



Exchanging Health Information: Making It Work

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HIT & Health Care Reform: A Football Game in Play



HIT: Football & Players

HC Reform: Touchdown

**Everyone Wants the Ball -- Everyone Wants to Play
Everyone Wants to Win**





Not Everyone Knows the “Calls”

EHR: electronic health record – across health orgs.

EMR: electronic medical record – within health org.

HIT: Health Information Technology

**HIE: Health Information Exchange – statewide
across providers, purchasers, regulators**

HIE: Health Insurance Exchange



Not Everyone Knows the “Calls”

HITECH: HIT for Economic and Clinical Health

ONC: Office of the National Coordinator

ONC-AA: ONC-Approved Accreditor” - accreditor for certification bodies who intend to apply for ONC-ACB

ONC-ACB: ONC- Authorized Certification Body

MU: Meaningful Use

PHR: personal health record

SMHP: State Medicaid HIT Plan

Quarterbacks get “Sacked” without Blockers *Providers Don’t Get Incentives without HIT*

Medicaid State Activities with HIT Implications:

- Administer incentive payments, including *tracking of MU providers*
- Conduct adequate oversight, including *tracking off MU payments*
- *Pursuing initiatives to encourage the adoption of certified EHR technology to promote HC quality and e-HIE: “As Is”^{MS} “To Be” Roadmap*





Making It Down the Field: *Finish Current HIT Requirements*



5010:

- ***Must be done 1/1/12***
- **Convert coding standards for HIPAA Accredited Standards Committee (ASC) X12 version 4010A1 to ASC X12 version 5010 and NCPDP (Pharmacy) version 5.1 to NCPDP version D.0.**
- **Must be able to take both “4010” and “5010” HIPAA eligibility transactions for calendar year 2011.**



Making It Down the Field: *Finish Current HIT Requirements*



ICD-10:

- *Must be done 10/1/13*
- **ICD-10-PCS is the new procedure coding system that is being developed as a replacement for ICD-9-CM, Volume 3.**
- **ICD-10-CM is the new diagnosis coding system that is being developed as a replacement for ICD-9-CM, Volumes 1 & 2.**
- **“Whole new book”**





**Offense” Game Plan for HIE
“Winning” *Strategically Planning for
HIT*
*while Capitalizing on Current Efforts***

ARRA Funded Planning:

- **Strategic Plan/Operational Plan
(Office of National Coordinator)**
- **State Medicaid HIT Plan
(Medicaid/CMS)**

**Children’s Health Insurance
Program Reauthorization Act:**

Multiple Plays & No “Time Outs” Left

2010 Health Insurance Reforms Having IT Implications

<ul style="list-style-type: none"> • State option to expand Medicaid to adults to 133% FPL: <i>Eligibility System Changes</i> <p style="text-align: center;">April</p>	<ul style="list-style-type: none"> • Temporary high risk pool: <i>CMS & Some New States</i> • Employer retiree health benefits reinsurance <p style="text-align: center;">July</p>	<ul style="list-style-type: none"> • Dependent adults up to 26 on parent’s plans even if married: <i>MCO/HP – edits</i> • No pre-existing condition exclusions for children: <i>MCO/HP - edits</i> • Prohibitions against lifetime benefit caps & rescissions: <i>MCO/HP - edits</i> • Small business tax credits: <i>State Tax Systems Potentially</i> <p style="text-align: center;">September</p>	<ul style="list-style-type: none"> • Annual review of premium • increases • <i>Public reporting by insurers</i> on share of premiums spent on non-medical costs • Coverage and no cost-sharing for preventive care in Medicare and private plans: <i>Medicare/Medicaid/MCO/HP</i> • \$250 rebates for Medicare Part D enrollees in "donut hole" <p style="text-align: center;">End of Year</p>
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Multiple Plays & No “Time Outs” Left

2010-2011 Payment & System Reforms Having IT Implications

<ul style="list-style-type: none"> • Modify Medicare payment to providers to account for productivity improvements (2010): <i>Medicare & Medicaid at State-audit, claims,</i> • State option to cover low-income women for family-planning services, coverage of smoking-cessation services for pregnant women & coverage of free-standing birthing centers (3/10): <i>Medicaid at State</i> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">2010</p>	<ul style="list-style-type: none"> • 10 percent Medicare bonus payment to primary care providers for five years (2011): <i>Medicare & Medicaid at State</i> • Option to expand PCA • State Balancing Incentive: community-based long-term care • Center for Medicare and Medicaid Payment Innovation to test payment and delivery system reforms (2011): <i>TBD by CMS</i> • Eliminate Medicaid payment for hospital-acquired conditions (2011): <i>Medicaid at State – audit, claims</i> • New state option to create medical home programs for persons with chronic health conditions (including those with serious and persistent mental illnesses) <p style="text-align: center; font-weight: bold; font-size: 1.2em;">2011</p>
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Source: The Commonwealth Fund, *Timeline for Health Care Reform Implementation: System and Delivery Reform*, (New York: The Commonwealth Fund, April 2010).

2011-2013 Health Insurance Reforms Having IT Implications¹²

- Insurers must spend at least 85% of premiums (large group) or 80% (small group/individual) on **medical costs** or provide rebates to enrollees
- Establish national, voluntary insurance program for purchasing community living assistance services and supports (**CLASS program**)
- 50% discounts on brand-name drugs to Medicare part D enrollees in the donut hole: **pharmacies**
- **Over-the-counter** drug costs reimbursement restrictions in **flexible spending accounts and account based health plans**
- Increased **tax** on non-medical distributions from health savings accounts (**HSAs**)

2011

- Limits on contributions to **flexible spending accounts** to \$2500/year: Private

Administrative Simplification:

- Uniform standards and **operating rules** for the electronic transactions that are **governed under HIPAA**
- **Medicaid/Medicare/Commercial:**
 - **adopted 7/11 & effective 1/13 for claims status, payment/ & remittance advice**
 - **adopted 7/12 and effective 1/14**
 - **claims/encounter data, enrollment, premium payments, referral certification/authority by 1/14 effective 1/16,**
 - **health claims attachments & unique health plan identifier 10/12**

2013

2012 Payment & System Reforms Having IT Implications

- Reduce Medicare payment for preventable hospital readmissions: *Medicare and State Medicaid*

- Shared savings to Accountable Care Organizations for Medicare savings relative to a cost benchmark: *Medicare*

- Reward hospitals that participate in a value-based purchasing program: *Medicare & Medicaid State*

- New demonstrations of payment bundling and pediatric accountable care organizations: *Medicaid State Optional*

2013-2016 Payment & System Reforms Having IT Implications¹⁴

- National voluntary pilot program on payment bundling for acute care episodes – providers to share in Medicare savings subject to quality performance: *States TBD Medicare Carriers & State Medicaid*

•Reduce Medicaid DSH

- New Independent Payment Advisory Board: present Congress recommendations to reduce Medicare excess cost growth & improve quality of care along with non-binding recommendations for health system cost and quality: **TBD**

- Bring Medicaid primary care payment up to Medicare levels & 1%FMAP increase for preventives services: *Medicaid State Systems – time limited 100% Medicare Primary Physicians(1/1/13 to 12/31/14)*

- Create physician value-based payment program to promote increased quality of care for Medicare beneficiaries (2015): *Medicare & Medicaid claims in some states TBD*

- Reduce Medicare payments to hospitals with high rates of hospital-acquired infections (2015): *Medicare Carriers/Intermediaries & State Medicaid*

- Establish a pay-for-performance pilot program for Medicare providers; expand after 2018 if successful (2016): *TBD Some States Medicare Carriers/Intermediaries & State Medicaid*

2015-2016

2014-2018 Health Insurance Reforms Having IT Implications¹⁵

- Medicaid expanded to 133% FPL:
Medicaid Eligibility Systems
- Insurance market reforms including no rating on health
- State insurance exchanges: *DDI Exchanges*
- Essential benefit standard: *Exchanges DDI*
- Premium and cost sharing credits for exchange plans: *DDI Exchanges*
- Premium increases a criteria for carrier exchange participation:
- Increase in small business tax credit:
Tax Systems
- Individual requirement to have insurance & Employer shared responsibility penalties
- CHIP reauthorization 2 year extension- 2014 and 2015

2014

- Excise tax on high cost employer plans: *Tax Systems*

2018



Questions/Comments/Discussion

