DEAR CREDIBLE,

Based on Partner surveys and user group feedback, Credible is now providing monthly updates on billing and payer, clinical, and industry news to help keep our Partner community up-to-date. Below please find our monthly updates focused on industry oriented news. You can find all previous updates for billing and payer, clinical, and industry news in Credible Help under General Information > Release Notes and Communications.

**Legislative and Regulatory News**

**Dems want GAO to look at Obamacare mandate**

*Source: thehill.com*

Rep. Frank Pallone Jr. (D-N.J.), the ranking member of the House Energy and Commerce Committee, and Rep. Richard Neal (Mass.), the top Democrat on the House Ways and Means Committee, made a request for the GAO to evaluate the Trump administration’s enforcement of the individual mandate. Pallone and Neal wanted to know if the individual mandate was enforced for the 2016 tax year and if it will be in 2017. If the mandate is not going to be enforced, they want to know what it will mean for premiums and stability in the marketplace, and also how the
uncertainty surrounding the mandate's enforcement will affect health plans. They are concerned Trump's executive order is being used to stop enforcing the fee for not having health coverage. Insurers have filed initial rates and have cited uncertainty over the individual mandate and key payments to carriers as one of the reasons for increasing premiums.

**Sanders will offer 'Medicare for All' soon**
*Source: usnews.com*

U.S. Sen. Bernie Sanders visited the Franklin County Senior Center in St. Albans earlier this week and told a group of seniors that when Congress reconvenes in September he plans to introduce a proposal to the health care crisis that would make Medicare available to all. Sanders acknowledged that a “Medicare for all” bill is unlikely to pass in the Republican-controlled Congress and with Trump as president. Sanders said, "If we pass this thing, it's not going to be tomorrow, it would be the most significant step forward legislatively since I suspect the creation of Social Security in the 1930s."

**Senate panel begin bipartisan hearings on stabilizing health insurance market**
*Source: usatoday.com*

Hearings are scheduled for Sept. 6-7 with governors and state health insurance commissioners to look for ways to stabilize the individual health insurance market. The hearings will focus on stabilizing premiums and helping people in the individual market in light of Congress’ failure to repeal and replace the Affordable Care Act. According to Sen. Lamar Alexander, the Tennessee Republican who chairs Senate Health, Education, Labor, and Pensions Committee, “Eighteen million Americans, including 350,000 Tennesseans, songwriters, farmers, and the self-employed do not get their health insurance from the government or on the job, which means they must buy insurance in the individual market”. The attempts at a bipartisan approach to fixing health care mark a change in strategy after the failure last month of Republican efforts to repeal and replace Obamacare. Alexander has said lawmakers must find a way to stabilize the individual insurance market because millions of Americans will be unable to buy insurance unless Congress acts.

**California lawmakers to hold universal healthcare hearings**
*Source: modernhealthcare.com*

Speaker Anthony Rendon announced this week that California lawmakers will hold hearings on universal health care during the Legislature's year-end recess. Speaker Rendon made the announcement after enduring weeks of backlash from members of his own party for a health care bill passed by the Senate, which would have eliminated insurance companies in California and implemented a government-run health care system known as a single-payer system. Rendon says he supports universal health care but couldn't move the Senate bill forward because it lacked key details about how the system would function and how it would be funded. Sen. Ricardo Lara, who authored the Senate legislation, praised Rendon for the announcement stating, “I am glad the Assembly is joining the conversation about universal health care that started in the Senate this year.”

**Trump to declare opioid epidemic a national emergency**
*Source: thehill.com*

According to the pool report released by the White House, President Trump is drafting paperwork to declare the opioid epidemic a national emergency. The announcement was made during an appearance outside his Bedminster Golf Club saying, “The opioid crisis is an emergency, and I’m saying officially right now it is an emergency,”. “It’s a national emergency. We’re going to spend a lot of time, a lot of effort and a lot of money on the opioid crisis.”
Declaring a national emergency was the “first and most urgent” recommendation from the White House commission tasked with helping curb the epidemic. According to the Centers for Disease Control and Prevention, the nation has seen a significant uptick in deaths from opioids, with the rate of death from heroin and prescription painkillers quadrupling since 1999.

**Oregon GOP calls for special session on health care**
*Source: pamplinmedia.com*

Republicans in the Oregon House of Representatives are calling for a special session to address the state's Medicaid funding plan. Rep. Knute Buehler, R-Bend, an orthopedic surgeon and gubernatorial candidate, along with three House Republicans urged Oregon Gov. Kate Brown, in separate letters this week, to convene a special legislative session to reconsider that funding plan in light of issues at the Oregon Health Authority. The Legislature approved assorted revenues, ranging from a tax on insurance premiums to assessments on hospitals, earlier this year to fund the Oregon Health Plan, the state's Medicaid program. The calls come in the wake of revelations about the state health agency's handling of various aspects of the Medicaid program, from concerns that the state is paying for coverage for people who no longer qualify for the program, to internal agency plans to plant negative stories about a Portland-area nonprofit serving people on Medicaid.

**Governors' health care plan urges stabilizing markets**
*Source: witf.org*

Ohio Gov. John Kasich, a Republican, and Colorado Gov. John Hickenlooper, a Democrat, are urging Congress to retain the federal health care law's individual mandate while seeking to stabilize individual insurance markets as legislators continue work on a long-term replacement law. The recommendation is part of a compromise plan for stabilizing individual insurance markets that's designed to be palatable to both parties.

They wrote to House and Senate leaders of both parties, “The current mandate is unpopular, but for the time being it is perhaps the most important incentive for healthy people to enroll in coverage.” Experts concur that keeping younger, healthier people in the insurance pool protects against costs ballooning out of control. The letter was also signed by governors of six other states: Alaska, Louisiana, Montana, Nevada, Pennsylvania, and Virginia.

**Trump administration whacks millions from budget used to push Obamacare**
*Source: khn.org*

The Trump administration slashed millions of dollars from the government's budget to promote the health law's annual open enrollment season beginning in two months. The effect could cause more confusion for consumers in an enrollment period that is 45 days shorter than last year, running from Nov. 1 to Dec. 15. This move could also reduce marketing, with fewer navigators and trained representatives deployed by nonprofit groups that receive federal grants. The Centers for Medicare & Medicaid Services said “Grants to the nonprofits that supply navigators will fall by 40% to $36.8 million this year and advertising will drop by 90% to $10 million. The money will be spent in 38 states that use the government's healthcare.gov exchange.”

The administration’s announcement was denounced by prominent Democrats, former Obama administration officials, and navigator organizations.
Anthem to stop selling individual plans in much of Virginia
Source: washingtonpost.com
Anthem Blue Cross Blue Shield said that it will stop offering individual health insurance plans under the Affordable Care Act in Virginia next year, citing in part the uncertainty in Washington as lawmakers debate the future of the health care law. Anthem said in a statement that the decision was based on the shrinking individual market and "continual changes and uncertainty" in the operation, rules, and guidance of the law. According to a spokeswoman for Virginia’s Bureau of Insurance, Anthem’s departure leaves only one insurer to offer individual plans in more than half of Virginia’s counties and independent cities next year. The departure of the insurers means that many could find their doctors are out of network, with only one insurance company to turn to for an individual plan. A total of 360,000 Virginians bought health insurance this year through individual plans, the majority through Anthem.

The collapse of Community Health Systems
Source: axios.com
Just three years ago, Community Health Systems, (CHS) was the largest for-profit operator of hospitals, with more than 200 facilities throughout rural and suburban areas with growing populations. CHS is now losing money, with a mountain of debt and teetering on the edge of bankruptcy. According to industry insiders, CHS sits in a massive hole after a string of missteps, and it’s not likely to get better for CHS, or the local communities that rely on a CHS facility, as more people get treated in lower-cost outpatient centers instead of the hospital.

Happify Health raises $9M to expand behavioral health research business
Source: medcitynews.com
Happify Health, a digital health business in the subsector of behavioral health, has raised a fresh round of capital following the launch of a b2b business model last fall and roll out of a research unit, Happify Labs. TT Capital Partners, based in Minneapolis, led the $9 million round for the New York-based company with participation from Marketplace Fund II and Hills Capital among other previous investors. The funding will be used to accelerate their entrance into the healthcare and employer market by expanding its team, said Tomer Ben-Kiki, Happify CEO. In April, the company announced a partnership with Humana to provide emotional health support to chronic heart condition patients through digital interventions.

CliniComp sues to stop VA-Cerner contract
Source: modernhealthcare.com
Electronic health record vendor CliniComp International sued the U.S. Veterans Affairs Department for allegedly improperly awarding Cerner Corp. the contract to create a new electronic health record system by failing to conduct a competitive bidding process. CliniComp sued the federal government in the U.S. Court of Federal Claims claiming it could have been a contender for the massive contract to replace the VA’s current homegrown EHR system, VistA. CliniComp alleged that if the VA had researched whether there were any sufficient solutions available on the market, as is required by law, it would have discovered that CliniComp offers such a solution — one that the VA already uses. CliniComp wrote that failing to do that search violated the market-research requirement for the contract award. The VA announced it would award Cerner the contract in June, and VA Secretary Dr. David Shulkin said at the time that the agency had to forgo a competitive bidding process because of its immediate need for a
new EHR system. CliniComp, which provides EHR systems to the Defense Department and some VA facilities, says the VA did have enough time for open competition and violated federal law when it bypassed that requirement.

**House spending bill cuts ONC, AHRQ budgets in FY18**

*Source: healthdatamanagement.com*

The House Committee on Rules released a combined appropriations bill for Fiscal Year 2018 with proposed funding for federal agencies. If passed by Congress, the Office of the National Coordinator for Health IT would receive a budget of only $38 million next year as part of the legislation. While the Department of the Interior, Environment and Related Agencies Appropriations Act directs that the money be used for the “development and advancement of interoperable health information technology,” ONC’s funding level would see a reduction of almost $22 million from the $60 million it was appropriated for Fiscal Year 2017, which ends September 30. The ONC is not the only health IT-related agency facing a potentially significant decrease in its budget. The Agency for Healthcare Research and Quality is also on the congressional chopping block.

AHROQ, which supports important health services research addressing patient safety and healthcare quality as well as the application of HIT, would be limited to just $300 million.

The agency plans to issue draft guidance on the implementation of the Cures Act for public comment by the end of 2017. In addition, it intends to issue new guidance that delineates the clinical decision support software that is no longer under the agency’s jurisdiction, with the goal of releasing the draft guidance for public comment during the first quarter of 2018.

**Iowa's ACA waiver plan would redistribute subsidies from the poor to wealthier people**

*Source: modernhealthcare.com*

Does making health insurance premiums more affordable for healthier, wealthier people justify sharply increasing out-of-pocket costs for lower-income and sicker people? That's one of the key questions critics are raising about Iowa’s new proposal to revamp its individual insurance market and abolish its federal exchange. The state submitted the plan called the Iowa Stopgap Measure to HHS and the US Treasury Department Tuesday. Under Iowa's state innovation waiver request, residents would receive premium subsidies based on broad age and income categories, without using the Affordable Care Act's calculation to cap premium costs at a certain percentage of a person's income. The state revenue department would determine a person's eligibility and level of subsidy, rather than having that determination made by the federal exchange. Another change is that people earning more than 400% of the federal poverty level would be eligible for premium subsidies, however, people with incomes from 138% to 250% of poverty would no longer receive cost-sharing subsidies to reduce their deductible and coinsurance payments. Some experts predict Iowa's proposal could face legal challenges. Those could arise based on the so-called guardrails in Section 1332 of the ACA requiring state innovation waiver plans to cover at least as many people with benefits that are as affordable and comprehensive as offered by the ACA exchanges.

**HITECH Act drove EHR adoption**

*Source: beckershospitalreview.com*

According to a study in Health Affairs, annual EHR adoption rates among eligible and ineligible hospitals increased after the Health Information Technology for Economic and Clinical Health Act went into effect in 2009. The HITECH Act incentives EHR adoption through its meaningful use.
program. However, since only short-term acute care hospitals were eligible for the act's incentive program, there has been a debate about the extent to which large increases in hospitals' EHR adoptions can be attributed to the HITECH Act. Among eligible hospitals, EHR adoption rates in pre-HITECH Act period were 3.2 percent. This rate increased to 14.2 percent in the post-HITECH Act period. Ineligible hospitals, comparatively, saw adoption rates of 0.1 percent in the initial period and 3.3 percent in the later period. The study was conducted by Julia Adler-Milstein, PhD, at the Ann Arbor-based University of Michigan and Ashish K. Jha, MD, at the Boston-based Harvard T.H. Chan School of Public Health, and compared national hospital data on EHR adoption for the period 2008 to 2010 to the period 2011 to 2015.

The ACA stability "crisis" in perspective
Source: axios.com
Questions about the stability of the Affordable Care Act marketplaces have focused on how fast premiums will increase, and how many plans will participate in the Affordable Care Act. Another equally important question at the core politically, is: How many people will be affected by the sharp premium increases? About 6.7 million Americans buy coverage in the non-group market in and out of the exchanges, and do not receive premium subsidies. That is a significant number of people, and an urgent policy problem that requires congressional attention and action by the administration, but it's not a system-wide health insurance crisis. The non-group market has traditionally been the most troubled part of the insurance system, and it was worse before the Affordable Care Act.

Hospitals hope Trump’s pause of a Medicare reimbursement cut will become permanent
Source: modernhealthcare.com
The Trump administration said that they will freeze the 25% rule that dings Medicare reimbursement rates for hospitals for one year while it assesses whether the policy is needed. Long-term care hospitals around the country are hopeful the Trump administration will permanently abolish the proposed policy that would dramatically reduce their Medicare reimbursement. Under proposed rule, if more than a quarter of a long-term care hospital's patients come from a single acute-care hospital, the long-term care hospital would receive a reduced Medicare reimbursement rate for patients exceeding that threshold. According to the National Association of long term hospitals, the reduced rate would be between 50% to 60% less than what they would have received. According to the CMS, the long-term care hospitals will avoid an $85 million reimbursement cut in 2018 thanks to the one-year freeze.

82% of group practices rate MACRA’s Quality Payment Program as ‘very’ or ‘extremely’ burdensome
Source: beckershospitalreview.com
The Medical Group Management Association released its 2017 Regulatory Burden Survey conducted last July, that examines the federal regulatory demands medical groups face and how these demands affect practices. The survey includes 750 group practices, and the largest represented population was independent medical practices with six to 20 physicians.

Read the full survey findings here.

Mental-health startup raises $36.6 million to scale up services
Source: modernhealthcare.com
AbleTo, a Manhattan-based firm that screens people for behavioral-health conditions and offers technology-driven interventions, announced that they raised $36.6 million in a Series D funding
round led by Bain Capital Ventures. The firm also received funding from Aetna, an insurer it has been working with since 2011. Aetna's president, Karen Lynch, has been a champion of AbleTo and the field of behavioral health in general, and Rob Rebak, AbleTo's president and chief executive stated, “I think, almost more so than any other executive we’ve worked with, she realizes how critical it is to treat mental health at the core of overall health and wellness.” AbleTo helps the insurers, employers and health systems it works with identify and screen hundreds of thousands of patients who may be suffering from an untreated behavioral-health condition each year. It offers tens of thousands of them telepsychiatry and other digital treatment tools. According to a report CB Insights released this month, nationally the startups are on track to close a record number of venture-backed equity investments with funders this year after landing 25 deals last year.

Carolinas HealthCare System to enter into a joint venture with UNC Health Care

Source: modernhealthcare.com

Carolinas HealthCare System and UNC Health Care have signed a letter of intent to merge, combining North Carolina’s renowned academic health system with the state’s largest hospital chain. The two systems have agreed to start exclusive negotiations to join their clinical, medical education and research resources. The two organizations will focus heavily on improving access to healthcare in rural and underserved parts of the state, while also advancing cancer treatment. Gene Woods, president and CEO of 47-hospital Carolinas HealthCare System, said in a statement, “Together with UNC Health Care, we believe that the opportunities to be a national model and to elevate health in North Carolina are nearly limitless.” The combined health system would have about $14 billion in annual revenue, and employ 3,936 physicians. They intend to enter final agreements by the end of the year.

Percentage of uninsured Americans drops slightly to 8.8%

Source: healthcareive.com

The Affordable Care Act (ACA) has its share of critics, but one proven positive from the legislation has been more insured Americans. The National Center for Health Statistics 2017 National Health Interview Survey found the percentage of uninsured Americans dropped to 8.8% in the first quarter of 2017, which was 500,000 fewer uninsured people compared to a year ago. There were 20.5 million fewer uninsured Americans in the first quarter compared to 2010. The report said 12.1% of adults between 18 and 64 were uninsured in the first quarter and 5.3% of children 17 and under were uninsured. High-deductible health plans (HDHP) also continue to grow. The report said 42% of people who are under 65 with private insurance were enrolled in HDHPs in the first quarter, which is an increase from 39.4% last year.

Health policy experts are also watching the increase in HDHPs. These plans are popular among consumers because they have lower premiums than other options. Much of the coverage increase happened as a result of states expanding their Medicaid programs. The National Center for Health Statistics report found the percentage of uninsured adults in Medicaid expansion states dropped from 18.4% in 2013 to 8.6% in the first quarter of 2017. In non-expansion states, the percentage dropped from 22.7% in 2013 to 17.5% in 2015, but trended up to 18.4% in the first quarter.

Advisory Board split in $2.6B deal with UnitedHealth’s Optum buying healthcare business

Source: modernhealthcare.com

The Advisory Board Co. will be acquired by UnitedHealth Group and a private equity firm in an estimated $2.58 billion deal that splits the consulting group’s healthcare business from its
UnitedHealth's Optum health-services segment will take over the Advisory Board's healthcare business for an estimated $1.3 billion. The Advisory Board provides independent research, advisory services and data analytics for more than 4,400 healthcare organizations. Advisory Board shareholders will net estimated cash per share of $54.29, which includes a fixed payment of $52.65 per share and the after-tax value of its 7.6% stake in Evolent Health. Private equity firm Vista Equity Partners Management will acquire the Advisory Board's education business known as EAB, which includes the Royall & Co. division, for $1.55 billion. EAB, which provides research and technology services for more than 1,200 educational institutions, will operate as a stand-alone business. After that deal closes, expected by the end of 2017 or in early 2018 after Advisory Board shareholder and regulatory approval, UnitedHealth will pay $1.3 billion including the assumption of debt for the Advisory Board's health operation.

Webinars and Health IT Updates

Healthcare's growing focus on behavioral health data exchange
Source: ehrintelligence.com

EHR adoption and health data exchange have steadily increased across most care settings as a result of the EHR Incentive Programs. In a study published in the Journal of American Medical Informatics Association (JAMIA) researchers began investigating the lack of behavioral health data in primary care EHR technology. Researchers found that 27.3% of patients with depression and 27.7% of patients with bipolar disorder lacked a diagnosis of their mental illness in their primary care EHRs. In addition, data about mental health patient-provider encounters occurring in non-primary care settings were often nowhere to be found in the primary care record, and nearly 90% of acute psychiatric services at hospital facilities often representing the most severe treatment of mental illness were not present in the EHR. The absence of behavioral health data in primary care EHRs ultimately results in an incomplete picture of a patient’s health and could lead to information gaps having significant impact on patient care delivery. Integrating behavioral health and other data types into primary care EHR technology is imperative to mitigating these information gaps and avoiding potential inhibitors to positive patient health outcomes resulting from improperly managed mental health.

What covered entities need to know about OCR HIPAA audits
Source: go.xtelligentmedia.com

September 19th, 2017 3:00PM EDT — Speaker: Iliana L. Peters, J.D., LL.M., Senior Advisor for HIPAA Compliance and Enforcement, HHS Office for Civil Rights

OCR announced Phase 2 of its HIPAA audit program in 2016, which would focus on desk audits to review how healthcare organizations – and business associates – adhere to the HIPAA Privacy, Security, and Breach Notification Rules. Healthcare organizations must have the right policies and procedures in place, but they should also be aware of the documented OCR compliance program.

Interoperability

Hunt for behavioral health biomarkers harnessing digital health at research stage
Source: medcitynews.com
Digital health companies are going through a transformation as research institutions realize the benefit of their technology to collect and manage data for a host of studies. The biopharma industry’s embrace of some digital health tools to manage the costs of drug development has led to more frequent collaborations with research institutions, particularly in the behavioral health space. There’s also the great hunt for biomarkers and other clues that cognitive assessments can provide in piecing together data that can lead to earlier interventions from depression to schizophrenia. Discussed are a few examples of the convergence between digital health tools, behavioral health studies and academic research institutions.

White Papers

Achieving Interoperability: Charting the course for a more connected future
Source: beckershospitalreview.com
Healthcare needs data exchange that is truly interoperable, beyond the limitations of what many providers now experience. True interoperability is more than conveying giant C-CDA documents from one EMR to another, and more than combining clinical data with more clinical data. We must move from our silos and combine clinical, financial and operational data so clinicians and patients can receive information that is relevant and timely.

Download this white paper to learn about this.

Thank you for your continued Partnership,

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Mission: Improve the quality of care and lives in Behavioral Health for clients, families, providers and management.

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