

TALES OF TRANSFORMATION



The regulatory landscape and interoperability

ToT S5E2 Transcript

Heidi: [00:00:00] The US health care system is currently a collection of disconnected components. To help drive the industry toward greater interoperability, the US Centers for Medicaid and Medicare and Office of the National Coordinator for Health Information Technology have proposed new rules that could go into effect in early 2020. But health care organizations that fail to see beyond these upcoming compliance deadlines and realize the greater strategic value of interoperability and data could risk falling behind. I caught up at a recent conference with Anne Phelps and Jason Wainstein to talk about interoperability in the health care ecosystem. Welcome to the show.

Anne: [00:00:43] Thank you.

Jason: [00:00:44] Thank you very much.

Heidi: [00:00:45] Can you start by giving us an overview of some of the regulatory developments in the space, and why organizations should use this as an opportunity to make interoperability a strategic priority, not just check the box on compliance activities?

Anne: [00:01:00] When I first looked at these proposed rules, I wondered if this was just a compliance issue—that we've seen before maybe as a small data change or a coding issue, but this is actually much larger than that. I actually believe these proposed rules are incredibly disruptive and could be an issue that our stakeholders will look at as something that will actually change their business models. And the reason why is, it's not just about sharing information that a provider or plan has, let's say, within their network. It's really more about saying we're going to follow that individual patient. So if I'm the patient, wherever I go, my data goes with me. If I were to change health plans, or if I were to change and go from one hospital system to another hospital system, or one doctor to another, whether or not those physicians or plans have relationships with each other, they have to share information about me, in a confidential and secure manner, in order to improve the quality of care that I receive. And that's pretty disruptive, because it's not typically how our current health care stakeholders work. One thing I should mention right up front is that the proposed rules—and they're not yet final; the administration was pushing for an effective date of January of 2020. Most folks think that that is not realistic. I mean, we don't have the final rules yet. So it probably means we're going to have some time in 2020 to prepare.

Heidi: [00:02:19] So, I just wanted to follow up in terms of this new rule. Where's a good place for organizations to start when establishing a strategic approach to interoperability?

Jason: [00:02:30] When we think about where to start, there's obviously the piece, as Anne was discussing, which is how to think about meeting the compliance requirements of the regulations. That's a starting point we like to think about, making this a strategic investment and a strategic capability, and interoperability is the core to the digital transformation in the digital future that organizations and health care are seeking. And so, while there's the regulatory compliance component, the question is, how do you think about taking the new technology that's available, and think about making a strategic investment on platforms so that you can transform your digital core systems, and how you interchange information within the four walls of your organization? And new collaborations, new partnerships, new co-opetition models, where you'll take advantage of data that has been in silos, and put analytics or machine learning and so forth on top of those new aggregated data sets to drive to better insights for health care.

Heidi: [00:03:30] So Anne, what's your view on this? ▶

Anne: [00:03:32] You know, as I sit in Washington, we see so much of it in the past couple of years has been around coverage and access issues, and really what we're seeing is, this is really more about how health care is delivered. It's really our future-of-health vision, which is that we're going to pay based on values, value-based outcomes, we're going to coordinate care, and if we're really going to put our money where our mouth is, that means that our health care system and our stakeholders need to talk with each other. So, I think that is going to be disruptive. In terms of, how do we start? Look, as our regulatory and policy leader, I always say we have to look at bare bones. "What do I have to do so that I'm not in trouble and I'm in compliance? Like Anne, what's the basics here?" And so, we always start with that. Say, look at the bare minimum in order to be in compliance, here's what you have to do. And this is some pretty strict rules and some penalties. I mean for the providers, they're saying this is going to be a condition of you participating in Medicare. So that's big. So we gotta start there, but I think smart organizations are really taking a look at it to Jason's point. If we're all going to be sharing this information, and just having the data isn't going to put me ahead, how am I going to actually use it to improve the patient care, so that A, I do get higher reimbursement from the government, and B, it actually improves my patients' care, their outcomes, and I make it easier for them to navigate the system. Most patients and consumers we talked to say I'm going to stick with that provider that made it easy for me to navigate the system. One personal example: when I went to a provider where I had a scary test result, and that provider with my permission that day, contacted another provider for me and was able to get me treatment in his office that day. And being able to do that, that to me was the power of sharing information. I felt like I was somewhat in control. I got health care that day that I needed, and I wasn't sitting around waiting for weeks to get to another doctor. That's what these rules are intended to do.

Jason: [00:05:34] The more that you see that, the more it's going to be a snowball for the empowered consumer. So as I have the ability to take my medical record and have it on my phone and show up in the doctor's office, you've got the regulatory push coming and then you've got the consumer push, and I think those two forces together are going to be enough to really force the change, and cause organizations to have to revisit their historical siloed kind of mentality. We've talked about data as an asset for a long time, so what does this mean? What does this mean to have invested tens or hundreds of millions of dollars in electronic medical records that create sort of encapsulation around that data but isn't intended for the free flow of data, maybe to other parties? So it is very important for an organization to think about how interoperability combined with the future of the electronic medical record, with IoT and different devices, hospital and home, 5G new data sets, videos, images, blockchain. They're all really advances that are coming together. So you need to set that vision and think about the right technology investments as a point solution. And I think we're seeing that in organizations that say, I need my next-generation data platform in the cloud, that's going to tie into data marketplaces and source data, data that I historically haven't understood how to manage, but now I'm going to couple that with the codified data or even unstructured data to get to better care coordination, the right types of collaborations we need to solve the really hard problems.

Heidi: [00:07:04] So, Jason, what's your organization's focus on as they take a closer look at their current data capabilities and areas for improvement?

Jason: [00:07:13] I think that this is the challenge because the space is evolving so fast, so where do you start? So you make intelligent individual decisions in the context of where you're trying to go longer term. We talked about not creating new legacy debt in these types of investments. And so how do you take that but then look at very specific use cases that provide practical value to the consumer or the patient or the clinician? Are there ways that

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we can provide this data and insights where it matters in the care delivery process to make care delivery leaders be able to practice at the top of their license or focus on the actual human to, provider-to-patient interaction that they really want to be doing as opposed to having to sort through data, run through tests that are performed multiple times? So, finding those use cases that provide the greatest value in the context of the vision.

Heidi: [00:08:10] So, outside of what Jason has shared, what are the other potential areas for improvement?

Anne: [00:08:14] We're a heavily regulated industry, so sometimes it's regulations, but a lot of times it is about the consumer and their push. We talked to a lot of our clients that really say look we want to be consumer-centric, we want to be focused on that patient, we want to have the best member experience. And so if you really put yourself in their shoes, you have to be able to let go a little bit and realize patients are going to vote with their feet. When that doctor helped me that day, reaching out to another provider not in his network, I'm going to be loyal to that Doc now. Like that doctor is someone that I know has my best interests, and I'm going to go back to that doctor. And I think that's the thing that our health care community and plans, providers, all of them, need to really think about if we're really going to be consumer-centric. So, I think there's a huge strategic component to these rules beyond just the compliance and do I have the right technology, which is, if I really do enable that patient, they will come back to me—whether it's for advice or care, and that's really kind of what's at the heart of these proposed rules. So I find it to be very exciting. I think it very much fits in our future-of-health vision, because that's kind of where health care is going and, you know, the other thing someone from the administration told me, I thought wow, this is really interesting, as they kind of want health care to be like other aspects of what we see. We all know how to go shopping online, right? Consumers want to be able to have that kind of information to make decisions. The more we enable them, the more I think we'll see improvements in their care, and I think the providers and plans will reap the benefits too.

Heidi: [00:09:47] I love that vision moving forward. Coming from compliance, though, I'm going to just call you on it a little bit.

Anne: [00:09:54] Oh, you're going to hit me. Okay, all right, I'm gonna put my regulatory hat on.

Heidi: [00:09:57] So, with these organizations, they're developing their strategies, they're identifying things that they need to improve. How do they prepare for the looming compliance deadline?

Anne: [00:10:05] Okay. All right. So now I'll put on that hard regulatory hat, and this is hard. I will say—and I've read countless proposed rules and regulations in my lifetime—I've been in Washington 30 years, and I will say this one's going to be tough because first of all, it is going to apply to a lot of their programs. We're talking the government programs: Medicare, Medicaid, the insurance exchanges. They would like to see it extend to a commercial population, employer population as well. So that's a pretty big overhaul, both from a compliance point of view and a technology point of view. And let's say you have some of that information in your medical record, but not all. What if I have to add things into the medical record? And then once I ship it to another provider, another plan, what do they do with it when they get it? Or when I receive information, how do I act upon it? This is not a check-the-box exercise. It's supposed to be actionable. So that's, like, do I have to hire new people? Do I have to set up new ways of documenting things? How do I make it actionable? So this is, this is not a small deal, and we are talking about some issues that will raise concerns. What do I do about things like privacy and security? I'm sending information out to third-party payers or third parties that I may not have a contractual relationship with. Do I have to get new data-sharing agreements, do I have to get new member consent? This is not going to be easy because if it was easy, we would have already done it.

Heidi: [00:11:25] Jason, what would you add? How do we prepare for this compliance deadline?

Jason: [00:11:30] I think there are a few points to make. One is I think we're going to see a pretty significant shift in the HIE landscape. So I think we're going to see probably a consolidation of those HIEs that are out there to more meaningful scale players. So our clients are going to have to think about different relationships. They make their data available, and this secondary use of data and these novel combinations of data are going to be pretty interesting to see which sort of new markets and new players pop up to take advantage of and compete on the basis that the data is now unlocked, but I think, Anne, to your point around the compliance component, I do think organizations are going to have some reasonable ability to do the basic publishing of the data, but meaningful consumption of that data for use in their business process is going to be much more disruptive. So understanding that now this data is available to me in a fragmented system, and I can avail my care delivery organization of that data, what do I do? How do I go out and seek that data? When is it appropriate? When is it not just more noise that I'm pumping into the system, but I can now detect meaningful signals? I do think that the effort is going to be a little bit heavier on the—so now that I have access to this data, how do I make it more meaningful for my experience? And I think thinking through those things which are the next step beyond compliance of being able to publish is going to be the, possibly the harder problem to solve.

Heidi: [00:12:59] By focusing on data capabilities and implementing a strategic interoperability plan, health care organizations will be able to provide more effective care, reduce inefficiencies, and better meet consumers' demands.

Stay tuned for our next episode as we dive into specific investments in interoperability. Thank you very much.

Anne: [00:13:20] Thank you.

Jason: [00:13:021] Thank you.

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