The shift to digital quality measurement: What payers need to know and how to prepare

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The shift to digital quality measurement is underway and the deadline to achieve a digital-only state is fast approaching.

The Centers for Medicare & Medicaid Services (CMS) has set a goal for organizations to transition to digital measurement, using standardized interoperable data, for all its reporting programs by 2030. The National Committee for Quality Assurance (NCQA) has aligned with CMS's national quality strategy and is shifting its Health Effectiveness Data and Information Set (HEDIS®) program from traditional to digital quality measurement.

In this white paper, we explore the opportunities and challenges that healthcare payers face over

the next five years as they develop and implement a transition strategy.

The move to digital measurement

Ninety percent of health plans in the United States use the HEDIS performance measurement tool to determine how well they meet the needs of their members. But the traditional method of measuring and reporting quality has its limitations. The process is largely claims-based and portions rely on medical records that require manual coding, making it onerous and creating potential for errors. Due to the limitations in data availability, traditional HEDIS measures tend to be retrospective in nature.

NCQA provides details about the technical specifications for all measures in a written volume

containing hundreds of pages that includes guidelines for data collection, sampling, and reporting as well as instructions about how to perform calculations. Many plans rely on their vendor's interpretation to develop measure logic where certain written specifications are unclear, or allow the user or auditor to decide the best approach, which creates variation in measure results between vendors. Although NCQA certifies measures, it is an imperfect science where vendors vary on logic that isn't defined or certified through this process.

Digital measurement is meant to simplify and standardize this process. Instead of producing written specifications, NCQA will provide pre-coded measures embedded with technical specifications that vendors can plug into their digital engines, ensuring that measure logic remains the same regardless of the vendor. It will eliminate the need to interpret HEDIS specifications and code measures.

In addition, the process is more efficient. Currently, it can take up to 11 months for vendors to become fully certified after receiving the specifications. The move to digital measurement will allow NCQA to respond more quickly to certification requests because of pre-coded measures and changes that vendors can plug into their systems.

Most important, digital measurement will allow health plans to respond more quickly to the needs of their member populations. The current reporting system forces organizations to be reactive. Digital measurement will quickly provide information so organizations can offer specific services to members, such as cancer or diabetes screenings or vaccinations, and improve their care.

Health plan readiness

Despite the push to transition to digital measurement, most health plans don't have a strategy in place to get their organizations ready to support the new system. During a recent webinar of 300 health plan participants, Cotiviti asked attendees how many were ready to exchange data for quality use cases via Fast Healthcare Interoperability Resources (FHIR®) a standard that the federal government requires health plans use to exchange healthcare information between different computer systems. More than 70% of participants said they either didn't have a plan in place to use FHIR or haven't begun discussing the need for a plan.

Without the ability to exchange data in FHIR, the model chosen by CMS and NCQA, there is no digital measurement. So, plans must now get ready for the shift to digital.

The quality measures that are reported through NCQA HEDIS submission or to CMS each year are used to determine Star Ratings and quality bonus payments for Medicare Advantage plans earning four stars to higher. These payments have a significant impact on a plan's financial sustainability. Large plans that fall below the four-star threshold can see their annual revenue decline by as much as hundreds of millions of dollars. In addition, state Medicaid pay-for-performance programs can have similar financial incentives.

Necessary steps on the path to digital measurement

Although it may be difficult to gain strategic alignment internally within your organization for a goal that is five years away, it's crucial to begin planning for it now. It will take time, effort, and investment.

Interoperability initiatives are already in place at many health plans due to provisions of the 21st Century Cures Act. The key is to leverage the technology to use it for quality use cases. In addition, consider the budget and resources you may need to meet the 2030 target date. This may include hiring employees who have expertise in this new technology, or partnering with a vendor that can aggregate and translate data that you're not capturing today.

Case study: How one health plan is transitioning to digital quality measures

We asked leaders of a large health plan about their experience transitioning to a digital quality measurement system and their suggestions for other plans that are in the process of transitioning or just beginning their journey.

With more than 1.5 million members serving Medicare, commercial, and Safety Net lines of business, the plan began its move toward digital quality measures around 2021 and ramped up activities in 2022, coinciding with mandatory changes in reporting requirements and focusing on integrating clinical data from health information exchanges (HIEs) in its state.

The organization's strategy is driven by NCQA's push to fully transition to digital measures and Electronic Clinical Data Systems (ECDS) by 2030.

Leaders have taken a proactive approach to meeting the new requirements and focusing specifically on key measures like colorectal cancer screenings that are already transitioning from hybrid to ECDS. The targeted approach is essential, they said, due to the high costs and extensive resource allocation required for the transition.

The team is optimistic about their progress and remains committed to aligning with regulatory changes while improving overall healthcare quality. Leaders believe that the move to digital measures will provide more real-time and accurate health data, which will lead to timely interventions, better member care, and opportunities for proactive member engagement while avoiding unnecessary member outreach.

Challenges

Despite the benefits of digital quality measures, the health plan has faced several challenges, including:

- Resource allocation: The company has limited analytical and data resources to support the digital measures project while also working on other internal projects including their traditional HEDIS submission cycle.
- Leadership buy-in: Necessary for strategic budgeting and resource alignment.
- Unclear timelines: Initially, NCQA timelines were vague, but that has recently changed and become clearer.
- Managing costs: Need to prioritize efforts to transition measures from hybrid to ECDS to maximize investment returns. Significant investments go into acquiring data, but exact internal costs are challenging to pinpoint.
- Provider documentation: Differences in how providers document health information and operational practices among providers can lead to inconsistencies in the data received.
- Data integration: There may be legal issues around the usage of certified data beyond reporting for use within other internal teams.
- Dependence on external entities: Leaders said that that organizations depend on external entities like HIEs for data certification. Failures can impact their reporting capabilities.
- Internal coordination: There is a need to align various departments within the organization to leverage data effectively and ensure all stakeholders are aware of available data and its potential uses.
- Non-HEDIS measures: It remains unclear how measures like those required by many states and other measure stewards will be accommodated.

Key strategies and best practices

To overcome these challenges, leaders have embraced the following practices, with the end goal of creating a holistic approach to clinical data acquisition and exchange for all plan stakeholders:

- Strategic focus: Prioritize measures that are most impacted by transition from hybrid to ECDS to maximize the return on investment.
- Provider outreach: Cultivate relationships with providers to obtain necessary data. Educate providers on the measures and data needed.
- Internal coordination: Ensure organization-wide buy-in and awareness of how staff can use collected data.
- Leverage established relationships: Use existing partnerships with HIEs and risk adjustment teams to maximize data collection and usage.

Future considerations

The transition will continue over the next few years by focusing on:

- Interoperable standards: The organization will focus on shifting to interoperable standards but is aware of potential challenges due to varying data formats and vendor-specific layouts. Potential shifts in strategies to stay aligned with emerging standards like Fast Healthcare Interoperability Resources (FHIR).
- Real-time data integration: Moving from claims-based systems to clinical data integration for timely data.
- Engagement with NCQA and CMS for clearer timelines and alignment with future state requirements.

Five-year roadmap to transition to digital quality measures

2025-2026: Become “digitally enabled"

NCQA describes this as being able to:

- Administer components of measures fully digital
- Reference CQL engine through Digital Content Services
- Expand measure certification options to include pre-certified and digital certification

- Use digital measures for health plan reporting
- Use any supported CQL engine for processing

2027-2028: Become fully digital

NCQA describes this as:

- All measures are fully digital
- Hybrid measures are retired and replaced with measures that use full population data collection
- Plans have the option to maintain traditional development and certification

2029-2030: Become digital only

NCQA describes this as:

- Sunset traditional HEDIS Volume 2 paper specs
- Sunset traditional Measure Certification

10 ways to help ensure a seamless transition to digital quality measures

To streamline your transition toward digital quality measures more effectively, consider these best practices:

1. Define your strategy: Identify key measures that are transitioning from hybrid to digital quality measures (dQM) and prioritize data acquisition efforts on these areas to see the biggest return on investment.
2. Obtain engagement and buy-in: Ensure that you have buy-in from all levels of leadership and other departments within the organization. Clearly communicate the importance and benefits of the transition to digital measures to gain their support.
3. Leverage existing relationships to get necessary data: Make the most of your existing provider relationships and contracts, as well as connections with internal departments like risk adjustment that already have significant data.
4. Educate providers: Consider outreach and education campaigns for healthcare providers about documentation and data submission practices to enhance the quality and consistency of the data received.

5. Explain the benefit of real-time data: Emphasize the value of real-time or near real-time data to improve care management. Faster access to data allows more timely interventions and better health outcomes for members.

6. Follow timelines: Stay aligned with the NCQA and other regulatory timelines and requirements. Although the final dates for fully digital quality measurement environments might extend beyond initial estimates, it's crucial to follow regulatory roadmaps.

7. Prepare for parallel testing and reporting: NCQA recently announced that one year of parallel reporting will be required using both a traditional engine and a digital engine to submit HEDIS results. Ensure leadership is aware early on that additional resources and budget may be required to accommodate.

8. Plan your budget and resources: Recognize the high costs involved and plan strategically. Larger companies may have more resources, but this should not deter smaller organizations from starting with focused initiatives.

9. Coordinate with internal departments, especially IT: Ensure proper coordination between different internal departments. Often, the availability of newly acquired data might not be fully leveraged due to a lack of awareness or strategic use across the organization.

10. Be flexible: Be prepared for challenges beyond your control, such as data provider certification failures. Devise contingency plans for such scenarios to mitigate disruptions in your quality reporting processes.

Glossary of key terms

CQL: Clinical quality language (CQL) is a domain specific, standards-based language developed by HL7 to express quality measure logic and clinical reasoning. NCQA describes it as a way to communicate complex healthcare information clearly and consistently, in a way that both humans and machines can read and understand. CQLs are considered critical to facilitate interoperability among health IT systems. They are often used to define clinical quality measures in electronic form, supporting data exchange and enabling automated decision support across healthcare systems.

Digital quality measures (dQMs): CMS describes dQMs as quality measures, organized as self-contained measure specifications and code packages, that use one or more sources of health information that are captured and can be transmitted electronically via interoperable systems. NCQA offers dQMs as a self-contained downloadable package that includes technical specifications in both human-readable documentation and computer-readable codes.

Electronic Clinical Data Systems (ECDS): A network of data containing a plan member's personal health information and records of their experiences within the healthcare system. NCQA says EDCS may support other care-related activities directly or indirectly, including evidence-based decision support, quality management, and outcome reporting. Data in these systems are structured such that automated quality measurement queries can be consistently and reliably executed.

FHIR: Fast Healthcare Interoperability Resources is a next generation standards framework created by HL7. It is designed to facilitate the exchange of healthcare clinical and administrative data to be exchanged across different systems through a standardized format.

Health Information Exchange (HIE): A network that enables the electronic sharing of health-related information among healthcare organizations to improve the continuity and quality of care.

Healthcare Effectiveness Data and Information Set (HEDIS®): A widely used set of performance measures developed by NCQA to assess the quality of care provided by health plans.

Health Level Seven International (HL7): An organization that develops standards for the exchange, integration, sharing, and retrieval of electronic health information.

About Cotiviti

Cotiviti enables healthcare organizations to deliver better care at lower cost through advanced technology and data analytics that improve the quality and sustainability of healthcare in the United States. Cotiviti's solutions increase transparency and collaboration between payers and providers while empowering them to reduce medical and administrative costs, enable better health, improve claims payment efficiency, streamline operations, drive interoperability, and advance value-based care. Its customers serve the majority of U.S. healthcare consumers, providing coverage and care for over 300 million members and patients.

About RISE

RISE is an organization created on the foundation of connecting healthcare professionals with guidance, continuing education opportunities, and each other. Our customers are established and emerging leaders that work for health plans, provider organizations, government agencies, healthcare technology brands, consulting and service vendors, and community-based organizations. Our mission is to make meaningful impact on the healthcare industry by bringing together like-minded professionals for learning, networking, and innovating.