



**THE
DEPARTMENT
OF HUMAN
SERVICES**

**Committee of
THE WHOLE**

Monday, 23 February 2026
**SENATE PRESIDENT MILTON POTTER,
CHAIRMAN**



Testimony of Assistant Commissioner Taetia Philipps-Dorsett

Committee of the Whole

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Introduction

Good morning Honorable Chairman; Senate President Milton E. Potter; Honorable Senators of the Committee of the Whole; distinguished colleagues; and members of the viewing and listening audience.

My name is **Taetia Phillips Dorsett**, and I am honored to serve as the **Assistant Commissioner** of the U.S. Virgin Islands Department of Human Services. Joining me in the well is **Mr. Gary Smith**, the **Director of the Office of Medicaid** at DHS. Thank you for the opportunity to testify in support of **Bill No. 36-0228**, legislation establishing the **Virgin Islands Health Data Utility and the Health Information Exchange**. The Department of Human Services supports this measure because it directly strengthens the administration, accountability, and sustainability of the Medicaid program, which serves some of our most vulnerable residents — seniors, children, individuals with disabilities, and working families throughout the Territory.

The Structure and Purpose of the Health Data Utility

To understand why this legislation is important for Medicaid and the clients DHS serves, it is helpful to briefly explain how the bill is structured and how its key components work together. Bill No. 360228 establishes two distinct but complementary elements that together form the Territory's health information sharing framework: the Health Information Exchange and the Health Data Utility. Each serves a different function, and both are necessary to ensure that health data is shared responsibly, securely, and in a way that supports patient care, public health, and Medicaid program integrity.

The **Health Information Exchange**, or **HIE**, is the technology platform that enables health information to be shared electronically among authorized healthcare providers, payors, hospitals, laboratories, federally qualified health centers, and designated public agencies. It is the operational mechanism through which clinical data moves across the healthcare system to support treatment, care coordination, and continuity of services.

The **Health Data Utility**, or **HDU**, by contrast, is the independent, **public benefit governance entity** created to oversee that exchange. The HDU is responsible for establishing policies, rules, and safeguards that govern how data may be shared, for what permitted purposes, and under what privacy and security protections are. It also provides the long-term structure needed to ensure stability, accountability, and sustainability of the HIE. This model reflects national best practices and aligns with federal interoperability standards under the 21st Century Cures Act and related federal frameworks. Most importantly for DHS in particular, it creates a transparent, multistakeholder governance structure that balances public health priorities with Medicaid program oversight, compliance, and accountability, ensuring that the system serves both providers and the vulnerable populations who rely on Medicaid for care in our local community. The HDU will serve as the primary entity responsible for evaluating the functional aspects of the HIE and provide

feedback on its usefulness for the Virgin Islands Community.

Why This Matters to Medicaid

Medicaid is the single largest payer of healthcare services in the Virgin Islands. With that responsibility comes an obligation not only to ensure access to care, but to ensure that care is coordinated, efficient, and fiscally responsible as it relates to our service beneficiaries. At peak client participation, the USVI Medicaid program boasted approximately 38,000 beneficiaries. As of our last member profile count dated February 15th, there are 18,729 persons enrolled in Medicaid and 1,106 Medical Providers enrolled. At present, our healthcare system operates in silos. Providers maintain their own records. Hospitals maintain separate systems. Off-island facilities operate on entirely different platforms.

When a Medicaid beneficiary moves between providers, much of that information does not automatically move with them. The result is fragmentation and duplication of effort manifested by — repeated tests or lab work, incomplete discharge information, delayed follow-ups, and limited real-time visibility into utilization patterns. From a program's integrity standpoint, this fragmentation makes oversight more difficult. From a patient standpoint, it makes care less coordinated. **Bill No. 36-0228** addresses that gap.

The Critical Handoff in Medicaid Care Delivery

Senators, if I may offer a simple analogy: imagine our U.S. Virgin Islands healthcare system as a **relay race**. Each provider — the primary care physician, the specialist, the hospital, the off-island facility — **is a runner in that race**. The patient is **the baton**. Right now, the baton is being handed off **without a clear line of sight**. Sometimes the next runner does not know the full history of what happened in the previous leg. Sometimes critical information arrives late. Sometimes it must be reconstructed. The HIE does not change who runs the race. It ensures that **when the baton is passed, it is passed cleanly, securely, and with full visibility**. For Medicaid beneficiaries — particularly those with chronic conditions, behavioral health needs, or complex care plans — that clean handoff can be the difference between continuity of care and the exacerbation of a health crisis.

Direct Impact on Medicaid Beneficiaries

For our local Medicaid clients, the benefits of this legislation are practical and immediate.

When a Medicaid patient is admitted to or discharged from a hospital, providers will no longer have to rely on delayed paperwork or informal communication. Real-time notifications will let doctors, case managers, and care coordinators know when their patient has been hospitalized and arrange appropriate follow-up care without delay. There exists the potential for providers to be alerted when patient referrals are made to other entities or to select referrals needed from a menu of options. The selected items would then auto-populate in a coordinating service providers message que. This improves patient linkage to care.

When a beneficiary travels off island for specialty services, the Medicaid program and local providers will have better visibility in those encounters. That means when the patient returns home, their care does not **restart from zero**. Their providers can see what was done, what medications were prescribed, and what follow-up is required. This strengthens the continuity of care and reduces confusion for patients and families.

When laboratory results, discharge summaries, and clinical records are securely shared among authorized providers, we reduce the likelihood of duplicative testing and repeated procedures. That is not only more efficient — it is safer and less burdensome for patients.

Through the HIE, Medicaid will gain access to timely admission and discharge alerts, improved visibility into off-island services, better coordination of referrals, shared clinical documentation, and more responsible use of information related to social factors that affect health outcomes.

These improvements are not theoretical. They affect whether a senior avoids being readmitted to the hospital because follow-up care was properly coordinated. They affect whether a child with a chronic condition receives timely monitoring instead of falling through administrative gaps. They affect whether a Medicaid beneficiary navigating multiple providers experiences a smooth transition or a breakdown in communication.

Core Infrastructure and Operational Impact

The HIE infrastructure will include:

- A **Master Patient Index (MPI)** to accurately match patient identities across systems
- An **Encounter Notification Service (ENS)** to proactively alert providers when their patients access care
- A secure **Provider Portal** with full audit tracking and user accountability

All system activity is logged, timestamped, and auditable, enhancing accountability and strengthening privacy protections beyond traditional paper-based processes. For Medicaid operations, this enhances program integrity, quality monitoring, utilization review, and compliance reporting, while reducing manual administrative burdens.

Program Integrity and Fiscal Stewardship

The Legislature is aware that Medicaid operates within a complex federal funding structure. Every dollar must be documented, justified, and compliant with federal standards. Initially, CMS approved a 90/10 federal match for implementation. However, CMS has since adjusted the funding structure, and Medicaid-related HIE costs are now funded at a 50/50 federal match during implementation, with a 75/25 match during Maintenance and Operations. This shift creates a funding gap that must be addressed through:

- Local match contributions
- Federal grants
- Cost allocation methodologies
- Potential participant contributions

The bill's sustainability framework — including limited participant fees subject to board approval and CMS cost allocation compliance — is necessary to ensure long-term operational viability without destabilizing providers or the Medicaid program.

Governance and Accountability

This bill also establishes a structured governance model through the HDU. It creates oversight that includes public agencies, providers, and other healthcare stakeholders and ensures that policies governing data use, privacy, and permitted disclosures are transparent and clearly defined. It also separates operational technology management from direct Medicaid program administration, allowing DHS to remain focused on beneficiary services while ensuring appropriate accountability over the Exchange itself. Most importantly, patient rights remain protected. The system operates under an opt-out framework consistent with HIPAA requirements, and all access to information is auditable and tracked.

Emergency Preparedness and Resilience

For the Virgin Islands, resilience is a necessity. The Territory has faced hurricanes, public health emergencies, and system disruptions that have exposed the vulnerabilities of fragmented and paper-based recordkeeping. Bill No. 360228 directly addresses this risk by requiring that the Virgin Islands Health Information Exchange include a disaster recovery process that allows access to health information when an entity experiences a disaster, ransomware event, cyberattack, or other emergent scenario, as expressly provided in Title 19, §1004(c)(3). A secure, centralized exchange reduces reliance on paper records and ensures that authorized providers can access critical patient histories when standard systems are disrupted.

For Medicaid beneficiaries—particularly individuals with chronic conditions, disabilities, and complex medical needs—uninterrupted access to accurate and complete clinical information is essential. The HIE strengthens the Territory's ability to maintain continuity of care during emergencies, supports medication management and care coordination, and enhances public health response efforts at times when our most vulnerable residents face the greatest risk.

Conclusion

Bill No. 36-0228 is not simply a technology bill. It is an infrastructure bill for Public Health oversight, care coordination, and fiscal accountability. It allows providers to communicate more effectively. It allows Medicaid to monitor more responsibly, and it allows beneficiaries to experience more coordinated care. For these reasons, the Department of Human Services and the Office of Medicaid respectfully support the passage of this piece of legislation. Thank you for the opportunity to testify. We are prepared to answer any questions you may have.