

Louisville Health Information Exchange, Inc.
Start-up Resolution Draft 2/19/06

Whereas

1. UofL has performed 2-1/2 years of research to develop a framework and plan for developing a community-based electronic health information exchange network, with funding support provided by UofL, the Kentucky Science and Engineering Foundation (2004-6), Kentucky Senate Bill 2 (2005-6) and the Kentucky Department for Public Health through the Kentucky Hospital Research and Education Foundation (2005-6), and,
2. UofL's proposed "Louisville eHealthTrust Demonstration Project" has the following goals:
 - a. Launch in January 2007 with ~100,000 subscribers to start, paying up to \$5.00 per month, growing to the entire greater Louisville area community if successful.
 - b. Lower healthcare costs for participants by 2% (\$10.00 per month) in year two, growing up to 8% savings over time.
 - c. Reduce medical errors and improve quality of care outcomes compared to benchmark groups and historical trends.
 - d. Validate the e-HealthTrust business and technical model developed by Dr. William Yasnoff.
 - e. Validate the governance and management model and supporting technologies developed at UofL, and,
3. The Kentucky e-Health Network board and Kentucky Healthcare Infrastructure Authority have been briefed on this project, and support the implementation of community-based projects such as this, and,
4. Louisville has an opportunity to be the first community in the nation to launch an eHealthTrust, and to thereby establish a leadership role for KY in the nation in using health information technology to improve quality of care and reduce costs of health care.
5. Large national companies including EDS, Lockheed Martin, IBM and Cerner have provided 39 letters of intent to bid for the opportunity to provide the initial investment to build the eHealthTrust system starting in July/August, 2006, in return for Louisville providing approximately 100,000 subscribers to use the system at up to \$5.00 per month starting in January 2007.
6. Initial conversations with Louisville area employers, Medicaid providers, and direct-marketing experts suggest that it is possible that required pledges/commitments for \$6 million in annual revenue (~100,000 subscribers) can be obtained by June 15, 2006.
7. UofL is willing to provide management services and research services at its cost during the start-up of LouHIE, until cash is available to pay UofL; thereafter UofL would like to negotiate a paid management services and research services contract with LouHIE.
8. VisPlex Association, Inc., a not-for-profit organization affiliated with UofL, has organized and is helping finance a network of outside partners and web technologies, in the hopes that LouHIE will reimburse its costs for these start-up services.

Therefore, be it resolved that:

1. The board will be organized using the governance and management model and organizational bylaws as posted on the www.louhie.org website, which may be modified by the board from time to time.
2. Judah Thornewill (working through UofL) will be appointed Executive Director of LouHIE, at no cost to LouHIE, to implement the Louisville eHealthTrust start-up plan, as posted on the www.louhie.org website, with specific goals of achieving \$6 million in subscriber pledges/commitments by June 30, as a basis for signing a July contract with a winning vendor.
3. When cash is available in LouHIE, a mutually satisfactory management services contract will be negotiated and signed with UofL to provide all required management, staff and support services for the start-up of LouHIE.
4. The board will work with Judah Thornewill and UofL to seek and obtain funding required to implement the start-up financial plan as posted on www.louhie.org, effective March 1, 2006.
5. If adequate funding is secured, the board will approve repayment to VisPlex Association, Inc. or its agents of its start-up costs for LouHIE.
6. The board will have a final opportunity before June 30, 2006, to decide whether or not to move forward with this project.