

## **INFORMATION TECHNOLOGY COMMITTEE - BACKGROUND MEMORANDUM**

North Dakota Century Code Section 54-35-15.1 requires the Legislative Management, during each biennium, to appoint an Information Technology Committee in the same manner as the Legislative Management appoints other interim committees. The committee is to consist of six members of the House of Representatives and five members of the Senate. The Chief Information Officer of the state serves as an ex officio nonvoting member of the committee.

### **COMMITTEE STATUTORY AND ASSIGNED RESPONSIBILITIES**

Section 54-35-15.2 requires the committee to:

1. Meet at least once each calendar quarter.
2. Receive a report from the Chief Information Officer of the state at each meeting.
3. Review the business plan of the Information Technology Department (ITD).
4. Review macro-level issues relating to information technology.
5. Review the activities of ITD.
6. Review statewide information technology standards.
7. Review the statewide information technology plan.
8. Review information technology efficiency and security.
9. Review established or proposed information technology programs and information technology acquisitions by the executive and judicial branches.
10. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from ITD and the affected agency regarding any major information technology project of an executive branch agency. A major project is a project with a total cost of \$500,000 or more.
11. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from ITD and the affected institution regarding any major project of the State Board of Higher Education or any institution under the control of the State Board of Higher Education. A major project is a project that significantly impacts the statewide wide area network, impacts the statewide library system, or is an administrative project and is a project with a total cost of \$500,000 or more.
12. Receive and review information from ITD and the affected agency regarding any information technology project of an executive branch agency with a total cost of between \$100,000 and \$500,000 as determined necessary by ITD.
13. Receive a report from the Chief Information Officer regarding the recommendation of the State Information Technology Advisory Committee relating to the prioritization of proposed major information technology projects and other information technology issues.
14. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the affected legislative or judicial branch agency regarding any information technology project of the legislative or judicial branch with a total cost of \$500,000 or more.
15. Receive information from the State Board of Higher Education regarding higher education information technology planning, services, and major projects.

Section 54-35-15.3 authorizes the Information Technology Committee to review any information technology project or information technology plan. The section provides if the committee determines a project or plan is at risk of failing to achieve its intended results, the committee may recommend to the Office of Management and Budget (OMB) the suspension of the expenditure or funding appropriated for a project or plan. The Office of Management and Budget may suspend the expenditure authority if OMB agrees with the recommendation of the committee.

Section 54-35-15.4 provides the Information Technology Committee may request the State Auditor to conduct an information technology compliance review. The review may consist of an audit of an agency's information technology management, information technology planning, compliance with information technology plans, and compliance with information technology standards and policies or an audit of statewide compliance with specific information technology standards and policies.

The committee has the responsibility of reviewing the activities of ITD, the business plan of ITD, statewide information technology standards, the statewide information technology plan, and major information technology projects as provided by Section 54-35-15.2, as discussed earlier; for determining information technology compliance reviews to be conducted by the State Auditor as provided by Section 54-35-15.4; and for receiving:

- A report from the State Board of Higher Education regarding higher education information technology planning, services, and major projects (Sections 15-10-44 and 54-35-15.2).
- A report from the Chief Information Officer regarding the recommendations of the State Information Technology Advisory Committee relating to the prioritization of proposed major information technology projects and other information technology issues (Section 54-35-15.2).
- Recommendations from the Chief Information Officer and ITD's advisory committee regarding major software projects for consideration and the drafting of appropriate legislation to implement the recommendations (Section 54-59-02.1).
- A report from the Chief Information Officer regarding the coordination of services with political subdivisions and a report from the Chief Information Officer and the Chief Information Officer of the North Dakota University System regarding coordination of information technology between ITD and higher education (Section 54-59-12).
- The annual report from ITD (Section 54-59-19).

In addition to its statutory responsibilities for the 2017-18 interim, the Legislative Management assigned the committee the following responsibilities:

- Receive a report from the Statewide Longitudinal Data System Committee regarding recommendations for further development, cost proposals, proposals for legislation, and recommendations for data sharing governance (Section 54-59-36).
- Receive a report from the Emergency Services Communications Coordinating Committee by November 1 of each even-numbered year regarding the use of the assessed communications services fee revenue and receive recommendations regarding changes to the operating standards for emergency services communications, including training or certification standards for dispatchers (Section 57-40.6-12).
- Study the delivery and cost of services provided by ITD for state agencies. The study must include a review of ITD's cost of services, staffing, and billing processes and must identify improvements to the efficiency and effectiveness of ITD's services that will result in reduced costs for state agencies (Section 8 of 2017 Senate Bill No. 2001).

## **PREVIOUS COMMITTEE RECOMMENDATIONS**

### **2007-08 Interim**

The 2007-08 interim Information Technology Committee recommended 2009 Senate Bill No. 2041, which was approved by the Legislative Assembly. The bill amended Section 54-59-21 relating to the Criminal Justice Information Sharing Board to expand the board's membership to include the existing three members--the Chief Justice of the Supreme Court, the Attorney General, and the Chief Information Officer--and nine additional members, including the Director of the Department of Emergency Services, the Director of the Department of Corrections and Rehabilitation, the Superintendent of the Highway Patrol, the Chief of the Bureau of Criminal Investigation, the Director of the Department of Transportation, a representative of a city police department, a representative of a county sheriff's office, a state's attorney, and one at-large member appointed by the Governor. The bill also provided board members who are not state employees are entitled to compensation of \$75 per day and mileage and expenses as provided by law for state employees to be paid by ITD.

### **2009-10 Interim**

The 2009-10 interim Information Technology Committee recommended the following two bills for consideration by the 2011 Legislative Assembly:

1. Senate Bill No. 2036, which was defeated by the Legislative Assembly, would have amended Sections 54-59-02 and 54-59-05(13) relating to the responsibilities and powers and duties of ITD to provide the department may connect to a wide area network service for health information exchange in accordance with federal requirements for health information technology exchange.
2. Senate Bill No. 2037, which was approved by the Legislative Assembly, relates to the establishment and participation in the health information exchange. The bill:
  - a. Created four new sections to Century Code relating to the confidentiality of health information under the health information exchange and participation in the health information exchange.
  - b. Amended Section 23-06.5-19 to transfer responsibilities associated with the health care record registry from the Secretary of State to ITD.
  - c. Amended Sections 54-59-25 and 54-59-26 relating to the Health Information Technology Advisory Committee and the Health Information Technology Office.

### **2011-12 Interim**

The 2011-12 interim Information Technology Committee recommended the following two bills for consideration by the 2013 Legislative Assembly:

1. Senate Bill No. 2033, which was approved by the Legislative Assembly, amended Sections 54-35-15.2, 54-59-05(8), and 54-59-23 to change the definition of a large information technology project from a project with a total cost of \$250,000 or more to a project with a total cost of \$500,000 or more.
2. Senate Bill No. 2034, which was approved by the Legislative Assembly, created a new section to Chapter 54-59 to establish an executive steering committee for information technology projects. The bill provided:
  - a. An executive branch state agency, excluding institutions under the control of the State Board of Higher Education, proposing a major information technology project must collaborate with ITD and OMB and consult with the Attorney General's office to approve and administer the contract for a project.
  - b. The procurement officer and primary project manager for a major information technology project must meet the qualifications established by ITD and OMB.
  - c. The executive steering committee consists of the Director of OMB, the Chief Information Officer, the head of the agency contracting for the project, the project sponsor, and a large project oversight analyst designated by the Chief Information Officer. The committee must monitor the overall status of the project and review project decisions. Any project decision declared by a member of the committee to be a major project decision requires at least four affirmative votes.
  - d. Contracts and any changes to a contract for a major information technology project must be signed by the head of the contracting agency and the Chief Information Officer.

### **2013-14 Interim**

The Legislative Management assigned the committee the responsibility to study Voice over Internet Protocol service and issues related to the development of the current radio communication plan. The committee also received the results of a desktop support study, information technology hardware relocation and consolidation study, and an information technology staffing analysis of the Department of Public Instruction (DPI). The committee did not make any recommendations regarding the Voice over Internet Protocol study, the radio communication study, and the results of an information technology staffing analysis of DPI.

The 2013-14 interim Information Technology Committee recommended the following four bills for consideration by the 2015 Legislative Assembly:

1. House Bill No. 1051, which was approved by the Legislative Assembly, amended Section 15-10-44(1) to require all institutions under the control of the State Board of Higher Education to receive email services through one consolidated system operated by the State Board of Higher Education. The bill also required the State Board of Higher Education and the institutions under the control of the State Board of Higher Education to retain emails for a specific number of years. The bill also clarified that the State Board of Higher Education and the institutions under the control of the State Board of Higher Education are included in the state's records retention policies.

2. House Bill No. 1052, which was approved by the Legislative Assembly, amended Sections 54-35-15.2(11) and 54-59-12 to require the Chief Information Officer of the University System rather than the Commissioner of the State Board of Higher Education to coordinate with ITD and to report to the Information Technology Committee.
3. House Bill No. 1053, which was not approved by the Legislative Assembly, would have created a new section in Chapter 54-59 and amended Section 54-59-05. The bill required certain state agencies to obtain centralized desktop support services from ITD. However, similar provisions were included in the final version of House Bill No. 1021, which was approved by the Legislative Assembly.
4. Senate Bill No. 2051, which was not approved by the Legislative Assembly, related to the implementation of the results of a hardware relocation and consolidation study, would have exempted the information technology hardware operated by the Attorney General's office from consolidation and relocation and removed the ability of OMB to grant exemptions from the required use of hosting services and other information technology-related services. By removing the exemptions, the information technology hardware operated by the Department of Mineral Resources, Public Service Commission, and State Water Commission would have been required to be relocated and consolidated within ITD.

### **2015-16 Interim**

The 2015-16 interim Information Technology Committee received information from ITD regarding the department's strategic plan and annual report, reviewed information technology policies, standards, and guidelines, and monitored the status of large information technology projects, including the estimated cost and completion dates of these projects. Major information technology projects the committee reviewed included the following:

- Medicaid management information system - Department of Human Services (DHS).
- Eligibility systems modernization project - DHS.
- Transformed Medicaid statistical information system - DHS.
- WyCAN project - Job Service North Dakota.
- Information technology transformation program project - Workforce Safety and Insurance.
- Data processing system project - Secretary of State.

The committee also heard recommendations from ITD and the State Information Technology Advisory Committee regarding the prioritization of proposed major computer software projects and received information technology updates from the University System regarding higher education and the Educational Technology Council regarding elementary and secondary education. In addition, the committee received updates on the status of the statewide interoperable radio network, the implementation of desktop support services for state agencies, the statewide longitudinal data system initiative, and the North Dakota health information hub.

## **2017 LEGISLATIVE ASSEMBLY - RELATED LEGISLATION**

### **House Bill No. 1037 - North Dakota eTranscripts**

House Bill No. 1037 requires North Dakota school districts to use North Dakota eTranscripts, or an alternative information system designated by ITD in collaboration with DPI, to submit official transcripts for the North Dakota academic or career and technical education scholarship to the Superintendent of Public Instruction.

### **House Bill No. 1178 - Statewide Interoperable Radio Network**

House Bill No. 1178 relates to the statewide interoperable radio network and provides for the following related to ITD:

- Section 1 establishes a statewide interoperable radio network (SIRN) fund to be maintained in the State Treasury. Subject to legislative approval and Statewide Interoperability Executive Committee approval, money in the fund must be used for providing the required state share of funding for expenses associated with the purchase, installation, operation, and maintenance of SIRN. The fund consists of all money transferred into the fund, interest earned on money in the fund, payments to the fund, and other fund earnings. Grants, gifts, or services made available for SIRN by an agency or department of the federal government or any other person must also be deposited in this fund.
- Section 3 amends Section 54-59-05(4) to allow ITD to enter into agreements to finance the purchase of software, equipment, or implementation services exceeding 5 years for SIRN. The department is also authorized to spend more than 7.5 percent of ITD's appropriation in a biennium to finance the purchase of software, equipment, or implementation services relating to SIRN.

- Section 4 amends Section 57-40.6-02 to require political subdivisions to add a fee of \$0.50 to the fee imposed on assessed communications services. The additional \$0.50 per communication connection must be remitted to the State Treasurer for deposit in the SIRN fund established in Section 1 of the bill.
- Section 6 requires ITD to begin implementation of SIRN during the 2017-18 interim based on findings in the statewide interoperable network feasibility study and its recommendations by the Statewide Interoperability Executive Committee. Current and future appropriations and local government contributions for improvement or expansion of state or local public safety land mobile radio systems must be expended in a manner consistent with the recommendations of the Statewide Interoperability Executive Committee.
- Section 7 authorizes a loan of \$15 million from the Bank of North Dakota and appropriates the funds to ITD for SIRN. The term of the loan may not exceed 6 years and must be repaid from funds available in the SIRN fund established in Section 1 of the bill. During the 2017-18 interim, ITD shall provide status reports to the Budget Section regarding the implementation and progress of SIRN.
- Section 8 provides legislative intent that by September 30, 2018, all North Dakota entities operating a public-safety answering point relinquish legal rights to any radio frequency required for the SIRN trunk system, allowing these frequencies to be utilized by the state for use of the network.
- Section 9 provides legislative intent that during the 2017-18 interim, ITD and the Statewide Interoperability Executive Committee make efforts to consolidate certain functions with SIRN.
- Section 10 provides an expiration date of July 31, 2023, related to the provisions of the bill.

The additional \$0.50 imposed on assessed communications services is estimated to generate an additional \$9.6 million during the 2017-19 biennium. The Information Technology Department budget includes spending authority of up to \$13.7 million during the 2017-19 biennium, should actual revenues exceed the \$9.6 million estimate. Including the \$15 million loan from the Bank of North Dakota, ITD's total appropriation for SIRN during the 2017-19 biennium is \$28.7 million, of which \$24.6 million is the amount ITD anticipates being available during the biennium. The department anticipates using approximately \$3.3 million of the \$9.6 million generated from increased fees on assessed communications services to begin repaying the \$15 million Bank loan during fiscal year 2019, resulting in net funding available of \$21.3 million for SIRN during the 2017-19 biennium.

#### **House Bill No. 1194 - Victim Information and Notification System**

House Bill No. 1194 amended Section 12.1-34-06 to allow the Attorney General's office, rather than ITD, to maintain a statewide automated victim information and notification system.

#### **Senate Bill No. 2021 - Center for Distance Education**

Section 5 of Senate Bill No. 2021 created Section 15-19-01.1, requiring the Director of the Center for Distance Education to provide all public schools and districts a list of courses offered by the center. Section 6 of the bill created Section 15-19-02.1, requiring the Director of the Center for Distance Education to establish a clearinghouse for online courses offered by the center.

#### **Senate Bill No. 2021 - Statewide Interoperable Executive Committee Membership**

Section 7 of Senate Bill No. 2021 amended Section 37-17.3-02.2(1) to expand the membership of the Statewide Interoperability Executive Committee to include the Executive Director of the Indian Affairs Commission and, as appointed by the Legislative Management, one member of the House of Representatives and one member of the Senate.

#### **Senate Bill No. 2021 - Certified Electronic Health Records System**

Section 8 of Senate Bill No. 2021 amended Section 54-59-31 to allow certain health care providers participating in the health information exchange to use an electronic health records system that is not certified by the National Coordinator for Health Information Technology's office if that type of provider is not required to be certified.

#### **Senate Bill No. 2021 - Statewide Longitudinal Data System**

Section 9 of Senate Bill No. 2021 amended Section 54-59-34(1) to require the Statewide Longitudinal Data System Committee to provide annual reports to education and workforce development programs.

#### **Senate Bill No. 2021 - Electronic Payment Processing System**

Section 10 of Senate Bill No. 2021 provides for Bank of North Dakota loans, appropriated to certain state agencies for the purpose of implementing a new electronic payment system related to merchant credit card fees. Section 11 of the bill provides for the repayment of the loans authorized in Section 10, using special funds derived

from additional revenue received as a result of the new system. The following schedule lists the agencies authorized to receive a loan from the Bank during the 2017-19 biennium, the maximum amount the agency may borrow, and the amount appropriated to each agency for repayment of the loans:

Agency	Loan Amount Authorized	Loan Repayment
Department of Transportation	\$147,000	\$159,000
Secretary of State	93,000	101,000
Parks and Recreation Department	42,000	46,000
Game and Fish Department	36,000	39,000
Workforce Safety and Insurance	36,000	39,000
Highway Patrol	21,000	23,000
Total	\$375,000	\$407,000

### Senate Bill No. 2021 - Legislative Intent - Information Technology Department Efficiencies

Section 12 of Senate Bill No. 2021 provides legislative intent that the Governor achieve efficiencies and budgetary savings within ITD and other state agencies through the use of innovative ideas and solutions relating to information technology and related services. The Governor shall submit proposed legislation necessary to implement any ideas and solutions for state government efficiencies and budgetary savings to the 66<sup>th</sup> Legislative Assembly.

### Senate Bill No. 2024 - Desktop Support Services

Senate Bill No. 2024 amended Section 54-59-22.1(1) to remove the requirement for the Tobacco Prevention and Control Executive Committee to receive desktop support services from ITD.

### Senate Bill No. 2050 - Statewide Interoperability Executive Committee

Senate Bill No. 2050 amended Section 37-17.3-02.2(1) to include the Executive Director of the Indian Affairs Commission, or a designee, as a member of the Statewide Interoperability Executive Committee.

### Senate Bill No. 2104 - Statewide Longitudinal Data System

Senate Bill No. 2104 amended Section 54-59-39(1) to provide that ITD may not redisclose any unemployment insurance wage data from Job Service North Dakota that identifies an individual unless the redisclosure is expressly permitted by a written agreement between Job Service North Dakota and ITD, or is otherwise expressly permitted or required by federal or state law.

## OTHER RELATED BACKGROUND INFORMATION

The Information Technology Department was established by the 1999 Legislative Assembly to assume the responsibilities of the Information Services Division of OMB. The department is responsible for all wide area network services, planning, selection, and implementation for all state agencies, including institutions under the control of the State Board of Higher Education, counties, cities, and school districts in the state. The department is also responsible for computer support services, host software development, statewide communications services, standards for providing information to other state agencies and the public through the Internet, technology planning, process redesign, and quality assurance. The department is headed by the Chief Information Officer of the state who serves at the pleasure of the Governor and is to be appointed on the basis of education, experience, and other qualifications in information technology and administration.

### Information Technology Department Funding

The 2017 Legislative Assembly provided funding of \$245,099,322, of which \$20,532,334 is from the general fund and \$224,566,988 is from special funds, to ITD for the 2017-19 biennium. The 2017-19 appropriation of \$245,099,322 reflects an increase of \$67,308,138 from the 2015-17 biennium adjusted appropriation of \$177,791,184. The following are summaries of ITD's legislative appropriations for the 2015-17 and 2017-19 bienniums:

	General Fund	Other Funds	Total
2017-19 legislative appropriation	\$20,532,334	\$224,566,988	\$245,099,322
2015-17 adjusted legislative appropriation	26,078,145	151,713,039	177,791,184
Increase (decrease)	(\$5,545,811)	\$72,853,949	\$67,308,138

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total
2017-19 legislative appropriation	\$20,532,334	\$0	\$20,532,334
2015-17 adjusted legislative appropriation	23,406,055	2,672,090	26,078,145
Increase (decrease)	(\$2,873,721)	(\$2,672,090)	(\$5,545,811)
Percentage increase (decrease)	(12.3%)	(100.0%)	(21.3%)

The following is a summary of ITD's legislative appropriation for the 2017-19 biennium:

	General Fund	Other Funds	Total
Information Technology Department operations (salaries and wages, operating expenses, and capital assets)	\$976,761	\$136,606,009	\$137,582,770
Center for Distance Education	6,029,116	3,050,000	9,079,116
Statewide longitudinal data system	4,310,561	0	4,310,561
Educational Technology Council	521,472	600,000	1,121,472
EduTech	3,187,430	6,565,337	9,752,767
Wide area network	4,434,278	100,000	4,534,278
Geographic information system	1,072,716	75,000	1,147,716
Health Information Technology Office	0	48,870,642	48,870,642
Statewide interoperability radio network	0	28,700,000	28,700,000
Total	\$20,532,334	\$224,566,988	\$245,099,322

The following is a summary of major appropriation increases and decreases included in ITD's legislative appropriation for the 2017-19 biennium compared to the 2015-17 adjusted legislative appropriations:

	General Fund	Other Funds	Total
Adjusted funding for ITD operations (salaries and wages, operating expenses, and capital assets)	(\$396,786)	\$89,281	(\$307,505)
Reduced funding for the Center for Distance Education	(12,574)	0	(12,574)
Reduced funding for the statewide longitudinal data system	(1,548,380)	0	(1,548,380)
Reduced funding for the Educational Technology Council	(1,446,535)	0	(1,446,535)
Adjusted funding for EduTech	(336,858)	1,037,577	700,719
Reduced funding for the wide area network	(346,584)	0	(346,584)
Reduced funding for the geographic information system	(45,262)	0	(45,262)
Adjusted funding for the Health Information Technology Office	(11,082)	43,027,091	43,016,009
Adjusted funding for the statewide interoperable radio network	(1,401,750)	28,700,000	27,298,250
Total	(\$5,545,811)	\$72,853,949	\$67,308,138

The Legislative Assembly authorized a total of 344.3 full-time equivalent (FTE) positions for the 2017-19 biennium, a decrease of 6 FTE positions from the 2015-17 biennium authorized level of 350.3 FTE positions. The Legislative Assembly removed 1 FTE EduTech Director position and related funding of \$300,000 from the general fund. Funding of \$814,983 from the ITD operating fund was also reduced, relating to the removal of 1 FTE project manager II position, 1 FTE programmer position, and 3 FTE programmer analyst I positions. The funding source for the Health Information Technology Director position of \$361,389 was changed from the general fund to the health information exchange fund.

### Statewide Information Technology Funding

The 2017 Legislative Assembly provided funding of \$144,148,914 from federal and special funds for information technology projects for the 2017-19 biennium. A summary of the funding is attached as an [appendix](#).

### Health Information Technology

#### Health Information Technology Advisory Committee

Section 54-59-25 establishes a Health Information Technology Advisory Committee consisting of the Chief Information Officer, the State Health Officer, the Governor, the Executive Director of DHS, the Chairman of the House Human Services Committee, the Chairman of the Senate Human Services Committee, and individuals appointed by the Governor and the State Health Officer to represent a broad range of public and private health information technology stakeholders.

#### Health Information Technology Office

Section 54-59-26 establishes a Health Information Technology Office in ITD. The Health Information Technology Advisory Committee is to make recommendations to the Health Information Technology Office for implementing a statewide interoperable health information infrastructure that is consistent with emerging national standards, promote the adoption and use of electronic health records and other health information technologies, and promote interoperability of health information systems.

The Director of the Health Information Technology Office, in collaboration with the Health Information Technology Advisory Committee, is to:

- Apply for federal funds that may be available to assist the state and health care providers in implementing and improving health information technology.
- Implement and administer a health information exchange that utilizes information infrastructure and systems in a secure and cost-effective manner to facilitate the collection, storage, and transmission of health records.
- Adopt rules for the use of health information, use of the health information exchange, and participation in the health information exchange.

#### **Electronic Health Information Exchange Fund**

Section 54-59-27 establishes an electronic health information exchange fund. The fund consists of the money deposited in the fund from federal or other sources or money transferred into the fund as directed by the Legislative Assembly. The Health Information Technology Office is to administer the fund. The money in the fund is to be used to facilitate and expand the electronic health information exchange. Money in the fund may be used, subject to legislative appropriations, to provide services directly for grants and for costs of administration of the fund.

The estimated June 30, 2019, fund balance is \$1,596,153.

#### **Health Information Technology Planning Loan Fund**

Section 6-09-43 establishes a health information technology planning loan fund at the Bank of North Dakota for providing low-interest loans to health care entities to assist those entities in improving health information technology infrastructure. This fund is a revolving loan fund. All money transferred into the fund, interest on money in the fund, and collections of interest and principal on loans made from the fund are appropriated for disbursement. Annually, the Bank may deduct a service fee for administering the revolving loan fund.

An application for a loan must be made to the Health Information Technology Office. The Director of the Health Information Technology Office, in collaboration with the Health Information Technology Advisory Committee, may approve the application of a qualified applicant that meets the criteria established by the Director of the Health Information Technology Office. The Health Information Technology Office forwards approved applications to the Bank of North Dakota. Upon approval of the application by the Bank, the Bank is to make the loan from the revolving loan fund.

Through July 2017, loan applications totaling \$13,725,672 have been approved. The estimated June 30, 2019, fund balance is \$0.

#### **Health Information Network Expansion**

Section 1 of 2017 Senate Bill No. 2021 includes \$43.6 million for the North Dakota Health Information Network expansion project, a project designed to provide for the secure exchange of health information to enable clinical users such as providers, nurses, and clerical staff to easily and efficiently view information relating to a patient's electronic medical records. The project will enhance the functionality of North Dakota Health Information Network by allowing Medicaid providers options to meet specific measures and objectives to achieve meaningful use and promote comprehensive interoperability between all providers throughout the state. The project will enhance the existing North Dakota Health Information Network infrastructure and allow for statewide repositories for analytics, care coordination, credentialing, advanced directives, and provide for necessary connections between providers.

Of the amount appropriated to ITD, \$40.5 million is from federal funds distributed by the federal Centers for Medicare and Medicaid Services and to be received by DHS. Federal funds are available through a Medicaid advanced planning document and require a 10 or 15 percent match. The matching funds will be generated from billings to providers, payers, and from the electronic health information exchange fund. Funding will be available for the project through the anticipated completion date of September 2021.

### **PROPOSED STUDY PLAN**

The following is a proposed study plan for the committee's consideration relating to its statutory responsibilities and assigned study responsibilities:

1. Review the activities of ITD, the business plan of the department, statewide information technology standards, the statewide information technology plan, and major information technology projects (Section 54-35-15.2).



2. Determine information technology compliance reviews to be conducted by the State Auditor and receive the results of those reviews (Section 54-35-15.4).
3. Receive a report from the Chief Information Officer regarding the recommendations of the State Information Technology Advisory Committee relating to the prioritization of proposed major information technology projects and other information technology issues (Sections 54-35-15.2 and 54-19-02.1).
4. Receive reports from the Chief Information Officer regarding the coordination of services with political subdivisions and the Chief Information Officer of the University System regarding coordination of information technology between ITD and higher education (Section 54-59-12).
5. Receive the following from ITD:
  - a. An annual report regarding information technology projects, services, plans, and benefits (Section 54-59-19); and
  - b. Information regarding the statewide information technology budget for the 2017-19 and 2019-21 bienniums.
6. Review current information technology-related statutory provisions.
7. Receive reports from the State Board of Higher Education regarding higher education information technology planning, services, and major projects (Sections 15-10-44 and 54-35-15.2).
8. Receive a report from the Statewide Longitudinal Data System Committee on the status of the statewide longitudinal data system, including recommendations for further development, cost proposals, proposals for legislation, and data sharing governance (assigned by the Legislative Management pursuant to Section 54-59-36).
9. Receive a report from the Emergency Services Communications Coordinating Committee by November 1 of each even-numbered year regarding the use of the assessed communications services fee revenue and receive recommendations regarding changes to the operating standards for emergency services communications, including training or certification standards for dispatchers (Section 57-40.6-12).
10. Receive periodic reports from the Chief Information Officer regarding the status of the statewide interoperable radio network.
11. Receive periodic reports from the Chief Information Officer regarding the status of the electronic payment processing system.
12. Receive periodic reports from the Health Information Technology Office and the Health Information Technology Advisory Committee on the status of the health information technology activities and the health information network expansion.
13. Develop recommendations and any necessary legislation to implement the committee's recommendations.
14. Prepare a final report for submission to the Legislative Management.

ATTACH:1