Association of Washington Public Hospital Districts
Quarterly Report
October 2009

1. Project Contact and Coordination Information

a. Project Leaders

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c. Legally and Financially Responsible Organization

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d. Project Coordination

The project is being coordinated throughout the state by the Association of Washington Public Hospital Districts in conjunction with the Washington Telehealth Consortium.

2. Health Care Facilities Included in the Network

The Washington Telehealth Consortium (WTC) is open to rural and urban hospitals, telehealth/telemedicine service providers, carriers and state agencies. Founding members of this consortium include eight healthcare organizations, five of which collectively deliver telehealth services to more than forty rural communities in the state of Washington. WTC members sign a formal Memorandum of Understanding committing to develop and advance appropriate statewide telehealth solutions. The WTC includes all of the state's major telehealth service providers, the Community Health Plan (a health and medical insurance company owned and operated by the federally qualified health centers in the state), and the organizations (AWPHD & WSHA) that represent the state's rural hospitals.

The network has not been developed so there are no new health care providers connected as a result of the pilot at this time. The RFP for network design has not been posted to the USAC website as of October 30, 2009. We anticipate posting it in the two months.

3. Network Narrative

The RFP for network design has not been posted at this time.

4. Connected Health Care Providers

There are not connected health care providers at this time.

5. Non-Recurring and Recurring Costs

No activity in this area to date.

6. Costs Apportioned and Sources of Funds

To date the Association of Washington Public Hospital Districts has incurred $245,000 supporting the Washington Telehealth Consortium. We know that these funds are not counted as matching funds. The 15 percent matching funds in the future will be provided by the Association of Washington Public Hospital Districts.

7. Technical or Non-Technical Requirements

No requirements have been developed at this time.

8. Project Management

The project's current leadership is the Association of Washington Public Hospital District with input from the Washington Telehealth Consortium Steering Committee.

The project plan and schedule is as follows:

- December 2009 – RFP for network design posted on USAC website
- January 2010 – vendor chosen for network design
- April 2010 – network design finalized?
- Future work dependent on outcome of design

9. Sustainability Plan

The Association of Washington Public Hospital Districts, on behalf of the Washington Telehealth Consortium, is preparing to post its first "request for bids" related to the Rural Broadband Pilot Program. We will be seeking to identify a vendor with appropriate qualifications to create a design plan for connecting the disparate telehealth and telemedicine networks now functioning in the state, consistent with our application as approved. Because we are seeking a design, we do not know much about what will be required to sustain our "solution" over time.

If our expectations for the solution are accurate, it is likely that we will need to purchase, operate and maintain several pieces of equipment (nature unknown at this time) to support the ongoing connection of the existing networks. We are unsure, at this time, whether such equipment will be eligible for funding through the pilot program.

Assuming it is, we might expect such equipment will need to be replaced every two-to-four years, and that there will be maintenance costs associated with its operation. To plan for sustainability, we will include, in direction to the successful

bidder, a specific deliverable describing three options for capturing the costs associated with the purchase, operation and replacement of the necessary equipment.

Although speculating on this topic invites more questions that we cannot answer at this time, we might anticipate the vendor's suggestions could include:
1) Develop a fee structure and charge networks for the expense of operating the "solution;"
2) Seek funding to cover costs from the state legislature, consistent with the public value that will result from network interoperability (the state legislature currently provides $10 million/year to maintain the infrastructure for an education information network; there is also a Technical Advisory Committee to the state's Department of Information Systems that is developing recommendations regarding the state's role in broadband deployment.);
3) Depending on the nature of the "solution," there may be opportunities to develop commercial revenue streams to support the expenses related to operation, maintenance and replacement.

In any event, the reason we took the approach of first requesting funding to support plan design was to be sure we could sustain our efforts over time. That will be a priority for us as we move forward.

10. How Network has Advanced Telemedicine Benefits

No activity in this area to date.

11. HHS Health IT Initiatives

No activity in this area to date.

12. Selected Participants Coordination in HHA and CDC

No activity in this area to date.