

# Management Service Organization State Designation One Year Anniversary

*Accomplishments of MSO State Designation  
May 2010 – May 2011*

# What is an MSO?

- Management Service Organizations (MSOs) promote health information technology, specifically electronic health record (EHR) adoption and use
- MSOs offer centralized administrative and technology services via the Internet to providers
- MSOs are organizations that can range from an established company to a collaboration among stakeholders that band together to help control overhead costs of EHR adoption for providers
- MSOs address the challenges associated with provider EHR adoption
  - Assume the responsibility of managing privacy and security of electronic health information
  - Offer hosted EHR solutions as an alternative to the traditional client-server EHR

# Why State Designation?

- Providers can be overwhelmed by the process of assessing, selecting, implementing, and maintaining EHRs
- MSOs have the potential to increase EHR adoption by helping providers overcome the barriers associated with the adoption of EHRs
- An emerging industry requires standards that will instill confidence from stakeholders
- The Maryland General Assembly passed House Bill 706, *Electronic Health Records – Regulation and Reimbursement* which was signed into law on May 19, 2009 by Governor Martin O'Malley
  - The law requires the Maryland Health Care Commission (MHCC) to designate one or more MSOs that will each offer a hosted EHR by October 1, 2012

# Statewide Collaboration

- In the winter of 2009 the MHCC convened an Advisory Panel to assist in the development of criteria for MSOs that seek State Designation
- Around 40 industry stakeholders participated in the Advisory Panel
- The Advisory Panel outlined requirements for MSO State Designation as it relates to:
  - Privacy and Confidentiality
  - Technical Performance
  - Business Practices
  - Resources
  - Security
  - Operations

# MSO State Designation Process

- MSOs apply to the MHCC for State Designation – Candidacy Status
  - An MSO in Candidacy Status has one year to successfully complete the requirements for State Designation
  - MSOs in Candidacy Status may apply to participate in the Regional Extension Center (REC) that provide support 1,000 Maryland priority primary care providers
  - Support services include local technical assistance, guidance, outreach and education to support providers in achieving meaningful use
- MSOs must achieve accreditation from a nationally recognized accrediting organization to ensure the MSO meets the State Designation requirements
  - The MHCC relies on the evaluation of a nationally recognized accrediting organization in determining whether an MSO meets the State Designation requirements
- Upon fulfilling the requirements, State Designation is awarded and valid for two years

# Progress at One Year



- On May 17, 2010 the MHCC launched the State Designation Program
- The MHCC received the first two MSO State Designation applications on May 25, 2010
- To date the MHCC has awarded approximately 22 MSOs for Candidacy Status
- Currently, three MSOs have achieved accreditation
- The MHCC has issued State Designation to two MSOs
- At one year, roughly 16 MSOs are participating with the REC

# One Year Accomplishments

- Achieved legislative requirements about 17 months in advance
- Created an industry in Maryland and established standards
- Implemented a sustainable business model for the REC
- Shaped job creation and generated business opportunities in Maryland
- Received nationwide recognition
- Established a model for other states
  - *Continual interest to replicate the program*
- Facilitated statewide collaboration among diverse stakeholders
- The REC has signed up almost 1,000 priority primary care providers



# Additional Information

- MSOs in Candidacy Status: [http://mhcc.maryland.gov/electronichealth/mso/mso\\_log.pdf](http://mhcc.maryland.gov/electronichealth/mso/mso_log.pdf).
- State Designated MSOs: [http://mhcc.maryland.gov/electronichealth/mso/sd\\_msos.pdf](http://mhcc.maryland.gov/electronichealth/mso/sd_msos.pdf).
- MHCC MSO Website: <http://mhcc.maryland.gov/electronichealth/mso/index.html>
- MHCC's EHR initiatives: <http://mhcc.maryland.gov/electronichealth/electronichealth.html>
- The REC: <http://www.crisphealth.org/ForProviders/tabid/155/Default.aspx>