
Meeting Interoperability Requirements: The Healthcare Market's Biggest Concerns

Introduction

The CMS proposed interoperability rule created quite a stir in the healthcare market when first introduced. Many organizations felt unprepared to implement the necessary infrastructure to meet the requirements by the deadline. We developed a survey to measure market readiness and identify the industry's most looming challenges and obstacles. This report summarizes our research findings as well as the implications they have for the healthcare market, especially now that the interoperability rules have been finalized.

Background

In February 2019, CMS proposed a new interoperability regulation that would facilitate seamless, secure exchange of EHI across the care continuum and improve patient access to individual healthcare data. The purpose of this regulation, titled the Interoperability and Patient Access Proposed Rule, was to promote and standardize the use of open, secure, machine-readable formats while reducing restrictive burdens on healthcare providers.

The proposed rule, with its aggressive timeline and complicated language, created confusion and pushback from healthcare organizations. Given the strong market

response, we decided to conduct a survey to determine what aspects of the proposed rule were going to be the most difficult to achieve and how ready the market was to implement these new regulations.

In March 2020, the Interoperability and Patient Access Rule became final, with the earliest compliance deadlines set for fall 2020.

Survey Results

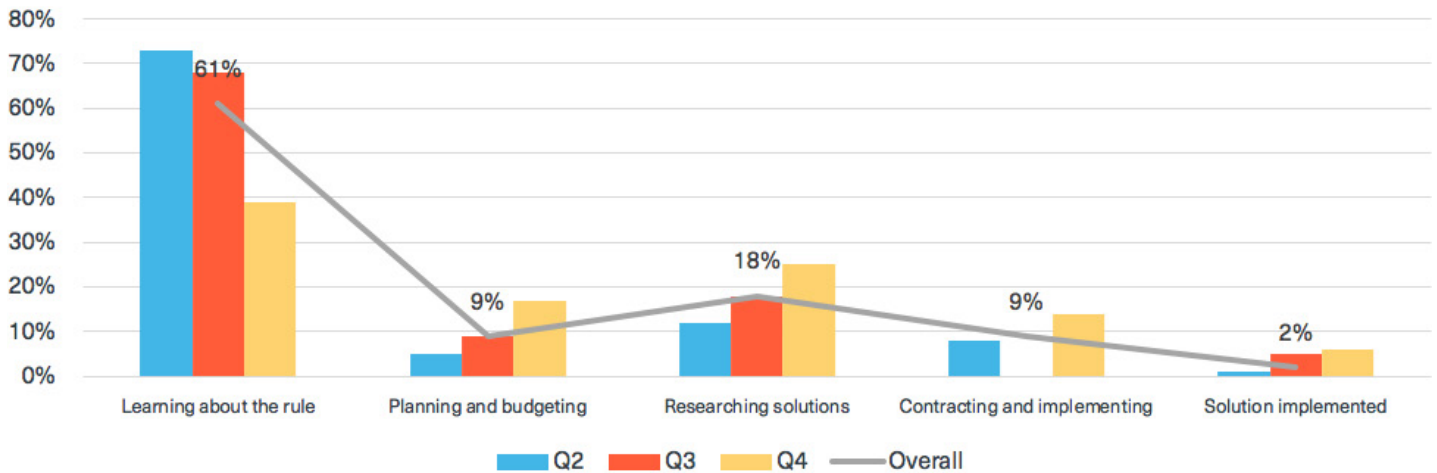
We conducted our interoperability readiness survey from April – December 2019. Participation was voluntary and varied, with respondents representing organizations ranging from health plans, state Medicaid agencies, healthcare associations, and more. By the end of our eight-month study, we had received responses from 210 unique individuals from 97 unique organizations.

Measuring Market Readiness

CMS originally proposed an effective date of January 1, 2020 for the interoperability rule, which meant organizations would have less than a year to begin implementing the necessary requirements. When asked how far along into the implementation process their organizations were, 61% of respondents reported being in the “learning” phase, trying to understand the components of the proposed rule

and the implications these changes would have on their organizations. Of course, most of these responses (63%) were recorded during phase one (Q2 2019) of the research, which was to be expected since only a couple months had passed since the rule was proposed. However, even during phase three of the research (Q4 2019), 39% of those surveyed stated they were still learning about the rule and hadn't begun budgeting, researching or contracting for a solution. By the end of our research, only 2% of respondents had implemented a solution. The remaining 27% of respondents were divided between planning and budgeting (9%), researching (18%) and contracting (9%).

Average Measure of Readiness by Quarter



Relevant Changes from Proposed to Final Rule

Most of the requirements outlined in the proposed rule had an effective date of January 1, 2020 (with a few others, notably Medicaid programs, which were given until July 1, 2020 to implement changes). However, based on the feedback received during the public comment period, CMS agreed to extend requirement deadlines on an individual basis relative to the amount of infrastructure required to adhere to each specific regulation. The earliest of these deadlines is late 2020 for providers and January 1, 2021 for payers. *(For a complete list of the requirement-specific deadlines outlined in the final rule and to whom they apply, please see the Appendix.)*

Key Takeaway

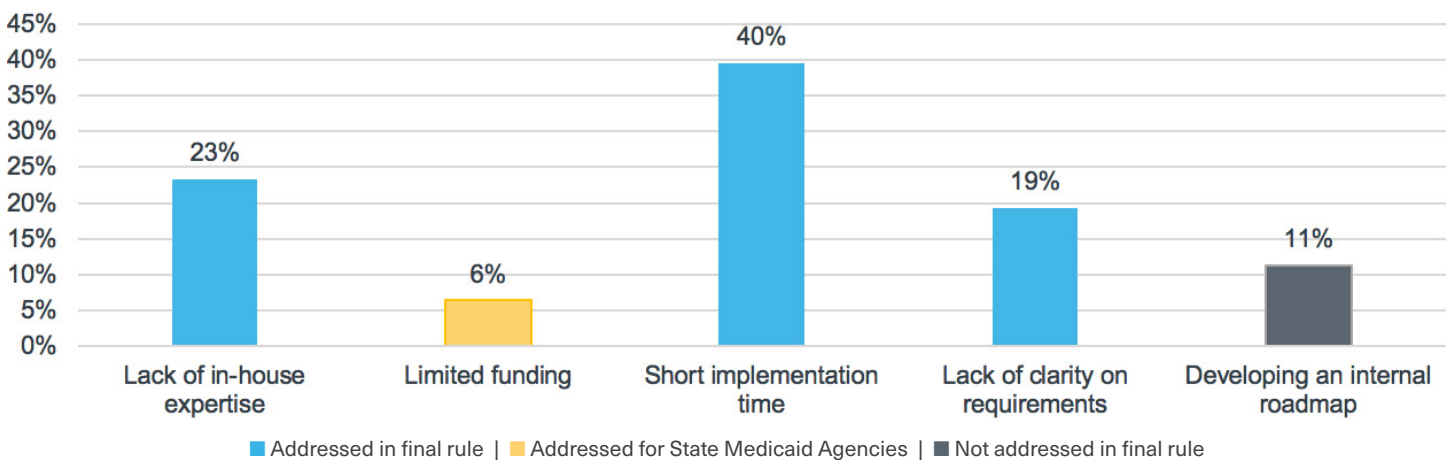
Although the Market Readiness data trended in the appropriate direction during our eight months of research, there remained a significant number of organizations still in the learning phase at the end of 2019 despite the imminent deadline. Now, with less than 10 months until payers are required to have patient access APIs and provider directory APIs in place, organizations need to move up their implementation timelines to ensure they perform their due diligence before the deadline.

Obstacles and Challenges

We asked participants to identify the biggest obstacle to implementation that they anticipated. Not surprisingly given the aggressive timeline of the proposed rule, 40% of respondents selected “short implementation time” as the biggest challenge. The second and third most popular answers were “lack of in-house expertise” (23%) and “lack of clarity on the requirements” (19%), which is consistent with the public responses to the proposed rule, and reflects healthcare organizations’ concern over the significant effort required to implement new interoperability technologies. Only 17% of the respondents selected “limited funding” (6%) or “developing an internal roadmap” (11%) as their biggest obstacles to implementation.

CMS responded to these concerns by making several modifications to the requirements in the final rule. In addition to the aforementioned deadline extensions to address the short implementation time, the final rule also clarifies aspects of the regulations that were unclear (based on public response), and provides implementation guides and other reference materials to help payers that lack in-house experience. CMS also addressed the issue of limited funding, but only in the context of offering federal matching funds to state Medicaid agencies who must increase the frequency of buy-in data exchange and MMA file data submission to CMS from monthly to daily by April 1, 2022.

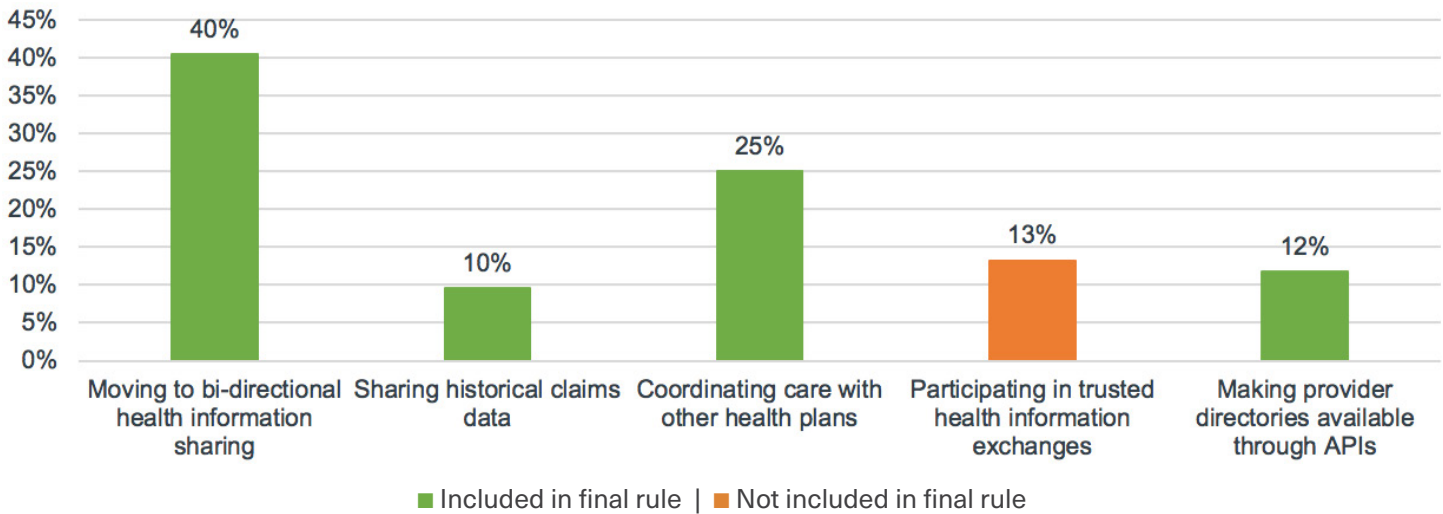
Biggest Obstacle to Implementation



In a similar vein, we asked participants which of the five main components of the interoperability proposed rule would be the most challenging to implement before the deadline: moving to bi-directional health information sharing, sharing historical claims data, coordinating care with other health plans, participating in trusted health information exchanges, or making provider directories available through APIs. Forty percent of respondents believed “moving to bi-directional health information sharing” would be most challenging, while 25% stated “coordinating care with other plans” as their biggest concern. Only 22% of the respondents were concerned about exposing data by “sharing historical claims data” (10%) or “making provider directories available through APIs” (12%).

Despite pushback from payers, CMS finalized most of the requirements from the proposed rule, including bi-directional information sharing. The one exception was participating in trusted information exchanges, which CMS decided not to finalize at this time. However, CMS’ deadline extension means payers now have until January 1, 2022 to implement bi-directional health information sharing, and until January 1, 2021 to begin sharing historical claims data, coordinating care with other plans and making provider directories available through APIs.

Most Challenging Requirement to Meet



Relevant Changes from Proposed to Final Rule

As aforementioned, the results from our survey were consistent with the general feedback received during the comment period for the proposed rule. Based on this feedback, CMS made modifications to several requirements to address specific concerns around timing, data standards and technological infrastructure.

CMS extended the deadline for **payer-to-payer data exchange** to January 1, 2022 and limited the amount of data required to be exchanged to dates of service on or after January 1, 2016. This initial historical set of data is consistent with the data set required for the finalized Patient Access API rule.

Similarly, CMS extended the deadline for implementing a **Patient Access API**, but only to January 1, 2021. CMS confirmed that APIs must meet the standards of the ONC's 21st Century Cures Act final rule, which specifies the use of HL7 FHIR Release 4.0.1. To help payers get up to speed on this standard, CMS provided a link to an [implementation guide](#) within the language of the final rule. Excluded from the final rule is the requirement to expose the provider and pharmacy directory through the Patient Access API.

Finally, to account for the time needed to build, implement, and test the required standards-based APIs, CMS has extended the deadline for implementing a FHIR-based **Provider Directory API** to January 1, 2021.

Not included in the final rule was the **trusted health information exchange** requirement. CMS excluded this requirement in response to several public commenters who felt it was premature for CMS to require participation in trusted network exchanges before a mature Trusted Exchange Framework and Common Agreement (TEFCA) was in place.

Key Takeaway

The healthcare market indicated it needed more time to implement the necessary infrastructure concerning secure and reliable electronic health data exchange. While the government did extend the deadline for several of the requirements in the final rule, it is imperative for organizations to recognize that the runway is still short to complete all the due diligence necessary to comply with the requirements in time. With 82% of respondents concerned about time, expertise or clarity on the rules, organizations should strongly consider contracting with a trusted partner to implement a solution.

Summary

Much of the healthcare market remains unprepared to implement the necessary infrastructure to meet the interoperability requirements in time for the deadline. Concerns about limited implementation time, lack of interoperability expertise, as well as the logistics of achieving truly secure and reliable patient data exchange have left some organizations stymied. However, with the rule finalized and no longer hypothetical, the writing is on the wall: organizations must act now to find a trusted partner to implement an interoperability solution. Edifecs can help.

Edifecs has already developed and integrated all published Da Vinci use cases into our current FHIR solution. We have the maps, the APIs, the provisioning, the profiles, the use cases, the resource server, and the FHIR data repository ready to go. [Contact us](#) today to find out how we can help you meet the interoperability deadlines.

Appendix

The new requirement-specific deadlines outlined in the CMS Interoperability & Patient Access Final Rule:

Requirement	Applicable to	Deadline
Admission, Discharge, and Transfer Event Notifications	Hospitals with EHRs	Late 2020
Public Reporting and Information Blocking	Providers	Late 2020
Digital Contact Information	Providers	Late 2020
Patient Access API	MA organizations Medicaid managed care plans State Medicaid FFS programs CHIP FFS programs CHIP managed care entities QHP issuers on the FFEs	January 1, 2021
Provider Directory API	MA organizations Medicaid state agencies Medicaid managed care plans CHIP state agencies CHIP managed care entities <i>(QHPs on FFEs already do this)</i>	January 1, 2021
Payer-to-Payer Data Exchange	MA organizations Medicaid managed care plans CHIP managed care entities QHP issuers on the FFEs	January 1, 2022
Improving the Dually Eligible Experience by Increasing the Frequency of Federal-State Data Exchanges	State Medicaid Agencies	April 1, 2022



Edifecs Inc. is a global healthcare software company committed to improving outcomes, reducing costs, and elevating value of healthcare for everyone. Edifecs delivers the industry's premier IT partnership platform to providers, insurers, pharmacy benefit management companies, and other trading partners. By mobilizing its leading solutions at the front end of the healthcare information pipeline, Edifecs provides a unified platform for partners to flexibly pilot and scale new initiatives using their existing enterprise system. Since 1996, hundreds of healthcare customers have relied on Edifecs partnership solutions to future-proof their leading initiatives in the midst of a dynamic healthcare landscape. Edifecs is based in Bellevue, WA, with operations internationally. Learn more about us at edifecs.com.