

Policy and Other Drivers of Interoperability in Health Care



Purchasing Interoperability in Health and Health Care

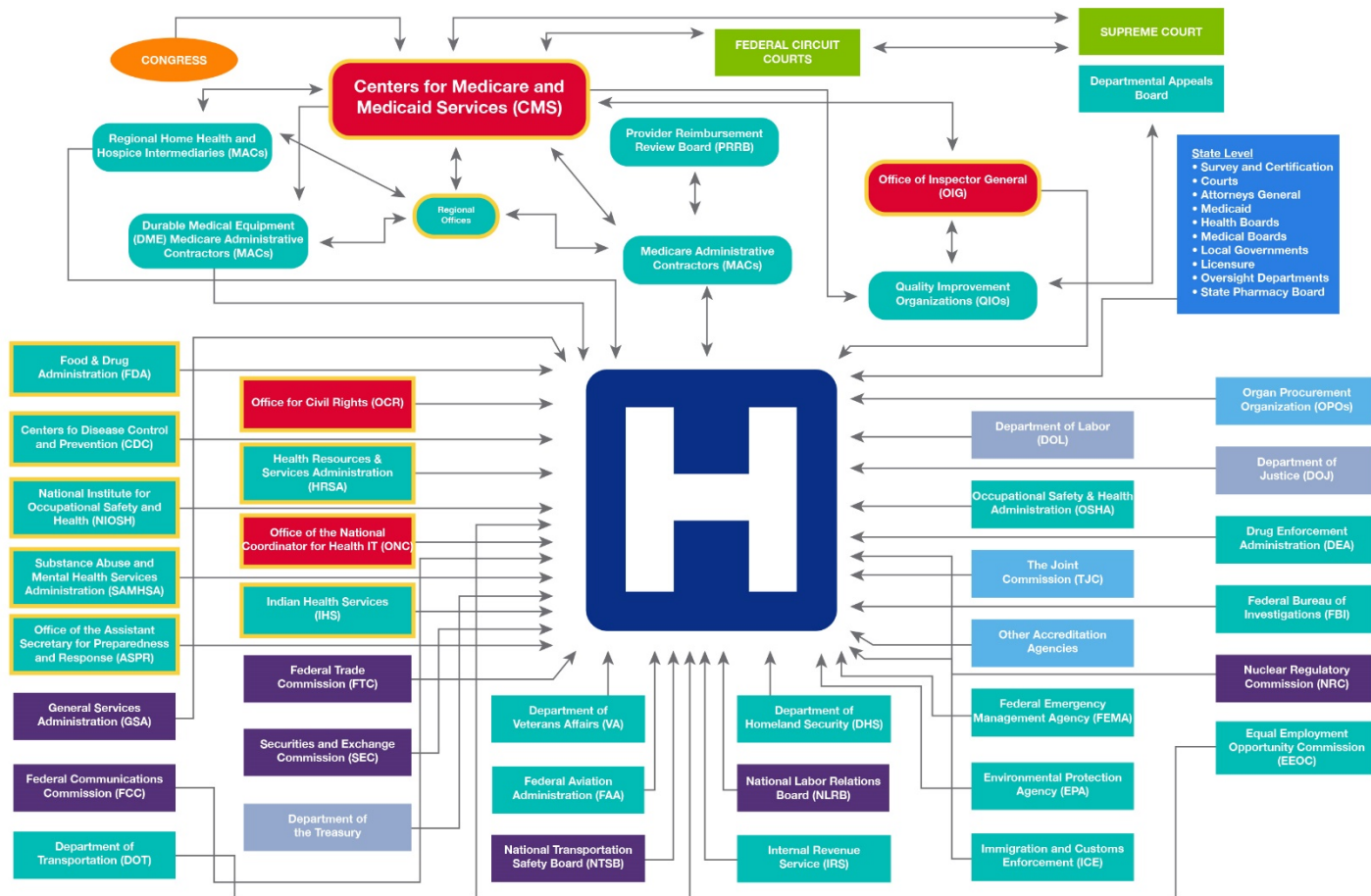
National Academy of Medicine

January 30, 2018



Federal Agencies with Regulatory Authority

Federal Agencies with Regulatory Authority Impacting Health Systems, Hospitals and PAC Providers



- Accreditation and Licensure
 - Federal Executive Agency
 - Federal Executive Department
 - Independent Executive Agency
 - Judicial Government
 - Legislative Government
 - State Level Oversight
-
- Agencies part of the Department of Health and Human Services
 - Agencies reviewed for AHA report

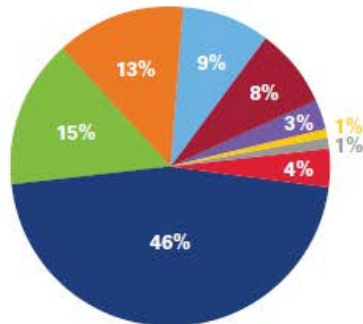
Regulatory Burden Overwhelming Providers, Diverting Clinicians from Patient Care

Regulations are essential to ensure safety and accountability. However, the rapid increase in the scope and volume of mandatory requirements diverts resources from the patient-centered mission of health systems, hospitals and post-acute care providers.

\$39 BILLION Spent by health systems, hospitals, and post-acute care providers each year on non-clinical regulatory requirements

629 mandatory regulatory requirements

- Hospitals have to comply with 341 mandatory regulatory requirements.
- Post-acute care providers have an additional 288 requirements.



Percent & Number of Regulations, by Domain

- 7 - Billing & Coverage
- 8 - Program Integrity
- 26 - Health IT/ Meaningful Use
- 288 - Post-acute Care
- 96 - Hospital Conditions of Participation
- 78 - Privacy & Security
- 58 - Quality Reporting
- 52 - Fraud & Abuse
- 16 - New Models of Care



\$7.6 MILLION per community hospital spent annually to comply

- This figure rises to \$9 million for those hospitals with post-acute care.
- For the largest hospitals, costs can exceed \$19 million annually.
- The average hospital also spends almost \$760,000 annually on the information technology investments needed for compliance.

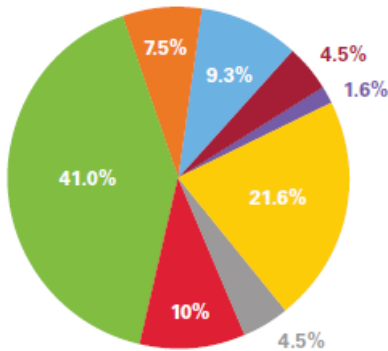
Patients are affected by excessive regulatory burden through:

- Less time with their caregivers
- Unnecessary hurdles to receiving care
- Higher health care costs.



Medicare conditions of participation; billing and coverage determinations are the most costly areas:

- The Medicare COPs are important to ensure that care is provided safely and meets standards.
- However, these requirements need to be evaluated carefully to ensure they actually improve safety.
- Existing guidance to simplify billing and coverage determinations should be adopted universally by payers and others to achieve savings.



Percent of \$7.6 Million per Hospital Spent on Regulatory Burden

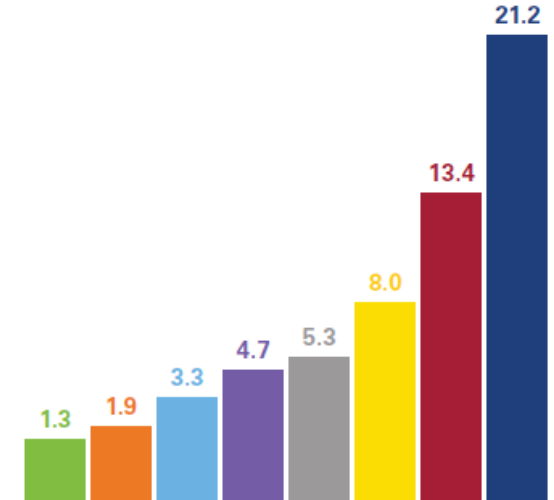
- \$1.6M - Billing & Coverage
- \$340K - Program Integrity
- \$760K - Health IT/Meaningful Use
- \$3.1M - Hospital COPs
- \$570K - Privacy & Security
- \$710K - Quality Reporting
- \$340K - Fraud & Abuse
- \$120K - New Models of Care



Regulatory burden costs
\$1,200
 every time a patient is admitted to a hospital

15 doctors & nurses per hospital for compliance

- 59 full-time equivalent staff are required in each hospital to meet the demands of regulations.
- Over one-quarter of these FTEs are doctors and nurses, who could otherwise be caring for patients.



FTEs Dedicated to Regulatory Burden per Hospital

- Legal
- Physician (MD, DO)
- Compliance
- Other Staff
- Health IT Professional
- Management
- Nursing Allied Health
- Other Administrative

Source: Data from the American Hospital Association Report: Regulatory Overload - Accessing Regulatory Burden on Health Systems, Hospitals and Post-acute Care Providers.

Reducing regulatory requirements will allow providers to focus on patients, not paperwork.

Non-Regulatory Drivers of Information Sharing



Clinical Care



Patient Engagement



Research



Private Payer Relationships



New Partnerships



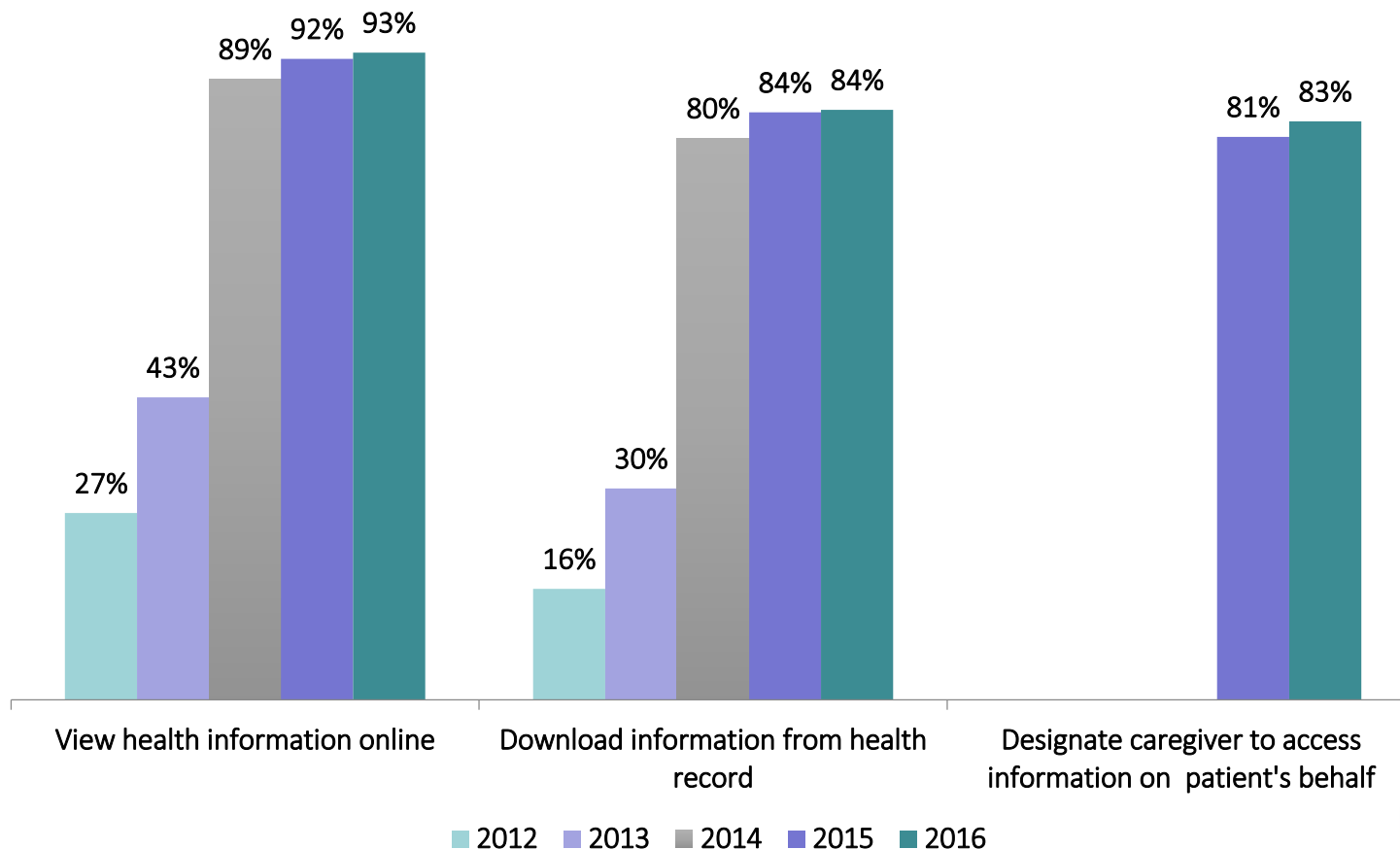
Addressing Social Determinants



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Over 90 Percent of Hospitals Provide Patients Online Access to Health Information

Accessing Health Data, 2012 - 2016

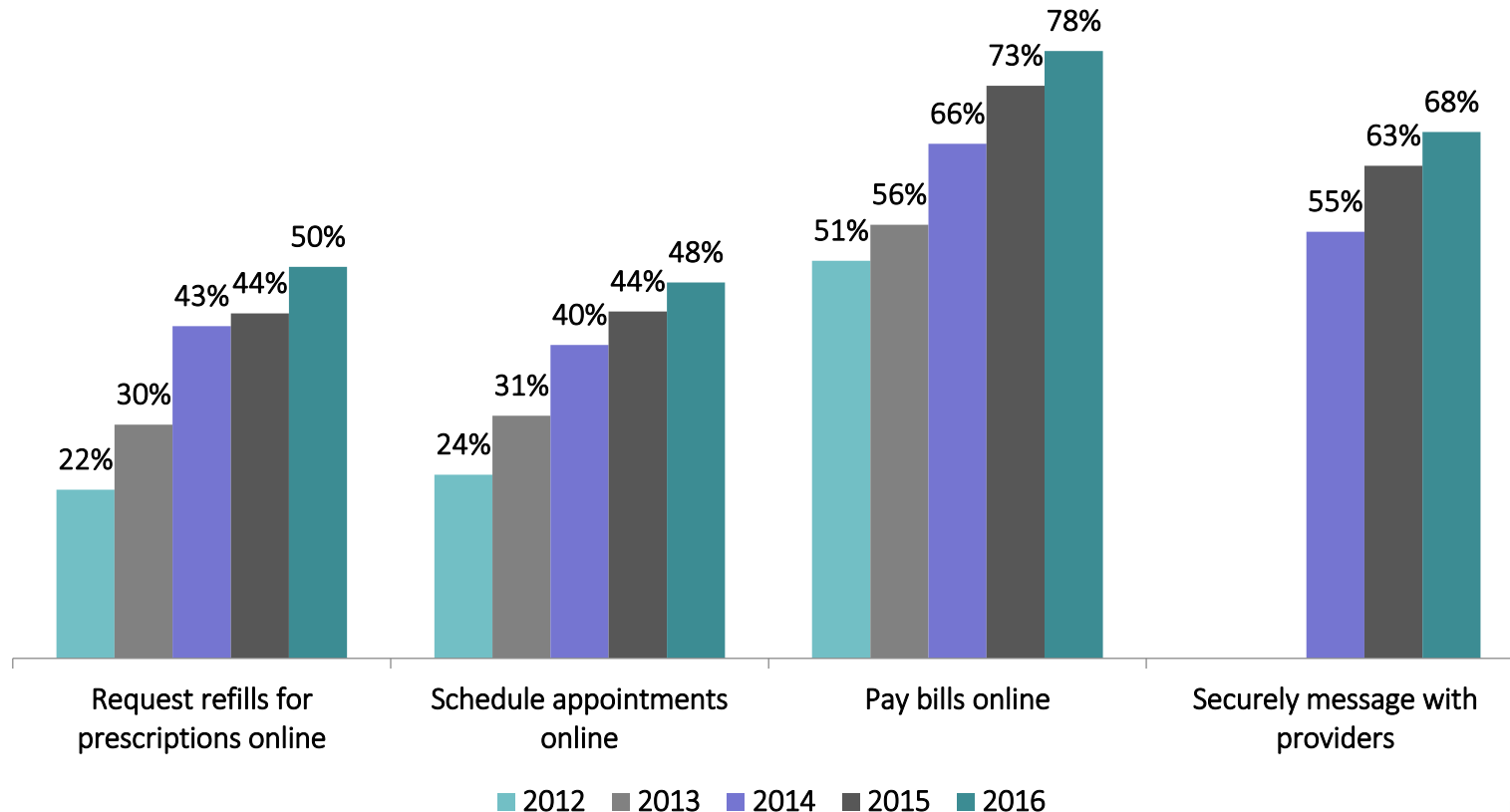


Source: Analysis of Health IT Supplement to the AHA Annual Survey, 2012-2016. Results are preliminary for 2016. Data unweighted.



Additional Patient Functions

Obtaining Healthcare Services, 2012 - 2016



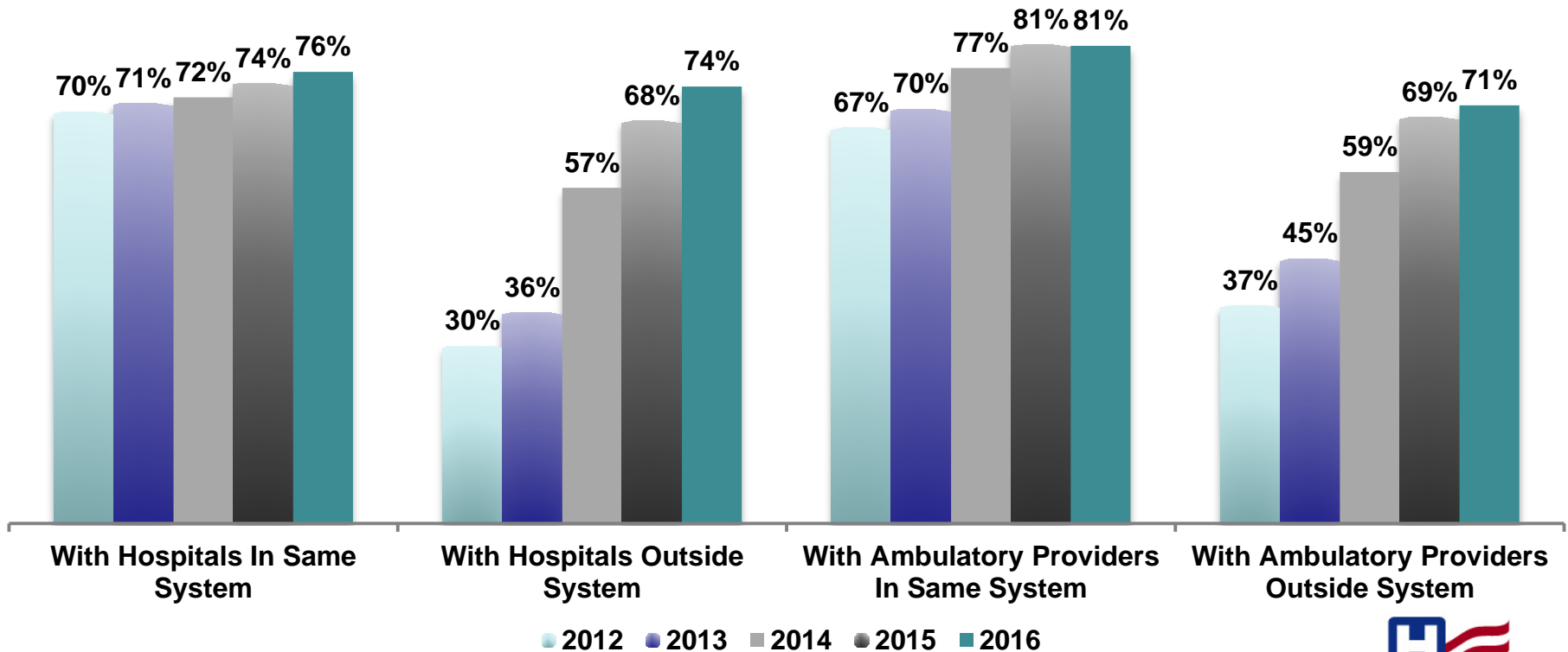
Source: Analysis of Health IT Supplement to the AHA Annual Survey, 2012-2016. Results are preliminary for 2016. Data unweighted.



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Sharing of Health Information Increasing

Hospital/Health System Electronic Sharing of Clinical/Summary Care Record, 2012 - 2016



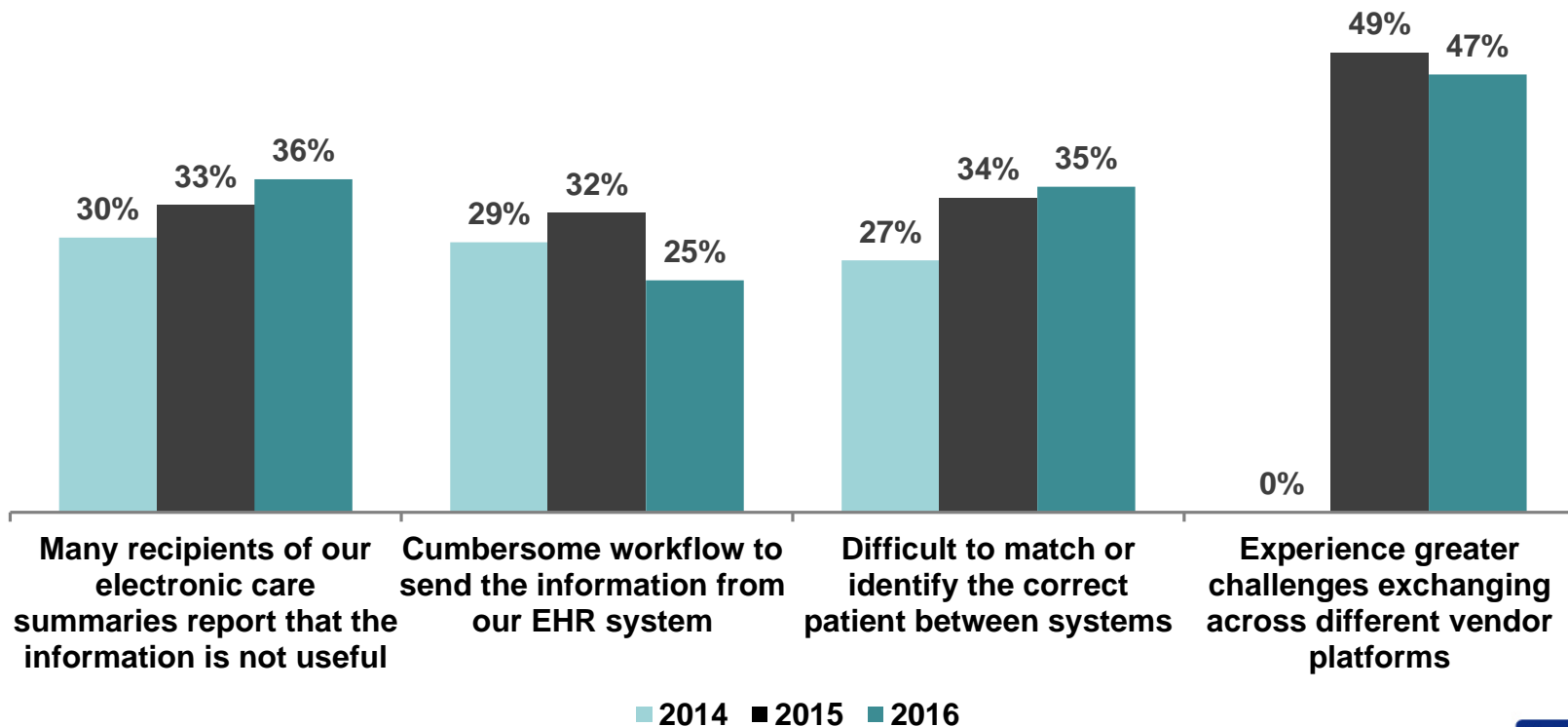
Source: Analysis of Health IT Supplement to the AHA Annual Survey, 2012-2016. Results are preliminary for 2016. Data unweighted.



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Sharing Health Information is Hard

Barriers Experienced by Hospitals/Health Systems when Trying to Electronically Send, Receive, or Find Patient Health Information, 2014 - 2016



Source: Analysis of Health IT Supplement to the AHA Annual Survey, 2012-2016. Results are preliminary for 2016. Data unweighted.

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