



April 4, 2014

Rep. Michael Fisher, Chair
House Committee on Health Care
Vermont State House
115 State Street, Room 45
Montpelier, VT 05633

Dear Representative Fisher,

I appreciate the opportunity to comment on the proposed legislation found in Section 21 of S.252 regarding Health Information Technology and Intellectual Property; Report.

VITL's software development activities relate to developing **capabilities** and not per se developing a **product** for commercial use.

When VITL is licensed the use of software, we utilize that software to develop solutions for the Vermont Health Information Exchange (VHIE), which are intended to solve problems related to the exchange and use of clinical information by VT's healthcare providers. If that solution works it becomes part of our internal capabilities and we use the learnings we've gained to often solve other similar problems.

VITL does not develop solutions with general applicability 'in the market'. To develop our solutions as commercial products would require that VITL establishes the value beyond our internal use, and then package, market and sell it as a software solution in addition to providing customer warranties and support services. These are not activities VITL undertakes.

The vast majority of the software products we pay to use are licensed to VITL because they are owned by other companies. As stated above, we utilize that software to develop solutions. Typically, the solution we develop is based on the underlying software we are licensed to use. As a result, VITL would not be able to make the solution we develop commercially available without the accompanying software, thereby requiring the entity that owns the software to agree to make it commercially available. The issue of which entity developed the IP would need to be addressed at that time. Additionally, were VITL or the owner of the software VITL uses, decide to end contractual relations, the solution VITL has developed would not be available for VITL or any other organization to use.

VITL uses funds that it receives through grants from the State of Vermont to develop technological capabilities for the exchange of clinical information that healthcare providers can use at the point of care, as well as support analytics and population health management needs, as opposed to being used for developing commercial software applications. I would be concerned that this legislation might unnecessarily burden VITL in achieving its primary focus.

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Based on the aforementioned reasons, VITL supports the removal of Section 21 from S.252.

Thank-you for the opportunity to provide input regarding this proposed legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "John K. Evans". The signature is fluid and cursive, with the first name "John" being the most prominent.

John K. Evans MHA, FACHE

President/CEO