



The Automation Advisory Group (TAAG) Kick-off Meeting

NEHI & MHDC

May 10, 2022
1:00-3:00 pm (EST)



Lauren Bedel, MPH

Senior Health Policy &
Program Associate
Network for Excellence in
Health Innovation



Denny Brennan

Executive Director & CEO
Massachusetts Health Data
Consortium



David Delano

Executive Director
New England Healthcare
Exchange Network Inc



Wendy Warring, JD

President & CEO
Network for Excellence in
Health Innovation

Project overview

Goal

To make recommendations that result in the adoption of automated prior authorization among payers and providers in Massachusetts in the next two years

Phase 1: Formulation of Elements of End-End Automation

Phase 2: Stakeholder Assessment

- Incorporate MHDC implementation prototype findings
- Interview stakeholders (20-25 interviews)
 - Technology service providers / vendors
 - Payers & providers
 - Personnel involved in proposing legislative & regulatory processes

Phase 3: Policy Recommendations

Will cover necessary incentives, including financial & technical assistance, rewards, & mandates

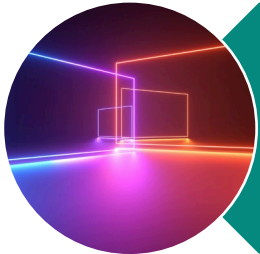
Phase 4: Dissemination

MHDC & NEHI joint public webinar

Meeting goals



Understand your role as it relates to achieving the project goal



Arrive at a shared & basic knowledge of the components of end-end automation



Propose interviewees & topics to assess MA provider & payer capabilities

Agenda

Project Background & Overview (15 min)

TAAG Overview & Questions (5 min)

Keynote Speaker: John Glaser (20 min)

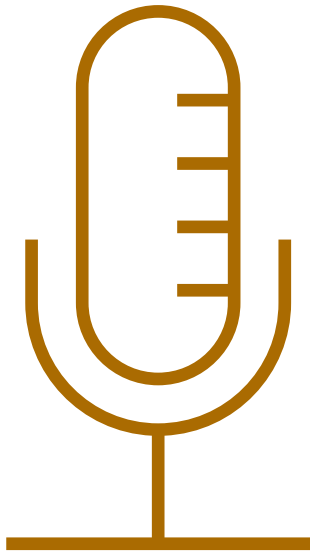
Q&A Following John's Presentation (15 min)

***Break* (5 min)**

Presentation & Discussion of Automation Key Components (45 min)

Next Steps (15 min)

Housekeeping



- We are recording the meeting to ensure we capture the essential elements of the discussion
- We will delete the recording after our final report is completed

PROJECT BACKGROUND & OVERVIEW



What do we mean by the “automation” of prior authorization?

- Adoption of an end-end PA request (i.e., request → response) completed electronically that uses a defined set of data exchange standards and technologies by the entire community
 - Process exhibits little or no need for human intervention
 - Some refer to this process as “electronic PA”
- Automating the process – not simply digitizing it
 - E.g., we are NOT referring to web portals or interactive voice response

Why is automation important?

- Reduces burden
 - Approx. 16 min saved per transaction
- Saves \$\$
 - Est. 5-10% reduction in PA spending for providers & payers*
- Impacts other functions
 - Paves the way for automation of other healthcare processes
- Improves patient care

| Average Cost and Savings Opportunity per Transaction by Mode, Medical, 2021 CAQH Index | | | | | | | |
|--|------------|-----------|---------------|---------------|-------------------------------|-----------------------------------|-----------------------------------|
| Transaction | Mode | Plan Cost | Provider Cost | Industry Cost | Plan Cost Savings Opportunity | Provider Cost Savings Opportunity | Industry Cost Savings Opportunity |
| Eligibility and Benefit Verification | Manual | \$ 4.55 | \$ 11.52 | \$ 16.07 | \$ 4.52 | \$ 10.57 | \$ 15.09 |
| | Partial | \$ 0.03 | \$ 3.62 | \$ 3.65 | \$ 0.00 | \$ 2.67 | \$ 2.67 |
| | Electronic | \$ 0.03 | \$ 0.95 | \$ 0.98 | | | |
| Prior Authorization | Manual | \$ 3.54 | \$ 10.95 | \$ 14.49 | \$ 3.47 | \$ 7.52 | \$ 10.99 |
| | Partial | \$ 0.07 | \$ 9.93 | \$ 10.00 | \$ 0.00 | \$ 6.50 | \$ 6.50 |
| | Electronic | \$ 0.07 | \$ 3.43 | \$ 3.50 | | | |

Source: CAQH Index (2021). “Working Together: Advances in Automation During Unprecedented Times”

*Source: McKinsey & Company (2021). “Administrative simplification: How to save a quarter-trillion dollars in US healthcare”

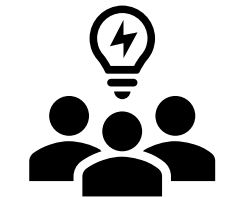
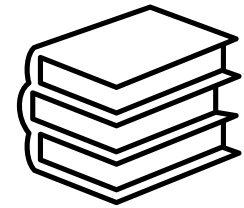
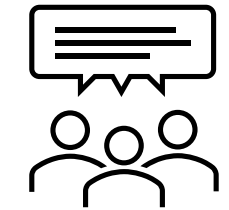
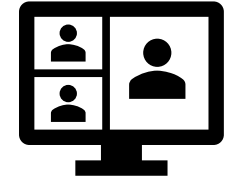
NEHI's previous project: Streamlining Prior Authorization

Issues

- Frequency with which PA is applied
- Variation among payers in services/pharmaceuticals subject to PA
- Variation in PA criteria
- Variation in documentation required by plans to satisfy medical necessity

Identified Solutions

- “Create incentives for full automation of PA” received full consensus



Huge 'Thank You!' to our project sponsors:



TAAAG OVERVIEW AND QUESTIONS



TAAAG role

- Comment on and validate a recommended roadmap for end-to-end automation. The roadmap will specify the essential prior authorization functions, corresponding workflow, and associated technical requirements.
- Consider and discuss MHDC's pilot implementation prototype findings.
- Provide guidance to NEHI and MHDC for completing an assessment of MA providers and payers' capabilities and readiness to adopt automation pursuant to the roadmap.
- Assist NEHI and MHDC in prioritizing issues for resolution and discuss recommendations for addressing these.
- Vet final recommendations that include both requirements and incentives to achieve adoption of automation within a two-year period.
- Discuss the dissemination of the final report and strategies for influencing the adoption of the recommendations made therein.

TAAAG members



| Organization | Representative |
|---|---------------------------------|
| BCBSMA | Lee Green & Mike Katzman |
| Berkshire Health Systems | Bill Young & Lucas Markland |
| BMC HealthNet | Kim Sinclair |
| Boston Children's Primary Care Alliance | Dr. Jen Hyde |
| Change Healthcare | Andrew Johnson |
| CMS | Alex Mugge |
| Cohere | Niall O'Connor |
| Community Care Cooperative | Bill Fleischmann |
| Counterpoint Solutions | Sandy Vance |
| EOHHS | Lauren Peters |
| Epic | Heath Hanwick & Graham Pedersen |
| Fallon | Dr. Mark Dichter |
| Health New England | Casey Hossa |

TAAAG members continued



| Organization | Representative |
|-----------------------------------|---------------------------------|
| Health Policy Commission | Kara Vidal & Gina Dello Russo |
| Hook | Lorenzo Granato |
| MassHealth | Dr. Jatin Dave |
| Meditech | Mike Cordeiro |
| MGB | Laurie Finigan & Tasha Hogeboom |
| Mt Auburn Cambridge IPA | Dr. Barbara Spivak |
| New England Quality Care Alliance | Dr. Alain Chaoui |
| ONC | Beth Myers |
| Point32Health | Nicole Waickman & Vijay Bhatt |
| Reliant Medical Group | Mike Hebert |
| Self | Dr. John Glaser |
| Steward | David Colarusso |
| ZeOmega | Tony Sheng |

TAAAG meeting community agreements

- Turn your video on whenever you can
- Treat each meeting as a discussion, not a presentation. All parts of the meeting will contain substance so plan to participate in the full meeting
- Recognize that everyone has an important role
 - Acknowledge & appreciate experiences
 - Respect stakeholder diversity in the “room”
- Meetings have tight schedules. Please try to make your points clearly and succinctly if possible.
- “Active listening” is the preferred practice to ensure we are hearing each other and getting our points across
- Do not circulate project and stakeholder information other than for purposes of the project
- The project is intended to help NEHI and MHDC as well as to help each of your organizations. You will develop insights and relationships here, but please refrain from marketing.
- Please ask open and honest questions throughout. NEHI and MHDC are extremely grateful for your participation.

Expected outline of TAAG meetings going forward

Phase 1. Investigation of Elements of End-End Automation (May – July 2022)

- We are here!
 - **Project Deliverable:** Presentation Tool Describing End-End Automation

Phase 2: Stakeholder Assessment (Aug - Nov 2022)

- TAAG Meeting #2 (expected early Sept 2022; virtual)
 - Compile stakeholder assessment findings
 - Develop priority action steps
 - Reach consensus on existing capabilities & gaps
 - **Project Deliverable:** Interim Report

Phase 3: Policy Recommendations (Dec 2022 – Feb 2023)

- TAAG Meeting #3 (expected early Feb 2023)
- Develop policy & operational recommendations
 - Outline matching incentives & mandates
- Possible coalition: Action steps
- **Project Deliverable:** Policy & Operational Recommendations

Phase 4: Dissemination (March – June 2023)

- TAAG Meeting #4 (expected May 2023; in-person)
 - Comment on final report
 - Identify commitments for further action & dissemination
 - **Project Deliverable:** Disseminate findings via webinar, etc.

Welcome to our keynote speaker:

John Glaser, PhD



A woman in a business suit is shown from the chest up, holding a smartphone in her right hand. She is smiling slightly. The background is dark and filled with various white icons representing different digital and business concepts, such as a camera, a phone, a calculator, a game controller, a thumbs up, a clapperboard, a lock, a cloud with an arrow, a Wi-Fi symbol, a clock, a mail envelope, a headset, a smartphone with a shopping cart, a download arrow, and a speech bubble. The overall aesthetic is professional and tech-oriented.

Collaborative approach to streamlining prior authorization

John Glaser, PhD

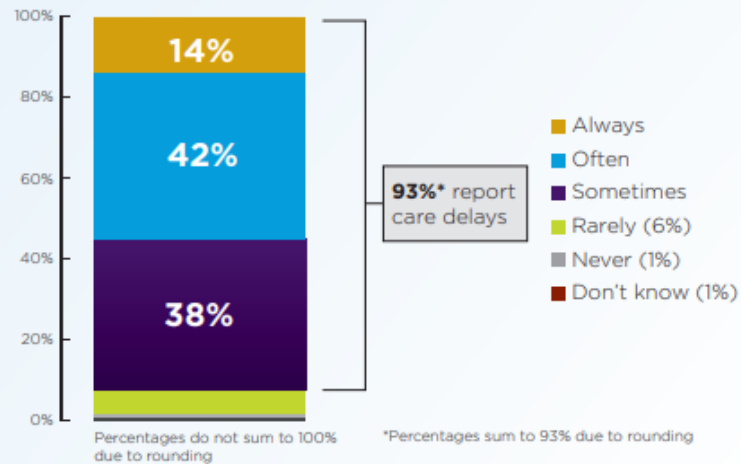
Executive-in-Residence, Harvard Medical School

May 10, 2022

Patient care impact of current prior authorization processes

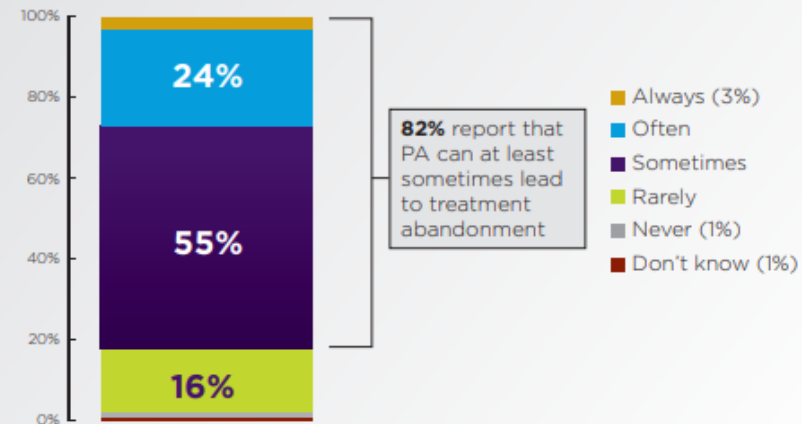
Care delays associated with PA

Q: For those patients whose treatment requires PA, how often does this process delay access to necessary care?



Abandoned treatment associated with PA

Q: How often do issues related to the PA process lead to patients abandoning their recommended course of treatment?



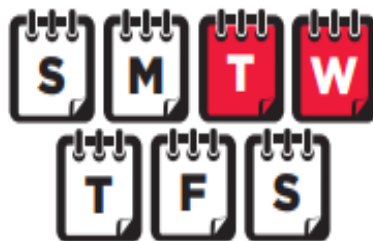
Physician practice impact of current prior authorization processes

On average,
practices complete

41

**PAs per physician,
per week**

Physicians and their staff
spend an average of



almost two business days (13 hours)
each week completing PAs



Two in five or
40%
of physicians have
staff who work
exclusively on PA

88%

of physicians describe
the burden associated
with PA as high or
extremely high

Improving prior authorization processes is complicated

- Multiple organizations
- Multiple electronic health records
- Multiple health plan systems
- Variations in prior authorization operations across plans
- Collaborative approaches are often challenging to manage

But there are tail winds that help address the challenge

- 21st Century Cures regulations advance interoperability
 - Discourages information blocking
 - Implements TEFCA
 - Requires FHIR-based APIs
- CMS has targeted the digital transformation of prior authorization as high priority

But there are tail winds that help address the challenge

- The FHIR API standards are gaining significant industry support
 - The HL7 DaVinci FHIR project is focused on interactions between health care providers and health plans: prior authorization, confirming a patient's health insurance coverage, and accessing information about the price of care
 - Over 500 organizations are supporting the advancement of FHIR
 - A 2019 survey showed that 84% of hospitals and 61% of clinicians have adopted and implemented certified API technology enabled with FHIR

But there are tail winds that help address the challenge

- Significant business value from FHIR APIs is being realized
 - One payer saw its average prior authorization approval time reduced from 20 minutes to 20 seconds
 - The Mayo Clinic has found that two orders of magnitude improvement in the efficiency of developing interfaces

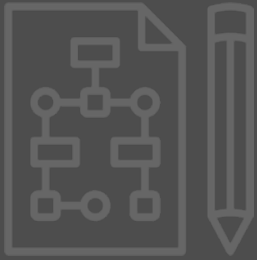
THE NEW ENGLAND HEALTHCARE EDI NETWORK

ABSTRACT

The New England Healthcare EDI Network (NEHEN) is a collaborative of providers and payers in eastern Massachusetts that created, manages, and operates a shared insurance EDI infrastructure. NEHEN currently has 12 provider and three payer members, and supports over 1,000,000 insurance EDI transactions per month. This paper describes the philosophies that define the NEHEN business model and discusses its governance structure, technology, operational issues associated with its implementation, and its current status, along with lessons learned from the NEHEN undertaking.

JOHN P. GLASER, PHD, GREG DEBOR, AND LAURANCE STUNTZ

Why was
NEHEN
successful?



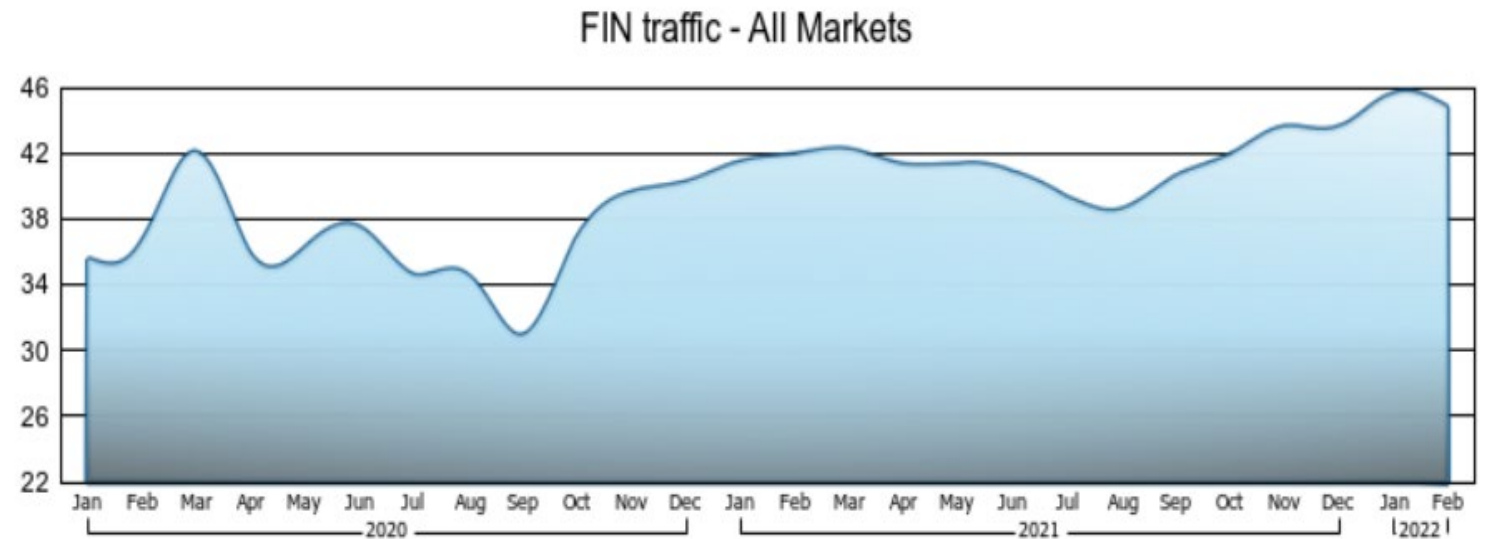
NEHEN Success Factors

- The transaction standards had been defined and HIPAA had set a timetable for their implementation
- Key stakeholders led the effort
- The stakeholders trusted and knew each other; relationships had been formed at the MHDC CIO Forum
- It was clear what was in it for the participants; there was real business value
- For each stakeholder to get their gain, they needed the others to get their gain

NEHEN Success Factors

- The more organizations who realized their gain, the more gain each individual organization realized
- Organizations were not going to compete on these transactions
- CSC brought significant resources and talent to the undertaking
- The initiative was thoughtfully assessed, piloted and scaled

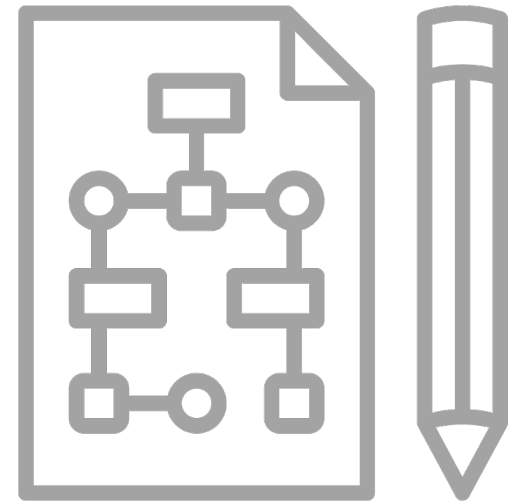
SWIFT – a collaboration between banks to support intra-bank funds transfers



Millions of transactions between banks world-wide

Lessons learned from banking

- Targeted interoperability can address a broad range of needs
- Interoperability will only be successful when it makes business sense for the participants
- Interoperability must be driven by collaborative efforts



Open Travel Alliance has evolved from its initial focus on supporting electronic airline tickets



| | |
|------------------------|--------------|
| Alaska Airlines | Swissotel |
| American Airlines | Alamo |
| Delta Air Lines | Avis |
| United Airlines | Budget |
| Hilton Hotels | Hertz |
| Hyatt Corporation | National Car |
| Marriott International | |

- Flight schedule and fare search and booking
- Hotel booking including special requests
- Car rental booking
- Reviews and ratings
- Tours, attractions, and experiences
- Public transportation
- Railroad booking
- Cruise booking
- Travel insurance
- Golf course reservations

A digital prior authorization infrastructure can provide the foundation to take further steps

McKinsey
& Company

Healthcare Systems & Services

[Our Insights](#)

[How We Help Clients](#)

[Our People](#)

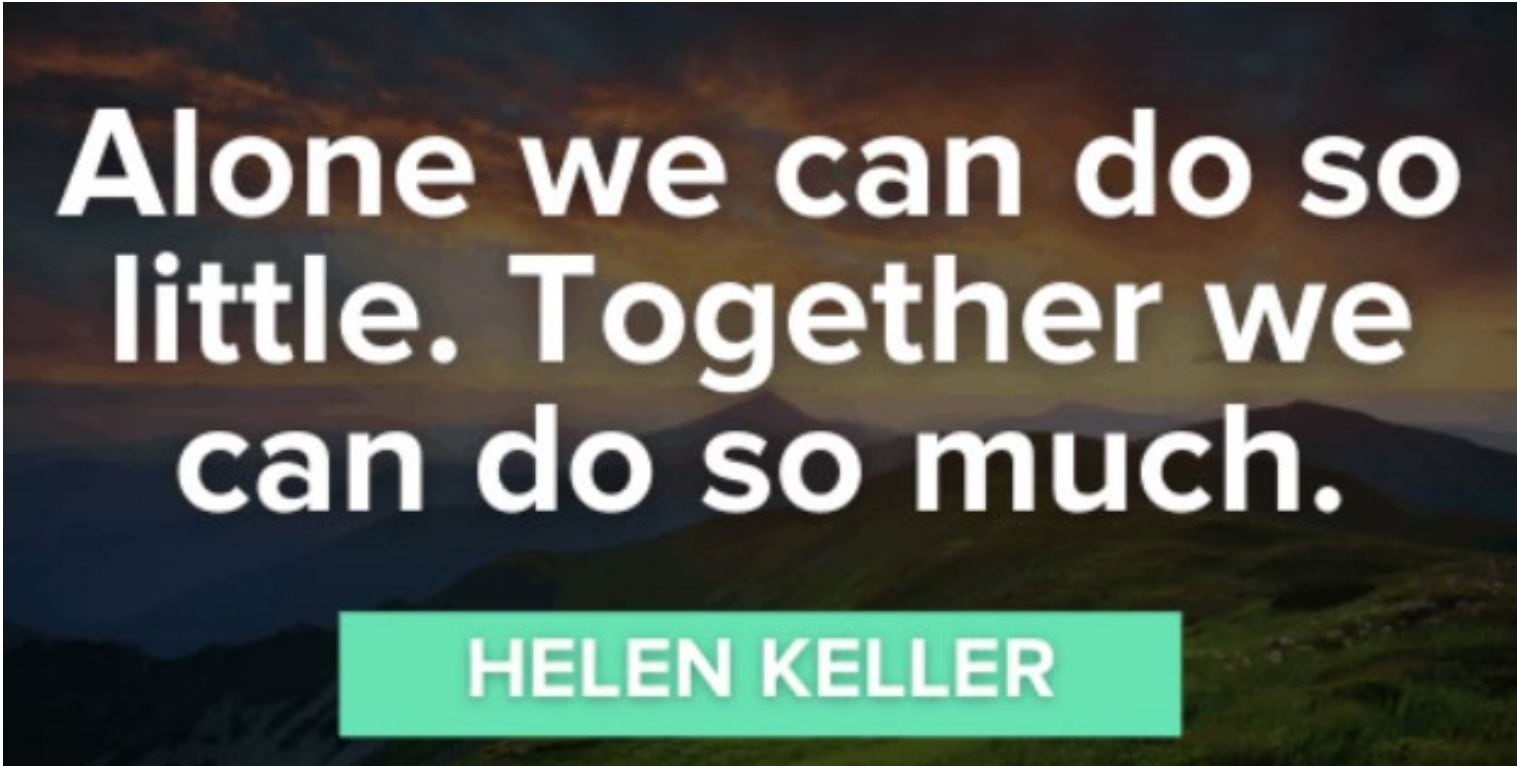
[Contact Us](#)



AI ushers in next-gen prior authorization in healthcare

April 19, 2022 | Article

<https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/ai-ushers-in-next-gen-prior-authorization-in-healthcare>



**Alone we can do so
little. Together we
can do so much.**

HELEN KELLER

A woman in a business suit is shown from the chest up, holding a smartphone in her hands. She is smiling slightly. The background is dark and filled with various white icons representing different digital concepts: a camera, a calendar with the number 31, a Wi-Fi symbol, a game controller, a thumbs up, a clapperboard, a smartphone with a shopping cart, a headset, a speech bubble, a download arrow, a calculator, an envelope, a padlock, and a cloud with an arrow. The word "Questions?" is written in a large, white, sans-serif font across the center of the image.

Questions?

BREAK



01

Provider decides on an order/
treatment/etc.



02

Prior authorization & coverage
requirements shared between
Payer & Provider



03

Payer gathers information for
the prior authorization request
from the Provider's EHR



04

Provider verifies & submits
request



05

Payer/Intermediary processes
request & Payer sends decision



06

(Possible) Payer requests
additional info/documents from
Provider



Simplified end-end automation workflow



Step 1: Provider
decides on an
order/
treatment/etc.





Step 2: PA & coverage requirements shared between Provider & Payer (Coverage Requirements Discovery) - Workflow

Provider Workflow

- Provider creates order/treatment in EHR*
- EHR uses CDS Hooks API to activate Payers' API service
 - **Value:** Immediate feedback to provider about benefit coverage for service and PA requirement(s)

*It is conceivable that a third-party solution could be used in the event the EHR is not ePA ready

Payer Workflow

- API service responds to CRD inquiry
 - API service provides coverage & PA requirement information specific to member & service requested

Discuss: Other viable workflows?



Step 2: PA & coverage requirements shared between Provider & Payer (Coverage Requirements Discovery) - Technology

Provider Technical Requirements

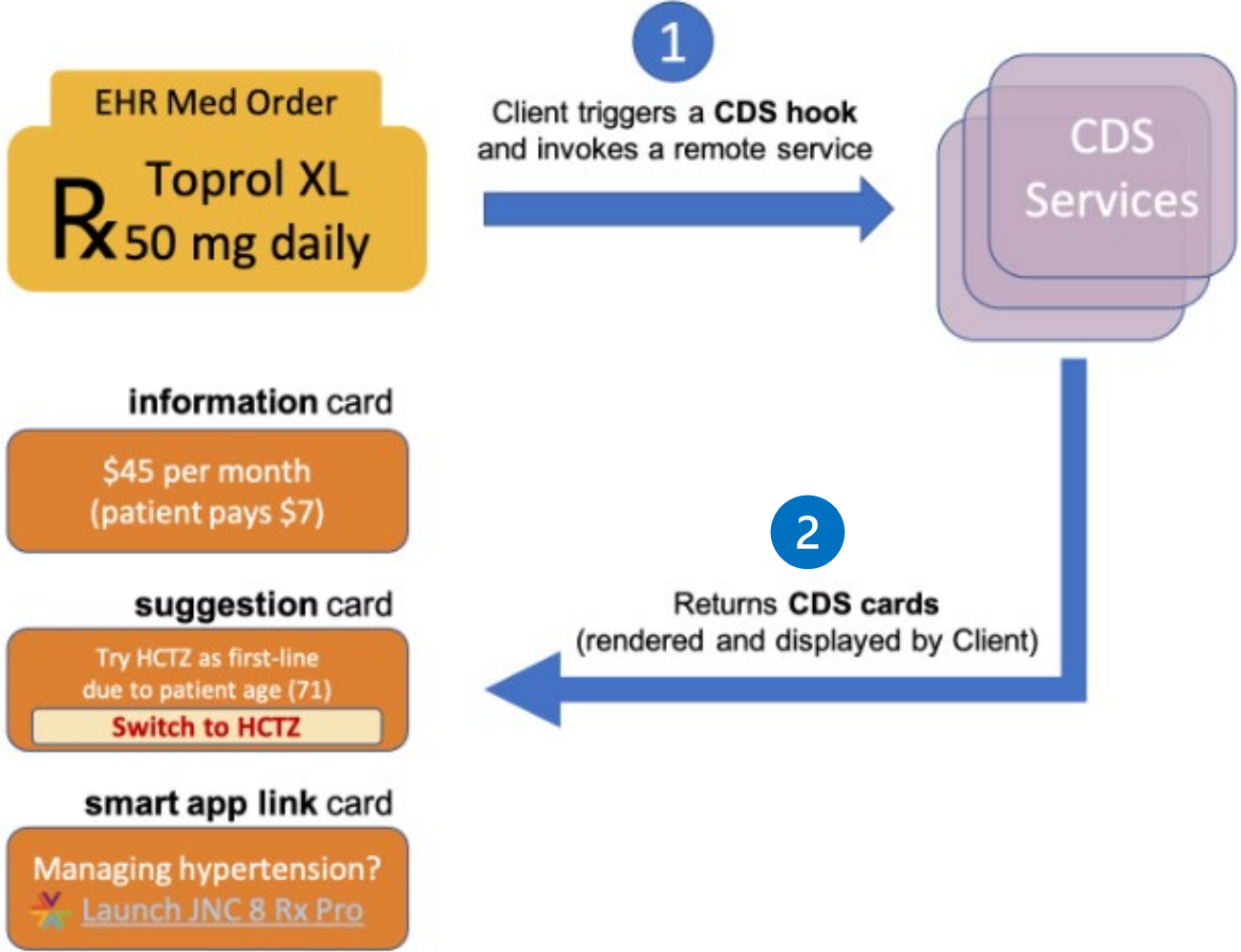
- A 'CDS Hooks' enabled EHR which can connect to payer API end-points, using Order Sign & Order Select triggers (cds-hooks.org)
- Ability to display and take actions with 'CDS Cards' responses from payers

Payer Technical Requirements

- Establish a CDS Hooks API Service
 - Responds to API calls with 'CDS Cards'
 - References member benefits and PA Rules
- Establish a Prior Authorization Rules Repository
 - Includes: procedure / service codes, documentation requirements, questionnaires & CDS Card content (SMART on FHIR App, URL, Information)

Discuss: Timeline for EHRs to be CDS Hooks enabled & Payers Readiness to establish CDS Hooks API support and PA Rules Repositories

CDS Cards example





Step 3: Payer gathers info for the PA request from the Provider's EHR (Documentation Templates & Rules) - Workflow

Provider Workflow

- Provider responds to the CDS Card based on the information provided (URL, SMART App link, Information, etc.)
- SMART App initiates automated data collection which partially reduces burden to manually complete questionnaires
- SMART App stores PA info in EHR for completion & submission outside of provider workflow

Payer Workflow

- Payer's SMART on FHIR app retrieves associated questionnaire and content from the PA Rules Repository

Discuss: Who completes the PA questionnaire / response and when?



Step 3: Payer gathers info for the PA request from the Provider's EHR (Documentation Templates & Rules) - Technology

Provider Technical Requirements

- EHR enabled to launch SMART on FHIR App or local ePA App
- EHR ability to pend/save/retrieve & later complete PA requests from SMART on FHIR App or local App
- Adequate FHIR Resources for CQL* data capture

Suggested: PA Dashboard – Status

Payer Technical Requirements

- SMART on FHIR Prior Authorization App
- Ability to retrieve specific questionnaires and associated CQL* logic for the requested service from the payer's PA Rules Repository
- FHIR Questionnaires that use the Structured Data Capture Templates

*Clinical Query Language

Discuss: Are CQL and EHR FHIR repositories required or optional?



Step 4: Provider verifies & submits request (Prior Authorization Support) - Workflow

Provider Workflow

- Requestor locates, completes and submits the PA request 'Bundle' to the payer or intermediary from EHR including questionnaires / attachments

Payer Workflow

- Payer electronically processes the PA request bundle and assigns a status (pending, approved, denied, RFAI)



Step 4: Provider verifies & submits request (Prior Authorization Support) - Technology

Provider Technical Requirements

- EHR able to create the FHIR 'Bundle' and associated FHIR questionnaire resources and transmit via FHIR API to payer / intermediary
- **Alt:** EHR Support for X12 278 (Referrals) & 275 (Attachments) messaging as may be chosen by the payer & provider

Payer Technical Requirements

- Prior authorization converter/Intermediary to convert the FHIR Bundle to X12 transactions facilitating automated payer processing and HIPAA compliance*
- Automated prior authorization adjudication of submitted request including X12 278 processing, questionnaire response processing and status assignment

*The Da Vinci Workgroup has been granted a 2-year exception to the requirement of using X12 for PA

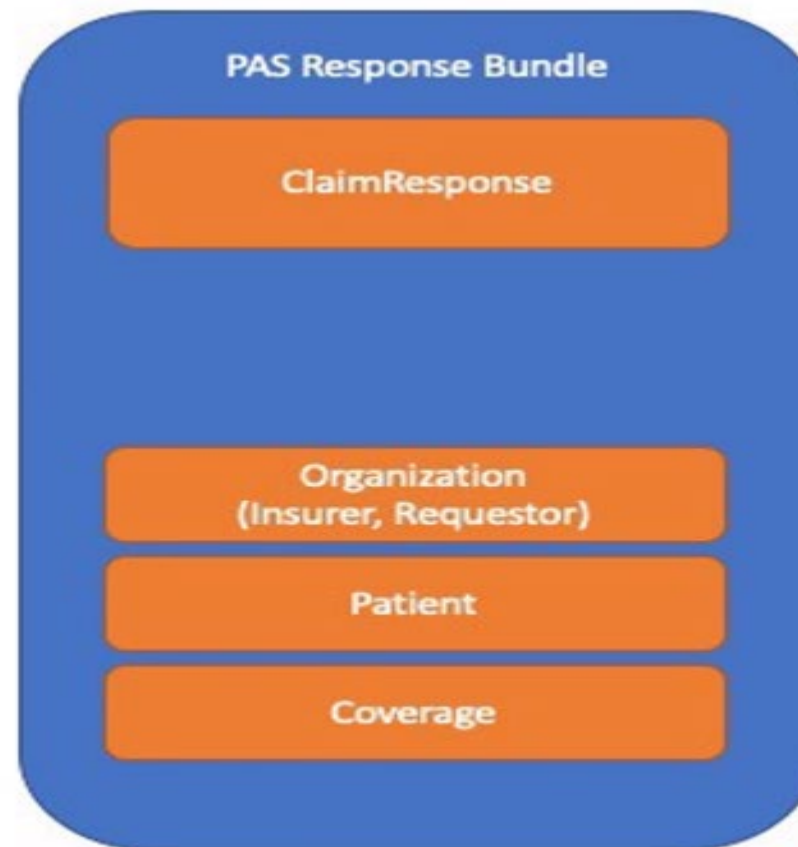
Discuss: EHR's readiness to create & send the PA request bundle. Payers electronic authorization processing readiness.

What is included in the FHIR PA bundle?

Provider Workflow



Payer Workflow





Step 5: Payer/Intermediary processes request & Payer sends back decision - Workflow

Provider Workflow

- Provider's EHR processes Payer's response, stores authorization number (if approved) and updates the status of the PA request in the EHR

Payer Workflow

- Payer's system sends a FHIR response bundle back to the prior authorization converter or directly to the provider's EHR for automated update



Step 5: Payer/Intermediary processes request & Payer sends back decision - Technology

Provider Technical Requirements

- EHR enabled to accept a FHIR resource bundle response with PA status and update PA status within EHR

Payer Technical Requirements

- Ability to construct and send via FHIR API the PA response bundle with PA status and / or RFAI (Request for Additional Information)

Discuss: EHR's readiness to accept an automated PA response. Payer's Readiness to send a FHIR bundle response to an automated PA request.

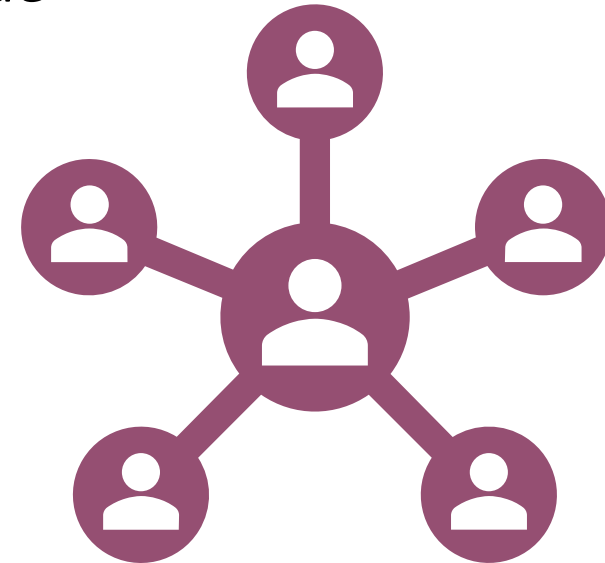
- Does automation of prior authorization seem like a compelling priority?
 - What organizational initiatives complement it? Which ones are competing with it?
 - Does it appear achievable? What else do you need to know?
 - What conclusions have you formed about your role on this Advisory Group?
- There are several considerations we must tackle in thinking about how to promote automation. Do you agree with these (some overlap)?
 - State and federal government roles (standard setting; vendor certification; financial support)
 - Governance: Oversight of prior authorization. Oversight of implementation issues
 - Calculation of implementation costs; transition from (leveraging) existing technologies
 - Transaction/data standards; extent of process standardization
- What would you add?

NEXT STEPS



Proposed Next Step: Stakeholder interviews

- Who else do we need to speak with? Who will be most influential in making decisions about whether to pursue automation?
- What topics should we cover?
 - Cost
 - Capacity
 - ROI
- Other suggestions



Advisory Group participants represent several groups—those with technical, financial, and clinical expertise in different parts of the health care industry.

Thank you

Next TAAG Meeting

- Report back on interviews: Draft assessment
- Update on MHDC/NEHEN pilot
- Update on federal guidance/regulation
- Discussion of priority action steps

