

# Health Information Exchanges and Their Strategic Partners




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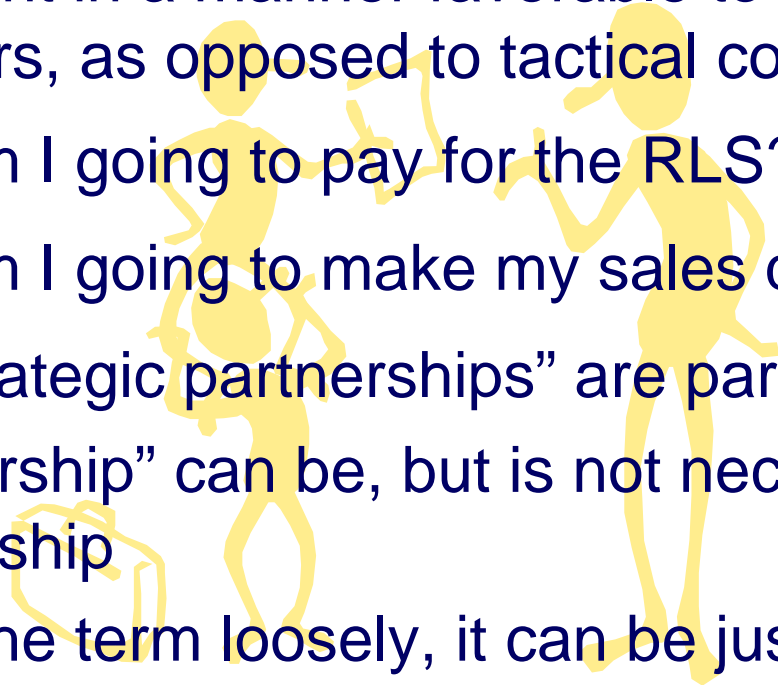
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# Why Strategic Partnering?

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- A central illustration features a man in a dark suit and a woman in a white dress dancing on a light blue globe. The globe is decorated with musical notes and starburst patterns. The man has his arm around the woman's waist, and they are both smiling.
- Bring to bear the expertise, experience, assets, support of other interested parties to promote the success of the health information exchange while promoting the interests of the counterparty
  - Engage critical stakeholders as strategic allies in the success of the HIE
  - Procure HIE resources on favorable terms
    - Conserve resources, especially cash

# What is a Strategic Partnership?

- Focus of strategic relationships – shaping the external environment in a manner favorable to the partnership and the partners, as opposed to tactical concerns, e.g.:
  - How am I going to pay for the RLS?
  - How am I going to make my sales quota this quarter?
- Not all “strategic partnerships” are partnerships:
  - “Partnership” can be, but is not necessarily, a legal relationship
  - Using the term loosely, it can be just an informal collaborative relationship between parties having common interests



# Elements of a Strategic Partnership

- Acknowledgment by parties of the relationship
- Shared vision
- Shared risks and rewards
- Collaborative decision-making and actions
- Vendor-vendee relationships are not strategic partnerships, even if vendor makes price concessions on products and services
  - But, it is possible to have a strategic relationship with a vendor



# Types of HIE Strategic Partners

(in no particular order)

- Health plans
- Physician, nursing and other provider groups
- Employers and employer/business groups
- Economic development organizations
- Information technology companies
- Health information technology companies
- Healthcare services companies, pharmaceutical and medical device firms
- Hospital systems



# Types of HIE Strategic Partners

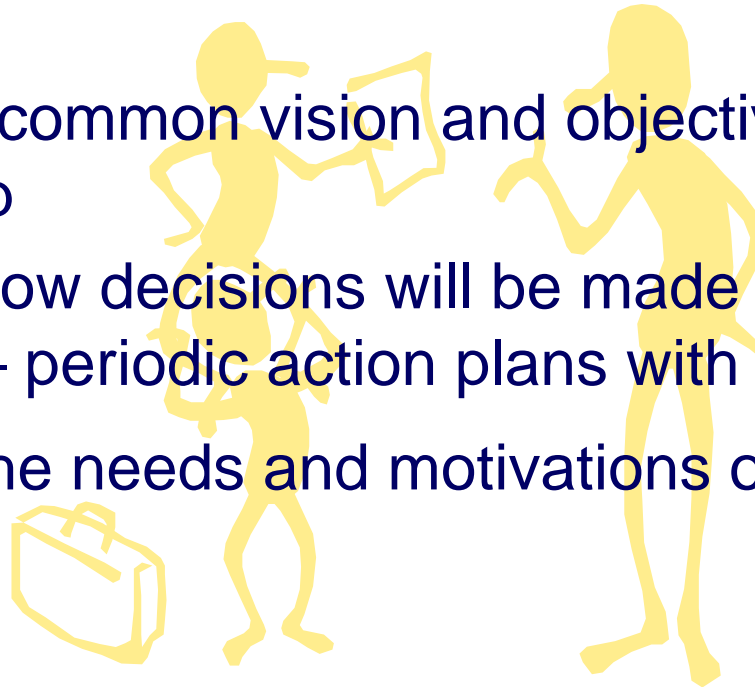
(in no particular order)

- Other health information exchanges
- Philanthropic organization
- Federal government entities
- Local governments
- State government
  - Medicaid
  - State Health Department
  - Etc., etc.
- Others



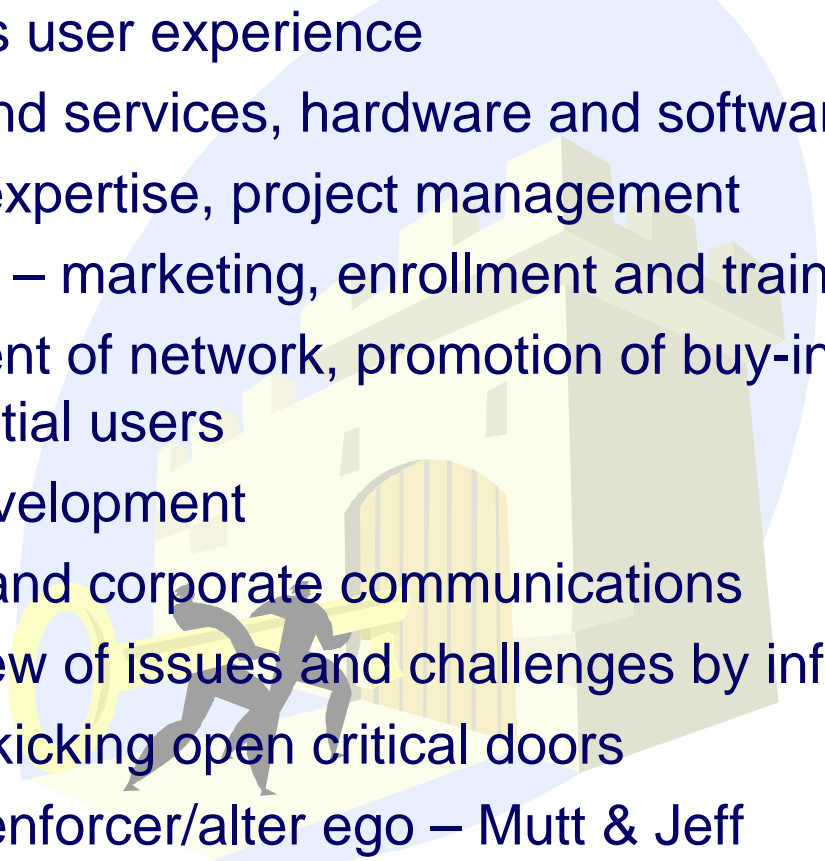
# Developing the Substance of the Strategic Partnership

- Arrive at a common vision and objectives for the relationship
- Establish how decisions will be made and relationship managed – periodic action plans with mileposts, etc.
- Establish the needs and motivations of each party



# Determining the HIE Needs:

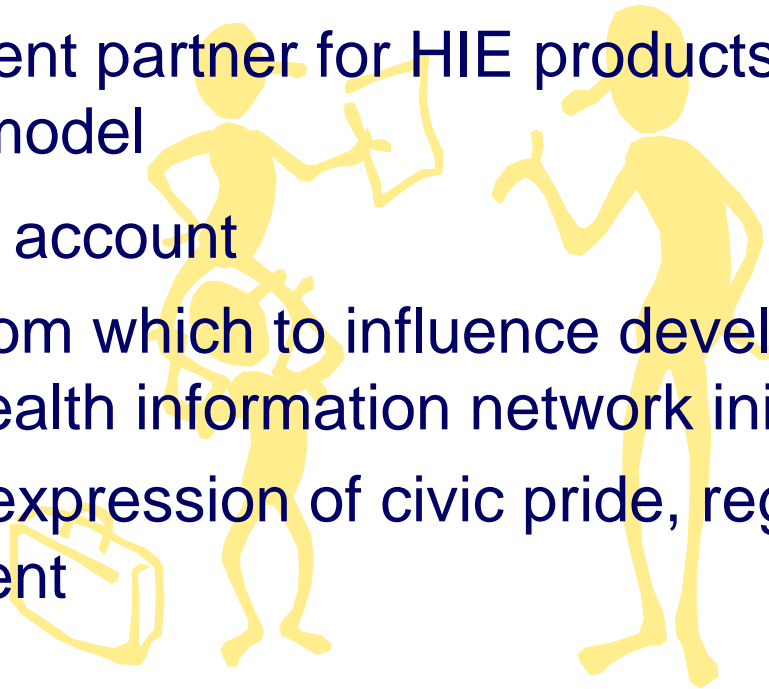
## What stands between HIE and success?

- World-class user experience
  - Products and services, hardware and software
  - Technical expertise, project management
  - Distribution – marketing, enrollment and training of clinical users
  - Endorsement of network, promotion of buy-in by clinicians and other potential users
  - Product development
  - Marketing and corporate communications
  - Parallax view of issues and challenges by informed counterparty
  - Rolodex – kicking open critical doors
  - Convener/enforcer/alter ego – Mutt & Jeff
  - Etc., etc.
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# Partner Needs Depend on the Type of Partner

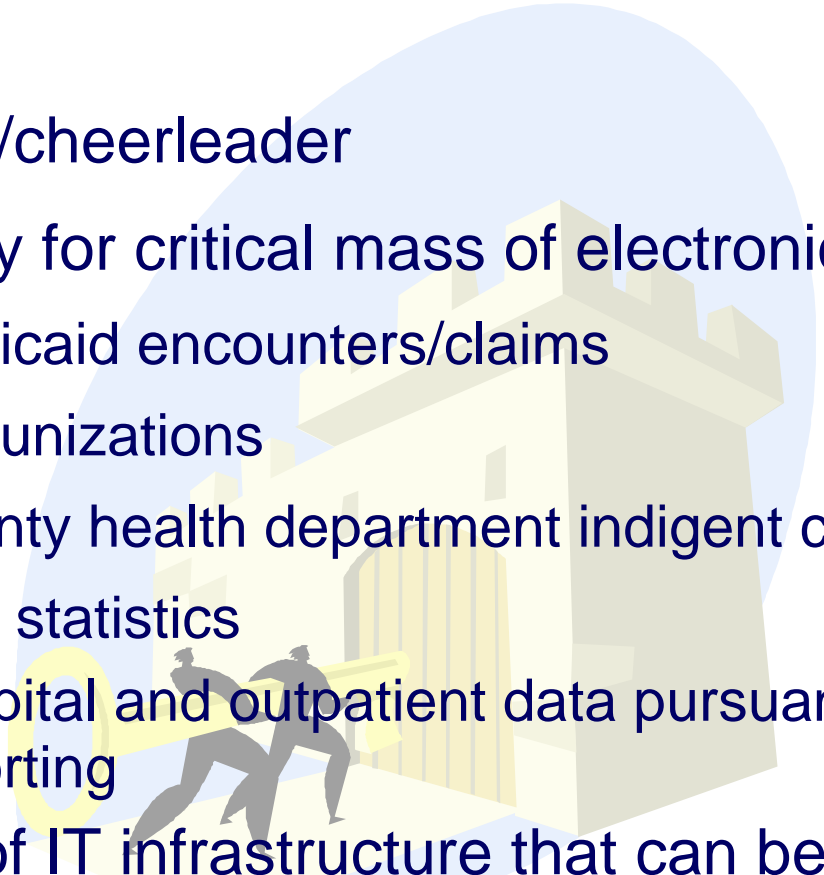
- Development partner for HIE products, services and business model
- Reference account
- Position from which to influence development of the national health information network initiative
- Outlet for expression of civic pride, regional economic development
- Etc., etc.



# Strategic Partnerships with Vendors

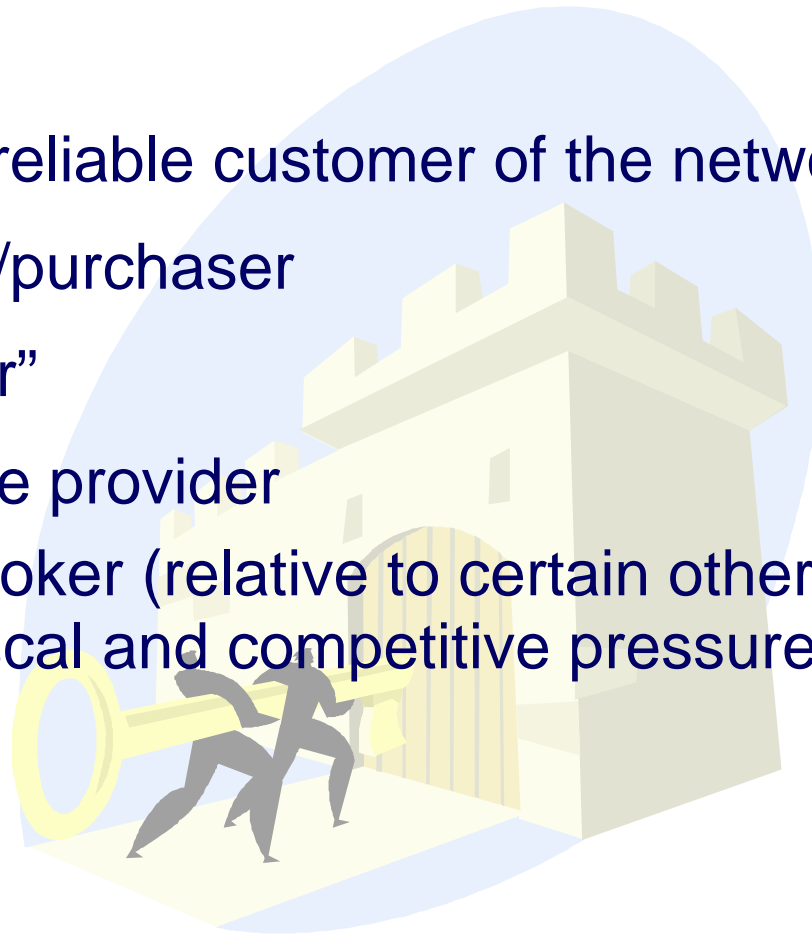
- Very difficult because of predictable and understandable factors such as financial and competitive pressures and concerns
- Three important prerequisites:
  - Each party admits that it does not currently have “HIE ready” technical solution and workable revenue model
  - Each party agrees that it will not charge the other for services during the alpha and beta phases
  - Each party agrees that it will use commercially reasonable efforts to develop a viable solution and sustainable revenue model to promote a mutually beneficial outcome of the partnership
    - Respect for needs and objectives of the counterparty and importance of making partnership successful for both parties

# State Government as Strategic Partner

- Investor
  - Convener/cheerleader
  - Repository for critical mass of electronic patient data
    - Medicaid encounters/claims
    - Immunizations
    - County health department indigent clinic encounters
    - Vital statistics
    - Hospital and outpatient data pursuant to mandatory reporting
  - Provider of IT infrastructure that can be repurposed for HIE if there is excess capacity
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- A background illustration featuring a stylized, light-colored government building with a crenelated roof. In the foreground, two dark silhouettes of runners are shown in motion, running towards the right. The entire scene is set against a light blue circular backdrop.

# State Government as Strategic Partner

- Payor
- Potential reliable customer of the network
- Employer/purchaser
- “Law giver”
- Healthcare provider
- Honest broker (relative to certain other stakeholders with special fiscal and competitive pressures and concerns)



# So Where's the Money?

- Money not the most sound basis for a strategic partnership
- “Stuff” can be much more valuable
- Strings on the use of money

