

**Agency: Commerce, Community and Economic Development**

**Grants to Named Recipients (AS 37.05.316)**

**Grant Recipient: Alaska Primary Care Association**

**Federal Tax ID: 92-0154822**

**Project Title:**

# Alaska Primary Care Association - Health Information Technology Network for Community Health Centers

**State Funding Requested: \$ 2,500,000**

**House District: Statewide (1-40)**

One-Time Need

**Brief Project Description:**

Request would fund the initial phase of a project to build an integrated health information network across the state's Community Health Centers for sharing of electronic health records.

**Funding Plan:**

**Total Cost of Project: \$5,055,450**

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Other	\$2,668,450	08-09				
Total	\$2,668,450					

*Explanation of Other Funds:*

*Matching funds from Alaska Primary Care Association and the network of 26 statewide Community Health Centers*

**Detailed Project Description and Justification:**

APCA has created the Alaska Community Health Integrated Network (ACHIN) project to implement health information technology (HIT) resources that will serve safety net clinics across the state by building a Wide Area Network (WAN) to support centralized servers, software, video conferencing, and telehealth applications. The health integrated network will initially include nine CHCs located throughout Alaska: Bethel, Cordova, Glennallen, Homer, Kodiak, Naknek, Soldotna, Unalaska and Wrangell, with expectations of other CHCs joining in the future.

Project Cost Outline:

Individual CHCs and the APCA will contribute \$2,668,450 with the balance of \$2,500,000 coming from the state.

**Project Timeline:**

Design, purchase and installation of the network could begin immediately and be completed by the end of FY09

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

Alaska Community Health Integrated Network

**Grant Recipient Contact Information:**

Contact Name: Shelley Hughes  
Phone Number: (907) 929-2728  
Address: 903 W. Northern Lights, Suite 200, Anchorage, AK 99503  
Email: shelley@alaskaapca.org

Has this project been through a public review process at the local level and is it a community priority?  Yes  No

# Alaska Primary Care Association

*"...uncompromising in the pursuit of access to primary care for all Alaskans."*



The Honorable Bert Stedman  
Alaska State Senate  
State Capitol Room 516  
Juneau, AK 99801-1182

RECEIVED  
JAN 17 2008

January 15, 2008

Dear Senator Stedman,

On behalf of the Alaska Primary Care Association, we would like to express our appreciation for your hard work on the Alaska State Legislature. We value your efforts to improve access to quality and cost effective health care for all Alaskans.

We would also like to thank you for your attentiveness to health care issues throughout the previous legislative session. As we enter the New Year, we look forward to your consideration of Community Health Centers (CHCs) as a viable, cost-effective program to address Alaska's challenging health care issues.

For your assistance, we have enclosed a brochure outlining the role of CHCs in promoting less expensive preventative and early intervention care to medically underserved areas and medically underserved populations throughout the state.

CHCs are nonprofit, community-based providers of comprehensive primary (basic medical, dental, and behavioral health) and preventive health care. CHCs are open to all residents, regardless of insurance status, and provide reduced cost care based on ability to pay through a sliding fee scale. These centers do not turn anyone away, including the uninsured, underinsured, seniors on Medicare, veterans, low income, non-English speaking individuals, and others.

Ultimately, CHCs are providing access cost-effectively, efficiently, and in a quality manner in communities throughout Alaska and should be strengthened, expanded where needed, and funded accordingly. The APCA would appreciate your support of Community Health Centers.

Once again thank you for your incredible service on the Alaska State Legislature.

Sincerely,

Shelley S. Hughes  
Government Affairs Director  
907-929-2728

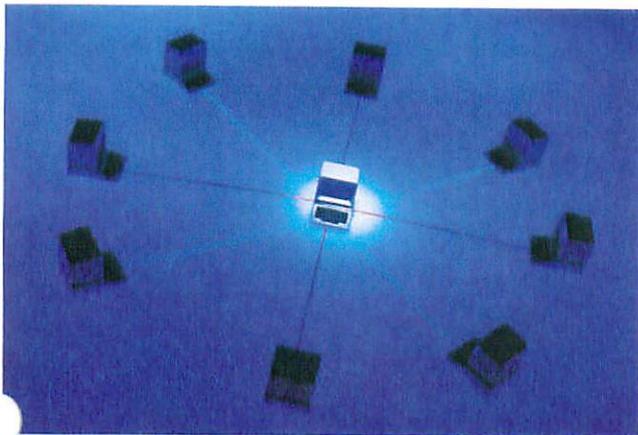
Regan Mattingly  
State Affairs Coordinator  
907-929-8115

## #2 Alaska Community Health Integrated Network (ACHIN)

### What is it?

APCA has created the Alaska Community Health Integrated Network (ACHIN) project to implement health information technology (HIT) resources that will serve safety net clinics across the state by building a Wide Area Network (WAN) to support centralized servers, software, video conferencing, and telehealth applications. The health integrated network will initially include nine CHCs located throughout Alaska: Bethel, Cordova, Glennallen, Homer, Kodiak, Naknek, Soldotna, Unalaska, and Wrangell, with expectations of other CHCs joining in the future.

### Goals of ACHIN



1. Create a shared health information technology (HIT) infrastructure for Community Health Centers
2. Improve quality of care for patients, and clinic efficiency
3. Build on existing resources to achieve the greatest economy of scale; allowing partners and funders to realize the most value for their dollars
4. Provide the technology needed to support and implement quality improvement initiatives
5. Provide the ability to share data, reports, templates and other resources across the network and the ability to share data with other partners

### Alaska Community Health Integrated Network (ACHIN) Funding Request Summary \* \*\*

Category	Total Cost	CHCs and APCA Pay	State Pay (1 X Request)
Personnel*	\$2,575,000	\$2,568,000	\$120,000
Travel for Implementation	\$112,000	\$112,000	\$112,000
Equipment	\$500,850	\$100,450	\$400,400
Supplies	\$628,600	\$0	\$628,600
Subcontracts	\$1,239,000	\$0	\$1,239,000
<b>Total**</b>	<b>\$5,055,450</b>	<b>\$2,668,450</b>	<b>\$2,500,000</b>

\* Includes Medical and Clinical Directors, Project and IT Managers for clinics and APCA, additional IT Support and Grants Management

\*\* A detailed budget is available at: [www.alaskapca.org/CHCStateFundingPublication.aspx](http://www.alaskapca.org/CHCStateFundingPublication.aspx)

# **ACHIN Request by APCA in Relation to the RHIO Request by ANTHC**

## **ACHIN – A ONE-TIME \$2.5 MILLION CAPITAL REQUEST**

ACHIN = Alaska Community Health Integrated Network  
RHIO = Regional Health Information Organization  
CPHC = Central Peninsula Health Centers  
ANTHC = Alaska Native Tribal Health Consortium

EHR = Electronic Health Records  
HIT = Health Information Technology  
CHC = Community Health Center

### **BACKGROUND INFORMATION ON HOW THE SYSTEMS TIE TOGETHER**

ACHIN IS A TRAIN SYSTEM (this request)  
RHIO IS THE RAILROAD TRACK SYSTEM (ANTHC request)

1. The ACHIN request is a one-time capital request for \$2.5 million that will create the necessary infrastructure for CHCs to use EHR.
2. The unified model of ACHIN is appropriate for most clinics and will allow the use of a specific EHR. The biggest strength of the ACHIN is the strength in numbers on a single product, which enables easy RHIO data exchange, centralized IT services, and significant cost savings.
3. ACHIN does not duplicate or is not in conflict with RHIO (ANTHC's request); ACHIN is a needed link that will enable CHCs to tie into RHIO. ACHIN will allow CHCs to use EHR; RHIO will enable the transport of EHR.
4. Fit and timing for individual centers may vary; exceptions to participation in ACHIN may be appropriate; for instance, an alternate EHR solution may be preferred if a center is tying into local system (example: CPHC). These centers could still choose to also join ACHIN to use the WAN for data transfer to the RHIO.

### **BENEFITS OF THE ACHIN CAPITAL INVESTMENT**

- **The unified ACHIN model will allow CHCs to use EHR.**
- **ACHIN will help CHCs be more efficient and cost-effective.**
- **ACHIN will allow providers to deliver a higher level of quality care.**
- **ACHIN will work in concert with RHIO. ACHIN will enable the use of EHR; RHIO will enable the transport of the EHR.**
- **ACHIN will give participants the following capacity:**
  - **Share patient information within the law**
  - **Closely monitor health conditions**
  - **Increase reimbursement through more accurate billing**
  - **Track financial performance indicators**
  - **Improve office workflow**
  - **Provide valuable data for quality metrics such as for diabetes control, child immunizations, colorectal cancer screening, prenatal monitoring, and corticosteroid use in asthma patients.**

Invest in Alaska's Community Health Centers:  
Invest in Alaska's Future



# The Value of Alaska's **community** health centers

## Community Health Centers Deliver High Value

CHCs in Alaska  
served  
80,329 patients  
in 2007

### Health Value

- Patients served regardless of insurance status or ability to pay
- High quality care by highly qualified providers
- Positive health outcomes for individuals, communities and Alaska

### Societal Value

- Primary care homes for people who would not otherwise have them
- Individual accountability and cooperation via case management and sliding fee scale
- Promote healthier and more productive communities with fewer worker sick days

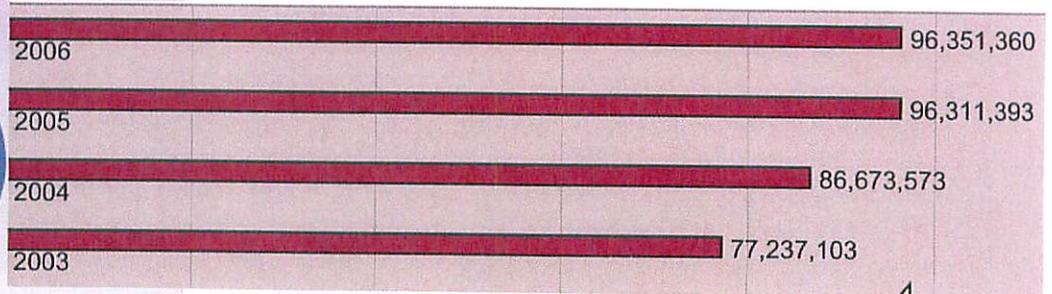
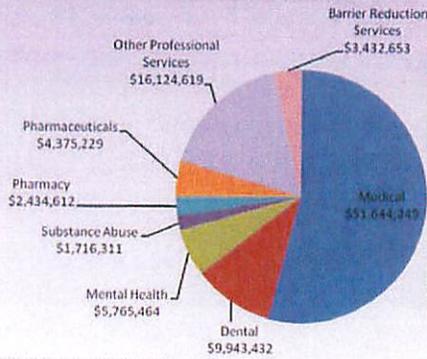
### Economic Value

- 41% lower medical costs for CHC patients compared to patients seen elsewhere
- 33% lower Medicaid expenditures for patients who use CHCs as medical homes, compared to patients seen elsewhere
- Reduced ER use for non-urgent care



# Rising Costs, Declining Revenues

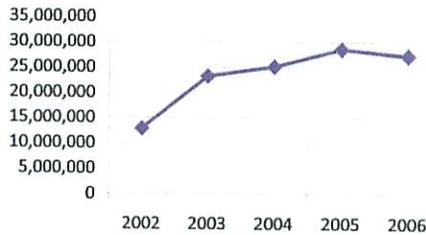
2006 Cost of Services



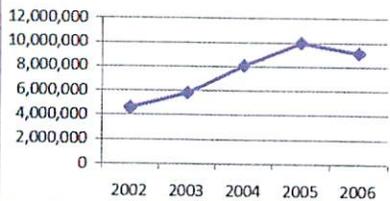
**CHC Revenue Streams Have Declined**

**CHC Operation Costs Have Risen**

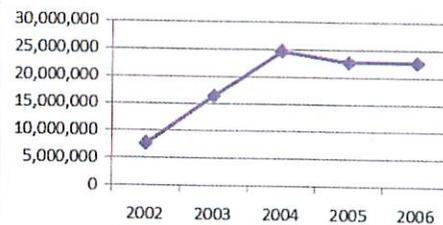
HRSA Grant



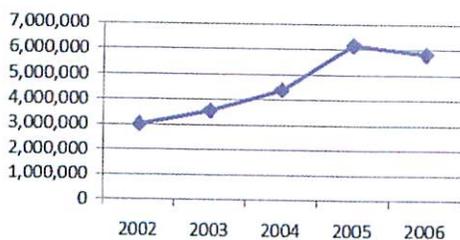
Private Insurance



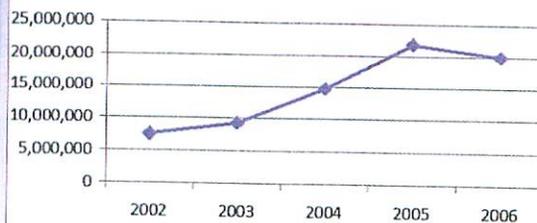
Indigent Care



Self Pay

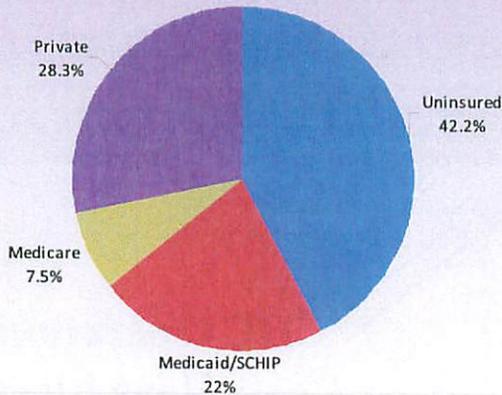


Public Insurance

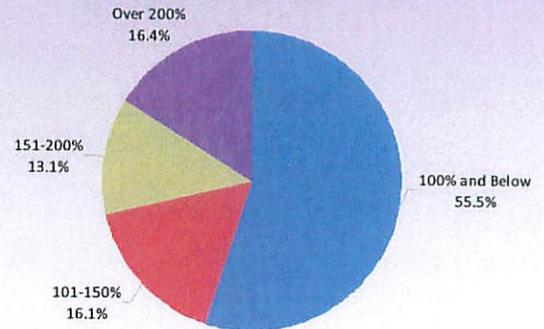


# More Patients More Visits More Uninsured More Low Income

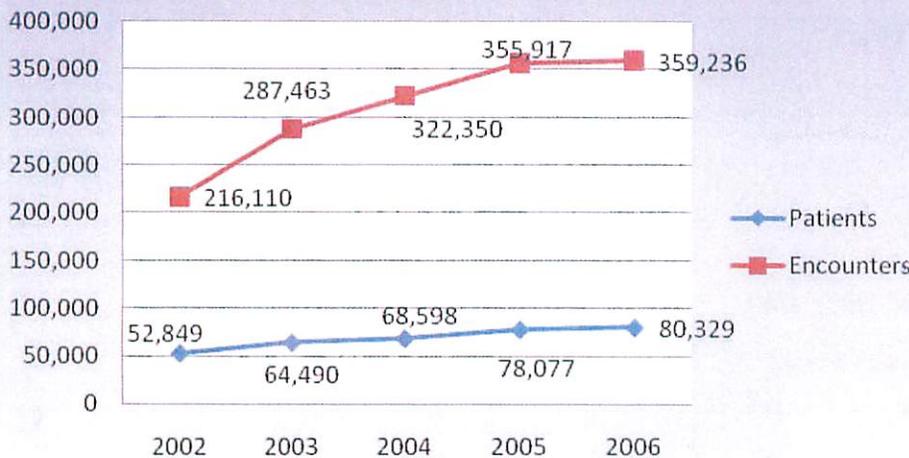
### Most Alaska CHC Patients are Uninsured or Publicly Insured



### CHC Patient Income as Percent of the Federal Poverty Level



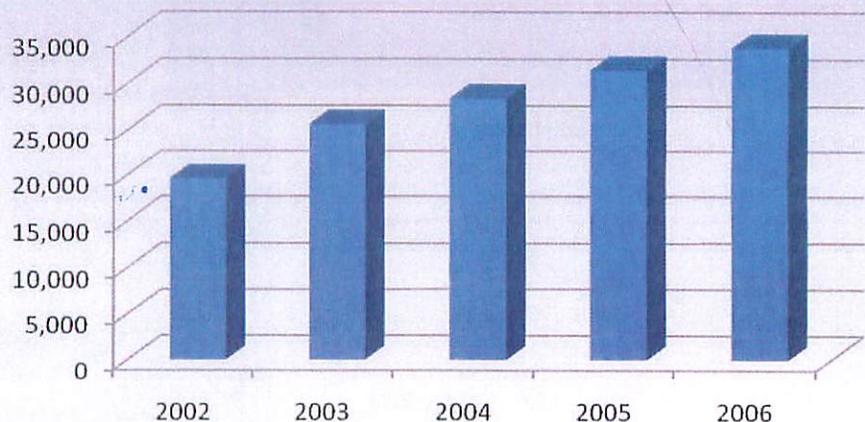
### Growth in Alaska CHC Patients and Visits



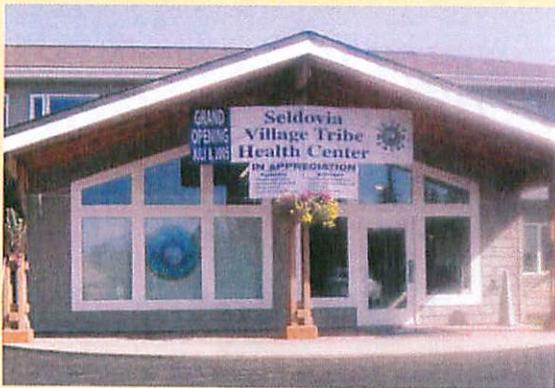
The number of CHC patients has steadily grown; 42% are uninsured and the majority have incomes less than 200% FPL

83% of the uninsured are from working families

### Growth in Uninsured CHC Patients in Alaska



# What is a Community Health Center?



SVT Health Center, Homer, Alaska

## Access

- Providing access to primary health care is a significant challenge within the State of Alaska. It includes surmounting financial, geographic, language, and cultural barriers.
- CHCs work to address these barriers and by doing so, successfully increase access for both medically underserved populations and medically underserved areas within Alaska.
- CHCs provide access to health care for low income working families, seniors, the disabled, non-English speaking, veterans, uninsured and others.

## Quality

- CHCs provide quality primary care which includes medical, dental and behavioral health, and offer pharmacy, community outreach, and self-management programs.



- By providing comprehensive, patient-centered health care and engaging in quality improvement initiatives, CHCs have improved screening rates and outcomes and reduced health care disparities.

## Cost

Community Health Centers are cost-effective. They provide both short and long term economic benefits.

- Medicaid patients seen at CHCs save the Medicaid program 33%:
  - Lowest total health care costs
  - Lowest cost per ambulatory visit
  - Lowest rate of hospital inpatient days
  - Lowest inpatient care costs compared to Medicaid patients seen elsewhere
  - 22% less likelihood of hospitalization for avoidable conditions
- Reduction in unnecessary emergency room use saves high uncompensated care costs
- Lower incidence of chronic disease and disability in communities with a CHC
- CHCs have received the highest rating possible for cost effectiveness, quality, and efficiency at [expectmore.gov](http://expectmore.gov) by the U.S. Office of Management and Budget

- CHCs are governed by community boards of which 50% must use the center.
  - Not-for-profit organizations
  - Local governments and
  - Tribal organizations
- The CHC network in Alaska is statewide.
  - 26 CHCs
  - 124 clinic delivery sites
  - 80,000 patients
  - 360,000 patient visits
- CHCs are open to all **regardless of insurance status or ability to pay.**
  - Accept Medicare
  - Accept Medicaid
  - Accept private insurance
  - Offer a sliding fee scale to those without coverage



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903 W. Northern Lights, Suite 200  
Anchorage, AK 99503  
Phone: 907-929-2722  
Fax: 907-929-2734  
www.alaskapca.org

Providing technical assistance and services to help safety net providers offer quality care to more patients for less

## Alaska Primary Care Association

*"...uncompromising in the pursuit of access to primary care for all Alaskans."*



The Alaska Primary Care Association (APCA) is a not-for-profit membership organization founded in 1995 working to promote, expand and optimize primary care access so that all Alaskans will have that access, including the underserved. The 43 APCA members include safety net primary care providers, such as Community Health Centers (CHCs), rural health clinics, Native health corporations, community clinics, and others with a similar mission.

The APCA, with a staff of 10 and an annual operating budget of \$1 million, provides vital services and technical assistance to support members in offering quality, cost-effective care—so they can serve more patients for less. The APCA also assists communities in accessing federal grant funds for CHCs, providing support and technical assistance as they establish and grow.

For the full funding request document, with detailed information and references, please see: [www.alaskapca.org/CHCStateFundingPublication.aspx](http://www.alaskapca.org/CHCStateFundingPublication.aspx)

### Alaska Primary Care Association Contacts

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This publication was developed and printed by the Alaska Primary Care Association with assistance from the Alaska Mental Health Trust Authority.

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SVT Health Center  
Homer, Alaska

Kira Rodriguez  
Director of Planning & Special Projects  
Central Peninsula Health Centers, Inc.  
Soldotna, Alaska

These 14 pages detailing the ACHIN needs and request are sections lifted from the 103-page “Alaska’s Community Health Centers: Invest in Alaska’s Community Health Centers, Invest in Alaska’s Future” prepared for the Alaska State Legislature by the Alaska Primary Care Association. The full proposal may be downloaded at <http://www.alaskapca.org/CHCStateFundingPublication.aspx?id=1294>.

**\*\*\*\*\*Please note the matching amounts in detail provided by the CHCs and APCA outlined in the detailed budget on pages 2 through 5. Please also note the sections outlining the clear project goals, description, and outcome targets and measures.\*\*\*\*\***

## 1.1 Alaska Community Health Integrated Network (ACHIN) Needs

As recently as August 27, 2007, the Health Resources and Services Administration (HRSA) acknowledged the benefit of adopting and implementing Electronic Health Records (EHR) and other health information technology (HIT) innovations. **These tools are critical in improving the quality and cost-effectiveness of care by providing health care professionals the ability to monitor and analyze health information.**

Due to the isolated nature of the majority of CHC communities, there is no access to dedicated Information Technology (IT) staff or resources. Consequently, CHCs have an urgent need for stable, reliable technology with centralized staff support, to assist their clinical and practice management (PM) operations.

Many of the CHCs are currently using software solutions that are unacceptable by today’s standards. The CHCs are using outdated, unsupported versions of software, poorly functioning Application Service Provider (ASP) hosted models over the Internet outside of Alaska, software that is incompatible with federal requirements for health centers (such as collection of data through the Uniform Data System [UDS] and Sliding Scale Discounts) and software that requires double data-entry.

Of the 26 federally 330-funded organizations in Alaska, only three are using an appropriate CHC-ready integrated practice management system (PMS) and electronic health records (EHR). Many are using the tribal RPMS system that is cumbersome for many CHC requirements and also not effective for billing. Other health centers are utilizing legacy versions of software that are not being supported any longer, and are no longer being upgraded to support the functionality needed.

The implementation of the Alaska Community Health Integrated Network (ACHIN) would give the participating CHCs the capacity to share patient information, closely monitor health conditions, increase reimbursement through more accurate billing, improve office workflow, and provide valuable data for quality metrics. In particular, EHRs will allow clinics to readily and efficiently provide data for the following quality measures: diabetes control, child immunization, colorectal cancer screening, prenatal monitoring, and corticosteroid use in asthma patients. Additionally,

ACHIN participant will have the ability to track the following financial performance indicators: net revenue per patient encounter and office visit cycle time per patient.

Alaska’s CHCs are currently behind the private sector in HIT adoption as well as behind CHCs in the lower 48 in the adoption of EHR. Many of the 23 organizations who are not currently using an EHR are hoping to implement an EHR in the next few years.

The need is clear: the ACHIN, with a more comprehensive set of applications, with fully integrated PMS and EHRs specific for CHCs, will improve the delivery of quality care and efficiency of operations.

State funding for ACHIN will provide the foundation and the center of IT excellence for all participating CHCs in Alaska.

## 1.2 Alaska Community Health Integrated Network

The request budget for the Alaska Community Health Integrated Network is summarized in the chart below. The following subsections discuss the project goals, the project description, and the project outcomes in further detail.

**Figure Error! No text of specified style in document.-1 Infrastructure / One-Time Implementation Budget**

<i>Category</i>	<i>Total Costs</i>	<i>CHCs &amp; APCA Pay</i>	<i>One-Time State Funding Request</i>
<b>Personnel</b>			
IT Director APCA - Project Coordinator	\$180,000	\$180,000	\$0
Clinical Director APCA	\$90,000	\$90,000	\$0
Project Manager Camai	\$120,000	\$120,000	\$0
Project Manager Ilanka	\$120,000	\$120,000	\$0
Project Manager Iliuliuk	\$120,000	\$120,000	\$0
Project Manager Alaska Island Health Center	\$120,000	\$120,000	\$0
Project Manager Central Peninsula Heath Centers	\$120,000	\$120,000	\$0
Project Manager Bethel Family Clinic	\$120,000	\$120,000	\$0

Project Manager Cross Road Medical Center	\$120,000	\$120,000	\$0
Project Manager Kodiak Island Community Health Center	\$120,000	\$120,000	\$0
Project Manager Seldovia Village Tribe Health Center	\$120,000	\$120,000	\$0
Medical Director Camai	\$120,000	\$120,000	\$0
Medical Director Ilanka	\$120,000	\$120,000	\$0
Medical Director Iliuliuk	\$120,000	\$120,000	\$0
Medical Director Alaska Island Health Center	\$120,000	\$120,000	\$0
Medical Director Central Peninsula Health Center	\$120,000	\$120,000	\$0
Medical Director Bethel Family Clinic	\$120,000	\$120,000	\$0
Medical Director CrossRoad Medical Center	\$120,000	\$120,000	\$0
Medical Director Kodiak Island Healthcare Foundation	\$120,000	\$120,000	\$0
Medical Director Seldovia Village Tribe Health Center	\$120,000	\$120,000	\$0
Additional IT Support	\$100,000	\$138,000	\$75,000
Grants Management	\$45,000		\$45,000
<b>Total Personnel</b>	<b>\$2,575,000</b>	<b>\$2,568,000</b>	<b>\$120,000</b>
<b>Travel</b>			
Air Travel for Implementation Visits	\$85,000		\$85,000
Per Diem Estimates for Implementation Team	\$15,000		\$15,000
Non-NextGen Travel for Participants	\$12,000		\$12,000
<b>Total Travel</b>	<b>\$112,000</b>	<b>\$112,000</b>	<b>\$112,000</b>

<b>Equipment</b>			
Cisco 3825 router	\$54,000	\$10,800	<b>\$43,200</b>
Cisco ASA 5520 Firewall	\$45,000	\$9,000	<b>\$36,000</b>
16 port ethernet switching module	\$9,000	\$2,000	<b>\$7,000</b>
dual-port multichannel T1 controller	\$10,800	\$2,300	<b>\$8,500</b>
Remote reboot/console/modem	\$9,900	\$1,900	<b>\$8,000</b>
Uninterruptible power supply 19" rack	\$18,000	\$3,600	<b>\$14,400</b>
Desktop PC's	\$55,000	\$11,000	<b>\$44,000</b>
Database/Application Server	\$45,000	\$9,000	<b>\$36,000</b>
Laptop Computer	\$4,400	\$900	<b>\$3,500</b>
Tablets	\$63,000	\$12,600	<b>\$50,400</b>
Ergotron Arms	\$71,500	\$14,300	<b>\$57,200</b>
Active Directory Server	\$17,000	\$3,400	<b>\$13,600</b>
Backup Domain Controller	\$17,000	\$3,400	<b>\$13,600</b>
Image Server	\$40,000	\$8,000	<b>\$32,000</b>
Citrix Server	\$10,000	\$2,000	<b>\$8,000</b>
Server Rack	\$3,250	\$650	<b>\$2,600</b>
Wireless Access Points	\$10,000	\$2,000	<b>\$8,000</b>
Scanners	\$18,000	\$3,600	<b>\$14,400</b>
<b>Total Equipment</b>	<b>\$500,850</b>	<b>\$100,450</b>	<b>\$400,400</b>
<b>Supplies</b>			
Teleconferencing line	\$3,000	\$0	<b>\$3,000</b>
Telephone Usage	\$1,500	\$0	<b>\$1,500</b>
Office Supplies	\$1,500	\$0	<b>\$1,500</b>

SQL Server 2000	\$6,000	\$0	\$6,000
Veritas Backup Executive	\$4,000	\$0	\$4,000
Crystal Reports	\$6,100	\$0	\$6,100
PC Anywhere	\$3,000	\$0	\$3,000
Windows Licenses	\$1,500	\$0	\$1,500
Citrix Licenses	\$10,000	\$0	\$10,000
EMR Licenses	\$370,000	\$0	\$370,000
Licensing Fee PM	\$75,000	\$0	\$75,000
Licensing Fee EHR	\$75,000	\$0	\$75,000
Scanning Licenses	\$72,000	\$0	\$72,000
<b>Total Supplies</b>	<b>\$628,600</b>	<b>\$0</b>	<b>\$628,600</b>
<b>Subcontracts</b>			
Business Plan Contractor	\$15,000	\$0	\$15,000
Server Implementation Contractor	\$40,000	\$0	\$40,000
Deployment and turn-up of WAN devices	\$18,600	\$0	\$18,600
Template Customization	\$45,000	\$0	\$45,000
WAN Maintenance	\$220,000	\$0	\$220,000
NextGen support	\$150,000	\$0	\$150,000
Training and Implementation EMR	\$310,000	\$0	\$310,000
Training and Implementation PMS	\$313,000	\$0	\$313,000
WAN Planning	\$10,000	\$0	\$10,000
Connectivity	\$50,400	\$0	\$50,400
Physical Plant Upgrades for Sites For Server Rooms	\$45,000	\$0	\$45,000
NexGen Certified Professional Training	\$22,000	\$0	\$22,000
<b>Total Subcontracts</b>	<b>\$1,239,000</b>	<b>\$0</b>	<b>\$1,239,000</b>

	<b>Total</b>	<b>\$5,055,450</b>	<b>\$2,668,450</b>	<b>\$2,500,000</b>

**Post Implementation Budget for FY2010 and Beyond  
Provided for Informational Purposes Only**

Item Description	APCA	CAMAI	Ilanka	Iliuliuk	AKICS	CPHC	CrossRoad	Kodiak	SVT	Bethel	State Funding FY2010+	Total
<b>Project Director</b>	60,000										15,000	75,000
<b>Database Administrator</b>											75,000	75,000
<b>Clinical Director APCA (1/4 FTE)</b>	20,000											20,000
<b>Desktop Engineer</b>											70,000	70,000
<b>Teleconferencing line</b>	1,000											1,000
<b>Telephone Usage</b>	500										1,500	2,000
<b>Office Supplies</b>	100										500	600
<b>WAN Maintenance</b>											220,000	220,000
<b>NextGen support</b>		30,000	30,000	50,000	40,000	50,000	40,000	30,000	30,000	30,000		330,000
<b>Connectivity</b>		4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	4,800	18,000	61,200
<b>Total By Funding Source</b>	81,600	34,800	34,800	54,800	44,800	54,800	44,800	34,800	34,800	34,800	400,000	854,800

### 1.2.1 Summary of ACHIN Project Goals

The following are the Alaska Community Health Integrated Network (a shared IT services project) project goals:

- Create a shared health information technology (HIT) infrastructure for nine Community Health Centers, providing a single platform Electronic Medical Record (EMR) and Practice Management System. After the initial nine centers have been implemented, the network will be available for new partners.
- **Build on existing resources, like ARTN (Alaska Rural Telehealth Network), to achieve the biggest economy of scale; avoid recreating the wheel, allowing partners and funders to realize the most value for their dollars.**
- Provide the ability to share data, reports, templates and other resources across all members and the ability to share data more easily with other partners.
- Provide the technology needed to support and implement Quality Improvement initiatives. The project has identified quality improvement measures and will evaluate their progress in these measures and design improvement methods as needed. **The project will improve the quality of care of patients seen at member clinics as well as the efficiency of the clinics.**

### 1.2.2 ACHIN Project Description

APCA has created the Alaska Community Health Integrated Network (ACHIN) project to implement health information technology (HIT) resources that will serve rural safety net clinics across the state.

*HIT is essential in improving the safety and quality of health care delivery, as well as cutting out waste and duplication.*

Comprised of nine APCA members, ACHIN will identify, and implement an integrated Practice Management (PM) and Electronic Health Record (EHR) solution to nine CHCs. The ACHIN project seeks to build a Wide Area Network (WAN) to support centralized servers, software, video conferencing, and telehealth applications in order to improve patient care and leverage the greatest value from the resources available.

The nine CHCs included in this project are located in the Alaskan communities of Bethel, Cordova, Glennallen, Homer, Kodiak, Naknek, Soldotna, Unalaska, and Wrangell. These CHCs will form the ACHIN and provide a foundation for future EHR implementation at remaining APCA clinics. The participating clinics have volunteered for this project because they share a common vision for an integrated PM and EHR solution that is tailored to the specific needs of CHCs.

Once the PM and EHR product suite is fully functional at each location, the ACHIN members will have the capacity to share patient information, closely monitor health conditions, increase reimbursement through more accurate billing, improve office workflow, and provide valuable data for quality metrics. In particular, EHRs will allow clinics to readily and efficiently provide data for the following quality measures: diabetes control, child immunization, colorectal cancer screening, prenatal monitoring, and corticosteroid use in asthma patients. Additionally, ACHIN members will have the ability to track the following financial performance indicators: net revenue per patient encounter and office visit cycle time per patient.

Due to the isolated nature of these communities, there is no access to dedicated IT staff or resources. Consequently, CHCs have an urgent need for stable, reliable technology with centralized staff support to assist their clinical and PM operations. Many of the CHCs involved in this project are currently using software solutions that are unacceptable by today's standards. The CHCs are using outdated, unsupported versions of software, poorly functioning Application Service Provider (ASP) hosted models over the Internet outside of Alaska, software that is incompatible with federal requirements for health centers (such as collection of data through the Uniform Data System [UDS] and Sliding Scale Discounts) and software that requires double data-entry. It is clear that CHCs need a more comprehensive set of applications, with fully integrated PM and EHRs specific for CHCs.

Alaska's CHCs are currently behind the private sector in HIT adoption and in addition, behind CHCs in the lower 48 in the adoption of EHR. Of the 26 federally 330-funded organizations in Alaska, only three are using an appropriate CHC-ready integrated PMS and EHR. Many are using the tribal RPMS system that is cumbersome for many CHC requirements and also not effective for billing. Other Community Health Centers are utilizing legacy versions of software that are not being supported any longer and are no longer being upgraded to support the functionality needed. Many of the 23 organizations who are not currently using an EHR are hoping to implement an EHR in the next few years. The ACHIN project will provide the foundation and the center of IT excellence for all interested Community Health Centers in Alaska.

The ACHIN clinics are represented by the APCA in several statewide health information technology endeavors, including telehealth and teleradiology, distance education and video conferencing, and the Alaska HealthCare Network. This participation will help ensure that ACHIN utilizes existing resources to the benefit of the group as well as the State of Alaska. Additionally, through collaborating with statewide projects, ACHIN will establish itself as a leader in the HIT evolution occurring in Alaska. The group will not succeed as a silo. Rather, ACHIN's success will depend on shared resources, economies of scale and lessons learned from other organizations, as well as its ability to reciprocate resources and lessons learned to other primary care providers. ACHIN clinics must keep pace with the advances across Alaska to increase access to quality care and reduce the cost of primary care and specialty services.

The long-term goal of APCA is for all CHCs to participate in ACHIN, not just the nine pilot clinics. It is also expected that ACHIN will become a model for EHR implementation across Alaska, as both public and private providers join the transition to EHRs.

Once the project implementation is complete, the ACHIN clinics will have access to world-class software on redundant servers maintained by industry experts. The clinics will be well supported by vendor staff, the APCA, and WAN contractors, as well as be able to communicate and receive training across their WAN circuits. ACHIN members will be participating in a first-class center of rural and frontier IT excellence. This enhanced access to leading technology resources will allow physicians more time to spend with patients and provide them with the decision support they need to give the best health care possible.

### 1.2.3 Clinical and Operational ACHIN Project Outcomes

Contributing to the EHR solution's effectiveness, ACHIN members aim to use EHR to facilitate and enhance quality improvement programs. The selected benchmarks are a combination of Healthy People 2010 and proposed requirements from the Bureau of Primary Health Care (BPHC). All measures are evidenced based and follow guidelines from the Agency for Healthcare Research and Quality (AHRQ). EHR will enable the CHCs to facilitate the monitoring of chronic health conditions and specifically contribute to population-based improvements among the following health outcomes:

#### YEAR ONE

---

##### Diabetes Control

Focus Area	HbA1c measurement for patients with either Type I or Type II diabetes
Population	Number of adult patients 18-75 years diagnosed with either Type I or Type II Diabetes
Goal	Adult patients age 18-75 diagnosed with Diabetes and with average HbA1C <7.0
Diagnosis Code	ICD-9-CM: 250, 357.2, 362.0, 366.41, 648.0
Measurements	<ul style="list-style-type: none"> <li>Total number of patients or number of patients in sample with readings less than or equal to 7%</li> </ul>

- Total number of patients or number of patients in sample with readings greater than 7% and less than or equal to 9%
- Total number of patients or number of patients in sample with readings greater than 9%

### **Childhood Immunizations**

Focus Area	Childhood immunization rates for children 2 years of age
Population	Number of children 2 years of age
Goal	Increase in number of immunized children 2 years of age
Diagnosis Code	Applicable ICD-9-CM or CPT-4 code(s)
Measurements	<ul style="list-style-type: none"> <li>• Number (total or IN Sample) of children 2 years of age having received “43133” immunizations</li> <li>• Number (total or IN sample) of children 2 years of age having received varicella and 4X pneumococcal immunizations</li> <li>• Rate of increase of immunizations</li> </ul>

### **Prenatal Care**

Focus Area	Availability of prenatal record at delivery
Population	Pregnant women
Goal	Availability of prenatal record at delivery at 90%
Measurements	<ul style="list-style-type: none"> <li>• Deliveries and babies with low birth weights <ul style="list-style-type: none"> <li>○ Births less than 1,500 grams (very low)</li> <li>○ Births 1,501 to 2,500 grams (low)</li> <li>○ Births more than 2,500 grams (normal)</li> </ul> </li> </ul>

- Prenatal care patients who delivered during the year
- Deliveries performed by grantee provider
- Women having first visit with grantee
- Women having first visit with another provider
  - First trimester
  - Second trimester
  - Third trimester

**Net revenue per patient encounter**

Focus Area    Increase in revenue capture

Goal    Net revenue per patient > \$100

Measurement    Charges per patient

**Office visit cycle time**

Focus Area    Improve efficiency in patient visits

Goal    Decrease office visit cycle time < 45 minutes

Measurement    Time at billing minus time at check-in

**YEAR TWO AND YEAR THREE**

**Diabetes Control**

Focus Area	HbA1c measurement for patients with either Type I or Type II diabetes
Population	Number of adult patients 18-75 years diagnosed with either Type I or Type II Diabetes
Goal	Adult patients age 18-75 diagnosed with Diabetes and with average HbA1C <7.0
Diagnosis Code	ICD-9-CM: 250, 357.2, 362.0, 366.41, 648.0
Measurements	<ul style="list-style-type: none"> <li>• Total number of patients or number of patients in sample with readings less than or equal to 7%</li> <li>• Total number of patients or number of patients in sample with readings greater than 7%and less than or equal to 9%</li> <li>• Total number of patients or number of patients in sample with readings greater than 9%</li> </ul>

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- Rate of increase of immunizations

### **Prenatal Care**

Focus Area    Availability of prenatal record at delivery

Population    Pregnant Women

Goal    Availability of prenatal record at delivery at 90%

- Measurements
- Deliveries and babies with low birth weights.
    - Births less than 1,500 grams (very low)
    - Births 1,501 to 2,500 grams (low)
    - Births more than 2,500 grams (normal)
  - Prenatal care patients who delivered during the year
  - Deliveries performed by grantee provider
  - Women having first visit with grantee
  - Women having first visit with another provider
    - First trimester
    - Second trimester
    - Third trimester

### **Asthma**

Focus Area    Patients with persistent disease treated with anti-inflammatory medications

Goal    70% increase in treatment with anti-inflammatory

Measurement The number of asthma patients treated with any corticosteroid

### **Colorectal Cancer Screening**

Population Patients  $\geq 51$  years of age

Goal Screening increased by 20%

Measurement The number of patients over 51 screened for colorectal cancer

**Илиулюк****Iliuliuk Family and Health Services, Inc.**P.O. Box 144  
Unalaska, Alaska 99685Phone: (907) 581-1202  
Fax: (907) 581-2331

RE: One-Time Capital Request for Health Information Technology Infrastructure for  
Community Health Centers

March 20, 2008

Dear Senate Finance Co-Chairs Senator Hoffman and Senator Stedman and Senate Finance  
Committee Members:

I am writing in support of \$2.5 million in capital funds in the budget for health information  
technology (HIT) resources for Community Health Centers (CHCs) via the Alaska Community  
Health Integrated Network (ACHIN) project.

Currently, CHCs are using outdated and inefficient software solutions and have an urgent need  
for stable, reliable technology resources. \$2.5 million in state funding for HIT resources will  
allow CHCs to maintain electronic health records that will increase CHCs efficiency and cost-  
effectiveness. Enhanced access to leading technology resources will also allow physicians more  
time to spend with patients and provide them with the decision support they need to give the best  
health care possible. The ACHIN HIT infrastructure project is tied to specific, measurable  
outcomes and identifiable goals. This will ensure accountability for the state's investment in the  
project.

To implement an efficient HIT system, CHCs will need approximately \$5 million, with \$2.5  
million requested from the state. The remaining \$2.5 million will be provided by the Alaska  
Primary Care Association and CHCs via federal funds and other sources.

At this time, the Alaska Native Tribal Health Consortium (ANTHC) has submitted a \$10 million  
request to establish an HIT system. The ANTHC request coordinates with this ACHIN capital  
funding request. ANTHC's request is not in competition with APCA's request. Instead the two  
requests will work in tandem and both are necessary. Essentially, funding supplied for  
ANTHC's request will allow transport of Electronic Health Records (EHR) - it will establish the  
"railroad tracks" to transport the EHR - and this ACHIN request will allow EHR itself - it will  
provide the "train" or the EHR to be transported. Both will help streamline the administration  
of health care and help reduce health care spending in Alaska. Both requests are vital.

I look forward to your support of the one-time funds of \$2.5 million for HIT for Alaska's CHCs  
and the medically underserved.

Thank you for your time and consideration.

Respectfully,  
  
Heidi CL Baines, MD  
Medical Director

*"Serving Unalaska, the Aleutian Islands and the Bering Sea"*



RECEIVED

MAR 11 2008

Sen. Lyman Hoffman, Senate Finance Committee Co-Chair  
 Sen. Bert Stedman, Senate Finance Committee Co-Chair  
 Sen. Charlie Huggins, Senate Finance Committee Vice Chair  
 Sen. Kim Elton  
 Sen. Donny Olson  
 Sen. Joe Thomas  
 Sen. Fred Dyson

March 11, 2008

Re: Add CHC Funding to Budget: \$10.5M to Operating and \$2.5M to Capital

Dear Senate Finance Committee Co-Chairs Hoffman and Stedman and Members:

I am writing to express support by Access Alaska for the \$13 million request to fund the Community Health Centers in Alaska. Access Alaska's mission is to "encourage and promote the total integration of Alaskans with disabilities and elder Alaskans into the community of their choice."

We cannot fully pursue this mission without access to quality medical care at the local level. Many of our shared constituents who have disabilities rely on medical services in order to maintain their independence. When that care is not available in local communities, expensive travel is often necessary to meet basic needs that could be provided more inexpensively at the local level. Furthermore, when care is not readily available, people tend to delay basic care that eliminates the need for more expensive care later. The Community Health Center Clinics alleviate these issues and help all Alaskans remain productive members of their communities.

We strongly support a robust network of Community Health Centers. We know it will save the state money in Medicaid and other areas. It will help reduce the cost-shifting that occurs when people are forced to use the emergency rooms as their primary care. Further, it is the right thing to do, as all Alaskans deserve local access to quality medical care. Alaska is in a position to meet this goal, and we hope the Senate will have the vision to make it happen.

Thanks for your work on behalf of your constituents and the people of the state of Alaska.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Beck", written over a white background.

Jim Beck, MPA  
 Executive Director, Access Alaska, Inc.

Cc: Sen. Lyda Green, Senate President

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Opening Doors to Independence  
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W: www.aklung.org



Alaska State Senate Finance Committee  
Senators Stedman and Hoffman, Co-Chairs  
State Capitol  
Juneau, AK 99801

March 14, 2008

Dear Senate Finance Committee Co-Chairs Hoffman and Stedman and Members,

I'm writing today to express the American Lung Association of Alaska's strong support for the 124 Community Health Center sites in Alaska. Our organization believes that increasing funding for health care infrastructure is a crucial piece to improving lung health in our state and nationwide. These clinics throughout the state provide access for 80,000 residents to quality and cost-effective health care services that would otherwise be unavailable.

Please add \$13 million to the budget to help support the 124 clinic sites.

\$10.5 million to the operating budget

- workforce recruitment/retention to reverse critical shortage (\$8.35 million)
- energy assistance for the clinics to return dollars now used for high fuel costs to patient care (\$1.5 million)
- public education / promotion (\$650,000) to inform seniors that CHCs have open doors and will take Medicare; to encourage Medicaid patients to use CHCs to save the state money, to encourage those on private insurance that CHCs are high quality medical homes with top notch providers, etc.

\$ 2.5 million to the capital budget (1x request)

- HIT infrastructure for electronic health records

Community Health Centers (CHCs) are a great deal; they stretch the dollar and offer services to overcome barriers that many other providers do not, such as transportation, translation, case management and culturally competent health care. 42% of their patients are uninsured and 83% are below 200% of the Federal Poverty Level. Alaska's CHCs reduce the need for more expensive hospital in-patient and specialty care which produces significant savings recognized in multiple studies and by the Federal Office of Management and Budget.

Thank you for you time and consideration. The American Lung Association of Alaska believes that this funding increase is a critical piece to improving health care in Alaska; a goal we all share. We eagerly look forward to state support for our Community Health Centers. Thank you for your hard work and careful deliberations during this legislative

1-800-LUNG-USA  
(1-800-586-4872)

**Improving Life,  
One Breath  
at a Time**

session. We truly value your efforts to sustain and improve the quality of life for all Alaskans.

Sincerely,

A handwritten signature in cursive script that reads "Marge Larson". The signature is written in black ink and has a long, horizontal flourish extending to the right.

Marge Larson  
Executive Director



RECEIVED  
MAR 17 2008

## ALASKA ACTION RESEARCH CONSORTIUM

4111 Minnesota Drive, Anchorage, AK 99503  
907 565-1233

March 17, 2008

The Honorable Senator Bert Stedman  
Co-Chair, Senate Finance Committee  
State Capitol, Room 516  
Juneau, AK 99801-1182

Re: Community Health Centers \$13 Million budget request  
Transmitted via Fax to 907-465-3922

Dear Senator Stedman:

I am writing to express my support, and to ask you for your support, of the \$13 million Community Health Centers (CHC) in funding requests which are currently before your committee. As you know, the CHC plays a critical role in the health care delivery system in Alaska, particularly to those Alaskans living in small and rural communities who have no other access to health care services. These community clinics often provide the only local primary health services available to seniors on Medicare, the uninsured, low income families, and they are on the front lines of providing care to our returning veterans who live in rural areas.

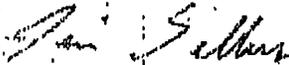
The Alaska Action Research Consortium (AARC) is an affiliation of Alaskan and national organizations and individuals who collaborate to investigate current and emergent issues in the behavioral health field. Our mission is to advance and unite behavioral health research, practice, and policy in Alaska. It is the connection between practice and policy that is the source of my interest in the CHC funding request.

One of the areas in which we have been very active is that of primary prevention in rural Alaska. From our work, and from similar work by many others, it is very clear that an early and/or minimally intensive health intervention is a far more efficient use of limited resources than is attempting to treat a well-developed problem at a later date. It is much more resource effective to provide unhealthy eating, tobacco use, and alcohol abuse prevention than it is to later attempt to treat the full-blown deleterious effects identified with these health issues. Similarly, the provision of adequate primary care—particularly at the local community level—means less resources will be needed downstream at a later date to provide specialty care, which ultimately translates into considerable savings for the individual, state, and local businesses.

Funding the CHC request would be a good investment in a healthy Alaska, makes good business sense, and is thoughtful health policy. As one of our AARC members said, "it is the right thing to do for our fellow Alaskans who do not have access to, or cannot afford, other health care." I would agree, and I hope you do also.

Thank you for your consideration of this request and the leadership you are providing in Juneau. I am hopeful you will support our Community Health Centers.

Sincerely,



Jim Sellers, Chair  
Alaskan Action Research Consortium

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MAR 17 2008

March 15, 2008

The Honorable Senator Bert Stedman  
Co-Chair, Senate Finance Committee  
State Capitol, Room 516  
Juneau, AK 99801-1182

Re: Community Health Centers \$13 Million budget request  
Transmitted via Fax to 907-465-3922

Dear Senator Stedman:

I am writing to ask for your support of APCA's \$13 million request for Community Health Centers (CHC) funding which is currently before your committee. In approving this request, you would greatly bolster the capacity of the existing 124 CHC by providing funding to address critical workforce issues, the implementation of a health information network, public education/outreach programs, and energy cost assistance. Collectively, these clinics provide quality and cost-effective health care to over 80,000 Alaskans to whom basic services would otherwise be unavailable. I am sure you already know that CHC are among the few providers that still accept seniors on Medicare, are nationally recognized for their cost-effectiveness, save Medicaid dollars, and are often the only "game in town" in smaller communities. This last point is of growing importance as our rural National Guard personnel return from active duty and begin to seek various primary and behavioral health care services in their local communities.

As the executive of a large, state-wide behavioral health services provider that has worked with many of the CHC across the state, I truly appreciate the critical role they play in our health system and I am particularly impressed by their stated strategy to address the various challenges they face. Honoring their funding request makes good business sense, represents forward thinking health policy, is an investment in our collective future, and is the right thing to do for our fellow Alaskans who do not have access to, or cannot afford, other health care.

Thank you for your consideration. We eagerly look forward to your support of our Community Health Centers.

Sincerely,



Rosalie Nadeau, Executive Director  
Akeela Inc.

ADMINISTRATIVE OFFICES

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ANCHORAGE, ALASKA  
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FAX: 907-291-6092

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ADULT ADDICTION RECOVERY CENTER  
907-561-9716

ALASKA WOMEN'S ESSENTIAL CENTER  
SUPPORT GROUPS  
907-569-6977

ALCOHOLIC OUTPATIENT PROGRAM  
907-562-4181

ALASKA WOMEN'S RESOURCE CENTER  
OUTPATIENT PROGRAM  
907-579-9030

EARLY INTERVENTION PROGRAMS:  
ALCOHOL DRUG INFORMATION SCHOOL  
907-565-1238

ALGERIA SAFETY ACTION PROGRAM (ASAP)  
907-293-6536

PREVENTION AND RECOVERY:  
TOBACCO DEPENDENCY  
907-569-1212

SUPPORTIVE THERAPY  
907-299-9019

WAWAKITIA ORG:  
E-MAIL: INFO@WAKITIA.ORG

ACCREDITATIONS:  
CARF

MEMBERSHIP:  
INTERNATIONAL CONFERENCE OF AMERICANS