The Evolution of Healthcare Transparency

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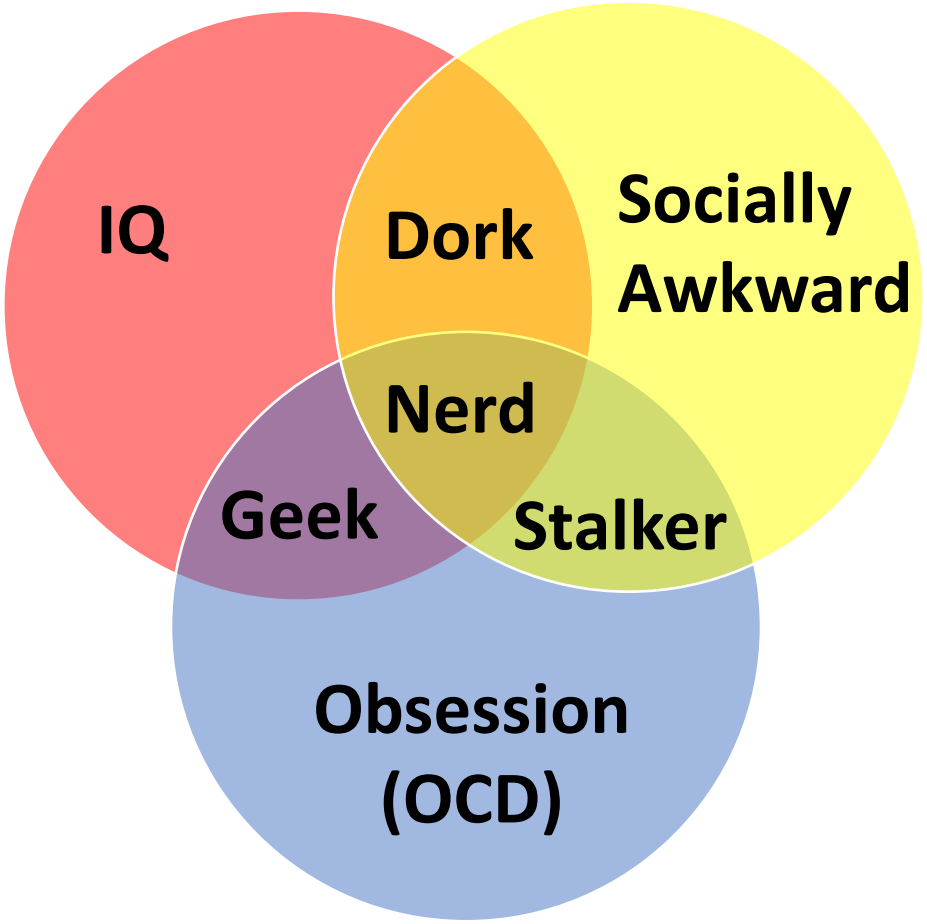
- Patient Estimation
- Good Faith Estimates
- CMS Price Transparency - Provider
- CMS Price Transparency - Payer
- Big Data in Healthcare
- National Claims and Remittance Database
- Payer Scorecard

TECHNOLOGY EXISTS TO HELP PROVIDERS AND PATIENTS ADDRESS THESE CHALLENGES

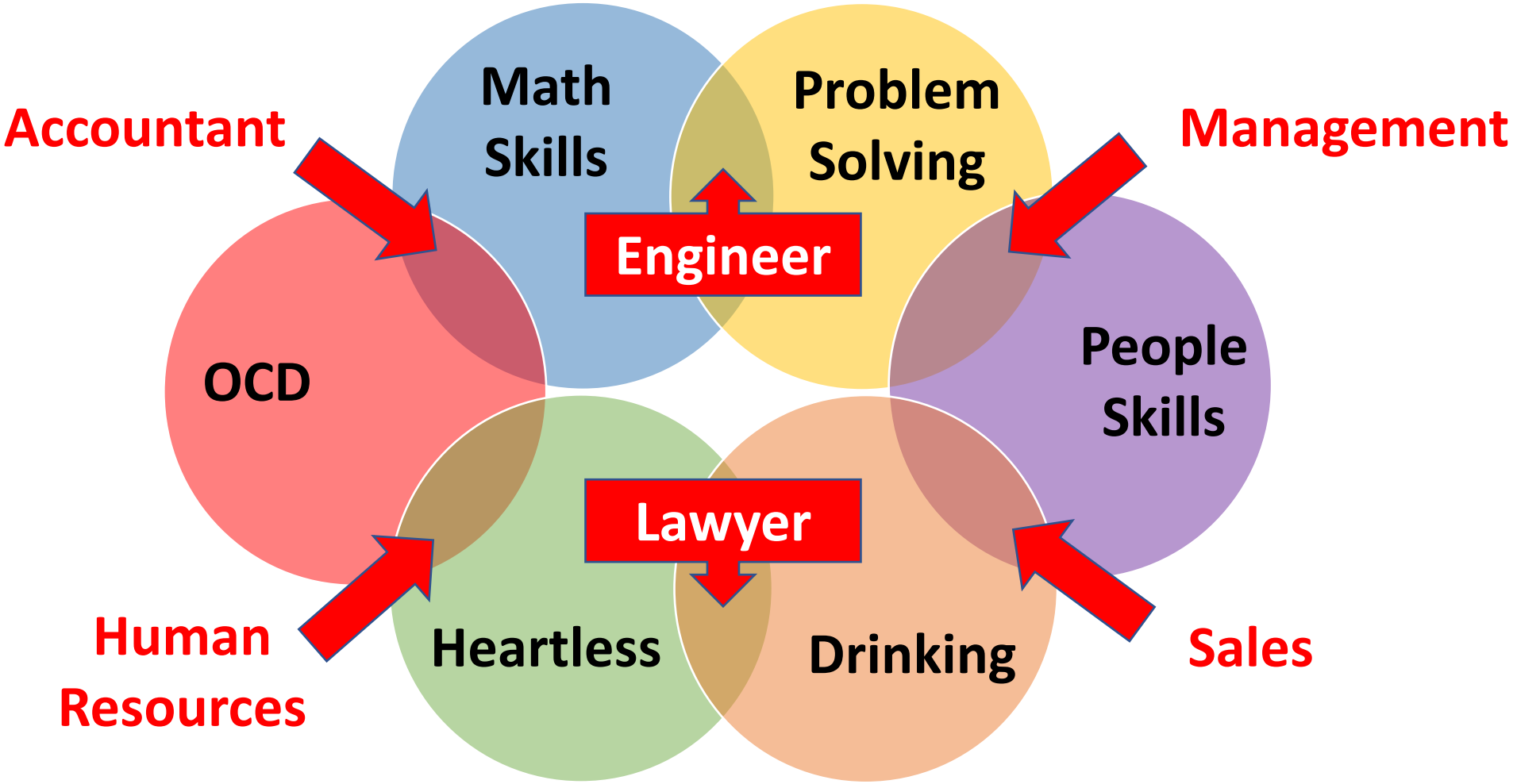
Little bit about me

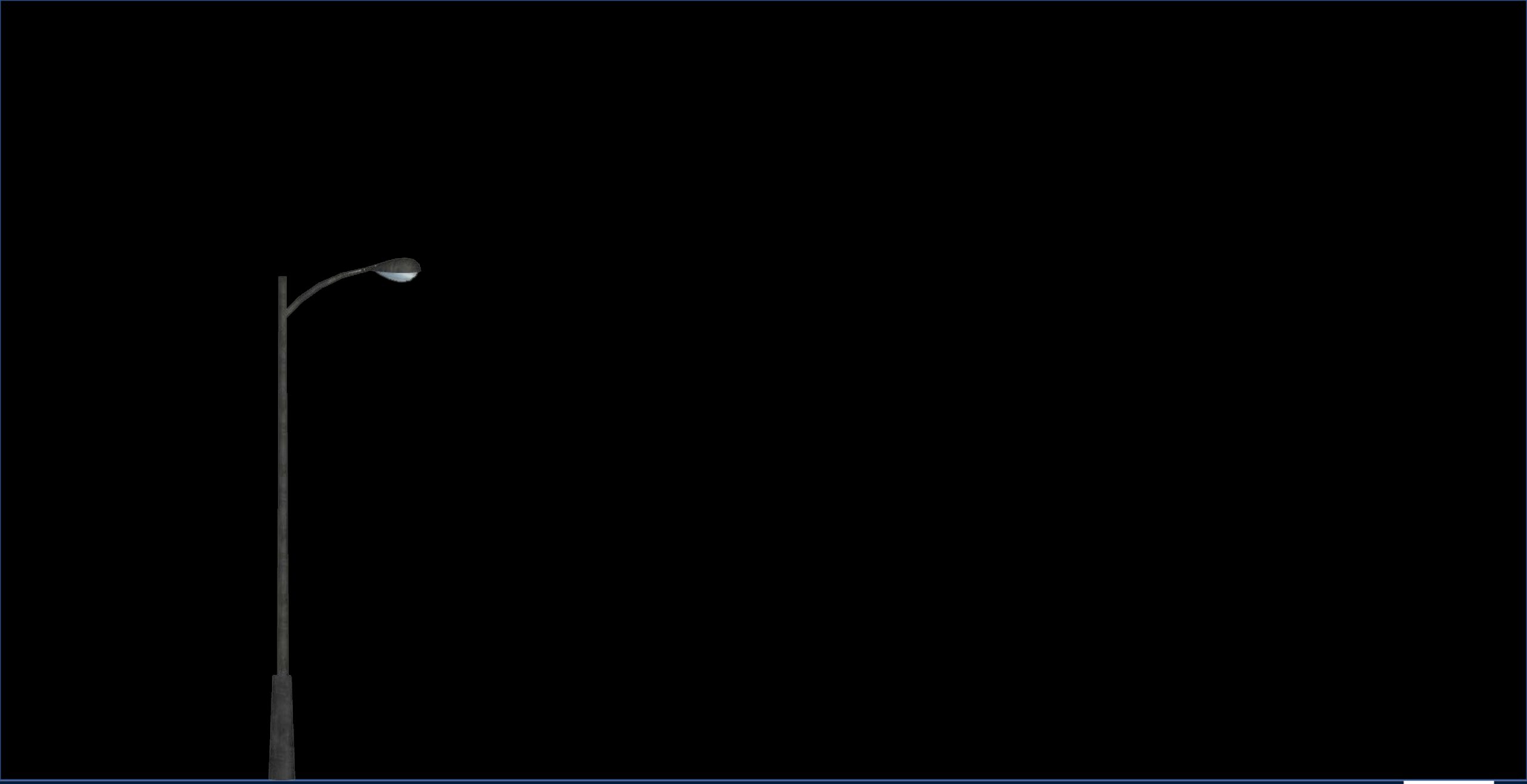
- Born in NE, raised in WY, live in CO
- Married 28 years, 3 kids, 2 dogs
- Engineer with an MBA
- Born 1969, therefore I have 53 years of healthcare experience
- I am a Nerd
  - Some of you are thinking, no he is a Geek!
  - Others of you are thinking, no he is a Dork!

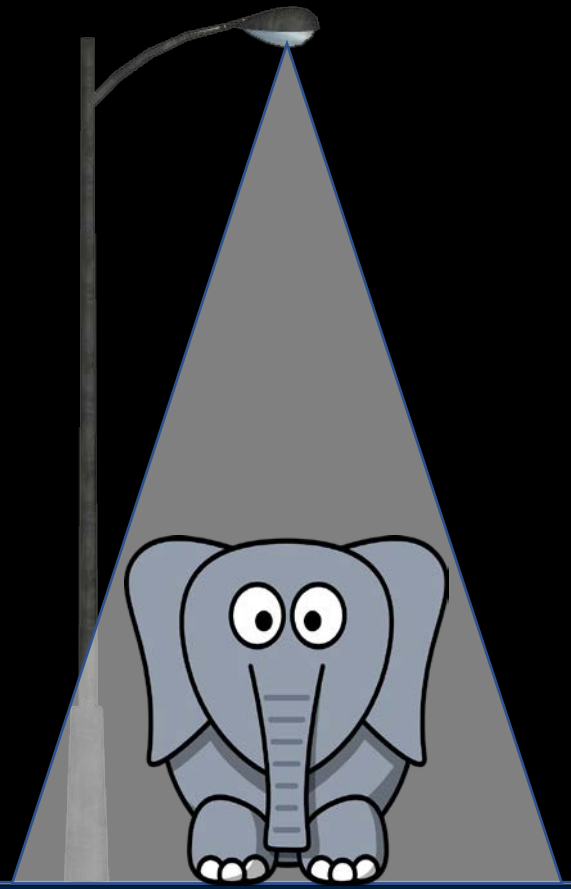
Nerd vs Geek by Don McMillan



Career Choice by Don McMillan







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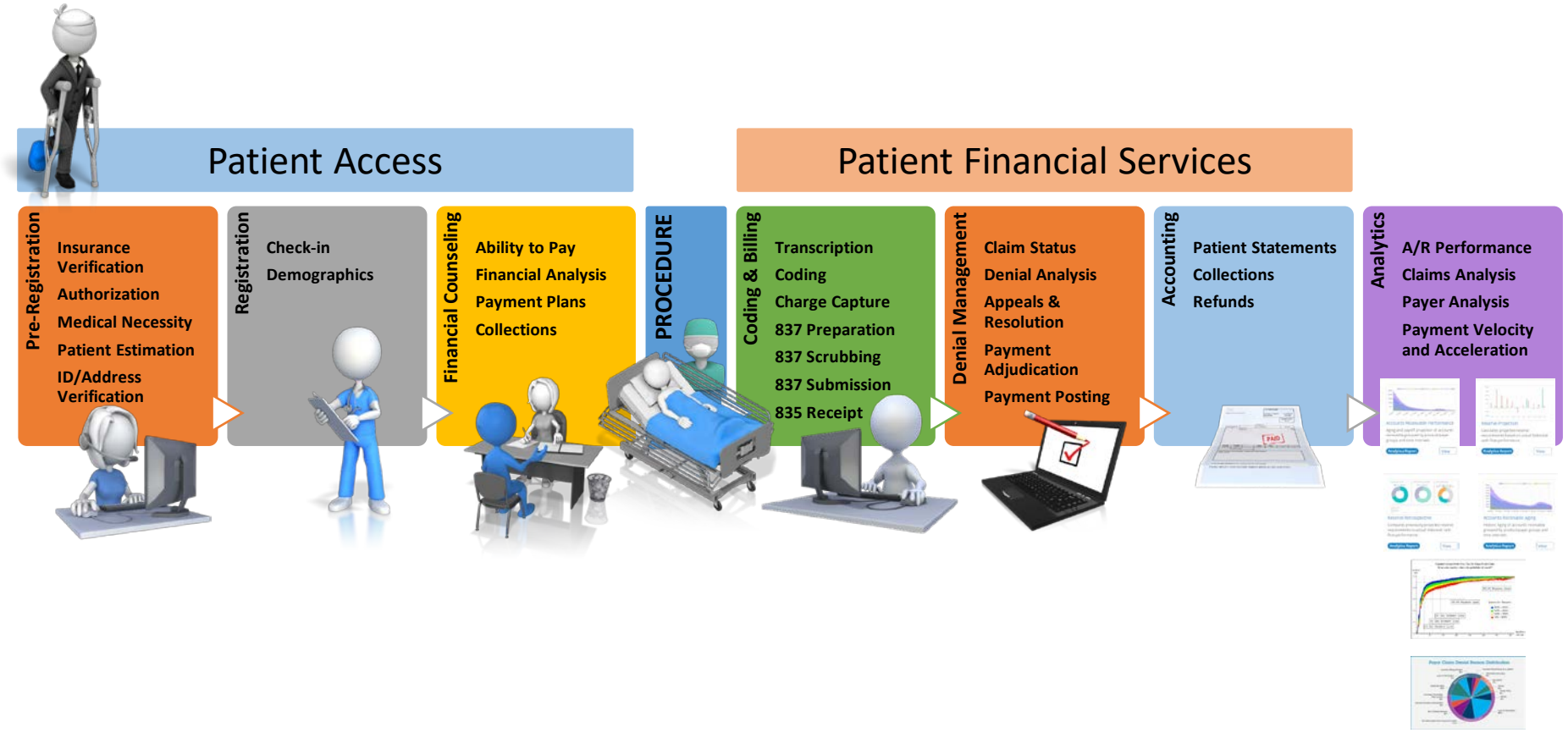
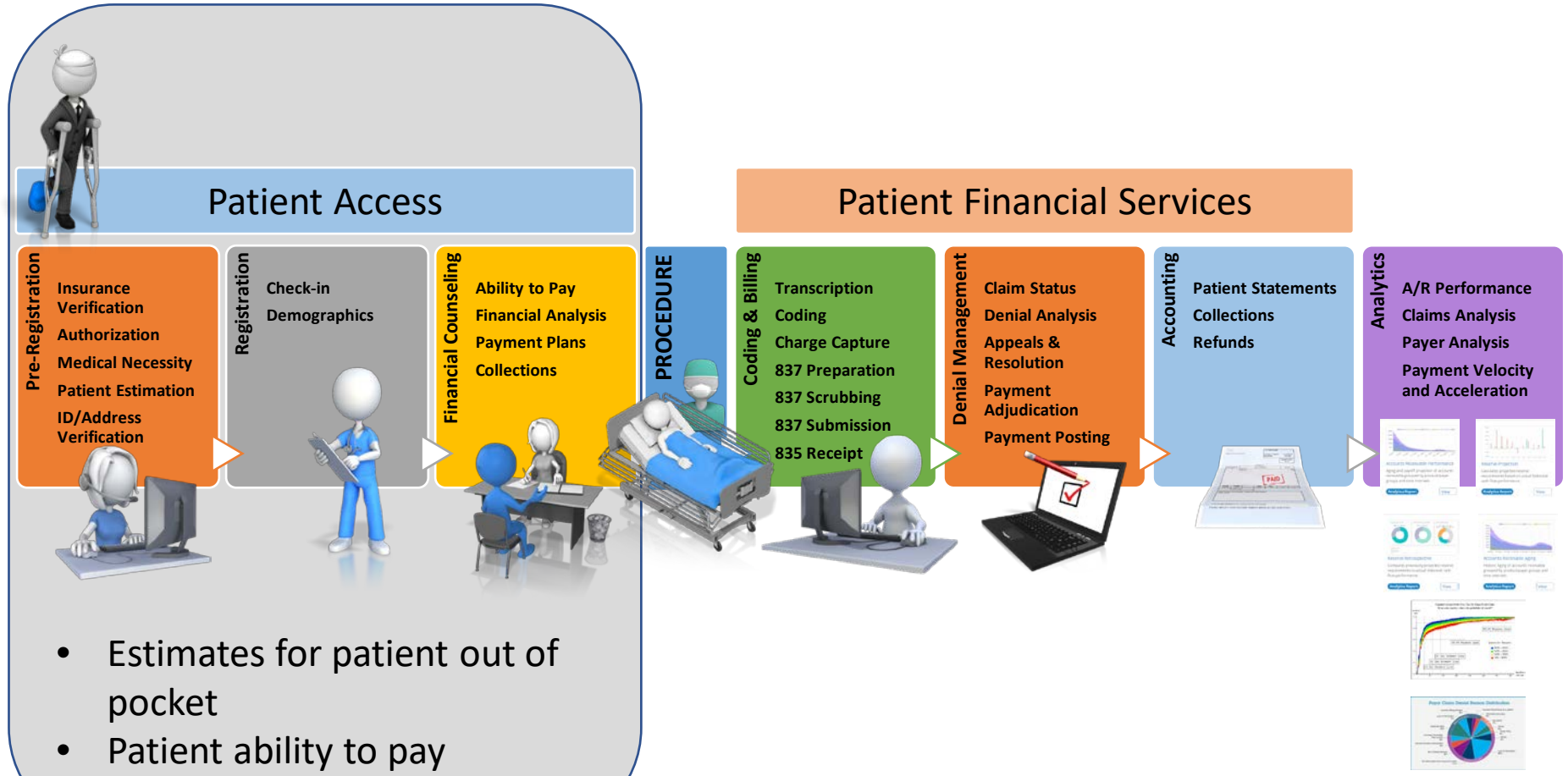
Patient Estimations

Revenue Cycle

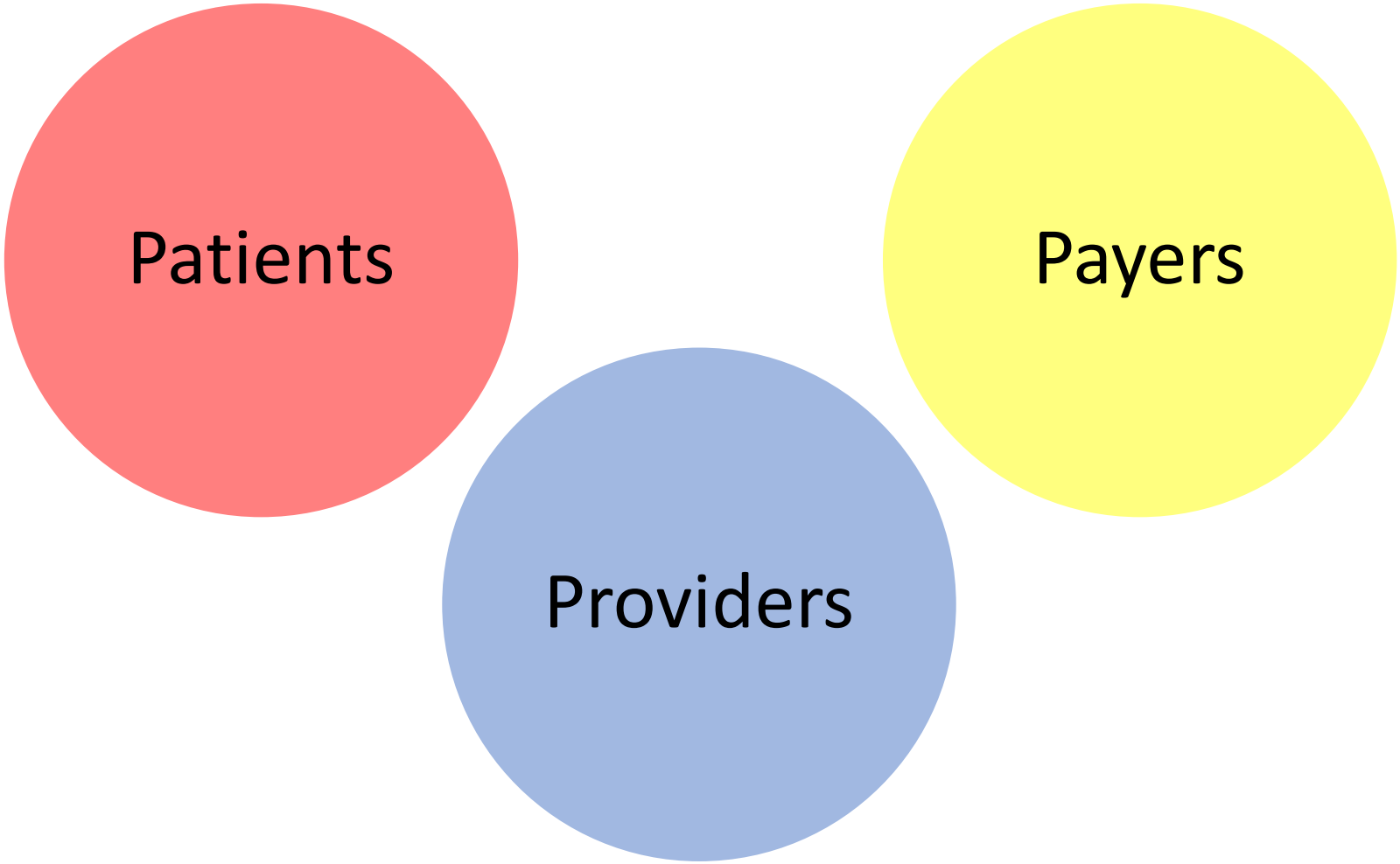


First Generation of Transparency

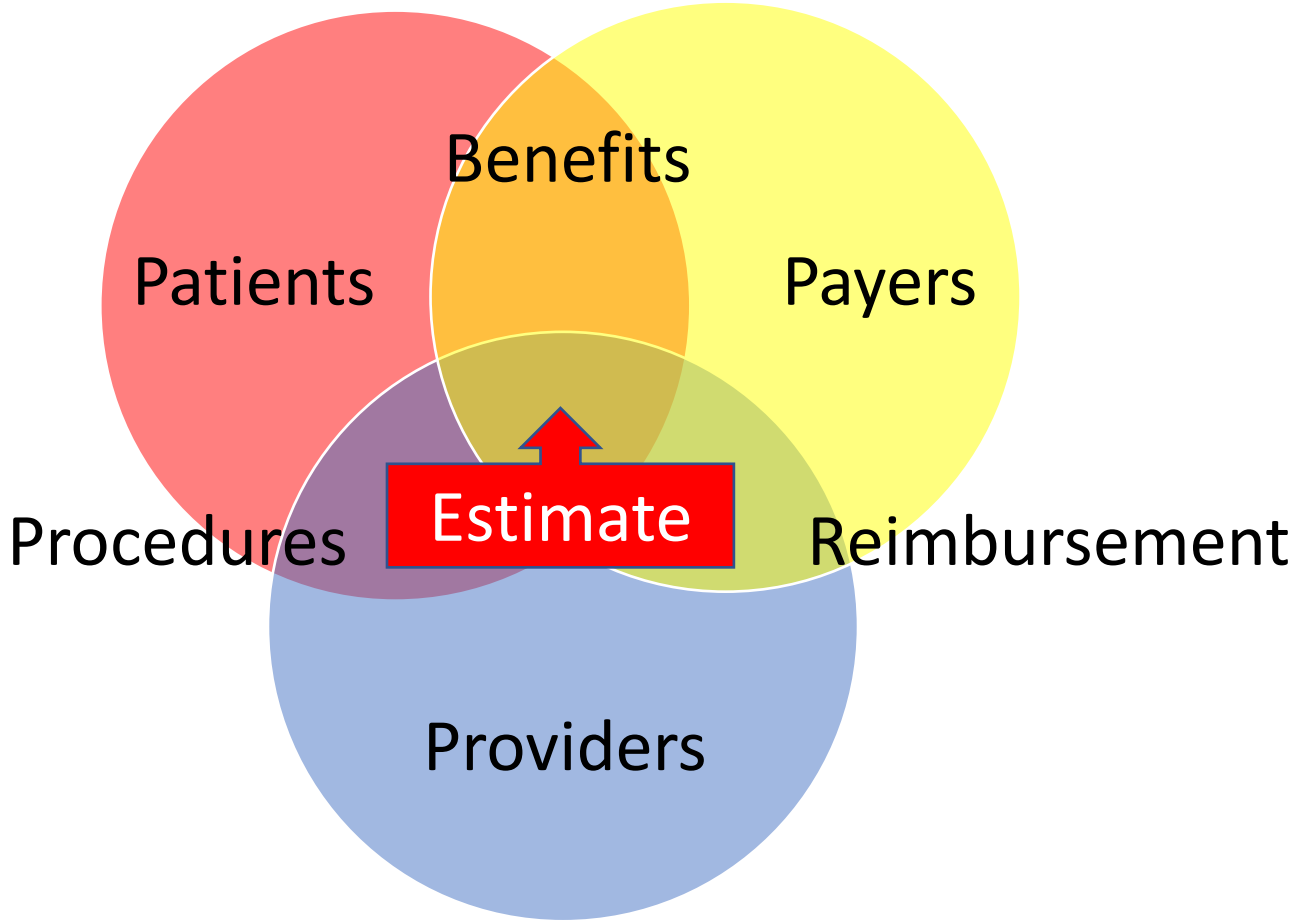


- Estimates for patient out of pocket
- Patient ability to pay
- Patient financing

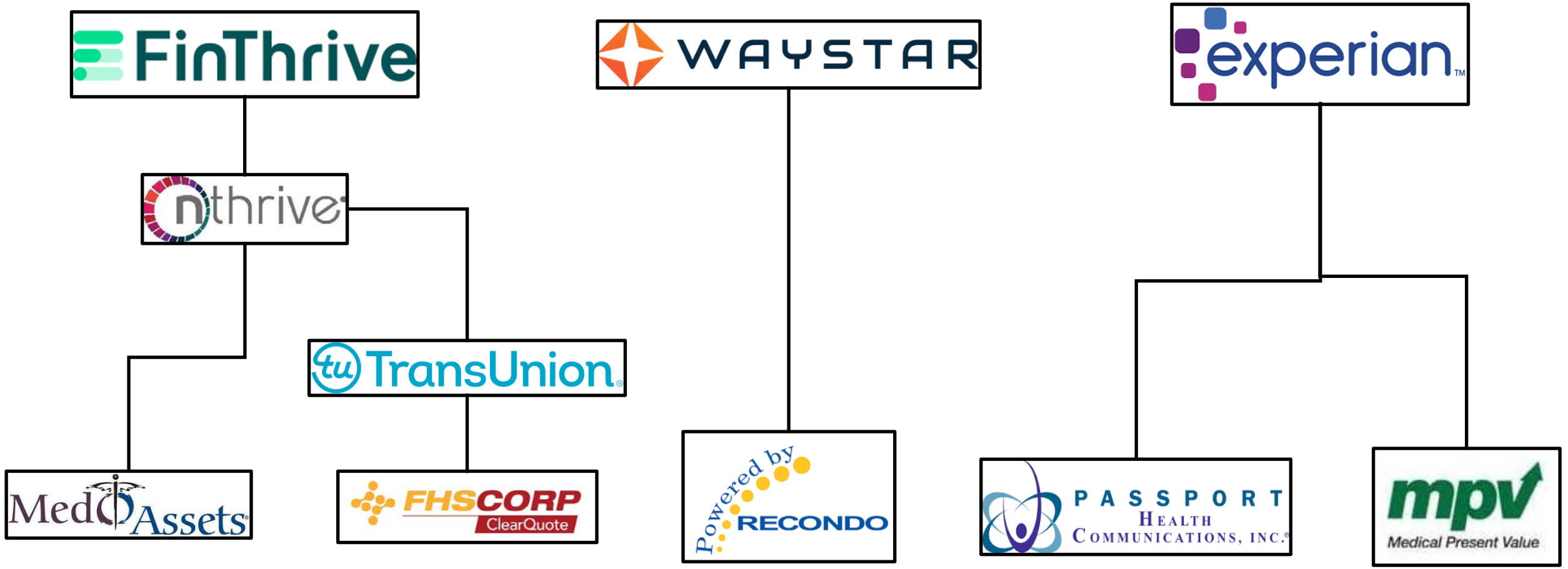
Anatomy of an estimate



How to create an estimate



Lineage of Patient Estimation



Discuss the evolution of estimates

- Anyone not providing estimates today? (Facility vs Physician?)
- What vendor(s) are you using?
- What were your initial challenges in giving estimates?
- What are the current challenges is providing estimates? (NOT GFE)

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HYVE HEALTH

Good Faith Estimates

GFE

The Challenges of GFE

- As of 1/1/2022, “Convening Providers” have increased responsibility to present patient GFEs for additional providers (surgeons, anesthesiologist, pathologists, and radiologists) that may be outside of their organizations and control.
- Most hospitals expect HHS/CMS to hold them responsible as the “Convening Provider.”
- Requesting, following up, and aggregating multiple provider estimates will significantly increase the time and effort to generate a GFE.
- Co-Providers/Co-Facilities only have 24-72 hours to respond to GFE requests, so timely notification and prioritization of requests will be challenging.

What Providers Have to Say about GFE

92% **"Difficult to Very Difficult"** for convening provider/facility to collect all GFEs

92% **"Difficult to Very Difficult"** for co-provider/facility turnaround GFE to convening provider in 1 day

89% **"Difficult to Very Difficult"** for convening provider/facility to identify all appropriate co-providers and/or facilities

76% **"Difficult to Very Difficult"** for providers and facilities to determine the "Convening Provider/Facility"

89% of survey respondents were adamant that **meeting the legislation's 3-day deadline** to get the GFE to the patient would be **difficult or very difficult**

- Holvey, Samantha. "WEDI Survey Results Reveal No Surprises Act Convening Provider Requirement Poses Significant Challenges." *WEDI, https://www.wedi.org/2022/06/08/wedi-survey-results-reveal-no-surprises-act-convening-provider-requirement-poses-significant-challenges/.* Accessed 25 June 2022
- "2022 WEDI No Surprises Act Survey Results." WEDI, *https://workgroupforelectronicdatainterchangewedi.growthzoneapp.com/ap/Form/DisplayFile?token=CxmhNBYvj94oOBAQdQgtkqvvtgYxXrFDf89RZxNzVZQ Created 20 April 2022*

The Challenges of GFE

Inefficiency

- Emails, phone calls, and repeated follow-up between providers, and escalation notifications to ensure compliance.
- How to aggregate individual and independent estimates?

Privacy

- Provider costs shared with other providers?

Accountability

- How are providers are held accountable for providing the necessary information in the required time?

The Challenges of GFE

Auditability

- How do providers show compliance to participation and timeliness of their individual estimates?

Security

- How to be HIPAA compliant and secure transmission of PHI amongst providers and to the patient?

Vision for a solution

- A portal where providers can collaborate with each other to individually contribute to a centralized GFE for patients.
- Convening providers invite co-providers and/or co-facilities into the portal and request that they add their portion of the GFE.
- Convening providers invite patients into the portal to receive and accept their GFE.
- Agnostic technology that transcends hospitals EHRs, provider practice management systems, and estimation technology.
- Universal network connecting providers with each other and the patient.

GFE 2.0 Advanced EOB (AEOB)

- GFE for all commercial patients
- The interim language suggest that GFE needs to be sent to Payer and payer sends AEOB to patient
- CMS currently has RFI out for AEOB
- Discussion about creating a new EDI standard for sending/receiving estimates (270/271, 837/835, etc.)

- AEOB is enforcement is TBD

Why Re-Create the Wheel? 837a and 835a

837a

- Diagnosis Codes
- Billing Codes
- NO CHARGES…instead…

EXPECTED REIMBURSEMENT

835a

- Pre-service confirmation of payment

UNDERPAYMENTS ANALYSIS

- Pre-service denials analysis

PRE-AUTHORIZATION

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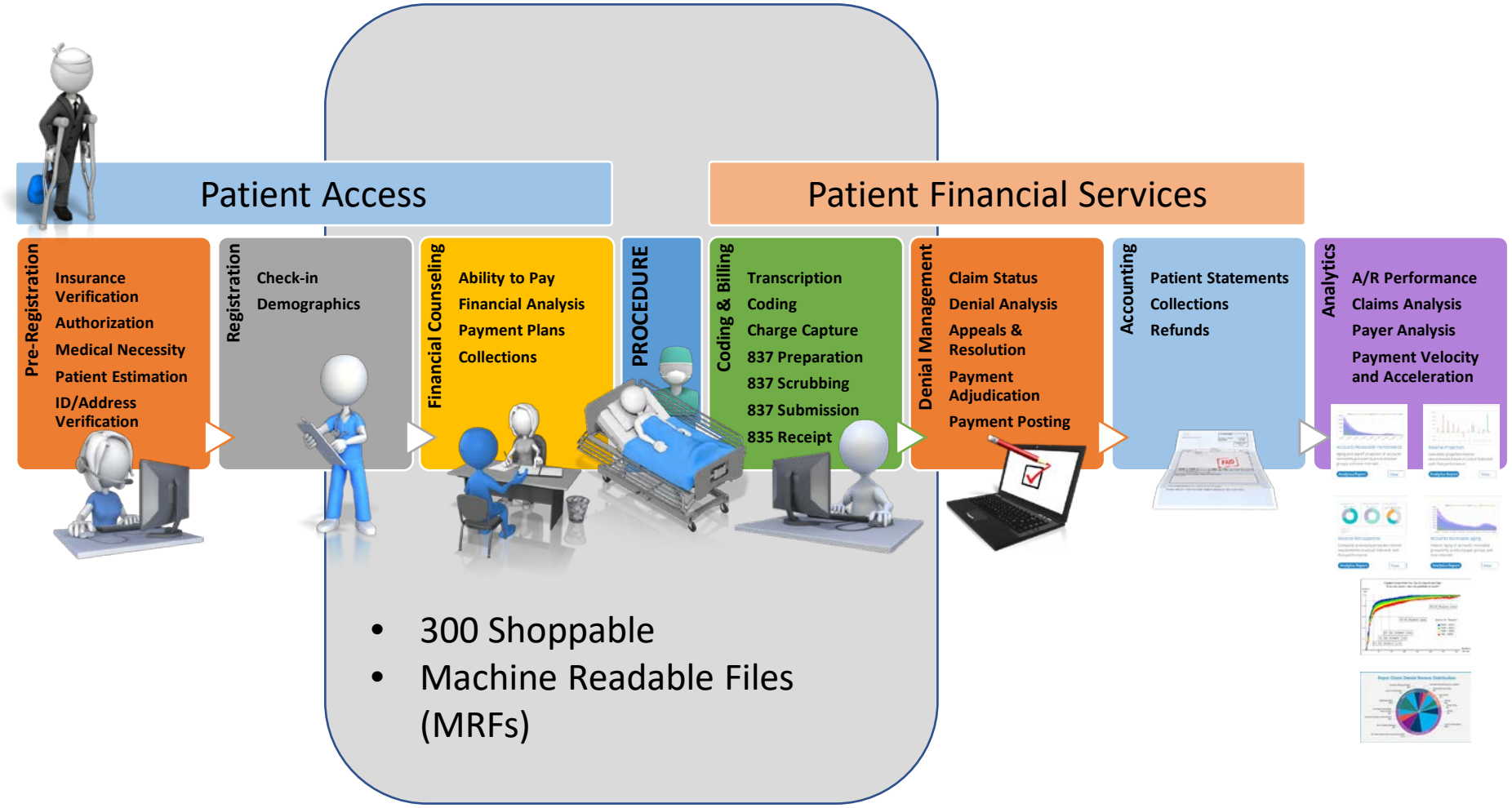
CMS Price Transparency

Providers

Second Generation of Transparency



- 300 Shoppable
- Machine Readable Files (MRFs)

CMS Price Transparency

- Effective January 1st, 2021
- Section 180.50 - A machine-readable file containing a list of all “standard charges” for all items and services (pages 318-320)
- Section 180.60 - A consumer-friendly list of “standard charges” for a limited set of “shoppable services” (pages 320-323)
- (a)(1) – Online Standard Charge

  OR
- (a)(2) – Online Estimator

Important Definitions

- “Standard Charges” - (1 Term…5 Definitions)
- The payer-specific negotiated charge (allowable)
- The “discounted” cash price (self pay)
- The un-discounted gross charge for procedures that are not “discounted” (gross charges)
- The de-identified minimum negotiated charge (minimum allowable)
- The de-identified maximum negotiated charge (maximum allowable)

- “Items and Services” - all individual items, services, and service packages provided by the hospital in an in/op setting for which the hospital has a standard charge. examples include, but are not limited to:
- Supplies and procedures
- Room & Board
- Use of facility (facility fees)
- Services of employed physician and non-physician practitioners (professional fees)
- Any other item for which the hospital has created a “Standard Charge”

180.50 – Machine Readable File

- A single digital file in a machine-readable format
- Must establish, update, and make public a list of all “standard charges” for all “items and services” by facility, if different
- The file must be on a publicly available website
- The file must use the following naming convention:
- <hospital ein>_<hospital name>_standardcharges.(filetype-json/xml/csv)
- The file must clearly indicate the date the charge data was updated
- Update at least annually and highlight date

180.60(a)(1) – Make public standard charges

- Must provide the “standard charges” for:
- 70 CMS required procedures if performed by the facility
- A balance of a minimum of 300 “shoppable” services or as many as the facility provides
- Searchable by service description, billing code, and payer
- Must highlight the “primary” code for billing and/or accounting purposes
- The facility location of the shoppable service (IP/OP/Both)

- The five (5) data elements required for the “standard charges” must include all corresponding ancillary service charges for each charge element, as applicable:
- Payer-specific allowable per service
- Discounted cash price
- Gross charges (where no discount)
- De-identified minimum allowable
- De-identified maximum allowable

OR

180.60(a)(2) – Internet-base price estimator tool

- Must provide an estimate at the time a healthcare consumer accesses the website for the amount they will be obligated to pay for:
- 70 CMS required procedures if performed by the facility
- A balance of a minimum of 300 “shoppable” services or as many as the facility provides
- Must provide patient-friendly (plain language) descriptions of each shoppable service
- Must be prominently displayed on a hospital website
- Must be updated at least annually

Discussion of CMS Price Transparency – Provider

- Anyone not providing publishing MRFs?
- Anyone receive non-compliance letters? What was issue? How did you respond?
- What were the initial challenges?
- What are the current challenges?

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CMS Price Transparency

Payers

Payers vs Providers Transparency

- 7/1 Payers post their MRFs (all services, all providers)
- Payers' MRFs actually have a standard unlike providers'
- 1/1/23 Payers post 500 Shoppable (all services, all providers)
- 1/1/24 Payers post all Shoppable (providers don't have this)
- We have harvested and analyzed Payer MRFs
  - Early files indicate incomplete data
  - Payers are making it difficult to harvest
    - Bloating of files (unnecessary repetition)
    - Table of Contents (TOC) structure…one master file referencing 10,000's files
    - Size >100 GB

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Big Data in Healthcare

Worthless Big Data Trivia Part 1

- 90% of all the data in the world has been created in the last two years.
- Each day, Google processes 8.5 billion searches
- Today it would take a person approximately 181 million years to download all the data from the internet
- WhatsApp users exchange up to 65 billion messages daily.
- Social media accounts for 33% of the total time spent online
- Facebook has almost two billion daily active users.
- Users send over 870 million tweets per day

Worthless Big Data Trivia Part 2

- The average person generates 1.7 MB of data per second
- 45% of businesses worldwide are running at least one of their Big Data workloads in the cloud.
- The average company **DOES NOT** use 60-73% of its data for analytics
- Retailers that use big data fully can increase their operating margins by 60%
- Companies that use big data see an average profit increase of 8%

Worthless Big Data Trivia Part 3: Healthcare

- Big data in healthcare could be worth $71.6 billion by 2027
- The New England Journal of Medicine (NEJM) estimates that 30% of the world's data is related to healthcare and each patient generates about 80 GB of data per year.
- The healthcare industry is not being a good steward of our information, and we are squandering the opportunity to collectively leverage and learn from it.
- **Hospitals lack the information to understand how good they could be because they fear how bad they might be.**

Statistics can be misleading by Don McMillan

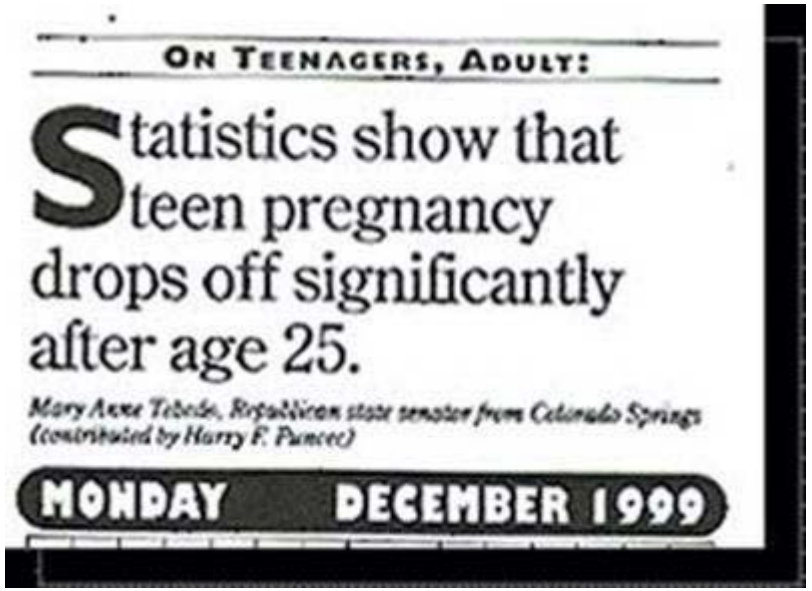
- There are **1.4 billion people** in China
- There are **7 billion** people on Earth
- Therefore, 1 out of every 5 babies born in the world are Chinese

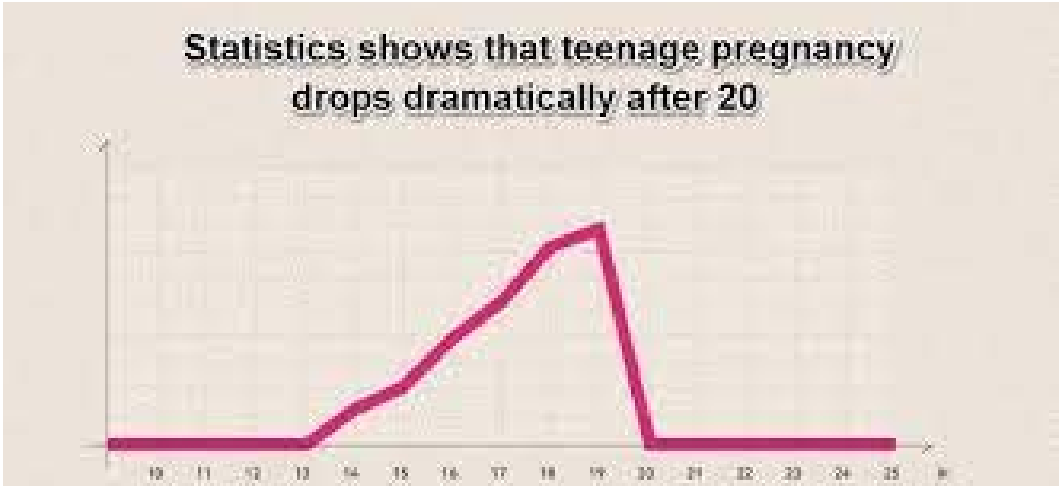
Conclusion:

If you have 4 kids and you are expecting a 5th…

your baby will be Chinese

Statistics can be misleading by Don McMillan





Statistics can be misleading by Don McMillan

'We hate math,' say 4 in 10 — a majority of Americans

WASHINGTON — People in this country have a love-hate relationship with math, a favorite school subject for some but just a bad memory for many others, especially women.

In an AP-AOL News poll as students head back to school, almost four in 10 adults surveyed said they hated math in school, a widespread disdain that complicates efforts today

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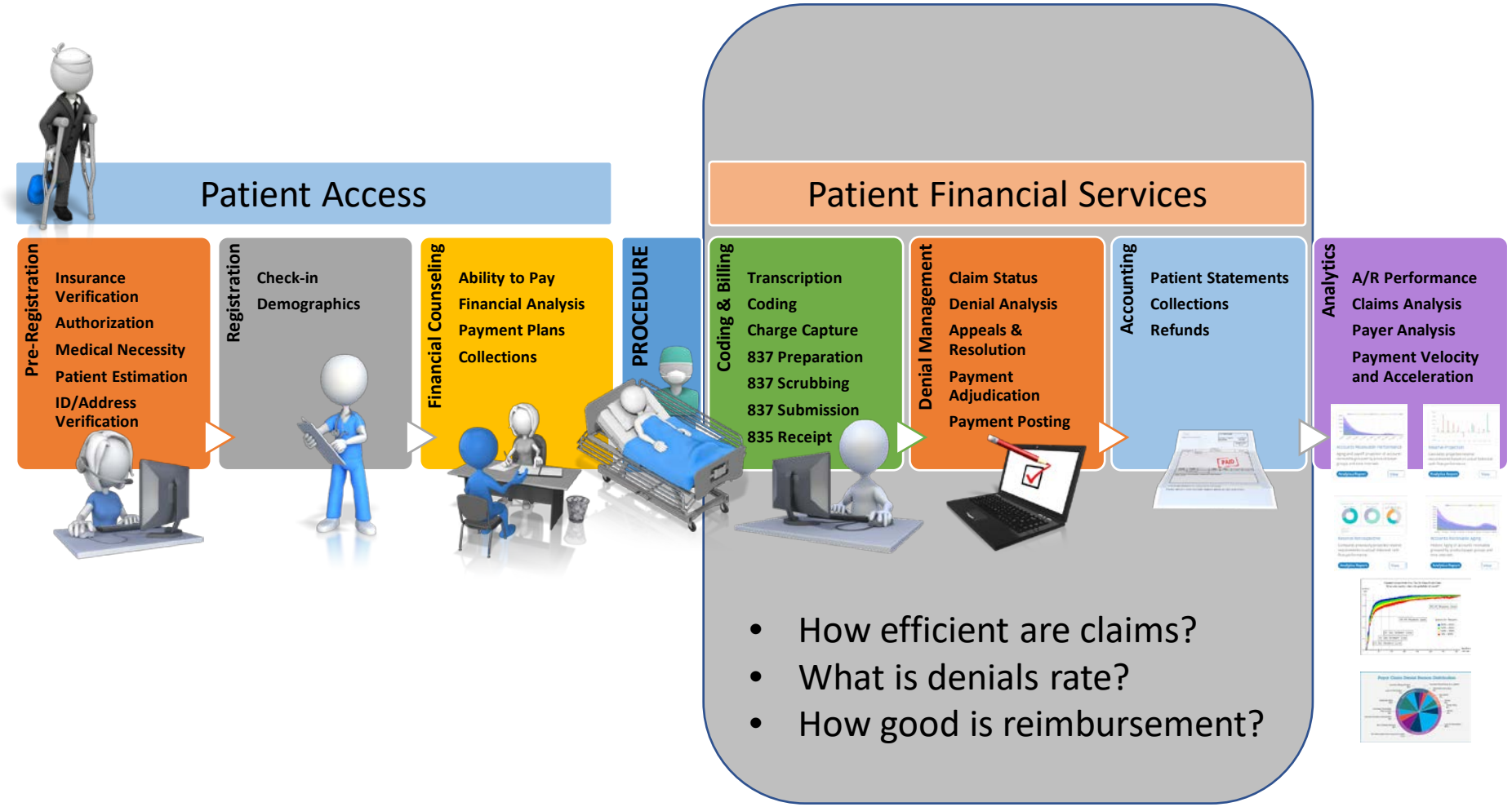
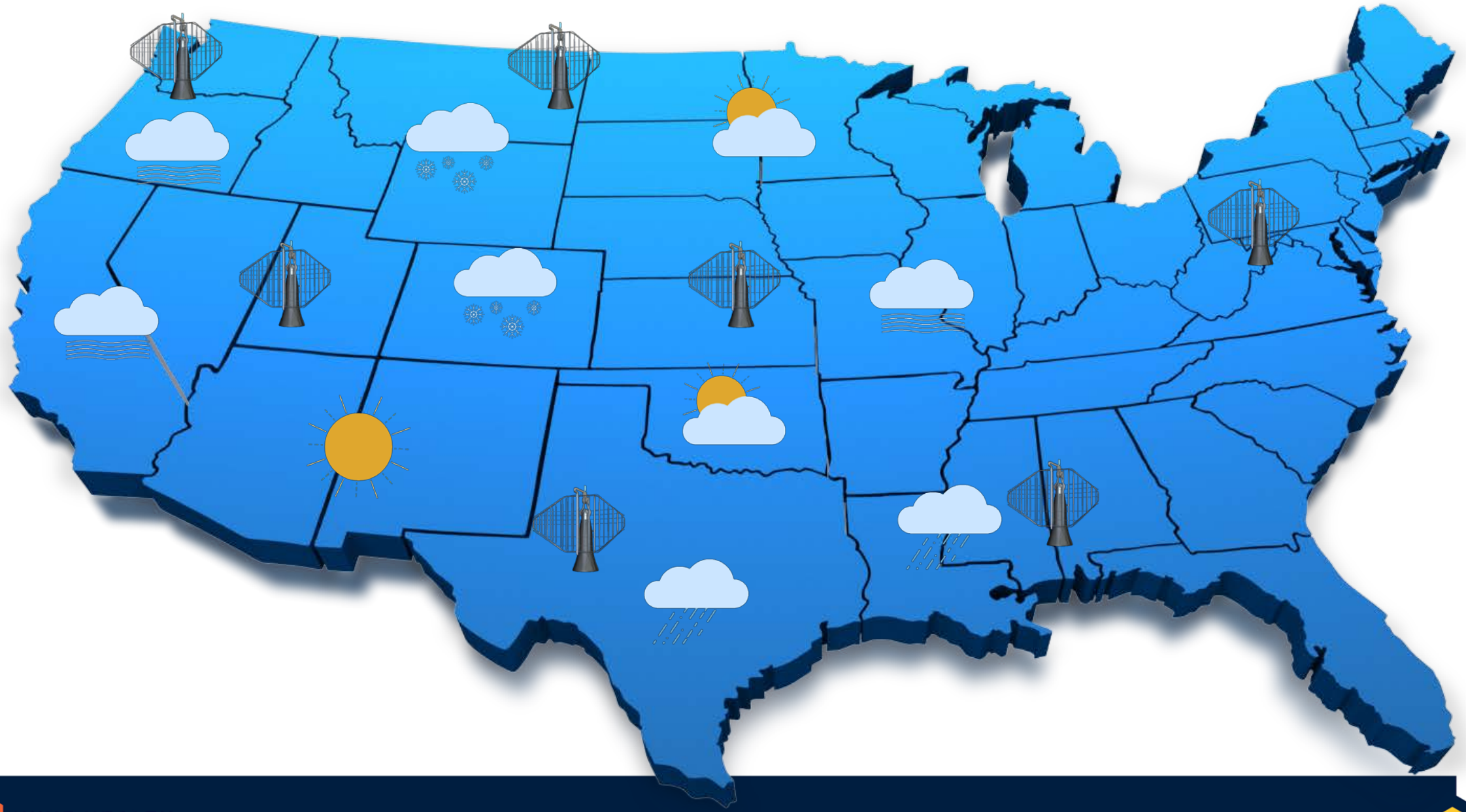
HYVE HEALTH

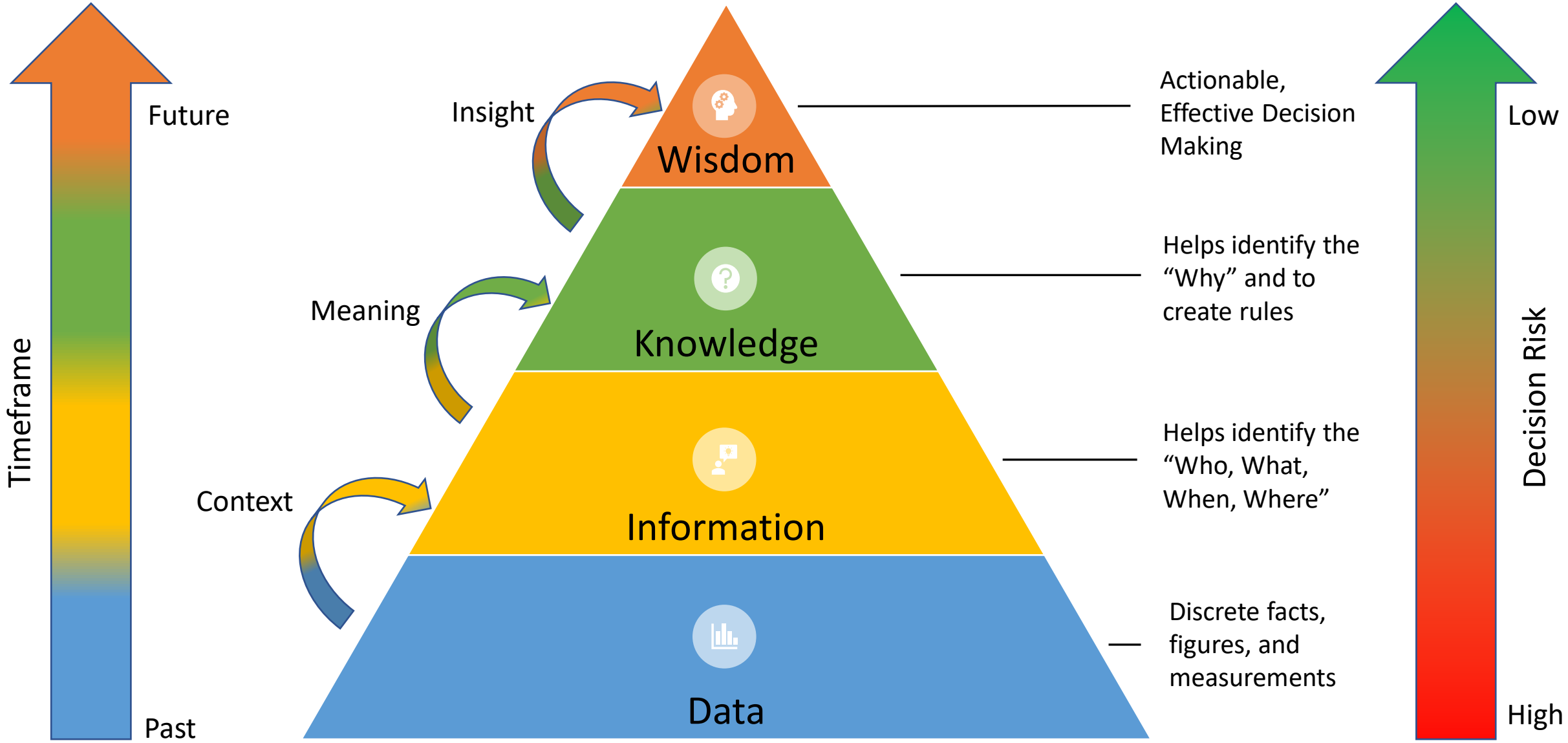
National Claims and Remittance Database

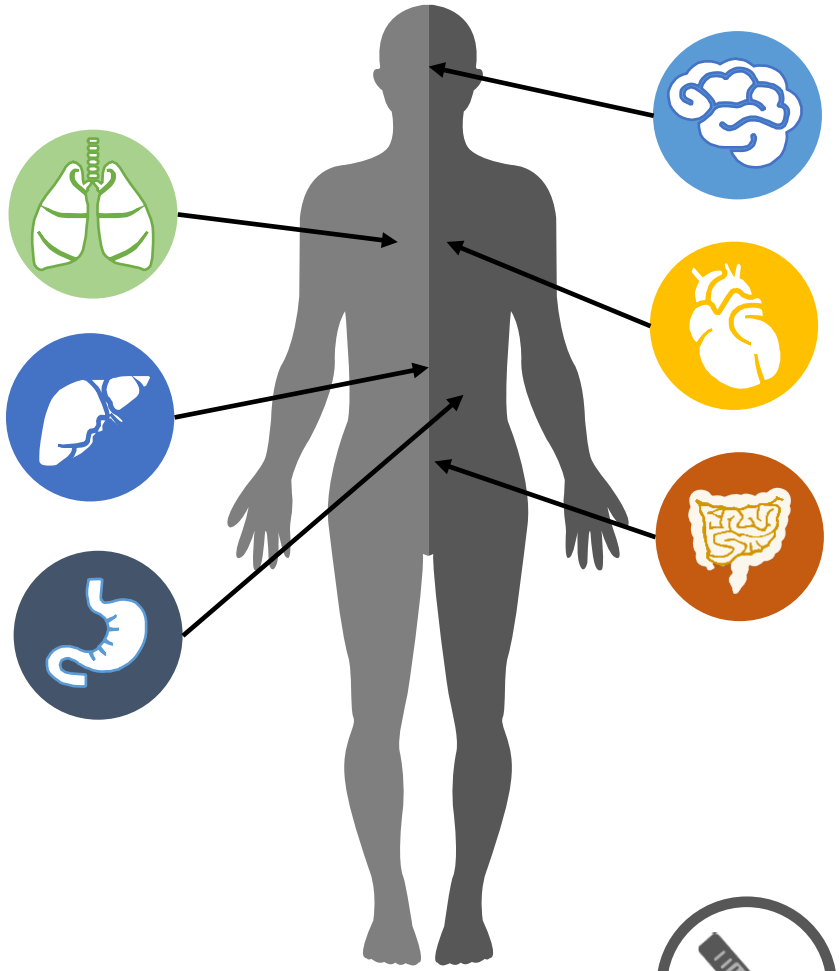
Unicorn and Cotton Candy Clouds?

Third Generation of Transparency






Timeframe
Future
Past
Insight
Meaning
Context
Wisdom
Knowledge
Information
Data
Actionable, Effective Decision Making
Helps identify the "Why" and to create rules
Helps identify the "Who, What, When, Where"
Discrete facts, figures, and measurements
Low
High
Decision Risk



Without clinical benchmarks, physicians would not know what is normal for certain vitals like temperature, blood pressure, and blood chemistry to diagnose health and vitality.

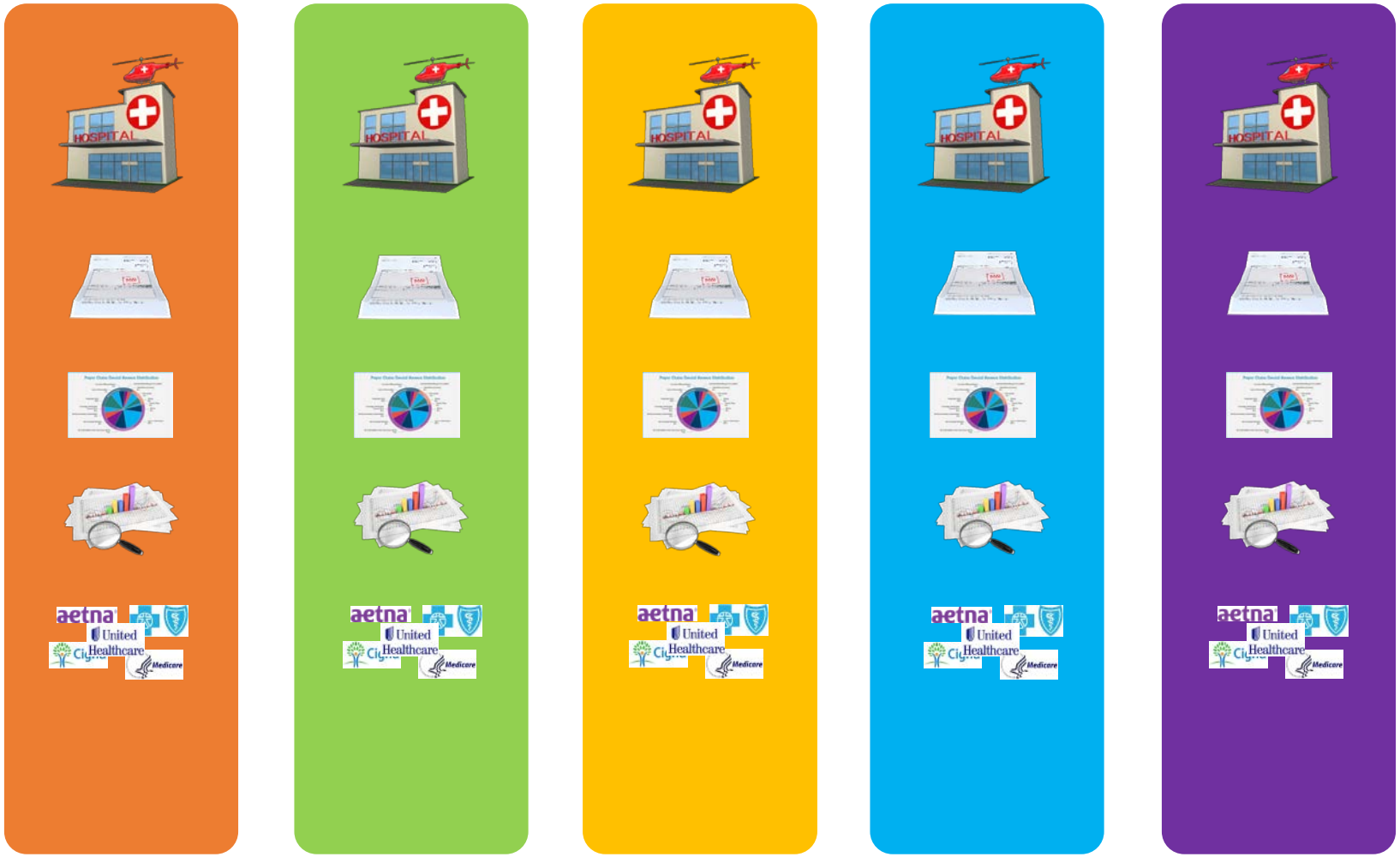
Similarly, without proper financial and operational benchmarking, hospitals don't know what their denials, claim processing, and reimbursement should be.

What is good and what is better?

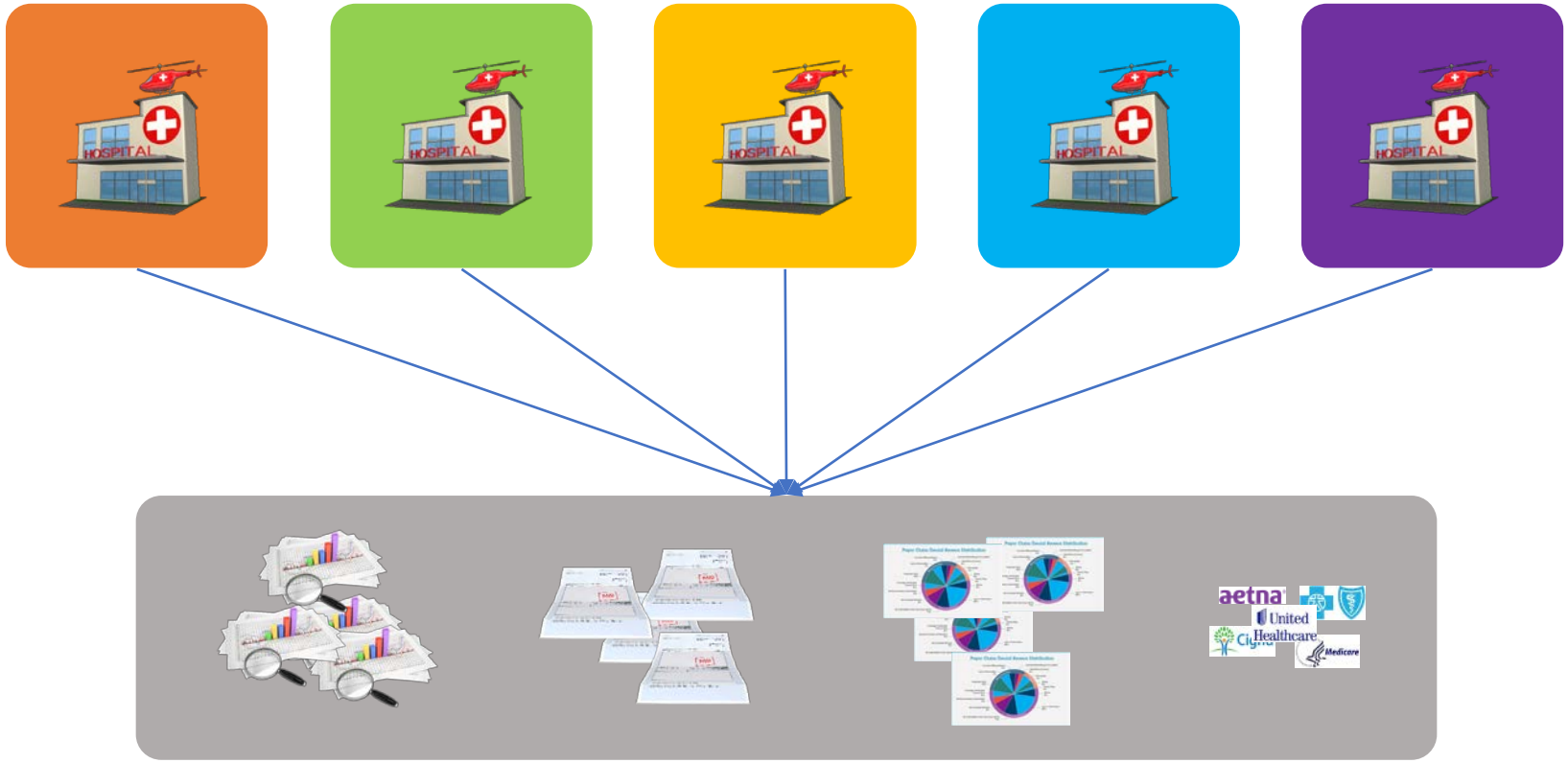
How do you know?

- What is your biggest problem?
- How do you know it is your biggest problem?
- How do you compare your hospital against the industry? Against each other?
- What is the cost of working on the wrong problem? Opportunity Cost

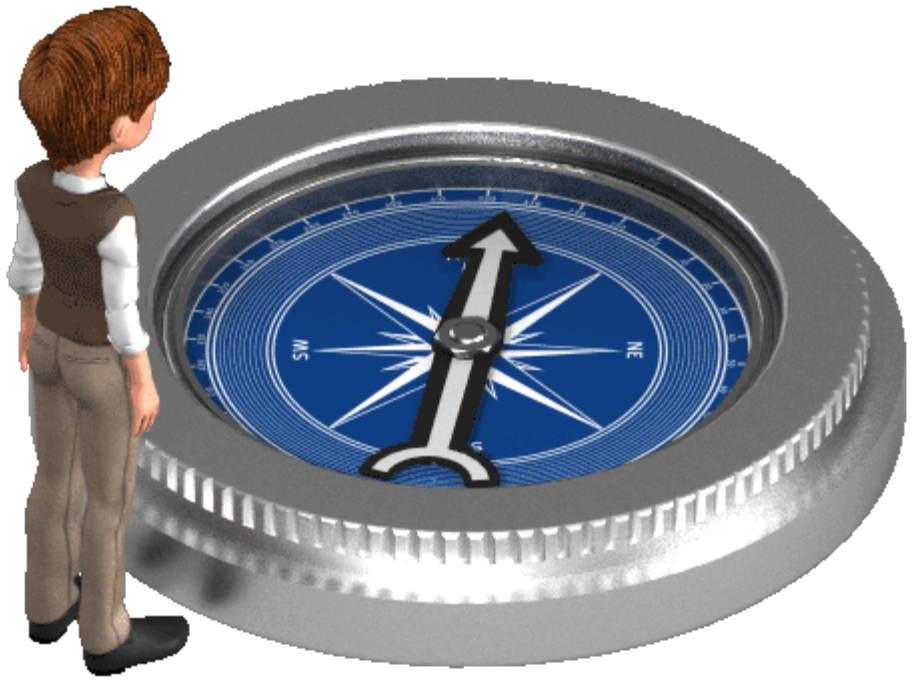
Healthcare data is inherently siloed



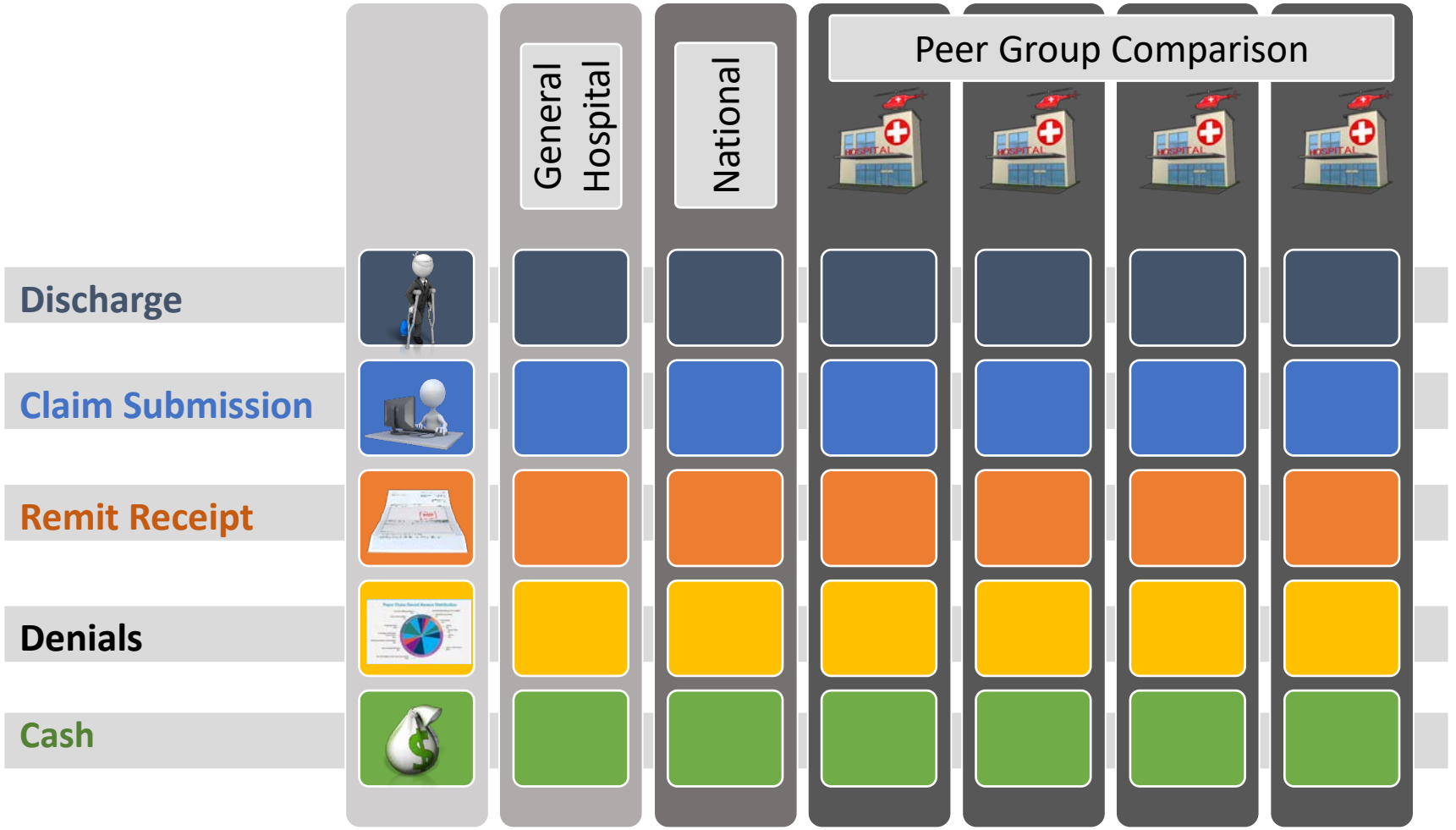
We need to break the data silos

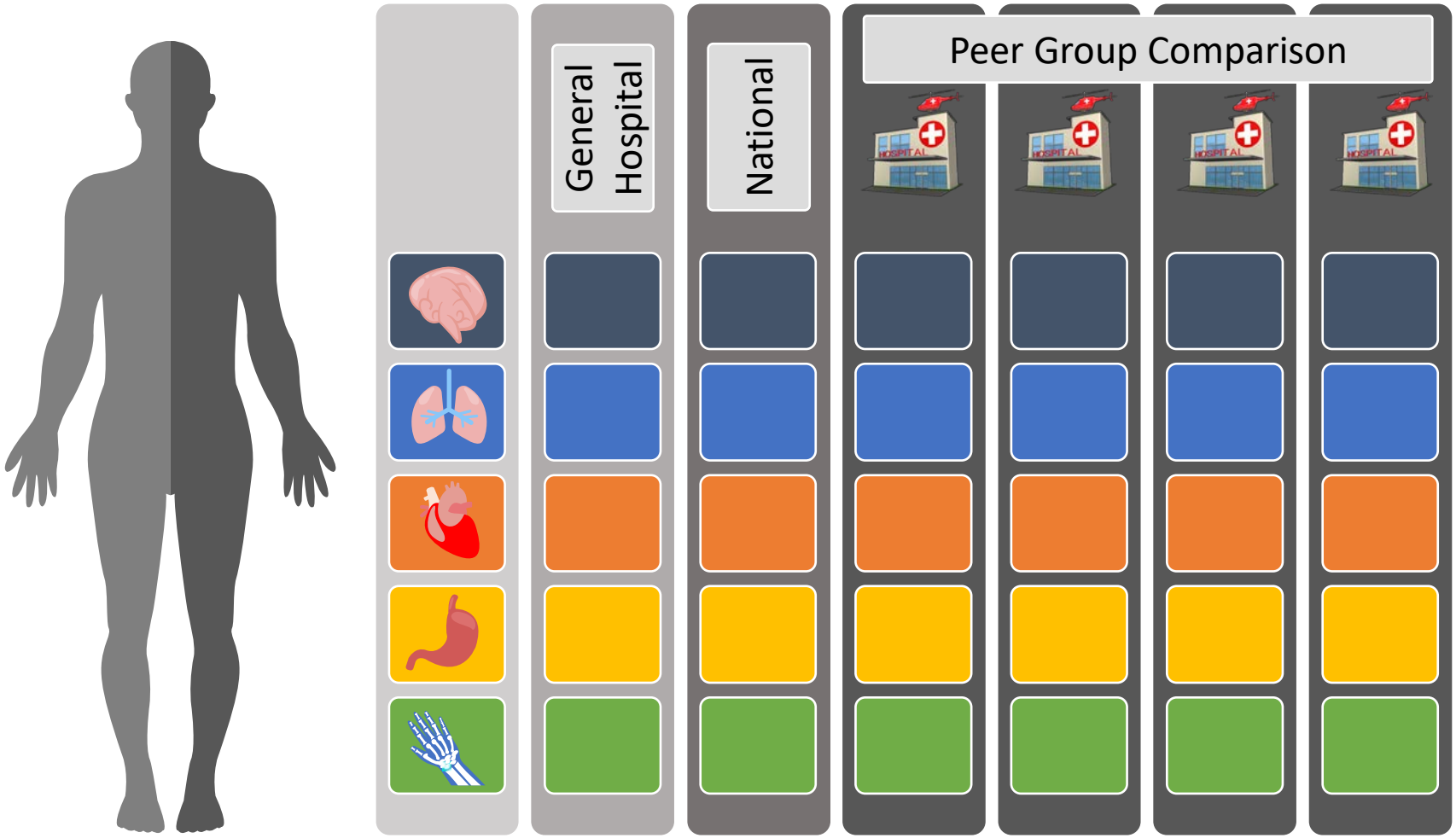


We need to define True North



Need a vision for what we can do




General Hospital
National
Peer Group Comparison
HOSPITAL
HOSPITAL
HOSPITAL
HOSPITAL

What would you like to know if you…?

- …had access to state-wide claims and remit data, what would you like to know?
- Denials?
- Reimbursement?
- Payer Performance?

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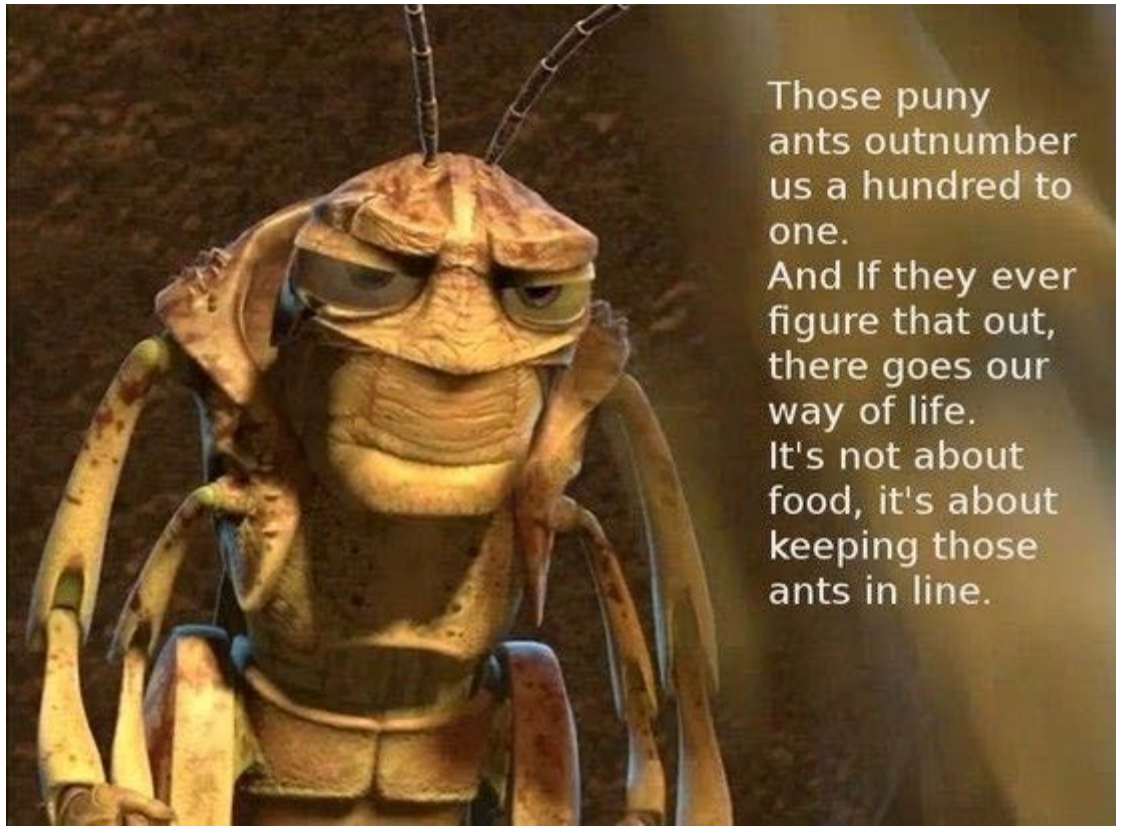
Payer Scorecard

Is this more Unicorn and Cotton Candy Clouds?

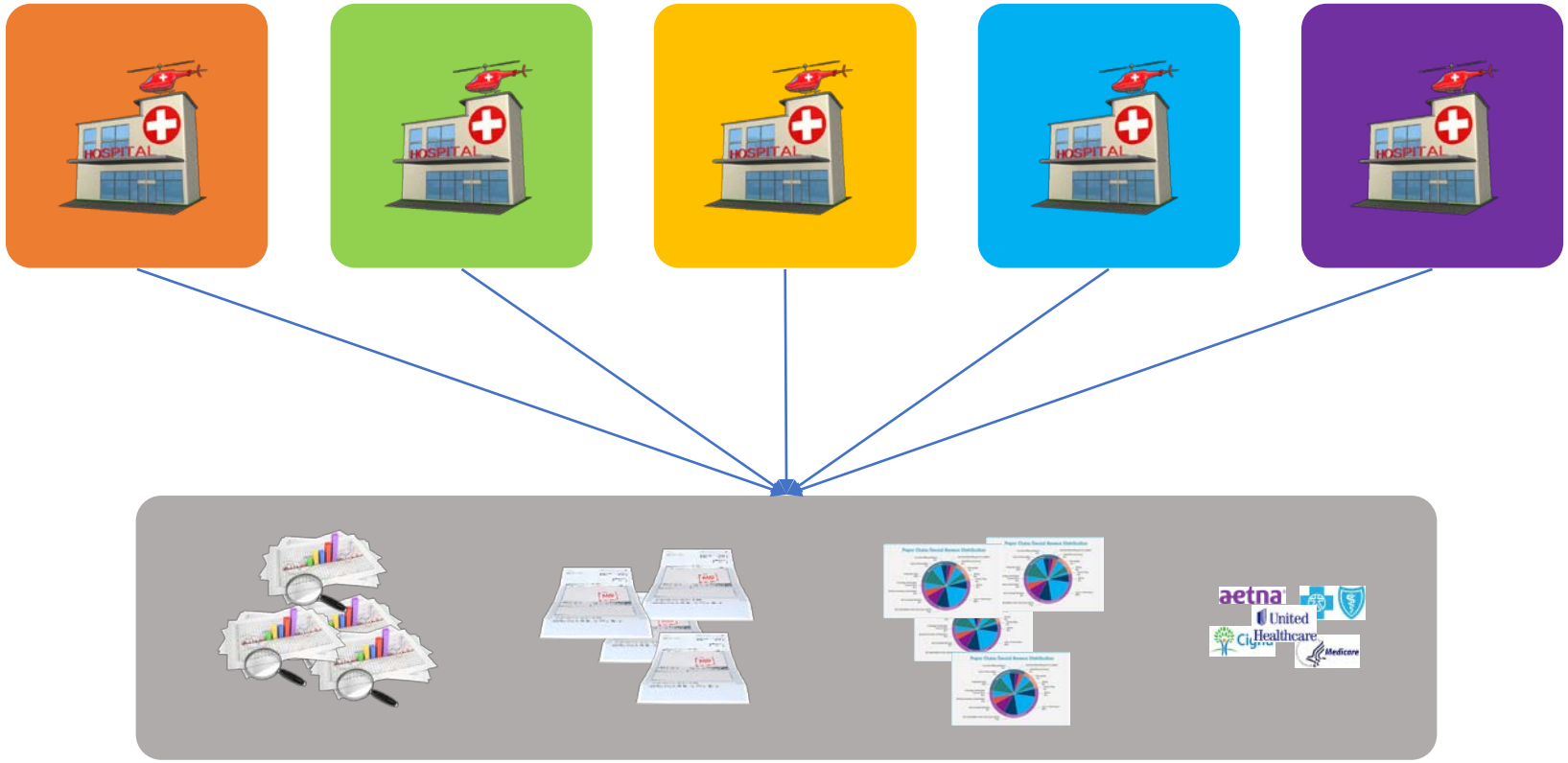
Payers and Providers



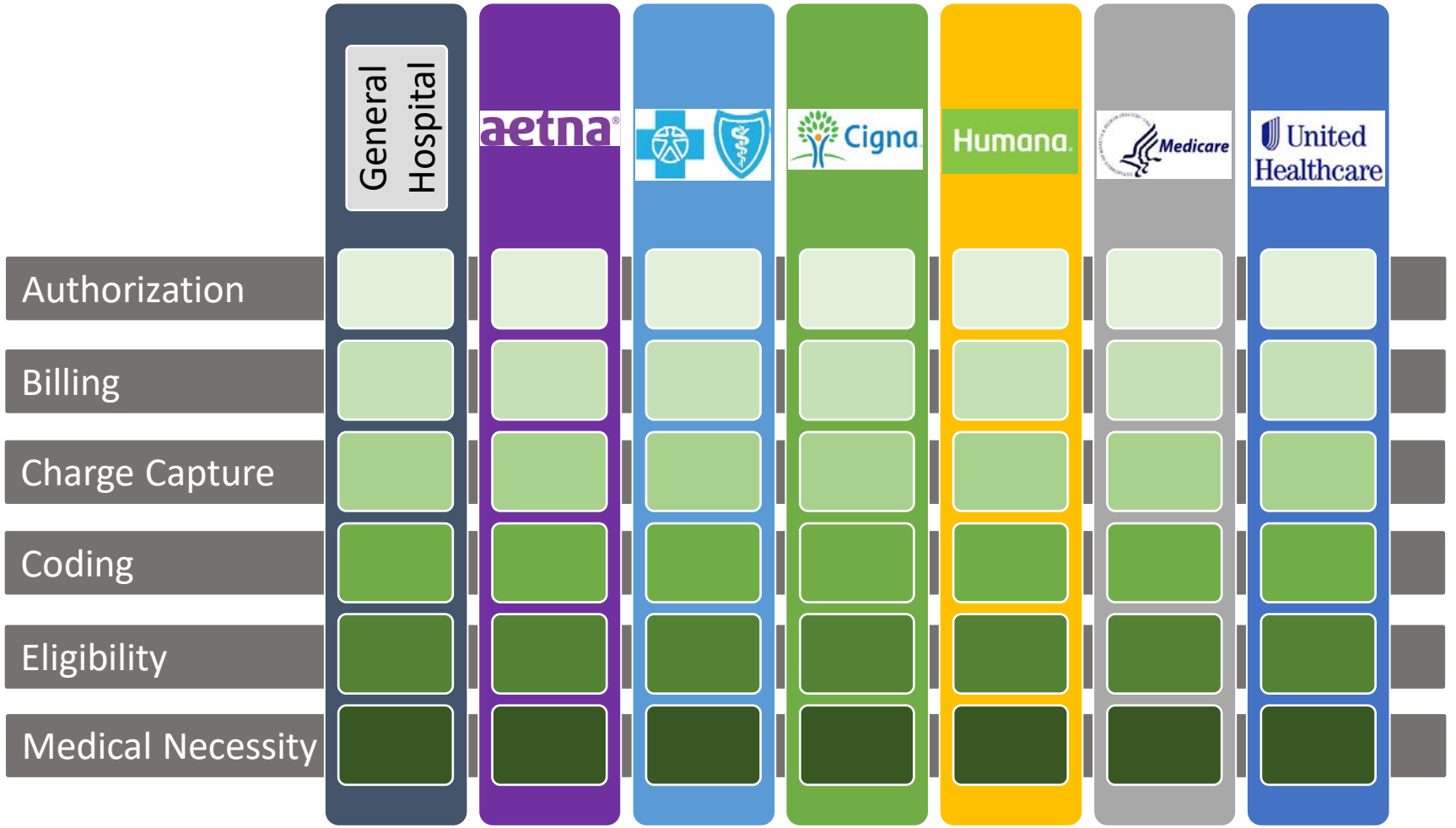
Vision for a National and State Payer Scorecard

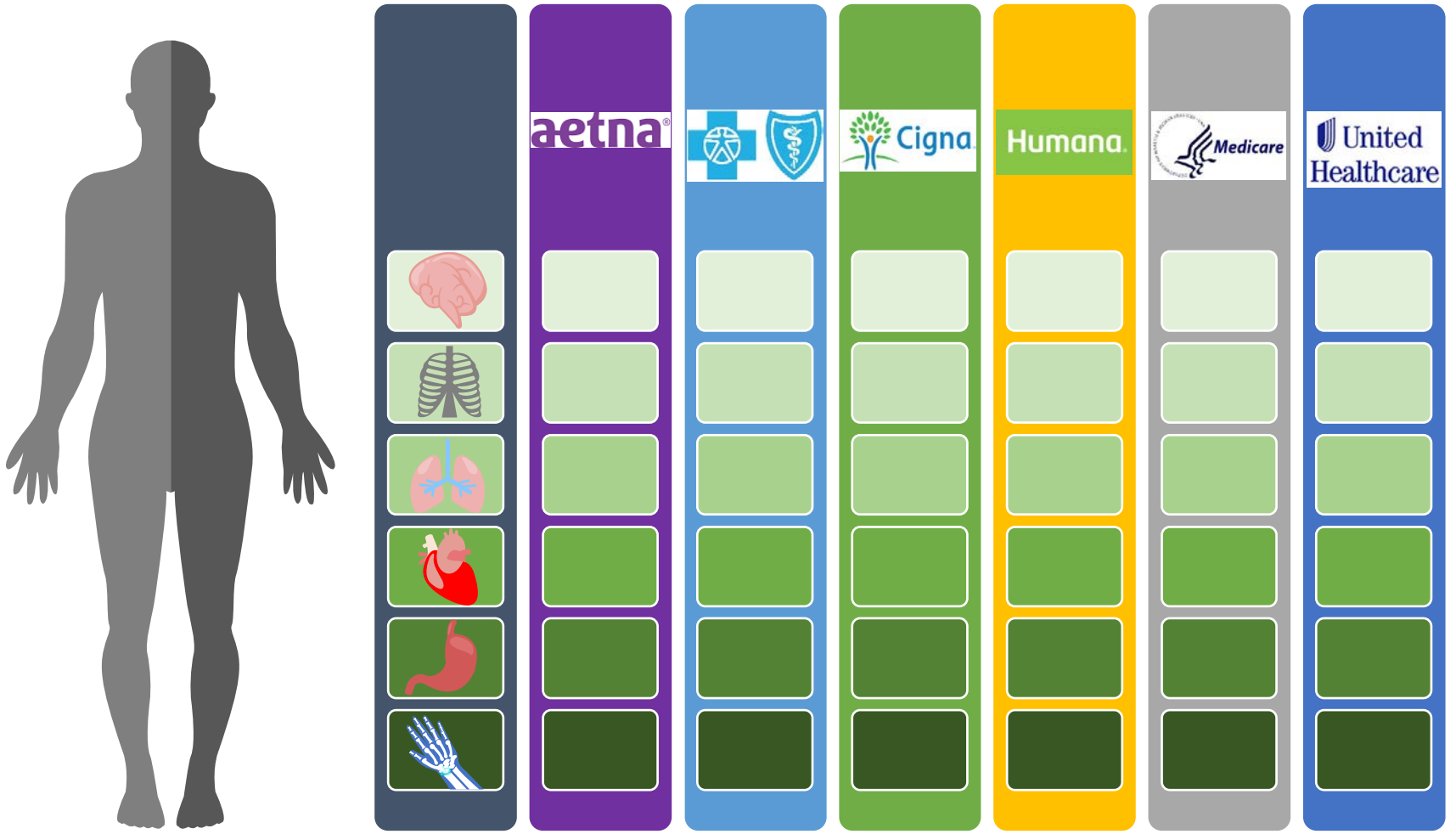
- As an industry, we don’t have the capability of being able to see how payers are performing across the country let alone in our own state
- At best, we have anecdotal stories that we can tell at association meetings and conferences
- We need to transform the conversation from anecdotal stories to empirical evidence
- There is only one way…

We need to break the data silos (Remember?)



What if we could see the big picture?




aetna
Cigna
Humana
Medicare
United Healthcare

What did we learn?

- Travis is a nerd, not a geek, not a dork, NOT A STALKER!
- Don McMillan is funny (if you are a nerd)
- The next generation of estimates are GFEs and AEOBs
- There is information to be mined from Payer MRFs
- We need to be willing to share and learn from each other's data
- National and State all Claims Database is possible
- National and State all Payer Scorecard is possible

This is crazy talk…so let's get crazy!

This is our “Braveheart” moment

Yeah, I know it did not work out so well for William Wallace

Sorry if that was a movie spoiler

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