



The mission of the Governor Appointed Health Information Technology Advisory Committee (HITAC) is to advance the adoption and use of technology to exchange health information and improve healthcare quality, patient safety and overall efficiency of healthcare and public health services in North Dakota.

North Dakota HIT Planning Loan Program ©

(Deadline: Applications due before 5 PM, CST on December 31, 2019)

PROGRAM GUIDANCE

Introduction

The State of North Dakota Administration and Legislature has provided funding since 2009 for the purpose of providing low-interest loans to health care entities to build their health information technology (HIT) infrastructure. To apply for a loan, applications must be submitted to the ND HIT office (Step one). The loan applications will be reviewed, and a recommendation will be made to the HITAC for approval. Applicants approved by the HITAC will be required to complete an on-site readiness assessment (Step two) which is required by law. Applicants with an on-site readiness assessment approved by the HITAC will be invited to complete the Bank of North Dakota (ND) loan application. Upon approval of the application by the Bank, the loan will be made from the revolving loan fund (Step three). State law gives the HIT Director, the HITAC and the Bank of ND final authority on approving or denying loans based on legislatively mandated criteria, also contained in state law.

Program Information

Total funds available: Funds available at this time are estimated to be approximately \$4,000,000. The exact amount available is dependent on the anticipated date providers applying for these loans need the funds, and the repayment of the outstanding loans by current borrowers. Because of the nature of this revolving loan fund, this application may be used to fund loan applications where a provider has identified a future funding need. These applications will be considered for funding needs after December 31, 2019. Unless HITAC has indicated that a loan will be funded, an application does not restrict HITAC from requesting additional applications.

During the review and approval process, preference will be given to those providers that have not received loan funds in the past. Additionally, providers that accept funds will be required to participate in the North

Dakota Health Information Network (NDHIN) for the duration of the loan. Information on the NDHIN can be found at: www.ndhin.org.

Interest rate: 1%

Loan duration: Not to exceed 10 years.

Maximum loan amount per applicant:

- \$125,000 for standalone individual practitioners not affiliated with a multi-professional entity, provider system or network.
- \$625,000 for hospital and multi-professional entities.
- \$1,250,000 for entities with three or more commonly owned facilities. For example: a hospital with two or more clinics or three hospitals all under common ownership/governance. This restriction will be applied even if separate applications are submitted for each provider facility.

If funds remain once all applicants requesting funds are found to be eligible for funds and are approved, the HIT Office and HITAC, reserve the right to disburse additional funds to other (approved) applicants in excess of the amounts identified above.

Repayment: Monthly payments of principal and interest.

Eligible Borrowers: The benefits of the applicant's project must accrue to North Dakota residents. Therefore, only entities that are located in North Dakota and provide services to North Dakota residents are eligible to participate including, but not limited to the following:

- Hospitals and hospital owned clinics
- Individual practitioners, including but not limited to:
 - Doctor of Medicine or Osteopathy
 - Doctor of Dental Surgery or of Dental Medicine
 - Doctor of Podiatric Medicine
 - Doctor of Optometry
 - Chiropractor
- Nurse practitioners, physician assistants and certified nurse-midwives
- Provider owned clinics, Rural Health Clinics and Community Health Centers
- Long Term Care facilities
- Local Public Health Units
- Emergency Medical Service Providers / Ambulance Services
- Pharmacies
- Behavioral/Mental Health facilities and providers
- Other healthcare providers not specifically listed above, will be considered.

Eligible Projects

- Purchase, installation and/or support of software and hardware required to implement a fully functional, standards-based, interoperable electronic health records systems certified by the Office of National Coordinator's Authorized Testing and Certification Bodies (ONC-ATCBs). <https://chpl.healthit.gov/#/search>
- Purchase, installation and/or support of software and hardware required to implement a fully functional, standards-based, interoperable electronic health records system for those providers/organizations not required to have an ONC certified electronic health record system.
- Electronic medication history and electronic patient medical history information system.
- Electronic personal health record systems.
- Electronic prescribing, including pharmacy systems.
- Other electronic systems needed to meet “meaningful use.”

Providers with Current Loans

Providers that were previously awarded loan funds may apply for additional funds up to the amount identified in the “Maximum loan amount per applicant” if the application meets all requirements. For example, additional funds can be requested to cover additional implementation phases. However, preference will be given to providers that have not previously received a low-interest North Dakota Planning Loan. If funds remain once all applicants requesting funds are found to be eligible for funds and are approved, the HIT Office and HITAC, reserve the right to disburse additional funds to other (approved) applicants in excess of the “Maximum loan amount per applicant”.

Ineligible Projects

- Refinancing of existing debt or other obligations related to electronic health record system projects.
- Billing or other electronic commerce systems or products independent of interoperable electronic health record system projects.

Technology Solution Requirements

All loan recipients will be required to upgrade existing or purchase new certified health information technology products. These must be standards based and meet interoperability specifications of approved certification bodies approved by the Office of the National Coordinator for Health Information Technology. A list of those systems can be found at: <https://chpl.healthit.gov/#/search>.

In the case of a pharmacy, the system must be National Council for Prescription Drug Programs (NCPDP) compliant. If certification is not available or required when the application is submitted (i.e. long-term care facility software), a detailed explanation is required. The system must address the interoperable exchange of health care information between the applicant and, at a minimum, a hospital system, pharmacy, and a health care clinic or other physician group and the NDHIN. The recipients' approved health information technology must be strategically aligned with the NDHIN Business Plan. This information can be accessed at: <http://tinyurl.com/ybddyso5>.

APPLICATION PROCESS AND EVALUATION

Application Information

The application process is a three-step process.

- STEP ONE:** Initial Application
- STEP TWO:** On-Site Readiness Assessment
- STEP THREE:** Bank of ND Loan Application Submission, Review and Approval

STEP ONE: Initial Application

The Initial Application will be reviewed by a sub-committee (Review Panel) of the HITAC or their designee. The Review Panel will provide their recommendation to the HITAC and Health IT Director of applicants that have met all requirements and are eligible to proceed. In collaboration, the HITAC and the HIT Director will review the panel recommendations and approve successful applicants to continue to STEP TWO.

STEP TWO: On-Site Readiness Assessment

Applicants approved in STEP ONE will be notified to schedule an on-site readiness assessment. It is the Applicants responsibility to schedule and pay for the cost of the assessment (this cost may be included in the loan request). An on-site readiness assessment must address the following:

- List of individuals who participated in the assessment (should include, but not limited to, providers, HIM, DON, QA, Administrators etc.)
- An overview of the facility, (Number of beds, clinics, providers, demographics, etc.)
- Current IT infrastructure & Support staff (IT staff, server locations etc.)
- Software (Identification of current and past use of technology, EHR Software, IT Vendors etc.)
- Certified EHR Adoption planning and strategy (“as is” and “to be”)
- Change Management (Process, what has been done to date [mapping, etc.]
- Buy in (providers, leadership, management, and other staff acceptance/commitment – a formalized process must be used to gauge the buy in from stakeholders)
- Meaningful use and HIE Readiness.
- Financial (cost of certified EHR, financial sustainability, and discussion of what analysis has been completed, or needs to be completed regarding the financial aspect of HIT.)
- Other items (identified benefits, challenges, expectations)
- A summary and an opinion on the readiness of the provider to proceed with an HIT implementation, including any recommendation(s) for the provider identified during the on-site readiness assessment.
- If recommendations are made, the Applicant must include information on how the recommendations will be addressed when the readiness assessment is submitted.

The readiness assessment may be completed by Quality Health Associates or another entity that meets the readiness assessment requirement of the 2009 Senate Bill 2332 and is acceptable to the HIT Office and HITAC. Applicants whom HITAC deems ready to implement the proposed HIT project, after the on-site readiness assessment, will be invited to proceed to STEP THREE of submitting a Bank of ND loan application.

STEP THREE: Bank of ND Loan Application Submission, Review and Approval

After successfully passing the on-site readiness assessment in STEP TWO, the applicant will be invited to submit the Bank of ND's loan application to the Bank. Upon receipt, the Bank will review the loan application and follow up directly with the applicant with questions or additional document requests. If the loan application meets the Bank of ND's guidelines, the applicant will be notified to finalize the necessary paperwork with the Bank of ND. Upon receipt of the loan approval letter, the applicant will be required to engage an attorney from a list provided by the Bank of ND to close the loan on the Bank of ND's behalf. The applicant will be responsible for all costs associated with the loan closing to include, but not limited to, attorney fees, real estate mortgage filing fees, title search fees and UCC filings. These costs can be included in the loan amount at the time of application. Loan funds will be available after successfully completing all three application steps, including completion of all documents and Bank of ND approval.

The Bank of ND may require a corporate borrowing resolution that states that the entity can borrow funds and identify who can execute documents on behalf of the organization. If required, the resolution will be requested by the Bank of ND during the loan application process.

TIMELINES:

- Applications will be accepted until 5 PM CST on December 31, 2019.
- Technical Assistance
 - Call Shila Thorson at 701-328-1991 or by Email at shthorson@nd.gov
- Applications will be reviewed in the month following the date of submission:
 - Applicants will be notified upon a decision by HITAC.

Initial Application

Please provide the following information about your project (limit of 5 pages).

- Please provide a background of your entity including services provided (i.e. hospital, clinic, long-term care, etc.). Information can include any statistics you feel pertinent to provide the reviewers with information about your organization. The information provided will be used to determine the maximum amount available as identified in the “Maximum loan amount per applicant” section above.
- Describe the need for the loan program funding. This could include information about the availability, or lack thereof, of other financing.
- Describe specifically what you plan to use the loan funds to purchase. This should include specific information about the software being purchased (i.e. vendor name, product name and the product version). Additionally, please describe how this will help you meet meaningful use; other federal requirements such as the Merit-based Incentive Payment system (MIPS) and other Advanced Alternative Payment Models (APM/s) (if required); and make your system interoperable with other healthcare providers and the North Dakota Health Information Network. This should include vendor costs to connect your entity to the North Dakota Health Information Network and your commitment to continue as an NDHIN participant for the life of the loan.
- Describe the timeline of the project, including when you anticipate needing the funds, through implementation and when you plan to meet meaningful use (if you are required to meet meaningful use).
- The application must also include copies of board minutes to provide evidence of the board’s approval of this project. If these are not available before the September 15, 2018 submission deadline, it can be submitted when approved.
- If available, include electronic health record system vendor’s quotes and project documentation.
- Include a detailed budget as outlined in the following table. Please include a description of the costs to be included in each line item in sufficient detail that a reviewer can understand what is being included in the loan application. If salary / benefits are being included, please identify in the description section, the position(s) that you plan to include in the program and if they are new or existing positions. To be included, the positions must be directly related to the project. For ease of reporting, an Excel spreadsheet like the table below is included as Attachment A, which can be used to provide detailed budget information.

Line Item	Source of Funds		Total	Description
	Planning Loan	Other Funds		
Salary / benefits	\$	\$	\$	
Travel				
Equipment				
Contractors/Consultants				
Training				
Readiness Assessment Fee				
BND Closing Fees				
Other				
Total	\$	\$	\$	
Least amount of funds you will accept and still be able to complete project (Required)				\$
Date (Month/Year) you anticipate needing the loan funds (Required)				/ /

Funding Restrictions

If applications exceed the amount of funds available, the HITAC's Review Panel may reduce the amount of loan funds requested by an applicant or deny an application based upon the information provided. The Initial Application will be used by the Review Panel to recommend applications to the HITAC and the HIT Director to move on to Step two.

In case total funds requested by all applicants exceed the total funds available, please identify the least amounts of funds that you could accept and still be able to move toward completion of your project. If no amount is provided, we will assume you are flexible in the amount that you would accept.

Application Format

Maximum application length is five pages (one side of page). Minimum 11 point, using Times New Roman or Arial font; double-spaced; one-inch margins. Charts and tables may use no smaller than 10-point font. All pages must be numbered in lower right-hand corner.

NOTE: In providing charts, graphs, maps, etc. make certain that when copied in black and white, no information is blocked out or lost. When copied, nicely designed tables that have some rows shaded or colored maps may come out solid black and the critical information is not available to the reviewer, which can be detrimental to the application.

Application Check List (Assemble the application in the following order)

- A. Cover sheet with project name, **HIT Planning Loan Application** and contact information (applicant organization, lead contact person/ title, address, city, state, zip, phone, fax, e-mail). (Not included in the 5-page limit).
- B. Project abstract (maximum length one page, not included in the five-page limit)
 1. Provide a brief description of the project.
 2. Provide a brief description of the lead applicant and other participating organizations.
 3. State the **total dollar amount** requested and the **estimated total dollar amount** of the project and the least amount of funds that you would accept if funding requests exceed total funds available and still be able to complete your project.
 4. Because additional funds become available as current borrowers repay loans, identify the anticipated date when you will need the loan funds.
 5. If you are required to meet Meaningful Use, indicate in what capacity, i.e. hospital, practitioner, etc.
 6. A statement indicating that the individual signing the application has the authority to execute documents on behalf of the organization.
 7. Signature of the individual identified in step five above.
- C. Application (limited to five pages, double-spaced, minimum of 11-point Times New Roman or Arial font, 1-inch margins.). Please ensure you address each item in each section. If it is not applicable, enter "Not applicable." EHR vendor quotes and project documentation are not included in the five-page limit.

APPLICATION SUBMISSION AND QUESTIONS

Application Submission

Please submit the application to Shila Thorson, ND HIT Director. (Applications will not be considered if instructions are not followed). Please do not submit the Bank of ND loan application to the Bank until you are requested to submit it. All applications must be clearly marked **HIT Planning Loan Application** and **will be accepted up to 5 PM CDT on December 31, 2019**. Faxed applications will not be accepted. The applicant assumes the risk of the method of dispatch chosen.

If you choose to send the application by email, please ensure that you use the correct email address as indicated below. Emailed applications should be in the form of a PDF document which includes the name of the entity applying in the PDF file name.

The Health Information Technology Advisory Committee and the Director assumes no responsibility for delays caused by any delivery service.

<u>Hand Deliver - Physical Address</u>	<u>Mailing Address</u>	<u>Email Address</u>
Shila Thorson, ND HIT Director Information Technology Department 1720 Burlington Drive Bismarck, ND 58503	Shila Thorson, ND HIT Director Information Technology Department 4201 Normandy Street Bismarck, ND 58503-1324	shthorson@nd.gov

Acceptance or non-acceptance of an application: The Health Information Technology Advisory Committee and the Director reserve the right to accept or not accept any or all applications or parts of the application, and to waive formalities.

Loan Program and Application Questions

Please send all questions on the loan program or its application to:

Shila Thorson, ND HIT Director
Information Technology Department
4201 Normandy Street
Bismarck, ND 58503-1324
shthorson@nd.gov

Reporting

Potential Reporting

- Informational reports and surveys may be requested as needed to fulfill audit requirements, legislative requests and other loan evaluations that may be requested by the HITAC, the HIT Office and requests from other entities. As needed, the HIT Office or their designee may request these reports and surveys.

ATTACHMENTS

Attachment A – Line Item Budget Worksheet - Excel Format