

Budget Narrative/Justification —Entire Project

California's budget covers the four calendar years of the Cooperative Agreement Program's proposed project period, from January 1, 2010 through December 31, 2013. This time period represents portions of five fiscal years:

- FY2010 – 9 months from January 1, 2010 through September 30, 2010.
- FY2011 – 12 months from October 1, 2010 through September 30, 2011.
- FY2012 – 12 months from October 1, 2011 through September 30, 2012.
- FY2013 – 12 months from October 1, 2012 through September 30, 2013.
- FY2014 – 3 months from October 1, 2013 through December 31, 2013.

However, following ONC guidance, the budget has been prepared by calendar year. As required by the FOA, included below are budget justification/narratives for the combined multi-year project period as well as each of the four calendar years comprising the project period.

California has completed its state-level HIE Strategic Plan. It has been submitted as part of this application. Efforts to develop our Operational Plan are currently underway and are expected to be completed by April 1, 2010. Because the details of California's Operational Plan are still being developed, this budget includes more detail for the first three months of the project term, during which time we will be developing the Operational Plan. The remainder of the budget is estimated based on the following:

- **Existing state employees currently involved in our statewide HIE development efforts:** Those employees that will continue working throughout the four years of the project are estimated by year at their current and projected salary level along with a 30% rate for fringe benefits. Personnel include: Deputy Secretary of Health IT, Deputy Secretary of Health System and Life Sciences from the Business, Transportation and Housing Agency (25%), additional resource from BTHA (50%), and staff and counsel from the Office of Health Information Integrity (OHII), which houses CalPSAB, the State's privacy and security advisory board. These staff represent a significant portion of the non-federal in-kind contribution.
- **Additional staff and counsel that will be hired by OHII to support the project:** Staffing is identified by position and includes associated salary costs, specific fringe benefit rates and extra costs for equipment, travel, supplies and facilities.
- **Governance entity estimates:** Estimates of the costs associated with California's proposed governance entity are based on responses from potential entities submitted in response to a Request for Information released by the State.
- **Existing Contracts:** Portions of existing contracts, such as the State's contract with a consulting firm to assist in the development of our Operational Plan, are based on amounts expected to be spent after January 1, 2010 to complete that plan.
- **Procurements to expand on California's existing health information exchange footprint:** The budget breaks out separate estimates for equipment and services for two large procurements, one in FY 2010 and one in FY 2011. However, based on the contents of our final Operational Plan and the technical architecture deployed, the amounts and classifications of these items may change.

These estimates are justified in detail in the justification column of the tables below, per the instructions set out in Appendices J and K of the FOA.

Combined Multi-Year Budget Narrative/Justification

Object Class Category	Federal Funds	Non-Federal Cash	Non-Federal In-Kind	TOTAL	Justification
Personnel	\$11,262,824	\$0	\$2,627,872	\$13,890,696	See annual detail below
Fringe Benefits	\$3,572,712	\$0	\$788,360	\$4,361,072	See annual detail below
Travel	\$793,000	\$0	\$50,000	\$843,000	See annual detail below
Equipment	\$300,000	\$0	\$0	\$300,000	See annual detail below
Supplies	\$478,050	\$0	\$0	\$478,050	See annual detail below
Contractual	\$21,209,000	\$0	\$2,652,955	\$23,861,955	See annual detail below
Other	\$1,136,950	\$0	\$176,432	\$1,306,705	See annual detail below
Indirect Charges	\$0	\$0	\$0	\$0	N/A
TOTAL	\$38,752,536	\$0	\$6,295,619	\$45,048,155	

Budget Narrative/Justification —2010

A. 2010 Personnel:

Employees of the applying agency and the governance entity to be selected.

TABLE 2010 A: FEDERAL REQUEST

GOVERNANCE ENTITY PERSONNEL					
Position/ Names TBD	Time	Annual	Monthly	Rate	Total
CEO	100	2080	173	\$132.21	\$275,000
CTO	100	2080	173	\$120.19	\$250,000
CFO	100	2080	173	\$120.19	\$250,000
Senior Accountant	100	2080	173	\$72.12	\$150,000
Chief Medical Officer (CMO)	100	2080	173	\$120.19	\$250,000
Collaboration Manager	100	2080	173	\$110.58	\$230,000
Evaluator Oversight	100	2080	173	\$67.31	\$140,000
Technical Director	100	2080	173	\$91.35	\$190,000
P&S Director	100	2080	173	\$84.13	\$175,000
Project Manager	100	2080	173	\$84.13	\$175,000
Applications Analyst	100	2080	173	\$60.10	\$125,000
Applications Analyst	100	2080	173	\$60.10	\$125,000
Analyst	100	2080	173	\$60.10	\$125,000
Analyst	100	2080	173	\$60.10	\$125,000
Principal Investigator	100	2080	173	\$72.12	\$150,000
Administrative Assistants	100	2080	173	\$33.65	\$70,000
Administrative Assistants	100	2080	173	\$33.65	\$70,000
GOVERNANCE ENTITY TOTAL:					\$2,875,000
STATE PERSONNEL					
Position/Names	Time	Annual	Monthly	Rate	Total
SSM II - Security Currently VACANT	95	1985	165	\$37.17	\$73,776
SSM II - HIE Currently VACANT	95	1985	165	\$37.17	\$73,776
SSMI - Eva Coblentz	95	1985	165	\$33.86	\$67,200
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
STATE TOTAL:					\$534,456
TOTAL FEDERAL REQUEST:					\$3,409,456

The governance entity staff are responsible for the daily operations of the governance entity. The HIE Governance Entity will 1) have a diverse board that accommodates broad stakeholder representation and State leadership, 2) engender trust and collaboration between and among all stakeholders, 3) convene stakeholders to generate statewide policy guidance but not operate HIE systems except as requested by and driven from the stakeholders, and 4) employ robust administrative and financial processes to support sustainability, transparency and accountability.

- CEO: Will have overall responsibility for the governance entity.
- CTO: The CTO is responsible for leading the selection of standards and infrastructure used in CA. They facilitate and coordinate the monthly technology workgroup meetings, bring technical architecture expertise to the monthly privacy and security meetings with CalPSAB, and represent CA's technical approach in meetings with Border States as well as other awardees at the two annual meetings. They will also develop and manage the 3 procurements in FY 1 and FY 2 for share services, expansion of existing regional information exchange efforts and the connection of existing HIO's.
- CFO: This will be a responsible for finance, accounting, contracting, human resources and office management. They are also specifically responsible for internal audit, compliance with applicable laws and regulations and for developing necessary policies and procedures or for assuring that these are developed and maintained current.
- Senior Accountant: The Accounting Clerk will assist the CFO with accounting and financial functions. We believe that the combination of a CFO and an Accounting Clerk are adequate for a program of this size.
- Chief Medical Officer (CMO): The CMO will be a licensed physician with experience in the adoption and use of clinical information systems (CIS). They will be the governance entity's physician advocate and represent physician workflow issues and use cases in the technology workgroup as well as the privacy and security meetings.
- Collaboration Manager: Will be responsible for the marketing, outreach and coordination efforts of the governance entity. They will be focused on driving participation and collaboration from various stakeholders including providers, state agencies, public health, privacy and security efforts, and Border States.
- Evaluator Oversight: Will be responsible for setting the initial evaluation metrics, defining data collection approaches and overseeing the data collection and analysis of the metrics. They will procure, manage and work directly with an evaluation firm commissioned by California Health & Human Services Agency as required under the FOA in these efforts.
- Technical Director: Will work directly with and for the CTO. Specific emphasis on the first two years will be on setting up the technical workgroups and developing, managing and evaluating the procurements and manage contracts with vendors to ensure compliance with contract terms and conditions.
- P&S Director: Will be the governance entities direct liaison with CalPSAB and the state of CA's privacy and security efforts. They are responsible for running the privacy and security workgroup and collaboratively drafting the privacy and security requirements, implementation approaches, architecture and statewide policy guidance.
- Project Manager: The PM will work directly with the CEO, CTO, CMO, Collaboration Manager, Evaluator Oversight Manager, Technical Director and the P&S Director to maintaining detailed project plans, action item lists, issue logs for all project components.
- Applications Analyst (2) and Analyst(2): Will assist the Technical Director and one will Assist the P&S director in their work efforts. The applications analyst position requires specific knowledge of

- Principal Investigator: Reports directly to the CEO. They are the primary individual in charge of the cooperative agreement and are responsible for all actions required to manage and complete the aspects of the cooperative agreement. They will also support the Evaluation Oversight manager.
- Administrative Assistants (2): Handles the administrative activities, scheduling and travel arrangements for the governance entity staff.

State Personnel:

- SSM II - Security Currently VACANT: Facilitate Security Committee of CalPSAB and manages committee efforts, security standards and strategies.
- SSM II - HIE Currently VACANT: Facilitate HIE Committee of CalPSAB and manages committee efforts, task groups, and implementation & pilot strategies.
- SSMI - Eva Coblenz Facilitates Education Committee and task groups, develops education materials & maintains website.
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.

Note: STAFF COUNSEL POSITIONS CONTAIN OVERHEAD FOR LAW STUDENT

TABLE 2010 B: NON-FEDERAL MATCH – State Resources

Individual's Name/Title	Time	Annual	Monthly	Rate	Total
Jonah Frohlich, Deputy Secretary, HIT	100	2080	173	\$69.23	\$144,120
BTH	40	832	69	\$71.95	\$59,880
CEA I - Bobbie Holm	90	1647	137	\$56.01	\$92,246
CEA II - Alex Kam	90	1676	140	\$58.35	\$97,779
Program Mgr – K. D.Greenbaum	90	1800	150	\$46.18	\$83,120
SSM II - Azadeh Mohandessi-Fares	25	532	44	\$37.17	\$19,793
Staff Counsel - Suzanne Giorgi	90	1800	150	\$61.97	\$111,550
DPM III Christine Schmoeckel	50	900	75	\$53.87	\$48,480
TOTAL PERSONNEL IN KIND					\$656,968

The role of the state resources covered under the non-federal match are:

- Jonah Frohlich, Deputy Secretary, HIT
- BTH – California Business, Transportation and Housing Agency : Facilitates State contracting.
- CEA I - Bobbie Holm: Facilitates the CalPSAB structure, the Advisory Board, oversight of all PSAB committees, coordination with federal efforts.
- CEA II - Alex Kam: Acting Director of CalOHII, coordinates CalOHII and CA HIE Advisory Board efforts, strategies and budget oversight.

- Program Mgr – K. D.Greenbaum: Facilitates the Privacy and HIE Committees and task groups, committee interaction and support the CalPSAB efforts.
- SSM II - Azadeh Mohandessi-Fares: Will take over facilitation of the Privacy Committee and task groups, HIE legislation and specializes in pilots.
- Staff Counsel - Suzanne Giorgi: Facilitates the Legal Committee of CalPSAB, task groups, research, legislation, enforcement of privacy and security.
- DPM III Christine Schmoeckel: Support facilitation of the CA HIE Advisory Board effort with an IT focus.

B. 2010 Fringe Benefits:

Employees of the applying agency and the governance entity to be selected.

Fringe benefits for Governance Entity employees covered under federal match are calculated using a flat 30%. With a governance entity salaries equaling \$3,000,000 at 30% equals \$900,000.

Fringe benefits for state employees covered under federal match are defined in the following table:

TABLE 2010 C: FEDERAL REQUEST – State Resources

Component	Amount
Health Insurance	\$ 40,259
Industrial Disability Leave	\$ 880
OASDI	\$ 29,008
Other	\$ 30,457
Retirement	\$ 74,844
Unemployment Insurance	\$ 187
Workers Compensation	\$ 5,043
Total:	\$ 180,678

Fringe benefits for state employees covered under non-federal match are calculated using a flat rate of 30%. With salaries of \$656,968 at 30% equals \$197,090.

C: 2010 Travel:

TABLE 2010 D: FEDERAL REQUEST

Trip	Staff	Days	Item	Rate	Cost
GOVERNANCE ENTITY TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	2	Airfare	\$300	\$7,200
			Hotel	\$200	\$9,600
			Car	\$100	\$4,800
			Per Diem	\$40	\$1,920
		Total:			

Technology Advisory Group Meetings (6) monthly meetings (travel every other month) to refine and further develop technology standards and architecture.	6 GE staff (CTO, Tech Dir, P&S Dir, PM, App. Analysts(2))	2	Airfare	\$300	\$10,800
			Hotel	\$200	\$14,400
			Car	\$100	\$7,200
			Per Diem	\$40	\$2,880
		Total:			
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	5 GE staff (CEO, CTO, P&S, CMO, Analyst)	2	Airfare	\$300	\$9,000
			Hotel	\$200	\$12,000
			Car	\$100	\$6,000
			Per Diem	\$40	\$2,400
		Total:			
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	3	Airfare	\$640	\$23,035
			Hotel	\$225	\$24,300
			Car	\$100	\$10,800
			Per Diem	\$40	\$4,320
		Total:			
Public Conferences related to HIE and HIT: Attendance at 2 conferences for up to 5 people to stay abreast of trends in HIE and HIT. Conferences may include: HIMSS, WOHIT, Mayo, etc.	5 GE staff (CEO, CMO, CTO, P&S, & Collab)	4	Airfare	\$680	\$6,795
			Hotel	\$255	\$10,200
			Car	\$100	\$4,000
			Per Diem	\$40	\$1,600
			Conference Fees	\$250	\$10,000
		Total:			
State HIE Leadership Training and State HIE Forum supported by ONC	4 GE Staff (CEO, CMO, CTO, & P&S)	2	Airfare	\$887	\$7,096
			Hotel	\$255	\$4,080
			Car	\$100	\$1,600
			Per Diem	\$40	\$640
		Total:			

TOTAL GOVERNANCE ENTITY TRAVEL:					\$196,666
STATE EMPLOYEE TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	2 Staff from CalOHII	2	Airfare	\$280	\$2,240
			Hotel	\$150	\$2,400
			Car	\$100	\$1,600
			Per Diem	\$35	\$560
		Total:			
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	2 Staff from CalOHII	2	Airfare	\$280	\$3,360
			Hotel	\$150	\$3,600
			Car	\$100	\$2,400
			Per Diem	\$35	\$840
		Total:			
State HIE Leadership Training and State HIE Forum supported by ONC	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$1,774
			Hotel	\$255	\$1,020
			Car	\$100	\$400
			Per Diem	\$35	\$140
		Total:			
TOTAL STATE EMPLOYEE TRAVEL:					\$20,334
TOTAL FEDERAL REQUEST FOR TRAVEL:					\$217,000

TABLE 2010 E: NON-FEDERAL MATCH – State Resources

Trip	Staff	Days	Item	Rate	Cost
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$275	\$1,100
			Hotel	\$150	\$1,200
			Car	\$100	\$800
			Per Diem	\$40	\$320
		Total:			
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$5,322
			Hotel	\$255	\$3,060
			Car	\$100	\$1,200

			Per Diem	\$40	\$480
		Total:			\$10,062
Milage to travel to multiple meetings throughout state that do not require airfare or overnight stay	1 Staff from CHHS - Deputy Secretary HIT. If more staff are in attendance, they will car pool in a single vehicle.	18	Meetings in SF (84 miles each way)	\$0.40	\$1,211
		12	Meetings in Northern Sierra or Near Central Valley Region (32 miles each way)	\$0.40	\$307
		Total:			\$1,518
TOTAL GOVERNANCE ENTITY TRAVEL:					\$15,000

Detailed descriptions for each of the travel related items describing the trip purpose, attendees and costs can be found in the tables above.

D: 2010 Equipment:

TABLE 2010 F: FEDERAL REQUEST – Equipment

Items	Cost
Equipment budget for technology equipment required to support shared services in CA.	\$200,000
TOTAL:	\$200,000

There is an anticipated, yet undefined, need for equipment necessary to support state-level shared services, such as servers and network technology. Procurement of state-level shared services will be handled as a competitive bid for a service contract and are detailed in that section below. However, we are holding a budget of up to \$200,000 to cover any necessary hardware purchases required to support those services. Details on exact state-level services and potential equipment purchases are still being worked out. Further details on exact regions and equipment purchases will come from the operational plan (April), technology infrastructure (April) and responses to procurement request (Aug/Sept).

There is no equipment expected as non-federal match.

E: 2010 Supplies:

TABLE 2010 G: FEDERAL REQUEST

GOVERNANCE ENTITY SUPPLIES				
Area	Item	Amount	Rate	Cost
Office Supplies	General Office Supplies per month	12	\$1,000	\$12,000
	Postage per month	12	\$1,000	\$12,000
	Copies (5,000 per month)	60000	\$0.10	\$6,000
Total:				\$30,000
New Technology	Laptops for each staff person hired	17	\$2,500	\$42,500

Equipment	Advanced software (MS Access, MS Project, Visio, PGP Encryption)	17	\$2,000	\$34,000
	Printers	5	\$2,500	\$12,500
	Projectors	2	\$2,500	\$5,000
	Wireless Router	2	\$1,000	\$2,000
	Docking Stations	17	\$1,500	\$25,500
	Photocopier	2	\$5,000	\$10,000
Total:				\$131,500
Furniture	Desks	17	\$1,000	\$17,000
	Chairs	17	\$500	\$8,500
	Credenza	17	\$500	\$8,500
	Conference Tables	3	\$2,000	\$6,000
	Chairs	20	\$500	\$10,000
Total:				\$50,000
TOTAL GOVERNANCE ENTITY SUPPLIES:				\$211,500
STATE RESOURCE SUPPLIES				
Furniture	Desks	11	\$11,000	\$11,000
	Chairs	11	\$500	\$5,500
	Credenza	11	\$500	\$5,500
	Conference Tables	1	\$2,000	\$2,000
	Chairs	11	\$500	\$5,500
Total:				\$29,500
Office Equipment/ Communications	General Office Supplies	1	\$1,000	\$1,000
	Postage	1	\$1,000	\$1,000
	Copies (2,500 per month)	30,000	\$0.10	\$3,000
	Minor Equipment	10	\$200	\$2,000
	Equipment Service Policies (estimate)	5	\$1,000	\$5,000
	Communications equipment for traveling state employees (e.g., blackberry, aircard)	8	\$2,500	\$20,000
	Professional Dues, subscriptions	10	\$300	\$3,000
Total:				\$35,000
TOTAL STATE RESOURCES SUPPLIES:				\$64,500
TOTAL FEDERAL REQUEST:				\$276,000

Supplies and equipment under \$5,000 per item used by governance entity staff necessary to perform their work. Supplies and equipment are necessary to run routine office operations. We assume general office supplies including stationary, pens, printer cartridges, envelopes, and other supplies will be required. We assume Postage and courier costs are needed for correspondence to constituents (hospitals, practices, clinics and other stakeholders) as frequent communication both electronic and paper are expected. New laptop computers, printers and copiers will be needed for the staff recruited to run the governance entity and to ensure the office has basic administrative capabilities. Two copiers (one color, one black and white) are needed for reproduction and publication materials. Productivity software (Microsoft Office) is necessary for daily business to be conducted. We assume two projectors will be needed to ensure that one is available on site for conference room presentation and one available for presentation delivered off-site. Office furniture (desks, chairs and other furniture) will be needed for the workspace. We assume communications equipment including blackberries and aircards will be needed to support communication and allow for productivity for the anticipated frequent travel. Professional dues (including for example HIMSS memberships) are also anticipated. We assume a maintenance and service contract will be required for servicing telecommunication equipment, office equipment, hardware and other office infrastructure; we have provided a best guess estimate for that expected cost.

There is no budgeted non-federal match for supplies.

F: 2010 Contract:

TABLE 2010 H: FEDERAL REQUEST – Contracts

Name	Contract Description	Annual Rate	Hours	Cost
Manatt	Remaining 3 months contract with Manatt to facilitate development of the operational plan with eHealth workgroups. Includes staffing workgroups for Finance, Patient Engagement, and Vulnerable and Underserved Populations. Leveraged Contract – Tides Center.	Contract includes 5 Resources at a blended rate of \$349/hr. Includes all expenses and overhead.	550	\$192,000
TBD	University of California intern positions to support eHealth workgroups. Manage website, listserves, online workspaces, note-taking, and edit reports.	4 Resources at \$25/hour.	8320	\$208,000
TBD	Outside legal counsel to perform federal tracking of ONC and CMS, review and provide advise on contracts and policy. Competitive Bid.	Up to \$300,000 for provision of legal counsel for less than 50% effort. (Blended rate of approximately \$300/hour)	1,000	\$300,000
Manatt	Consultant to manage transition of existing infrastructure and workgroups to the governance entity once determined. Consultant will work for a period of 3 months to assist with the transition and train governance entity staff. Leveraged Contract – Tides Center.	4 Resources for part time effort: Blended rate of \$349/hr. Includes all expenses and overhead.	430	\$150,000
Sujansky and Associates	Technical consultant to run technical advisory committee, participate in operational planning and technical architecture design. Leveraged Contract – Tides Center.	2 Resources for less than 50% effort: Blended rate of \$150/hr. Includes all expenses and overhead.	1,000	\$150,000
TBD	Recruiting of staff for governance entity positions. Contingent recruiting averages between 20% and 40% of salary. Recruiting will be done for 4 “C” level and 2 director level positions estimated at the low end of the range (20%).	Salary of 6 positions: \$1,515,000.	20%	\$303,000
TBD	Contract to outsource the public relations, communications, outreach and education components developed. First 3 months will include participation in the development of the communications plan while the remaining 9 months will be for plan execution. Competitive bid.	Competitive bid up to \$200,000 to design and execute complete communications plan along with performing public relations duties.	N/A	\$200,000
TBD	State grant management contract to	Competitive bid up to	N/A	\$360,000

	develop, evaluate and support the demonstration and pilot work for privacy and security projects including, consent management, enhanced security standards, and best practices for management processes. Competitive bid.	\$360,000 for 2 resources to complete privacy and security pilot deliverables		
TBD	Outsource contract to plan, facilitate and host the Annual forum. Competitive bid.	Competitive bid up to \$50,000 to execute Annual Forum. Inclusive of site, equipment rental, refreshments, and facilitator time.	N/A	\$50,000
TBD	Project manager reporting to Deputy Secretary of HIT responsible for coordinating all of the various workgroups, governance entity activities, and stakeholder activities. Keeps detailed minutes and issue logs, facilitates the resolution of issues across organizations. Competitive bid.	Competitive bid up to \$300,000 for 1 project management resource for greater than 50% effort (approximately \$150/hr)	2,000	\$300,000
TBD	Financial planning consultant to develop the state-wide cost of HIE, strategies for both initial financing and ongoing revenue generations, input into sustainability models. Non-Competitive bid.	Competitive bid up to \$200,000 for financial planning resource less than 50% effort (approximately \$200/hr)	1,000	\$200,000
TBD	Evaluation contract. Responsible for the facilitating the initial evaluation design with the governance entity, stakeholders and workgroups, data collection, and evaluation report to state, governance entity and ONC/CMS as required. Competitive Bid.	Competitive bid up to \$350,000 to design evaluation, collect data and complete evaluation report for year 1.	N/A	\$350,000
TBD	GE annual audit activities	o \$75K per year based on estimate received by one of the NY RHIOs	N/A	\$75,000
TBD	Estimated contractual awards to provide the following state level shared services. Registry, Identify Management, and Directory Services. Awards are planned to be an up-to amount for each service handled by competitive bid. Types of shared services and budget amounts may be modified based on the completion of the operational plan scheduled for March.	o Registry: \$2M o Identity Mgmt: \$1.5M o Directory Svcs: \$1.5M	N/A	\$5,000,000
TBD	Estimated contractual awards to advanced and expand existing HIE efforts across the state. Competitive Bid.	o Region 1: \$1,000,000 o Region 2: \$650,000 o Region 3: \$1,000,000 o Region 4: \$725,000	N/A	\$3,375,000
TBD	Estimated contractual awards for connecting existing HIOs to state	o Region 1: \$250,000 o Region 2: \$250,000	N/A	\$1,000,000

services. Competitive Bid.	o Region 3: \$250,000 o Region 4: \$250,000		
TOTAL FEDERAL CONTRACTING REQUEST:			\$12,213,000

TABLE 2010 I: NON-FEDERAL MATCH – State Contracts

CONTRACTUAL CONSULTING	Hours Annual	Hours Monthly	Hourly Rate	Annual Total
eHealth Support Services <i>Leveraged Procurement (CMAS)</i>	2222	185	\$105	\$233,334
MetaVista - Security Standards <i>Leveraged Procurement (CMAS)</i>	1095	91	\$107	\$117,137
UC-IA Salaries <i>Direct Interagency Agreement between two state agencies</i>	640	53	\$51	\$32,424
UC-IA Expenses and Indirect Costs	Expenses: \$13,000 Indirect Costs: \$4575			\$17,575
New Project Management <i>Leveraged Procurement (CMAS)</i>	1682	140	\$105	\$176,635
Web Development <i>Leveraged Procurement (CMAS)</i>	856	71	\$90	\$77,040
TOTAL NON-FEDERAL MATCH CONTRACTS:				\$654,145

The role of the state contracts covered under the federal request are:

- eHealth Support Services: Conducts research on Privacy and Security topics, facilitates task groups, supports CalPSAB efforts and CalOHII policy.
- MetaVista - Security Standards: Facilitates Security Committee of CalPSAB and joint task groups, drafts security standards and strategies.
- UC-IA : Annual cost the state has to maintain the California Health Information Legal Index database (CHILI). The agreement is for services from UC Hastings college of Law to research all federal and state health privacy and security laws.
- New Project Management: Responsible for coordinating workgroups, governance entity activities, and stakeholder activities focused on privacy and security of information exchange.
- Web Development: Existing state expenditures made in support of HIE web services. This includes web management and development cost already occurred or is being used to manage the state websites for HIE.

G: 2010 Other:

TABLE 2010 J: FEDERAL REQUEST – Other

Item	Rates:	Total Cost
Meeting facilitation expenses incurred by governance entity – 18 meetings per year. Estimated based on a hybrid of multiple applicant responses to RFI to become the states governance entity for HIE.	Site and Equipment Rental: \$1,000 Refreshments: \$600 Signage/Materials: \$350 Name Badges/Notepads: \$50 Total: \$2,000 per meeting	\$36,000
Survey and Virtual Meeting Equipment	“GotoMeeting”: \$1,000 SurveyMonkey: \$200 Shared Wiki Tool: \$800	\$2,000

Governance Entity insurance	D&O insurance: \$4,000 Liability insurance: \$26,677	\$30,677
Materials development and reproduction	Banners: \$1,000 Graphics design: \$5,000 4,000 Color Copies: \$4,000 100,000 B&W Copies: \$10,000	\$20,000
Governance entity rent and utilities for 17 FTEs	Lease est. 200 sq.ft. per person at rate of \$33/sq. ft.: \$112,200 Utilities/Maintenance/Janitorial: at \$5,000 per month: \$60,000	\$172,200
Training for governance entity staff	Meeting Site and Equipment: \$1,000 Speakers Honoraria: \$1,000 Refreshments: \$600 Materials: \$400	\$3,000
State facility rent and utilities for 10.75 FTEs	Lease est. 200 sq.ft. per employee.: \$53,750 Utilities/Maintenance/Janitorial at \$1,667 per month: \$19,545	\$ 73,295
Total Federal Request - Other:		\$337,172

The items included in the other category support the needs of the governance entity and its employees engaged in the HIE efforts in addition to state resources involved in HIE efforts that are not covered under non-federal match. We assume the governance entity hosts 30 meeting annually:

- 1 Annual Form;
- 4 Quarterly meetings;
- 12 Technology Advisory Group meetings;
- 12 Privacy and Security Meetings; and
- 2 State coordination meetings held in CA (other meetings will be hosted by neighboring states and are covered under travel).

Facilitation for the Annual Forum is outsourced and the costs are detailed under the Contract section. Half of the Technology Advisory Group meetings and half of the Privacy and Security meetings will be conducted via remote teleconference. We assume the remaining 18 meetings will have hosting fees identified in this section. This section also includes our assumptions for governance entity insurance, both D&O and Liability. We also assume that the governance entity will be leasing office space in the San Francisco Bay area as the center for their activities. Additional state staffing will need office space for their operations. We assume that this office space will be located in Sacramento to be in close proximity to CHHS offices. Rates for both San Francisco office space is based on analysis by Grubb and Ellis. This section also includes ongoing training activities to keep governance entity staff current and train them on the use of specific software, equipment, tools and methodologies that will be employed by the governance entity in providing services related to HIE. The state has used many tools associated with collaborating with stakeholders across the state in the development of its strategic plan. These tools include Survey Monkey to survey stakeholders, GoTo meeting to run webinars and Wiki tools for the collaborative creation of documents. These tools continue to be employed in the development of this budget and the operational plan. We assume that the governance entity and state will continue to use these tools throughout the duration of this project. We assume their will be need to develop professional material development and reproduction that is outside of the capacity of the state or the governance entity. These will include brochures, signage and large reproduction runs.

TABLE 2010 K: NON-FEDERAL MATCH – Other

Item	Cost
General expense budget = \$110k/17 staff \$6471 per person per year x 5.75 PYs: \$37,208	\$37,208
Communication expense of \$100 per month per person for 5.75 FTE over 12 months	\$6,900
Total Non-Federal Match - Other:	\$44,108

General expense covers items such as supplies, photocopy, administrative support, technical support and , janitorial services associated with the 8 state resources that dedicate all or part of their time (5.75FTE) to this project. It is calculated by taking the current budget for the department of \$110,000 per year for the existing 17 FTE of staff and dividing it by the 5.75FTE associated with this project. There is an additional charge for communication of \$100 per month per FTE.

The items included in the other category support the needs of the state resources involved in HIE efforts that are budgeted to be covered by the state in support of this effort.

Object Class Category	Federal Funds	Non-Federal Cash	Non-Federal In-Kind	TOTAL
Personnel	\$3,409,456		\$656,968	\$4,066,424
Fringe Benefits	\$1,080,678		\$197,090	\$1,277,768
Travel	\$217,000		\$15,000	\$232,000
Equipment	\$200,000			\$200,000
Supplies	\$276,000			\$276,000
Contractual	\$12,213,000		\$654,145	\$12,867,145
Other	\$337,172		\$44,108	\$381,280
Indirect Charges				\$0
TOTAL	\$17,733,306	\$0	\$1,567,311	\$19,300,617

Budget Narrative/Justification —2011

A. 2011 Personnel:

Employees of the applying agency and the governance entity to be selected.

TABLE 2011A: FEDERAL REQUEST – Governance Entity

GOVERNANCE ENTITY PERSONNEL					
Position/ Names TBD	Time	Annual	Monthly	Rate	Total
CEO	100	2080	173	\$132.21	\$275,000
CTO	100	2080	173	\$120.19	\$250,000
CFO	100	2080	173	\$120.19	\$250,000
Senior Accountant	100	2080	173	\$72.12	\$150,000
Chief Medical Officer (CMO)	100	2080	173	\$120.19	\$250,000
Collaboration Manager	100	2080	173	\$110.58	\$230,000
Evaluator Oversight	100	2080	173	\$67.31	\$140,000
Technical Director	100	2080	173	\$91.35	\$190,000
P&S Director	100	2080	173	\$84.13	\$175,000
Project Manager	100	2080	173	\$84.13	\$175,000
Applications Analyst	100	2080	173	\$60.10	\$125,000
Applications Analyst	100	2080	173	\$60.10	\$125,000
Analyst	100	2080	173	\$60.10	\$125,000
Analyst	100	2080	173	\$60.10	\$125,000
Principal Investigator	100	2080	173	\$72.12	\$150,000
Administrative Assistants	100	2080	173	\$33.65	\$70,000
Administrative Assistants	100	2080	173	\$33.65	\$70,000
GOVERNANCE ENTITY TOTAL:					\$2,875,000
STATE PERSONNEL					
Position/Names	Time	Annual	Monthly	Rate	Total
SSM II - Security Currently VACANT	95	1985	165	\$37.17	\$73,776
SSM II - HIE Currently VACANT	95	1985	165	\$37.17	\$73,776
SSMI - Eva Coblenz	95	1985	165	\$33.86	\$67,200
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
STATE TOTAL:					\$534,456
TOTAL FEDERAL REQUEST:					\$3,409,456

The governance entity staff are responsible for the daily operations of the governance entity. The HIE Governance Entity will 1) have a diverse board that accommodates broad stakeholder representation and State leadership, 2) engender trust and collaboration between and among all stakeholders, 3) convene stakeholders to generate statewide policy guidance but not operate HIE systems except as requested by and driven from the stakeholders, and 4) employ robust administrative and financial processes to support sustainability, transparency and accountability.

- CEO: Will have overall responsibility for the governance entity.
- CTO: The CTO is responsible for leading the selection of standards and infrastructure used in CA. They facilitate and coordinate the monthly technology workgroup meetings, bring technical architecture expertise to the monthly privacy and security meetings with CalPSAB, and represent CA's technical approach in meetings with Border States as well as other awardees at the two annual meetings. They will also develop and manage the 3 procurements in FY 1 and FY 2 for share services, expansion of existing regional information exchange efforts and the connection of existing HIO's.
- CFO: This will be a responsible for finance, accounting, contracting, human resources and office management. They are also specifically responsible for internal audit, compliance with applicable laws and regulations and for developing necessary policies and procedures or for assuring that these are developed and maintained current.
- Senior Accountant: The Accounting Clerk will assist the CFO with accounting and financial functions. We believe that the combination of a CFO and an Accounting Clerk are adequate for a program of this size.
- Chief Medical Officer (CMO): The CMO will be a licensed physician with experience in the adoption and use of clinical information systems (CIS). They will be the governance entity's physician advocate and represent physician workflow issues and use cases in the technology workgroup as well as the privacy and security meetings.
- Collaboration Manager: Will be responsible for the marketing, outreach and coordination efforts of the governance entity. They will be focused on driving participation and collaboration from various stakeholders including providers, state agencies, public health, privacy and security efforts, and Border States.
- Evaluator Oversight: Will be responsible for setting the initial evaluation metrics, defining data collection approaches and overseeing the data collection and analysis of the metrics. They will procure, manage and work directly with an evaluation firm commissioned by California Health & Human Services Agency as required under the FOA in these efforts.
- Technical Director: Will work directly with and for the CTO. Specific emphasis on the first two years will be on setting up the technical workgroups and developing, managing and evaluating the procurements and manage contracts with vendors to ensure compliance with contract terms and conditions.
- P&S Director: Will be the governance entities direct liaison with CalPSAB and the state of CA's privacy and security efforts. They are responsible for running the privacy and security workgroup and collaboratively drafting the privacy and security requirements, implementation approaches, architecture and statewide policy guidance.
- Project Manager: The PM will work directly with the CEO, CTO, CMO, Collaboration Manager, Evaluator Oversight Manager, Technical Director and the P&S Director to maintaining detailed project plans, action item lists, issue logs for all project components.
- Applications Analyst (2) and Analyst(2): Will assist the Technical Director and one will Assist the P&S director in their work efforts. The applications analyst position requires specific knowledge of applications: used in clinical setting, support HIE, and supporting privacy and security. The Analyst positions require knowledge of various provider settings and workflows and/or privacy and security. The analysts will provide technical assistance and work directly with regional extension center

- Principal Investigator: Reports directly to the CEO. They are the primary individual in charge of the cooperative agreement and are responsible for all actions required to manage and complete the aspects of the cooperative agreement. They will also support the Evaluation Oversight manager.
- Administrative Assistants (2): Handles the administrative activities, scheduling and travel arrangements for the governance entity staff.

State Personnel:

- SSM II - Security Currently VACANT: Facilitate Security Committee of CalPSAB and manages committee efforts, security standards and strategies.
- SSM II - HIE Currently VACANT: Facilitate HIE Committee of CalPSAB and manages committee efforts, task groups, and implementation & pilot strategies.
- SSMI - Eva Coblenz Facilitates Education Committee and task groups, develops education materials & maintains website.
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.

Note: STAFF COUNSEL POSITIONS CONTAIN OVERHEAD FOR LAW STUDENT

TABLE 2011 B: NON-FEDERAL MATCH – State Resources

Individual's Name/Title	Time	Annual	Monthly	Rate	Total
Jonah Frohlich, Deputy Secretary, HIT	100	2080	173	\$69.23	\$144,120
BTH	40	832	69	\$71.95	\$59,880
CEA I - Bobbie Holm	90	1647	137	\$56.01	\$92,246
CEA II - Alex Kam	90	1676	140	\$58.35	\$97,779
Program Mgr – K. D.Greenbaum	90	1800	150	\$46.18	\$83,120
SSM II - Azadeh Mohandessi-Fares	25	532	44	\$37.17	\$19,793
Staff Counsel - Suzanne Giorgi	90+	1800	150	\$61.97	\$111,550
DPM III Christine Schmoeckel	50	900	75	\$53.87	\$48,480
TOTAL PERSONNEL IN KIND					\$656,968

The role of the state resources covered under the non-federal match are:

- Jonah Frohlich, Deputy Secretary, HIT
- BTH – California Business, Transportation and Housing Agency : Facilitates State contracting.
- CEA I - Bobbie Holm: Facilitates the CalPSAB structure, the Advisory Board, oversight of all PSAB committees, coordination with federal efforts.
- CEA II - Alex Kam: Acting Director of CalOHII, coordinates CalOHII and CA HIE Advisory Board efforts, strategies and budget oversight.
- Program Mgr – K. D.Greenbaum: Facilitates the Privacy and HIE Committees and task groups, committee interaction and support the CalPSAB efforts.
- SSM II - Azadeh Mohandessi-Fares: Will take over facilitation of the Privacy Committee and task groups, HIE legislation and specializes in pilots.

- Staff Counsel - Suzanne Giorgi: Facilitates the Legal Committee of CalPSAB, task groups, research, legislation, enforcement of privacy and security.
- DPM III Christine Schmoeckel: Support facilitation of the CA HIE Advisory Board effort with an IT focus.

B. 2011 Fringe Benefits:

Employees of the applying agency and the governance entity to be selected.

Fringe benefits for Governance Entity employees covered under federal match are calculated using a flat 30%. With a governance entity salaries equaling \$3,000,000 at 30% equals \$900,000.

Fringe benefits for state employees covered under federal match are defined in the following table:

TABLE 2011 C: FEDERAL REQUEST – State Resources

Component	Amount
Health Insurance	\$40,259
Industrial Disability Leave	\$880
OASDI	\$29,008
Other	\$30,457
Retirement	\$74,844
Unemployment Insurance	\$187
Workers Compensation	\$5,043
Total:	\$180,678

Fringe benefits for state employees covered under non-federal match are calculated using a flat rate of 30%. With salaries of \$656,968 at 30% equals \$197,090.

C: 2011 Travel:

TABLE 2011 D: FEDERAL REQUEST

Trip	Staff	Days	Item	Rate	Cost
GOVERNANCE ENTITY TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	2	Airfare	\$300	\$7,200
			Hotel	\$200	\$9,600
			Car	\$100	\$4,800
			Per Diem	\$40	\$1,920
			Total:		
Technology Advisory Group Meetings (6) monthly meetings (travel every other month) to refine and further develop	6 GE staff (CTO, Tech Dir, P&S Dir, PM, App. Analysts(2))	2	Airfare	\$300	\$10,800
			Hotel	\$200	\$14,400

technology standards and architecture.			Car	\$100	\$7,200
			Per Diem	\$40	\$2,880
			Total:		\$35,280
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	5 GE staff (CEO, CTO, P&S, CMO, Analyst)	2	Airfare	\$300	\$9,000
			Hotel	\$200	\$12,000
			Car	\$100	\$6,000
			Per Diem	\$40	\$2,400
			Total:		\$29,400
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	3	Airfare	\$640	\$23,035
			Hotel	\$225	\$24,300
			Car	\$100	\$10,800
			Per Diem	\$40	\$4,320
			Total:		\$62,455
Public Conferences related to HIE and HIT: Attendance at 2 conferences for up to 5 people to stay abreast of trends in HIE and HIT. Conferences may include: HIMSS, WOHIT, Mayo, etc.	5 GE staff (CEO, CMO, CTO, P&S, & Collab)	4	Airfare	\$680	\$6,795
			Hotel	\$255	\$10,200
			Car	\$100	\$4,000
			Per Diem	\$40	\$1,600
			Conference Fees	\$250	\$10,000
			Total:		\$32,595
State HIE Leadership Training and State HIE Forum supported by ONC	4 GE Staff (CEO, CMO, CTO, & P&S)	2	Airfare	\$887	\$7,096
			Hotel	\$255	\$4,080
			Car	\$100	\$1,600
			Per Diem	\$40	\$640
			Total:		\$13,416
TOTAL GOVERNANCE ENTITY TRAVEL:					\$196,666
STATE EMPLOYEE TRAVEL					

Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	2 Staff from CalOHII	2	Airfare	\$280	\$2,240
			Hotel	\$150	\$2,400
			Car	\$100	\$1,600
			Per Diem	\$35	\$560
			Total:		
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	2 Staff from CalOHII	2	Airfare	\$280	\$3,360
			Hotel	\$150	\$3,600
			Car	\$100	\$2,400
			Per Diem	\$35	\$840
			Total:		
State HIE Leadership Training and State HIE Forum supported by ONC	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$1,774
			Hotel	\$255	\$1,020
			Car	\$100	\$400
			Per Diem	\$35	\$140
			Total:		
TOTAL STATE EMPLOYEE TRAVEL:					\$20,334
TOTAL FEDERAL REQUEST FOR TRAVEL:					\$217,000

TABLE 2011 E: NON-FEDERAL MATCH – State Resources

Trip	Staff	Days	Item	Rate	Cost
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$275	\$1,100
			Hotel	\$150	\$1,200
			Car	\$100	\$800
			Per Diem	\$40	\$320
			Total:		
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$5,322
			Hotel	\$255	\$3,060
			Car	\$100	\$1,200
			Per Diem	\$40	\$480
			Total:		

				Total:	\$10,062
Mileage to travel to multiple meetings throughout state that do not require airfare or overnight stay	1 Staff from CHHS - Deputy Secretary HIT. If more staff are in attendance, they will car pool in a single vehicle.	18	Meetings in SF (84 miles each way)	\$0.40	\$1,211
		12	Meetings in Northern Sierra or Near Central Valley Region (32 miles each way)	\$0.40	\$307
		Total:			
TOTAL GOVERNANCE ENTITY TRAVEL:					\$15,000

D: 2011 Equipment:

TABLE 2011 F: FEDERAL REQUEST – Equipment

Items	Cost
Equipment budget for technology equipment required to support shared services in CA.	\$100,000
TOTAL:	\$100,000

There is an anticipated, yet undefined, need for equipment necessary to support state-level shared services, such as servers and network technology. Procurement of state-level shared services will be handled as a competitive bid for a service contract and are detailed in that section below. However, we are holding a budget of up to \$100,000 to cover any necessary hardware purchases required to support those services. Details on exact state-level services and potential equipment purchases are still being worked out. Further details on exact regions and equipment purchases will come from the operational plan (April), technology infrastructure (April) and responses to procurement request (Aug/Sept).

There is no equipment expected as non-federal match.

E: 2011 Supplies:

TABLE 2011 G: FEDERAL REQUEST

GOVERNANCE ENTITY SUPPLIES				
Area	Item	Amount	Rate	Cost
Office Supplies	General Office Supplies per month	12	\$1,000	\$12,000
	Postage per month	12	\$1,500	\$18,000
	Copies (10,000 per month)	120000	\$0	\$12,000
Total:				\$42,000
Technology replacement or upgrades	Budget 1 replacement laptop to replace lost or stolen	1	\$2,500	\$2,500
Total:				\$2,500
TOTAL GOVERNANCE ENTITY SUPPLIES:				\$44,500
STATE RESOURCE SUPPLIES				

Furniture	Desks	1	\$1,000	\$1,000
	Desk and Conference Table Chairs	4	\$500	\$2,000
Total:				\$3,000
Office Equipment/ Communications	General Office Supplies	1	\$1,000	\$1,000
	Postage	1	\$1,000	\$1,000
	Copies (2,500 per month)	30,000	\$0.10	\$3,000
	Minor Equipment	10	\$200	\$2,000
	Equipment Service Policies (estimate)	5	\$1,000	\$5,000
	Budget 1 replacement Communications equipment for traveling state employees (e.g., blackberry, aircard)	1	\$2,500	\$2,500
	Professional Dues, subscriptions	10	\$300	\$3,000
Total:				\$17,500
TOTAL STATE RESOURCES SUPPLIES:				\$20,050
TOTAL FEDERAL REQUEST:				\$64,550

Supplies and equipment under \$5,000 per item used by governance entity staff necessary to perform their work. Supplies and equipment are necessary to operate and run the governance entity. General office supplies including stationary, printer cartridges, envelopes, and other supplies are required. Postage and courier costs are needed for correspondence to constituents (hospitals, practices, clinics and other stakeholders) as frequent communication both electronic and paper are expected. One replacement laptop computer and one communication equipment (blackberry) are anticipated to account for lost, stolen or damaged computers. Professional dues (including for example HIMSS memberships) are anticipated.

There are no budgeted non-federal match for supplies.

F: 2011 Contract:

TABLE 2011 H: FEDERAL REQUEST – Contracts

Name	Contract Description	Annual Rate	Hours	Cost
TBD	Outside legal counsel to perform federal tracking of ONC and CMS, review and provide advice on contracts and policy. Competitive bid.	Competitive bid up to \$150,000 to provide legal counsel, part time. (Blended rate of approximately \$300/hour)	500	\$150,000
TBD	University of California intern positions to support eHealth workgroups. Manage website, listserves, online workspaces, notetaking, and edit reports.	4 Resources at \$25/hour.	8320	\$208,000
TBD	Technical consultant to run technical advisory committee, participate in operational planning and technical architecture design. Competitive bid.	Competitive bid up to \$100,000 for technical consultant to complete technical architecture design for Year 2.	N/A	\$100,000
TBD	Contract to outsource the communications, outreach and education components developed. First 3 months will include participation in the	Competitive bid up to \$200,000 to devise and execute communications plan.	N/A	\$200,000

	development of the communications plan while the remaining 9 months will be for plan execution			
TBD	State grant management contract to develop, evaluate and support the demonstration and pilot work for privacy and security projects including, consent management, enhanced security standards, and best practices for management processes. Competitive bid.	Competitive bid up to \$360,000 for 2 resources to complete privacy and security pilot deliverables	N/A	\$360,000
TBD	Outsource contract to plan, facilitate and host the Annual forum	Competitive bid up to \$50,000 to execute Annual Forum. Inclusive of site, equipment rental, refreshments, and facilitator time.	N/A	\$50,000
TBD	Project manager reporting to Deputy Secretary of HIT responsible for coordinating all of the various workgroups, governance entity activities, and stakeholder activities. Keeps detailed minutes and issue logs, facilitates the resolution of issues across	Competitive bid up to \$216,000 for 1 project management resource, more than 50% effort. (approximately \$150/hr)	1,440	\$216,000
TBD	Financial planning consultant to develop the state-wide cost of HIE, strategies for both initial financing and ongoing revenue generations, input into sustainability models	Competitive bid up to \$200,000 for financial planning resource, less than 50% effort (approximately \$200/hr)	1,000	\$200,000
TBD	Evaluation contract. Responsible for the facilitating the initial evaluation design with the governance entity, stakeholders and workgroups, data collection, and evaluation report to state, governance entity and ONC/CMS as required.	Competitive bid up to \$175,000 to review previous report, design evaluation plan, collect data and complete Year 2 Evaluation Report.	N/A	\$175,000
TBD	GE annual audit activities	o \$75K per year based on estimate received by one of the NY RHIOs	N/A	\$75,000
TBD	Estimated contractual awards to provide the following state level shared services. Registry, Identify Management, and Directory Services. Awards are planned to be an up-to amount for each service handled by competitive bid. Types of shared services and budget amounts may be modified	o Registry: \$1.5M o Identity Mgmt: \$1M o Directory Svcs: \$1M	N/A	\$3,500,000

	based on the completion of the operational plan scheduled for March.			
TBD	Estimated contractual awards to advanced and expand existing HIE efforts across the state.	<ul style="list-style-type: none"> o Region 1: \$250,000 o Region 2: \$250,000 o Region 3: \$250,000 o Region 4: \$250,000 		\$1,000,000
TOTAL FEDERAL CONTRACTING REQUEST:				\$6,234,000

TABLE 2011 I: NON-FEDERAL MATCH – State Contracts

CONTRACTUAL CONSULTING	Hours Annual	Hours Monthly	Hourly Rate	Annual Total
eHealth Support Services <i>Leveraged Procurement (CMAS)</i>	2222	185	\$105	\$233,334
MetaVista - Security Standards <i>Leveraged Procurement (CMAS)</i>	1194	100	\$107	\$127,786
UC-IA Salaries <i>Direct Interagency Agreement between two state agencies</i>	640	53	\$51	\$32,424
UC-IA Expenses and Indirect Costs	Expenses: \$13,000 Indirect Costs: \$4575			\$17,575
New Project Management <i>Leveraged Procurement (CMAS)</i>	1682	140	\$105	\$176,635
Web Development <i>Leveraged Procurement (CMAS)</i>	856	71	\$90	\$77,040
TOTAL NON-FEDERAL MATCH CONTRACTS:				\$664,794

The role of the state contracts covered under the federal request are:

- eHealth Support Services: Conducts research on Privacy and Security topics, facilitates task groups, supports CalPSAB efforts and CalOHII policy.
- MetaVista - Security Standards: Facilitates Security Committee of CalPSAB and joint task groups, drafts security standards and strategies.
- UC-IA: Annual cost the state has to maintain the California Health Information Legal Index database (CHILI). The agreement is for services from UC Hastings college of Law to research all federal and state health privacy and security laws.
- Project Management: Responsible for coordinating workgroups, governance entity activities, and stakeholder activities focused on privacy and security of information exchange
- Web Development: Existing state expenditures made in support of HIE web services. This includes web management and development cost already occurred or is being used to manage the state websites for HIE.

G: 2011 Other:

TABLE 2011 J: FEDERAL REQUEST – Other

Item	Rates	Cost
Meeting facilitation expenses incurred by governance entity – 18 meetings per year. Estimated based on a hybrid of multiple applicant responses to RFI to become the states	Site and Equipment Rental: \$1,000 Refreshments: \$600 Signage/Materials: \$350 Name Badges/Notepads: \$50	\$36,000

governance entity for HIE	Total: \$2,000 per meeting	
Survey and Virtual Meeting Equipment	“GotoMeeting”: \$1,000 SurveyMonkey: \$200 Shared Wiki Tool: \$800	\$2,000
Governance Entity insurance	D&O insurance: \$4,000 Liability insurance: \$20,000	\$24,000
Materials development and reproduction	Graphics design: \$5,000 2,000 Color Copies: \$2,000 80,000 B&W Copies: \$8,000	\$15,000
Governance entity rent and utilities for 17 FTEs	Lease est. 200 sq.ft. per person at rate of \$33/sq. ft.: \$112,200 Utilities/Maintenance/Janitorial: at \$5,000 per month: \$60,000	\$172,200
Training for governance entity staff	Meeting Site and Equipment: \$1,000 Speakers Honoraria: \$1,000 Refreshments: \$600 Materials: \$400	\$3,000
State facility rent and utilities for 10.75 FTEs	Lease est. 200 sq.ft. per employee.: \$53,750 Utilities/Maintenance/Janitorial at \$1,667 per month: \$19,545	\$73,295
Total Federal Request - Other:		\$325,495

The items included in the other category support the needs of the governance entity and its employees engaged in the HIE efforts in addition to state resources involved in HIE efforts that are not covered under non-federal match. We assume the governance entity hosts 30 meeting annually:

- 1 Annual Form;
- 4 Quarterly meetings;
- 12 Technology Advisory Group meetings;
- 12 Privacy and Security Meetings; and
- 2 State coordination meetings held in CA (other meetings will be hosted by neighboring states and are covered under travel).

Facilitation for the Annual Forum is outsourced and the costs are detailed under the Contract section. Half of the Technology Advisory Group meetings and half of the Privacy and Security meetings will be conducted via remote teleconference. We assume the remaining 18 meetings will have hosting fees identified in this section. This section also includes our assumptions for governance entity insurance, both D&O and Liability. We also assume that the governance entity will be leasing office space in the San Francisco Bay area as the center for their activities. Additional state staffing will need office space for their operations. We assume that this office space will be located in Sacramento to be in close proximity to CHHS offices. Rates for both San Francisco office space is based on analysis by Grubb and Ellis. This section also includes ongoing training activities to keep governance entity staff current and train them on the use of specific software, equipment, tools and methodologies that will be employed by the governance entity in providing services related to HIE. The state has used many tools associated with collaborating with stakeholders across the state in the development of its strategic plan. These tools include Survey Monkey to survey stakeholders, GoTo meeting to run webinars and Wiki tools for the collaborative creation of documents. These tools continue to be employed in the development of this budget and the operational plan. We assume that the governance entity and state will continue to use these tools throughout the duration of this project. We assume their will be need to develop professional material development and reproduction that is outside of the capacity of the state or the governance entity. These will include brochures, signage and large reproduction runs.

TABLE 2011 K: NON-FEDERAL MATCH – Other

Item	Cost
General expense budget = \$110k/17 staff \$6471 per person per year x 5.75 PYs: \$37,208	\$37,208
Communication expense of \$100 per month per person for 5.75 FTE over 12 months	\$6,900
Total Non-Federal Match - Other:	\$44,108

The items included in the other category support the needs of the state resources involved in HIE efforts that are budgeted to be covered by the state in support of this effort. General expense covers items such as supplies, photocopy, administrative support, technical support and , janitorial services associated with the 8 state resources that dedicate all or part of their time (5.75FTE) to this project. It is calculated by taking the current budget for the department of \$110,000 per year for the existing 17 FTE of staff and dividing it by the 5.75FTE associated with this project. There is an additional charge for communication of \$100 per month per FTE.

Object Class Category	Federal Funds	Non-Federal Cash	Non-Federal In-Kind	TOTAL
Personnel	\$3,409,456		\$656,968	\$4,066,424
Fringe Benefits	\$1,080,678		\$197,090	\$1,277,768
Travel	\$217,000		\$15,000	\$232,000
Equipment	\$100,000			\$100,000
Supplies	\$64,550			\$64,550
Contractual	\$6,234,000		\$664,794	\$6,898,794
Other	\$325,495		\$44,108	\$369,603
Indirect Charges				\$0
TOTAL	\$11,431,179	\$0	\$1,577,960	\$13,009,139

Budget Narrative/Justification —2012

A. 2012 Personnel:

Employees of the applying agency and the governance entity to be selected.

TABLE 2012 A: FEDERAL REQUEST – Governance Entity

GOVERNANCE ENTITY PERSONNEL					
Position/ Names TBD	Time	Annual	Monthly	Rate	Total
CEO	50%	1040	87	\$132.21	\$137,500
CTO	50%	1040	87	\$120.19	\$125,000
CFO	50%	1040	87	\$120.19	\$125,000
Senior Accountant	50%	1040	87	\$72.12	\$75,000
Chief Medical Officer (CMO)	50%	1040	87	\$120.19	\$125,000
Collaboration Manager	100%	2080	173	\$110.58	\$230,000
Evaluator Oversight	100%	2080	173	\$67.31	\$140,000
Technical Director	100%	2080	173	\$91.35	\$190,000
P&S Director	100%	2080	173	\$84.13	\$175,000
Project Manager	100%	2080	173	\$84.13	\$175,000
Applications Analyst	100%	2080	173	\$60.10	\$125,000
Applications Analyst	0%	0	0	\$60.10	\$0
Analyst	100%	2080	173	\$60.10	\$125,000
Analyst	0%	0	0	\$60.10	\$0
Principal Investigator	92%	1913.6	159	\$72.12	\$137,500
Administrative Assistants	75%	1560	130	\$33.65	\$52,500
Administrative Assistants	0%	0	0	\$33.65	\$0
GOVERNANCE ENTITY TOTAL:					\$1,937,500
STATE PERSONNEL					
Position/Names	Time	Annual	Monthly	Rate	Total
SSM II - Security Currently VACANT	95+	1985	165	\$37.17	\$73,776
SSM II - HIE Currently VACANT	95+	1985	165	\$37.17	\$73,776
SSMI - Eva Coblenz	95+	1985	165	\$33.86	\$67,200
AGPA - Currently VACANT	95+	1985	165	\$29.33	\$58,212
AGPA - Currently VACANT	95+	1985	165	\$29.33	\$58,212
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
STATE TOTAL:					\$534,456
TOTAL FEDERAL REQUEST:					\$2,471,956

The governance entity staff are responsible for the daily operations of the governance entity. The HIE Governance Entity will 1) have a diverse board that accommodates broad stakeholder representation and

State leadership, 2) engender trust and collaboration between and among all stakeholders, 3) convene stakeholders to generate statewide policy guidance but not operate HIE systems except as requested by and driven from the stakeholders, and 4) employ robust administrative and financial processes to support sustainability, transparency and accountability.

- CEO: Will have overall responsibility for the governance entity.
- CTO: The CTO is responsible for leading the selection of standards and infrastructure used in CA. They facilitate and coordinate the monthly technology workgroup meetings, bring technical architecture expertise to the monthly privacy and security meetings with CalPSAB, and represent CA's technical approach in meetings with Border States as well as other awardees at the two annual meetings. They will also develop and manage the 3 procurements in FY 1 and FY 2 for share services, expansion of existing regional information exchange efforts and the connection of existing HIO's.
- CFO: This will be a responsible for finance, accounting, contracting, human resources and office management. They are also specifically responsible for internal audit, compliance with applicable laws and regulations and for developing necessary policies and procedures or for assuring that these are developed and maintained current.
- Senior Accountant: The Accounting Clerk will assist the CFO with accounting and financial functions. We believe that the combination of a CFO and an Accounting Clerk are adequate for a program of this size.
- Chief Medical Officer (CMO): The CMO will be a licensed physician with experience in the adoption and use of clinical information systems (CIS). They will be the governance entity's physician advocate and represent physician workflow issues and use cases in the technology workgroup as well as the privacy and security meetings.
- Collaboration Manager: Will be responsible for the marketing, outreach and coordination efforts of the governance entity. They will be focused on driving participation and collaboration from various stakeholders including providers, state agencies, public health, privacy and security efforts, and Border States.
- Evaluator Oversight: Will be responsible for setting the initial evaluation metrics, defining data collection approaches and overseeing the data collection and analysis of the metrics. They will procure, manage and work directly with an evaluation firm commissioned by California Health & Human Services Agency as required under the FOA in these efforts.
- Technical Director: Will work directly with and for the CTO. Specific emphasis on the first two years will be on setting up the technical workgroups and developing, managing and evaluating the procurements and manage contracts with vendors to ensure compliance with contract terms and conditions.
- P&S Director: Will be the governance entities direct liaison with CalPSAB and the state of CA's privacy and security efforts. They are responsible for running the privacy and security workgroup and collaboratively drafting the privacy and security requirements, implementation approaches, architecture and statewide policy guidance.
- Project Manager: The PM will work directly with the CEO, CTO, CMO, Collaboration Manager, Evaluator Oversight Manager, Technical Director and the P&S Director to maintaining detailed project plans, action item lists, issue logs for all project components.
- Applications Analyst (1) and Analyst (1): Will assist the Technical Director and the P&S director in their work efforts. The applications analyst position requires specific knowledge of applications: used in clinical setting, support HIE, and supporting privacy and security. The Analyst position require knowledge of various provider settings and workflows and/or privacy and security. The analysts will provide technical assistance and work directly with regional extension center programs and other initiatives to assist provider adoption and meaningful use of electronic health records across California

- Principal Investigator: Reports directly to the CEO. They are the primary individual in charge of the cooperative agreement and are responsible for all actions required to manage and complete the aspects of the cooperative agreement. They will also support the Evaluation Oversight manager.
- Administrative Assistants (1): Handles the administrative activities, scheduling and travel arrangements for the governance entity staff.

State Personnel:

- SSM II - Security Currently VACANT: Facilitate Security Committee of CalPSAB and manages committee efforts, security standards and strategies.
- SSM II - HIE Currently VACANT: Facilitate HIE Committee of CalPSAB and manages committee efforts, task groups, and implementation & pilot strategies.
- SSMI - Eva Coblenz Facilitates Education Committee and task groups, develops education materials & maintains website.
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.

Note: STAFF COUNSEL POSITIONS CONTAIN OVERHEAD FOR LAW STUDENT

TABLE 2012 B: NON-FEDERAL MATCH – State Resources

Individual's Name/Title	Time	Annual	Monthly	Rate	Total
Jonah Frohlich, Deputy Secretary, HIT	100	2080	173	\$69.23	\$144,120
BTH	40	832	69	\$71.95	\$59,880
CEA I - Bobbie Holm	90	1647	137	\$56.01	\$92,246
CEA II - Alex Kam	90	1676	140	\$58.35	\$97,779
Program Mgr – K. D.Greenbaum	90	1800	150	\$46.18	\$83,120
SSM II - Azadeh Mohandessi-Fares	25	532	44	\$37.17	\$19,793
Staff Counsel - Suzanne Giorgi	90	1800	150	\$61.97	\$111,550
DPM III Christine Schmoeckel	50	900	75	\$53.87	\$48,480
TOTAL PERSONNEL IN KIND					\$656,968

The role of the state resources covered under the non-federal match are:

- Jonah Frohlich, Deputy Secretary, HIT
- BTH – California Business, Transportation and Housing Agency : Facilitates State contracting.
- CEA I - Bobbie Holm: Facilitates the CalPSAB structure, the Advisory Board, oversight of all PSAB committees, coordination with federal efforts.
- CEA II - Alex Kam: Acting Director of CalOHII, coordinates CalOHII and CA HIE Advisory Board efforts, strategies and budget oversight.
- Program Mgr – K. D.Greenbaum: Facilitates the Privacy and HIE Committees and task groups, committee interaction and support the CalPSAB efforts.
- SSM II - Azadeh Mohandessi-Fares: Will take over facilitation of the Privacy Committee and task groups, HIE legislation and specializes in pilots.
- Staff Counsel - Suzanne Giorgi: Facilitates the Legal Committee of CalPSAB, task groups, research, legislation, enforcement of privacy and security.

- DPM III Christine Schmoeckel: Support facilitation of the CA HIE Advisory Board effort with an IT focus.

B. 2012 Fringe Benefits:

Employees of the applying agency and the governance entity to be selected.

Fringe benefits for Governance Entity employees covered under federal match are calculated using a flat 30%. With a governance entity salaries equaling \$2,000,000 at 30% equals \$600,000.

Fringe benefits for state employees covered under federal match are defined in the following table:

TABLE 2012 C: FEDERAL REQUEST – State Resources

Component	Amount
Health Insurance	\$40,259
Industrial Disability Leave	\$880
OASDI	\$29,008
Other	\$30,457
Retirement	\$74,844
Unemployment Insurance	\$187
Workers Compensation	\$5,043
Total:	\$180,678

Fringe benefits for state employees covered under non-federal match are calculated using a flat rate of 30%. With salaries of \$656,968 at 30% equals \$197,090.

C: 2012 Travel:

TABLE 2012 D: FEDERAL REQUEST

Trip	Staff	Days	Item	Rate	Cost
GOVERNANCE ENTITY TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	2	Airfare	\$300	\$7,200
			Hotel	\$200	\$9,600
			Car	\$100	\$4,800
			Per Diem	\$40	\$1,920
		Total:			
Technology Advisory Group Meetings (6) monthly meetings (travel every other month) to refine and further develop technology standards and architecture.	6 GE staff (CTO, Tech Dir, P&S Dir, PM, App. Analysts(2))	2	Airfare	\$300	\$10,800
			Hotel	\$200	\$14,400
			Car	\$100	\$7,200

			Per Diem	\$40	\$2,880
		Total:			\$35,280
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	5 GE staff (CEO, CTO, P&S, CMO, Analyst)	2	Airfare	\$300	\$9,000
			Hotel	\$200	\$12,000
			Car	\$100	\$6,000
			Per Diem	\$40	\$2,400
		Total:			\$29,400
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	3	Airfare	\$640	\$23,035
			Hotel	\$225	\$24,300
			Car	\$100	\$10,800
			Per Diem	\$40	\$4,320
		Total:			\$62,455
Public Conferences related to HIE and HIT: Attendance at 2 conferences for up to 5 people to stay abreast of trends in HIE and HIT. Conferences may include: HIMSS, WOHIT, Mayo, etc.	5 GE staff (CEO, CMO, CTO, P&S, & Collab)	4	Airfare	\$680	\$6,795
			Hotel	\$255	\$10,200
			Car	\$100	\$4,000
			Per Diem	\$40	\$1,600
			Conference Fees	\$250	\$10,000
		Total:			\$32,595
State HIE Leadership Training and State HIE Forum supported by ONC	4 GE Staff (CEO, CMO, CTO, & P&S)	2	Airfare	\$887	\$7,096
			Hotel	\$255	\$4,080
			Car	\$100	\$1,600
			Per Diem	\$40	\$640
		Total:			\$13,416
TOTAL GOVERNANCE ENTITY TRAVEL:					\$196,666
STATE EMPLOYEE TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder	2 Staff from CalOHII	2	Airfare	\$280	\$2,240
			Hotel	\$150	\$2,400

groups around the state (LA, SF, Central Valley, Rural North)			Car	\$100	\$1,600
			Per Diem	\$35	\$560
			Total:		\$6,800
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	2 Staff from CalOHII	2	Airfare	\$280	\$3,360
			Hotel	\$150	\$3,600
			Car	\$100	\$2,400
			Per Diem	\$35	\$840
			Total:		\$10,200
State HIE Leadership Training and State HIE Forum supported by ONC	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$1,774
			Hotel	\$255	\$1,020
			Car	\$100	\$400
			Per Diem	\$35	\$140
			Total:		\$3,334
TOTAL STATE EMPLOYEE TRAVEL:					\$20,334
TOTAL FEDERAL REQUEST FOR TRAVEL:					\$217,000

TABLE 2012 E: NON-FEDERAL MATCH – State Resources

Trip	Staff	Days	Item	Rate	Cost
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$275	\$1,100
			Hotel	\$150	\$1,200
			Car	\$100	\$800
			Per Diem	\$40	\$320
			Total:		\$3,420
State coordination meetings: 1 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$2,661
			Hotel	\$255	\$1,530
			Car	\$100	\$600
			Per Diem	\$40	\$240
			Total:		\$5,031

Milage to travel to multiple meetings throughout state that do not require airfare or overnight stay	1 Staff from CHHS - Deputy Secretary HIT. If more staff are in attendance, they will car pool in a single vehicle.	18	Meetings in SF (84 miles each way)	\$0.40	\$1,211
		12	Meetings in Northern Sierra or Near Central Valley Region (35 miles each way)	\$0.40	\$338
		Total:			
TOTAL GOVERNANCE ENTITY TRAVEL:					\$10,000

D: 2012 Equipment:

No equipment procurement for state-level services is anticipated for 2012. Details on exact equipment purchases are still being worked out. Further details on exact regions and equipment purchases will come from the operational plan (April), technology infrastructure (April) and responses to procurement request (Aug/Sept).

E: 2012 Supplies:

TABLE 2012 F: FEDERAL REQUEST

GOVERNANCE ENTITY SUPPLIES				
Area	Item	Amount	Rate	Cost
Office Supplies	General Office Supplies per month	12	\$1,000	\$12,000
	Postage per month	12	\$1,500	\$18,000
	Copies (10,000 per month)	120000	\$0	\$12,000
Total:				\$42,000
Technology replacement or upgrades	Budget 1 replacement laptop to replace lost or stolen	1	\$2,500	\$2,500
	Software updates / upgrades every other year	17	\$500	\$8,500
	Budget 1 replacement printer to replace damaged	1	\$2,500	\$2,500
Total:				\$13,500
TOTAL GOVERNANCE ENTITY SUPPLIES:				\$55,500
STATE RESOURCE SUPPLIES				
Office Equipment/ Communications	General Office Supplies	1	\$1,000	\$1,000
	Postage	1	\$1,000	\$1,000
	Copies (2,500 per month)	30,000	\$0.10	\$3,000
	Minor Equipment	10	\$200	\$2,000
	Equipment Service Policies (estimate)	5	\$1,000	\$5,000
	Budget 1 replacement Communications equipment for traveling state employees (e.g., blackberry, aircard)	1	\$2,500	\$2,500
	Professional Dues, subscriptions	10	\$300	\$3,000
Total:				\$17,500
TOTAL STATE RESOURCES SUPPLIES:				\$17,500

TOTAL FEDERAL REQUEST:	\$73,000
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Supplies and equipment under \$5,000 per item used by governance entity staff necessary to perform their work. Supplies and equipment are necessary to operate and run the governance entity. General office supplies including stationary, printer cartridges, envelopes, and other supplies are required. Postage and courier costs are needed for correspondence to constituents (hospitals, practices, clinics and other stakeholders) as frequent communication both electronic and paper are expected. One replacement laptop computer, one printer and one communication equipment (blackberry) are anticipated to account for lost, stolen or damaged computers and hardware. Professional dues (including for example HIMSS memberships) is anticipated.

There are no budgeted non-federal match for supplies.

F: 2012 Contract:

TABLE 2012 G: FEDERAL REQUEST – Contracts

Name	Contract Description	Annual Rate	Hours	Cost
TBD	Outside legal counsel to perform federal tracking of ONC and CMS, review and provide advise on contracts and policy	Competitive bid up to \$150,000 to provide legal counsel, part time. (Blended rate of approximately \$300/hour)	333	\$100,000
TBD	University of California intern positions to support eHealth workgroups. Manage website, listserves, online workspaces, note taking, and edit reports.	4 Resources at \$25/hour.	8320	\$208,000
TBD	Contract to outsource the communications, outreach and education components developed. First 3 months will include participation in the development of the communications plan while the remaining 9 months will be for plan execution	Competitive bid up to \$200,000 to devise and execute Year 2 Communications Plan and perform outreach.	N/A	\$200,000
TBD	State grant management contract to develop, evaluate and support the demonstration and pilot work for privacy and security projects including, consent management, enhanced security standards, and best practices for management processes. Competitive bid.	Competitive bid up to \$360,000 for 2 resources to complete privacy and security pilot deliverables.	N/A	\$360,000
TBD	Outsource contract to plan, facilitate and host the Annual forum	Competitive bid up to \$50,000 to execute Annual Forum. Inclusive of site, equipment rental, refreshments, and facilitator time.	N/A	\$50,000

TBD	Project manager reporting to Deputy Secretary of HIT responsible for coordinating all of the various workgroups, governance entity activities, and stakeholder activities. Keeps detailed minutes and issue logs, facilitates the resolution of issues across	Competitive bid up to \$200,000 for 1 project management resource, over %50 effort (approximately \$150/hr)	1,333	\$200,000
TBD	Financial planning consultant to develop the state-wide cost of HIE, strategies for both initial financing and ongoing revenue generations, input into sustainability models	Competitive bid up to \$200,000 for financial planning resource, part time effort (approximately \$200/hr)	375	\$75,000
TBD	GE annual audit activities	o \$75K per year based on estimate received by one of the NY RHIOs	N/A	\$75,000
TBD	Evaluation contract. Responsible for the facilitating the initial evaluation design with the governance entity, stakeholders and workgroups, data collection, and evaluation report to state, governance entity and ONC/CMS as required.	Competitive bid up to \$175,000 to review previous reports, revise evaluation plan and submit Year 3 Evaluation Report.	N/A	\$125,000
TOTAL FEDERAL CONTRACTING REQUEST:				\$1,393,000

TABLE 2012 H: NON-FEDERAL MATCH – State Contracts

CONTRACTUAL CONSULTING	Hours Annual	Hours Monthly	Hourly Rate	Annual Total
eHealth Support Services <i>Leveraged Procurement (CMAS)</i>	2222	185	\$105	\$233,334
MetaVista - Security Standards <i>Leveraged Procurement (CMAS)</i>	1215	101	\$107	\$130,000
UC-IA Salaries <i>Direct Interagency Agreement between two state agencies</i>	640	53	\$51	\$32,424
UC-IA Expenses and Indirect Costs	Expenses: \$13,000 Indirect Costs: \$4575			\$17,575
New Project Management <i>Leveraged Procurement (CMAS)</i>	1682	140	\$105	\$176,635
Web Development <i>Leveraged Procurement (CMAS)</i>	856	71	\$90	\$77,040
TOTAL NON-FEDERAL MATCH CONTRACTS:				\$667,008

The role of the state contracts covered under the federal request are:

- eHealth Support Services: Conducts research on Privacy and Security topics, facilitates task groups, supports CalPSAB efforts and CalOHII policy.
- MetaVista - Security Standards: Facilitates Security Committee of CalPSAB and joint task groups, drafts security standards and strategies.
- UC-IA : Annual cost the state has to maintain the California Health Information Legal Index database (CHILI). The agreement is for services from UC Hastings college of Law to research all federal and state health privacy and security laws.

- Project Management: Responsible for coordinating workgroups, governance entity activities, and stakeholder activities focused on privacy and security of information exchange
- Web Development: Existing state expenditures made in support of HIE web services. This includes web management and development cost already occurred or is being used to manage the state websites for HIE.

G: 2012 Other:

TABLE 2012 I: FEDERAL REQUEST – Other

Item	Rates	Cost
Meeting facilitation expenses incurred by governance entity. 18 Meetings. Estimated based on a hybrid of multiple applicant responses to RFI to become the states governance entity for HIE	Site and Equipment Rental: \$1,000 Refreshments: \$600 Signage: \$350 Name Badges: \$50 Total: \$2,000 per meeting	\$36,000
Survey and Virtual Meeting Equipment	“GotoMeeting”: \$1,000 SurveyMonkey: \$200 Shared Wiki Tool: \$800	\$2,000
Governance Entity insurance (estimated decrease based on fewer FTEs in 2012)	D&O insurance: \$3,000 Liability insurance: \$15,000	\$18,000
Materials development and reproduction	Graphics Design: \$3,000 1,000 Color Copies: \$1,000 60,000 B&W Copies: \$6,000	\$10,000
Governance entity rent and utilities (reduced in proportion to number of FTEs)	Lease est. 200 sq.ft. per person at rate of \$33/sq. ft.: \$73,700 Utilities/Maintenance/Janitorial: \$39,412	\$113,112
Training for governance entity staff	Meeting Site and Equipment: \$1,000 Speakers Honoraria: \$1,000 Refreshments: \$600 Materials: \$400	\$3,000
State facility rent and utilities for 10.75 FTEs	Lease est. 200 sq.ft. per employee.: \$53,750 Utilities/Maintenance/Janitorial at \$1,667 per month: \$19,545	\$ 73,295
Total Federal Request - Other:		\$255,407

The items included in the other category support the needs of the governance entity and its employees engaged in the HIE efforts in addition to state resources involved in HIE efforts that are not covered under non-federal match. We assume the governance entity hosts 30 meeting annually:

- 1 Annual Form;
- 4 Quarterly meetings;
- 12 Technology Advisory Group meetings;
- 12 Privacy and Security Meetings; and
- 2 State coordination meetings held in CA (other meetings will be hosted by neighboring states and are covered under travel).

Facilitation for the Annual Forum is outsourced and the costs are detailed under the Contract section. Half of the Technology Advisory Group meetings and half of the Privacy and Security meetings will be conducted via remote teleconference. We assume the remaining 18 meetings will have hosting fees identified in this section. This section also includes our assumptions for governance entity insurance, both D&O and Liability. We also assume that the governance entity will be leasing office space in the San Francisco Bay area as the

center for their activities. Additional state staffing will need office space for their operations. We assume that this office space will be located in Sacramento to be in close proximity to CHHS offices. Rates for both San Francisco office space is based on analysis by Grubb and Ellis. This section also includes ongoing training activities to keep governance entity staff current and train them on the use of specific software, equipment, tools and methodologies that will be employed by the governance entity in providing services related to HIE. The state has used many tools associated with collaborating with stakeholders across the state in the development of its strategic plan. These tools include Survey Monkey to survey stakeholders, GoTo meeting to run webinars and Wiki tools for the collaborative creation of documents. These tools continue to be employed in the development of this budget and the operational plan. We assume that the governance entity and state will continue to use these tools throughout the duration of this project. We assume their will be need to develop professional material development and reproduction that is outside of the capacity of the state or the governance entity. These will include brochures, signage and large reproduction runs.

TABLE 2012 J: NON-FEDERAL MATCH – Other

Item	Cost
General expense budget = \$110k/17 staff \$6471 per person per year x 5.75 PYs: \$37,208	\$37,208
Communication expense of \$100 per month per person for 5.75 FTE over 12 months	\$6,900
Total Non-Federal Match - Other:	\$44,108

The items included in the other category support the needs of the state resources involved in HIE efforts that are budgeted to be covered by the state in support of this effort. General expense covers items such as supplies, photocopy, administrative support, technical support and , janitorial services associated with the 8 state resources that dedicate all or part of their time (5.75FTE) to this project. It is calculated by taking the current budget for the department of \$110,000 per year for the existing 17 FTE of staff and dividing it by the 5.75FTE associated with this project. There is an additional charge for communication of \$100 per month per FTE.

Object Class Category	Federal Funds	Non-Federal Cash	Non-Federal In-Kind	Total
Personnel	\$2,471,956		\$656,968	\$3,128,924
Fringe Benefits	\$780,678		\$197,090	\$977,768
Travel	\$217,000		\$10,000	\$227,000
Equipment				\$0
Supplies	\$73,000			\$73,000
Contractual	\$1,393,000		\$667,008	\$2,060,008
Other	\$255,407		\$44,108	\$299,515
Indirect Charges				\$0
TOTAL	\$5,191,041	\$0	\$1,575,174	\$6,766,215

Budget Narrative/Justification —2013

A. 2013 Personnel:

Employees of the applying agency and the governance entity to be selected.

TABLE 2013 A: FEDERAL REQUEST – Governance Entity

GOVERNANCE ENTITY PERSONNEL					
Position/ Names TBD	Time	Annual	Monthly	Rate	Total
CEO	50%	1040	87	\$132.21	\$137,500
CTO	50%	1040	87	\$120.19	\$125,000
CFO	50%	1040	87	\$120.19	\$125,000
Senior Accountant	75%	1560	130	\$72.12	\$112,500
Chief Medical Officer (CMO)	25%	520	43	\$120.19	\$62,500
Collaboration Manager	50%	1040	87	\$110.58	\$115,000
Evaluator Oversight	50%	1040	87	\$67.31	\$70,000
Technical Director	50%	1040	87	\$91.35	\$95,000
P&S Director	75%	1560	130	\$84.13	\$131,250
Project Manager	75%	1560	130	\$84.13	\$131,250
Applications Analyst	70%	1456	121	\$60.10	\$87,500
Applications Analyst	0%	0	0	\$60.10	\$0
Analyst	70%	1456	121	\$60.10	\$87,500
Analyst	0%	0	0	\$60.10	\$0
Principal Investigator	70%	1456	121	\$72.12	\$105,000
Administrative Assistants	75%	1560	130	\$33.65	\$52,500
Administrative Assistants	0%	0	0	\$33.65	\$0
GOVERNANCE ENTITY TOTAL:					\$1,437,500
STATE PERSONNEL					
Position/Names	Time	Annual	Monthly	Rate	Total
SSM II - Security Currently VACANT	95	1985	165	\$37.17	\$73,776
SSM II - HIE Currently VACANT	95	1985	165	\$37.17	\$73,776
SSMI - Eva Coblenz	95	1985	165	\$33.86	\$67,200
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
AGPA - Currently VACANT	95	1985	165	\$29.33	\$58,212
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
Staff Counsel - Currently VACANT	100	2413	201	\$42.13	\$101,640
STATE TOTAL:					\$534,456
TOTAL FEDERAL REQUEST:					\$1,971,956

The governance entity staff are responsible for the daily operations of the governance entity. The HIE Governance Entity will 1) have a diverse board that accommodates broad stakeholder representation and State leadership, 2) engender trust and collaboration between and among all stakeholders, 3) convene

stakeholders to generate statewide policy guidance but not operate HIE systems except as requested by and driven from the stakeholders, and 4) employ robust administrative and financial processes to support sustainability, transparency and accountability.

- CEO: Will have overall responsibility for the governance entity.
- CTO: The CTO is responsible for leading the selection of standards and infrastructure used in CA. They facilitate and coordinate the monthly technology workgroup meetings, bring technical architecture expertise to the monthly privacy and security meetings with CalPSAB, and represent CA's technical approach in meetings with Border States as well as other awardees at the two annual meetings. They will also develop and manage the 3 procurements in FY 1 and FY 2 for share services, expansion of existing regional information exchange efforts and the connection of existing HIO's.
- CFO: This will be a responsible for finance, accounting, contracting, human resources and office management. They are also specifically responsible for internal audit, compliance with applicable laws and regulations and for developing necessary policies and procedures or for assuring that these are developed and maintained current.
- Senior Accountant: The Accounting Clerk will assist the CFO with accounting and financial functions. We believe that the combination of a CFO and an Accounting Clerk are adequate for a program of this size.
- Chief Medical Officer (CMO): The CMO will be a licensed physician with experience in the adoption and use of clinical information systems (CIS). They will be the governance entity's physician advocate and represent physician workflow issues and use cases in the technology workgroup as well as the privacy and security meetings.
- Collaboration Manager: Will be responsible for the marketing, outreach and coordination efforts of the governance entity. They will be focused on driving participation and collaboration from various stakeholders including providers, state agencies, public health, privacy and security efforts, and Border States.
- Evaluator Oversight: Will be responsible for setting the initial evaluation metrics, defining data collection approaches and overseeing the data collection and analysis of the metrics. They will procure, manage and work directly with an evaluation firm commissioned by California Health & Human Services Agency as required under the FOA in these efforts.
- Technical Director: Will work directly with and for the CTO. Specific emphasis on the first two years will be on setting up the technical workgroups and developing, managing and evaluating the procurements and manage contracts with vendors to ensure compliance with contract terms and conditions.
- P&S Director: Will be the governance entities direct liaison with CalPSAB and the state of CA's privacy and security efforts. They are responsible for running the privacy and security workgroup and collaboratively drafting the privacy and security requirements, implementation approaches, architecture and statewide policy guidance.
- Project Manager: The PM will work directly with the CEO, CTO, CMO, Collaboration Manager, Evaluator Oversight Manager, Technical Director and the P&S Director to maintaining detailed project plans, action item lists, issue logs for all project components.
- Applications Analyst (1) and Analyst (1): Will assist the Technical Director and the P&S director in their work efforts. The applications analyst position requires specific knowledge of applications: used in clinical setting, support HIE, and supporting privacy and security. The Analyst position require knowledge of various provider settings and workflows and/or privacy and security. The analysts will provide technical assistance and work directly with regional extension center programs and other initiatives to assist provider adoption and meaningful use of electronic health records across California

- Principal Investigator: Reports directly to the CEO. They are the primary individual in charge of the cooperative agreement and are responsible for all actions required to manage and complete the aspects of the cooperative agreement. They will also support the Evaluation Oversight manager.
- Administrative Assistants (1): Handles the administrative activities, scheduling and travel arrangements for the governance entity staff.

State Personnel:

- SSM II - Security Currently VACANT: Facilitate Security Committee of CalPSAB and manages committee efforts, security standards and strategies.
- SSM II - HIE Currently VACANT: Facilitate HIE Committee of CalPSAB and manages committee efforts, task groups, and implementation & pilot strategies.
- SSMI - Eva Coblenz Facilitates Education Committee and task groups, develops education materials & maintains website.
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- AGPA - Currently VACANT: Support to CalOHII, CalPSAB and HIE efforts
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.
- Staff Counsel - Currently VACANT: Support Legal Committee of CalPSAB, research current state and federal law, identify misalignment, strategize fixes to state law.

Note: STAFF COUNSEL POSITIONS CONTAIN OVERHEAD FOR LAW STUDENT

TABLE 2013 B: NON-FEDERAL MATCH – State Resources

Individual's Name/Title	Time	Annual	Monthly	Rate	Total
Jonah Frohlich, Deputy Secretary, HIT	100	2080	173	\$69.23	\$144,120
BTH	40	832	69	\$71.95	\$59,880
CEA I - Bobbie Holm	90	1647	137	\$56.01	\$92,246
CEA II - Alex Kam	90	1676	140	\$58.35	\$97,779
Program Mgr – K. D.Greenbaum	90	1800	150	\$46.18	\$83,120
SSM II - Azadeh Mohandessi-Fares	25	532	44	\$37.17	\$19,793
Staff Counsel - Suzanne Giorgi	90	1800	150	\$61.97	\$111,550
DPM III Christine Schmoeckel	50	900	75	\$53.87	\$48,480
TOTAL PERSONNEL IN KIND					\$656,968

The role of the state resources covered under the non-federal match are:

- Jonah Frohlich, Deputy Secretary, HIT
- BTH – California Business, Transportation and Housing Agency : Facilitates State contracting.
- CEA I - Bobbie Holm: Facilitates the CalPSAB structure, the Advisory Board, oversight of all PSAB committees, coordination with federal efforts.
- CEA II - Alex Kam: Acting Director of CalOHII, coordinates CalOHII and CA HIE Advisory Board efforts, strategies and budget oversight.
- Program Mgr – K. D.Greenbaum: Facilitates the Privacy and HIE Committees and task groups, committee interaction and support the CalPSAB efforts.
- SSM II - Azadeh Mohandessi-Fares: Will take over facilitation of the Privacy Committee and task groups, HIE legislation and specializes in pilots.
- Staff Counsel - Suzanne Giorgi: Facilitates the Legal Committee of CalPSAB, task groups, research, legislation, enforcement of privacy and security.

- DPM III Christine Schmoeckel: Support facilitation of the CA HIE Advisory Board effort with an IT focus.

B. 2013 Fringe Benefits:

Employees of the applying agency and the governance entity to be selected.

Fringe benefits for Governance Entity employees covered under federal match are calculated using a flat 30%. With a governance entity salaries equaling \$1,500,000 at 30% equals \$450,000.

Fringe benefits for state employees covered under federal match are defined in the following table:

TABLE 2013 C: FEDERAL REQUEST – State Resources

Component	Amount
Health Insurance	\$40,259
Industrial Disability Leave	\$880
OASDI	\$29,008
Other	\$30,457
Retirement	\$74,844
Unemployment Insurance	\$187
Workers Compensation	\$5,043
Total:	\$180,678

Fringe benefits for state employees covered under non-federal match are calculated using a flat rate of 30%. With salaries of \$656,968 at 30% equals \$197,080.

C: 2013 Travel:

TABLE 2013 D: FEDERAL REQUEST – Governance Entity

Trip	Staff	Days	Item	Rate	Cost
GOVERNANCE ENTITY TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	6 GE staff (CEO, CMO, CTO, P&S, PM & Collab)	2	Airfare	\$350	\$8,400
			Hotel	\$200	\$9,600
			Car	\$100	\$4,800
			Per Diem	\$45	\$2,160
			Total:		\$24,960
Technology Advisory Group Meetings (6) monthly meetings (travel every other month) to refine and further develop technology standards and architecture.	6 GE staff (CTO, Tech Dir, P&S Dir, PM, App. Analysts(2))	2	Airfare	\$350	\$12,600
			Hotel	\$200	\$14,400
			Car	\$100	\$7,200

			Per Diem	\$45	\$3,240
		Total:			\$37,440
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	4 GE staff (CTO, P&S, CMO, Analyst)	2	Airfare	\$350	\$8,400
			Hotel	\$200	\$9,600
			Car	\$100	\$4,800
			Per Diem	\$45	\$2,160
		Total:			\$24,960
State coordination meetings: 2 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	4 GE staff (CMO, CTO, P&S, & Collab)	3	Airfare	\$631	\$7,570
			Hotel	\$225	\$8,100
			Car	\$100	\$3,600
			Per Diem	\$45	\$1,620
		Total:			\$20,890
State HIE Leadership Training and State HIE Forum supported by ONC	4 GE Staff (CEO, CMO, CTO, & P&S)	2	Airfare	\$887	\$7,096
			Hotel	\$255	\$4,080
			Car	\$100	\$1,600
			Per Diem	\$40	\$640
		Total:			\$13,416
TOTAL GOVERNANCE ENTITY TRAVEL:					\$121,666
STATE EMPLOYEE TRAVEL					
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	2 Staff from CalOHII	2	Airfare	\$280	\$2,240
			Hotel	\$150	\$2,400
			Car	\$100	\$1,600
			Per Diem	\$35	\$560
		Total:			\$6,800
Privacy and Security Meetings (6) monthly meetings (travel every other month) to refine and further develop privacy and standards and architecture.	2 Staff from CalOHII	2	Airfare	\$280	\$3,360
			Hotel	\$150	\$3,600
			Car	\$100	\$2,400
			Per Diem	\$35	\$840

			Total:	\$10,200	
State HIE Leadership Training and State HIE Forum supported by ONC	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$1,774
			Hotel	\$255	\$1,020
			Car	\$100	\$400
			Per Diem	\$35	\$140
		Total:			\$3,334
TOTAL STATE EMPLOYEE TRAVEL:				\$20,334	
TOTAL FEDERAL REQUEST FOR TRAVEL:				\$142,000	

TABLE 2013 E: NON-FEDERAL MATCH – State Resources

Trip	Staff	Days	Item	Rate	Cost
Quarterly Stakeholder Meetings (4) to present updated information to stakeholder groups around the state (LA, SF, Central Valley, Rural North)	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$275	\$1,100
			Hotel	\$150	\$1,200
			Car	\$100	\$800
			Per Diem	\$40	\$320
		Total:			\$3,420
State coordination meetings: 1 trips to each boarder state (OR, NV, AZ) to work on coordinating efforts.	1 Staff from CHHS - Deputy Secretary HIT	2	Airfare	\$887	\$2,661
			Hotel	\$255	\$1,530
			Car	\$100	\$600
			Per Diem	\$40	\$240
		Total:			\$5,031
Milage to travel to multiple meetings throughout state that do not require airfare or overnight stay	1 Staff from CHHS - Deputy Secretary HIT. If more staff are in attendance, they will car pool in a single vehicle.	18	Meetings in SF (84 miles each way)	\$0.40	\$1,211
		12	Meetings in Northern Sierra or Near Central Valley Region (35 miles each way)	\$0.40	\$338
		Total:			\$1,549
TOTAL GOVERNANCE ENTITY TRAVEL:					\$10,000

D: 2013 Equipment:

No equipment procurement for state-level services is anticipated for 2013. Details on exact equipment purchases are still being worked out. Further details on exact regions and equipment purchases will come from the operational plan (April), technology infrastructure (April) and responses to procurement request (Aug/Sept).

E: 2013 Supplies:

TABLE 2013 F: FEDERAL REQUEST – Governance Entity Supplies

Area	Item	Amount	Rate	Cost
Office Supplies	General Office Supplies per month	12	\$1,000	\$12,000
	Postage per month	12	\$1,500	\$18,000
	Copies (10,000 per month)	120000	\$0	\$12,000
Total:				\$42,000
Technology replacement or upgrades	Budget 1 replacement laptop to replace lost or stolen	1	\$2,500	\$2,500
	Budget 1 replacement printer to replace damaged	1	\$2,500	\$2,500
Total:				\$5,000
TOTAL GOVERNANCE ENTITY SUPPLIES:				\$47,000
STATE RESOURCE SUPPLIES				
Office Equipment/ Communications	General Office Supplies	1	\$1,000	\$1,000
	Postage	1	\$1,000	\$1,000
	Copies (2,500 per month)	30,000	\$0.10	\$3,000
	Minor Equipment	10	\$200	\$2,000
	Equipment Service Policies (estimate)	5	\$1,000	\$5,000
	Communications equipment for traveling state employees (e.g., blackberry, aircard)	1	\$2,500	\$2,500
	Professional Dues, subscriptions	10	\$300	\$3,000
Total:				\$17,500
TOTAL STATE RESOURCE SUPPLIES:				\$17,500
TOTAL FEDERAL REQUEST:				\$64,500

Supplies and equipment under \$5,000 per item used by governance entity staff necessary to perform their work. Supplies and equipment are necessary to operate and run the governance entity. General office supplies including stationary, printer cartridges, envelopes, and other supplies are required. Postage and courier costs are needed for correspondence to constituents (hospitals, practices, clinics and other stakeholders) as frequent communication both electronic and paper are expected. One replacement laptop computer, one printer and one communication equipment (blackberry) are anticipated to account for lost, stolen or damaged computers and hardware. Professional dues (including for example HIMSS memberships) is anticipated.

There is no budgeted non-federal match for supplies.

F: 2013 Contract:

TABLE 2013 G: FEDERAL REQUEST – Contracts

Name	Contract Description	Annual Rate	Hours	Cost
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TBD	Outside legal counsel to perform federal tracking of ONC and CMS, review and provide advise on contracts and policy	Competitive bid up to \$100,000 to provide legal counsel, part time. (Blended rate of approximately \$300/hour)	333	\$100,000
TBD	University of California intern positions to support eHealth workgroups. Manage website, listserves, online workspaces, notetaking, and edit reports.	4 Resources at \$25/hour.	8320	\$208,000
TBD	Contract to outsource the communications, outreach and education components developed. First 3 months will include participation in the development of the communications plan while the remaining 9 months will be for plan execution	Competitive bid up to \$200,000 to provide Year 4 communications plan and execute it.	N/A	\$200,000
TBD	State grant management contract to develop, evaluate and support the demonstration and pilot work for privacy and security projects including, consent management, enhanced security standards, and best practices for management processes. Competitive bid.	Competitive bid up to \$360,000 for 2 resources to complete privacy and security pilot deliverables.	N/A	\$360,000
TBD	Outsource contract to plan, facilitate and host the Annual forum	Competitive bid up to \$50,000 to execute Annual Forum. Inclusive of site, equipment rental, refreshments, and facilitator time.	N/A	\$50,000
TBD	Project manager reporting to Deputy Secretary of HIT responsible for coordinating all of the various workgroups, governance entity activities, and stakeholder activities. Keeps detailed minutes and issue logs, facilitates the resolution of issues across	Competitive bid up to \$200,000 for 1 project management resource more than 50% effort (approximately \$150/hr)	1,333	\$200,000
TBD	Financial planning consultant to develop the state-wide cost of HIE, strategies for both initial financing and ongoing revenue generations, input into sustainability models	Competitive bid up to \$50,000 for financial planning resource, part time (approximately \$200/hr)	250	\$50,000
TBD	GE annual audit activities	o \$75K per year based on estimate received by one of the NY RHIOs	N/A	\$75,000
TBD	Evaluation contract. Responsible for the facilitating the initial evaluation design with the governance entity, stakeholders and workgroups, data	Competitive bid up to \$126,000 to review previous report, revise	N/A	\$126,000

	collection, and evaluation report to state, governance entity and ONC/CMS as required.	evaluation plan and complete Year 4 evaluation report.		
TOTAL FEDERAL CONTRACTING REQUEST:				\$1,369,000

TABLE 2013 H: NON-FEDERAL MATCH – State Contracts

CONTRACTUAL CONSULTING	Hours Annual	Hours Monthly	Hourly Rate	Annual Total
eHealth Support Services <i>Leveraged Procurement (CMAS)</i>	2222	185	\$105	\$233,334
MetaVista - Security Standards <i>Leveraged Procurement (CMAS)</i>	1215	101	\$107	\$130,000
UC-IA Salaries <i>Direct Interagency Agreement between two state agencies</i>	640	53	\$51	\$32,424
UC-IA Expenses and Indirect Costs	Expenses: \$13,000 Indirect Costs: \$4575			\$17,575
New Project Management <i>Leveraged Procurement (CMAS)</i>	1682	140	\$105	\$176,635
TOTAL NON-FEDERAL MATCH CONTRACTS:				\$667,008

The role of the state contracts covered under the federal request are:

- eHealth Support Services: Conducts research on Privacy and Security topics, facilitates task groups, supports CalPSAB efforts and CalOHII policy.
- MetaVista - Security Standards: Facilitates Security Committee of CalPSAB and joint task groups, drafts security standards and strategies.
- UC-IA : Annual cost the state has to maintain the California Health Information Legal Index database (CHILI). The agreement is for services from UC Hastings college of Law to research all federal and state health privacy and security laws.
- Project Management: Responsible for coordinating workgroups, governance entity activities, and stakeholder activities focused on privacy and security of information exchange
- Web Development: Existing state expenditures made in support of HIE web services. This includes web management and development cost already occurred or is being used to manage the state websites for HIE.

G: 2013 Other:

TABLE 2013 I: FEDERAL REQUEST – Other

Item	Rates	Cost
Meeting facilitation expenses incurred by governance entity. 18 Meetings per year. Estimated based on a hybrid of multiple applicant responses to RFI to become the states governance entity for HIE	Site and Equipment Rental: \$1,000 Refreshments: \$600 Signage/Materials: \$350 Nametags/Notepads: \$50 Total: \$2,000 per meeting	\$36,000
Survey and Virtual Meeting Equipment	“GotoMeeting”: \$1,000 SurveyMonkey: \$200 Shared Wiki Tool: \$800	\$2,000

Governance Entity insurance	D&O insurance: \$2,000 Liability insurance: \$10,000	\$12,000
Materials development and reproduction	Graphics Design: \$2,000 1,000 Color Copies: \$1,000 50,000 B&W Copies: \$5,000	\$8,000
Governance entity rent and utilities (reduced in proportion to number of FTEs)	Lease est. 200 sq.ft. per person at rate of \$33/sq. ft.: \$55,110 Utilities/Maintenance/Janitorial: \$29,471	\$84,581
Training for governance entity staff	Meeting Site and Equipment: \$1,000 Speakers Honoraria: \$1,000 Refreshments: \$600 Materials: \$400	\$3,000
State facility rent and utilities for 10.75 FTEs	Lease est. 200 sq.ft. per employee.: \$53,750 Utilities/Maintenance/Janitorial at \$1,667 per month: \$19,545	\$ 73,295
Total Federal Request - Other:		\$218,876

The items included in the other category support the needs of the governance entity and its employees engaged in the HIE efforts in addition to state resources involved in HIE efforts that are not covered under non-federal match. We assume the governance entity hosts 30 meeting annually:

- 1 Annual Form;
- 4 Quarterly meetings;
- 12 Technology Advisory Group meetings;
- 12 Privacy and Security Meetings; and
- 2 State coordination meetings held in CA (other meetings will be hosted by neighboring states and are covered under travel).

Facilitation for the Annual Forum is outsourced and the costs are detailed under the Contract section. Half of the Technology Advisory Group meetings and half of the Privacy and Security meetings will be conducted via remote teleconference. We assume the remaining 18 meetings will have hosting fees identified in this section. This section also includes our assumptions for governance entity insurance, both D&O and Liability. We also assume that the governance entity will be leasing office space in the San Francisco Bay area as the center for their activities. Additional state staffing will need office space for their operations. We assume that this office space will be located in Sacramento to be in close proximity to CHHS offices. Rates for both San Francisco office space is based on analysis by Grubb and Ellis. This section also includes ongoing training activities to keep governance entity staff current and train them on the use of specific software, equipment, tools and methodologies that will be employed by the governance entity in providing services related to HIE. The state has used many tools associated with collaborating with stakeholders across the state in the development of its strategic plan. These tools include Survey Monkey to survey stakeholders, GoTo meeting to run webinars and Wiki tools for the collaborative creation of documents. These tools continue to be employed in the development of this budget and the operational plan. We assume that the governance entity and state will continue to use these tools throughout the duration of this project. We assume their will be need to develop professional material development and reproduction that is outside of the capacity of the state or the governance entity. These will include brochures, signage and large reproduction runs.

TABLE 2013 K: NON-FEDERAL MATCH – Other

Item	Cost
General expense budget = \$110k/17 staff \$6471 per person per year x 5.75 PYs: \$37,208	\$37,208

Communication expense of \$100 per month per person for 5.75 FTE over 12 months	\$6,900
Total Non-Federal Match - Other:	\$44,108

The items included in the other category support the needs of the state resources involved in HIE efforts that are budgeted to be covered by the state in support of this effort. General expense covers items such as supplies, photocopy, administrative support, technical support and , janitorial services associated with the 8 state resources that dedicate all or part of their time (5.75FTE) to this project. It is calculated by taking the current budget for the department of \$110,000 per year for the existing 17 FTE of staff and dividing it by the 5.75FTE associated with this project. There is an additional charge for communication of \$100 per month per FTE.

Object Class Category	Federal Funds	Non-Federal Cash	Non-Federal In-Kind	Total
Personnel	\$1,971,956		\$656,968	\$2,628,924
Fringe Benefits	\$630,678		\$197,090	\$827,768
Travel	\$142,000		\$10,000	\$152,000
Equipment				\$0
Supplies	\$64,500			\$64,500
Contractual	\$1,369,000		\$667,008	\$2,036,008
Other	\$218,876		\$44,108	\$262,984
Indirect Charges				\$0
TOTAL	\$4,397,010	\$0	\$1,575,174	\$5,972,184