Part 1 - Healthcare Directory: Key Questions for State Managed Care Procurement Activities

Executive Summary

CMS in coordination with the Office of the National Coordinator for Health IT (ONC) have developed guidance to support State Medicaid Agencies as they work towards developing a state strategy for "Provider Directories".

States can use this guidance as they design their Medicaid managed care contracts. This guidance will help States:

- Understand how they can leverage the managed care procurement process to promote adoption of health IT standards
- Identify opportunities for collaboration with their managed care plans to advance a state Provider Directory strategy.

The Managed Care Healthcare Directory Guidance builds on Provider Directories information introduced in the CMS Medicaid State Health IT 1115 Toolkit. The "Toolkit" describes the opportunity of provider directory tools in supporting different functions of Medicaid to include enrolling and tracking providers, facilitating administrative claims and transactions, publishing a list of eligible providers, and supporting functions required by value-based care models, such as attribution.[1]

The Healthcare Directory Guidance is presented in two parts: 1) key questions States should ask themselves as they execute managed care procurement activities; and 2) examples from states incorporating health IT in the execution of their managed care procurement activities.

The Guidance is presented in terms of the following areas:

1. Identifying State-level healthcare directory activities
2. Defining the benefits for electronic healthcare directories
3. Identifying level of Health IT adoption by Managed Care Organizations (MCOs)
4. Defining the benefit for MCO participation in state-wide healthcare directory efforts
5. Leveraging policy levers for MCO engagement in health IT enabled activities
6. Establishing financing arrangements for MCO healthcare directory participation

CMS and the Office of the National Coordinator for Health IT (ONC) are available to discuss the use of this guidance document, general health IT, HIE and interoperability considerations—as well as state-specific issues—and is ready to offer technical assistance, if needed.

For questions, technical assistance requests or suggestions, please contact Arun.Natarajan@hhs.gov.

[1] ONC Provider Directory guidance documents are available at HealthIT.Gov. see https://www.healthit.gov/sites/default/files/statestrategicimplementationguide-providerdirectories-v1-final.pdf

1. Identifying State-level Healthcare Directory Activities

Question: What are opportunities within your state regarding implementation of healthcare directories or provider directories?

States have several initiatives underway regarding the development of healthcare directories to support the identification of providers for healthcare and services delivery. Each of these initiatives is driven by transformative efforts led by a variety of stakeholder groups to include state agencies, private health insurers, and healthcare systems. Within State Government, there may exist multiple provider directories, serving multiple use cases across diverse population groups within different local and regional areas. In parallel, private health insurers are developing separate directories to meet their specific population needs. States have an opportunity to inventory activities across their state and build on these to reduce provider burden and increase interoperability.

2. Defining Benefits for Electronic Healthcare Directories

Question: What key business drivers do healthcare directory activities address within your state?

Another way to frame this question is: *what problem are these healthcare directory projects trying to solve?* In addition to serving as tools used to identify and display provider availability within a designated area by coverage type, healthcare directory projects can be initiated to address additional drivers such as reducing the burden that providers face in updating multiple payer and state designated systems with administrative information. Other drivers can include improving care coordination across disparate provider groups, facilitating billing and reimbursement, integrating credentialing and enrollment activities within one system, and increasing interoperability. Provider directories are essential for attribution under value-based payment models and thus are critical for states developing multi-payer value-based payment models.

3. Identifying level of Health IT adoption by Managed Care Organizations (MCOs)

Questions: How are your participating MCOs leveraging health IT? What activities are you implementing to advance MCO adoption of health IT and use of health IT standards?

States have initiated various federal and state level programs to promote the use of health IT by MCOs such as those offered through the State Innovation Model (SIM) activities, the Electronic Health Record (EHR) Incentive Program and the Medicaid Management Information Systems (MMIS). These programs offer opportunities to engage MCOs in health IT initiatives and thereby promote MCO adoption of health IT and health IT standards. States can build from current health IT related MCO projects to promote adoption of new health IT standards.

4. Defining the Benefits for MCO participation in state-wide healthcare directory efforts

Question: What is the benefit for MCOs to participate in your state-wide healthcare directory efforts?

This question builds on Question 2 above with emphasis on helping states define why a MCO within their state would 'buy-into' participating in an existing or developing state-wide healthcare directory initiative. It is especially important for the state to clearly articulate this before approaching their MCOs. There needs to be a compelling business case for why an MCO would want to integrate their existing healthcare directory work with one defined by the state. This is especially important for MCOs that have already invested in developing their own provider directory tools and systems.

5. Leveraging policy levers for MCO engagement in health IT enabled activities

Question: What contract language have you used in managed care contracts and/or agreements regarding use of health IT and/or healthcare directories?

This document describes the opportunity for embedding health IT provisions in State MCO procurement requirements. As one of the largest payers for health care services, the State can play a unique role in promoting the use of health IT and health IT standards by MCOs. State Medicaid Agencies can specify in their contracts what health IT standards must be adopted to meet specific requirements such as those for transitions of care and healthcare directories.

6. Establishing financing arrangements for MCO healthcare directory participation

Question: What financing arrangement will you employ for engaging MCOs in your statewide healthcare directory activities?

There are various financing options States can leverage to fund their healthcare directory initiatives. For example, 90/10 federal match can be used as a source of funding for healthcare directories. Other options include leveraging funding from other CMS demonstration and value-based programs such as the State Innovation Models Initiative (SIM) cooperative agreements and other Medicaid delivery system reform initiatives.