IMPLEMENTING INTEROPERABILITY – THE FINAL RULE

Navigating and implementing The Final Rule.

The modern technology landscape in the healthcare industry is rapidly changing and evolving. Companies are transforming their siloed data warehouses to Cloud-based data lakes, leveraging "as a Service" (aaS) delivery models for cost efficiency and operational focus, self-service telehealth is expected by consumers, and Generative AI is now central to healthcare IT investment strategies.

Interoperability is an extra consideration in healthcare that needs to be incorporated and well-aligned to annual healthcare IT spend. CMS Interoperability and Prior Authorization (CMS-0057-F) known as "Final Rule" was published by Center for Medicare & Medicaid Services (CMS) on January 17, 2024. While just released, it has rapidly approached deadlines. The requirements of the mandate impact how IT healthcare data and services are delivered from consumers and providers to claims authorization and presentment and will have enterprise-wide implications for IT platform owners, data managers, and product managers.

WHAT IS INTEROPERABILITY?

Interoperability in healthcare refers to the ability of different information systems, devices, and applications to access, exchange, integrate, and cooperatively use data in a coordinated manner within and across organizational, regional, and national boundaries.

Interoperability is viewed as a critical goal set out to improve the quality, efficiency, and safety of healthcare related delivery. This should result in optimizing the health of individuals across the United States and globally by facilitating better communications, data sharing, and collaboration among healthcare providers, patients, and other stakeholders.

Interoperability Final Rule mandate must be adhered to by all healthcare related companies by 2026. This mandate outlines a series of requirements established by the United States government to improve exchanges of information among patients, stakeholders, and healthcare providers.

It is important to understand how interoperability and the new mandate affect healthcare related organizations, what the cost savings and benefits can be, and how the healthcare companies gain positive business outcomes to comply with the new requirements.

BENEFITS FROM COMPLIANCE TO INTEROPERABILITY FINAL RULE

Many of the benefits expected from Final Rule requirements are likely outcomes that healthcare organizations have considered or should be considering as part of modern healthcare product and service delivery strategy.

- **Improved Prior Authorization Response Times:** 3-day and 7-day provider authorization requirements give patients and their healthcare teams a more timely understanding of the financial impacts of healthcare options
- **Improved Whole Patient Medical History:** Holistic view of a patient's medical history and situation resulting in better decisions and care provided
- **Improved Patient Satisfaction Levels:** Fewer mistakes related to siloed healthcare history resulting in improved diagnoses, reduced testing, decreased wait or delay time, and increased patient satisfaction

levels meaning less stress for all parties involved overall

- **Improved Availability of Data for Analytics:** Larger, more complete data sets from various sources such as public healthcare databases and EHRs as well as the ability to perform more timely reporting and deeper learning
- **Improved Administration Capability:** When the new Interoperability requirements are met and further integrated with provider dashboards and operational excellence related KPIs, targeting process changes is possible: reducing redundant authorization efforts and manual authorization loops further allowing investment to be focused on patient care

CORPORATE DATA STRATEGY IS CENTRAL TO IMPLEMENTING FINAL RULE EFFECTIVELY

Healthcare companies must now improve, adapt, or establish Application Programming Interface (APIs) to improve the exchange of healthcare information and data. This includes complying with Final Rule data exchange formats as well as many non-function requirements. Specifically, API performance tuning is an essential part of a comprehensive approach when implementing Final Rule requirements to handle performance, scalability, reliability, consistency, and data integrity at scale. By incorporating these additional requirements in planning and design, healthcare organizations can ensure their APIs are well-prepared to meet the demands of modern healthcare data exchange while maintaining high performance, scaling to meet demand, and differentiating their healthcare services as well as minimizing maintenance and operational costs related to the new mandate.

This is no small task. Compliance with initial requirement minimums is required in less than 18 months.

While the new mandate has immediate impacts on your corporate IT strategy and resource allocations, it's important to also see how much can be gained by healthcare organizations and healthcare consumers. With well-implemented Interoperability APIs in place, healthcare organizations can rapidly improve delayed and incomplete decisioning that often occurs when hospitals, doctors, or other healthcare related service providers do not have the necessary information about a patient's history.

These gains will require bigger investment in the short run. Healthcare companies must consider how they will size their teams to meet the demands outlined in the mandate expectations and may need to redirect or increase budgets to comply with the mandates.

SUGGESTED STEPS TO TAKE TO ADDRESS INTEROPERABILITY FINAL RULE

Healthcare companies must take a broader approach to meet the new mandate requirements and stay compliant.

- **Assemble a Cross-Functional Team of Experts:** Understand the mandate through a cross-function team of assembled experts. Use your traditional team of product owners and business analysts for planning and requirements but incorporate experts in the sub-domains of provider, payer, claims, and legal
- **Prepare to Scale:** Expect to grow focused, specifically purposed teams by leveraging external contractors, individual experts, and shared resources with partners. Consider your data consumers and data providers as team members for testing and shared outcomes and deadlines
- **Interpret the Mandate from Multiple Angles:** Use your cross-functional team to provide interpretation of the mandate requirements and review requirements and designs for compliance. Your legal team needs to be embedded in day-to-day planning and be available for tie-breaking interpretation
- **Conduct Deadline-Aligned Gap Analysis:** Evaluate current state, practices, policies, and systems against the mandate requirements. Evaluate where current operations fall short of the new standards. All companies

will have varying levels of compliance towards current standards already in place. Your team should all be aware of the full list, and what priorities are and by which dates. Gaps that exist on January 1, 2026, will be different than a year later

- **Pilot Updates to Policy and Procedure:** At a minimum review SLAs introduce processes, procedures, and platform support. Make sure to preview anticipated updates and changes with service providers and customer-facing teams. Given the short timeframe for initial compliance and the impacts of hidden, hard-coded data or unknown custom legacy code, communicating early and often is both risk-mitigating and improves ability to address and assess unidentified impacts related to compliance
- **Review and Improve Data Governance:** Consider data quality requirements as functionality implemented. Now is the time to create a healthy backlog of data quality improvements and identify centralization of data catalogs, standardizing data access standards
- **Centralize API Performance Tuning and Monitoring:** Capabilities and frameworks for API tuning exist in specialized corners of your IT organization. Make all development teams aware of the acceptable ranges and standardize your performance testing approach
- **Evaluate Needs for Compliance Exceptions:** Meeting all requirements by mandate deadlines for some organizations may not be possible. Organizations should consider how, when, and if conversations will be needed with the group who enforces Final Rule compliance, the Office of the National Coordinator for Health IT (ONC)

The urgency for healthcare companies to adapt to the new interoperability mandate by 2026 is undeniable. Interoperability is not just a futuristic goal but a present necessity that demands immediate attention and action. By establishing seamless information exchange, Interoperability promises to enhance patient care, streamline operations, and facilitate advanced data analytics, ultimately leading to significant improvements in healthcare delivery. As the deadline approaches, healthcare companies must adopt a systematic and proactive approach to meet these regulations.

This includes understanding the mandate, forming dedicated compliance and implementation teams, upgrading technologies, and continuously engaging with regulatory bodies. The benefits of Interoperability are vast, and the potential for cost savings and improved patient outcomes is immense.

As the healthcare industry navigates the transformative demands of the CMS Interoperability Final Rule, the urgency to adapt and comply has never been more critical. At Trexin Consulting, we specialize in guiding organizations through complex regulatory landscapes while maximizing business value. Collaborate with our seasoned experts to develop and support right-sized approaches that ensure compliance and unlock significant business and user value. With a proven track record in healthcare IT consulting, we offer deep industry knowledge, scalable resources, and a commitment to delivering measurable results. Together, we can navigate regulatory complexities and leverage technology to enhance healthcare delivery.

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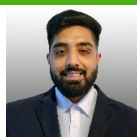
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