

# Government Health IT

## HHS awards \$22.5M in contracts to health info exchanges

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The Health and Human Services Department awarded contracts today totaling \$22.5 million to nine health information exchanges for trial implementations of a Nationwide Health Information Network.

The contracts are successors to four contracts for developing NHIN prototypes. The earlier projects, whose funding expired in January, included some of the health information exchanges (HIEs) that won contracts today.

The winners are:

- CareSpark, in eastern Tennessee and southwestern Virginia.
- The Delaware Health Information Network.
- Indiana University, in the Indianapolis area.
- Long Beach Network for Health, in Long Beach and Los Angeles, Calif.
- The Lovelace Clinic Foundation, New Mexico.
- MedVirginia, in central Virginia.
- The New York eHealth Collaborative.
- The North Carolina Healthcare Information and Communications Alliance.
- The West Virginia Health Information Network.

Dr. John Loonsk, director of the Office of Interoperability and Standards in HHS' Office of the National Coordinator for Health Information Technology, said the new contracts represented an important and critical step toward meeting the Bush administration's goal of having electronic health records for most Americans by 2014. By creating a network over which such records can move, the administration expects to add to their value and usefulness in health care.

HIEs did not have to be operational when they submitted their proposals, but they had to demonstrate that they had assembled the necessary ingredients for an operational HIE with substantial participation from the medical community and an open governance structure.

HIEs will exchange information securely with one another and within their organizations, and they will implement scenarios designated as priorities by the American Health Information Community, the high-level HHS advisory committee.

Loonsk said he did not expect NHIN to be fully operational when the new contracts end, but the network will be well on its way toward production by then.

The contractors will work together through a NHIN Cooperative to be organized by the national coordinator's office. The cooperative will hold three public meetings and demonstrate its achievements next fall.

Officials at the Centers for Disease Control and Prevention plan to award complementary contracts in December, with a focus on public health surveillance. Those contractors will participate in the cooperative, too.

Most HIEs are nonprofit organizations or function under the auspices of state or local agencies, foundations or other nonprofit organizations. Some HIEs expressed concern when HHS announced that winners would have to become federal contractors, with all the red tape and bureaucratic requirements that entails. For example, each organization had to prepare to use earned value management reporting tools.

Experts have speculated that HHS' decision might have discouraged some HIEs from seeking the contracts. Loonsk acknowledged that it narrowed the applicant pool to some extent but added that the national coordinator's office was pleased with the quality and diversity of the winning contractors.

In the previous phase, contracts were awarded to four systems integrators -- companies with long experience with federal contracting requirements. Three of those companies will serve as subcontractors in the latest phase of the program.

The contracts are for one year with two optional one-year extensions.