

STATEMENT BY

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**DOD HEALTHCARE MANAGEMENT SYSTEMS**

BEFORE THE

SENATE HOMELAND SECURITY AND GOVERNMENT AFFAIRS COMMITTEE

SUBCOMMITTEE ON THE EFFICIENCY AND EFFECTIVENESS OF FEDERAL

PROGRAMS AND THE FEDERAL WORKFORCE

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Chairman Tester and Ranking Member Portman, thank you for the opportunity to address the Subcommittee on the Efficiency and Effectiveness of Federal Programs and the Federal Workforce of the Senate Homeland Security and Governmental Affairs Committee. I am honored to represent the Department of Defense (DoD) as the senior official responsible for the Department's efforts to modernize our electronic health records (EHR) and to make them more interoperable with those of the Department of Veterans Affairs (VA) and private sector providers. I also have the privilege of representing the DoD/VA Interagency Program Office (IPO) as the current Acting Director.

Providing high quality health care for current Service members, their families, and our Veterans is among our nation's highest priorities. The Departments of Defense and Veterans Affairs are also committed to ensuring continuity of care as Service members transition to Veteran status as outlined in the President's vision in 2009. Enabling health information exchange between EHR systems in the DoD, VA, and private sector will serve as the foundation for a patient-centric health care experience, seamless care transitions, and improved care delivery.

Our two Departments already have a significant amount of data interoperability. DoD and VA clinicians can currently view records on the 5.3 million shared patients receiving care from both Departments through our existing software applications. This data is available on-demand to front-line clinicians in both Departments. VA and DoD providers generate data queries through our current systems nearly a quarter of a million times per week. But as you are aware, both Departments are committed to further improvements.

In 2013, our two Departments jointly implemented a set of interoperability accelerators to transform substantial amounts of read-only data into bidirectional data. We mapped and standardized data for seven key clinical domains, including allergies and immunizations, using the same national standards used by private sector systems. We also deployed a joint viewer, Janus JLV, to 9 pilot sites, which provides an integrated view of VA and DoD clinical information. The joint viewer has some potential advantages over existing software applications and is an important next step in our journey to fully-seamless interoperability.

The IPO was established in 2009 to lead EHR efforts between DoD and VA to improve the quality of healthcare, improve clinical and patient experiences, and increase interoperability among the Departments and the private sector. The IPO is jointly-staffed and jointly-funded with collaborative DoD and VA leadership and management. As the Departments' EHR missions have matured, the IPO was rechartered in December 2013 to lead the Departments' efforts to implement national health data standards and establish technical standards to increase health data interoperability. Subsequently the IPO is working with the Office of the National Coordinator for Health Information Technology to set national data standards for the future of interoperability nationwide.

## BACKGROUND

As you are aware, in 2009, the Departments were called upon by the President to, "work together to define and build a seamless system of integration so that when a member of the

Armed Forces separates from the military, he or she will no longer have to walk paperwork from a DoD duty station to a local VA health center. Their electronic records will transition along with them and remain with them forever.”

To that end, the Departments are pursuing complementary paths to modernize their respective EHRs. Specifically, the Departments’ goals are:

1. Provide seamless, integrated sharing of standardized health data among DoD, VA, and private sector providers; and
2. Modernize the Electronic Health Record (EHR) software and systems supporting DoD and VA clinicians.

#### DOD/VA COLLABORATION

DoD and VA have a long-standing and closely collaborating interagency relationship. Joint activities are advised by the Joint Executive Committee (JEC) in accordance with the statutory requirements of Title 38. This committee is co-chaired by the Under Secretary of Defense for Personnel and Readiness and the Deputy Secretary of Veterans Affairs, and meets regularly to exercise oversight and provide guidance. Results of JEC oversight of sub-committees and working groups include establishment of a joint DoD/VA Care Coordination Task Force; a joint DoD/VA plan to address current and future environmental exposures, such as occurred with the Camp Lejeune contaminated water supply; and establishment of the governance structure for electronic health record interoperability. We have been able to simplify and make more seamless the transition from DoD to VA healthcare systems. And a plan and capability to track exposures provides a proactive capability to identify and provide medical care for Veterans and family members in the event of a toxic environmental exposure. Initiatives and processes such as these help us realize the DoD and VA shared vision, as published in the VA/DoD Joint Strategic Plan for Fiscal Year 2013 – 2015, to “provide a single system experience of lifetime service.”

In addition to interoperability efforts, another example of collaboration is DoD’s support to the VA to help eliminate their backlog of Veteran disability benefit claims. In response to a request by the Secretary of Veterans Affairs, DoD has placed a team of military personnel at VA to act as liaison officers to assist with efforts to eliminate the current backlog and to identify process refinements to preclude a future backlog from occurring. DoD also developed a concept to leverage the Health Artifact and Image Management Solution (HAIMS) application as an electronic repository of Service Treatment Records. Beginning January 1, 2014, DoD uploads Service Treatment records into HAIMS for Service members separating from the military. Using a system interface from the Veterans Benefits Management System (VBMS), VA claims processors can retrieve STRs that have been uploaded in order to process Veterans disability benefits claims. Claims processors have immediate access to more accurate record information, and for all records beginning January 1, 2014, the Government will not have to bear the cost to transfer and store paper records.

The JEC met in an Executive Session in December 2013 to reach consensus on exercise of governance over the DoD/VA Interagency Program Office (IPO) to help achieve that vision with sharing of electronic health record information.

## IPO WAY FORWARD AS A CLINICAL AND DATA STANDARDIZATION LEADER

On December 20, 2013, the IPO delivered its Fiscal Year (FY) 2013 Annual Report to the appropriate congressional committees and outlined its new strategy. The timeliness of the report demonstrates the Departments' commitment to Congress to maximize transparency in achieving their stated goals: seamless integration of data and modernization of EHR systems.

In December 2013 the Departments also signed a new charter for the IPO in order to align with the Departments' parallel strategies. IPO is responsible for establishing, monitoring, and approving the clinical and technical standards profile and processes to create seamless, integration of health data across the VA and DoD and with private sector providers. Under its new structure, IPO will support the Departments' and Office of the National Coordinator's (ONC) endeavors to adopt national standards, specifications, and certification criteria to improve health IT and its application.

By adopting the same national standards, the DoD, VA, and private sector providers can fluidly exchange data easily understand and use information they receive for clinical decision making.

Additionally, the IPO is expected to finalize its Health Data Interoperability Management Plan (H-DIMP) in July 2014 to provide a governance structure for IPO efforts made toward interoperability and standards setting.

## PROVIDE SEAMLESS INTEGRATED SHARING OF STANDARDIZED HEALTH DATA AMONG DOD, VA, AND PRIVATE SECTOR PROVIDERS

DoD and VA currently lead the healthcare industry in sharing health data. However, both Departments remain committed to further improvements. The Departments have been working together to move forward from read-only data shared through the Federal Health Information Exchange (FHIE) and Bi-Directional Health Information Exchange (BHIE) applications, to enhanced interoperability that provides data that is more integrated into the clinical workflow.

These efforts will continue to expand the level of interoperability among DoD, VA, and private sector providers.

For FY14 the Departments have committed to additional enhancements, including expanding JLV access from 500 to 3,500 users by the end of FY14 to improve clinicians' ability to examine DoD or VA patient records. Consistent with standard best practices, as we learn more about our providers' and patients' needs, we will build up scalability to meet additional demand in the smartest, highest impact, and lowest cost way possible.

By September 2014, we will normalize eight additional data domains to national standards. By December 2015, DoD and VA will finalize our standard health data mapping for the most frequently used information and expand access to an integrated viewer for all users who require it. We are looking at targeted opportunities to further accelerate the deployment of these capabilities.

## MODERNIZE THE ELECTRONIC HEALTH RECORD (EHR) SOFTWARE AND SYSTEMS SUPPORTING DOD AND VA CLINICIANS.

In February 2013, VA assessed its EHR needs and determined that its best course of action would be to evolve its legacy EHR system, VistA to serve VA's modernization goal. The decision to proceed with this system update (known as VistA Evolution) included such factors as VistA's large installed base, trained workforce, and in-house development and support capacity. In May 2013, Secretary Hagel announced the decision to pursue a full and open competition to modernize DoD's EHR systems to provide state-of-the-art capabilities to our clinicians and the best services to our soldiers, sailors, airmen, and Marines. DoD established the DoD Healthcare Management Systems Modernization (DHMSM) program to lead a competitive acquisition process that considers commercial solutions which will offer reduced costs, schedule, and technical risk, as well as providing access to increased current and future capability by leveraging advances in the commercial marketplace. The end result of the program will be a system that fundamentally and positively impacts the health outcomes of active duty military, veterans, and beneficiaries, enhances our military readiness, and helps advance healthcare interoperability nationwide.

The DHMSM acquisition will require the use of the same open, national standards being deployed by systems certified for use in the meaningful use EHR incentives program. Over half of the nation's eligible providers and more than 8 out of 10 hospitals have adopted electronic records through this initiative. Use of the same capabilities and standards will enable interoperability between the VA and DoD as well as with private sector providers—which is especially critical since over 50 percent of health care for VA and DoD beneficiaries is provided in the private sector.

The DHMSM program is pursuing an aggressive, yet feasible schedule. Since October 2013, the program has conducted three well-attended and highly anticipated Industry Days and released two of three planned draft Requests for Proposal (RFPs) on January 29, 2014 and March 28, 2014. The final RFP release is expected no later than the fourth quarter of FY2014. Additionally, DHMSM representatives have met with the Children's Hospital of Wisconsin, Inova, Intermountain Healthcare, Kaiser Permanente, Presence Health, and Vanderbilt Health to open dialogue regarding acquisition, development, and sustainment of their EHR systems. These conversations with Healthcare and other health IT industry leaders provide valuable insight and lessons learned that will improve our acquisition strategy.

## PERFORMANCE AND ACCOUNTABILITY

Since 2011, DoD have been involved in nearly one dozen GAO engagements relating to EHR modernization and interoperability. Each engagement has highlighted different points of interest in the program and have been met with the utmost dedication by the Department. At the conclusion of some of these inquiries, GAO has issued recommendations to bolster cost and schedule analyses with respect to modernization and interoperability efforts. DoD has taken swift action on each of the recommendations.

DoD is currently developing formal life cycle cost estimates (LCCE) and schedule estimates for the health data sharing and interoperability effort as well as the DHMSM EHR

modernization program. DoD has developed initial rough order of magnitude (ROM) cost estimates to inform future budget submissions. A review of the ROM cost estimates against the August 2012 IPO LCCE indicates that the current approach will be more cost effective for DoD: an initial Cost Assessment and Program Evaluation (CAPE) study found that the DoD approach could save between \$2.1 - \$5.8 billion compared to the previous approach. As part of DoD's ongoing acquisition program rigor, these cost and schedule estimates are being refined for RFP release and will be further updated prior to contract award. Additionally, a CAPE Independent Cost Estimate will be developed to support contract award.

Senators of the committee, since 2011, with the IPO has met with Congressional committees regarding EHR modernization and interoperability on quarterly basis and delivered interoperability programs plans this January. Further, IPO delivered its FY2013 Annual Report ahead of schedule and has met the first six of the NDAA's requirements and are on track to meet the remainder throughout the year. IPO, DoD, and VA have also engaged with GAO concerning the modernization of our EHRs.

I look forward to today's discussion, as well as the continued exchange of ideas with you regarding EHR systems throughout our acquisition and interoperability efforts. Again, thank you for this opportunity, and I look forward to your questions.