



administrative matching funds are available to fund 90 percent of the incentive payments. State general funds are used to provide the 10 percent match requirement.

CMS published a State Medicaid Director's letter on February 29, 2016, which allows federal financial support of onboarding Medicaid providers to HIEs that support the professionals and hospitals that are eligible for the Medicaid Electronic Health Record (EHR) Incentive Payment Program and their ability to achieve meaningful use.

This project supports:

- Activities in the Medicaid Reform bill, SB74, section 38, Tribal Medicaid Reimbursement
- Activities associated with the CMS State Medicaid Director's letter #16-002: Federal Funding for Services "Received Through" an IHS/Tribal Facility and Furnished to Medicaid-Eligible American Indians and Alaska Natives
- Activities associated with the CMS State Medicaid Director's letter #16-003: Availability of HITECH Administrative Matching Funds to help Professionals and Hospitals Eligible for Medicaid EHR Incentive Payments Connect to Other Medicaid Providers

Based on projections provided by the Alaska eHealth Network, the cost obligation for this type of incentive would be:

- Total number of projected provider organizations: 100 (includes primary care, specialty, behavioral health, others such as case managers or similar)
- Average cost per EHR per site (meaning that if a provider organization has 10 practitioners, and all are using a single EHR solution, these costs would be applied just once for the EHR not 10 times for each practitioner): \$40,000/per EHR

Costs would include project management, administrative costs, interface development, and training. Providers will use incentive dollars to pay for the connection and/or interface of their Electronic Health Record solutions (which is an IT solution the provider already owns) to the HIE, or for fee-for-service, web-based query access of the HIE because they do not have/own an Electronic Health Record solution.

**Cost Breakdown**

Project Management & Administrative Cost	\$9,000
System Interface Cost	\$30,000
Training Cost	\$1,000

Project Management and Administrative Costs include: data coordination, standardization, marketing, contracting, participant liaison/coordination, account management, coordination of statewide planning for all HIE participants and other general administrative costs.

**Funding Breakdown**

Federal	\$3,600,000
State General Funds (GF/Match)	\$400,000
Capital Fund Administration (GF/Match)	\$80,000
Total cost for incentives to 100 provider organizations	\$4,080,000

Capital Fund Administration Costs include: general administrative costs for Capital project management.