may change over time.

This capability benefits patients across hospitals and healthcare systems in Delaware and the surrounding region, the more than 11,000 clinicians who rely on DHIN data during care, State agencies including DPH, DSAMH, and DMMA, and long-term and post-acute care facilities whose residents often transition frequently between hospitals and facilities. Because DHIN integrates information from many different sources, including State systems, accurate matching is critical even when available data is limited. Improved match rates will be especially beneficial for vulnerable patients.

This count includes individuals who were previous residents of Delaware and/or included in the claims provided.

Delivering value to Delaware

Since going live in 2017, the HCCD has become a valuable resource for State agencies, payers, providers, and researchers. DHIN partners with State, local, and national organizations to use HCCD data to identify meaningful trends, inform policy, and advance value-based care strategies across the State.

Improving insights to inform care

Empowering data-driven decisions remains central to DHIN's mission. While DHIN's work has historically focused on treatment, payment, and healthcare operations use cases, the organization's capabilities have expanded, with continued State support, to include research, clinical trial recruitment, and other analytic use cases that help address the evolving challenges of patient care and healthcare delivery.

The catalyst for this evolution was the 2021 enactment of Senate Bill 88, which authorized DHIN, subject to applicable privacy protections, to use clinical data in conjunction with HCCD claims data to support research and analytic initiatives. The ability to combine claims and clinical information gives DHIN, and the State of Delaware, a meaningful advantage in generating deeper insights that can inform care delivery, policy, and payment reform.

Leadership and Support

Expanding Partnerships with State Agencies

In FY25, DHIN continued its partnership with the Delaware Health Care Commission (DHCC) and the Department of Health and Social Services (DHSS) to support CostAware projects. CostAware was designed to help consumers better understand the cost of selected procedures and medications, along with relevant quality metrics, across healthcare facilities in Delaware.

The reports, tools, and graphics available through CostAware are powered by DHIN and HCCD data. Sharing this information supports initiatives and programs that promote access to high-quality, affordable care, improve health outcomes for Delawareans, and foster collaboration among providers and health plans.

In conjunction with the CostAware project, DHIN's analytics team assisted with developing and refreshing data for the following reports:

- Pharmacy spending in Delaware
- Opioid-related ED visits
- Top diagnosis in Delaware
- Emergency department utilization
- The overview of the HCCD

These reports were updated with data through 2024, with some reports including data as far back as 2013.

MPI IMPROVEMENTS

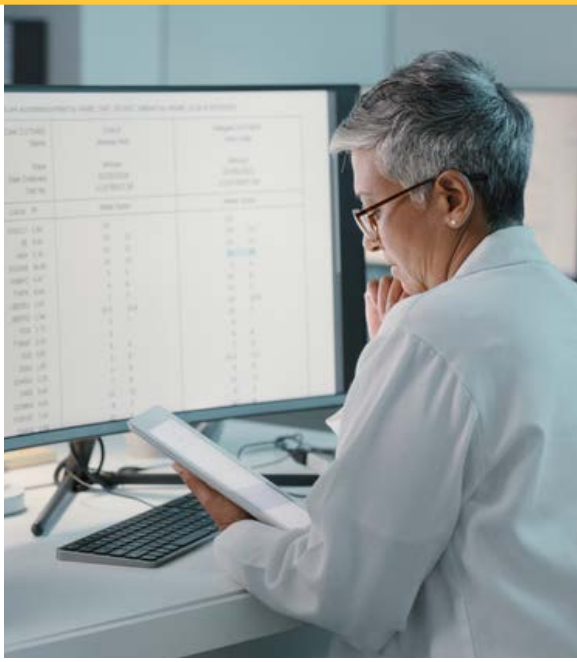
In Fiscal Year 2024, with support from former U.S. Senator Thomas Carper, DHIN secured $1.4 million in federal funding for its Advanced Patient Identification Proofing and Matching Technology project. With this funding, DHIN upgraded its MPI to a platform offered by Verato. This state-of-the-art referential database provides a high match rate when data is incomplete, and its nationwide data resources allow matches to be made for non-residents seeking care at Delaware healthcare facilities.

The project was structured in two phases: implementation and optimization. In FY24, DHIN successfully completed the implementation phase, transitioning to the new vendor and integrating the platform across its service lines.

In FY25, DHIN moved into the optimization phase, focusing on improving the accuracy and integrity of the new MPI by addressing a substantial backlog of potential mismatches and duplicate records. Some cases could be resolved through manual review or targeted technology solutions, while others required enhanced technology or further coordination with data source providers and medical records staff.

The results have been significant. Since the optimization phase began, DHIN has closed more than 824,300 tasks related to reviewing and resolving potential mismatches and duplicate records.

> "Behind every record is a person. Our customers can feel more confident in the information they use every day because of this project," commented Dan Eckrich, Director of Data Management. "For us, it strengthens the quality of our data, which is at the heart of everything we do."



ENHANCING DIGITAL TOOLS

In FY25, DHIN launched a major initiative to enhance its Community Health Record (CHR), a digital tool used primarily by providers and their staff that gives them access to a longitudinal view of patient information maintained by DHIN. The CHR Enhancements Project was designed to improve the user experience and functionality by delivering 30 high-value enhancements. The list of enhancements was developed in consultation with key stakeholders, including CHR users, to ensure the most valuable improvements were prioritized.

One notable enhancement involved restoring medication history functionality within the CHR. While earlier versions allowed users to retrieve medication history, that feature was temporarily removed during the CHR transition to a different operating platform. In FY25, DHIN reintroduced the capability through a refreshed interface that now allows Premium Medication History users to access up to 12 months of patient medication history directly within the CHR.

Another important improvement was the addition of new viewing and printing options for Continuity of Care Documents (CCDs), which are structured electronic summaries of a patient's health record, designed to support care transition between providers. Previously, users could only download CCDs as XML files, which limited accessibility for many users. In response to stakeholder feedback, DHIN implemented the ability to view, download, and print CCDs in PDF format.

> "These improvements reflect DHIN's commitment to listening—and acting on—customer feedback to continuously improve the tools they rely on every day," said Alex Vaillancourt, Chief Information Officer. "They make the CHR more useful to providers and reinforce DHIN's role as a trusted partner in healthcare delivery."

Expanding Our Role

Strengthening Patient Care with Real-Time Data

In FY25, DHIN took important steps to bring greater control to its Event Notification Service (ENS), which alerts subscribers when their patients are admitted to or discharged from a participating DHIN hospital or emergency department. Previously managed by a third-party vendor, the system required DHIN to rely on that vendor for routine updates and day-to-day support. Bringing ENS in-house helped reduce costs, shorten response times for subscriber issues, and improved customer satisfaction.

Maintaining Gold-Star Security Standards

DHIN has maintained HITRUST certification for key services since 2017, including certification for the new CHR this year. HITRUST remains the gold standard for information security best practices, and in FY25 DHIN maintained certification for its IT infrastructure and services by successfully completing a risk-based, two-year (r2) assessment. This voluntary certification reflects DHIN's continued commitment to protecting sensitive information and reinforces the confidence that providers, partners, and the State place in our systems and services.

EXPANDING OUR RELATIONSHIPS

In FY25, DHIN continued expanding its network of providers that send data to DHIN, including new participants: Delaware Hospice, Inc. and Delaware Hospital for the Chronically Ill (DHCI).

Delaware Hospice became the first hospice organization to join DHIN as a data sender, while DHCI contributes information related to long-term care and short-term rehabilitation for adults with complex chronic health needs. Adding organizations like these strengthens care coordination across hospitals, hospices, skilled nursing facilities, and rehabilitation providers. It also helps primary care physicians receive timely notifications about patient transitions so they can remain engaged in follow-up care and support continuity across care settings.

Supporting Clinical Trial Research in Delaware

In June 2025, DHIN signed a master service agreement with Hightower Clinical, a clinical trial site organization based in Oklahoma City. DHIN's data is being used for recruitment services for clinical trial and research purposes. Together, DHIN and Hightower are creating a pathway to expand access to emerging treatment options while also contributing to broader drug and diagnostic development efforts.

DHIN's extensive claims and clinical data resources can help identify potential clinical trial candidates more efficiently. When a clinical trial sponsor seeks Delaware-based participants, DHIN's Analytics Team can analyze de-identified data to identify practices and health systems with potentially eligible patients. DHIN can then notify those providers so they can determine whether the clinical trial may benefit their patients.

This approach has the potential to reduce the time and cost typically associated with participant recruitment while helping surface timely and relevant clinical trial opportunities.

> "Bringing more clinical trial research opportunities to Delaware will provide patients with chronic and complex conditions access to innovative therapies" said Emily Hubbard, who manages clinical trial recruitment services at DHIN. "Finding the right patients at the right time is where most clinical trial projects struggle and fail. DHIN's extensive data and long-standing relationships with Delaware's providers and hospitals will help reduce these risks and—hopefully—improve the success rate of clinical trial research across the state."

PROVIDING VALUE TO OUR MARYLAND NEIGHBORS

DHIN not only works with hospitals, private practices, and healthcare facilities in Delaware, but also in neighboring states. As a result, there are times when DHIN must update its policies to comply with those states' regulations. DHIN's General Counsel, Scott Perkins, has facilitated DHIN's response to new Maryland regulations on behalf of Maryland patients and data senders.

DHIN has records for 486,000 Maryland residents in its clinical data repositories, primarily because Maryland residents receive care at Delaware-based facilities or through DHIN data senders. Maryland enacted new laws and implemented regulations requiring State-registered HIEs to block access to certain legally protected health information—specifically, information related to certain reproductive health procedures—unless the HIE receives patient consent or is directly delivering health information to an identified provider. To guarantee compliance with its cross-border operations, DHIN has incorporated technological changes to its data platforms allowing it to identify legally protected data and share it in a compliant manner.

DELAWARE HEALTH INFORMATION NETWORK
Profit and Loss Statement
FOR THE PERIOD ENDING June 2025

	Capital	Non Operational	Operational	Year-to-Date Total
Operating Revenue				
Core Services				
Data Sender Bundle	$0	$0	$5,456,489	$5,456,489
Payer Bundle	$0	$0	$3,806,262	$3,806,262
CHR - Viewing by Providers	$0	$0	$210,276	$210,276
Medicaid FFP (HCCD)	$0	$4,514,460	$0	$4,514,460
State Appropriation for HCCD	$0	$502,206	$0	$502,206
Total Core Services	**$0**	**$5,016,666**	**$9,473,027**	**$14,489,693**
Value Added Services				
Medication History Access	$0	$0	$30,130	
Encounter Notification Services	$0	$0	$236,517	$236,517
Image Viewing	$0	$0	$0	$0
CCD Exchange	$0	$0	$0	$0
Cost Aware / Total Cost of Care Funding	$0	$503,539	$0	$503,539
Claims Database - Earned Revenue	$0	$0	$62,999	$62,999
Professional Services	$0	$0	$134,876	$134,876
Total Value-Added Services	**$0**	**$503,539**	**$464,522**	**$968,061**
Total Operating Revenue	**$0**	**$5,520,205**	**$9,937,549**	**$15,457,754**
Non Operating Revenue				
Grant Revenue	$0	$990,406	$0	$990,406
Investment Income	$0	$368,601	$0	$368,601
Interest	$0	$313,130	$0	$313,130
Late Fee Revenue	$0	$0	$38,923	$38,923
Total Non Operating Revenue	**$0**	**$1,672,137**	**$38,923**	**$1,711,060**
Total Revenue	**$0**	**$7,192,342**	**$9,976,472**	**$17,168,814**
Expenses				
Personnel	$175,264	$2,729,592	$5,391,917	$8,296,773
Administration	$0	$0	$1,345,167	$1,345,167
Operations	$0	$0	$0	$0
Depreciation	$0	$0	$0	$0
Contractual (Non-Technical)	$0	$1,427,363	$223,036	$1,650,399
Marketing	$0	$0	$132,661	$132,661
Ongoing License & Maintenance	$0	$1,373,622	$1,862,350	$3,235,973
New Functions	$0	$276,175	$0	$276,175
New Functions Maintenance & License	$0	$0	$0	$0
Technology Refresh	$0	$97,295	$0	$97,295
Total Expenditures	**$0**	**$5,904,047**	**$8,955,132**	**$15,034,443**
Net Income	**($175,264)**	**$1,288,295**	**$1,021,340**	**$2,134,371**

DHIN BOARD OF DIRECTORS

As of June 30, 2025

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