

## MEDICAL BANKING LEADERSHIP FORUM

October 14 and 15, 2009

### *Discussion Document*

#### **Designing the Healthcare Financial Network of the Future**

Over the past few years the medical banking community has focused primarily on the creation of programs that foster greater efficiency in health payment transactions. This task represents one front in the emerging area of how banks are engaging healthcare. These areas include aggregating health data transactions under the banking umbrella (claims, eligibility, remittance, etc) to potentially implementing new governance models that help to enforce general industry uptake of health standards. The programs today are relatively new and in their infancy, yet, it's important to vision the "healthcare financial network of the future" and to enter into discussions of how it could emerge.

In order to focus our dialogue, we will broadly define characteristics of this network as follows. You may think of other areas as well.

- *Value-Added Data Processing.* Redirecting paper-based payment processes into an electronic venue, and progressively adding value to an emerging data stream that is being aggregated by the bank, bank service provider and/or non-bank affiliated service provider. This effort involves paper conversion and data archiving, workstream automation and finally, decisioning tools that enable better enterprise management that include things like new credit programs for the business (provider and/or health plan) and consumer.
- *Real Time Community Care Platforms.* Enabling patient registration programs with real time and/or near real time payment processes that include better determination of patient responsibility, efficient funds transfer for patient owing balances and more. This effort may be described as the genesis of a movement to create community care platforms that are highly focused on the local healthcare program matrix of services and funding options for financing healthcare. This effort will likely incorporate the use of a card platform that offers specialized functions that work in concert with the community care platform.
- *Bank-enabled HIEs.* Architecting new Health Information Exchange (HIE) programs that leverage the bank's core competencies in online banking, customer marketing and adoption, aggregation of personalized customer information into one portal and other areas, in order to create a "health-wealth portal". This includes aggregation of quality health information, access to healthcare records and more, and will likely incorporate the use of a card platform to improve data portability and access as well as security of data.
- *Governance and Compliance.* Utilization of banking governance models to foster greater compliance with established standards (from comparative effectiveness and pay for performance to transactions standardization). This new area, still in development, was funded under ARRA and is known variously as an "independent health board", "US Health Board" or "HealthFed". The organization of these boards is patterned after the Federal Reserve in the banking industry.

There are other broad trends within the medical banking movement that will benefit from the core build out. These include medical tourism, merging medical banking with mobile banking, establishing health coaches within the bank's wealth management area and more.

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### The Platform – Where We Are, Where We Need To Be

The “platform” for healthcare payments today has received increased visibility due to a focus on administrative efficiency. The marketplace, projected to be \$2.6 trillion in 2009 by CMS, is still highly paper-based. While there is a need to change this paradigm it will require greater alignment among the primary stakeholders – providers and plans. This is true for both moving the “back end” payment cycle (E.O.B./Lockbox) to an electronic venue as well as for the “front end” programs that enable real time (credit card) or near real time capability (specialized platforms that enable H.S.A. funds exchange authorized by the consumer/patient, accessing charity/foundation programs, other).

A key requirement of this “platform” (used in the broadest sense) is the establishment of policies and procedures that, at a minimum, track the emerging global compliance requirements for data security and privacy. While privacy has always been prioritized in banking, the area has become highly sensitized due to the nature of health data and the need for absolute privacy and security of such data, including stringent controls for its access from all points – employers, insurance firms, banks, press, others.

There may be other key issues however we can start with these:

1. Alignment of industry stakeholders (varying internal interests)
2. Efficacy of transaction structure (as stipulated under HIPAA’s TCS regulations)
3. Enforcement of transactions (progressive industry compliance is slow)
4. Privacy and Security (highly sensitized as digital venues emerge)
5. Current focus on healthcare reform by federal/state governments
6. Other

Given the key issues and forward vision, the questions we want to dialogue include:

1. What does the healthcare network of the future look like; specifically; what function sets will it support? Please use the broad characteristics above as starting points for this discussion. In this exercise focus on functions not standards, best practices or who owns it. We will focus on these questions next.
2. Is it possible to prioritize these functions? If so, what does this list look like? Also, please organize the list according to “must have” (need to establish immediately – a critical path function set for the entire industry), intermediate needs (within 3 years) and future needs (within 5 years).
3. Starting with the most important functions, collectively decide what’s required to implement the function (or blocking its implementation) with a specific focus on:
  - a. Whether it should be a common function set accessible to all providers of service or a value-added service.
  - b. Is a standard / best practice required to implement the function set? If so, how should the standard / best practice be implemented by the industry. Is there a specific group that owns that process (by virtue of aggregating the right stakeholders)? How / should we support it?

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4. If we can get to a set of common functions, what options are available in the marketplace to implement these using a common platform? Please consider use of the S.W.I.F.T. platform, A.C.H. Network or other existing networks. Point out any challenges with these platforms, if we have enough information to make a determination and political issues if they exist.
5. Is it possible or advisable to develop a demonstration or pilot program that we, as a membership organization can support, that showcases the healthcare financial network of the future? What organizations represent possible support/funding sources for this effort? Role of universities, government or commercial firms? Other associations?

### **Discussion of New Industry Strategy**

Under the HIMSS umbrella, The Medical Banking Project will gain significant access to key decision makers across all the stakeholders. Our forward vision is to first stabilize our platform, creating a new membership category that enables longer term fiscal integrity. To do this we will create what we are calling “G7 Panels”. These panels, comprised of the core stakeholder groups – providers, plans and banks – will act in an advisory and voting capacity to build out the healthcare financial network of the future. All of our work will be documented and placed before this group for review and comment. This special membership class will involve a 3 year commitment. This group will refine our initial plan (developed at the 2009 Leadership Forum) and then move towards specifying future requirements.

We anticipate that the refined plan will then be distributed to the membership as a “Common Standards & Best Practices Guide” (or a similar type of document) for additional comments. This document will prioritize assistance for banks that want to engage healthcare. The document will be used to guide the creation of supporting workstreams to tackle the various critical path issues that will lead to long term success of the medical banking industry. Members can apply their input in these workstreams. HIMSS has a strong capability in the area of workstream management. The final plan will be published for the membership first so that they can continue to refine and their programs and services to support the creation of the healthcare network of the future.

The forums that we organize – Leadership Forum and annual Institutes – will be used to advance our work. This will involve use of the Forum for gaining critical feedback on our initiatives or to create new ones. We will work with Vanderbilt Center for Better Health, and other universities, to assist in this process. Thus we will involve universities into our effort so that we can include academic research into our planning as well as to create new medical banking centers of excellence that can help us to train a new workforce in our industry segment.

The Institute will, besides providing relevant content and effective networking programs, become a primary gathering place for our G7 Panels where we will dialogue issues with the marketplace. Government, university and commerce will be invited as well as all the healthcare stakeholders, to hear about our programs and for comment collection.

Documentation from the Institute will be used to guide our workstreams. G7 Panels will occur both in public and in private depending on the nature of the topics being discussed. Members will receive the first formal product from this activity before general industry distribution, if in fact general distribution is required.

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In this manner we intend to use the power of HIMSS to aggregate the stakeholders, organize and address the issues, create a common standards / best practices platform and provide first in line value to our membership. Finally, if our platform evolves into governance areas (i.e., “HealthFed”) we will have capability to support this.

It is our intention to be as open to the industry as possible. We will seek to foster cross-fertilization of planning and programs with the major and specialized industry groups that have aggregated the appropriate stakeholders that can fuel our vision. Thus we intend to create liaison relationships with the leading trade groups and associations and to support as appropriate their programming. A key objective will be to strengthen our ability to become a catalyst that spurs appropriate industry growth.

Finally, while we must focus on local issues our quest is global. HIMSS offers a growing educational platform with the United Nations, World Health Organization, European Union, Asian, European and South American constituencies and others. We will leverage this platform to build out the principles and practices in medical banking to support globally-oriented programs that are positioned to improve healthcare, like medical tourism, delivering health functions through mobile banking platforms (a critical access point for third world countries) and other areas.

### **Conclusion**

We have over the past few years learned a lot about what medical banking could be, what the market thinks about it, a realistic adoption rate and the core issues that should be addressed. Our task during the 2009 session is to reduce our collective experience into a common platform discussion, that emphasizes the key functions, qualities, standards and best practices that should be adopted industry-wide to move the medical banking platform forward. We look forward to engaging you in this vital discussion.