

Making A Difference In Realizing Health Reform

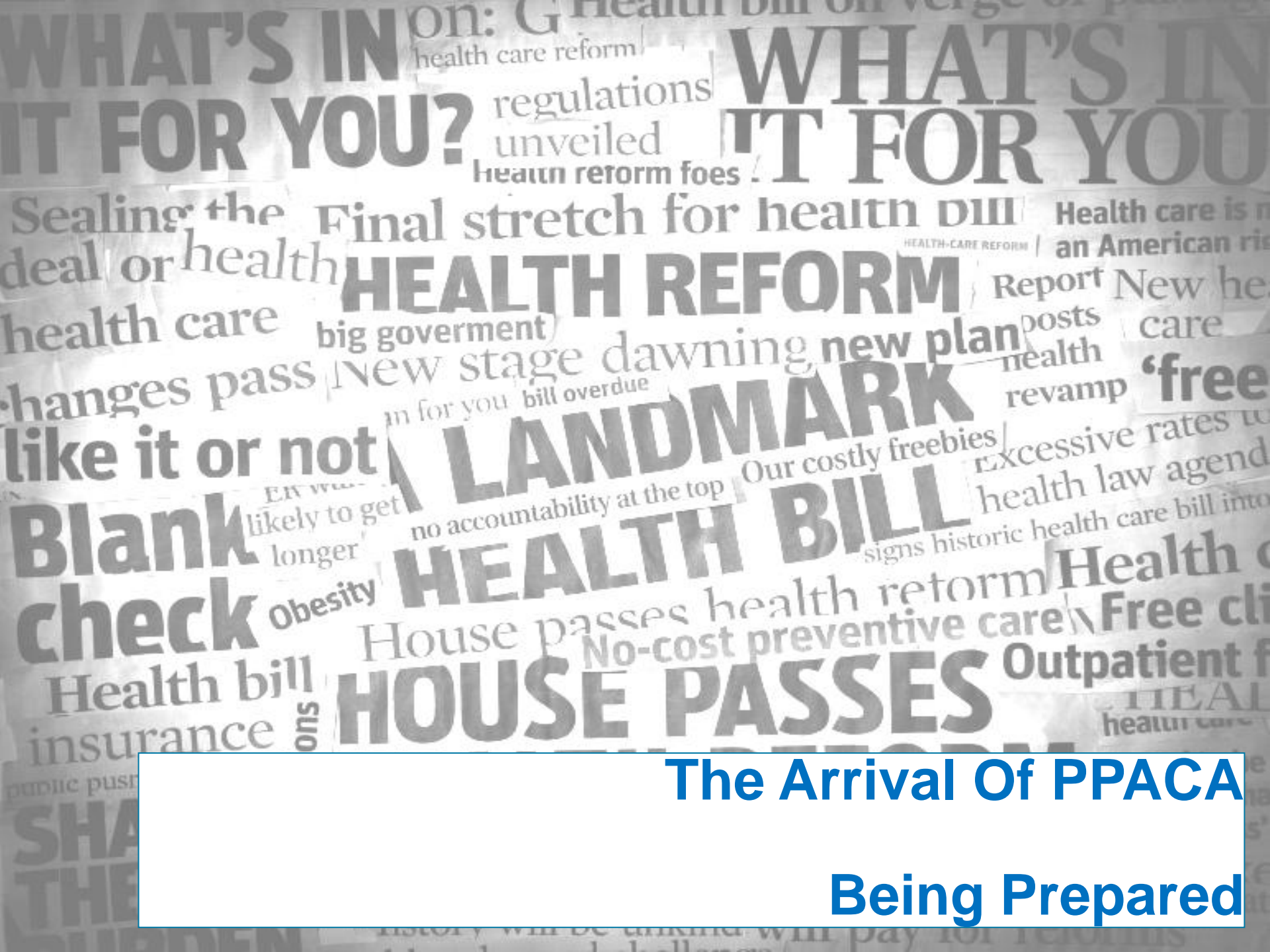
Renu Pandit-Pant, Senior Manager

(This point of view is the author's own and does not represent her employer's professional opinion. Additionally, this point of view is about technology transformation and does not profess to provide policy related advice or present a political opinion. This presentation is in support of a dialog with technologists interested in exploring the impact of systemic changes. Errata may be attributed to the author and no professional liability is assumed by the author or her employer.)



SOA In Healthcare Conference

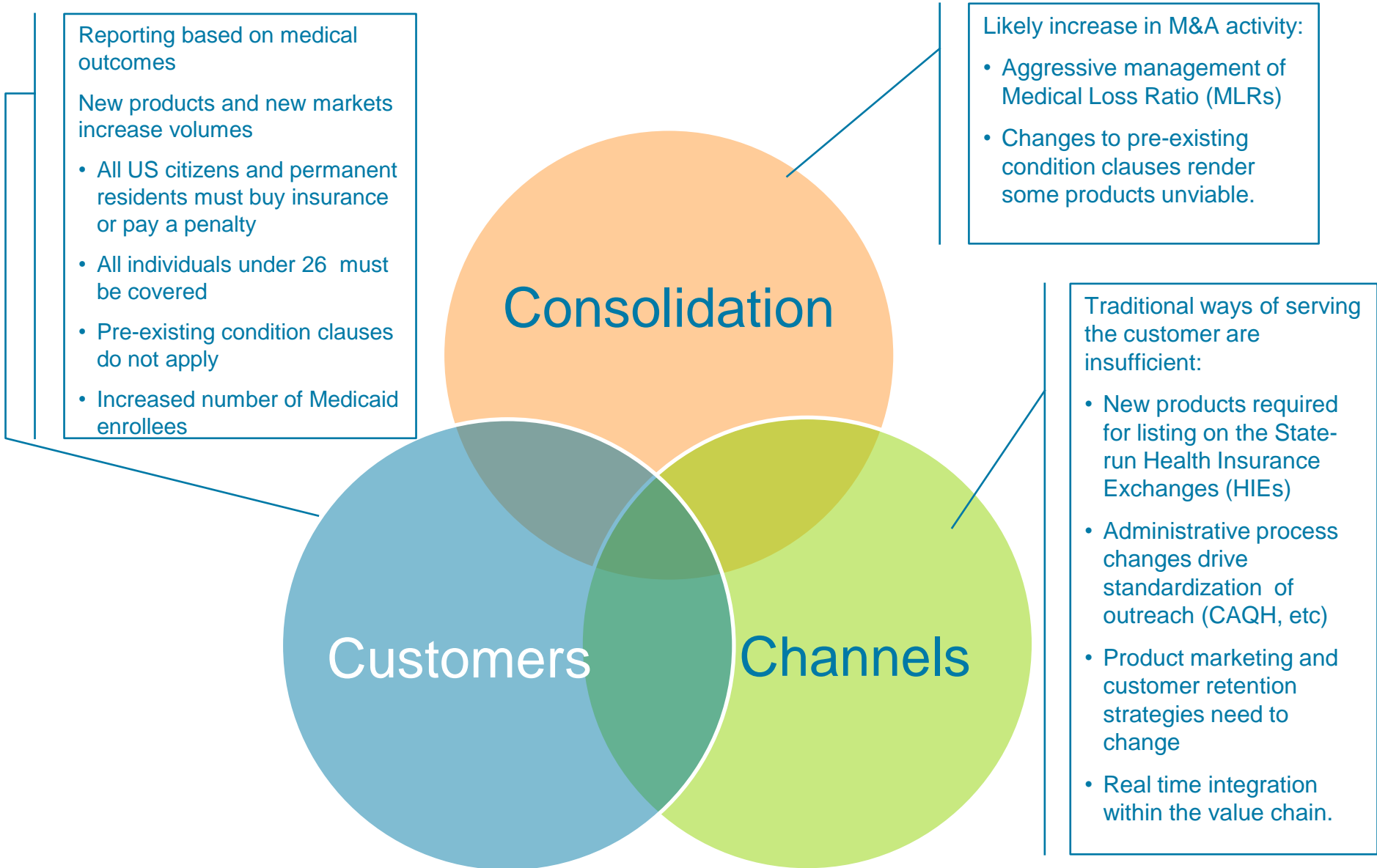
July 15th, 2011



The Arrival Of PPACA

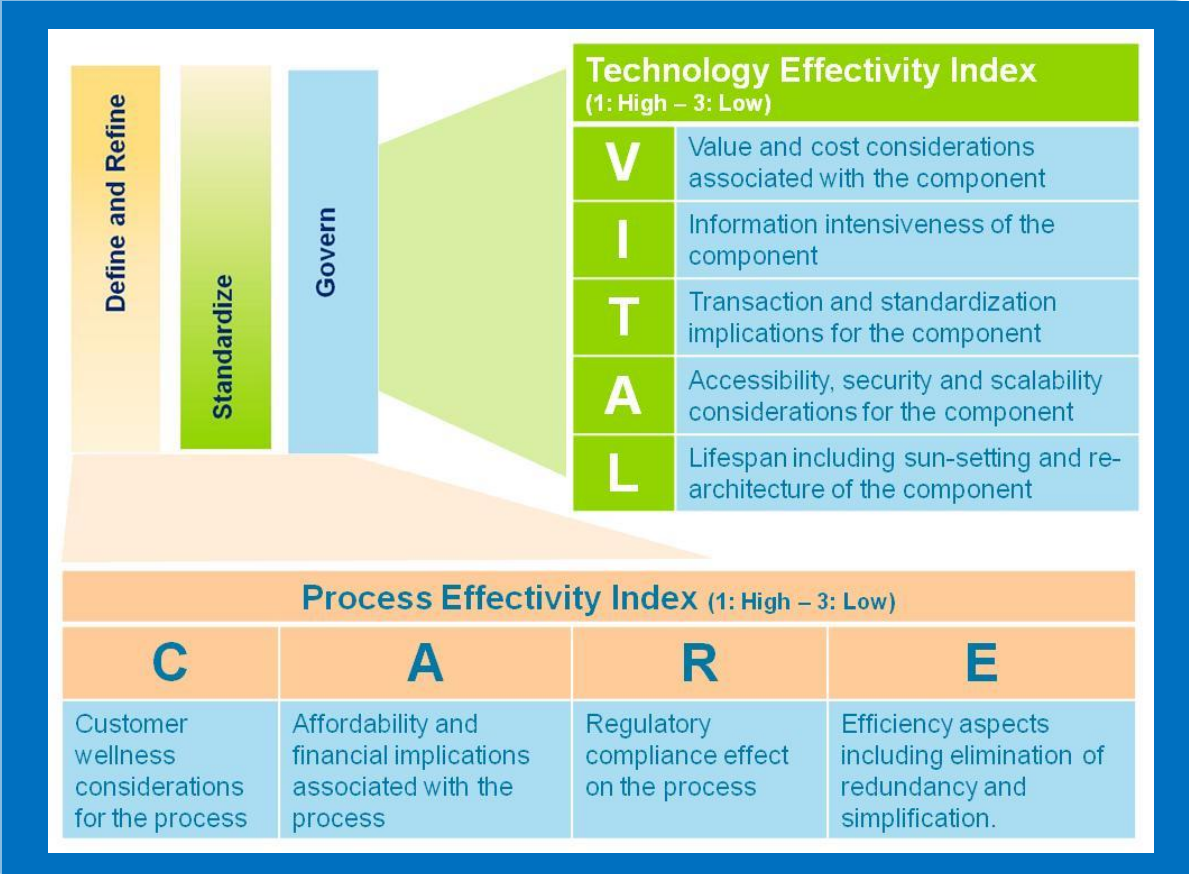
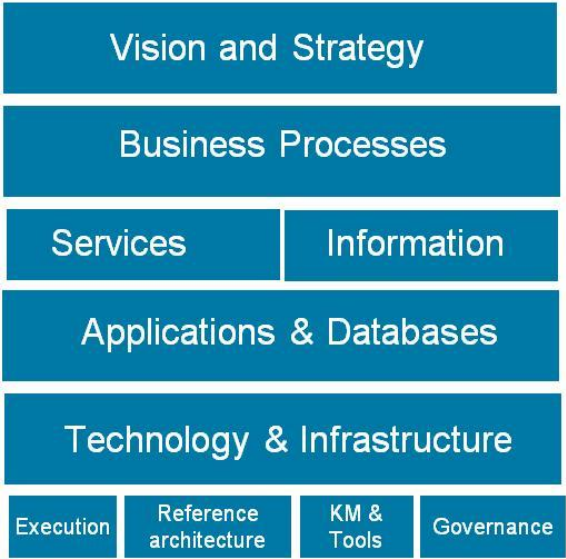
Being Prepared

Last year, the passing of the PPACA ushered in sweeping changes to the healthcare business model.



Looking at your technology architecture, applying a prioritization model to identify high-impact areas was suggested.

Framework





A Year Later

Changes Are A Reality

By 2017, the redesign of the healthcare system will be complete.

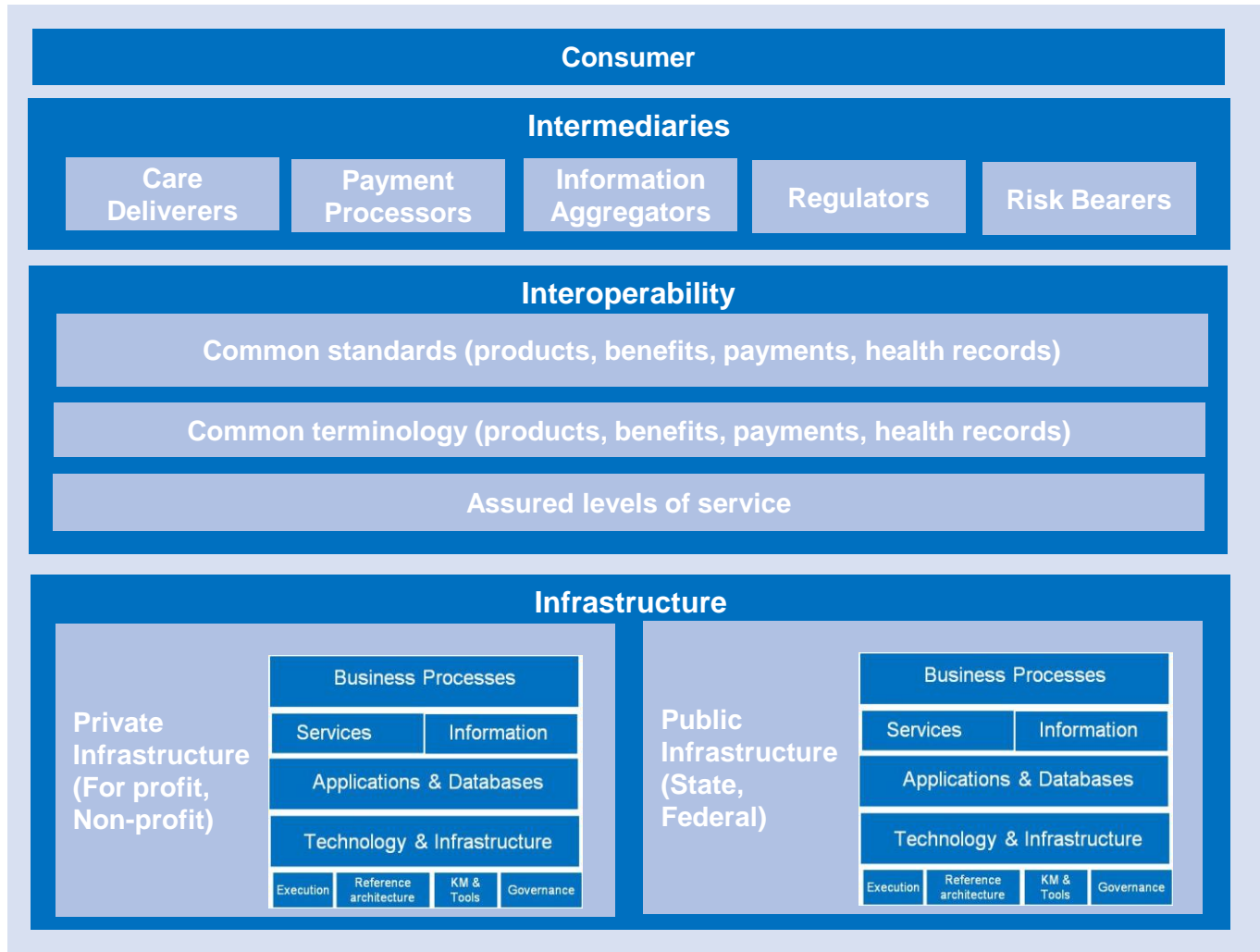
Mandates

- Individual mandate
- Health exchanges
- Employer pay or play
- Demonstration/pilot programs:
 - Accountable care organizations
 - Value-based purchasing
 - Episode based payments
 - Medical home

Implications

- Thirst for data – quality and relevance
- Large increase in population served – increase in scale
- The consumer has a choice – shifting demand
- The government as a market-maker – a need to standardize
- Cost consciousness

Rather than the traditional silos, the new model is firmly centered around the consumer.





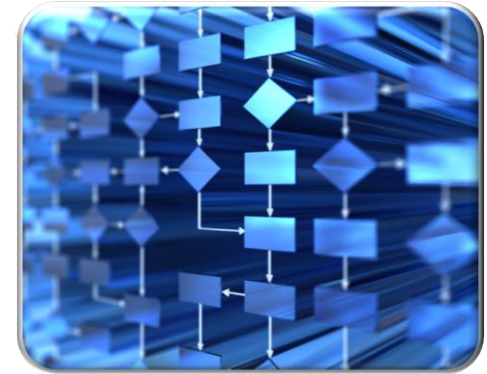
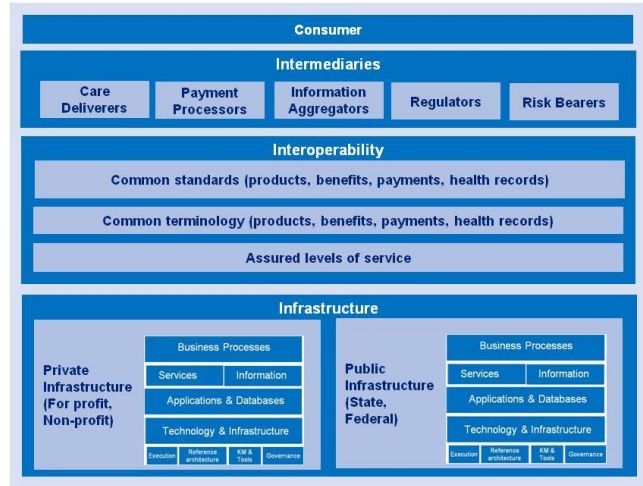
Responding To Change

Key Result Areas

Responding to PPACA changes has timeline implications. A differentiated response will “bake in” features that support consumer centricity.



Noise reduction

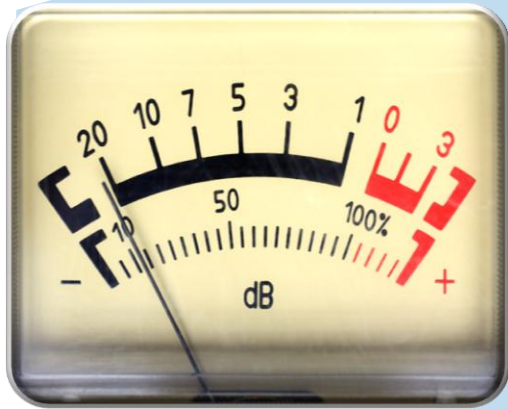


Rule orientation



Capabilities on tap

Reducing “noise” in the system is a renewed focus on ontology, standards and compliance.



- Pick a medical ontology bases standard if not already selected
- Invest in modeling for non-standard areas (products, benefits) - a standard will emerge and your adoption path will be simplified
- Structured (XML-based) integration capabilities must be considered
- Consider proactive compliance strategies based on effective logging, and monitoring

New intermediaries, increased collaboration and assured levels of service rest on the ability to state business rules effectively and adapt as needed



- Improve access to core processing rules
- Externalize rules for access by partners and collaborators
- Establish rules for data sharing and interpretation (data governance)
- Integration service contracts need detailed definition in business terms
- Rules to measure standards compliance

Cost consciousness encourages considering on-demand models.



- Customer areas of demand will change – componentization is key
- Transactional integration needs are volatile – design for scale
- Consider information privacy and security
- A blend of public and private solution platforms – varying infrastructure considerations apply.

References

1. Health Reform Implementation Timeline, *Kaiser Family Foundation*, Accessed July 2011
2. Services Thinking – Dynamic Business Execution, © *Deloitte Consulting, LLP*. Accessed June 2011