**CMS**
CENTERS FOR MEDICARE & MEDICAID SERVICES

# Pathways to Administrative Simplification

# Health Care Landscape

» Patient population

» Patient engagement

» Newly eligible

# Health Care Landscape

» Quality of Care

» Patient-Centered Care

» Advances in Technology

# Health Care Landscape

**Administrative costs =**

» $150+ billion annually in U.S.

» Up to 12% of physician practice's annual revenue

» 2/3 FTE per physician
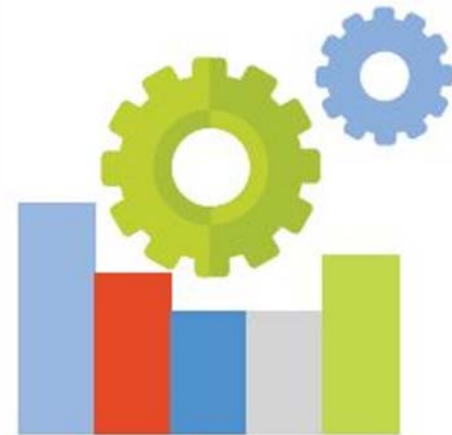
» 15-32% of each health care dollar

Source: Council for Affordable Quality Healthcare

# Goals of Administrative Simplification

Encourage widespread use of standardized electronic transactions in order to:

- » Reduce Administrative Burden

- » Create efficiencies and effectiveness across the healthcare industry

# Standard Transactions: Benefits

» Increase speed

» Reduce costs

» Enhance quality

» Patient and Provider Experience

  ➢ Right data at the right time for providers

  ➢ More time for patient care

# Success Stories

# Programs at a Glance

*Completed*

» Version 5010

» ICD-10

*Priorities*

» Health Plan Identifier (HPID)

» Certification of Compliance

» Claims Attachments

# Programs at a Glance

» Eligibility and benefits inquiry and response transactions

» Electronic claims

» Claim status inquiry

» Electronic remittance advice (ERA) and electronic funds transfer (EFT)

» Prior authorizations

# Evaluation Framework

» Does the proposed solution solve a problem?

» Does the proposed solution lead to administrative simplification across the healthcare ecosystem?

» Can the solution accommodate changes in technology and innovation?

» Is the solution enforceable?

# Outreach and Education

» Comprehensive Outreach and Education Strategy

   – Administrative Simplification Email Updates

   – Coming Soon! Website Refresh and New Resources

# Compliance and Enforcement

» Comprehensive Audit and Enforcement Strategy

- Enhancing complaint-based enforcement process

- Deploying updated tool to report complaints