Perspectives and Updates on
Health Care Information Technology

HIT Perspectives

About the newsletter

HIT Perspectives is published by Point-of-Care Partners. Individuals at the leading management consulting firm assist healthcare organizations in the evaluation, development and implementation of winning health information management strategies in a rapidly evolving electronic world. The team of accomplished healthcare consultants, core services and methodologies are focused on positioning organizations for success in the integrated, data-driven world of value-based care.

Contact information

Tony Schueth
CEO & Managing Partner
tonys@pocp.com
info@pocp.com

1

2

3

December 2013

POINT-OF-CARE PARTNERS
Health IT Management Consultants

December 2013

HIT Perspectives

Part 1
Not Current with ePrescribing Laws and Regulations? Ignore at Your Own Risk

Part 1: Not Current with ePrescribing Laws and Regulations? Ignore at Your Own Risk (continued)

1 Part 1: Not Current with ePrescribing Laws and Regulations? Ignore at Your Own Risk

By Tony Schueth, Editor-in-Chief

The regulatory landscape for electronic prescribing (ePrescribing) is constantly changing at the federal and state levels. While many vendors and other stakeholders expend considerable resources to ensure their products comply, they sometimes lack the staffing or resources to keep up or its priority is not high enough to monitor consistently. Plus, we have encountered managers who think it's a big snooze and blow it off altogether, figuring they'll learn what they need to know sooner or later. They do so at their own peril.

Ignorance of the law is no excuse. Nonetheless, keeping current is difficult and tedious to do. For one thing, there are so many players involved—including boards of nursing, pharmacy and medicine, not to mention the state legislatures that enact the laws and the various federal and state agencies involved with regulating controlled substances. Because of this fragmentation, applicable laws, regulations and guidance are not in one place, making it difficult to find changes and spot trends. Interpretation is tricky—the language is mind-numbing, complex and written in legalese, which is a foreign language for most of us. Trained staffing is needed to ensure an accurate reading of the material and that it is explained in a manner in which laypeople can understand and turn into actionable business decisions. Even experts, like Point-of-Care Partners (POCP), must sometimes dig deeply to determine where a particular state stands on a given regulatory matter.

With all these barriers and the need for resource allocation, it's easy to understand why keeping current with ePrescribing laws is not high on all vendors' to-do list. What they don't realize is that ignorance certainly is not bliss. There are many risks and costs to being behind the regulatory curve:

- Product managers lack the information they need for products to be fully compliant and functional in the marketplace. For example, most states have a controlled substance monitoring program in place. A growing number are requiring prescribers to view it before prescribing controlled substances. This will impact work flow for electronic health records (EHRs).

- Customer service reps spend too much time on regulatory compliance issues.

- Implementation teams lack the up-to-date, state-specific regulatory information they need to efficiently and effectively enter a new state.

- Product managers constantly go into crisis mode when creating last-minute patches due to latent information, which costs time and money and aggravates clients.

- Product development falls behind because regulatory requirements are not known or anticipated. One noteworthy trend is growing traction for ePrescribing of controlled substances. New York is leading the way with its ePrescribing mandate—requiring that all prescriptions be done electronically by March 27, 2015. This and mounting stakeholder pressures will undoubtedly cause other states to reconsider their position.

- Competitive advantage is lost when more informed competitors get out front.

- Products are not in sync with certification and other requirements by such intermediaries as SureScripts and Emdeon. Remediation is costly at the back end.

- Inadvertent missteps are created, which could lead to messy, time-consuming and potentially expensive compliance actions.

So, how does one keep up and keep kosher? If you have a regulatory group, it could establish a process that checks each state on a consistent basis. You could also outsource this task to a law firm or consulting practice. The challenge with the former is ensuring that the effort remains a high priority; with the latter, it is the expense and expertise.

Having tried both, POCP has arrived at a solution that we believe is better. We call it the ePrescribing State Law Review. We do the tedious, complicated research so product managers and decision makers don't have to. The Review provides state-by-state ePrescribing rules for easy implementation. With your subscription, you receive a succinct 50-state road map, quarterly updates and on-demand access to ePrescribing experts to resolve client issues.

Information within the Review is researched and analyzed by experienced EHR/ePrescribing product management professionals and supported by detailed citations and full-text regulatory clauses in a source document. It is presented in a succinct, summarized format that is easy to read and use. Most importantly, breaking regulatory news alerts are provided.

The result is a consistent resource for product managers, developers, implementation teams and customer service representatives. Busy product managers can rely on this information to proactively address regulatory changes and direct their time saved toward more competitive product enhancements. Customer service and implementation representatives will be able to anticipate client needs with regard to regulatory compliance.

Moreover, the Review is always evolving to meet new market demands.

For more information or to schedule a demonstration, contact the publisher, Tony Schueth, at 954-346-1999 or erxlawreview@pocp.com.

Perspectives and Updates on
Health Care Information Technology

www.pocp.com **POINT-OF-CARE PARTNERS**
Health IT Management Consultants

© 2013 Point-of-Care Partners, LLC

Perspectives and Updates on
Health Care Information Technology

www.pocp.com **POINT-OF-CARE PARTNERS**
Health IT Management Consultants

© 2013 Point-of-Care Partners, LLC

December 2013
HIT Perspectives

Part 2
Developing a Clinical Messaging Strategy
for Payers: Why and How

Part 2: Developing a Clinical Messaging Strategy for Payers: Why and How (continued)

2 Part 2: Developing a Clinical Messaging Strategy for Payers: Why and How

By Ed Daniels, Practice Lead, Health Information Exchange, and Bill Hein, Payer/Provider/ACO Executive Lead

The emergence of patient-centered accountable care has created a paradigm shift among payers with respect to clinical messaging. An increasing number of payers now recognize that effective electronic clinical messaging between payers and providers is a business imperative. The pursuit of value through lower costs and increased quality is driving change in care delivery and payment models. Payers, hospitals and providers are increasingly being held accountable for offering greater care efficiency while improving care quality. New incentives have created a need for better collaboration and information exchange among payers, providers and patients in support of the patient-centered accountable care model of care delivery.

The needs for greater collaboration and secure electronic communication are being amplified by new features within the financial landscape, including pay for performance, star ratings, hospital readmission penalties and regulation of payer medical loss ratios. These and other factors are driving payers to enhance performance of their provider network through proactive population health management, improving the coordination and continuity of care, reductions in overuse and waste, and putting systems in place to enhance both patient and provider experience.

Greater access to and use of clinical messaging facilitate these improvements. Current processes do not routinely ensure that a patient's care team — including hospitals, primary care physicians, specialists, mental health providers, skilled nursing facilities, pharmacists and care coordinators — will receive timely notification if that patient is admitted to an acute care

hospital, or seeks care in an emergency department. ADT alerts, a type of clinical messaging, improve coordination of care and reduce the likelihood of preventable readmissions.

Referral management is another area where secure electronic clinical messaging can make a difference. Whenever a referral is made, clinical messaging can be used to transmit patient care summaries so the specialist can be better informed and avoid duplicate testing. Electronic eligibility checking and electronic prior authorization (ePA) can be used to streamline administrative processes, reducing cost and improving the care experience. Clinical messaging can be used to improve the management of medication use through ePrescribing, medication adherence messaging, fill status alerts and ePA for medications requiring approval from the payer.

Successfully developing and implementing clinical messaging programs is easier said than done. Many complex factors must be taken into consideration and payers are wondering how best to proceed. The answer: a clinical messaging strategy that is tailored to the unique needs and capabilities of each payer's provider network, markets and infrastructure. The goal is to align plan design, performance measures and payment models. Payers would like to see use of shared care guidelines among all providers. They would also like to proactively identify and engage high-risk populations. Payers and providers would like to:

- Close gaps in care.

- Improve coordination of care.

- More effectively share care planning and decision making.

- Improve postvisit and postdischarge follow-up.

- Increase the use and effectiveness of self-management.

Greater access to and use of clinical messaging services can facilitate improvements in each of these areas.

For payers, there is good news and bad news in gaining access to these services. On the positive side, electronic health record and health information exchange (HIE) software vendors continue to enhance the capabilities of their software and services. Secure clinical messaging provided by SureScripts, Kryptiq, Availity and NaviNet is more available than ever, along with increased use of the Direct secure messaging protocol. Very comprehensive HIE and decision-support software and services are available from Optimum Insight, Sandlot Solutions, Orion, Aetna-Medicity, dbMotion and others.

On the more challenging side of the equation growth in HIEs is slowing, partially due to the end of most federal funding. Regional and state HIEs provide a mixed experience; some have succeeded but others are failing. Increasing challenges and opportunities associated with accountable care organizations will accelerate the sorting out of successful versus unsuccessful HIEs. Payers must navigate this landscape carefully while recognizing that improved clinical messaging is essential to achieving their cost and quality goals.

We at Point-of-Care Partners (POCP) have extensive experience with clinical messaging and strategic positioning. We advise our payer clients that an effective clinical messaging strategy begins with answers to a core set of questions that include:

- What data-driven, pay-for-performance and incentive programs are currently or expected to be in place? How can they be adapted to motivate hospitals and providers to adopt and utilize clinical messaging?

- What quality programs, measures and reporting systems are

in place? How may they be adapted to stimulate use of clinical messaging?

- What technology infrastructure is in place and how can it be leveraged for clinical messaging?

- What HIEs are in place, and who are the participants at the state and substate levels?

- What gaps in resources and capabilities exist and how can they best be addressed?

- What data sets and analytical capabilities are available?

- What are the costs, potential risks and benefits associated with a viable clinical messaging strategy?

- What is the current and projected provider mix?

- What market and demographic factors must be taken into account?

By answering these and other questions, a strategic framework for clinical messaging can be developed that incorporates tactics and measures along the dimensions of cost, efficiency, quality, outcomes and stakeholder engagement. Value and return on investment can then be quantified.

POCP has been engaged by the federal government and private payers concerning clinical messaging. As an example, see our article in the October issue of HIT Perspectives about the payer toolkit for understanding the value of HIE, which was developed with support from the Office of the National Coordinator for Health Information Technology (ONC). Let us put our expertise to work for you.

Perspectives and Updates on
Health Care Information Technology

www.pocp.com

POINT-OF-CARE PARTNERS
Health IT Management Consultants

© 2013 Point-of-Care Partners, LLC

Perspectives and Updates on
Health Care Information Technology

www.pocp.com

POINT-OF-CARE PARTNERS
Health IT Management Consultants

© 2013 Point-of-Care Partners, LLC

December 2013
HIT Perspectives

Part 3
The Real Impact of the Meaningful Use Extension More Time in Stage 2; More Time to Prepare for Stage 3

Part 3: The Real Impact of the Meaningful Use Extension More Time in Stage 2; More Time to Prepare for Stage 3 (continued)

3 Part 3: The Real Impact of the Meaningful Use Extension More Time in Stage 2; More Time to Prepare for Stage 3

By Michael Burger, Senior Consultant

The recent announcement by the Centers for Medicaid and Medicare Services (CMS) to extend meaningful use (MU) stage 2 through 2016 and begin stage 3 in 2017 (for providers that have completed at least two years in stage 2) is not a reprieve for action but rather an opportunity to allow the industry a chance to step back, take a collective breath and assess before stage 3 begins. Why assess?

Stage 2 is a major upgrade to stage 1. It increases thresholds and adds a number of new requirements, including clinical quality measures. Electronic health record (EHR) vendors were seriously lagging behind on stage 2 certifications, with a potential significant trickle-down effect to providers (see our blog). By allowing vendors and providers an additional year to operate in stage 2, CMS gave vendors not yet ready for stage 2 some breathing room and itself more time to figure out stage 3 and refine its requirements. Specifically, the December 6 announcement stated the extension allows "CMS and ONC to focus efforts on the successful implementation of the enhanced patient engagement, interoperability and health information exchange requirements in stage 2; and second, to utilize data from stage 2 participation to inform policy decisions for stage 3."

It is important to note that the stage 1/2 deadlines/stipulations that existed before the CMS announcement still do exist. The meaningful use EHR program penalty phase still starts January 1, 2015. Here is an example from an AMA guidance document that still stands:

• Physicians who first demonstrate meaningful use in 2014 must successfully meet the meaningful use requirements for a 90-day reporting period in 2014 to avoid penalties in 2015. This reporting period must occur in the first 9 months of calendar year 2014, and physicians must attest to meaningful use no later than October 1, 2014, in order to avoid the 2015 penalty. These physicians must continue to successfully meet the meaningful use requirements every year to avoid penalties in subsequent years.

Not be to overlooked, also on December 6 the Office of the National Coordinator for Health Information Technology (ONC) proposed "a more regular approach to update ONC's certification regulations." Starting in 2015, certification criteria will be updated more frequently under the ONC HIT Certification Program. As a result, ONC will be better able to align certification requirements to industry standards, with the goal of greater interoperability and more predictability for EHR technology developers. In our current health IT (HIT) environment, moving from reactionary to predictable is critical. CMS also noted it expects to propose that "the 2015 Edition would be voluntary in the sense that providers participating in the EHR Incentive Programs would NOT have to upgrade to 2015 Edition EHR technology and NO EHR technology developer who has certified its EHR technology to the 2014 Edition would need to recertify its products." Given that the 2015 edition is expected to be responsive to stakeholder feedback and address issues in the 2014 edition, EHR vendors should consider the voluntary upgrade to keep their products competitive and interoperable.

The industry — and CMS — now have a much greater window of opportunity to refine the requirements for stage 3 while working to become comfortable with stage 2. Since its inception, the MU program has sought to instill a fundamental change in how health IT is used to deliver care. Changes like this take time and when the industry is chugging along like "The Little Engine That Could" rather than "The Polar Express," a collective industry breath is exactly what is needed.

Just remember that MU reporting requirements have not changed if you have received incentive payments — nor have the deadlines to avoid penalties. Stage 2 has simply been extended a year and now covers a 3-year span, and the industry has another year to prepare for stage 3.

Resources

For a refresher about the differences between stages 1 and 2, read the CMS Provider or Hospital/CAH Comparison Tables.

To use CMS' EHR Participation Timeline, click here. (Note: As of the writing of this article, the CMS timeline had not yet been updated to reflect the new start date for stage 3.)

Perspectives and Updates on
Health Care Information Technology

www.pocp.com | **POINT-OF-CARE PARTNERS**
Health IT Management Consultants

Perspectives and Updates on
Health Care Information Technology

www.pocp.com | **POINT-OF-CARE PARTNERS**
Health IT Management Consultants