

1 CABINET FOR HEALTH AND FAMILY SERVICES

2 Office of the Secretary

3 (New Administrative Regulation)

4 900 KAR 7:020. Kentucky e-Health Corporation.

5 RELATES TO: KRS 216.261, 216.263, 216.265, 216.267

6 STATUTORY AUTHORITY: KRS 216.267

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 216.267 allows the
8 e-Health board to establish a public or nonprofit e-Health Corporation to facilitate
9 public-private collaboration in the implementation and development of the
10 Kentucky health network. This administrative regulation establishes membership,
11 terms, organization, and duties for the Kentucky e-Health Corporation.

12 Section 1. Organization.

13 (1) The Kentucky e-Health Corporation (corporation) is created as a non-
14 profit organization and is attached to the Kentucky e-Health Network Board for
15 oversight and governance purposes.

16 (2) State funding shall come through the Kentucky e-Health Network
17 Board and the Cabinet for Health and Family Services to the non-profit Kentucky
18 e-Health Corporation.

19 (3) The Kentucky e-Health Corporation may receive:

20 (a) Public funding;

21 (b) Private funding;

- 1 (c) Charitable gifts;
- 2 (d) Federal grants and contracts; and
- 3 (e) Foundation grants.

4 (4) All existing duties, responsibilities, functions, personnel, programs,
5 funds, obligations, records, and real and personal property of the Kentucky e-
6 Health Corporation shall be under the authority and control of the Kentucky e-
7 Health Network Board and the Cabinet for Health and Family Services should the
8 Kentucky e-Health Corporation dissolve.

9 Section 2. Board of Directors Membership.

10 (1) The Kentucky e-Health Network Board shall appoint the e-Health
11 Corporation Board of Directors from a list of candidates forwarded by
12 stakeholders.

13 (2) The corporation's Board of Directors shall consist of fourteen (14)
14 voting members from public and private sectors including:

15 (a) Kentucky e-Health Network Board co-chair, or a designee, from the
16 University of Kentucky, who initially shall serve as co-chair of the corporation;

17 (b) Kentucky e-Health Network Board co-chair, or a designee, from the
18 University of Louisville, who initially shall serve as co-chair of the corporation;

19 (c) One (1) member from the Kentucky Health Information Partnership
20 Advisory Subcommittee;

21 (d) One (1) members from the Cabinet for Health and Family Services
22 representing the Department for Medicaid Services;

23 (e) One (1) member from the Cabinet for Health and Family Services

1 representing the Department for Public Health;

2 (f) Two (2) members representing physicians or other health care
3 practitioners in active practice in the Commonwealth;

4 (g) Two (2) members representing payors of health care;

5 (h) One (1) member representing employers who purchase health care
6 benefits for employees;

7 (i) Two (2) members representing hospitals or other health care facilities;

8 (j) One (1) member representing consumers of health care; and

9 (k) One (1) member representing local or regional health information
10 exchange organizations providing services to residents of the Commonwealth.

11 (3) The appointed members of the e-Health Corporation Board of
12 Directors shall hold their offices for a term of two (2) years and may be re-
13 appointed to one (1) additional term.

14 (4) Vacancies, when they occur during a term of office, shall be filled for the
15 unexpired term in the manner prescribed for original appointment.

16 (5) If any member misses more than two (2) consecutive meetings of the
17 board, then that position shall be declared vacant and filled in accordance with
18 this section.

19 Section 3. Board Chairperson.

20 (1) Co-chairs of the Kentucky e-Health Network shall serve as corporation
21 board chairs for one (1) year, with a new chair elected by the Kentucky e-Health
22 Corporation Board of Directors for a term of one (1) year. A chairperson may be
23 re-elected to a second consecutive term.

1 (2) The board chair shall:

2 (a) Oversee preparation of all minutes, records, and orders of the Kentucky

3 e-Health Corporation;

4 (b) Be responsible for the preservation of all documents; and

5 (c) Preside over meetings of the board.

6 Section 4. Quorum.

7 (1) Eight members of the board shall constitute a quorum.

8 (2) A quorum shall be present in order for the board to take action, other

9 than adjourn.

10 Section 5. Voting.

11 (1) Decisions of the e-Health Corporation shall be made by majority vote of

12 the members of its Board of Directors, except where sixty (60) percent approval

13 is needed.

14 (2) A sixty (60) percent majority is required for matters relating to:

15 (a) Incurring debt;

16 (b) Initiating new lines of business or capital projects; or

17 (c) Changing the bylaws of the corporation. The e-Health Corporation shall

18 submit all bylaws changes to the Kentucky e-Health Network Board for review

19 and approval.

20 Section 6. Reimbursement.

21 (1) Members of the corporation shall serve without compensation, but shall

22 be reimbursed for actual and necessary travel expenses incurred in the

23 performance of their duties.

1 (2) Reimbursement shall be consistent with rules established by the Finance
2 and Administration Cabinet for public board members.

3 Section 7. Duties.

4 (1) The Kentucky e-Health Corporation shall serve as the operational arm of
5 the Kentucky e-Health Board responsible for managing the development and
6 operations of the Kentucky e-Health Network. The corporation may:

7 (a) Hire staff;

8 (b) Purchase:

9 1. Software;

10 2. Hardware;

11 3. Equipment; and

12 4. Supplies;

13 (c) Offer related e-Health technologies and services;

14 (d) Issue Requests for Proposal and execute contracts with vendors for the
15 partnership;

16 (e) Hold governing board and advisory body meetings periodically with
17 members from each of the partners and affected stakeholders;

18 (f) Partner with:

19 1. For-profit entities;

20 2. Non-profit entities; and

21 3. Governmental entities;

22 (g) Enter into business agreements with partnering organizations;

23 (h) Accept and collect funds to carry out the responsibilities given to it by the

1 Kentucky e-Health Network Board; and

2 (i) Manage development and implementation of the Kentucky Health
3 Information Partnership project.

4 (2) The corporation is required to provide quarterly financial and
5 programmatic reports to the Kentucky e-Health Network Board and the Cabinet
6 for Health and Family Services no later than sixty (60) days after the end of a
7 quarter.

8 (3) The corporation shall adopt bylaws providing for the call of its meeting
9 and operating procedures. Bylaws may be amended at any regular or special
10 meeting of the board, provided that the amendment has been submitted in writing
11 in advance of the meeting at which it is to be considered.

12 (4) The corporation shall submit, in a format prescribed by the e-Health
13 Network Board, an annual report by September 30 following the end of each
14 state fiscal year to the:

15 (a) Governor;

16 (b) Secretaries of the Finance and Administration Cabinet and Cabinet for
17 Health and Family Services;

18 (c) Interim Joint Committee on Appropriation and Revenue;

19 (d) Interim Joint Health and Welfare Committee;

20 (e) Legislative Research Commission; and

21 (f) Kentucky e-Health Network Board.

22 Section 8. Advisory Subcommittees.

23 (1) The e-Health Corporation may establish one (1) or more advisory

1 subcommittees for large, multi-year e-health projects.

2 (2) Advisory subcommittees shall be charged with advising the e-Health
3 Corporation Board of Directors and Kentucky e-Health Network Board on the
4 direction, design, and implementation of designated technology projects and
5 services for providers, clinicians, and consumers.

6 (3) Advisory subcommittees shall consist of variety of stakeholders, including
7 data suppliers and users that will advise on the functionality, development, and
8 design of technology and services.

9 (4) Advisory subcommittees will bring recommendations and report to the
10 corporation Board of Directors. The board chair shall appoint one (1) member of
11 the advisory subcommittee to serve as the subcommittee chair who shall serve
12 as the voting member on the e-Health Corporation Board of Directors

13 (5) The Kentucky e-Health Corporation Board of Directors shall appoint six
14 (6) to ten (10) advisory board members including:

15 (a) Up to six (6) members from data suppliers, with a minimum of one (1)
16 member representing each organization supplying data for the technology
17 project; and

18 (b) Up to four (4) members representing data users.