

National Coordinator for Health Information Technology



# **DEPARTMENT of HEALTH and HUMAN SERVICES**

**Fiscal Year**

**2018**

Office of the National  
Coordinator for Health  
Information Technology

***Justification of Estimates for  
Appropriations Committee***

**TABLE OF CONTENTS**

<i>LETTER FROM THE NATIONAL COORDINATOR.....</i>	<i>1</i>
<i>ORGANIZATIONAL CHART .....</i>	<i>2</i>
<i>ORGANIZATIONAL CHART: TEXT VERSION .....</i>	<i>3</i>
<i>EXECUTIVE SUMMARY.....</i>	<i>4</i>
Introduction and Mission.....	4
Overview of Budget Request .....	8
Overview of Performance .....	10
All Purpose Table .....	20
<i>BUDGET EXHIBITS.....</i>	<i>21</i>
Appropriations Language.....	21
Language Analysis .....	21
Amounts Available for Obligation.....	22
Summary of Changes .....	23
Budget Authority by Activity.....	24
Authorizing Legislation .....	25
Appropriations History.....	26
<i>NARRATIVE BY ACTIVITY.....</i>	<i>27</i>
Policy Development and Coordination .....	27
Standards, Interoperability, and Certification .....	33
Health IT Adoption .....	39
Agency-wide Support.....	44
<i>SUPPORTING EXHIBITS .....</i>	<i>46</i>
Budget Authority By Object Class - Program Level.....	46
Salary & Expenses .....	47
Detail Of Full-Time Equivalent (FTE) Employment.....	48
Detail Of Positions.....	49
Physicians' Comparability Allowance.....	49
<i>SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEE REPORTS .....</i>	<i>51</i>
<i>ONC SPECIFIC REQUIREMENTS.....</i>	<i>52</i>
Crosswalk of Budget Activity by Office .....	52

## ***LETTER FROM THE NATIONAL COORDINATOR***

I am pleased to present the fiscal year (FY) 2018 Congressional Justification for the Office of the National Coordinator for Health Information Technology (ONC). This budget focuses on two key priorities: interoperability of health information, and burden reduction through increased usability of electronic health records (EHRs). The movement of health information is central to the core mission of the Department of Health and Human Services to enhance and protect the health and well-being of all Americans. Within the embedded landscape of large delivery networks as well as hundreds of thousands of small providers, ensuring the flow of information requires a technical, policy and stakeholder engagement driven approach. This budget prioritizes work in the areas of policy coordination and standards as we work with stakeholders to achieve this goal. In addition, we will engage our stakeholder community and develop policies that improve the usability of EHRs. These priorities will allow us to support efficient medical care and advance the health of the country.

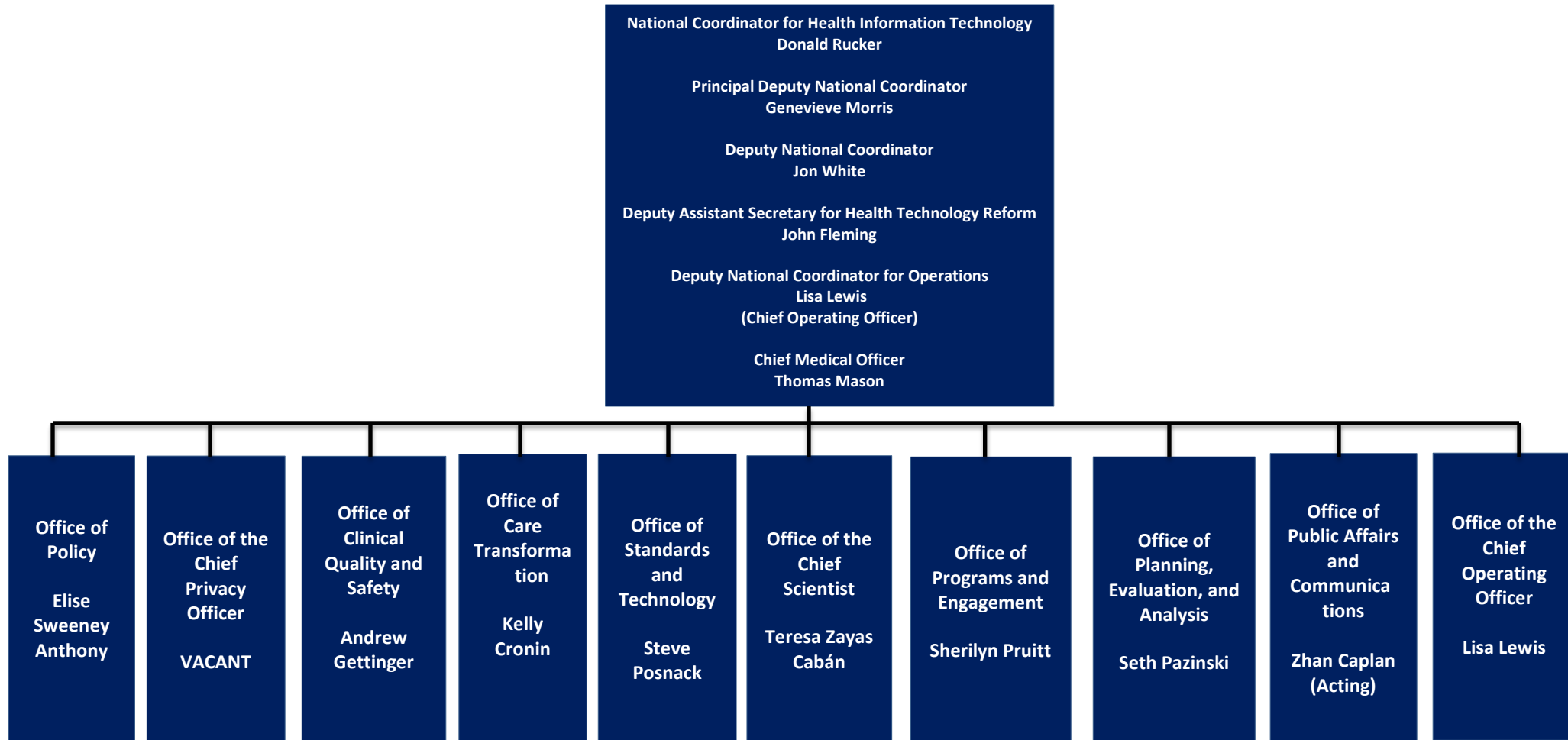
To date, ONC's policies have materially increased the use of health IT. Through payment incentives for electronic health record adoption, 58 percent of office-based physicians (from 17 percent in 2008) and 84 percent of non-federal acute care hospitals (from 9 percent in 2008) are using certified electronic health record technology as of 2015. Now that the healthcare system has a digital footprint, ONC's FY 2018 Budget request targets increasing interoperability and addressing the provider burden with the use EHRs.

The focus of ONC on interoperability and increasing the ease of use in FY 2018 are priorities not just in our Budget request but also legislatively mandated priorities in the 21st Century Cures Act (Cures Act). The Cures Act directs ONC to implement activities that advance interoperability through continued work combating information blocking and building health IT exchange. Medical record portability (interoperability at the patient level) is also key to allowing patients to competitively shop for healthcare services with their high-deductible health plans. We will help coordinate Federal efforts to ensure the reduction of regulatory and administrative burden related to the use of EHRs. Finally, we will continue to increase the value of our Health IT Certification Program and advance our work coordinating across the Federal Government.

In FY 2018, ONC will continue to efficiently lead the U.S. Government's efforts to ensure that electronic health information is available and can be shared safely and securely to improve the health and care of all Americans and their communities. To that end, ONC's FY 2018 Congressional Justification ensures a lean and accountable ONC which promotes public and private sector efforts to foster culture change with the flow of health information, including combating information blocking and promoting common standards, as well as reducing the burdens with EHR use. Taken together, this work is crucial to achieve the promise and power of health IT that serves the needs of the American people and the mission of HHS.

/Donald W. Rucker/  
Donald W. Rucker, M.D.  
National Coordinator for Health IT

**ORGANIZATIONAL CHART**



***ORGANIZATIONAL CHART: TEXT VERSION***

National Coordinator for Health Information Technology

- Donald Rucker, M.D.

Principal Deputy National Coordinator

- Genevieve Morris, M.A.

Deputy National Coordinator

- Jon White, M.D.

Deputy Assistant Secretary for Health Technology Reform

- John Fleming, M.D.

Deputy National Coordinator for Operations

- Lisa Lewis

Chief Medical Officer

- Thomas Mason, M.D.

The following offices report directly to the Immediate Office of the National Coordinator:

- Office of Policy
  - Elise Sweeney Anthony, J.D.
- Office of the Chief Privacy Officer
  - Vacant
- Office of Clinical Quality and Safety
  - Andrew Gettinger, M.D.
- Office of Care Transformation
  - Kelly Cronin
- Office of Standards and Technology
  - Steven Posnack, M.S., M.H.S.
- Office of the Chief Scientist
  - Teresa Zayas Cabán, Ph.D.
- Office of Programs and Engagement
  - Sherilyn Pruitt
- Office of Planning, Evaluation and Analysis
  - Seth Pazinski
- Office of Public Affairs and Communications
  - Zhan Caplan
- Office of The Chief Operating Officer
  - Lisa Lewis

## ***EXECUTIVE SUMMARY***

### **Introduction and Mission**

#### **Agency Overview**

The Office of the National Coordinator for Health Information Technology (ONC), a staff division of the U.S. Department of Health and Human Services (HHS), is the lead agency charged with formulating the Federal Government's health information technology strategy and coordinating federal health IT policies, standards, programs, and investments. ONC supports HHS Strategic Plan goals 1: Strengthen Health Care and 2: Advance Scientific Knowledge and Innovation.

ONC was established in 2004 by Executive Order and was codified in legislation in 2009, with the enactment of the Health Information Technology for Economic and Clinical Health (HITECH) Act, part of the American Recovery and Reinvestment Act (Recovery Act). HITECH also provided short term funding to HHS in support of a number of health IT related initiatives, including the Medicare and Medicaid Electronic Health Record Incentive Programs under which certain eligible professionals and hospitals received payments for adopting and using electronic health record (EHR) technology. Additionally, HITECH provided broad, permanent authorities for ONC to promote the widespread adoption of standardized and certified EHR technology, facilitate the secure use and exchange of interoperable health information, and promote the delivery of safe, efficient, cost effective high quality care. This funding and authority helped drive the adoption of health IT and the digitization of the healthcare system leading to 58 percent of office-based physicians, an increase from 17 percent in 2008, and 84 percent of non-federal acute care hospitals, an increase from 9 percent in 2008, in the nation having adopted at least basic EHR technology by 2015.

To continue the momentum to harness the power of health IT, the Cures Act was enacted in 2016 to expedite the discovery, development, and delivery of new treatments and cures while maintaining America's status as the world's leader in biomedical innovation. To achieve these goals, the nation needs a robust health IT infrastructure that supports the advanced use of electronic health information to accelerate research and provide innovative ways to expand access to efficient and high-quality care. To this end, the Cures Act contains important provisions that address the growth and use of health IT in the nation's health care system. Among other charges, the Act directs the HHS Secretary, through ONC, to adopt standards and policies to make health IT more interoperable, private, and secure; enable the trusted exchange of electronic health information where and when it is needed; and to encourage the development of more user-friendly technologies and solutions that support a broader range of health care delivery needs.

ONC is focused on making EHR technology easier to use by reducing the unintended inefficiencies that can be caused by the use of EHRs. These significant time burdens are felt most intensively by physicians who have become responsible for a complex mix of documentation and reporting requirements which can add hours of extra work every day. While there are a number of root causes for these unwanted EHR-associated tasks, ONC is setting a goal for FY 2018 to help reduce the work resulting from the federal rules and regulations which impact EHR users.

#### **Vision**

High-quality care, lower costs, healthy population and engaged people empowered by health information technology

## **Mission**

Improve the health and well-being of individuals and communities through the use of user-friendly information technology providing health data for when and where it matters most

## **Introduction**

A successful health system relies on interoperable health IT to collect, share, and use information to transform healthcare from volume-based fiscal incentives towards more outcomes-based care. The goal is a system that promotes high-quality care, increases accessibility, lowers costs, and encourages free market innovation to empower individual patients and consumers.

Through the passage of the HITECH Act, HHS has increased adoption of EHRs and stimulated demand for a growing range of health IT and health information exchange (HIE) products and services. Achieving interoperability requires a technical, policy and stakeholder engagement driven approach. ONC is working towards meeting this demand through high level coordination between government and the private sector, advancing federally recognized standards, enhancing our certification program, and delivering key policy directives.

ONC is continuing to leverage its existing authorities and responsibilities, which include technical standards coordination and harmonization work and a regulatory certification program. These are in addition to ONC's core function of coordinating federal health IT policy through multiple mechanisms, including the Federal Health IT Coordinating Council which manages the development of the Health IT Strategic Plan, and the facilitation of our federal advisory committee.

Achieving movement in health information can lead to informed healthcare shoppers. To achieve this goal, ONC is focusing on sending, receiving, finding and using a common clinical data set .

ONC's unique technical expertise, existing authorities, and strong relationships with the private sector make ONC well-suited to champion the technical and policy change necessary to achieve interoperability and the enhanced level of patient centered care all Americans deserve. ONC's clinical perspective gives ONC the insights to materially reduce EHR-related burdens by addressing a number of the policies most impacting physicians. The following activities describe how ONC is creating a safe, secure, and interoperable health IT infrastructure.

## **Policy Development and Coordination**

ONC develops and coordinates federal policies through collaboration with a broad range of health IT stakeholders to achieve a robust and interoperable health IT infrastructure. ONC works to meet the policy priorities as outlined in legislation such as the Cures Act, which includes health IT issues like information blocking. Specific activities include:

- *Health IT Policy:* Engages stakeholders to collaboratively identify emerging issues and forge consensus-based solutions. Investigates alternative solutions in real world settings, incorporating best practices into the Certification Program. Facilitates a coordinated and consistent approach to the federal regulation and the governance of health IT.
- *Burden Reduction:* Works to identify the underlying causes for the increased time burdens involved in EHR use and formulate policy changes to reduce these burdens which have resulted in large losses of physician productivity and the often perceived disconnect with patients watching their providers spend what should be patient-facing time typing on the computer.
- *Privacy and Security:* ONC's Chief Privacy Officer ensures that privacy and security standards are addressed in a consistent manner that reinforces the protection of private health information.



#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

- *Health IT Safety and Usability*: Coordinates activities around health IT design, integrates clinical workflows, educates and trains health IT consumers, and develops processes designed to identify and correct unsafe conditions or uses of health IT.
- *Clinical Quality Improvement (CQI)*: Provides a comprehensive approach to integrating usable clinical quality measures into health IT and reducing burdens as required by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

#### Standards, Interoperability, and Certification

ONC leads a variety of efforts designed to accelerate nationwide progress towards an interoperable health IT infrastructure. By providing standards coordination and development, participating and encouraging pilot activities, and supporting industry-wide health IT testing, ONC helps to create innovative, interoperable health IT solutions. Specific activities include:

- *Standards and Technology*: Provides leadership and acts as a convener of the health IT community through structured coordination and collaboration. Focuses on ways to accelerate consensus and, where necessary, convenes broad communities together for the purposes of identifying and developing additional standards guidance. Supports health IT development, implementation, post-implementation, and use through investing in testing tools and resources that tackle specific interoperability challenges. Administers “challenge” contests to engage innovation communities and spur the creation of novel interoperability approaches. Provides health IT developers with clear criteria for developing their products by issuing certification criteria for the ONC Health IT Certification Program. Administers the ONC Health IT Certification Program, which includes oversight of ONC-Authorized Certification Bodies (ONC-ACBs) and ONC-Authorized Testing Labs (ONC-ATLs) who together test and certify health IT products.
- *Scientific Innovation*: Develops and establishes scientific policy related to health IT. Fosters healthcare advancement by anticipating, identifying, and tracking innovation of health IT.
- *Federal Health Architecture (FHA)*: ONC acts as the managing partner of the FHA. Through the FHA, over 20 federal agencies have joined together to more efficiently address agency business priorities involving health IT.

#### Health IT Adoption

ONC coordinates a nationwide network of organizations that are focused on supporting individual providers and consumers in adopting and optimizing the use of health IT. As ONC shifts agency priorities and becomes a more lean and accountable organization, the Provider Adoption Support and Consumer eHealth programs will close out during the course of FY 2018, and work related to Planning, Evaluation, and Monitoring and Engagement and Outreach will transition to the Agency Wide support activity in future fiscal years.

- *Provider Adoption Support*: Provides a forum through which health IT implementers and providers can collaborate to identify common implementation issues, develop and share best practices to mitigate physician and other providers’ burdens in using EHR’s, and showcase innovative uses of health IT.
- *Consumer eHealth*: Works to ensure consumers are engaged in support of a robust eHealth market.
- *Planning, Evaluation, and Monitoring*: Leads the development of the Federal Health IT Strategic Plan, and conducts economic analysis and develops models that describe progress towards achieving interoperability. These studies and reports inform and influence health policy and program decisions.
- *Engagement and Outreach*: Coordinates external communication and dissemination activities through HealthIT.gov.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

### Agency Wide Support

ONC's agency-wide support team provides dynamic and flexible support to ONC's offices and programs through administrative and centralized services with responsibility for overall agency efficiency and effectiveness. Activities include: acquisitions and grants; budget formulation, execution and financial management; travel and conference management; human capital; program integrity; facilities management; monitoring and analysis of ONC's financial, human capital, and operational internal controls and data; ethics and freedom of information act; executive secretariat; and ONC's internal information technology deployment, systems planning and management.

## Overview of Budget Request

The Fiscal Year (FY) 2018 Budget request for ONC is \$38.4 million in Budget Authority. The FY 2018 Budget request prioritizes and focuses ONC's work on supporting policy, rulemaking, standards implementation, and certification efforts to fulfill ONC's commitment to efficiently create a nationwide, interoperable learning health system.

The focus of ONC's FY 2018 Budget request is effectively advancing the interoperability of health information technology. Within the embedded landscape of large insular delivery networks, as well as hundreds of thousands of smaller providers, achieving interoperability requires a technical, policy and stakeholder engagement driven approach. In 2018, ONC will continue working to leverage health IT across the country, and build a connected, learning health care system that improves patient care while reducing burdens across the healthcare system. ONC's FY 2018 Budget emphasizes ONC's continued policy development and coordination work, utilizing ONC's new Health IT Advisory Committee, as required by the Cures Act. ONC will also focus on thwarting information blocking, and other policy and rulemaking activities required under the Cures Act, the Medicare Access and CHIP Reauthorization Act (MACRA), and the HITECH Act. In FY 2018, ONC will also prioritize its work on standards coordination, implementation, testing, and pilots to accelerate industry progress towards interoperability. ONC will continue supporting the Certification Program, which provides comprehensive, independent mechanisms for health IT to be evaluated for conformance to standards and functional requirements adopted in regulation. Efforts funded by ONC's Budget request also include continued updates to HealthIT.gov and performing planning, evaluation and monitoring activities required under the Cures Act, MACRA, and HITECH Act. By prioritizing these activities, ONC will become more lean and efficient, while continuing to serve individuals, caregivers, providers, payers, public health, scientists, and ultimately enhance health for everyone.

In FY 2018, ONC will reallocate staff from the Health IT Adoption program to the Policy Development and Coordination, and Standards, Interoperability, and Certification programs to support ONC's work to achieve interoperability and implement the Cures Act. ONC will also see a reduction in FTE level through attrition. This shift in FTE resources reflects ONC's commitment to advancing the capability and connectivity of health IT through the coordination of federal policies, performing technical standards coordination and harmonization work, and operating a regulatory certification program.

The following activities demonstrate how ONC is working to create a safe, secure, and interoperable health IT infrastructure that is improving health and health care for all Americans:

### Policy Development and Coordination (\$11.3 million, -\$1.0 million below FY 2017 Annualized CR)

These funds support the development and coordination of federal policies and strategies to build an interoperable, learning health system that can support a variety of national priorities such as MACRA and the Cures Act. In FY 2018, ONC will focus on utilizing the newly established Health IT Advisory Committee to inform ONC's policies and programs. ONC will continue to devote resources to combatting information blocking and advancing other rulemaking activities as required under the Cures Act, MACRA, and HITECH Act. To adequately and efficiently support the shift to the aforementioned priorities, ONC will shift funding and staff support to these priorities from other ONC policy and program activities. In FY 2018, \$0.8 million of this budget request will be allocated towards closing out activities related to Care Transformation, Privacy and Security, and Health IT Safety, Usability and Clinical Quality Improvement. ONC will absorb the policy work and related FTEs from provider adoption support and

#### **OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT**

consumer eHealth into this program over the course of FY 2018. Reallocating these resources will ensure ONC is efficiently advancing the interoperability of health information technology.

#### **Standards, Interoperability, and Certification (\$11.1 million, -\$3.5 million below FY 2017 Annualized CR)**

These funds support a variety of programs and efforts that underpin nationwide progress toward an interoperable learning health IT infrastructure that advances public health and science, promotes high-quality care, increases accessibility, lowers costs, and reduces burdens. In FY 2018, ONC will focus on supporting interoperability by establishing consensus around standards development activities and policies related to HIE, the Cures Act, and MACRA. ONC will also continue to support the ONC Certification Program to ensure health IT is conforming to adopted standards regulations. In order to achieve these priorities, resources will be reallocated from ONC's Health IT Adoption functions to support these efforts. ONC will also continue to convene federal agencies, including the Department of Veterans Affairs and the Department of Defense, through the Federal Health IT Coordinating Council.

#### **Health IT Adoption (\$2.1 million, -\$9.1 million below FY 2017 Annualized CR)**

ONC's Health IT Adoption program will close out over the course of FY 2018. The funding included in this section provides \$0.8 million for program close out of the Provider Adoption Support and Consumer eHealth activity, and \$1.3 million for ongoing costs related to Planning, Evaluation, and Monitoring and Engagement and Outreach activities which will move to Agency Wide Support in FY 2019. These funds support all performance planning and evaluation activities that are required under the Cures Act, MACRA, and the HITECH Act. These funds will also provide support for limited updates to ONC's statutorily required website, HealthIT.gov. The policy-related work from Provider Adoption Support and Consumer eHealth will move to the Policy Development and Coordination program over the course of FY 2018. Remaining FTEs will move to the Standards, Interoperability and Certification program in FY 2018 to meet ONC's increased workload related to achieving interoperability and implementing the Cures Act.

#### **Agency Wide Support (\$13.8 million total, -\$8.3 million below FY 2017 Annualized CR)**

ONC's agency-wide support team provides dynamic and flexible support to ONC's offices and programs through administrative and centralized services with responsibility for overall agency efficiency and effectiveness. Agency Wide Support provides expertise in the areas of: acquisitions and grants; budget formulation, execution and financial management; travel and conference management; human capital; program integrity; facilities management; monitoring and analysis of ONC's financial, human capital, and operational internal controls and data; ethics and freedom of information act; executive secretariat; and ONC's internal information technology deployment, systems planning and management. ONC has been actively working to reduce agency-wide support costs and will continue to realize savings from improved efficiencies, realigning FTEs, and in-sourcing.

## Overview of Performance

ONC's authorizing legislation and overarching mission are set in the HITECH Act, and its current priorities are defined in relationship to MACRA and the Cures Act.

- Pub. L. No: 111-5 Title VIII, Health Information Technology for Economic and Clinical Health (HITECH) Act <https://www.congress.gov/111/plaws/publ5/PLAW-111publ5.pdf>
- Pub L. No: 114-255, 21st Century Cures Act, <https://www.congress.gov/bill/114th-congress/house-bill/34>
- Pub. L. No: 114-10, Medicare Access and CHIP Reauthorization Act (MACRA): [https://www.healthit.gov/sites/default/files/fulfilling\\_section\\_106b1c\\_of\\_the\\_medicare\\_access\\_and\\_chip\\_reauthorization\\_act\\_of\\_2015\\_06.30.16.pdf](https://www.healthit.gov/sites/default/files/fulfilling_section_106b1c_of_the_medicare_access_and_chip_reauthorization_act_of_2015_06.30.16.pdf)

ONC's priorities align with HHS strategic priorities and are further outlined in the current Federal Health IT Strategic Plan, which covers FYs 2015-2020 and was published in September 2015. The current strategic plan outlines the following government-wide goals and objectives:

### Goal 1: Advance Person-Centered and Self-Managed Health

- Objective A: Empower individual, family, and caregiver health management and engagement
- Objective B: Foster individual, provider, and community partnerships

### Goal 2: Transform Health Care Delivery and Community Health

- Objective A: Improve health care quality, access, and experience through safe, timely, effective, efficient, equitable, and person-centered care
- Objective B: Support the delivery of high-value health care
- Objective C: Protect and promote public health and healthy, resilient communities

### Goal 3: Foster Research, Scientific Knowledge, and Innovation

- Objective A: Increase access to and usability of high-quality electronic health information and services
- Objective B: Accelerate the development and commercialization of innovative technologies and solutions
- Objective C: Invest in, disseminate, and translate research on how health IT can improve health and care delivery

### Goal 4: Enhance Nation's Health IT Infrastructure

- Objective A: Finalize and Implement the Nationwide Interoperability Roadmap
- Objective B: Protect the privacy and security of electronic health information
- Objective C: Identify, prioritize, and advance technical standards to support secure and interoperable health information and health IT
- Objective D: Increase user and market confidence in the safety and safe use of health IT products, systems, and services
- Objective E: Advance a national communications infrastructure that supports health, safety, and care delivery

ONC plans to lead federal partners through a process to update the current Federal Health IT Strategic Plan during the 2018 – 2019 timeframe. The revised plan will incorporate priorities and objectives outlined in the forthcoming Departmental strategic plans established according to the GPRA Modernization Act (P.L 111-352) and published alongside the FY 2019 President's Budget in February 2018.

In support of its overarching mission, ONC continues to align and focus the performance information (measures and accomplishments) reported in the President's Budget to reflect the nation's progress in shifting from the adoption of health IT systems, such as EHRs, to unlocking electronic health information so that it flows seamlessly and securely throughout the health system to support health and care of individuals, as well as other national health priorities.

A brief overview of key performance measures reported throughout this document includes:

- **In 2015, 84 percent of non-federal acute care hospitals had implemented at least a basic EHR system – an increase of 8 percentage points from 2014.** Alongside increases in basic EHR adoption, in 2015, 82 percent of hospitals were electronically sharing patient information with providers outside their organization, a 6 percentage point increase from 2014. Just 38 percent of non-federal acute care hospitals could easily integrate (e.g., without manual entry) health information received from other providers electronically into their EHR.
- **In 2015, 58 percent of office-based primary care providers had implemented at least a basic EHR system – an increase of 3 percentage points from 2013.** In 2015, 48 percent of office-based physicians were electronically sharing patient information with providers outside their organization. Just 31 percent could easily integrate, without manual entry, health information received electronically into their EHR.

Examples of key ONC accomplishments from 2015-2016 that align to these HHS and Federal objectives and are reported throughout this document in more detail include:

- Publication of the Shared Nationwide Interoperability Roadmap (October 2015)
- Publication of Final Rule for 2015 Health IT Certification Criteria (October 2015)
- Publication of the Interoperability Standards Advisory (December 2015)
- Announcement of Commitments to Improve the Flow of Health Information by Leading Health IT Developers, Health Systems, Professional Associations, and Stakeholder Groups (February 2016)
- Launch of the Interoperability Proving Ground (February 2016)
- Launch of Challenge Grants to Better Aggregate Electronic Health Information and Improve User Experience for Consumers and Providers (March 2016)
- Publication of Congressional Report on the Feasibility of Mechanisms to Assist Providers in Comparing and Selecting Certified EHR Technology Products Pursuant to MACRA 106(b)(3) (April 2016)
- Launch of High Impact Pilots and Standards Exploration Awards (April 2016)
- Launch of the Move Health Data Forward Challenge (May 2016)
- Upgraded Certified Health IT Product List (May 2016)
- Launch of the Patient Engagement Playbook for Providers (June 2016)
- Establish Measures for Nationwide Interoperability Pursuant to MACRA 106(b)(1) (July 2016)

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

- Publication of Report to Congress Examining Oversight of the Privacy & Security of Health Data Collected by Entities Not Regulated by HIPAA (July 2016)
- Release of a Model Contract Guide for EHRs, titled “EHR Contracts Untangled: Selecting Wisely, Negotiating Terms, and Understanding the Fine Print” (September 2016)

### Description of ONC’s Performance Management Process

Performance management at ONC crosscuts policy, technical, and program management efforts. The process includes activities that provide ONC executives, managers, staff, and the public with the opportunity to develop clear and common goals, monitor and discuss progress towards goal attainment, and when necessary, revise established plans appropriately.

ONC’s process employs its authorities as provided in the HITECH Act, MACRA, and Cures Act authorities; implements best practices and requirements outlined in the Government Performance and Results Act (GPRA) and the GPRA Modernization Act; and are in accordance with OMB circulars (e.g., A-11, 19, 102, 123) and management directives. This includes targeted efforts related to: (1) priority-setting, (2) measurement and analysis, (3) regular performance reviews, and (4) priority, strategic, and/or operational updates based on findings from performance reviews.

#### 1. Priority Setting

Priority setting in ONC is driven by a set of complimentary processes related to (1.1) complying with specific legislative authorities and requirements, (1.2) conducting Federal strategic planning, (1.3) establishing tactical and action plans, and (1.4) aligning plans to performance management. Alongside this process, ONC regularly receives and integrates into its priorities and plans requests from Congress for updates on ONC activities or new or reformed efforts focused on emerging aspects of health IT.

##### 1.1 Complying with Specific Legislation Authorities, Requirements, and Requests

ONC’s authorizing legislation, the HITECH Act, outlines a number of responsibilities and authorities that ONC prioritizes significantly. The HITECH authorities and requirements establish the need for a portfolio of regulatory, convening, program management and coordination, and planning/research projects. Additionally, other legislation, such as annual appropriations, and more recently and MACRA and the Cures Act, regularly establish new requirements.

##### 1.2 Conducting Federal Strategic Planning

ONC collaborates closely with federal partners on a number of strategic plans and initiatives to create a foundation for nationwide health IT vision and strategy. Among the key plans are:

- Healthy People 2020: <http://www.healthypeople.gov/>
- National Quality Strategy: <http://www.ahrq.gov/workingforquality/>
- Patient Centered Outcomes Research: <https://aspe.hhs.gov/patient-centered-outcomes-research-trust-fund>
- Precision Medicine Initiative: <http://www.hhs.gov/blog/tags/precision-medicine-initiative>

In addition to supporting existing national plans, section 3001(c)(3)(A) of the HITECH Act requires ONC to facilitate development of a [Federal Health IT Strategic Plan](#) that addresses the following:

- Use of electronic exchange, health information, and the enterprise integration of such information;
- Utilization of an EHR for each person in the United States;

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

- Incorporation of privacy and security protections for the electronic exchange of an individual's identifiable health information;
- Use of security methods to ensure appropriate authorization and electronic authentication of health information and specifying technologies or methodologies for rendering health information unusable, unreadable, or indecipherable;
- Specification of a framework for coordination and flow of recommendations and policies among the Secretary, the National Coordinator, the advisory committees, and other health information exchanges and relevant entities;
- Use of methods to foster the public understanding of health IT;
- Employment of strategies to enhance the use of health IT to improve health care quality, reduce medical errors, reduce health disparities, improve public health, increase prevention and coordination with community resources, and improve the continuity of care among health care settings; and,
- Implementation of specific plans for ensuring populations with unique needs, such as children, are appropriately addressed in the technology design, as appropriate, which may include technology that automates enrollment and retention for eligible individuals.

In support of these efforts, ONC strategically convenes public and private stakeholders for idea development and various aspects of implementation. The key convening bodies include the Health IT Policy and Standards Federal Advisory Committee, and federal partners participating in the Federal Health Architecture and Health IT Coordinating Council.

### 1.3 Tactical & Action Planning

In addition to multi-year strategic plans, ONC routinely develops discreet plans that refine vision, goals, and strategies into implementable action plans that are managed and monitored regularly. The following action plans are example plans that formed the basis for ONC's current tactical and action plans:

- Nationwide Interoperability Roadmap: <http://www.healthit.gov/policy-researchers-implementers/interoperability>; and,
- Roadmap for Patient Safety and Health IT: <http://www.healthit.gov/buzz-blog/health-it-safety/roadmap-improving-health-safety/>.

### 1.4 Aligning Plans to Performance

ONC's multi-year strategic and action plans inform the development of performance plans that align organizational components, senior executives, initiative leads, and staff to shared priorities. ONC's annual organizational and National Coordinator's performance plans are formulated according to the Department's Senior Executive Service (SES) performance planning schedule, which is aligned to the fiscal year calendar. In practice, the method for establishing these plans involves a disciplined and detail-oriented series of conversations where the National Coordinator, ONC's executives, and subject matter experts define and align milestones that must occur in the upcoming fiscal year to accomplish ONC's policy, program, and operational objectives. Typically, the plan is organized accordingly to ONC's roles in federal coordination, rulemaking, certification program management, and health IT demonstrations. An annual milestone plan is then established during the August to September timeframe alongside development of the following fiscal year's operating budget.

Once the organizational and National Coordinator's performance plans are finalized, the milestones are cascaded into the performance plans for senior executives. Each ONC senior executive has a



## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

performance plan listing milestones they are responsible to oversee. SES plans also include critical elements related to on-going exhibition of core management and leadership competencies. After the National Coordinator and SES performance plans are in place, typically by December, the process to cascade align employee performance plans with expected milestones begins.

### 2. Measurement and Analysis

#### 2.1 Evaluation of HITECH Program Effectiveness

The HITECH Act requires ONC to conduct program evaluations of the: (1) overall implementation of HITECH, (2) Health IT Extension Program, (3) Health IT Workforce Program, (4) State Health Information Exchange Program, and (5) Beacon Community Program. These programs ended in FY 2016, yet the evaluations continue to generate useful analyses that can inform the implementation of other programs. For a library of these findings, visit: <http://dashboard.healthit.gov/evaluations/>

#### 2.2 Survey Research and Analysis to Assess Nationwide Health IT Adoption and Interoperability

Through a variety of survey research and evaluation projects focused on the health IT adoption and use, ONC's researchers, program evaluators, and program and policy analysts support a cross-cutting evaluation and analysis agenda. This agenda focuses on identifying barriers to health IT adoption, patterns of successful implementation, and gaps where additional research is needed to further motivate health system improvements. Together, ONC's research and analytics activities enable the agency to set clear nationwide goals that define success, motivate members of the stakeholder community, and assess patterns of change at the national, regional, and provider-group levels. Deliverables from ONC's research and studies are available at <http://dashboard.healthit.gov/>.

#### 2.3 Analysis and Reporting to Assist Programs and Operations

ONC's performance-based policy and program management processes are supported by numerous information management systems that enable the consistent collection and analysis of ONC data. Program and operations data are regularly captured, analyzed, and presented across staff and manager groups through tools such as: ONC Intranet, HealthIT.gov, particularly through the National Learning Consortium (NLC), Federal Advisory Committee Act (FACA) portal, and Health IT Dashboard websites.

### 3. Regular Performance Review

The regular review of performance information is ingrained at all levels of ONC through a number of management meetings, documents, and coordination mechanisms, including the following:

- Weekly Senior Leadership Management and Policy Meetings;
- Monthly Performance Planning and Risk Reviews;
- Quarterly Dashboards (reports) of Progress to Critical Milestones;
- Quarterly Office Reconciliation Meetings;
- Quarterly Leadership Risk Reviews;
- Semi-Annual Progress Reviews (e.g., portfolio analyses, mid-year SES and PMAP assessments);
- Annual Assessments of Progress to Goal (e.g., Organizational Assessment, end-of-year SES and PMAP assessments, Annual Performance Report); and,
- Multi-year, summative reviews (Congressional EHR Adoption Report, Health IT Strategic Plan Progress Reports).

4. Priority, Strategic and/or Operational Updates Based on Findings from the Review

The processes for planning, reviewing progress, and re-establishing priorities in a place where change is the expectation is necessarily robust and on-going. Through a predictable set of senior leadership team meetings, cross-cutting priority group meetings, and planning exercises, each ONC office has an important contribution to leading the planning and monitoring exercises that are needed to ensure that objectives are met.

**Outputs and Outcomes Tables**

The ONC President's Budget performance measures monitor nationwide trends in health IT adoption and use, health information exchange and interoperability, and consumer access and attitudes to aspects of health IT. These performance measures are based on nationally representative surveys and tend to lag performance of the nation by 6 months to 1 year, and the implementation of Federal policy and programs by even longer. As such, the ONC President's Budget performance measures are best understood as contextual and outcome indicators depicting whether progress towards nationwide health IT goals is being achieved. The measures are not meant to be useful for depicting the marginal benefit/short-term return on investment for ONC activities even though they do align with and convey the desired outcomes of policies and programs implemented in the recent past.

Pursuant to MACRA section 106(b)(1), during 2016 ONC established a new set of performance measures to enable the HHS Secretary to determine whether widespread health information exchange interoperability has been achieved by 2018.

A noteworthy aspect of MACRA section 106(b)(1) guiding ONC's development of new measures is Congress's language defining the scope of interoperability measurement in terms of health information systems' ability to: (1) electronically exchange clinical and other information; and (2) use the information that has been exchanged via common standards.

On July 1, 2016 ONC reached the first milestone in meeting this mandate by issuing a letter to Congress and publishing in the Federal Register a proposed set of measures that enable a national assessment pursuant to section 106(b)(1) requirements. These "MACRA measures" have been adopted by ONC as the core of set of interoperability measures moving forward and through at least the FY 2021 President's Budget, which is when the 2018 survey data will be available and reported to enable the Secretary's assessment.

The alignment of these MACRA measures with President's Budget performance measures follows:

MACRA Measure 1: Proportion of health care providers who are electronically engaging in the following core domains of interoperable exchange of health information: sending; receiving; finding (querying); and integrating information received from outside sources.

- Add new measures for the "send/receive" component of this measure.
  - Percent of office-based physicians who are electronically sending or receiving patient information with any providers outside their organization (1.E.17)
  - Percent of non-federal acute care hospitals who are electronically sending or receiving patient information with any providers outside their organization (1.E.18)
- Add new measures for the "find" component of the measure

**OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT**

- Percent of non-federal acute care hospitals that can electronically find (query) patient health information from sources outside their health system (1.E.13)
- Percent of office-based physicians that can electronically find (query) patient health information from sources outside their health system (1.E.14)
- Use existing measures for the “integrating” component of this measure.
  - Percent of office-based physicians who can easily integrate (e.g. without manual entry) health information received electronically into their EHR (1.E.11)
  - Percent of non-federal acute care hospitals that can easily integrate (e.g. without manual entry) health information received electronically into their EHR (1.E.12)

**MACRA Measure 2:** Proportion of health care providers who report using the information they electronically receive from outside providers and sources for clinical decision-making.

- Add new measures for the “use at point of care” component of this measure.
  - Percent of non-federal acute care hospitals that had necessary patient information electronically available from providers or sources outside their systems at the point of care (1.E.15)
  - Percent of office-based physicians that had necessary patient information electronically available from providers or sources outside their systems at the point of care (1.E.16)

**Performance Measures**

Program/Measure	Most Recent Result / Target / Summary	FY 2016 Target <sup>1</sup>	FY 2017 Target	FY 2018 Target	FY 2018 +/- FY 2016 Target
<b>Interoperable Health Information Exchange</b>					
<b>Office-Based Professionals<sup>^</sup></b>					
<b>1.E.11 Percent of office-based physicians who can easily integrate (e.g. without manual entry) health information received electronically into their EHR</b>	FY 2015: 31% (Baseline)	Not Set (Data Will Not Be Available)	Not Set	Not Set	--
<b>1.E.14 Percent of office-based physicians that can electronically find (query) patient health information from sources outside their health system<sup>2</sup></b>	FY 2015: 34% (Baseline)	Not Set (Data Will Not Be Available)	Not Set	Not Set	--
<b>1.E.16 Percent of office-based physicians had necessary patient information electronically available from providers or sources outside their systems at the point of care</b>	FY 2015: 36% (Baseline)	Not Set (Data Will Not Be Available)	Not Set	Not Set	--
<b>1.E.17 Percent of office-based physicians who are electronically sending or receiving patient information with any providers outside their organization</b>	FY 2015: 48% (Baseline)	Not Set (Data Will Not Be Available)	Not Set	Not Set	--
<b>Non-Federal Acute Care Hospitals<sup>^^</sup></b>					

<sup>1</sup> Explanation for presenting measures without targets: ONC does not typically set targets if two years of baseline data are not available.

<sup>2</sup> Measures 1.E.13, 1.E.14, 1.E.15, 1.E.16, 1.E.17, and 1.E.18 are new beginning in 2015.

OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Program/Measure	Most Recent Result / Target / Summary	FY 2016 Target <sup>1</sup>	FY 2017 Target	FY 2018 Target	FY 2018 +/- FY 2016 Target
1.E.12 Percent of non-federal acute care hospitals that can easily integrate (e.g. without manual entry) health information received electronically into their EHR	FY 2015: 38% Target: Not Set	45%	50%	Not Set	--
1.E.13 Percent of non-federal acute care hospitals that can electronically find (query) patient health information from sources outside their health system	FY 2015: 52% Target: Not Set (Baseline)	Not Set	Not Set	Not Set	--
1.E.15 Percent of non-federal acute care hospitals that had necessary patient information electronically available from providers or sources outside their systems at the point of care	FY 2015: 46% Target: Not Set (Baseline)	Not Set	Not Set	Not Set	--
1.E.18 Percent of non-federal acute care hospitals who are electronically sending or receiving patient information with any providers outside their organization	FY 2015: 73% Target: Not Set (Baseline)	Not Set	Not Set	Not Set	--
<b>Consumer Access &amp; Attitudes <sup>^^</sup></b>					
<b>Attitudes on Privacy &amp; Security of EHRs</b>					
1.F.2 Percent of Americans who strongly or somewhat agree that the privacy and security measures taken by providers establish reasonable protections for their electronic health records	FY 2014: 80% Target: 82% (Below Target)	84%	Not Set	Not Set	--
<b>Access to Electronic Health Information</b>					
1.F.1 Percent of Americans who have been given electronic access to any part of their health care record by their health care provider	FY 2014: 38% Target: 35% (Target Exceeded)	50%	60%	Not Set	--

Data Sources & Notes:

- <sup>^</sup> Physician measures: National Electronic Health Records Survey (NEHRS), which is a supplemental mail survey to the National Ambulatory Medical Care Survey (NAMCS). The NEHRS was formerly called the NAMCS EMR Supplement. ONC partially funds the supplement through interagency agreements with the CDC National Center for Health Statistics, which fields the broader survey. Due to funding delays and constraints during FY 2016, 2016 estimates will not be available. FY 2017 estimates will be reported during the fall of 2018.
- <sup>^^</sup> Hospital measures: American Hospital Association (AHA) Information Technology (IT) Supplement to the AHA Annual Survey, which ONC partially funds through cooperative agreement.
- <sup>^^^</sup> The Office of the National Coordinator for Health Information Technology's (ONC) Consumer Survey of Attitudes Toward the Privacy and Security Aspects of Electronic Health Records and Health Information Exchange. The survey was conducted by NORC at the University of Chicago with MITRE in FY 2013 and 2014, however due to funding constraints, ONC did not field the survey in FY 2014, so for FY 2015 no estimates will be available. In FY 2015, the survey questions

**OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT**

were merged into the NIH-sponsored Health Information National Trends (HINTS) Survey. The next survey estimates will be available for FY 2016, which will be report during calendar year 2017.

**Discontinued and Retired Performance Measures**

Considering the evolution of the ONC measure to focus on the interoperability measures outlined above, ONC continues to remove from the President's Budget measures that are no longer prioritized for depicting key national trends. Measures will be removed from the President's Budget reporting as soon as the future-most target is reported against. FY 2016 results will be reported in the FY 2019 President's Budget and FY 2017 results will be reported in the FY 2020 President's Budget. Measures without FY 2016 targets will be removed beginning with the FY 2019 President's Budget.

Program/Measure	Most Recent Result / Target / Summary	FY 2016 Target	FY 2017 Target	FY 2017 +/- FY 2016 Target
<b>Adoption of EHRs</b>				
<b>Office-Based Professionals<sup>^</sup></b>				
1.A.1 Percent of office-based physicians who have adopted electronic health records (basic)	FY 2015: 54% (Target Not In Place)	60% (Data Will Not Be Available)	65% Discontinue	--
1.A.2 Percent of office-based primary care physicians who have adopted electronic health records (basic) *	FY 2015: 58%  Target: 65% (Target Not Met but Improved)	70% (Data Will Not Be Available)	75% Discontinue	--
<b>Non-Federal Acute Care Hospitals<sup>^^</sup></b>				
1.A.3 Percent of non-federal acute care hospitals that have adopted electronic health records (basic)	FY 2015: 84% (Target Not In Place)	80%	85% Discontinue	--
<b>CMS EHR Incentive Programs<sup>^^^</sup></b>				
1.B.1 Percent of eligible hospitals receiving meaningful use incentive payments	FY 2015: 99%  Target: 95% (Target Exceeded)	Discontinue	Discontinue	--
1.B.2 Percent of eligible professionals receiving meaningful use incentive payments	FY 2015: 85%  Target: 80% (Target Exceeded)	Discontinue	Discontinue	--
1.B.4 Number of eligible providers who receive an incentive payment from the CMS Medicare and Medicaid EHR Incentive Programs for the successful adoption or meaningful use of certified EHR technology	FY 2016: 482,000  Target: 455,000 (Target Exceeded)	Discontinue	Discontinue	--
<b>Exchange Capability</b>				
<b>Office-Based Professionals<sup>^</sup></b>				
1.E.5 Percent of physicians with capability for patients to view online, download, or transmit information from their medical record	FY 2015: 65% (Target Not In Place)	Discontinue	Discontinue	--
<b>Non-Federal Acute Care Hospitals<sup>^^</sup></b>				
1. E.9 Percent of non-federal acute care hospitals with capability for patients to view online, download, and transmit information from their medical record	FY 2015: 69% (Target Not In Place)	Discontinue	Discontinue	--

OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Program/Measure	Most Recent Result / Target / Summary	FY 2016 Target	FY 2017 Target	FY 2017 +/- FY 2016 Target
<b>Exchange Activity</b>				
<b>Office-Based Professionals<sup>^</sup></b>				
<b>1.E.3 Percent of office-based physicians who are electronically sharing any patient health information with other providers</b>	FY 2014: 42%  Target 54% (Target Not Met but Improved)	60% (Data Not Available)	Discontinue	--
<b>1.E.4 Percent of office-based physicians who are electronically sharing patient information with any providers outside their organization *</b>	FY 2015: 28%  Target: 30% (Target Not Met But Improved)	35% (Data Not Available)	Discontinue	--
<b>Non-Federal Acute Care Hospitals<sup>^^</sup></b>				
<b>1. E.7 Percent of non-federal acute care hospitals that are electronically exchanging patient health information with any providers outside their organization *</b>	FY 2015: 82%  Target: 78% (Target Exceeded)	80% Discontinue	85% Discontinue	--
<b>1. E.8 Percent of non-federal acute care hospitals that are electronically sharing clinical/summary care records with any providers outside their organization</b>	FY 2015: 76%  Target: 65% (Target Exceeded)	Discontinue	Discontinue	--
<b>1.E.10 Percent of non-federal acute care hospitals that are electronically sharing patient health information with ambulatory providers that are outside their organization</b>	FY 2015: 75%  Target: 60% (Target Exceeded)	Discontinue	Discontinue	--

Data Sources:

\* Measure cascades into the FY 2016 HHS Annual Performance Plan/Report.

<sup>^</sup> Physician measures: National Electronic Health Records Survey (NEHRS), which is a supplemental mail survey to the National Ambulatory Medical Care Survey (NAMCS). The NEHRS was previously titled the NAMCS EMR Supplement. ONC partially funds the supplement through interagency agreements with the CDC National Center for Health Statistics, which fields the broader survey. Due to funding delays and constraints during FY 2016, 2016 estimates will not be available. FY 2017 estimates will be reported during the fall of 2018.

<sup>^^</sup> Hospital measures: American Hospital Association (AHA) Information Technology (IT) Supplement to the AHA Annual Survey, which ONC partially funds through cooperative agreement.

## All Purpose Table

*(Dollars in Millions)*

Program	FY 2016 Final	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2018 President's Budget +/- FY 2017 Annualized CR
Budget Authority	60.367	60.252	38.381	-21.871
Total, ONC	60.367	60.252	38.381	-21.871

***BUDGET EXHIBITS***

**Appropriations Language**

For expenses necessary for the Office of the National Coordinator for Health Information Technology, including grants, contracts, and cooperative agreements for the development and advancement of interoperable health information technology, [\$60,367,000] *\$38,381,000*. (Consolidated Appropriations Act, 2016)

**Language Analysis**

Language Provision	Explanation
<i>\$38,381,000</i>	Provides ONC's budget from Budget Authority



**Amounts Available for Obligation**

<b>Detail</b>	<b>FY 2016 Final</b>	<b>FY 2017 Annualized CR</b>	<b>FY 2018 President's Budget</b>
General Fund Discretionary Appropriation:			
Annual appropriation	60,367,000	60,252,000	38,381,000
Subtotal, Appropriation	60,367,000	60,252,000	38,381,000
Transfer of Funds to: "OS"	55,000		
Transfer of Funds to: "ACF"		150,000	
Subtotal, Adjusted Budget Authority	60,312,000	60,102,000	38,381,000
<i>Total, Discretionary Appropriation</i>	<i>60,367,000</i>	<i>60,252,000</i>	<i>38,381,000</i>
Total Obligations	60,367,000	60,252,000	38,381,000

## Summary of Changes

*(Dollars in Thousands)*

2017								
Total estimated program level.....							60,252	
2018								
Total estimated program level.....							38,381	
Net Change program level.....							-21,871	
	FY 2017 Annualized CR			FY 2018 PB		FY 2018 +/- FY 2017		
	Program			Program		Program		
	FTE	Level		FTE	Level	FTE	Level	
Decreases:								
A. Program:								
1. Policy Development & Coordination.....	51	12,296		60	11,299	+9	-997	
2. Standards, Interoperability, and Certification.....	42	14,617		59	11,134	+17	-3,483	
3. Health IT Adoption.....	47	11,258		10	2,140	-37	-9,118	
4. Agency Wide Support.....	50	22,081		35	13,808	-15	-8,273	
Subtotal, Program								
Decreases.....	190	60,252		164	38,381	-26	-21,871	
Net								
Change.....	190	60,252		164	38,381	-26	-21,871	

**Budget Authority by Activity***(Dollars in Thousands)*

Activity	FY 2016 Final FTE	FY 2016 Final	FY 2017 Annualized CR FTE	FY 2017 Annualized CR	FY 2018 President's Budget FTE	FY 2018 President's Budget
<b><i>Policy Development and Coordination</i></b>						
<i>Annual Budget Authority</i>	47	13,140	51	12,296	60	11,299
<b><i>Total, Policy Development and Coordination</i></b>	47	13,140	51	12,296	60	11,299
<b><i>Standards, Interoperability, and Certification</i></b>						
<i>Annual Budget Authority</i>	36	15,528	42	14,617	59	11,134
<b><i>Total, Standards, Interoperability, and Certification</i></b>	36	15,528	42	14,617	59	11,134
<b><i>Health IT Adoption</i></b>						
<i>Annual Budget Authority</i>	43	10,894	47	11,258	10	2,140
<b><i>Total, Health IT Adoption</i></b>	43	10,894	47	11,258	10	2,140
<b><i>Agency-wide Support</i></b>						
<i>Annual Budget Authority</i>	50	20,805	50	22,081	35	13,808
<b><i>Total, Agency-wide Support</i></b>	50	20,805	50	22,081	35	13,808
<b><i>Total, Annual Budget Authority</i></b>	176	60,367	190	60,252	164	38,381
<b><i>Total, Program Level</i></b>	176	60,367	190	60,252	164	38,381

**Authorizing Legislation***(Dollars in Thousands)*

Authorizing Legislation	2017	2017	2018	2018
Health Information Technology Activity:	<u>Authorized</u>	<u>Annualized CR</u>	<u>Authorized</u>	<u>President's Budget</u>
Health Information Technology PHS Act 42 U.S.C. 201	Indefinite	60,252	Indefinite	38,381
PHS Evaluation Funds (non-add)	Indefinite	-	Indefinite	-
Total Request Level		60,252		38,381

## Appropriations History

*(Dollars in Thousands)*

Details	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations
<b>2010</b>				
Annual B.A.	\$42,331	\$0	\$42,331	\$42,331
PHS Evaluation Funds	\$19,011	\$61,342	\$19,011	\$19,011
Subtotal	\$61,342	\$61,342	\$61,342	\$61,342
<b>2011</b>				
Annual B.A.	\$78,334	\$69,842	\$59,323	\$42,331
PHS Evaluation Funds	\$0	\$0	\$19,011	\$19,011
Rescissions (Secretary's)				(\$85)
Subtotal	\$78,334	\$69,842	\$78,334	\$61,257
<b>2012</b>				
Annual B.A.	\$57,013	\$0	\$42,246	\$16,446
PHS Evaluation Funds	\$21,400	\$28,051	\$19,011	\$44,811
Rescissions (P.L. 112-74)				(\$31)
Subtotal	\$78,413	\$28,051	\$61,257	\$61,226
<b>2013</b>				
Annual B.A.	\$26,246	\$16,415	\$16,415	\$16,415
PHS Evaluation Funds	\$40,011	\$44,811	\$49,842	\$44,811
Rescissions ( P.L. 113-6)				(\$33)
Sequestration				(\$826)
Subtotal	\$66,257	\$61,226	\$66,257	\$60,367
<b>2014</b>				
Annual B.A.	\$20,576		\$20,290	\$15,556
PHS Evaluation Funds	\$56,307		\$51,307	\$44,811
User Fee	\$1,000		\$1,000	\$0
Subtotal	\$77,883	\$0	\$72,597	\$60,367
<b>2015</b>				
Annual B.A.	\$0	\$61,474	\$61,474	\$60,367
PHS Evaluation Funds	\$74,688			\$0
Subtotal	\$74,688	\$61,474	\$61,474	\$60,367
<b>2016</b>				
Annual B.A.	\$0	\$60,367	\$60,367	\$60,367
PHS Evaluation Funds	\$91,800	\$0	\$0	\$0
Subtotal	\$91,800	\$60,367	\$60,367	\$60,367
<b>2017</b>				
Annual B.A.	\$0	\$65,367	\$60,367	\$60,252
PHS Evaluation Funds	\$82,000	\$0	\$0	\$0
Subtotal	\$82,000	\$65,367	\$60,367	\$60,252
<b>2018</b>				
Annual B.A.	\$38,381			
PHS Evaluation Funds	\$0			
Subtotal	\$38,381			

**NARRATIVE BY ACTIVITY****Policy Development and Coordination**

**Budget Summary**  
(Dollars in Thousands)

<b>Policy Development and Coordination</b>	<b>FY 2016 Final</b>	<b>FY 2017 Annualized CR</b>	<b>FY 2018 President's Budget</b>	<b>FY 2018 (+/-) FY 2017</b>
<b>Budget Authority</b>	13,140	12,296	11,299	-0.997
<b>PHS Evaluation Funds</b>	0	0	0	0
<b>Total, Program Level</b>	13,140	12,296	11,299	-0.997
<b>FTE</b>	47	51	60	+9

**Authorizing Legislation:**

Enabling Legislation Citation.....PHS Act 42 U.S.C. 201  
 Enabling Legislation Status.....Permanent  
 Authorization of Appropriations Citation.....No Separate Authorization of Appropriations  
 Allocation Method.....Direct Federal, Contract, Cooperative Agreement, Grant

**Program Description and Accomplishments**

ONC coordinates federal policies and strategies to build the necessary data and technology foundation for an interoperable learning health system that can support a wide variety of national priorities and assures that data can be securely captured, shared with, and used by the right people at the right time. This will advance a health care system centered on the patient, which focuses on promoting quality care, increasing accessibility and affordability, bolstering innovation, and empowering patients. Achieving interoperability will lead to informed shoppers who have an actual choice in their healthcare.

Within the embedded landscape of large insular delivery networks, as well as hundreds of thousands of smaller providers, achieving interoperability requires a technical, policy and stakeholder engagement driven approach. In collaboration with federal partners and by engaging with a broad range of health IT stakeholders, ONC sets the direction of federal health IT policy that seeks to achieve interoperability, and provides a policy framework to address emerging health IT issues regarding the use and exchange of electronic health information. This policy framework inspires trust and confidence in health IT by integrating privacy, security, and clinical best practices into every phase of health IT policy development and implementation. ONC's health IT policies enable care transformation through improved care coordination, increased patient engagement, and enhanced population health management.

ONC identifies emerging issues, weaknesses, and gaps in existing policies; formulates solutions; and provides guidance to federal agencies and stakeholders so that individuals, care providers, and public health workers can get the health information they need in an electronic format when and how they need it. By integrating a clinical perspective into its policy development and coordination activities, ONC fosters innovations to reduce data-related burdens on clinicians, ensures that federal health IT policies support interoperability, patient safety, health IT usability, and supports tools like quality measures that help providers manage the vast array of information needed to deliver the safest and best care possible.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

### Health IT Policy

ONC develops and coordinates federal health IT policy to achieve national priorities set forth by the Administration and the Secretary of HHS in accordance with statutory requirements under the Cures Act, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), and the Health Information Technology for Economic and Clinical Health (HITECH) Act, among other laws.

As required by the Cures Act, ONC is transitioning its current Federal Advisory Committee Act (FACA) committees to a single Health IT Advisory Committee established by the Act. This committee replaces both the Health IT Policy and Health IT Standards committees previously established by the HITECH Act. The input received from these two sunsetted committees played a critical role in ONC's policy development and understanding of the on-the-ground needs of patients and providers; the development of pilots, studies, and other programs; and the advancement of standards, implementation specifications, and certification criteria that support interoperability. ONC expects the new committee will play a similar role in advising ONC's work.

MACRA, and specifically the Quality Payment Program, provides new tools and resources to support clinicians as they transition to value-based methods of delivering care. As public and private value-based programs advance, providers and communities can benefit from health IT that supports interoperability, and promotes patient access to their health information. Implementation of the Cures Act will also drive ONC's activities in support of providers, patients, and researchers who rely on health IT to help advance care and to propel the movement of health information to ensure that care teams have the right information when and where it is needed most. Further, ONC guides achievement of goals and objectives outlined in the Federal Health IT Strategic Plan 2015-2020 through collaboration with federal partners and engagement of stakeholders. ONC monitors progress and aligns federal activities with national priorities, goals, and objectives. Accomplishments include:

- Implementation of the 2015 Edition final rule, which supports the Quality Payment Program implemented as part of MACRA, diverse programs within HHS, and the broader health care continuum. The final rule builds on past certification rules and is designed to support innovation and the establishment of an interoperable nationwide health information infrastructure. To support stakeholder implementation of the final rule, ONC issued certification, surveillance, and transparency guidance and education materials, including the creation of a website that compiles certified health IT product information to provide more transparency to users regarding what a product does or does not do.
- Finalized the "ONC Health IT Certification: Enhanced Oversight and Accountability" final rule to further enhance the safety, reliability, transparency, and accountability of certified health IT for users. The final rule furthers ONC's ability to address and correct non-conformities found in certified health IT products that are causing or contributing to serious risks to public health or safety. The final rule also empowers health IT consumers by making more information available about how an individual certified health IT product performs in the field.

### *Interoperability and Governance of Health Information Exchange*

ONC is working with stakeholders, health information organizations, service providers, and other entities to ensure trust among participants, as well as interoperability across networks, so that health information can follow a patient regardless of where and when they access care. Through coordination and convening of key entities, ONC is supporting nationwide efforts to enhance health information exchange (HIE) practices and a broader health IT connected ecosystem. Accomplishments include the development of the 10-year Interoperability Roadmap, which developed interoperability principles and critical action items for the three, seven, and ten year time increments.

### *Care Transformation*

ONC provides expertise and strategic direction in the domain of transforming and optimizing health care through the leveraged use of health information technology throughout the Federal Government and other public sector entities, and with the private sector. ONC facilitates and informs payment and care delivery reform for physicians and other providers in the health system, and provides guidance for the facilitation and development of cross-cutting innovative payment reform programs in the public and private sector. Core functions include coordination with federal, state and private sector entities on health IT policy development, implementation activities, infrastructure planning, current/future market gap analyses, and other related work.

- **State Engagement on Interoperability:** ONC facilitates coordination between the Federal Government and state governments on interoperability efforts. As a result of this collaboration, ONC released the [State Health IT Policy Levers Compendium](#).
- **Health IT and Certification in Support of Alternative Payment Models:** ONC supported work to analyze the current and expected future state of certified health IT with regard to its ability to support alternative payment models. This work was presented to the Health IT Policy Committee Federal Advisory Committee.
- **Interoperability Support for Federal Policies and Programs:** ONC provides subject matter expertise to support regulatory and programmatic activities in their consideration of health IT interoperability. This includes the development of regulations related to physician payment and managed care.

### *Privacy and Security*

Patient trust in the privacy and security of health data is a core requirement of an interoperable and learning health system. The Chief Privacy Officer (CPO) ensures this requirement is met by advising the National Coordinator on health information privacy, security, and data stewardship policies. Key components of the CPO's work involves changing the industry's understanding of HIPAA by showing how HIPAA and other privacy rules support rather than impede information flow in an electronic environment; developing and supporting approaches that assure, information shared electronically is kept secure.

Through analysis, public and private sector stakeholder engagement, and supporting the work of various FACA Committee task forces, ONC identifies areas of confusion in privacy and security policy and proposes policies to reduce these areas of confusion. This promotes interoperability and streamlines data sharing. ONC determines whether there are gaps and weaknesses in existing privacy and security legal protections, industry policies, practices or technical capabilities; identifies or develops potential legal, policy, or technical solutions; obtains feedback on potential solutions, and takes steps to make the solutions a reality. Accomplishments include:

- Served as the ONC privacy and security liaison, subject matter expert and/or leader for activities including the [joint HITSC and HITPC task force](#) hearings and HHS's Health Care Industry Cybersecurity (HCIC) Task Force Committee.
- Worked with HHS' Office for Civil Rights (OCR) to release sub-regulatory [guidance, blogs](#) and [FAQs](#) on 45 CFR § 164.524, [regarding individuals' access rights under The Health Insurance Portability and Accountability Act of 1996 \(HIPAA\)](#), and released a series of short educational [videos](#), available in Spanish and English, to help consumers better understand their right to see, access, and share their health information.



#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

- Supported HHS rulemaking efforts, including providing health IT privacy and security expertise within the agency in support of the Federal Policy on Protection of Human Subjects (“The Common Rule”) and the Notice of Proposed Rulemaking and Proposed Final Rule on the Confidentiality for Alcohol and Drug Abuse Patient Records (42 CFR Pt. 2).

#### *Health IT Safety and Usability*

ONC is committed to ensuring that health information technologies are safely designed, implemented, and used. The [HHS Health IT Patient Safety Action and Surveillance Plan](#), demonstrates ONC’s ability to provide leadership, coordinate activities and resources to help stakeholders with their responsibility of health IT safety implementation. This multi-agency collaboration, with the Food and Drug Administration (FDA) and the Federal Communications Commission (FCC), includes ongoing surveillance and oversight of health IT safety. This plan reports on appropriate risk-based regulatory framework for health IT safety, required by the FDA Safety and Innovation Act (FDASIA). Accomplishments include:

- Engaged a contractor to develop an electronically specified (low-burden, automatable) measure of health IT safety, building on National Quality Forum (NQF) consensus recommendations published in NQF’s report: “[Identification and Prioritization of HIT Patient Safety Measures](#).”
- Updated the [Safety Assurance Factors for EHR Resilience \(SAFER\) Guides](#) in 2016 to reflect changes in regulations and evidence emerging since their initial development in 2013. These guides offer evidence-based recommended practices for improving safety in nine key risk areas. The updated SAFER Guides are available free of charge as part of [ONC’s Health IT Playbook](#) for clinicians and other health care providers seeking to safely implement and responsibly use health IT.

#### *Clinical Quality Improvement (CQI)*

Clinical decision support (CDS) brings clinical best practices to the point of care, converting data to knowledge in user-friendly, actionable electronic forms. CDS helps clinicians better manage the vast array of information needed to deliver the safest and best care possible, especially to those with multiple, chronic or rare conditions. Automated measurement tools, such as electronically specified clinical quality measures (eCQMs) and clinical data registries that use electronic health records (EHRs) with automatic abstraction, allow for timely performance feedback, patient outcomes monitoring, while reducing clinicians’ data-related burdens. CDS helps doctors, nurses, and other clinicians by ensuring they have the most up-to-date and clinically relevant information to identify the best course(s) of treatment for the individual, and enables discussion of those options with the patient. There is significant potential for this support to improve our state of preparedness for and response to emergent public health threats, such as infectious-disease outbreaks or environmental emergencies.

ONC provides leadership and coordinates activities with key stakeholders to advance the availability, usability, and timeliness of CDS and quality measurement by improving tools that interface seamlessly with EHRs and clinical workflow. ONC has a unique depth of expertise in clinical informatics, potential data sources, and using different measurement approaches. This unique expertise enables ONC to foster innovations that reduce clinicians’ data-related burdens, improve the care they provide, and ensure accurate performance measurement. Accomplishments include:

- Fostered significant progress in data models and the standards used to express clinical logic. This enables precise and accurate specification of decision support algorithms and clinical quality measures for implementation in health IT.
- Sponsored the National Academy of Medicine project, to identify practical strategies to accelerate the availability and development of interoperable CDS tools. These tools should be curated for easy and affordable deployment by providers throughout the nation using certified health IT systems including EHRs. The NAM report is anticipated in the summer of 2017.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

In partnership with the Centers for Medicare and Medicaid Services (CMS), created tools to that help validate eQMs to promote better clinical quality measure development and software testing processes. The testing tools and protocols ensure products certified under ONC's Health IT Certification Program can capture data and accurately calculate eQMs.

### Funding History

Fiscal Year	Amount
FY 2014	12,849,000
FY 2015	13,112,000
FY 2016 Final	13,140,000
FY 2017 Annualized CR	12,296,000
FY 2018 President's Budget	11,299,000

### Budget Request

ONC requests \$11.3 million in FY 2018 for policy development and coordination activities, a decrease of \$1.0 million below the FY 2017 Annualized CR level. The request includes funding for 60 FTEs. This funding level reflects an overall shift in agency priorities, while ensuring that capability and connectivity of health IT remains ONC's primary goal. ONC will continue to prioritize the policy and rulemaking activities that are included in the Cures Act, MACRA, and the HITECH Act. This includes supporting interoperability by thwarting information blocking, and transitioning from two FACA committees to a single Health IT Advisory Committee. Shifting agency priorities in FY 2018 allows for ONC to become a more lean and effective organization, while still working to achieve the widespread interoperability and usability of EHRs.

This request supports Federal Health IT Strategic Plan 2015-2020 Goals 1: Expand Adoption of Health IT; 2: Advance Secure and Interoperable Health Information; 3: Strengthen Health Care Delivery; 4: Advance the Health and Well-Being of Individuals and Communities, and 5: Advance Research, Scientific Knowledge, and Innovation.

### Health IT Policy and Governance (\$10.5 million)

In FY 2018, ONC will continue to address and discourage information blocking by finalizing and aggressively implementing ONC Certification Program rules, creating and promoting clear channels for reporting information blocking, and enforcing information blocking provisions finalized by the Cures Act. Funding will also support ONC's new congressionally-established Health IT Advisory Committee, which will play a critical role in ONC's policy development and the advancement of standards, implementation specifications, and certification criteria to support interoperability across the care continuum and the marketplace. ONC's Budget request also supports health IT efforts required under MACRA and the Cures Act that continue to drive the needs of providers, patients, and researchers who rely on health IT to help advance care and to propel the safe and secure movement of health information to ensure that care teams have the right information when and where it is needed.

In FY 2018, ONC's Health IT Policy and Governance program will absorb the policy related activities from ONC's Care Transformation, Privacy and Security, Health IT Safety, Usability and Clinical Quality Improvement programs. The Health IT Policy and Governance program will also absorb the policy related activities from ONC's Provider Adoption Support and Consumer eHealth programs. ONC will continue these efforts at a reduced capacity, limited to the policy activities which support achieving interoperability, implementing the Cures Act, and coordinating health IT policies across the Federal

#### **OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT**

Government. This ongoing policy work includes ensuring ONC's work integrates a clinical perspective; advancing the availability, usability, and timeliness of CDS and quality measurement; ensuring policies that address the protection of private and secure health information; identifying and correcting unsafe conditions or uses of health IT; and ensuring consumers and healthcare providers are engaged in the policy development and coordination process.

#### **Care Transformation (\$0.2 million)**

These funds support the close out of the Office of Care Transformation over the course of FY 2018. There will be continued, limited support for policy development and coordination of care transformation activities under the Health IT Policy and Governance program in 2018 and in future fiscal years.

#### **Privacy and Security (\$0.3 million)**

These funds will support the close out of the Office of the Chief Privacy Officer over the course of FY 2018. There will be continued, limited support for the position of Chief Privacy Officer and policy development and coordination of privacy and security activities under the Health IT Policy and Governance program in 2018 and in future fiscal years.

#### **Health IT Safety, Usability and Clinical Quality Improvement (\$0.3 million)**

These funds will support the close out of the Office of Clinical Quality and Safety over the course of FY 2018. There will be continued, limited support for policy development and coordination of health IT safety, usability, and clinical quality activities under the Health IT Policy and Governance program in 2018 and in future fiscal years.

## Standards, Interoperability, and Certification

### Budget Summary (Dollars in Thousands)

Standards, Interoperability, and Certification	FY 2016 Final	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 (+/-) FY 2018
<b>Budget Authority</b>	15,528	14,617	11,134	-3,483
<b>PHS Evaluation Funds</b>	0	0	0	0
<b>Total, Program Level</b>	15,528	14,617	11,134	-3,483
<b>FTE</b>	36	42	59	+17

#### Authorizing Legislation:

Enabling Legislation Citation.....PHS Act 42 U.S.C. 201  
 Enabling Legislation Status.....Permanent  
 Authorization of Appropriations Citation.....No Separate Authorization of Appropriations  
 Allocation Method.....Direct Federal, Contract, Cooperative Agreement, Grant

#### Program Description and Accomplishments

A critical part of ONC's mission is achieving the widespread interoperability and usability of electronic health records (EHRs). An interoperable health IT infrastructure will ensure that the nation is given transparency into the cost and quality of care. By providing all individuals, families and health care providers with consistent, secure, and timely access to electronic health information, ONC is committed to creating a healthcare system that improves the health and care of all Americans and their communities. Standardized health information facilitates informed decision-making and effective health management, allows patients to be active partners in their care, bolsters clinical decision-making, and benefits the overall health of our population. These efforts support the department's mission to enhance and protect the health and well-being of all Americans.

ONC engages standards stakeholders to accelerate industry consensus by investing in standards and technology - focusing on core standards, vocabularies, principles and technical components - that enable interoperable health IT. To maximize the impact of these investments, ONC convenes federal agencies and other partners to implement and advance Health Information Exchange (HIE) nationwide. ONC also provides direct technical and financial assistance to states and communities who have committed to developing interoperable health IT infrastructures that support national priorities. By providing reliable testing tools and data for the Certification Program, ONC is building trust in the health IT marketplace supporting providers' efforts to achieve interoperability, enhanced usability, and the optimization of health IT.

#### Standards and Technology

ONC makes strategic investments in standards coordination, implementation, testing, and pilots to accelerate industry progress in specific areas that require interoperability. This work focuses on interoperability improvements related to care coordination, medication management, patient engagement, clinical research, privacy and security, and population health.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Through the ONC Health IT Certification Program, ONC outlines processes for health IT developers to demonstrate how their health IT conforms to specific certification criteria and standards. ONC supports the creation and publication of “certification companion guides” and test procedures under the Certification Program. In collaboration with the National Institute of Standards and Technology (NIST) and health IT stakeholders, ONC leads the development of the electronic testing tools and test procedures that are used to test health IT products to specific certification criteria. ONC strives to maintain an innovative health IT environment by continuing to support entrepreneurs and health technology developers as they seek to improve the accessibility and usability of health information. These initiatives work together to advance the national health IT infrastructure and improve the health and wellbeing of the nation.

### *Standards Coordination and Collaboration*

ONC will continue to play a key role as a leader and convener of the health IT community through structured coordination and collaboration. In order to continue to improve interoperability, it is necessary for the health IT ecosystem to reduce variability and consistently implement common standards that enable specific functionalities that are relevant to the end user. ONC focuses on ways to accelerate consensus and, where necessary, convenes broad communities together for the purposes of identifying and developing additional standards guidance. Accomplishments include:

- Publication of the 2017 [Interoperability Standards Advisory](#) via a new online platform which provides a detailed list of the standards and implementation specifications that can be used to address various interoperability needs.
- Awarded cooperative agreements in collaboration with standards development organizations (SDOs) to support the acceleration and development of additional best practices, specifically: specific implementation guidance, evaluations of testing infrastructure capacity, and the ability of SDOs to contribute to the measurement of standards adoption.
- Launched [two cooperative agreement programs](#) (High Impact Pilot and Standards Exploration Award) to help accelerate standards implementation and feedback. These initiatives built greater evidence around the quantitative and qualitative impacts for improved interoperability.
- The [Interoperability Proving Ground](#) (IPG) is an open community platform where users can share, learn, and be inspired by interoperability projects occurring in the United States (and around the world). The IPG currently has over 300 entries of on-the-ground efforts that advance the interoperable exchange of health information. Entries have been submitted by stakeholders across the health IT industry such as vendors, developers, HIEs, SDOs, and health plans. There are a number of different projects listed in the IPG that include, but are not limited to the testing of standards, the development of software and application programming interfaces (APIs), government funded projects, and pilots launched under various ONC programs.

### *Public-Private Testing*

To reach nationwide interoperability, ONC continues to invest in testing tools and resources that support health IT development, implementation, post-implementation, and use. ONC provides an open testing environment that allows health IT developers and the provider community to verify that their systems have implemented interoperability standards in a consistent manner. Each ONC-led activity tackles a critical interoperability challenge through processes that recognize and consider the clinical uses in scope, identification, and harmonization of existing technical specifications, implementation guidance, pilot projects, and mechanisms for feedback to evaluate effectiveness. Accomplishments include:

- [Standards Implementation and Testing Environment](#) (SITE) provides conformance testing and validation tools for certain health IT functionality and in support of the ONC Health IT Certification

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Program. SITE facilitates resolution of standards implementation issues by working closely with the standards community and IT developers. SITE also provides an established venue to disseminate identified solutions to a broad community of health IT developers and users.

- Created a Consolidated Clinical Document Architecture (C-CDA) scorecard ([“C-CDA Scorecard”](#)) to give both health IT developers and providers the ability to benchmark system performance.

### *Certification*

The ONC Health IT Certification Program provides comprehensive, independent mechanisms for health IT to be evaluated for conformance to standards and functional requirements adopted in regulation.

ONC also maintains the [Certified Health IT Product List](#) (CHPL), a publicly available list on ONC’s website of all health IT products certified through the ONC Health IT Certification Program. The CHPL generates a CMS EHR ID number that is representative of the Certified Electronic Health Record Technology (CEHRT) used to participate in several CMS payment programs. To date, there are over 800 health IT developers with over 4,000 unique products that have been certified against 2014 Edition Certification Criteria.

Accomplishments include:

- ONC, in collaboration with NIST, completed development and deployed the 2015 Edition Test Method for the adopted 2015 Edition certification criteria, which includes test procedures, test data, and test tools for use by Accredited Testing Labs (ATLs). The 2015 Edition adheres to more rigorous conformance criteria than were used for prior editions and includes more electronic and automated testing tools.
- Developed [Certification Companion Guides \(CCG\)](#) helps health IT developers quickly understand and interpret ONC’s regulatory requirements so they may focus on product development. A CCG has been developed for each certification criterion and will serve as the single, consolidated information source for any clarifications related to a certification criterion.
- Produced a new CHPL website to align with the 2015 Edition final rule’s additional data needs and to support greater transparency and open data accessibility. The new CHPL website includes additional functionality, such as advance search, product compare, and API methods to enable stakeholders the ability to openly access and combine CHPL data with their datasets.

### *Health IT Infrastructure and Innovation*

ONC leads efforts designed to encourage a vibrant health IT marketplace, where systems are interoperable and stakeholders have the ability to obtain “best-of-breed” solutions from among a number of choices. ONC works to encourage the development of innovative solutions to health IT challenges, and also to find ways to better support the innovation community through educational materials, live in-person training events, prize challenges, knowledge transfer and codeathons--live events that occur over the course of one or more days, bringing together developers, designers, innovators and entrepreneurs to build exciting new applications and tools. ONC is working to encourage innovation in health IT by engaging with vendors, startups, the venture capital community, incubators, providers, and researchers that are at the leading edge of health IT. Accomplishments include:

- Launched a 3-part strategy to help consumers access and use their data; improve user experience and the utility of apps for providers; and coordinate open information about EHR app solutions. The first two initiatives include app challenges to spur the development of innovative solutions, which had finalists awarded in January 2017. The third initiative aims to support the development of an app discovery site that makes it easier for developers to publish their apps and for providers to discover and compare them.
- Launched the [Move Health Data Forward Challenge](#), which requires participants to create apps that use an API, implementation specifications created by the Health Relationship Trust Working Group

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

(HEART WG), and User-Managed Access (UMA) to allow people to securely authorize the movement of their health data to destinations they choose.

- Held a [Blockchain challenge](#) and co-sponsored a 2-day workshop with NIST on how this new technology could be applied in health care. A Blockchain—most commonly associated with digital currency—is a data structure that can be time-stamped and signed using a private key to prevent tampering.

### Scientific Innovation

ONC makes critical advancements in developing and establishing scientific policy. ONC continues to foster healthcare advancement by anticipating, identifying, and tracking innovation of health IT. In particular, ONC is spearheading vital research through the patient-centered outcomes research (PCOR) project. ONC also plays a vital role in the Precision Medicine Initiative (PMI). Accomplishments include:

- Launched the [Sync for Science](#) pilot project with the National Institutes of Health (NIH) enabling individuals to share data from their provider's EHR system and send it to researchers in support of the goals of PMI. Six EHR developers have done the technical work allowing individuals to connect a research app to their electronic health data at selected provider pilot sites.
- Launched two additional PMI projects in collaboration with NIH: (1) Sync for Science for Privacy and Security is conducting an independent privacy and security assessment of the technology developed under the Sync for Science pilot project; and (2) [Sync for Genes](#) is developing and testing enhancements to existing genomic data standards to support sharing of genomic data in a consistent and usable way.
- ONC's ongoing [PCOR](#) projects continued to make progress by beginning to field test some of the resources developed under each project. In 2016, pilot tests or demonstrations were established or conducted in each of the five projects.

### Funding History

Fiscal Year	Amount
FY 2014	15,737,000
FY 2015	15,425,000
FY 2016 Final	15,528,000
FY 2017 Annualized CR	14,617,000
FY 2018 President's Budget	11,134,000

### Budget Request

ONC requests \$11.1 million in FY 2018 to support standards, interoperability, and certification activities, a decrease of \$3.5 million below the FY 2017 Annualized CR level. This request includes funding for 59 FTEs. This reduction in funding is being achieved through insourcing work that was previously performed using contracts. In FY 2018, ONC will advance nationwide interoperability, and implement the standards, interoperability, and certification requirements contained in the Cures Act. ONC will engage the public and private sectors to identify and fill gaps in current health IT infrastructure. ONC will also coordinate standards development and enhancement, and ensure that the governance of our nation's health data supports equity, scalability, integrity and sustainability of information sharing for everyone in the United States. Achieving interoperability will lead to informed shoppers who have an actual choice in their healthcare.

This request supports Federal Health IT Strategic Plan 2015-2020 Goals 1: Expand Adoption of Health IT; 2: Advance Secure and Interoperable Health Information; 3: Strengthen Health Care Delivery; 4:

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Advance the Health and Well-Being of Individuals and Communities, and 5: Advance Research, Scientific Knowledge, and Innovation.

### Standards and Technology (\$10.5 million)

In FY 2018, ONC will continue to support collaborative, public-private initiatives through which accelerated and coordinated standards work can be accomplished. Achieving interoperability requires a technical, policy and stakeholder engagement driven approach. This funding and work is important for ONC, and the many other HHS agencies with which we have collaborated in the past, including CMS, the Assistant Secretary for Planning and Evaluation (ASPE), the Substance Abuse and Mental Health Services Administration (SAMHSA), the Agency for Healthcare Research and Quality (AHRQ)<sup>3</sup>, the Centers for Disease Control and Prevention (CDC), as well as the Department of Defense (DoD), Department of Veterans Affairs (VA), and other federal agencies with which ONC collaborates.

In FY 2018, ONC's efforts will build upon recent accomplishments and ensure continued progress toward modernizing the nation's health IT infrastructure to support transformed, interoperable learning health care. ONC will focus on implementing the interoperability, standards, and certification requirements outlined in the Cures Act. Throughout FY 2018, ONC will continue work with industry to define best practices and provide guidance on the exchange and use of priority data elements. Additionally, ONC will continue to engage with industry through public-private partnerships to enhance existing interoperability testing tools and encourage greater industry-driven testing to advance nationwide interoperability. In FY 2018, ONC's standards work will include:

- Summary care records: This standard is used most often for transitions of care but is increasingly used to support other interoperability needs. In FY 2018, ONC will continue coordinating with the industry to enable the consistent implementation of the standard to support multiple interoperability use cases.
- Medication-related standards: FY 2018 funding will be used to further improve the specificity, implementation, and use with which medication standards are applied, including supporting patient's ability to gain access and compile their medication lists using structured data. Medication standards include the consistent representation of drugs, medication instructions ("structured sig"), and medication transactions for refill, cancel, and medication history. The consistent use of medication standards also can support clinical decision support and drug-drug/drug-allergy interactions, one of the most often cited patient safety issues.
- Continued implementation testing, pilots, and collaboration with industry stakeholders to advance patient matching, application programming interfaces, and semantic harmonization among identified priority data elements.

### *Standards Coordination and Collaboration*

In 2018, ONC will continue to play a key role as a leader and convener of the health IT community through structured coordination and collaboration. ONC will focus on ways to accelerate consensus and, where necessary, convene broad communities together for the purposes of identifying and developing additional standards and implementation guidance. Through this work, ONC seeks to ensure that technical developments are aligned with and connected to the business and regulatory drivers of health care and vice versa.

---

<sup>3</sup> The FY 2018 Budget consolidates AHRQ's activities within the National Institutes of Health (NIH).



## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

### *Public-Private Testing*

ONC will continue to invest in testing tools and resources that support health IT development, implementation, post-implementation, and use in FY 2018. ONC will continue to support, through the [Standards Implementation and Testing Environment](#) (SITE), an open testing environment that allows health IT developers and the provider community to verify that their systems have implemented interoperability standards in a consistent manner.

### *Certification*

Funding will support the ongoing maintenance of standards conformance test tools, ONC Health IT Certification Program administration and oversight, and the ongoing support of the Certified Health IT Product List, which provides detailed information on each certified product and open data access on each product. Resources will also be allocated to support new testing, certification, and surveillance requirements that are necessary to implement the Cures Act. ONC will continue to refine and enhance (in coordination with NIST) the testing tools necessary for certification and work with the industry to coordinate the development of test methods to ensure products conform to the technical standards. Enhancing testing tools and test methods with a greater focus toward interoperability in addition to basic standards conformance will help ensure certified products interoperate and provide individuals and health care providers with the functionality needed to coordinate care and implement care delivery transformation. The program will continue its oversight responsibilities and look to improve its overall surveillance of certified products for ongoing adherence to technical, security, and regulatory requirements for interoperability as well as any potential for information blocking.

### *Health IT Infrastructure and Innovation*

In FY 2018, ONC will continue to encourage the development of innovative solutions to health IT through challenge contests. ONC will also find ways to support advances in interoperability throughout the entire health IT community by conducting research and analysis, maintaining the Interoperability Standards Advisory, producing educational materials, holding workshops, and code-a-thons. Through these efforts, ONC is able to work directly with relevant stakeholder groups to more quickly understand where improvements to interoperability could be made and determine where more focused industry coordination is necessary.

### *Federal Health Architecture*

In FY 2018, FHA's overall portfolio of work will be tapered down to a core set of minimum responsibilities as ONC works on behalf of the federal partners to sunset FHA by the end of FY 2019. ONC will continue to serve as the program manager for FHA on behalf of HHS by continuing to provide staff support for the management and oversight of FHA while the projects close out. Many FHA activities have reached a timely period to close out. A select number of projects will continue to be transitioned throughout FY 2018 and FY 2019 to be run by federal agencies such as the Department of Defense, or through public-private partnerships. ONC will continue coordinating with other federal agencies and Departments such as the Department of Veterans Affairs and the Department of Defense, through the Federal Health IT Coordinating Council.

### *Scientific Innovation (\$0.7 million)*

In FY 2018, ONC will continue to coordinate with the public and private sector to develop health IT policy and standards that advance scientific discovery. As directed in the Cures Act, ONC will also continue our partnership with the NIH and FDA on the Precision Medicine Initiative.

## Health IT Adoption

### Budget Summary (Dollars in Thousands)

Health IT Adoption	FY 2016 Final	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 (+/-) FY 2018
Budget Authority	10,894	11,258	2,140	-9,118
PHS Evaluation Funds	0	0	0	0
Total, Program Level	10,894	11,258	2,140	-9,118
FTE	43	47	10	-37

#### Authorizing Legislation:

Enabling Legislation Citation.....PHS Act 42 U.S.C. 201  
 Enabling Legislation Status.....Permanent  
 Authorization of Appropriations Citation.....No Separate Authorization of Appropriations  
 Allocation Method.....Direct Federal, Contract, Cooperative Agreement, Grant

#### Program Description and Accomplishments

Prior to the Health Information Technology for Economic and Clinical Health (HITECH) Act, significant barriers — such as lack of financing, gaps in a trained workforce, and difficulties integrating health IT tools with traditional provider workflows — threatened to slow adoption of electronic health record (EHR) systems and prevent their use. By convening our local, federal, and private partners, ONC's work since the enactment of the HITECH Act has led to 58 percent of office-based physicians, an increase from 17 percent in 2008, and 84 percent of non-federal acute care hospitals, an increase from 9 percent in 2008, in the nation having adopted at least basic EHR technology as of 2015. Through investments, leadership, and direct engagement with the health IT community, ONC has developed a nationwide network of organizations that are focused on supporting individual providers and consumers to adopt and optimize the use health IT. ONC diffuses best practices and resources such as guides, training, and technical assistance to these organizations.

#### *Provider Adoption and Optimization Support*

ONC designs and implements a variety of methods to accelerate and support the interoperability of structured data in health records. In the shift towards person-centered health, interoperability is crucial to ensure information is available when and where it is needed. Information transparency is important in patient care and for providers as customers of health IT products, especially for rural and underserved communities. ONC convenes providers and shares best practices nationally through its Technology Learning Communities (TLCs), Communities of Practice (CoPs), and other platforms that monitor their progress via a robust web-based customer relationship management (CRM) tool.

#### *Learning and Engagement*

ONC uses HealthIT.gov as a key method of educating and disseminating nationwide best practices and solutions to common challenges that providers and consumers face related to adoption and use of health IT. In 2016, nearly 1.9 million visitors accessed healthit.gov and over 25,000 health IT tools and resources were downloaded. TLCs and other similar groups bring together health IT implementers and ONC technical experts as they identify issues and discover solutions to common challenges. They

#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

address topics such as long-term post-acute care (LTPAC), behavioral health, consumer engagement, health equity, privacy and security, provider directories, and public health. Accomplishments include:

- The creation of the [Health IT Playbook](#) which provides physicians and practices with digital resources that contain content about strategies, recommendations, and best practices to assist in the implementation and use of Health IT and EHRs.
- Challenges regarding the exchange between LTPAC facilities and other providers across the care continuum were identified and addressed through the creation of a variety of resources, which were disseminated among all State Health Information Exchange (HIE) awardees, and then made available on [HealthIT.gov](#).
- [Additional resources](#) have been developed on topics such as Change Management, Vendor Selection and Management, Workflow Redesign, Health Information Exchange, Rural Health, and Consumer Engagement, including the [Practice Transformation Map](#).

#### *Customer Relationship Management (CRM) Tool*

The CRM is a cloud-based business intelligence tool that serves over 400 users at ONC, partner organizations and grantees. A large number of users throughout the United States are “on the ground” helping health care providers adopt, use, and optimize their interoperable health IT systems by entering near real-time data into the system. This helps to inform ONC on the progress towards adoption and appropriate use of EHR technology. To assist ONC programs with data analytics and situational awareness, the CRM data set is merged regularly with several other data sources. Combined with ONC’s internal analytical capacity, this data provides feedback that is used to focus policy and program efforts.

#### *Consumer eHealth*

ONC advances Consumer eHealth by coordinating with federal partners and private sector supporters to empower individuals with the information and tools they need to improve their own health and health care experience. ONC’s Consumer eHealth work streams include enhancing the Blue Button Initiative to enable patients to access and use data by convening diverse stakeholders, influencing policy and standards, building public-private partnerships, supporting providers in patient engagement, and catalyzing innovation in the development of applications and tools. Accomplishments include:

- Assisted patient advocacy groups, providers, and other subject matter experts (SMEs) such as those in the Health IT Policy Committee (HITPC) and Health IT Standards Committee (HITSC) Consumer Task Force to gain field-level insight into interoperable health IT challenges and resources affecting patient access.
- Launched the [ONC Patient Engagement Playbook](#) – part of the [Health IT Playbook](#) which is an online tool for health care providers, practice staff, hospital administrators and others to use in leveraging health IT to engage patients in their health care.
- Engaged with over 600 organizations who participated in the Blue Button Pledge program, a voluntary mechanism by which organizations committed to advance efforts to increase patient access and use of their own health data to improve their health and healthcare experience.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

### *Trusted Health IT Exchange and Transformation*

ONC's activities in 2016 focused on executing cooperative agreement programs that delivered technical assistance support to clinical and non-clinical providers and consumers at both the state and community level. These programs facilitated send, receive, find, and use of health care data across organization, vendor, and geographic boundaries through trusted health information exchange services. These programs included:

- *Community Interoperability and HIE Program*: This program helped ten organizations across the nation to support care providers who are ineligible to receive incentive payments under the CMS EHR Incentive Program, often linking the traditional health care system with community and social support systems.
- *Advance Interoperable Health Information Technology Services to Support Health Information Exchange*: ONC is working with 12 states and state designated entities from across the nation to (1) Expand the adoption of HIE technology, tools, services, and policies that enable interoperable exchange; (2) Facilitate and enable send, receive, find, and use capabilities to access health information from external sources and incorporate into care provider workflows; and (3) Increase integration of health information in interoperable health IT to support care processes and decision making.
- *Advance Interoperable Health Information Exchange Supplemental Award (HIE-ADT)*: ONC expanded its programmatic support of the adoption, use, and routing of standard HL-7 Admission, Discharge and Transfer (ADT) messages across state lines, develop trust, policy, privacy, and legal frameworks that enable the widespread routing of ADT messages, and improve access to provider information through shared healthcare directories.

### Planning, Evaluation and Monitoring

ONC develops the Federal Health IT Strategic Plan. This Plan reflects the collective efforts of over 35 federal entities to advance person-centered health and self-management; transform health care delivery and community health; foster research, scientific knowledge, and innovation; and enhance the nation's health IT infrastructure. ONC uses economic analysis and modeling to describe and understand the factors driving the adoption and use of health IT, including the impact on health, health care, and costs. Studies and reports generated from these activities inform policies and decisions not only within ONC, but also by Congress, the White House, other federal agencies, state and local governments, and the private sector. ONC uses statistical methods to analyze data from numerous internal and external sources in order to provide accurate and reliable information. To ensure that up-to-date data is available, ONC sponsors and advises the development of health IT data elements for a number of surveys including the American Hospital Association Information Technology Supplement, the National Electronic Health Records Survey, and the Health Information National Trends Survey. Further, ONC uses data from internal operations, the CRM Tool, and the Electronic Health Record Incentive Program.

Accomplishments include:

- Published [The Federal Health IT Strategic Plan 2015 – 2020](#), representing the collaborative efforts across the Federal Government, with more than 35 federal entities contributing to its development. In 2016, ONC convened the Federal Health IT Coordinating Council, an internal federal body with the mission of coordinating federal health IT policy decisions and creating a forum to discuss program alignments for existing and emerging health and health IT matters. The 2016 task of this body was to coordinate and prioritize implementation accountabilities to advance interoperability.
- Published analyses of progress toward the use of health IT to improve the health and health care of all Americans and barriers to the use of health IT, including: a [Congressional Report on Health IT Progress](#); [ONC Data Briefs](#) and [Quick Stats](#); and regular reports to ONC's Health IT FACAs.

#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

Conducted [program evaluations](#) of HITECH programs to assess contextual factors, implementation approaches, and effectiveness and impacts of program interventions.

- In 2016 in accordance with MACRA, established metrics to determine if and the extent to which Congress' national objective to achieve widespread exchange of health information through interoperable certified EHR technology nationwide by December 31, 2018, is achieved.

#### Funding History

Fiscal Year	Amount
FY 2014	11,170,000
FY 2015	10,524,000
FY 2016 Final	10,894,000
FY 2017 Annualized CR	11,258,000
FY 2018 President's Budget	2,140,000

#### Budget Request

ONC requests \$2.1 million in FY 2018 for activities relating to the adoption of health IT, a decrease of \$9.1 million below the FY 2017 Annualized CR level. The request includes funding for 10 FTEs. This reallocation of 37 FTEs from ONC's Health IT Adoption program to ONC's Policy Development and Coordination, and Standards, Interoperability and Certification work in FY 2018 reflects ONC's prioritization of achieving interoperability, increasing federal coordination, and implementing the Cures Act.

Health IT Adoption will close out over the course of FY 2018. ONC will continue to fulfill planning, evaluation and monitoring efforts that are required under HITECH, MACRA and the Cures Act. ONC will also continue to operate its statutorily required website, HealthIt.gov, on a limited basis. These activities will move to Agency Wide Support starting in FY 2019. ONC will close out activities related to Provider Adoption Support and Consumer eHealth over the course of FY 2018.

This request supports Federal Health IT Strategic Plan 2015-2020 Goals 1: Advance Person-Centered and Self-Managed Health; 2: Transform Health Care Delivery and Community Health; 3: Foster Research, Scientific Knowledge, and Innovation; 4: Enhance Nation's Health IT Infrastructure

#### Provider Adoption Support and Consumer eHealth (\$0.8 million)

This budget request supports the close out ONC's Provider Adoption Support and Consumer eHealth activities over the course of FY 2018. There will be continued, limited support for policy development and coordination of these activities under the Health IT Policy and Governance program during 2018 and in future fiscal years.

#### Planning, Evaluation and Monitoring (\$0.3 million)

In FY 2018, ONC will support the implementation of the Cures Act by carrying out the reporting requirements related to interoperability. ONC will also continue to gather data and evaluate nationwide and ONC progress at achieving interoperability as required under MACRA. ONC will continue to fulfill its legal requirement under the HITECH Act to prepare the Federal Health IT Strategic Plan. This activity will move to Agency Wide support in FY 2019.

**OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT**

**Provider and Consumer Engagement and Outreach (\$1.0 million)**

This budget request supports limited website updates to ONC's statutorily required website, HealthIT.gov, related to ongoing FACA, interoperability, and rulemaking activities. ONC will continue to provide staff support for stakeholder outreach and public affairs, but will eliminate other related costs for these activities. This activity will move to Agency Wide support in FY 2019.

## Agency-wide Support

### Budget Summary (Dollars in Thousands)

Agency-wide Support	FY 2016 Final	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 (+/-) FY 2018
<b>Budget Authority</b>	20,805	22,081	13,808	-8,273
<b>PHS Evaluation Funds</b>	0	0	0	0
<b>Total, Program Level</b>	20,805	22,081	13,808	-8,273
<b>FTE</b>	50	50	35	-15

#### Authorizing Legislation:

Enabling Legislation Citation.....PHS Act 42 U.S.C. 201  
 Enabling Legislation Status.....Permanent  
 Authorization of Appropriations Citation.....No Separate Authorization of Appropriations  
 Allocation Method.....Direct Federal, Contract, Cooperative Agreement, Grant

#### Program Description and Accomplishments

ONC launched a number of crosscutting efforts to ensure ONC's management is enhanced, customer service is improved, programs are efficiently supported, grantee and contractor performance is optimized, a world-class workforce continues to be developed, and budget processes and operational services are enhanced. Development is collaborative in nature, and ONC continues to increase efficiency in its program support partnership activities. These cost effective efforts ensure that ONC is exemplifying care of public resources, in order to advance a health care system centered on the patient, and focusing on promoting quality care, increasing accessibility, bolstering innovation, and empowering patients.

#### *Procurement and Grants Management*

ONC enhanced its grants management and procurement efforts, implementing best practices to optimize grantee and contractor performance. Using a risk-based financial monitoring framework for grants and contracts, ONC fosters program success and financial accountability. ONC has built a strong monitoring, analysis, and data management capability and manages nimble procurement and grants training programs to ensure proper stewardship of federal funds.

#### *Enterprise Risk Management*

ONC carries out financial and programmatic oversight responsibilities, employing a robust internal review methodology to achieve high-impact results and fostering data-driven and risk-based decision making. ONC enhanced its operational reporting and data management capabilities and established an Enterprise Risk Management framework within ONC. In addition, ONC improved its ethics, audit liaison, and executive secretariat processes.

#### *Human Capital*

ONC's human capital experts provide leadership, oversight, and guidance to ONC in hiring a talented workforce. ONC optimizes its strong and high-performing organization through strategic workforce planning and innovative recruitment and retention strategies, including those for students and Veterans and through enhanced professional development opportunities.

## OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH IT

### *Budget and Operational Services*

ONC's Budget and Operational Services functions include budget formulation and execution and space and facilities management. ONC initiated improvements in its annual budget processes and budget/performance integration. In addition, ONC continues to strengthen management controls over its financial processes. ONC's telecommunications and technical infrastructure initiatives have yielded cost savings and improved value. These initiatives include ONC's consolidation of office space from four to one in the HHS SW Complex, and improvements in ONC's internal information technology deployment strategies.

### **Funding History**

<b>Fiscal Year</b>	<b>Amount</b>
<b>FY 2014</b>	20,611,000
<b>FY 2015</b>	21,306,000
<b>FY 2016 Final</b>	20,805,000
<b>FY 2017 Annualized CR</b>	22,081,000
<b>FY 2018 President's Budget</b>	13,808,000

### **Budget Request**

ONC requests \$13.8 million in FY 2018 for activities related to agency wide support, a decrease of \$8.3 million below the FY 2017 Annualized CR level. The request includes funding for 35 FTEs. This reallocation of 15 FTEs from Agency Wide Support to ONC's Policy Development and Coordination, and Standards, Interoperability and Certification programs reflects ONC's prioritization of achieving interoperability, increasing federal coordination, and implementing the Cures Act.

In FY 2018, ONC will reduce its operations budget by seeking further efficiencies and reducing costs related to information technology, space, staff training, and agency travel. ONC's FY 2018 request continues to fund the shared services required by HHS for ONC to operate, including financial and grants management systems, as well as contract management fees and costs related to ONC's space in HHS' Southwest Complex. ONC has been actively working to reduce agency-wide support costs and will continue to realize savings from improved efficiencies and in-sourcing.

By providing ONC's offices and programs with essential agency-wide support services, this request supports Federal Health IT Strategic Plan 2015-2020 Goals 1: Expand Adoption of Health IT; 2: Advance Secure and Interoperable Health Information; 3: Strengthen Health Care Delivery; 4: Advance the Health and Well-Being of Individuals and Communities, and 5: Advance Research, Scientific Knowledge, and Innovation.



**SUPPORTING EXHIBITS****Budget Authority By Object Class - Program Level***(Dollars in Thousands)*

<b>Object Class Code</b>	<b>Description</b>	<b>FY 2017 Annualized CR</b>	<b>FY 2018 President's Budget</b>	<b>FY 2018 +/- FY 2017</b>
<b>11.1</b>	Full-time permanent	18,532	17,899	-633
<b>11.3</b>	Other than full-time permanent	3,255	1,519	-1,736
<b>11.5</b>	Other personnel compensation	573	554	-19
<b>11.7</b>	Military personnel	318	322	4
<b>Subtotal</b>	<b>Personnel Compensation</b>	<b>22,678</b>	<b>20,294</b>	<b>-2,384</b>
<b>12.1</b>	Civilian personnel benefits	6,600	5,161	-1,439
<b>12.2</b>	Military benefits	126	126	0
<b>13</b>	Benefits for former personnel	0	0	0
<b>Total</b>	<b>Pay Costs</b>	<b>29,404</b>	<b>25,581</b>	<b>-3,823</b>
<b>21</b>	Travel and transportation of persons	382	191	-191
<b>22</b>	Transportation of things	2	2	0
<b>23.1</b>	Rental payments to GSA	3,784	2,431	-1,353
<b>23.3</b>	Communications, utilities, and misc. charges	588	411	-177
<b>24</b>	Printing and reproduction	131	125	-6
<b>25.1</b>	Advisory and assistance services	585	100	-485
<b>25.2</b>	Other services from non-Federal sources	12,292	3,847	-8,445
<b>25.3</b>	Other goods and services from Federal sources	10,582	4,922	-5,660
<b>25.4</b>	Operation and maintenance of facilities	254	191	-63
<b>25.5</b>	Research and development contracts	0	0	0
<b>25.6</b>	Medical care	45	0	-45
<b>25.7</b>	Operation and maintenance of equipment	15	8	-7
<b>25.8</b>	Subsistence and support of persons	536	268	-268
<b>26</b>	Supplies and materials	275	192	-83
<b>31</b>	Equipment	177	112	-65
<b>32</b>	Land and Structures	0	0	0
<b>41</b>	Grants, subsidies, and contributions	1,200	0	-1,200
<b>42</b>	Insurance claims and indemnities	0	0	0
<b>44</b>	Refunds	0	0	0
<b>Total</b>	<b>Non-Pay Costs</b>	<b>30,848</b>	<b>12,800</b>	<b>-18,048</b>
<b>Total</b>	<b>Total by Object Class</b>	<b>60,252</b>	<b>38,381</b>	<b>-21,871</b>

**Salary & Expenses***(Dollars in Thousands)*

<b>Object Class Code</b>	<b>Description</b>	<b>FY 2017 Annualized CR</b>	<b>FY 2018 President's Budget</b>	<b>FY 2018 +/- FY 2017</b>
<b>11.1</b>	Full-time permanent	18,532	17,899	-633
<b>11.3</b>	Other than full-time permanent	3,255	1,519	-1,736
<b>11.5</b>	Other personnel compensation	573	554	-19
<b>11.7</b>	Military personnel	318	322	4
<b>Subtotal</b>	<b>Personnel Compensation</b>	<b>22,678</b>	<b>20,294</b>	<b>-2,384</b>
<b>12.1</b>	Civilian personnel benefits	6,600	5,161	-1,439
<b>12.2</b>	Military benefits	126	126	0
<b>13</b>	Benefits for former personnel	0	0	0
<b>Total</b>	<b>Pay Costs</b>	<b>29,404</b>	<b>25,581</b>	<b>-3,823</b>
<b>21</b>	Travel and transportation of persons	382	191	-191
<b>22</b>	Transportation of things	2	2	0
<b>23.3</b>	Communications, utilities, and misc. charges	588	411	-177
<b>24</b>	Printing and reproduction	131	125	-6
<b>25.1</b>	Advisory and assistance services	585	100	-485
<b>25.2</b>	Other services from non-Federal sources	12,292	3,847	-8,445
<b>25.3</b>	Other goods and services from Federal sources	10,582	4,922	-5,660
<b>25.4</b>	Operation and maintenance of facilities	254	191	-63
<b>25.5</b>	Research and development contracts	0	0	0
<b>25.6</b>	Medical care	45	0	-45
<b>25.7</b>	Operation and maintenance of equipment	15	8	-7
<b>25.8</b>	Subsistence and support of persons	536	268	-268
<b>Subtotal</b>	<b>Other Contractual Services</b>	<b>25,412</b>	<b>10,065</b>	<b>-15,347</b>
<b>26</b>	Supplies and materials	275	192	-83
<b>Subtotal</b>	<b>Non-Pay Costs</b>	<b>25,687</b>	<b>10,257</b>	<b>-15,430</b>
<b>Total</b>	<b>Salary and Expenses</b>	<b>55,091</b>	<b>35,838</b>	<b>-19,253</b>
<b>23.1</b>	Rental payments to GSA	3,784	2,431	-1,353
<b>Total</b>	<b>Salaries, Expenses, and Rent</b>	<b>58,875</b>	<b>38,269</b>	<b>-20,606</b>

**Detail Of Full-Time Equivalent (FTE) Employment**

Detail	FY 2016 Civilian	FY 2016 Military	FY 2016 Total	FY 2017 Civilian	FY 2017 Military	FY 2017 Total	FY 2018 Civilian	FY 2018 Military	FY 2018 Total
<b>Direct</b>	174	2	176	188	2	190	162	2	164
<b>Reimbursable</b>									
<b>Total FTE</b>	174	2	176	188	2	190	162	2	164

**Average GS Grade**

	Grade:	Step:
FY 2014.....	13	6
FY 2015.....	13	8
FY 2016.....	13	8
FY 2017.....	13	9
FY 2018.....	13	9

## Detail Of Positions

Detail	FY 2016 Actual	FY 2017 Enacted	FY 2018 President's Budget
Executive level	0	0	0
Total - Exec. Level Salaries	0	0	0
SES	8	8	8
Total - SES Salaries	1,240,315	1,253,958	1,267,752
Total - ES Salary	1,240,315	1,253,958	1,267,752
GS-15	50	57	47
GS-14	53	58	49
GS-13	51	45	37
GS-12	24	18	10
GS-11	15	12	9
GS-10	1		
GS-9	6	9	6
GS-8			
GS-7		1	1
GS-6			
GS-5			
GS-4	1	1	1
GS-3			
GS-2			
GS-1			
<b>Subtotal</b>	<b>201</b>	<b>201</b>	<b>160</b>
Total, GS Salary	18,782,284	20,624,483	17,726,121
Commissioned Corps	2	2	2
Total, Commissioned Corps Salary	315,360	318,302	322,314
Total Positions	211	211	170
Total FTE	176	190	164

### Physicians' Comparability Allowance

		FY 2016 (Actual)	FY 2017 (Estimates)	FY 2018 (Estimates)
1) Number of Physicians Receiving PCAs		4	5	5
2) Number of Physicians with One-Year PCA Agreements		0	0	0
3) Number of Physicians with Multi-Year PCA Agreements		4	5	5
4) Average Annual PCA Physician Pay (without PCA payment)		\$134,226	\$134,226	\$134,226
5) Average Annual PCA Payment		\$23,444	\$23,444	\$23,444
6) Number of Physicians Receiving PCAs by Category (non-add)	Category I Clinical Position	0	0	0
	Category II Research Position	0	0	0
	Category III Occupational Health	0	0	0
	Category IV-A Disability Evaluation	0	0	0
	Category IV-B Health and Medical Admin.	4	5	5

In 2016, ONC needed physicians with strong medical backgrounds to work in engaging with a wide variety of clinical stakeholders and to provide a clinically based perspective on ONC policies and activities. This includes clinical issues around EHR safety, usability, clinical decision support, and quality measures.

Without PCA, it is unlikely that ONC could have recruited its current physicians, nor is it likely that ONC will be able to recruit without PCAs in future years. PCAs were awarded at the maximum amount allowed in all of these cases.

## ***SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEE REPORTS***

### ***Senate Report 114-274***

#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY

*Immunization Information Systems [IIS].*—The threat of disease outbreaks and the ongoing work to target outreach to under immunized communities underscores the importance of maintaining robust immunization information systems [IIS]. The Committee is aware of the Immunization Registry Data Exchange and the Consumer Access Immunization Registry pilot projects exploring ways to improve the efficiency and effectiveness of IIS. The Committee encourages ONC to continue these pilots and requests a report to the Committee from ONC no later than 180 days after enactment of this act with findings, results, and recommendations from the pilot studies. The Committee encourages ONC to partner with CDC and other relevant HHS partners to leverage knowledge and enhance education and information sharing opportunities between registry system administrators and related State and local personnel. *[Senate Report, page 158]*

#### Action Taken or To Be Taken

This report is forthcoming and will be submitted no later than 180 days after the enactment of FY 2017 appropriations.

### ***Senate Report 114-274***

#### OFFICE OF THE NATIONAL COORDINATOR FOR HEALTH INFORMATION TECHNOLOGY

*Electronic Health Records.*—The Committee believes HHS' work to encourage the adoption of electronic health records has provided important new opportunities to improve the quality, safety, and cost-effectiveness of health care. The Secretary is directed to further this work by studying approaches to improve person-centered healthcare through patient access to health information. That work should examine accurate and timely record matching so that all EHR systems are collecting the information necessary for a fully interoperable system that protects patients from identity mismatch errors, but also considers patient privacy and security. *[Senate Report, page 158]*

#### Action Taken or To Be Taken

ONC will continue its work with Federal and State partners and other stakeholders in order to examine accurate and timely record matching so that all EHR systems are collecting the information necessary for a fully interoperable system that protects patients from identity mismatch errors, but also considers patient privacy and security.

**ONC SPECIFIC REQUIREMENTS****Crosswalk of Budget Activity by Office***(Dollars in millions)*

	FY 2016 Final		FY 2017 Annualized CR		FY 2018 President's Budget	
	FTE	\$	FTE	\$	FTE	\$
Policy Development & Coordination						
Office of Policy	23	6.410	26	7.604	55	10.479
Office of the Chief Privacy Officer	9	3.034	9	1.797	2	0.328
Office of Clinical Quality and Safety	11	2.832	11	2.025	2	0.328
Office of Care Transformation	4	0.864	5	0.87	1	0.164
<b>Total, Policy Development &amp; Coordination</b>	<b>47</b>	<b>13.140</b>	<b>51</b>	<b>12.296</b>	<b>60</b>	<b>11.299</b>
Standards, Interoperability, & Certification						
Office of Standards and Technology	33	14.281	38	13.525	55	10.478
Office of the Chief Scientist	3	1.247	4	1.092	4	0.656
<b>Total, Standards, Interoperability, &amp; Certification</b>	<b>36</b>	<b>15.528</b>	<b>42</b>	<b>14.617</b>	<b>59</b>	<b>11.134</b>
Health IT Adoption						
Office of Programs	23	4.853	24	4.420	5	0.820
Office of Planning, Evaluation and Analysis	13	3.664	16	4.509	2	0.328
Office of Public Affairs and Communications	7	2.377	7	2.329	3	0.992
<b>Total, Health IT Adoption</b>	<b>43</b>	<b>10.894</b>	<b>47</b>	<b>11.258</b>	<b>10</b>	<b>2.140</b>
Agency-Wide Support						
Agency-Wide Support	50	20.805	50	22.081	35	13.808
<b>Total, Agency-Wide Support</b>	<b>50</b>	<b>20.805</b>	<b>50</b>	<b>22.081</b>	<b>35</b>	<b>13.808</b>
<b>Total, Program Level</b>	<b>176</b>	<b>60.367</b>	<b>190</b>	<b>60.252</b>	<b>164</b>	<b>38.381</b>