



Healthix Board of Director Meeting Minutes
December 14, 2020 | 3:00pm-4:30pm

Board Attendees via telephone:

- David Cohen, MD, Healthix Chair
- Mitra Behroozi, 1199 SEIU Benefit and Pension Funds
- Paul Casale, MD, New York Quality Care ACO
- Louise Cohen, Primary Care Development Co.
- Thomas Early, Nassau Queens Performing Provider System
- Charles King, Housing Works
- Irene Koch, Hospital for Special Surgery
- Art Gianelli, St. Luke's Hospital
- Fred S. Sganga, Long Island State Veterans Home
- Larry McReynolds, NYU Lutheran Family Health Centers
- David Schimel, New York Medical Staff Leadership Council
- Anup Vidyarthi,
- Patrick O'Shaughnessy, DO, Catholic Health Services of Long Island
- Michael Bouton, MD, NYC Health + Hospitals
- Robert S. Chaloner, Stony Brook Southampton Hospital
- Michael Guarino, IPA of Nassau/Suffolk Counties, Inc.
- Alexander Izaguirre, PhD, MBA, NYC Health + Hospitals
- Joseph Lamantia, Northwell Health
- David Leventhal, Pfizer

Healthix Management:

- Todd Rogow, President and CEO
- Vivienne Destefano, SVP Corporate Affairs
- Tom Moore, SVP, Innovation
- John Guastella, SVP, Finance & CFO
- Nick VanDuyne, SVP, CIO
- John Chow, CISO
- Magdalena Mandzielewska, Privacy Officer, Senior Director of Compliance
- Kaitlin Flaherty, Executive Assistant

Call to Order: The meeting was called to order at 3:00pm by Healthix Board Chair, Dr. David Cohen. Ms. Kaitlin Flaherty recorded the meeting minutes. The meeting was concluded at 4:32pm.

Action Items:

Approve Minutes from September 3rd Board Meeting: The meeting minutes of September 3rd, 2020 were approved.

Approval of New Member, Matthew Siegler to the Board of Directors: Board members voted to approve Mr. Siegler, replacing Israel Rocha, from the NYC H+H system .

Approval of the Renewal of Term for 4 Members of the Board of Directors: The three-year term of Thomas Early, Arthur Gianelli, Fred Sganga, and Alexander Izaguirre was up for renewal. The Board unanimously approved renewal of another three-year term.

Approval of a One-Time Waiver to Extend David Schimel's Term on the Board for One Additional Three-Year Term: The Board unanimously voted to extend Mr. Schimel's term.

Approval of the 2021 Budget: The Budget was unanimously approved.

Dr. Cohen welcomed everyone on the phone and called the meeting to order. The minutes of the previous Board Meeting were approved

Report of the Chairperson

Matthew Siegler was presented as the proposed candidate to replace Israel Rocha, who has stepped down from the Healthix Board. Mr. Siegler is the SVP for Managed Care at NYC Health + Hospitals. Mr. King asked for clarification about the nomination process. Dr. Cohen stated that this Board seat is part of the "Protected Class," under the terms of the merger agreement. Other members of this group needed to approve Mr. Siegler's candidacy. The Protected Class of the Board voted in the affirmative to support Mr. Siegler. The full Board approved Mr. Siegler to the Healthix Board.

Next, Dr. Cohen presented the terms of renewal for Board members up for renewal on 11/30/2020. Of these members, Thomas Early, Arthur Gianelli, Fred Sganga and Alexander Izaguirre agreed to a new three-year term. The renewal was approved by the Board. Joseph Lamantia, Northwell Health, resigned for the Healthix Board, leaving a vacancy.

David Schimel's term as a Board Member has expired, per the Healthix bylaws. However, he is willing to serve an additional term. Dr. Cohen suggested that a one-time waiver of the bylaws will allow Mr. Schimel to serve an additional term and would be in the interest of Healthix and the Board. This was approved unanimously by the Board.

Dr. Cohen discussed the DOH requirements for the composition of Board members, including a representative from a small practice and a patient/consumer representative. Members of the Board were encouraged to contact Mr. Rogow with recommendations so that action can be taken at the March 2021 meeting. Mr. King asked if there is a formal process for recruiting new members. Mr. Rogow clarified that the Governance Committees vets candidates and will meet in January in which proposed candidates will be presented for consideration by the Board.

NYeC 2020 Goals & Funding

Mr. Rogow addressed the NYeC Goals & Funding for 2020. Healthix & NYCIG did well in meeting and surpassing the goals set by NYeC for the year except for the Heartbeat Monitor. While Healthix did miss two months earlier in the year, Mr. Rogow stated that while Healthix will recoup those funds, NYCIG will not be eligible to earn back the funds. Mr. Rogow demonstrated the major growth Healthix & NYCIG experienced this year, highlighting OREs and Physicians.

Results for the Customer Satisfaction Survey will not be released until early January 2021. Healthix and NYCIG have shown tremendous improvement in overall response rates from 2019 to 2020. Mr. Rogow is hopeful this will earn Healthix the full funding allotted. Healthix performed better in the hospital category than the QE average. NYCIG performed better than the average in physician response rate. Healthix will focus on this area in greater detail during the 2021 survey. Mr. Rogow highlighted the efforts of Healthix staff in driving these response rates.

DOH Funding Approach for 2021

Mr. Rogow presented NYeC's approach to funding in 2021. This year the funding breakdown was 50% for basic core funding, 35% for performance funding, and 15% for I&I grants. NYeC has proposed some changes to the Performance Funding Allocations. Patient Consent accruals will be removed as a performance metric, so this will be folded into the participation category. The Heartbeat monitor funding will be reduced, with that funding being added to the Usage and Customer Satisfaction Survey. This means that next year, Healthix will have about \$2 million riding on meeting this goal. Data Fields and Format (DFF) will remain the same.

Ms. Cohen asked if Healthix had a contingency plan regarding funding that may be impacted by COVID-19. Due to potential budget cuts, Healthix took a proactive stance and with a reduction in force, removing 9 positions, and laying off 5 individuals. NYeC has set aside money in reserve to buffer all the QEs in case of financial cuts. It is anticipated that in 2022, there will be changes in how federal funding is determined. Under CMS' Medicaid Management Information System (MMIS), a mechanized claim processing and information retrieval system that State Medicaid programs must have to be eligible for Federal funding, the population of New York that qualifies for Medicaid insurance will factor into the determination of federal funding for NYC and the QEs. This may bring Healthix from a 95% rate to a 33% rate which could represent a substantial cut in federal funding.

Mr. King asked for additional information about the OMH/CBOs category. Healthix is connected to quite a few in this category but these are areas of focus for participation in 2021. DOH will provide a gap to goal metric for all QEs to meet in 2021.

Committee Reports

Mr. Early presented highlights from the most recent meeting of the Finance Committee. These included the 2021 State perspective, a discussion of office space and future plans, updates on the PPP stimulus loan and current financial results as of September 30, 2020. The 2021 Healthix budget was approved by the Committee.

Mr. Guastella covered the Financial Report in detail. For the period of January 1-September 30, 2020, both Healthix and NYCIG had a revenue below what was budgeted. Some of this was due to the issues related to the Heartbeat Monitor funding. When creating this budget, only about half of the NORC survey revenue was accounted for. It is possible that when those results come in, the final revenue for the year may be much higher. Expenses have been below the original budget, meaning the total operating income was better than budgeted, due to giving up the NYC office space and having the company work from home. As a result, operating income was \$379,046 better than budget. Mr. Guastella then showed the projected financial results for Calendar Year 2020, which is expected to be better than budget by more than \$900,000, excluding the onetime income resulting from the effect of NYCIG merger in March 2020.

The Finance Committee reviewed details of the 2021 budget at their previous meeting. The NYeC contract and revenue from I&I grants have been budgeted at 85% of the actual NYeC budget granted to Healthix in April 2020. Expenses include a \$100,000 reserve for an Innovation Fund and a \$200,000 reserve for a contingency fund. The expenses also account for payroll and related costs for 71 full-time staff for the full year. There is also the assumption that Healthix will obtain a new NYC location sometime in Q2 2021.

A question was asked about the PPP loan and loan forgiveness. Mr. Guastella clarified that Healthix will carry this as a liability and will accrue interest on the loan, however Healthix is looking into loan forgiveness. The forgiveness applies to the interest as well. Dr. Cohen ask about the timing on this matter, and Mr. Guastella stated this will take place late spring or early summer 2021.

The Board moved to approve the 2021 Healthix budget which was unanimously approved.

Mr. Chow then covered the HITRUST status update. Healthix is in Year 3 of HITRUST Certification. Healthix has completed Phase 2, based on 526 controls. Currently the organization is in Phase 3, a full validated assessment, based on 902 controls. HITRUST has allowed Healthix a Bridge Assessment, extending the company's due date by 90 days. Mr. Rogow clarified that the "measured" and "managed" aspects were not graded during Phase 2, but will be included in Phase 3. He expects Healthix's score to further improve during this Phase.

Image Exchange Funding

Mr. Rogow discussed the Image Exchange Funding Program, based on an original federal grant to cover implementation and 1st year vendor fees. Customers who were engaged in the program include Maimonides Medical Center, Northwell Health, NYU Langone, Mount Sinai, Memorial Sloan Kettering Cancer Center, NYC Health + Hospitals. Healthix is now accountable for these fees which will no longer be subsidized. The total costs are approx. \$95,000.

There was a call for clarity on whether these were diagnostic quality images since this is a value-added service. Mr. VanDuyne stated that in the clinical viewer, these images are referential with good image quality, however there is a mode that can be used to obtain diagnostic quality images through PACS systems. Mr. Gianelli added that from his perspective the pilot program has added tremendous value. Mr. VanDuyne responded to questions about the impact of image volumes on the system. He clarified that Healthix is not storing the images on the Healthix platform, nor is it rendering the images. The web query service is provided by eHealth Technology services and uses a "zero-footprint" browser application, so no artifact is stored in the system. machine. Mr. Rogow noted support from the Board on this initiative and that all are in favor of the costs associated.

Strategic Focus Discussion

Mr. Rogow discussed the importance of obtaining claims data from Health Plans under contract with Healthix. Typically, Healthix obtains demographic information, but he would like to see these facilities provide claims and consent data as well.

Ms. Behroozi discussed her experiences with medical providers from the point of view of the patient, and how beneficial having all doctor visits, pharmacy encounters immediately reflected in their claims so their providers could easily view these claims. This would create a more patient-centric focus and help provide better care. Mr. Rogow highlighted Ms. Behroozi's work at 1199 SEIU in providing claims data and asked, from a payer perspective, if her organization faced any additional obstacles. She discussed that some patients may have been going to smaller practices where providers were not connected to Healthix, so she felt an obligation to make that data visible to any providers who are connected.

Mr. Rogow added that in November 2020 alone, Healthix sent 5 million alerts and 1.5 million messages, including patient summary documents. He highlighted some examples: Anthem, as a large payer, contributes a lot of information and uses Healthix very heavily, while United Healthcare does not contribute a great deal to Healthix. While this is not a NYeC performance goal, Mr. Rogow wanted to gauge the Board's opinion whether or not this was a worthwhile course to pursue.

Mr. King felt this approach made sense and sees a great deal of benefit, but wanted to know why one would share medical claims but not pharmacy claims. Ms. Behroozi clarified that in some cases the systems used may not be compatible. Dr. Cohen suggested having a stronger advocacy position regarding our relations with those plans and encourages that they share information. Mr. Rogow stated that he is amenable to Board Members following through on this as a first step. Mr. Guarino stated his willingness to work with United and Anthem champion this cause. United Healthcare and Mr. Rogow was asked to explain United Healthcare's position and why they are hesitant about the value offered by Healthix. Mr. Rogow stated that his goal for Healthix is to improve the amount data Healthix receives from these facilities and will work with Board Members.

Mr. Rogow moved onto the final topic, leveraging the eHealth Exchange to query HIEs, hospital systems, and entities like CVS outside of New York State, to bring in data for those patients being treated in New York but may live, work or travel outside the state and get care elsewhere. There are millions of residents in other states that receive medical care in New York City. Healthix has connected with the Veteran's Administration/DoD as was able to set up a bidirectional connection the eHealth Exchange. Healthix also has also established a unidirectional connection with CVS Clinics as well as healthcare systems in several other states. An important note is that Healthix does not then retain the information, however the data can be queried when needed. Dr. Bouton emphasized the huge value NYC H+H has seen from these connections so far and discussed the impact this has had on his ability as a doctor to treat patients. There is a real clinical need for this information. Mr. Rogow hopes to continue to expand into Pennsylvania and other states through this national hub.

Dr. Cohen adjourned the meeting at 4:32pm.