

---

**Testimony on Bill No. 36-0228**

**Establishing the Virgin Islands Health Data Utility**

**Committee of the Whole  
Thirty-Sixth Legislature of the Virgin Islands**

-----

*An act amending title 19 Virgin Islands Code by adding a chapter 39 establishing the Virgin Islands Health Data Utility, which will advance data sharing infrastructure, simplifies reporting, enhances data visualization, and improves traditional clinical data exchange, across individual practice and institutional health settings, and social service organizations.*



**HEALTH DATA**  
UTILITY

*Presented by:*

*Michelle M. Francis, Executive Director  
Office of Health Information Technology  
Office of the Governor*

*Submitted to:*

*Honorable Senator Milton Potter  
Senate President, Committee of the Whole*



## INTRODUCTION

Good day, Senate President Potter; Senate Vice President Gittens; Honorable Senator Fonseca, Chair of the Committee on Health; and distinguished Senators of the Thirty-Sixth Legislature. Thank you for the opportunity to testify in strong support of Bill No. 36-0228, "An Act amending title 19 Virgin Islands Code by adding chapter 39 establishing the Virgin Islands Health Data Utility."

This measure is both straightforward and transformational. It creates the Virgin Islands Health Data Utility—our HDU—as a special-purpose, independent, public-benefit, non-profit instrumentality of the Government charged with operating the Virgin Islands Health Information Exchange (HIE) and related digital infrastructure. *In practical terms, this bill gives an independent body, the governance, legal authority, and funding structure we need to move from fragmented information silos to a coordinated, territory-wide health data backbone that supports better care, stronger public health, and more efficient use of limited dollars.*

My name is Michelle Francis, Executive Director of the Office of Health Information Technology. I am joined by our key subject-matter experts and other community public and private agency partners who stand ready to help transform how care is delivered in this Territory.

Today, I speak with urgency—and with conviction—because the decision before you is not abstract. It touches every Virgin Islander, every clinical provider, every hospital, every clinic, every insurer, and every family in the Virgin Islands. In my testimony today, I will: (1) describe the current state of healthcare in the Territory; (2) explain, in plain language, what Bill 36-0228 actually does; and (3) show how it gives us the tools to seamlessly exchange data to improve care and control costs while protecting privacy.

## BACKGROUND

The Office of Health Information Technology was established by Executive Order in 2021 to serve as a collaboration hub to help advance the modernization of our USVI Healthcare delivery system to improve care coordination, treatment and delivery for providers and patients by bringing together key healthcare and government stakeholders to facilitate a collaborative relationship between providers and government agencies.

The Office of Health Information Technology was established by Executive Order in 2021 to serve as a collaboration hub that could help advance the modernization of our healthcare delivery system to improve care coordination, treatment, and delivery for providers and patients by bringing together key healthcare and government stakeholders.

As stated in the Executive Order, the Office of Health IT coordinates and guides an aligned, strategic approach on health information technology across public and private partners. This office serves as a resource to the entire healthcare system to support the adoption of health information technology and for the promotion of Territory-wide, standards-based health information exchange to improve health care. OHIT coordinates the efforts of the Health Information Exchange, leads the major Medicaid Health IT investments, and oversees the Implementation of the 2021 Territorial Health IT Strategic Plan.

Recognizing that federal funds alone could not solve a Territory-wide modernization challenge, we proactively sought additional resources. We secured over \$1 million in grant funding to supplement our modest annual earmark and to incentivize participation among both public and private providers.



To date, OHIT has sub-granted funding to strengthen infrastructure and support HIE connections for:

- Juan F. Luis Hospital
- Schneider Regional Medical Center
- St. Thomas East End Medical Center
- Frederiksted Health Care

We also hosted Digital Health Summits, bringing best-in-class solution providers and national experts in health IT and policy to the Territory to better understand our needs and identify appropriate solutions.

After more than 15 years of conceptual discussions, the Bryan/Roach Administration has now transformed the vision of an integrated healthcare network into reality through the federally funded HIE Pilot, implemented in partnership with CRISP Shared Services. This pilot now includes both hospitals and our two federally qualified health centers. While this achievement is historic and exciting, we recognize that the task ahead remains complex and demanding.

## THE CURRENT REALITY OF HEALTHCARE IN THE VIRGIN ISLANDS

As Virgin Islands residents, we all experience a fragmented healthcare system. A simple visit to Urgent Care—or your primary care physician—requires at least a half day off work for lengthy registration paperwork and the stress of trying to recall your medical history. You may need labs you recently had done elsewhere but can't easily access the results. You try not to be stressed as they take your blood pressure while asking you to list all medications you are on and to recall and describe details of any last pertinent visits. You leave with a pile of paper referrals that must be hand-delivered to imaging centers, pharmacies, and specialists.

A month later, when following up with your primary care doctor, you come armed with photos of pill labels or a bag of pill bottles and an assortment of paperwork, still unsure you remembered everything. You spend an additional 30 minutes filling out 50 pages of information you have already filled out at five sites of care. The imaging center you went to couldn't give you your scans on a jump drive due to cybersecurity policies, leaving you uncertain about how to get critical information from one provider to the other. You are also stressed about having to take even more time off work just to act as a courier for your medical records.

Meanwhile, you're also coordinating care for your parents, whose rising travel costs for medical visits make relocating seem necessary. With your father at high risk for stroke, you know that timely access to accurate health records is essential—strokes don't allow time to call multiple offices for past labs, medications, and history. Every second counts.

*This fragmentation is not just inconvenient—it is costly and dangerous.*

### Local Costs We Can No Longer Ignore

- The Virgin Islands spends **over \$80 million every year** sending patients off-island for care — a figure that has steadily increased over two decades.
- Government health insurance costs for employees and retirees are projected to rise by **13.7% in FY 2026**, representing a staggering **\$27.26 million increase in cost**.

These numbers are not theoretical. They directly impact our overall local economy, the general budget, our hospitals, clinics and our people.

Without a modern system for sharing clinical data, we are trapped in a cycle of inefficiency, duplication, and escalating costs. Additionally, without the benefit of comprehensive data, we are making decisions half blind. Instead of decisions that are data driven, we are making decisions based on anecdotes and a partial picture of what is really driving healthcare costs in the USVI and what is really plaguing residents.

## THE POWER OF HEALTH INFORMATION EXCHANGE



A functioning Health Information Exchange is the backbone of modern healthcare. It allows secure, real-time exchange of:

- Lab results
- Imaging
- Medications
- Diagnoses
- Hospital encounters
- Clinical notes
- Allergy and problem lists

And it ensures that information follows the patient—*not the other way around*.

### National Evidence of Cost Savings and Improved Care

National studies consistently show that HIEs deliver measurable financial and clinical benefits:

- The greatest savings come from reducing **administrative waste**, including the time clinicians spend retrieving charts and avoiding redundant imaging—the largest avoidable cost driver in American healthcare.

- Real-time analytics and **Admit Discharge Transfer alerts** significantly reduce costly hospital readmissions and contribute to lower mortality when integrated into workflows. *Did you know that when a Medicaid client is readmitted to a hospital within 30 days, the local general fund budget has to pay for it?*
- Systematic reviews show that HIEs **reduce** duplicated procedures, unnecessary imaging, and therefore the overall cost of care—validating their long-promised impact.

When national research is combined with our local data, the conclusion is undeniable: **The Virgin Islands can no longer afford NOT to implement a fully functional Health Information Exchange governed by a sustainable, transparent Health Data Utility.** Bill 36-0228 is the vehicle that gives it form, governance, and sustainable funding in the Virgin Islands.

## WHY THE HEALTH DATA UTILITY (HDU) LEGISLATION IS ESSENTIAL

### Definitions | HDU vs HIE

The **Health Information Exchange** is technology platform is the “vehicle” for transporting health (and SDOH) data

**Health Data Utility** entity provides “navigation,” guidance and direction for health data exchange

| **The users** of the health data utility. Our providers, our health systems, our patients, etc



**HEALTH DATA UTILITY**  
5

Bill 36-0228 recognizes that health data are critical infrastructure. It defines an "Exchange" or Virgin Islands Health Information Exchange as the authorized electronic network for sharing health information among healthcare providers, payors, public health agencies, and other authorized participants. It grounds our approach firmly in federal law by incorporating HIPAA, the Health Insurance Portability and Accountability Act, and the 21st Century Cures Act interoperability and information blocking framework, including TEFCA, the Trusted Exchange Framework and Common Agreement. The message is clear: the Virgin Islands intends to participate fully and compliantly in modern health information exchange.

The bill also recognizes something else: as a holder of personal information, the Government of the Virgin Islands has a responsibility to demonstrate a serious, visible commitment to privacy, security, and proper governance. The findings section expressly acknowledges that agencies and health-care entities have a duty to share information—as allowed by law—to achieve optimal patient and population health, but also to respect personal privacy and to operate within the protections established since HIPAA's enactment in 1996.

## What Bill 36-0228 Does—In Plain Language

Bill 36-0228 does three main things.

**First**, it creates the Virgin Islands Health Data Utility as a special-purpose, independent, autonomous public-benefit, non-profit corporation and government instrumentality, governed by a 12-member board that includes OHIT, the Commissioners of Health and Human Services, both public hospitals, the Bureau of Information Technology, both federally qualified health centers, the Board of Medical Examiners, the largest independent PPO, and two at-large public members—one from each district.

**Second**, it charges the HDU with operating the Virgin Islands Health Information Exchange and related digital infrastructure. Through the HIE, the HDU must aggregate data from providers and payors, support Medicaid interoperability and public-health reporting (registries, labs, immunizations, syndromic surveillance), and enable authorized clinicians to securely access patient information for treatment and care coordination under HIPAA and the 21st Century Cures Act/TEFCA.

**Third**, it establishes patient consent protections, implementing regulations, mandatory participation agreements for providers and payors, and a funding framework—including an ARPA appropriation, transfer of the existing CRISP contract and associated funds, and a dedicated share of the emergency services surcharge—to sustain this critical infrastructure over time.

## Brief Walk-Through of Key Sections

To make this very clear, let me briefly walk you through the core sections of the bill.

### Section 1, New Chapter 39, §1002 – Establishment and Governance

This section formally establishes the HDU as a special-purpose public-benefit, non-profit instrumentality of the Government and spells out the 12-member board composition, the quorum and voting rules, the ability to create a non-voting advisory board, and the requirement for an annual audit by a certified public accountant. It also includes a strong conflict-of-interest rule: appointed public members may not work for or be affiliated with HDU entities, and must resign if that changes.

### §1003 – Powers, Obligations, and Protections

This section makes clear that the debts and obligations of the HDU are its own, not automatic liabilities of the central government, even as its property is public property used only for essential public and governmental purposes and exempt from local taxes. It allows the HDU to sue and be sued, enter contracts, hire staff and professionals, manage revenues, and "do all things necessary or appropriate" to fulfill its purpose—but also expressly prohibits it from engaging in business activities outside this chapter. It preserves coverage for employees under the Employees' Retirement System, the Government Insurance Fund, unemployment insurance, and Social Security, on the same basis as other government agencies.

### §1004–§1005 – HIE Duties, Principles, and Patient Consent

These sections define the duties of the HIE: aggregating health information to support public health and Medicaid, providing data to government, providers, patients, and the community about cost, access, and quality, facilitating registry and reporting functions, and enabling authorized providers to access information to monitor patient care. They also set guiding principles: protecting privacy and confidentiality, promoting standardization and interoperability, increasing accuracy and completeness, preserving patient choice, supporting participation even for providers without EHRs, and providing a disaster-recovery capability and an opt-out policy consistent with HIPAA. Patients may opt out of the

HIE, except for mandatory public-health or other legally required reporting, and existing consent to share information with a provider applies whether data flow through the HIE or by other means.

### **§1006–§1007 – Implementing Regulations and Funding Authority**

These sections require the HDU to adopt regulations that specify connectivity to the HIE, the scope of data to be exchanged, and a uniform, gradual implementation of clinical exchange. They direct the HDU to "promote and safeguard the interests of the Medicaid Enterprise" as specified by CMS, and to align with ONC technology standards. They also authorize the HDU to cooperate with federal and territorial agencies, accept grants, gifts, and pledges, and charge nominal participant fees—but only after the board approves a CMS-compliant sustainability plan, and only consistent with availability of subsidy funding.

### **Sections 2–5 – Participation, Appropriation, Contract Transfer, and Surcharge**

Section 2 requires, within 90 days of enactment, that all health facilities, providers, pharmacies, FQHCs, and payors execute participation agreements with the HDU, including milestones for bi-directional connectivity; the executed agreements are evidence of participation. This is about getting everyone under contract quickly; the technical connectivity will be phased. Section 3 provides a \$300,000 ARPA-funded appropriation for implementation. Section 4 assigns the existing CRISP Shared Services HIE contract and all current and future HIE-related funds from DHS to the HDU. Section 5 increases the emergency services surcharge from \$2.00 to \$2.50 and allocates 20% of its proceeds to the HDU, while also adding the HDU Executive Director to the Emergency Services Fund governance language.

## **Privacy, Patient Rights, and Limits on Use**

The bill is explicit that all data sharing must comply with HIPAA and the 21st Century Cures Act, including TEFCA, and that the HIE must be administered under principles that prioritize privacy, security, and confidentiality. It allows patients to opt out of the HIE, except where public-health or other reporting is required by law, and it restricts the HDU to the activities authorized in this chapter. Its property is public property, used only for essential public and governmental purposes—not for private commercial exploitation.

The proposed legislation establishes the **Virgin Islands Health Data Utility**, an independent nonprofit public benefit corporation responsible for governing and overseeing the secure use of health data across the Territory.

This structure ensures:

- Transparent governance
- Public–private stakeholder representation
- Long-term operational stability
- Compliance with federal data-sharing standards
- A model that aligns with best practices nationwide
- Clear, prioritized Use Cases for data sharing - simply meaning, prioritize and authorized reasons for the exchange of data

## **What the HDU Will Do**



The proposed legislation **establishes the Virgin Islands Health Data Utility as an independent nonprofit public benefit corporation** responsible for governing and overseeing the secure use of health data across the Territory.

This structure ensures:

- Transparent governance
- Public-private stakeholder representation
- Long-term operational stability
- Compliance with federal data-sharing standards
- A model that aligns with best practices nationwide
- Clear, prioritized use cases for data sharing—prioritized and authorized reasons for the exchange of data

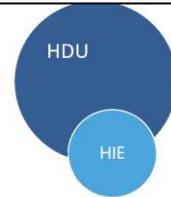
In practical terms, the HDU will:

- Run and maintain the Territory's critical enterprise digital infrastructure for health IT, including and starting with the Health Information Exchange but not exclusive to it
- Help facilitate the hospitals getting critical funding and infrastructure to replace their outdated electronic medical records so that they can connect to the Health Information Exchange securely and efficiently
- Ensure all providers and insurers participate, guaranteeing complete patient records
- Support public health agencies with real-time data needed for disease surveillance
- Reduce duplication, lower costs, and improve coordination of care
- Assist with education and on-boarding of providers to the HIE and education to the wider public

And importantly, the HDU ensures that **health data remains a public asset, not a commercial commodity.**

In other words, the practical duties I have just described are not aspirational; they are embedded in §1004 of the bill as core requirements of the HIE and the HDU.

## Core Definitions: HIE and HDU



### Health Information Exchange



A system that enables the instant electronic **sharing** of patient health information among different healthcare organizations, facilitating **improved care coordination** and patient outcomes.

### Health Data Utility



A **public-private entity** that aggregates, analyzes, and **leverages diverse health data** sources to provide comprehensive insights for healthcare delivery, research, and public health initiatives.

## MANDATED PARTICIPATION — A NECESSARY STEP

No HIE can succeed if participation is optional. A fractured system only perpetuates the very problems this legislation is designed to fix. The bill's requirement that all providers and insurers participate is foundational and aligns with national frameworks such as **HHS' Trusted Exchange Framework and Common Agreement (TEFCA)**.

Section 2 of the bill makes this real by requiring that, within 90 days of enactment, all health facilities, healthcare providers, pharmacies, federally qualified health centers, and all payors execute participation agreements with the HDU that include milestones for bi-directional connectivity. *We are prepared to offer language for an amendment to implement a phased approach to allow all contributing entities an opportunity to implement the necessary steps for data sharing.* This proposed timeline will provide a phased implementation with clear milestones for all participants and insures that all, including small practices, are not left behind.

Mandated participation ensures that:

- All medication lists are accurate
- All lab results are available anywhere care is sought
- Emergency providers have the information they need in real time
- Care transitions are safer and faster
- Claims data is available and shared accurately and timely for reporting and enhanced disease surveillance, budgeting, and planning

This is not just good policy—it is **good medicine**.



## FUNDING FOR SUSTAINABILITY

The bill lays out a multi-layered funding approach designed to provide immediate start-up resources and long-term sustainability without creating an open-ended draw on the General Fund.

**First**, it appropriates \$300,000 from the American Rescue Plan Act allocation for fiscal year 2026 to the HDU for implementation of the HIE. This provides immediate start-up funding tied to a time-limited federal resource.

**Second**, it rationalizes existing contractual and funding relationships. Within 30 days of enactment, the Department of Human Services must assign to the HDU the existing Health Information Exchange Professional Services Contract with CRISP Shared Services, Inc., and within 60 days must transfer all funds and grants received to support that contract. Going forward, DHS must transfer to the HDU, within 30 days of receipt, any funds, grants, or monies it receives for HIE services. This ensures that the entity responsible for the HIE is the same entity that holds the contract and funding.

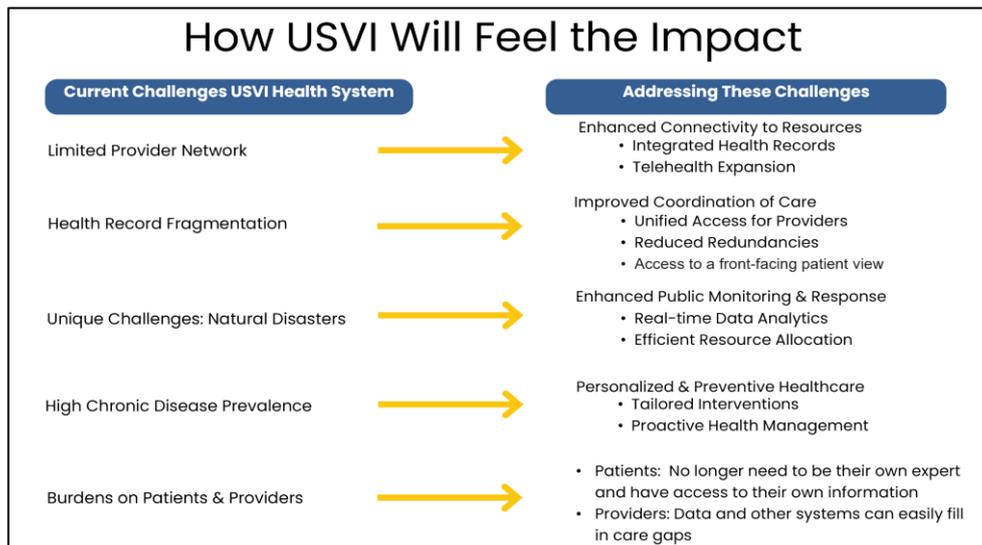
**Third**, the bill amends Title 33 to increase the emergency services surcharge from \$2.00 to \$2.50 and to modify the distribution of surcharge proceeds so that 20% is allocated annually to the Virgin Islands Health Data Utility. It also adds the HDU's Executive Director to the Emergency Services Fund governance structure and clarifies that the Emergency Services Fund may be used for the operation and obligations of the HDU. This creates a dedicated, recurring revenue stream linked to emergency and health-related services, recognizing that access to accurate, real-time health information is essential to emergency response.

**Finally**, the bill authorizes the HDU to accept grants, gifts, and pledges, and to charge nominal fees to participants for the use of the HIE and related infrastructure, in accordance with a CMS-compliant cost-allocation plan and subject to availability of Virgin Islands subsidy funding. Critically, no participant fees may be charged until the HDU board approves a sustainability plan.

In addition, the bill allocates 20% of the emergency services surcharge proceeds to the HDU and prohibits any participant fees until the board approves a CMS-compliant sustainability plan. That means we start with federal dollars, existing contract funds, and a modest, dedicated revenue share—not an open-ended draw on the General Fund or unplanned fees on providers.

This aligns with federal best practices and ensures we do not build a system that we cannot afford to maintain nor appropriately manage.

## IN LAYMAN’S TERMS: WHAT THIS MEANS FOR THE PEOPLE



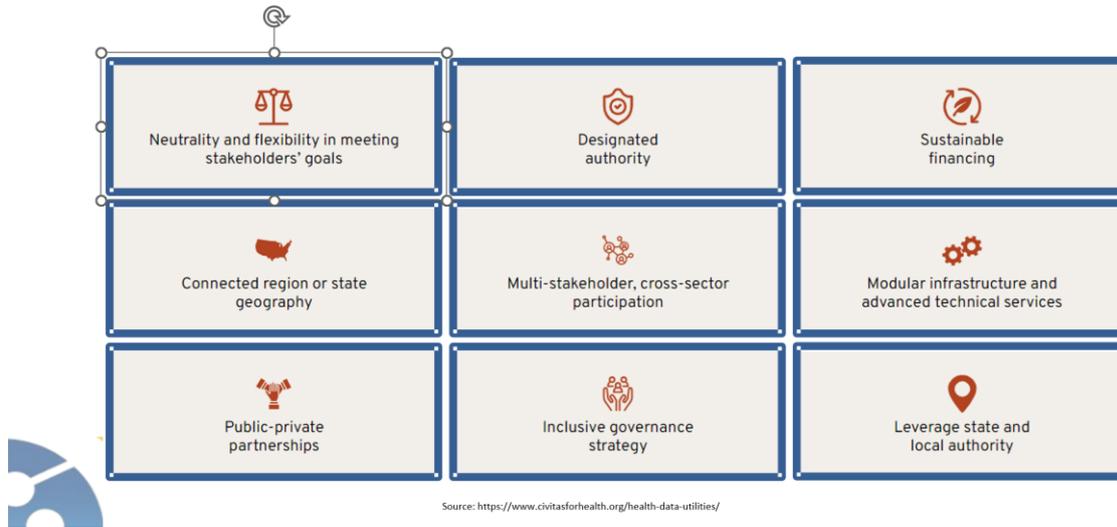
*Let me put it simply:* Your doctors will finally be able to see your records — all in one place. These are the practical benefits that flow when the governance, powers, participation requirements, patient protections, and the funding structure in Bill 36-0228 are put into place and the HDU and HIE are fully implemented.

### Benefits:

- Your doctors will finally be able to see your records—all in one place
- You won't have to repeat the same tests over and over
- Hospitals will make faster, safer decisions in emergencies
- Your care will be coordinated whether you are on St. Thomas, St. Croix, St. John, Puerto Rico, or the mainland
- This critical infrastructure will be safeguarded and managed by a group of inclusive stakeholders that depend on its success and include members of the public
- Election cycles won't put this critical infrastructure at risk as it will be housed in a not-for-profit
- And the Territory will save money—potentially millions—by eliminating waste and duplication

We did not make up this structure. Instead, we are learning from past mistakes of other HIEs across the United States and building on what has worked and been successful and lauded as best practice. *This is the healthcare system our people deserve.*

## Key Characteristics of a Health Data Utility



## ADDRESSING LIKELY CONCERNS

I recognize that members may have concerns about privacy, participation mandates, and the scope of HDU powers.

**On privacy**, this bill does not weaken existing protections; *it reinforces them* by anchoring data exchange in HIPAA and the 21st Century Cures Act, limiting purposes to health and public-health uses, and requiring regulations to set detailed standards for connectivity, data scope, and use. The opt-out provision, with exceptions for legally required reporting, balances comprehensive data for care and public health with patient autonomy.

**On participation**, universal inclusion is necessary for the utility model to deliver its full value. The proposed phased requirement is about getting agreements in place and starting the connectivity journey. The HDU, when fully operational and working with OHIT, DHS, and DOH, will provide technical assistance and phased milestones so that small practices and resource-constrained providers are also supported, not penalized, in meeting these new obligations.

**On authority and accountability**, the HDU's powers are carefully tied to its purposes and limited to what is necessary to build and operate the HIE. Its finances must be audited annually; its board is composed of public officials, private citizens and healthcare leaders; its employees retain retirement and insurance protections; and the Legislature retains the power to require reports, to adjust funding, and to amend the statute if adjustments are needed.

## ACKNOWLEDGMENTS & CLOSING

I want to thank this Committee, the full body of the Thirty-Sixth Legislature, Governor Bryan, Lieutenant Governor Roach, and our partners across agencies and healthcare for their commitment to modernizing the Territory's healthcare infrastructure. I specifically want to acknowledge our honorable Governor, former Chief of Staff Karl Knight, and former HHS Policy Advisor Dr. Julia Sheen for their leadership and unwavering support, and the foresight and determination to



permanently and positively advance healthcare in the USVI through the creation and empowerment of this office to shepherd a critical concept into reality.

Additionally, I must thank the Office of the Legal Counsel and Attorney Michele Baker for their sage guidance, my small team of two, Ms. Kamille Willis and Ms. Cynthia Challenger for being the backbone of this operation, Crisp Shared Services, our Health Information Exchange provider and partner and our extended team members in Zane Net and net.America for the day-to-day and herculean efforts they provide and have provided to keep things moving.

Finally, I close by acknowledging my 84-year-old mother, Marilyn May, a talented artist, as one of my core inspirations for sticking to this efforts when it has seemed impossible. She wants to remain "home" in the USVI and not have to move to the mainland for care as she ages. My two boys, Ari and Rafa, are also central to my drive and motivation to rise to the challenge of this office and the OHIT mission to "serve as the nucleus for innovative and transformative health IT resources and solutions across the USVI in order to improve the health and wellness of Virgin Islanders."

Senators—there has been talk in the USVI about the need for an HIE and for nearly 15 years. We have delivered on the technology through Crisp Shared Services. *But technology alone is not enough. We need governance, funding sustainability, and legislative support.*

**Passing this bill is not just a procedural step. It is a transformational act of leadership and sound fiscal investment because it takes the HIE from a pilot project to a permanent, governed, and sustainably funded utility for the people of the Virgin Islands.**

Bill No. 36-0228 does not simply create another entity. It creates the backbone for a modern, interoperable, resilient health information environment in the Virgin Islands—one that supports better patient care, stronger public health, more effective Medicaid and insurance operations, and more informed policymaking.

By establishing the Virgin Islands Health Data Utility, defining its governance and powers, mandating broad participation, protecting patient rights, and securing initial and recurring funding, this Legislature would be taking a decisive step toward a safer, smarter, and more equitable health system for our residents.

Ultimately, passage of this bill and the funding of it will:  
Save lives.  
Lower costs.  
Strengthen our healthcare system for generations.

**I respectfully urge your full support to get Bill No. 36-0228. across the finish line today.**

Thank you. I am happy to answer any questions you may have.