

HIPAA Summit

**Afternoon Plenary – Welcome!
HIPAA, HITECH and Health Reform**

March 30, 2017



Health Reform: Why We Are Here?

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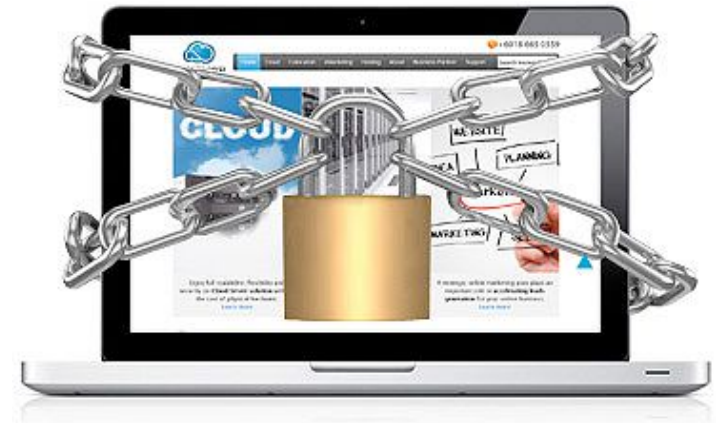
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1996 HIPAA 1.0 – Administrative Simplification

- Improve the efficiency and effectiveness of the health care system by standardizing the electronic data interchange of certain administrative and financial transactions.
- Protect the security and privacy of transmitted information.

HIPAA
Health Insurance Portability
and Accountability Act

**Title II - Subtitle F –
Administrative
Simplification**



HIPAA 1.0 Intent (in English)

- Any two healthcare entities can conduct routine interactions rapidly and entirely electronically using standardized identifiers, transactions, and code sets.
- Telephone, fax, or paper interactions are rarely needed.
- Any entity incapable of doing this themselves can participate cost-effectively using a clearinghouse.
- Savings of time, hassle and money are significant.
- Privacy and security of patient information is assured.

- Industry representatives expected full implementation within two years...

HIPAA Administrative Simplification is Still Evolving!

- 2009 HIPAA 2.0 – American Recovery and Reinvestment Act (ARRA)
 - Title XIII: Health Information Technology for Economic and Clinical Health Act (HITECH)
- 2010 HIPAA 3.0 – Patient Protection and Affordable Care Act (ACA)
 - SEC. 1104. ADMINISTRATIVE SIMPLIFICATION
- 2013 HIPAA Omnibus Rule
- 2015 HIPAA 4.0 – 21st Century Cures Act
 - SEC. 3001. ENSURING INTEROPERABILITY OF HEALTH INFORMATION TECHNOLOGY

Why Do We Care About HIT?

- problems from 1999 IOM Report: To Err is Human

- › Medical Errors.
 - Up to 98,000 avoidable annual hospital deaths due to medical errors.
- › Healthcare Waste.
 - Up to \$300B spent annually on treatments with no health yield.
- › Health Knowledge Diffusion Barriers.
 - Average of 17 years for medical evidence to be integrated into practice.
- › Variability in Healthcare Delivery and Access.
 - Access to specialty care is highly dependent on geography.
- › Lack of Consumer Involvement in Health Management.
 - Patients are minimally involved in their own health decisions.
- › Inconsistent Privacy and Protection of Health Data .
 - Public fear of identity theft and loss of privacy.
- › Poorly Integrated Public Health and Preparedness Programs.
 - Surveillance is fragmented, and untimely.

Paper records cannot solve these problems!!!

2012 IOM Report

“The Best Care at Lower Cost: The Path to Continuously Learning Health Care in America”

- Recommendations to achieve a health care system that is consistently reliable and that constantly, systematically, and seamlessly improves.
- \$765B excess costs annually

BEST CARE AT LOWER COST

The Path to Continuously Learning
Health Care in America

INSTITUTE OF MEDICINE
OF THE NATIONAL ACADEMIES

If Other Industries Operated Like Healthcare:

- › **Banking:** automated teller machine (ATM) transactions would take days or longer because of unavailable or misplaced records.
- › **Building:** carpenters, electricians, and plumbers each would work with different blueprints, with very little coordination (through FAXes).
- › **Shopping:** product prices would not be posted, and the price would vary widely within the same store, depending on the source of payment.
- › **Automobiles:** warranties for cars would not exist so few factories would monitor and improve production line performance and product quality.
- › **Airlines:** each pilot would be free to design his or her own preflight safety check, or not to perform one at all.

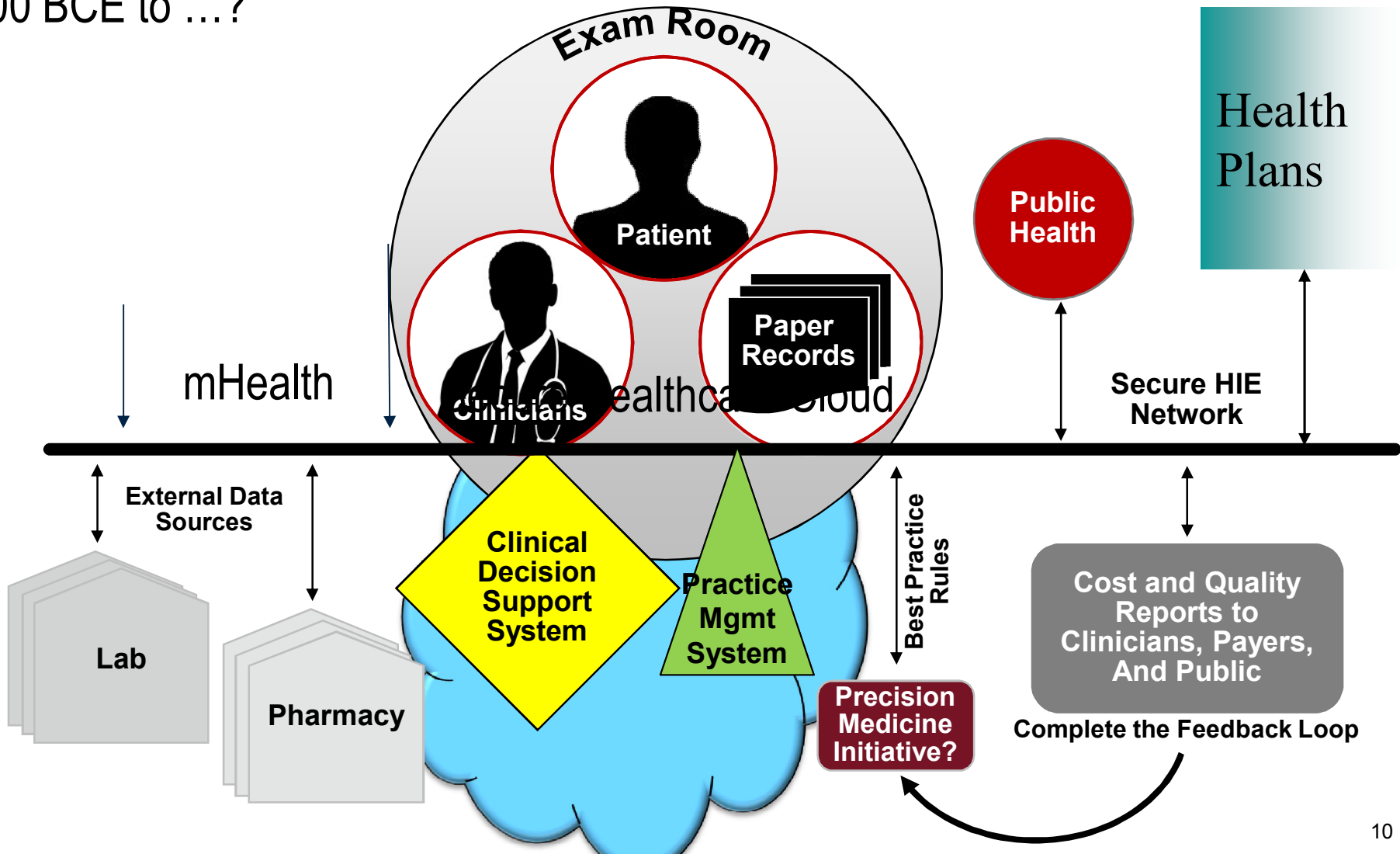
On average one jet would crash each day and result in no changes to the system.

Apply Standard Best Practices from Other Industries:

- › **Records** are immediately updated and available for use by patients;
- › **Care** is proven reliable at the core and tailored at the margins;
- › **Needs and Preferences** of Patient and Family are a central part of the decision process;
- › All team members are **fully informed** in real time about each other's activities;
- › Prices and total costs are **fully transparent** to all participants;
- › **Incentives** are structured to reward outcomes and value, not volume;
- › **Errors** are promptly identified and corrected; and
- › **Results** are routinely captured and used for continuous improvement.

Evolution of the Healthcare Paradigm

400 BCE to ...?



Future for Healthcare

- › **Goal:** Best Care at Lower Cost (2012 IOM Report)
- › **Means:** Clinician/Patient direct interaction with Clinical Decision Support System (CDSS) (“Meaningful Use”).
- › **Drivers:** HIE + EHR + CDSS => SAVES LIVES and \$\$\$
 - Interoperable HIE is KEY to Meaningful Use of HIT which, in turn, is KEY to a continuously learning healthcare system and individualized healthcare for all!
- › **Requires:** EHR (with CDSS and HIE) and:
 - Interoperability with sources of administrative data, clinical data, and computable rules for best clinical practices (Standards).
 - Incentives to incorporate into healthcare practice (Resources and Regulations).
 - Investigations of systemic failures to enable systems that detect and prevent errors through best practices at the point of decision making (Research).
 - Trust through interoperable security and privacy (including patient consent).

So, how do we support better care at lower cost?

- Integrate electronic records and information exchange directly into the process of health care education and practice at all levels at the points where decisions are being made.
- Educate companies that sell healthcare information systems that products are not acceptable if they cannot be integrated directly into those processes using standards for interoperability.
- Educate healthcare organizations to be more selective in their purchases of healthcare information systems.
- Support laws and regulations and research that promote discovering and promulgating best practices in healthcare and the interoperable healthcare information systems that support it.

"If you cannot measure it, you cannot improve it."

Lord Kelvin, circa 1853

"Knowing is not enough; we must apply.

Willing is not enough; we must do."

Johann Wolfgang von Goethe, circa 1820

... also: Yoda, circa 1980

Questions?

Bill at Braithwaites dot com



This Afternoon's Speakers ...

- › **Mikki Smith**, Chief Security Officer, ONC
- › **David Kibbe**, President & CEO, DirectTrust.org
- › **Jodi Daniel**, Partner, Crowell & Moring
- › **Tina Grande**, Sr. VP, Healthcare Leadership Council &
Nancy Perkins, Counsel, Arnold & Porter
- › **Katherine Downing**, Sr. Director, AHIMA IGAdvisors
- › **CJ Wolfe**, Sr. Compliance Exec/Advisor, Healthicity

Note: Speakers bios are on the HIPAA Summit website