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Patient-centered health care in 2021: Interoperability in action

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Is your state prepared to put patients in the center of health care by adhering to the Centers for Medicare & Medicaid Services (CMS) Interoperability and Patient Access Final Rule (CMS-9115-F) (Interoperability Final Rule)? The Interoperability Final Rule institutes policies that empower patients to get easy access to their health information, advance interoperability between diverse systems, increase modernization, and, at the same time, lessen the burden on payers and providers.

Why Patient-Centered Matters

It's 2021, and it has been a long journey for patients, providers, health plans, and regulators since Congress passed the HITECH (Health Information Technology for Economic and Clinical Health) Act. The Act strengthens the adoption of electronic health records and the use of technology to enhance the safety, quality, and efficiency of patient care. For over a decade, despite various efforts such as stages of Meaningful Use, true interoperability has not been achieved. To address this concern, on March 9, 2020, CMS and the Office of the National Coordinator for Health Information Technology (ONC) publicly released their final regulations directed towards more interoperability and data exchange across the entire health care ecosystem. These joint regulations support patients with timely access to their health data to inform their health care decisions and improve how they manage their care. The ultimate goal is to position patients at the center of care delivery.

New Policies

The Interoperability Final Rule is comprised of seven new policies designed to support the access and exchange of health care information between different systems, organizations, and entities. It seeks to reduce information blocking and barriers to interoperability. The timeframe for implementation of the policies spans over the next year, with the last policy scheduled for implementation on April 1, 2022.



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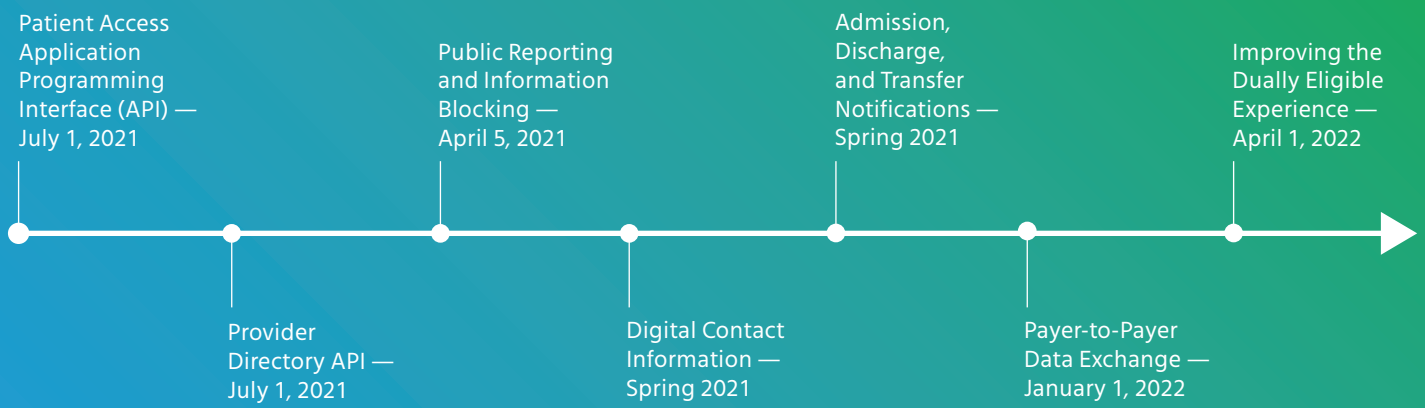
Gosia is a Senior Associate with Mercer. Her expertise is in the healthcare industry leading analytic projects and developing tactical plans to improve quality and integrity of healthcare data including data analysis and interoperability between diverse systems and environments. Other areas of expertise include project and program evaluations, including high profile national evaluation activities, developments of data collection tools and measure specifications, as well broad areas of and data science including dashboards to visually represent the meaningful data for trends analysis.

Brody is a Senior consultant with Mercer with 15 years of experience in Medicaid, including as a state administrator with Michigan's Medicaid Actuarial Division, an academic medical center, and in Medicaid financing. Brody is a national subject matter expert in Medicaid finance with experience in program operations, Intergovernmental Transfers, Directed Payments, Pass-Through Payments, UPL programs, charity donation leveraging, Graduate Medical Education programs, and encounter data management.

Noah is a Data Security Consultant with Mercer. Noah utilizes his previous Big 4 IT Audit experience to support clients in the design, implementation and oversight of technical safeguards, and IT controls. Areas of expertise include control testing and implementation, risk mitigation, process improvement opportunities, and recommendations for optimal security.



To support states' effort to comply with the regulation, CMS issued additional guidance to the State Health Officials[1] on August 14, 2020, describing how the state Medicaid agencies, Medicaid managed care organizations (MCOs), and Children's Health Insurance Program (CHIP) agencies should implement the Interoperability Final Rule consistently with the "21st Century Cures Act: Interoperability, Information Blocking, and the ONC Health IT Certification Program" final rule (ONC 21st Century Cures Act Final Rule) by the ONC.

CMS Final Rule Requirements for Medicaid and CHIP

Implementation of a Standards-Based Patient Access API

Policy which enables patients to have access to their health data on their internet-enabled devices (such as smartphones) based on the applications of their choice

Payer-to-Payer Data Exchange

Policy which coordinates care between payers by exchanging, at a minimum, the information contained in the United States Core Data for Interoperability

Standardization about Provider Networks Available via a Fast Health Care Interoperability Resources-Based Provider Directory API

Policy which mandates provider information be available through an API to facilitate public access to accurate information about which MCOs are in-network or accepting new patients, as well as current contact information for providers

Improving the Dual Eligible Experience

Policy which requires exchange of certain data with CMS daily on beneficiaries who are dually eligible for Medicaid and Medicare

Additionally, states should review the ONC 21st Century Cures Act Final Rule to determine compliance with the health information exchange and the information blocking provisions and exceptions. States should assess the impact on the contractual and financial affiliations.

1 https://www.medicaid.gov/federal-policy-guidance/downloads/sho20003.pdf

States may want to consider budget and Medicaid rate implications of new interoperability rules and regulations. Federal matching may be available ranging between 70% to 90% match. States may also want to consider patient access and systems interoperability objectives as part of quality and financing strategies.

Privacy, Security, and Standards

With the rise of APIs comes an increase of potential security and privacy concerns:

- Any API that creates, receives, transmits, maintains, or handles electronic protected health information on behalf of a covered entity is subject to Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations[2].
- Entities subject to HIPAA are also required to provide security and privacy technical safeguards and controls.
- With too much security and not enough accessibility, the data will not be available to the patient (potentially information blocking). With too much accessibility and not enough security, the data will not be secure from hackers.

The question for compliance becomes "how can companies keep the doors open to patients but sealed from hackers at the same time?"

New privacy requirements were released in a revision of the Interoperability Final Rule. CMS is proposing to make it a requirement that payers request a privacy policy attestation from third-party app developers when their app requests to connect to the payer's Patient Access API[3]. This helps inform patients and mitigates the risk of how their data is used once transmitted to a third-party app, which no longer provides protection by HIPAA rules. Specifically, this alleviates concerns about secondary uses of data (i.e. sold to an unknown organization for marketing purposes).

Key Takeaways

States and contracted MCOs, face new challenges to ensure they are ready for and compliant with the Interoperability Final Rule which empowers patients with the right information at the right time, to make informed decisions about their health care services. Together, the result is a patient-centered focus for 2021.

2 https://www.hhs.gov/sites/default/files/ocr/privacy/hipaa/administrative/combined/hipaa-simplification-201303.pdf
3 https://www.cms.gov/files/document/121020-reducing-provider-and-patient-burden-cms-9123-p.pdf

CMS Encounter Rule Change

Effective December 14, 2020, CMS implemented a change in the Rule §438.242(C)(3) for encounters. The CMS Rule now requires Medicaid or Medicaid CHIP programs for MCO, PIHP, PAHP to submit the **allowed** amounts and **paid** amounts for services. CMS felt these fields were necessary for "..monitoring and administration of the Medicaid program, particularly for capitation rate setting and review, financial management, and encounter data analysis." To fit the X12 837 format, CMS has said that the **allowed** should be placed in the Loop 2400 HCP02 (Priced/ Repriced Allowed Amount) data element. States will need to amend contracts as necessary in accordance with §438.242(b)(3).

For More Information

Our team of experts includes data and technical, policy and operations, financial, and clinical professionals. We have helped engage stakeholders, develop processes, and guide states to new regulation compliance.

Email us at mercer.government@mercer.com if you have additional questions or to speak to a client leader. You may also be added to our distribution list to ensure you receive our white papers, flash updates and webinar invites.

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