

Reducing Healthcare Costs through Provider Notifications

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Background

The value proposition behind meaningful use of certified Electronic Health Record (EHR) technology for both hospitals and eligible professionals is increasingly obvious. Several states now boast 100% hospital adoption of EHRs. Stage 2 Certification focuses on the secure transport of health data for transitions of care. But many questions remain unanswered. How can we achieve the highest quality of care at the lowest cost, as is the mandate of health care reform? How may we reduce clinical expenses yet increase partnership with physicians, and improve patient outcomes? The purpose of this paper is to show that the secure messaging value proposition for hospitals is indeed robust, particularly through electronic Provider Notification.

Cost Reduction

We know that the sickest of patients incur the greatest of costs and require the highest level of care coordination. The Agency for Healthcare Research and Quality (AHRQ) has reported that 50% of a hospital's health budget is spent on the top 5% of its most seriously ill patients.ⁱ From a recent case study in the State of Maryland by the Chesapeake Regional Information System for our Patients (CRISP), we also know that the use of a Provider Notification system yielded a 6.5% reduction of hospital readmissions.ⁱⁱ How did these hospitals reduce their overall clinical expenses? The answer lies in post-discharge follow-up systems that take advantage of secure messaging.

Provider Notification

Provider Notification delivers real-time admission, discharge and transfer (ADT) information about a patient's medical services encounter.

Care Coordination. Provider Notification supports hospital communication with primary care physicians and care managers who may not know when a patient is admitted to a hospital, or who may not find out until well after the hospital event. Since ADT feeds are already generated by all hospitals and are compatible with HIE infrastructures, the use of Provider Notification is a low-cost means to drive accurate notifications.

Regulatory Compliance and Reducing Readmissions. Provider Notification reduces readmissions by helping hospitals comply with CMS regulation A-0133: "The patient has the right to have a family member or representative of his or her choice and his or her own physician notified promptly of his or her admission to the hospital."

Transitional Care Management and Provider Follow-Up. The Centers for Medicare and Medicaid Services (CMS) recently approved two new transitional care management (TCM) codes to reflect non face-to-face care management work involved in primary care. They are Current Procedural Terminology (CPT) codes 99495 and 99496:

- Both codes require communication (in-person contact, telephone or electronic) with the patient and/or caregiver within two business days of discharge
- Both codes require medical decision making of *moderate* complexity and *high* complexity respectively during the service period
- Both codes require a face-to-face visit within 14 calendar days and 7 calendar days respectively of discharge.

Provider Notification relies on three activities:

- **Patient Attribution.** Since ADT feeds are also the building blocks of a master patient index, participants upload a spreadsheet of all patients (members) for whom the participant is interested in receiving alerts.
- **Alert Preferences.** Users define the types of messages they wish to receive and when.
- **Notification Output.** While notifications may be sent in a variety of ways, the ubiquity of the Direct Transport standard, especially in the patient domain, makes Direct of particular importance. Alerts are sent via Direct Transport into a Direct inbox or an application that supports Direct messages.

Direct Transport

Direct is a set of secure messaging standards and services with a policy framework that enables simple, secure and scalable transport over the Internet for secure and meaningful exchange between known participants, in support of meaningful use.ⁱⁱⁱ

Top use cases for the adoption of Direct Transport include:

- Patient Alerts and Notifications
- Transitions of Care
- Referrals
- Lab Results
- Patient Messaging

Benefits to Hospitals

Certified EHR technology has proven its efficacy in many ways and promises continuing hope for both reducing the cost of healthcare and improving its quality. One message has been clear: the spoils go to those who embrace new health information technology. The time has come for hospitals to embrace Direct Transport as a means to enter into the kinds of secure communications that will undergird not

only health system, payer and HIE communications but also the exchange of patient health data at the provider and member levels.

Direct Transport is a powerful standard for hospitals for the following reasons:

- Hospitals with physician portals can enhance them by taking an inbound alert and routing it onward to the provider via Direct Transport.
- Alerts received via Direct Transport derive from ADT feeds, which translate to long-term auditability and accountability.
- Physicians with fully implemented EHRs will be able to receive, import and consume patient health data sent via Direct Transport.
- Meaningful Use now mandates electronic View, Download and Transmit standards for the benefit of patients, i.e. that providers or hospitals give patients an electronic version of their summary of care or Transition of Care record. With Direct Transport required for Stage 2 Certification and Meaningful Use, we may reasonably expect Direct to become the most widely used secure messaging protocol for patient access to their protected health information.
- The addition of universal patient attribution services, combined with emerging notification systems based on the Direct Transport protocol, offers an opportunity for rapid adoption by payers, patients, primary care physicians and hospitals as our industry searches for better, faster and technologically superior ways to exchange patient information.

Conclusion

We have sought to illustrate that the use of the Direct Transport protocol by hospitals entails a robust value proposition, particularly when applied to electronic Provider Notification. A recent study has shown, in fact, that this protocol used within a care management setting led to a 6.5% reduction of hospital readmissionsⁱⁱ. The creation of new CPT codes demonstrates the commitment on the part of CMS to use transitional care management to improve care coordination and provider follow-up. Direct Transport rests at the core of several key strategies aimed at lowering the cost of care and improving its quality. Direct Transport and Provider Notification are essential cost-reduction strategies for all healthcare providers.

About the Author

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ⁱ Agency for Healthcare Research and Quality

<http://www.ahrq.gov/research/findings/factsheets/costs/expriach/expriach1.html>

ⁱⁱ Statistics taken from a study of Maryland hospitals by the Chesapeake Regional Information Systems for our Patients (CRISP), Maryland's statewide HIE. The CRISP deployment of its Electronic Notification System (ENS) currently serves 562 providers and four payer organizations covering 550,000 patients and sends 1,000+ notifications every day.

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