

# Understanding Data as an Asset:

## It's a Necessity — Not a Luxury



BY DAVID HARTZBAND, D.S.C. and FEYGELE JACOBS

**B**oth the Health Information Technology for Economic and Clinical Health (HITECH) Act (signed into law as part of The American Recovery and Reinvestment Act (ARRA) of 2009 and aimed at promoting and extending the adoption of health information technology) and the Affordable Care Act (which focused on nothing less than improving the health care system by widening coverage) have served as important catalysts for transformational change of the health care system.

HITECH has since been superseded by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)<sup>1</sup>. MACRA reforms Medicare payment by replacing the sustainable growth rate (SGR) formula for provider reimbursement, and establishing the Quality Payment Program, which is intended to modify, simplify and aggregate a number of existing payment frameworks.

MACRA's value-based payment programs will be based on two new reimbursement structures – the Merit-Based Incentive Payment

Program (MIPS) and Alternative Payment Models (APM). Provider reimbursement will be based on quality and effectiveness, with payment based on performance and measurement of defined metrics.

Beyond the broad intentions of the laws are many specific programs and requirements that create both opportunities and challenges for health care providers. Perhaps we should step back and look at what these requirements are meant to accomplish and why the development of data awareness and strong information management capability is essential for health centers.

### The need for a more integrated approach

While most providers have long been engaged in meeting the requirements of the HITECH law, the new federal requirements defined by MIPS and APM are both broader and deeper. They extend beyond electronic

health record (EHR) technology, and emphasize information security, patient access to records, information exchange, population health and care coordination.

Compliance with MACRA – necessary to qualify for the related incentive payments – will neither be simple, nor sufficient to truly deliver on the core goals that comprise what is now called the “Quadruple Aim”:

- Improving the health of populations,
- Enhancing the patient experience of care including quality and satisfaction,
- Reducing costs, and
- Improving the provider experience

“Meaningful Use” as defined by the HITECH Act is now only one part of the overall goal of creating an integrated electronic health care system. With the advent of MACRA/MIPS (including Meaningful Use Stages 2

<sup>1</sup> <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Value-Based-Programs/MACRA-MIPS-and-APMs/MACRA-MIPS-and-APMs.html>

and 3), the emphasis by the Office of the National Coordinator and other federal bodies on integration among health information technologies, and the growing importance of Health Information Exchanges and Accountable Care Organizations – the strategic use of data is essential.

### The essential role of data

The new requirements under MACRA emphasize the interoperability of HIT systems and sharing of health data with the goals of deeper patient engagement, better care coordination, improved clinical outcomes, lower cost and improved provider work-life balance.

These goals could serve as a working definition of an integrated health care system and will require that patients, providers and everyone involved with the health care system be actively engaged in making better, and better informed, decisions about health care. This, in turn, requires a change in how we think about data – and specifically health care data – and how we manage, analyze and interpret this data. We need to begin thinking about data as an asset – an asset for the patient, an asset for their providers and care teams and an asset for the health center.

The first thing to know about addressing data as an asset is that there are two separate but interconnected aspects of this concept: the organizational aspect and the technical aspect. Each defines a set of data needs and analyses that are necessary for providers to effectively transition to new payment, reimbursement and practice approaches.

Organizationally, data must be seen strategically – that is, the data that a health center accumulates and manages, including patient financial and demographic data, patient clinical data, billing data, health center financial data – in fact all the data



available to the health center – must be seen as contributing to the center's ability to analyze and evaluate important questions related to strategy.

From the broad organizational perspective, data analysis focuses on both short- and longer-term strategic issues to support clinical and operational practice, and to suggest ways to control cost and inform relevant and appropriate decisions for investment in personnel, services, and sites. From an organization perspective, strategy is driven by the answers to questions which might include: Who are our most costly patients? What diagnoses are the most costly? What combination of diagnoses are the most costly? Does cost vary by location? By provider?

It is essential that robust data be available for these queries. While such analyses are not panacea, and by themselves do not create a strategy, they do provide the information needed for the development and adoption of a strategy based on data and information, and in support of organizational decision-making.

The technical aspect is secondary to the organizational aspect. Technical considerations include determining what data should be extracted from the EHR, practice management and/or financial systems; deciding how it should best be stored and managed

so it can be used in analysis; and deciding what tools should be used to create extracts and carry out analysis.

Technical questions are clearly important, and often pose difficult challenges. Not all health centers have direct access to their underlying EHR data (and in some cases, access such data through the EHR user interface). Not all health centers have the resources to evaluate data management requirements and conduct extensive analysis. Primary Care Associations and Health Center Controlled Networks can often provide necessary assistance and capabilities in this area. But the key point is that whatever the technical strategy for data management, data analysis must be closely aligned with the organizational strategy for the development and evolution of the health center. If data is not managed and analyzed in the context of a strategy, it is not useful for effective decision-making.

Strategy for participation in integrated delivery systems and success in the MACRA and MIPS environments requires information, and that begins with thinking about data as an asset. The selection of specific technology or applications is secondary and must support the organizational strategy, rather than drive it.

As community health centers look back on their 50th anniversary year, and plan for an enduring future role as essential primary care safety-net providers, understanding sophisticated information needs and how to apply data to solve problems and develop sound business and clinical practices could not be more important. ♦

*Both with RCHN Community Health Foundation – David Hartzband, D.Sc., is Director of Technology Research and Feygele Jacobs is President and CEO. For more information visit [www.rchnfoundation.org](http://www.rchnfoundation.org).*