



Board of Directors Meeting
Meeting Location: Conference Call
April 23, 2019 | 4:00 – 5:30 pm
Call-in number: (866) 906-9888; Pass code: 6850751#

Agenda

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|---|-------------------|
| I. Consent Agenda | Bruce Bullock, MD |
| • Approval of Minutes from March 26, 2019 Meeting | |
| II. Shared Services Update | Frank Harris |
| III. FY20 Budget Review | Robert Turnau |
| IV. FY20 Budget Discussion and Vote | |
| V. Adjourn | |



Board of Directors Meeting

April 23, 2019

VITL, 1 Mill Street, Suite 249, Burlington, VT – Granite Conference Room

Attendees:

- | | | | | |
|--|--|---|---|--|
| <input checked="" type="checkbox"/> Jessa Barnard | <input checked="" type="checkbox"/> Joel Benware | <input checked="" type="checkbox"/> Susan Besio | <input checked="" type="checkbox"/> Bruce Bullock, MD | <input checked="" type="checkbox"/> Mike Del Trecco |
| <input checked="" type="checkbox"/> Mary Beth Eldridge | <input checked="" type="checkbox"/> Richard Elmore | <input type="checkbox"/> Thomas Evslin | <input checked="" type="checkbox"/> Leah Fullem | <input type="checkbox"/> Kelly Lange |
| <input type="checkbox"/> Victoria Loner | <input checked="" type="checkbox"/> Mark Nunlist, MD | <input type="checkbox"/> Amy Putnam | <input type="checkbox"/> Richard Slusky | <input checked="" type="checkbox"/> Michael K. Smith |

Staff: Andrea De La Bruere, Carolyn Stone, Christopher Shenk (phone), Frank Harris

Topic	Presentation	Discussion and Action	By Whom or When
Meeting convened	Bruce Bullock, MD	<ul style="list-style-type: none"> Board of Directors meeting convened at 4:10 pm 	
	Bruce Bullock, MD called for approval of the March minutes	<ul style="list-style-type: none"> Motion: To Accept the Minutes from March 26, 2019 Meeting 	Motion: Joel Benware; 2 nd Mark Nunlist; Approved
	Michael K. Smith	<ul style="list-style-type: none"> Primary purpose of this special meeting is to review and vote on the FY20 budget. Included in the budget is the Shared Services Project that Frank will present on. Mike let the board know that there are still some negotiations happening with the project and he will keep the board abreast of any developments. 	
Shared Services Project Update	Frank Harris	<ul style="list-style-type: none"> Project Objectives: <ul style="list-style-type: none"> Best in class patient matching, synchronized across the architecture Improved terminology services capability Improved interfacing capability Support for direct web services <ul style="list-style-type: none"> Version 3 HL7 standard Lighter implementation requirements (especially for small HCOs) Requires architecture changes eCW hub capability Sensitive data is supported, protected, and routes only where it belongs. Customers trust the solution. CHA/Blueprint wants development capability VITL wants to shed infrastructure MPI: <ul style="list-style-type: none"> VITL conducted RFI process to look at alternatives Narrowed the field to two, and received proposals from those (Verato and 4Medica) Conducted customer reference checks. Some customers had a conducted comparison process on these vendors. Based on superior matching results, selected Verato. CHA and VITL reached consensus 	

on this.

- Critical success factor: Making Verato work with HCI (Medicity)
 - VITL has had extensive discussion with HCI on this.
 - HCI expresses strong support – but needs to develop.
 - Need to work with both vendors to nail this down further.
 - Need to address business terms with HCI.

- **Terminology Services:**

- HealthInfoNet (HIN) has developed terminology services software called Term Atlas.
- Capitol Health Associates (CHA) already had interest in this. VITL has reviewed the solution. Both agree on this solution.
- VITL currently uses Health Language, but experience has been difficult.
- VITL uses terminology services somewhat differently than HIN. We expect that we will want some changes to Term Atlas.
 - HIN has expressed support for this, but business terms need to be worked out.

- **Rhapsody Alternatives:** (*Rhapsody is a platform that facilitates interfaces of systems together with health data. It is a guaranteed delivery system*)

- HIN
 - Owned infrastructure in Tierpoint colocation data center
 - Tierpoint is a major data center provider with numerous locations
 - Very similar to VITL
 - Co-located data center, owned infrastructure
 - Virtually identical technologies
 - Similar high availability features
- Rhapsody as a service (RaaS)
 - Amazon Web Services (AWS) cloud
 - AWS Virtual Private Cloud for each customer. A single-tenant virtual infrastructure.

- **Pricing:**

- HIN slightly more expensive. \$280K for HIN vs \$254K for RaaS at full implementation
- HIN offers unlimited communication points
 - RaaS costs are an estimate. Unlimited communication points are a significant plus.
 - Communication point costs represent pricing risk in RaaS solution.

- **Additional Information**

- HIN:
 - Offers expanded opportunity to collaborate with another HIE
 - CHA strongly favors this solution
 - Do not currently have DR in place
 - Expresses commitment to implement this in 12 weeks
 - Cloud based solution for DR
 - Plan indicates acceptable recovery times

		<ul style="list-style-type: none"> ○ Security appears adequate <ul style="list-style-type: none"> ▪ Technical aspects very strong ▪ Programmatic aspects adequate with weaknesses <ul style="list-style-type: none"> • No independent assessment processes • HIPAA is their only framework • But they express desire a to reach HITRUST certification by end of 2020 ○ RaaS <ul style="list-style-type: none"> ▪ Established vendor ▪ DR in place ▪ Third party security partner appears strong ● Discussion: <ul style="list-style-type: none"> ○ VITL, Capital Health Associates (CHA), OneCare Vermont are the participants on various elements of the shared services project. Will other entities be invited to join the shared services project? Good idea down the road as it will reduce cost and add to “comm points”. ○ Look into security requirements of participants 	
FY20 Budget Presentation	Robert Turnau	<ul style="list-style-type: none"> ● <u>FY20 Review Schedule:</u> <ul style="list-style-type: none"> ○ April 23, Board Review and Vote ○ April 29, Budget Packet to Green Mountain Care Board (GMCB) ○ May 10, Slides on Budget to GMCB ○ May 15, Present FY20 Budget to GMCB ○ May 13 – June 5, Public Comment Period ○ June 5, GMCB Staff Recommendation and Potential Vote <p>The FY20 Budget was approved by the VITL Finance Committee on April 19.</p> <ul style="list-style-type: none"> ● <u>Revenue:</u> <ul style="list-style-type: none"> ○ State funding <ul style="list-style-type: none"> ▪ CY19: firm value: \$2,453K, PofP: July 2019 to Dec. 2019 ▪ CY20: estimated value: \$2,222K, PoP: Jan. 2020 to June 2020 ○ OneCare Vermont <ul style="list-style-type: none"> ▪ One-year contract signed Nov. 2018, firm value: \$810K ○ Collaborative services <ul style="list-style-type: none"> ▪ Four project that will benefit multiple partners ▪ One partner will lead and contract the services while the others share in the cost ▪ Negotiations are not complete and could impact the expense and sharing of cost ● <u>Expenses:</u> <ul style="list-style-type: none"> ○ Labor: VITL assumes a headcount of 22.6 full time employee for FY20. The Chief Operations Officer position will not be filled. Merit increases will be 3% and there will not be bonuses for leadership. ○ Benefits: Providers will remain the same. Contribution to health insurance premium remains 15%. 401K provisions remain the same as well. ○ Materials/services reflect current pricing or estimate for FY20 	

		<ul style="list-style-type: none"> ○ Occupancy: Office space reduced from 11K sq ft to 7K sq ft and rent reduced during negotiations. Rent escalation 3% starting in March 2020. Server room fit up mostly complete and will not impact FY20 budget. ○ Health Catalyst (a.k.a. Medicity) licensing and hosting expenses are the same as FY19 ○ Collaborative services projects add \$675K of expenses and \$400k of revenue ○ FY20 budget adds \$110K for additional security projects ○ \$75K of expenses for executive search firm are included ○ No contingency is included ● <u>Operational Deficit:</u> <ul style="list-style-type: none"> ○ FY20 projects a \$186K operational deficit ○ Will use cash on hand to fill in funding gaps ○ Continued sustainability requires new funding sources <p>The FY20 Budget was approved by the VITL Finance Committee on April 19.</p>	
	Bruce Bullock, MD	<ul style="list-style-type: none"> ● Motion: To Accept the FY20 Budget as Presented 	Motion: Mike Del Trecco; 2 nd Joel Benware; Approved
		<ul style="list-style-type: none"> ● Discussion: Future Revenue: Dr. Bullock asks that board members share ideas on how VITL can diversify revenue. He would like that to be a focus for the June 4, 2019 board meeting. 	
Adjournment	Bruce Bullock, MD	<ul style="list-style-type: none"> ● The adjourned the meeting at 5:13 pm 	

Joshua E. Cheney, Executive Assistant
VITL