

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2303

2007 SENATE HUMAN SERVICES

SB 2303

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2303

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-23-07

Recorder Job Number: 1641,1714

Committee Clerk Signature

*Mary K. Monson*

Minutes:

Senator J. Lee, Chairman, opened the hearing on SB 2303 relating to creation of a health information technology steering committee; and to provide an appropriation.

Senator J. Lee (Dist. 13) introduced SB 2303 and said it is an exciting next step in what has been ongoing for the last two years. There has been an emphasis on how important technology is going to be. She encouraged the committee to look at this health information technology opportunity. They are also looking at the possibility of providing some funding to assist some locations with getting going.

Senator Erbele asked if there were any questions.

Senator Dever asked if there were supposed to be any legislators on the list.

Senator J. Lee said the committee could discuss that in further detail. She also had a message from the nursing association that they would like to be considered as an addition to the list. (Attachment #1)

Lynette Dickson (Project Director, Center for Rural Health) provided testimony and recommended revisions for SB 2303. (Attachment #2)

Dave Peske (ND Medical Association) served on the task force and wanted to say they support the efforts this bill is trying to achieve. He pointed out that there are many large

systems in North Dakota that have, on their own, started and implemented for quite some time health information technology. There are also many other smaller health care facilities that see the need to move along in this process.

There was no opposing testimony.

Senator J. Lee called for neutral testimony.

Arlan Thomas (President of ND Health Care Association) said they are reviewing SB 2303 and haven't taken a position with respect to what it means or its implications and/or source of funding. He would be happy to report back to the committee after they have had an opportunity to discuss SB 2303. He brought to the committee's attention that 1274 was heard in the House recently. That is a capital bill and would allow up to \$400,000 to be used for addressing some of the capital needs hospitals and others are facing with respect to technologies and limited capital purchases. He wasn't sure how that will coordinate with 2303. With respect to IT and health information technology in general, this is a big issue. (Meter 17:35) He asked if he could report back to the committee.

Senator J. Lee said any help they could give the committee as soon as possible would be greatly appreciated.

(Meter 21:50) There was some discussion on funding through the National Governor's Association. No money trickled down for the states.

The hearing on SB 2303 was closed.

**Job #1714**

Senator J. Lee brought up a point, which she thought was valuable, that Chip Thomas made. He asked about the existing health council and if we are looking at any kind duplication. She didn't think they were but, if they are, they need to think about that. She pointed out that the task force organized themselves and they moved forward with a fair amount of work on this.

She felt it was important that they not create another level of bureaucracy. She encouraged the committee to visit with health care providers in their districts to see where they are with this. There are some small communities moving together quickly to do a sharing of information software program and other smaller facilities nearby can buy into that. (Meter 1:53)

Senator J. Lee was also interested in knowing what MN is doing with this.

Senator Erbele asked if this would be a program where the appropriation would continue to grow.

Senator J. Lee said that possibility exists and that is why they have to be careful whether they feed it in the first place.

(Meter 4:50) There was discussion on the potential for working with other states.

Discussion on SB 2303 was closed.

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2303

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-30-07

Recorder Job Number: 2333

Committee Clerk Signature

*Mary R. Manson*

Minutes:

Senator J. Lee, Chairman, opened SB 2303 for discussion and provided the committee with a list of questions from Chip Thomas. (Attachment #3)

Senator Warner asked if this is granting authority or is this just to cover the expenses of the committee.

Senator J. Lee replied it is supposed to be providing funds that could be given to small health care providers to implement technology.

Senator J. Lee reported that she had inquired about where the state health council fits in. She said they had agreed to pass off to this HIT group any of the technology related questions because this group is the one with the expertise.

Senator J. Lee asked Richard Brown if he had information to offer.

Mr. Brown (Meter 3:20) didn't think the big communities would have any problem getting on board with this but the rural communities could be having a very hard time getting up to speed on this.

Senator J. Lee (Meter 4:30) said language for this was given to her by the health information steering committee. She wants ND to be on board with this and the rural area is an important issue because they don't have the money to implement this. The idea of the appropriation was

not only to put the steering committee in place but also to have money available that maybe the rural areas could apply for to get started with this.

(Meter 7:40) There was discussion on proposed amendments. They focused on the amendment submitted by Lynette Dickson.

Senator Erbele moved to adopt the Dickson amendment. Senator Warner seconded the motion. Roll call vote 6-0-0. Amendment accepted.

Senator Warner moved a Do Pass as amended and rerefer to Appropriations.

The motion was seconded by Senator Pomeroy.

(Meter 15:11) Discussion followed on the comments by Chip Thomas, specifically number 11. Also they discussed that there didn't seem to be a plan in place for the \$500,000. The steering committee wanted it for grants. The committee talked about reducing that amount of appropriation and instructing them to put a plan in place.

Senator Warner withdrew his motion and Senator Pomeroy withdrew his second. Carried by a voice vote 6-0-0.

Senator Erbele moved to further amend to cut the appropriation to \$100,000.

Motion seconded by Senator Dever.

Roll call vote 6-0-0. Amendment accepted.

Senator Erbele moved a Do Pass as amended and rerefer to Appropriations.

Senator Heckaman seconded the motion.

Roll call vote 6-0-0. Motion carried. Carrier is Senator Pomeroy.

**FISCAL NOTE**  
 Requested by Legislative Council  
 03/09/2007

Amendment to:           Engrossed  
                                   SB 2303

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$85,000		\$85,000	
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill creates a health information technology steering committee which will make recommendations for implementing a statewide health information infrastructure consistent with emerging national standards.

The amendment to this bill removes \$100,000 of general fund appropriation.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

In Section 1.2, it states that the Department of Health is to provide administrative services to assist the steering committee. In Section 1.3, it states that the steering committee is to develop a grant program to assist in the planning and implementation of health technology projects. Since the appropriation to this bill has been removed, it will be impossible to carryout these activities.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Section 1.2 indicates the Department of Health is to provide administrative services to assist the steering committee. Section 1.3 indicates the steering committee is to develop a grant program to assist in the planning and implementation of health technology projects. The bill is unclear as to where the grants administration program would be housed. If the Department of Health is to be responsible for administrating the grants program, and providing administrative services to the steering committee we would need \$85,000 of general funds for an HSPA IV (.5 FTE), including \$19,000 for operating expenses.

Since there are not dollars available to fund this program, we suggest the language in Section 1.3 be removed from the bill.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*



*continuing appropriation.*

The fiscal impact of this bill is not included in the Department of Health's appropriation bill (HB 1004). General funds will need to be appropriated.

<b>Name:</b>	Kathy J. Albin	<b>Agency:</b>	Department of Health
<b>Phone Number:</b>	328.4542	<b>Date Prepared:</b>	03/09/2007





Date: 1-30-07

Roll Call Vote #: 3

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2303

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Change approp. to \$100,000

Motion Made By Sen. Erbele Seconded By Sen. Dever

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner	✓	

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Date: 1-30

Roll Call Vote #: 4

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2303

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number 70468.0201 Title .0300

Action Taken DP / amended / approp

Motion Made By Sen. Erbele Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Pomeroy

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2303: Human Services Committee (Sen. J. Lee, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2303 was placed on the Sixth order on the calendar.

Page 1, line 7, after "information" insert "technology"

Page 1, line 8, after "information" insert "technology"

Page 1, line 15, replace "communities" with "and urban economic development entities"

Page 1, remove line 17

Page 1, line 18, replace "e." with "d."

Page 1, line 19, replace "f." with "e."

Page 1, remove line 20

Page 1, line 21, replace "h." with "f." and replace "physicians" with "and urban health care providers"

Page 1, line 22, replace "i." with "g."

Page 1, line 23, replace "j." with "h."

Page 1, line 24, replace "k." with "i."

Page 2, line 1, replace "l." with "j."

Page 2, line 2, replace "m." with "k."

Page 2, line 3, replace "n." with "l."

Page 2, line 12, after "standards" insert ", promotes the adoption and use of electronic health records and other health information technologies."

Page 2, line 15, replace "that will fund collaborative" with "to assist in the planning and implementation of"

Page 2, remove line 16

Page 2, line 17, remove "health information technology systems"

Page 2, line 22, replace "\$500,000" with "\$100,000"

Renumber accordingly

2007 SENATE APPROPRIATIONS

SB 2303

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2303

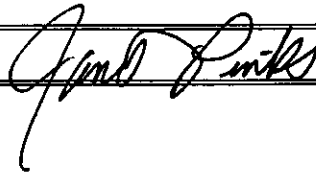
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02/06/07

Recorder Job Number: 2946

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2303.

**Senator Judy Lee, District 13, West Fargo**, testified in support of SB 2303 which provides for the improvement of the electronic health records. She indicated a facet of providers do not have the resources to do this on their own. She continued to encourage support of the bill and to restore the original funding.

**Senator Holmberg** emphasized the message on line 15-18 on page 2 of the original bill.

**Senator Mathern** indicated he support this effort but wondered if the Nurses Association should be on the committee.

**Craig Hewitt, Chief Information Officer for MeritCare Health System**, presented written testimony (2) and testified in support of SB 2303. He discussed how the cost of electronic health software, infrastructure, and support differ in smaller facilities. He indicated SB 2303 would provide a grant program to provide seed funding for smaller facilities. In addition he provided a listing of the ND Health Information Technology Steering Committee Members (3), and a document showing the key activities in health information technology and health information exchange.



Several questions were raised, would small hospitals benefit more from direct grants then from this fund, if this is all technology with records of individual patients or is it directed at physicians contacting doctors in other communities, is this a duplication of systems out there, are pharmaceuticals part of the package.

**Doug Kjos, programmer/analyst and EHR implementation advisor at ND Health Care**

**Review**, presented written testimony (5) and testified in support of SB 2303. He discussed a survey on electronic health records that was conducted among 50 hospitals and 308 clinics with 50 % response rate. He also felt it is essential to the grant part of the bill to have the funding restored.

Discussion ensued about the electronic sharing of records, whether this would be a duplication of efforts, whether this bill would be enough to get the job done, whether this request was made to the health department to be included in their budget, where Doug Kjos office is located and what programming language is used.

**Ray Gruby, CEO, Gruby Technologies, Bismarck**, provided written testimony (6) and testified in support of SB 2303 stressing how beneficial the implementation of this bill would be to the medical care in reducing the cost.

**Lynette Dickson, Project Director, Center for Rural Health, UND**, presented written testimony (7) and testified in support of SB 2303. She discussed other areas and the funding they have in developing programming.

Questions were raised about how many hospitals are on-line with this, is this funding the only amount that will be needed or will additional funds be needed each biennium.

**Chairman Holmberg** closed the hearing on SB 2303.

# 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2303

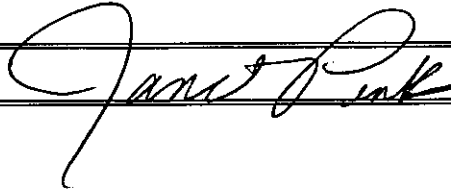
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02/08/07

Recorder Job Number: 3098

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2303.

**Senator Mathern** discussed the proposed amendments to SB 2303.

**Senator Mathern** moved a DO pass on the amendments. **Senator Krauter** seconded.

**Discussion followed. An oral and show of hands vote was taken resulting in 7 for 7 against. The vote ended in a tie and did not pass.**

**Senator Grindberg** moved a DO PASS on SB 2303, **Senator Christmann** seconded. A roll call vote was taken resulting in 13 yes, 1 no, 0 absent. The motion carried and **Senator Pomeroy** will carry the bill.

**Chairman Holmberg** closed the hearing on SB 2303.

Date: 2/8/07  
 Roll Call Vote #: 1

**2007 SENATE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 2303**

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken \_\_\_\_\_

Motion Made By \_\_\_\_\_ Seconded By \_\_\_\_\_

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach		✓			
Senator Rich Wardner	✓				

Total (Yes) 13 No 1

Absent 0

Floor Assignment Pomeroy Hum Serv

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
February 8, 2007 4:05 p.m.

**Module No: SR-27-2603**  
**Carrier: Pomeroy**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2303: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS**  
(13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2303 was placed on the  
Eleventh order on the calendar.

2007 HOUSE HUMAN SERVICES

SB 2303

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2303

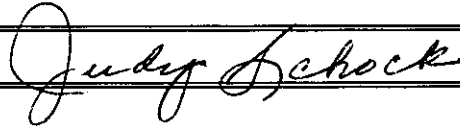
House Human Services Committee

Check here for Conference Committee

Hearing Date: March 6, 2007

Recorder Job Number: 4421

Committee Clerk Signature



Minutes:

**Chairman Price:** We will open the hearing on SB 2303.

**Senator Judy Lee, District 13 W. Fargo:** Health technician has become more and more important. There is a group of people already working on this through out the state trying to bring ND up to speed. It turns out there are other opportunities in other states that have already begun. Health providers in our state are looking at staging information about patients, that it would be compatible electronic format. State could turn from one provider to another to transmit information. Most do not have the funds to develop there own network or central data base. This would enhance health care in ND.

**Craig Hewitt, chief information office for MeritCare Health system:** See attached testimony, community members to HIT, and summary health information.

**Representative Porter:** In the discussion of the hearing committee has there been any discussion in tying into and enhancing MMIS project that we are spending 60 million dollars on in the Department of Human Services. The discussions we have been having in regards to MMIS it certainly be the back bone of what you are talking about so that there would not have to be a duplication in a lot of the areas. To me it would be less time spent in doing this in reverse, rather than a stand alone committee.

**Mr. Hewitt:** There has not been direct discussions, essentially they are components and you build these roads together, so Medicaid systems would hook into this. The Medicaid system is dealing with the back end reimbursement component. It is really not getting in the in depth component (could not understand). It is monitoring the patient, vitals, labs and pharmaceutical, test results, and sharing information with treatment plans. That to the best of my knowledge is really not at the core of what the new Medicaid system is. They should be complimentary.

**Representative Porter:** From the duplication stand point. I have been involved in transporting patients to Mayo clinic from the facilities in Bismarck. We take all of the tests, charts, x-rays, and MRI's results. We arrive and they throw them in the garbage, and do them all over again. Where is the mandate if they duplicate they don't get paid?

**Mr. Hewitt:** This is a long term process. There is no mandate now however, I feel it will be coming up, and mandated at the federal level. It needs to be done and it will be done. Every state has to make an effort to change that.

**Representative Kaldor:** How does the current steering committee get formulated? Was this a voluntary come together in different groups?

**Mr. Hewitt:** If you look at the list of events, it basically came together with what Senator Conrad's group has put together originally. There were willing folks that were willing participants to represent their various areas on the steering group.

**Rep. Kaldor:** The steering committee's purpose was to develop health technology steering committee that is addressed in our legislation. So this group could be appointed by the Governor? This is a small amount of money. Was the Governors office involved, and part of the Governor's budget?

**Mr. Hewitt:** Yes, and yes, the Governor's budget was involved, but I am not sure about that. I think it is money well spent.

**Representative Porter:** BC/BS takes a high interest in duplicating services and the expense because of it. They also have a foundation in a granting procedure price. The appropriation part of 100,000, if that was to go away, has there been any contact with other foundations including BC/BS to look at it favorable.

**Mr. Hewitt:** BC/BS is represented on this steering committee. (Hard to hear and understand)

**Chairman Price:** What is this committee doing that the original committee could not accomplish?

**Mr. Hewitt:** I would plead for some of the initial funding which would be seed money to help the less advantage rural health care providers participate in what the vision is for ND for the use of health care and IT in being able to operate that.

**Chairman Price:** We get skeptical because every time someone comes in they want a consultant or a steering group or what ever and want 100,000 for that. How are you seeing this committee making a recommendation for interoperable systems and competing entity?

**Mr. Hewitt:** That is what I believe is the beauty of having this group together that is collaborating. They have their own stake holders that they have to answer to.

**Representative Kaldor:** We are looking at an IT system in Mayville hospital. We need to revamp ours, and we are working with a consortium already. How will this function or operate when the entities are already investing sums of money. Should they be waiting for a year?

**Mr. Hewitt:** The word should go out, if you are moving towards an initiative to purchase information Technology. At the very least you should purchase systems that have been certified by the commission.



**Doug Kjois, programmer/analyst and HER implementation advisor at ND Health Care**

**Review Inc.** See attached testimony. This is designed to address and improve health care in ND.

**Chairman Price:** Were there any discussions of the committee on pay for performance?

**Mr. Kjois:** No, not discussed in committee. There are pilots across the country.

**Dave Peske, with ND Medical Association:** The medical association recognizes the importance of this issue. There are a lot more unanswered questions than answered. We are pleased to be a part of this bill.

**Chairman Price:** Do you think this will move forward with out the bill?

**Mr. Peske:** Yes, I think that things have to evolve. We would rather have a coordinated effort. All the stake holders involved in a thoughtful manner rather than a committee getting together to discuss this.

**Dan Ulmer, with BC/BS:** We support the bill. Part of the answer to your question is you have to look nationally at what is happening. There was a huge issue on electronic health records. One was with the code system and the other anti trust in terms of hospitals being able to buy this technology. Seems for us this to be a good vehicle and what we are going to do in ND. One of the issues we are looking at we would like to compliment this particular bill or group if you will by moving forward with these types of grants. This is big thinking stuff.

**Lynette Dickson, Project Director at the Center of Rural Health, University of ND:** See attached testimony along with activities of the past year.

**Chairman Price:** I have a couple questions on the bill. State Health officer, it doesn't say designee is that something we want in there? It doesn't say designee as it does for the other two. Is there any consideration for legislators, in process or already on national health

information technology committee? Do you have a capped number? How many people as stake holders and contracts get travel dollars?

**Ms Dickson:** We have talked about that. That is part of our support and input to what the committee has now going forward, and others. We know having that input could be very beneficial. We have a stake holders group and we could have legislators. We have not come up with a cap at this time. We are attempting to keep it manageable. If someone can't afford to travel to a conference we would be able to give them minimal dollars.

**Terry Dwelle, State Health Officer with the ND Department of Health.** See attached testimony information with strategy and state map. One question was raised, why was this was not in the Governor's budget? It was a matter of timing. We submitted out budget back in July.

Chairman Price: Anyone else in favor of SB 2303? Any opposition? If not we will close the hearing on SB 2303

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2303

House Human Services Committee

Check here for Conference Committee

Hearing Date: March 7, 2007

Recorder Job Number: 4601

Committee Clerk Signature

*Judy Schock*

Minutes:

**Rep. Porter** I think that they are definitely moving in the right direction in what they are trying to do. I also think that there is plenty of outside assistance out there that will get them where they want to go. Inside of this bill talks about accepting outstanding contributions, gifts, and grants. I guess at this point of time I don't really see a need for the appropriation section. The rest of the bill certainly has its merit. I would move that we amend on page 2 lines 19, 20, 21, 22, 23 out of the bill.

**Rep. Price:** Do you think they will want to be a committee without any money?

**Rep. Porter:** Well I know that for a fact that Blue Cross Blue Shields foundation and the Dakota Foundation are all interested in these types of projects. If they go out and do a little work they certainly will have the money to start looking at some of these systems to bring them together. Plus on top of that the whole MMIS thing is an unanswered part of that. I think they have a purpose and they have a committee who has the ability to go out and raise funds. That is a good start. If they truly come together with some kind of project then the next legislative assembly can deal with that. They can say that now we have found a way to do this and get to the electronic era here is what we need for the demonstration process.

