



Fact Sheet

The Landscape for Medicaid and Healthcare Information Technology Appendix 1

Together for Quality: A Case Study of Alabama's Medicaid Transformation Grant

In January 2007, Alabama was one of the 26 states awarded funding in the first Medicaid Transformation Grants. The two-year, \$7.6 million grant aims to transform the state's current Medicaid claims system from a fragmented, wasteful system to a more cost-efficient, coordinated, and patient-centered organization. Led by Governor Bob Riley, Alabama's Medicaid Transformation Grant proposal was chosen from over 130 proposals from 40 different states, and was the third-highest grant awarded in the competitive process. Governor Riley's office views this initiative, "Together for Quality," as a key part of their vision for transforming health services in Alabama, which includes becoming more patient-centric, as well as increasing efficiency and avoiding duplication and waste.

The Together for Quality initiative has two main goals: Medicaid transformation and statewide health information system development. Medicaid transformation revolves around simplifying providers' access to patient information at the point of care, and developing a claims-based electronic health record (EHR) to use as a tool in improving patient outcomes. Evidence-based care management data will be available on a clinical support tool to help manage patient treatment. Chronic illness management is a major focus of this initiative, as Alabamians currently have a higher chronic disease death rate than the overall U.S. population. These systems will eventually allow state agencies and providers to share information electronically to improve patient health and control costs.

To implement this grant, five workgroups have been formed:

- **Clinical**—To improve the care and outcomes of patients within the state of Alabama by facilitating access to the information needed to make informed healthcare decisions; focusing on chronic diseases: diabetes, asthma, cardiovascular diseases, stroke, obesity and chronic obstructive pulmonary disease (COPD).
- **Finance**—To evaluate existing HIE (Health Information Exchange) financial models, make recommendations for a financial model that will achieve long-term sustainability HIE for the State of Alabama, and provide input for Together for Quality grant-related budget activities.

- **Policy**—To provide leadership, encourage collaboration/coordination, and ensure broad-based representation of interested parties and the ability for these parties to share ideas freely, as well as to promote transparency and accountability.
- **Privacy**—To understand the impact of legal and regulatory mandates as it relates to the implementation of Together for Quality, Alabama Medicaid Agency (ALMA) transformation grant; to provide interpretation of the laws and regulations such as HIPAA privacy and security rules and to provide general guidelines and recommendations that should be followed in implementing the technology solution.
- **Technical**—To represent and address the IT-related issues to implement a statewide health information system (HIS); to leverage currently available HIT capabilities and build upon technical successes from other implementations to address HIE and business needs; and to develop the consensus to ensure appropriate technical standards are applied for Together for Quality.

In August 2007, ACS Heritage was chosen out of seven other vendors to partner with the ALMA in order to build the statewide information system. The two-year, \$3,700,000 million contract includes an 11-county pilot test that includes almost 500 Medicaid providers. As outlined in the objectives of the grant, the system will also allow other health and human service agencies to share information on enrollees.

As of March, 2008, the implementation of the grant is making progress. The pilot test has begun in several counties, and new care management tools are being employed for several chronic diseases. The overall feedback regarding the new care management identification system has been positive. Further, the Clinical Workgroup and ACS are working together to finalize the details of the user interface, and the recommended hardware and software have been purchased and are being prepared for implementation and go-live.

Overall, this is a large step forward for the care of Alabama Medicaid recipients. Currently, Alabama contains four Regional Health Information Organizations (RHIOs), including the Mid-Alabama Information Network, Dynamic Online Event Reporting System, the Alabama Tombigbee Regional Commission, and the Huntsville Hospital RHIO. With the current health status of its citizens, Alabama has the most to gain from the benefits of HIT, including capitalizing on cost reduction from decreasing waste, creating more efficient care, and better management of chronic diseases. The Together for Quality initiative provides a model for other Health Information Networks and has the potential to substantially impact the way all Alabamians receive healthcare. *

Sources:

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