

SENATE FILE NO. SF0050

Health care information technology.

Sponsored by: Joint Labor, Health and Social Services
Interim Committee

A BILL

for

1 AN ACT relating to public health and safety; providing for
2 electronic health records; providing for the designation of
3 a regional health information organization; providing for
4 contracting with the regional health information
5 organization for development of a system of electronic
6 health records; providing priorities in system development;
7 providing protections for patient privacy; providing for
8 development of incentives for use of the system; providing
9 appropriations; authorizing additional positions; and
10 providing for an effective date.

11

12 *Be It Enacted by the Legislature of the State of Wyoming:*

13

14 **Section 1.** W.S. 35-29-101 through 35-29-106 are
15 created to read:

16

1

CHAPTER 29

2

REGIONAL HEALTH INFORMATION ORGANIZATION

3

4

35-29-101. Definitions.

5

6

(a) As used in this act:

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8

(i) "Continuity of care record" means an electronic record which is a summary of patient health information. A continuity of care record contains the electronic health record or the portion of the electronic health record most likely to be useful to a new health care provider treating a patient and shall contain identifying information needed to associate an individual with the record and other pertinent information;

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17

(ii) "Department" means the department of health;

19

20

(iii) "Electronic health record" means a record stored electronically containing medical and other health related information about an individual and containing identifying information needed to associate an individual with the record and any other pertinent information;

24

1

2 (iv) "Electronic medical record" means a record
3 stored electronically containing medical information about
4 an individual, identifying information needed to associate
5 an individual with the record and any other pertinent
6 information. An electronic medical record is a subset of
7 an electronic health record;

8

9 (v) "Hub" means a centralized computer software
10 function that receives, translates and transmits
11 information among various electronic health record systems.
12 A hub may also facilitate data management including but not
13 limited to all or portions of electronic health records and
14 may develop reports and perform other functions needed for
15 a functioning statewide electronic health records system;

16

17 (vi) "Personal health record" means that part of
18 an electronic record that an individual may access and make
19 available to others, and includes a record of the sources
20 of information and those persons to whom it has been
21 transferred;

22

23 (vii) "RHIO" means the regional health
24 information organization for Wyoming;

1

2 (viii) "This act" means W.S. 35-29-101 through
3 35-29-106.

4

5 **35-29-102. Regional health information organization**
6 **designation; contracting with the regional health**
7 **information organization.**

8

9 (a) The department, with the approval of the governor
10 and guided by the report from the health care commission
11 developed as required by 2004 Wyoming Session Laws, Chapter
12 100, Section 1(b), shall designate an organization as the
13 RHIO for the state of Wyoming.

14

15 (b) The department shall contract with the RHIO for
16 the development and operation of systems to enable and
17 facilitate the operation of electronic health records
18 capable of interchanging information within the state and
19 to the extent feasible outside the state.

20

21 (c) The contract pursuant to subsection (b) of this
22 section shall provide for the:

23

1 (i) Development, installation and operation of
2 the hub;

3

4 (ii) Modification and updating of the hub to
5 accommodate new applications and new national or
6 international governmental or industry standards;

7

8 (iii) Accommodating and integrating to the
9 extent feasible information from electronic health record
10 and medical record systems used by Wyoming hospitals,
11 physicians, other Wyoming health care providers, state
12 agencies and, if possible, federal government providers
13 including but not limited to the veterans administration
14 and the Indian health service;

15

16 (iv) Safeguards and requirements set forth in
17 W.S. 35-29-106;

18

19 (v) A right for the department to terminate the
20 contract for unsatisfactory performance.

21

22 **35-29-103. Regional health information organization;**
23 **addition of hospitals and other health care providers.**

24

1 (a) The RHIO in consultation with the department
2 shall select hospitals to participate in the statewide
3 health information system via the hub. The RHIO shall
4 divide the hospitals in the state into two (2) groups as
5 follows:

6

7 (i) "Group I" means those hospitals with
8 functioning internal electronic medical records; and

9

10 (ii) "Group II" means those hospitals without
11 electronic medical records or with partial systems.

12

13 (b) The RHIO in consultation with the department
14 shall rank group I hospitals in priority order based on the
15 following criteria:

16

17 (i) The readiness of the hospital and its system
18 to interface with the hub, the cost of implementing that
19 interface and the willingness of the hospital
20 administration to do so;

21

22 (ii) The number of patients whose hospital
23 medical records will be available via the hub and the
24 expected startup and ongoing cost per patient;

1

2 (iii) The percentage of practicing physicians
3 and other health care providers willing and able to
4 efficiently interface with either the hospital system
5 directly or the hospital system via the hub and the cost
6 per provider; and

7

8 (iv) Any other criteria relevant to cost
9 effective and timely connection of a hospital system to the
10 hub.

11

12 (c) The RHIO in consultation with the department
13 shall rank group II hospitals in priority order based on
14 the following criteria:

15

16 (i) The willingness and readiness of the
17 hospital to install an electronic medical records system to
18 interface with the hub and the estimated cost of the
19 installation;

20

21 (ii) The percentage of patients whose hospital
22 medical records will be available via the hub and the
23 expected startup and ongoing cost per patient;

24

1 (iii) The percentage of the physicians and other
2 health care providers in the community ready and willing to
3 install electronic medical records systems to interface
4 with the hub;

5

6 (iv) Any other criteria relevant to cost
7 effective and timely connection of a hospital system to the
8 hub.

9

10 (d) The RHIO, using funds obtained pursuant to
11 contract with the department and other available sources,
12 shall fund, with a fifty percent (50%) local match
13 requirement, the incremental costs of interfacing existing
14 hospital electronic medical record systems with the hub
15 and, where needed, purchasing and installing new or new
16 parts for hospital electronic medical record systems that
17 interface with other systems via the hub. The RHIO with
18 the approval of the department may waive or partially waive
19 the local match requirement for group II hospitals in whole
20 or in part to the extent the size of the hospital, patient
21 characteristics or other factors make local funding
22 unrealistic. The RHIO shall disburse available funds based
23 on the priority lists developed pursuant to subsections (b)
24 and (c) of this section. To the extent practical, the RHIO

1 shall fund at least one (1) hospital in group II for every
2 two (2) hospitals funded from group I, but shall disregard
3 this requirement when all willing institutions in either
4 group are funded.

5

6 (e) In selecting the first group of hospitals for
7 funding, the RHIO shall select for a reasonable
8 distribution by location and hospital size.

9

10 (f) In making priority and funding decisions the RHIO
11 shall not discriminate against a hospital or other provider
12 based on its status as for profit, not for profit or
13 governmental. However, no hospital, institution or other
14 health care provider shall be funded which is unwilling to
15 treat Medicaid clients, persons insured through state and
16 local government health care programs and persons whose
17 care is the financial responsibility of the state. Any
18 hospital or institution which discriminates against those
19 persons via a quota or similar system shall have the lowest
20 priority for funding.

21

22 (g) The RHIO with the approval of the department may
23 fund, on a matching basis of up to fifty percent (50%), the
24 incremental start-up and system upgrade costs for one (1)

1 or more of the following institutions to participate in the
2 statewide electronic health records system via the hub:

3

4 (i) Any nonprofit community health center
5 operating within the state;

6

7 (ii) Any voluntary nonprofit clinic providing
8 medical care to the poor for free or for a nominal fee;

9

10 (iii) Rural nonprofit health clinics.

11

12 (h) The RHIO may provide technical and consultative
13 services to any Wyoming health care provider seeking to
14 interface with the statewide electronic health care records
15 system via the hub. Subject to the restrictions of
16 subsection (f) of this section, the RHIO in consultation
17 with the department may develop a pilot program of
18 financial assistance and incentives for other health care
19 providers in Wyoming including providers in private
20 practice to install electronic health records or electronic
21 medical records. In developing the pilot program the RHIO
22 shall consider using incentives for providers such as
23 personal digital assistants or other devices loaded with
24 relevant drug formularies and the Wyoming Medicaid

1 preferred drug list and capable of transmitting electronic
2 prescriptions entered by the provider. The pilot program
3 shall be implemented only with the approval of the
4 department.

5

6 (j) The RHIO may fund projects and assistance to
7 institutions outside the priorities established pursuant to
8 this section to meet the requirements of grant and contract
9 funders other than the department and may, with the
10 approval of the department, use state funds obtained via
11 the contract to meet matching requirements in such
12 circumstances.

13

14 **35-29-104. Electronic health care record systems;**
15 **applications; interfacing with the hub.**

16

17 (a) The RHIO shall develop the following applications
18 for the electronic health care record system interfacing
19 via the hub:

20

21 (i) Electronic prescribing enabling prescribers
22 to write electronic prescriptions and have them sent
23 electronically to pharmacies;

24

1 (ii) Continuity of care records which shall be
2 an electronic summary of patient health information that
3 would be available to providers treating the patient in any
4 setting interfacing with the hub;

5

6 (iii) Local provider access to hospital
7 information systems either directly or via the hub; and

8

9 (iv) Administrative transaction processing to
10 provide administrative functions such as a claims
11 processing and eligibility checking service for providers
12 to process insurance transactions electronically with their
13 payers provided that development of this function may be
14 discontinued if information from providers indicates
15 existing systems are adequate and cost effective for this
16 function without the state effort.

17

18 (b) The RHIO shall prepare in the future, subject to
19 funding and priorities, to implement the following
20 functions to interface via the hub:

21

22 (i) A registry of information on the
23 administration of vaccine to individuals possibly as part
24 of the continuity of care record;

1

2 (ii) A registry of individual advance
3 directives.

4

5 **35-29-105. Operating costs.**

6

7 Subject to legislative appropriation, the department shall
8 plan to meet all operating costs of the RHIO not funded
9 through grants from other sources for the fiscal biennium
10 commencing July 1, 2006. The RHIO shall develop a plan to
11 cover all operating costs via earnings and provider fees
12 once the system is fully implemented on a statewide basis.
13 The plan shall include a schedule of the professional staff
14 needed to operate and maintain the hub and provide
15 technical assistance to provider and institutional users.
16 The plan shall be submitted to the joint labor, health and
17 social services interim committee by October 1, 2007.

18

19 **35-29-106. Conditions and precautions.**

20

21 (a) The statewide electronic health care records and
22 the hub shall be compliant with the patient privacy
23 requirements of the federal Health Insurance Portability

1 and Accountability Act of 1996 and subsequent similar
2 enactments.

3

4 (b) The hub shall be constructed so that it cannot be
5 used by employers in their capacity as employers and
6 insurance companies to access individual continuity of care
7 records or inappropriate parts of individual health or
8 medical records. Information needed to pay claims and
9 information useful for providing care where an insurer is a
10 health maintenance organization or similar organization
11 that provides care is appropriate access.

12

13 (c) The chief state information officer in his
14 standard budget shall request funds for third party
15 security audits of the RHIO, the hub and related systems to
16 ensure compliance with privacy provisions and identify
17 security weaknesses in need of improvement.

18

19 (d) Individuals are entitled to access and copy
20 information in their individual continuity of care record
21 and vaccination records. The RHIO shall develop appropriate
22 procedures to make this access practical, secure and
23 inexpensive.

24

1 (e) Except when the patient has opted not to make his
2 information available, the RHIO may make information in
3 electronic health or medical records accessed via the hub
4 available in a de-identified form for legitimate medical,
5 health related or public policy research. Where the
6 research is valuable for commercial purposes, the RHIO may
7 charge a fee which shall be used to support the operation
8 of the RHIO. Where such research finds information of
9 value to a patient whose de-identified data is being used,
10 the RHIO may disclose the information to the patient either
11 directly or via his health care provider. Where identified
12 information is sought for research, it may be disclosed
13 only with the consent of the person whose information is
14 sought or his appropriate legal guardian, representative or
15 surrogate.

16

17 **Section 2.**

18

19 (a) The department shall report to the joint labor,
20 health and social services interim committee before
21 November 15, 2006 on the possible use of enhanced Medicaid
22 reimbursement as an incentive for providers to use
23 electronic medical records that interface with the hub as
24 provided in section 1 of this act.

1

2 (b) If the federal government, with respect to
3 electronic prescribing of drugs for Medicare or another
4 federal program, preempts state pharmacy law or regulations
5 relating to prescribing of drugs, the state board of
6 pharmacy shall promulgate regulations allowing all
7 electronic prescribing in Wyoming to conform to the federal
8 requirements. The state board of pharmacy shall report to
9 the joint labor, health and social services interim
10 committee regarding any conforming changes needed in state
11 law.

12

13 **Section 3.**

14

15 (a) There is appropriated from the general fund to
16 the department of health twenty million ninety-four
17 thousand four hundred forty dollars (\$20,094,440.00) for
18 the development, testing and implementation of the hub and
19 the applications provided in section 1 of this act. The
20 appropriation shall not revert as provided in W.S. 9-4-207
21 but shall remain available until expended.

22

23 (b) There is appropriated from the general fund to
24 the department of health nine hundred forty-six thousand

1 four hundred seventy-one dollars (\$946,471.00) for the
2 operating and technical assistance expenses of the RHIO
3 established by this act.

4

5 (c) There is appropriated from the general fund to
6 the department of health thirty-seven million dollars
7 (\$37,000,000.00) for financial assistance to hospitals,
8 other institutions and health care providers as provided by
9 this act. Funds appropriated under this subsection may be
10 encumbered by contract with the regional health information
11 organization only before July 1, 2008.

12

13 (d) There is appropriated from the general fund to
14 the department of administration and information forty
15 thousand dollars (\$40,000.00) for security audits by the
16 state chief information officer, including pre-audits
17 during the development of the hub.

18

19 (e) There is appropriated from the general fund to
20 the department of health two hundred forty thousand dollars
21 (\$240,000.00) and three (3) additional positions are
22 authorized to implement the purposes of this act.

23

1 (f) With the approval of the department of health,
2 the regional health information organization may move funds
3 appropriated by subsections (a) and (c) of this section and
4 provided to the regional health information organization by
5 the department via contract from one function to the other.

6

7 **Section 4.** This act is effective immediately upon
8 completion of all acts necessary for a bill to become law
9 as provided by Article 4, Section 8 of the Wyoming
10 Constitution.

11

12

(END)