



**Testimony Regarding SB 210
to the**

Senate Public Health and Welfare Committee

**Presented by Aaron Dunkel
Deputy Secretary, Kansas Department of Health and Environment**

March 13, 2013

Chairman Pilcher-Cook and members of the Committee, I am Aaron Dunkel, Deputy Secretary at the Kansas Department of Health and Environment (KDHE). I am here today to provide testimony on Senate Bill 210. This bill would transfer responsibility for the regulation of health information organizations from the Kansas Health Information Exchange, Inc. (KHIE) to KDHE.

Over the last two and a half years there has been a drastic change in scope from the initial state plan that informed development of the original KHIE. When KHIE was first incorporated it was believed that the organization would be the sole provider of HIO services in the state. In addition, they would develop all policies governing HIO activities in the state with a focus on guaranteeing patient privacy. Since its inception KHIE has made great advances in policy development. During that same period, KHIE has also made a series of decisions that, when combined with the development of private HIO enterprises in the state, have allowed Kansas to move away from a centralized single state architecture and instead adopt a widely accepted market-driven philosophy. We believe this shift in philosophy has been the driving force behind the level of success that has been realized in the state by the HIOs. The effect of this change on KHIE is that its original scope of services has been reduced to primarily that of policy development and HIO regulation.

Under the original state plan KHIE would have been funded through the collection of fees associated with providing HIO services to medical providers in the state. Without these fees KHIE needed to identify how to fund an annual budget of \$400,000 to \$500,000. With this in mind, the Board began to discuss how to reduce the costs of administering the regulatory oversight functions it had been charged with. Through these discussions it was forwarded that KDHE assuming these responsibilities would be preferred and appropriate given the evolution of KHIEs responsibilities and the capabilities of the agency.

In order to continue the level of stakeholder involvement that has been one of the keys to the success that has been achieved in policy development, the creation of a HIT Advisory Council is included in the bill. This body would replace the KHIE Board and would provide direct guidance to the Secretary of KDHE on issues related to HIO and health information sharing in the state. Included in this guidance would be issues related to patient

privacy and data security, patient education, provider education, and the continued setting of standards for data sharing.

I would also like to address what the bill does not do. SB 210 does not transfer any responsibility for maintaining a core infrastructure to KDHE, this service is provided by private companies to the health care providers of the state. This bill does not allow unfettered access to the data being shared between providers and the HIOs to KDHE or to any state agency. The state and its agencies will have the same level of access to data that they currently have and that access will continue to be guided by Kansas law and subject to business associate agreements between the involved parties.

The sharing of electronic health information through a secure network that provides an appropriate level of customer assurances is necessary for the long-term success of this endeavor and the Kansas Department of Health and Environment is dedicated to assisting in that success.

We ask for your favorable consideration of SB 210. Thank you.