

Value-Based Payment and HIPAA



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Agenda

- What is Value-based Payment (VBP)?
- How does VBP relate to HIPAA privacy, security, identifiers, and transactions/code sets?
- What is the future of VBP?

Value-based Payment

- VBP goes by many names (e.g., value-based payment, alternative payment models, value-based reimbursement); and may be offered in a variety of delivery structures (e.g., ACO, PCMH, CIN)
- Whatever names or structures, the goal of health reform is to increase the value of health and healthcare
- HHS vision* for health reform is to achieve:
 - High-quality care
 - At lower costs
 - To create a healthy population
 - With engaged people

*Federal Health IT Strategic Plan: 2015-2020. Available at: https://www.healthit.gov/sites/default/files/9-5-federalhealthitstratplanfinal_0.pdf

VBP and HIPAA

- **Health Insurance Portability & Accountability Act**

- Purpose: *Improve the efficiency and effectiveness of the healthcare system by encouraging development of a health information system through standardization...*



- **Medicare Modernization Act**
- **American Recovery & Reinvestment Act/HITECH**
- **Affordable Care Act**

“Patient Medical Record Information and Electronic Exchange of Such Information”



- **Fee-for-Service**

- Transactions Standards (for eligibility, claims, etc.)
- Code Sets (Medical code sets, including fraud and abuse; and non-medical code sets)
- Identifiers
- Privacy
- Security
- Patient Medical Record Information
- E-prescribing
- Meaningful use of EHR
- Operating rules for transactions

- **Value-based Payment**

Transitioning to VBP: Privacy & Security

- Data needs shift from a focus on individual patients and their EHRs within a given provider setting to:
 - Longitudinal views of patients across provider settings is testing our understanding of “uses and disclosures for treatment, payment, and healthcare operations”
 - Enhanced sharing of data between providers, between providers and health plans, and with patients
 - Will necessitate a shift in thinking about privacy and security from “you can’t have” to “you need in the most protected and secure manner”
 - Patients, who must become educated in the shift to VBP, must be at the center of all decisions associated with sharing health information

Transitioning to VBP: Transactions & Code Sets

- Providers are paid for keeping people healthy, not for volume of services:
 - Payment shifts to incentives and risk sharing, and moving toward:
 - Payments across care providers for an episode of care for one patient
 - Payments based on outcomes with regard to the population of patients served; so eventually claims will go away, although at least in the interim the encounter purpose of the “837” will increase in importance
 - Care delivery shifts from treating illness/injury to wellness/prevention
 - Medical coding must reflect wellness/prevention services – not to pay directly for them (or to pay for specific treatment services), but to enable study of outcomes and to effect continuous improvement

VBP & Population Health Management

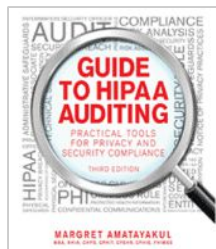
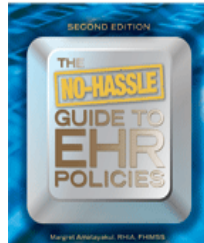
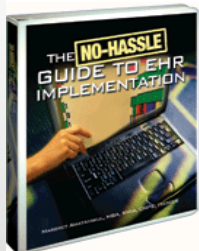
- No one is left out; everyone has a primary care provider who manages care across the continuum
- Social determinants of health must be understood and addressed
 - This focuses on actions needed by health plans, social services, public health, and local government programs
- Analytics are required to:
 - Identify people with emergent health risk so they can be treated aggressively to reduce moving into least healthy/most costly status
 - Understand cost of care to shift to health maintenance
 - Identify best medical practices, improve workflows, and engage consumers in shared decision making
 - Ensure cost transparency as industry gains a more retail focus

Future of VBP

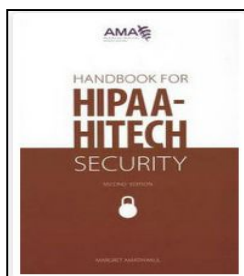
- Many new needs are arising:
 - Interoperability, though not a new issue, must be addressed for:
 - Technical exchange of data across *all* platforms
 - Semantic consistency where data have common meaning to all
 - Processes that are streamlined and purposeful
 - Policy that supports quality in an economically sound manner
 - New sources of data must relieve the burden of data collection and sharing:
 - HIEs, registries, vMR, APIs for patient-generated/mobile health data
 - Data exchange must be enabled with protections and security
 - New alliances and partnerships must reduce barriers
- General consensus is that VBP:
 - Is an emerging model and will undergo continuous improvement
 - Has bi-partisan support and will not be politicized

References & Resources

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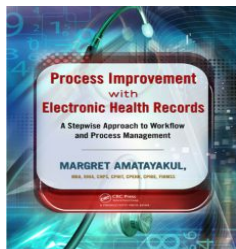
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