

Health Information Exchange Financing

A CMS Perspective



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CMS

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HITECH Will Transform Medicaid

- Many SMAs currently collect/analyze:
 - Eligibility
 - Enrollment
 - Claims information
- The flow of clinical information via EHR technologies greatly expands SMA responsibilities to manage the health of low-income and diverse populations
- New skill sets required

HIE Capabilities in Medicaid

<u>Patient Care</u>	<u>Operations</u>	<u>Medical Mgmt</u>	<u>\$\$ Mgmt</u>
<i>Web-based Electronic Eligibility Screening integrated with EHR</i>	<i>Electronic Claims EDI integrated with EHR</i>	<i>Utilization Management integrated with EHR</i>	<i>Expenditure Management</i>
<i>Web-based Provider Information Access and Admin. Functions</i>	<i>Contracting & Network Mgmt Tools with EHR requirements</i>	<i>Quality Improvement Management</i>	<i>Rate Setting Reimbursement Management</i>
<i>Web-based Member Communications and Feedback and Compliance Management</i>	<i>Health Information Exchange/ Electronic Health Records/ E-Prescribing Integration</i>	<i>Disease Management Integrated with Clinical Decision Support</i>	<i>Policy Modeling and Planning</i>
<i>Electronic Patient Relations Management Integrated with CDS</i>	<i>Data Warehouse and Decision Support Tools</i>	<i>Case Management integrated with EHR</i>	<i>Financial Performance Reporting</i>
<i>Web-Based Wellness and Health e-learning</i>	<i>Electronic Quality Reporting</i>	<i>Predictive Modeling and Medical Risk Management</i>	<i>Fraud and Abuse Monitoring</i>

Sources of CMS Funding

1. Incentive Payments to Eligible Professionals and Hospitals
2. HITECH 90% FFP Administrative Match
3. MMIS/MITA 90/75 % FFP
4. Enhanced Payments to Providers via Changes in Reimbursement Rates

1 - Incentive Payments to EPs and Hospitals

- "Incentive payments are not reimbursement for expenses incurred but a payment for providers demonstrating use of certified EHR technologies in a meaningful way"
- The payments can be used by providers to offset a variety of expenses, including those related to HIT/E adoption such as expenses incurred by HIE's

2 - HITECH 90% Admin Match

- Goes to States not providers
- Primary purpose is to cover admin of incentive payment and oversight by the States of the incentives
- A third purpose can include State initiatives to encourage adoption
- All such activities must support “mainstreaming” EHR into the daily business of Medicaid

3 - MMIS/MITA 90/75% FFP

- Most people familiar with this source
- Must be tied to the MMIS/MITA
 - MITA State Self-Assessment
 - Pathway along IT evolutionary spectrum of maturity
 - MITA Levels 3 and 4 = clinical data
 - MITA Level 5 = national interoperability/NHIN
- Not time limited or narrowly constrained

4 - Changes in Provider Payments

- Reimbursement policy can be a useful tool for creating provider incentives
- May be useful in situations where other funding sources do not apply

State Medicaid HIT SMHP

- Apply MITA concepts
- Develop a Strategic Vision
- Begin with a Current HIT Landscape Assessment
- Envision the Future HIT landscape in 2014
- Develop a “Medicaid HIT Road Map”
- Incorporate 5010 & ICD-10 into Planning
- Crosswalk to State HIE
- Determine relationship/funding opportunities



How Does the Medicaid SMHP Fit into the Bigger Picture?

- SMHP supports the State Plan developed under 3013 of the Public Health Service Act (PHSA)
- PHSA 3013 Requires ONC to Establish a Grant Program
- Grant Program Supports Statewide Planning and Implementation
- Comprehensive Statewide HIT Plan must be approved by HHS



Important Considerations

- CMS wants to support HIEs
- Support should be viewed in a variety of ways
- Important, however, that Medicaid is only one of many financial and organizational supporters of the HIE
- HIEs must serve multiple stakeholders