IMPROVING HEALTHCARE SERVICES AND SYSTEMS IN AN ERA OF UNCERTAIN CHANGE
Five trends that will continue to drive state agency innovations

States can be sure about two things in these uncertain times around healthcare and insurance. First, they must continue their mission of delivering programs and managing costs. Second, states must prepare for upcoming changes. No matter what happens, the following five trends will continue to require the focus of state health and human services departments.

**TREND 1: INTEGRATION OF MENTAL AND PHYSICAL HEALTH SERVICES**
Parity of physical and mental healthcare — including substance use — is the law, erasing the administrative distinction between the two. This parity may be a driver of system integration, along with greater use of and support for mental health services.

These drivers mean healthcare management systems must be integrated and support new capabilities such as a medical “home” and shareable records to avoid duplication of services. This integration may be completed as part of an overall system modernization, and will benefit from the knowledge and strategic planning services of First Data across all programs.

**TREND 2: EMPHASIS ON PERSONAL RESPONSIBILITY FOR HEALTHCARE USERS**
The focus of healthcare itself is changing from simply treating a condition to focusing on patient wellness and disease prevention. Increasingly, states are using data analytics to identify best practices for care delivery. New efforts such as better educating patients and coordinating care through navigators will also need support from the healthcare management system.

First Data helps states design a modernized, modular system with the flexibility to support this patient focus as well as other unforeseen changes in healthcare delivery methods, payment structures and regulatory requirements.

**TREND 3: HIGHER STANDARDS FOR PERFORMANCE MANAGEMENT AND REPORTING**
As healthcare payment models transition from fee-for-service to pay-for-performance, complete and accessible data will become even more important to measure and report service quality to federal regulators and state legislatures. Agencies will also need to define supplemental metrics that reflect the unique challenges and drivers for healthcare services in their state.

The focus on service quality will mean more than simply collecting data points, putting them into a table or graph, and then setting it aside until the next reporting deadline. An agency may need to shift its culture to focus on gathering and using data to obtain high-value, actionable insights. First Data can help states define and report these performance metrics, including compliance measurements for federal programs and client satisfaction surveys. First Data will also help interpret and analyze the results so agencies can create change accordingly.

**TREND 4: A MODULAR APPROACH TO HEALTHCARE MANAGEMENT SYSTEMS**
New federal guidelines direct states to modernize their healthcare management systems with a modular architecture instead of the single, monolithic design of the past. As of October 2017, modularity allowed an agency to select the best components and new, pre-certified modules and vendors for each aspect of the system. This flexibility of choice includes commercially available software and cloud-based services, and will help an agency keep pace with emerging technologies.

Yet, bringing together multiple solutions and vendors requires a greater need to effectively manage projects, communications, contracts and stakeholders. First Data can help agencies establish an enterprise Project Management Office (PMO); oversee system integration; and support all aspects of strategic planning, quality assurance, cost benefit analysis, and independent verification and validation (IV&V) activities.
The Centers for Medicare and Medicaid Services (CMS) is adopting new approaches to systems based on best practices from the public and private sectors. These changes impose new requirements on states when they implement Medicaid systems, but they also present avenues to enhance project funding, engagement and support.

**Best Practice: An Expanded Medicaid Enterprise**
The “Medicaid Enterprise” concept encompasses the complete suite of services to support state Medicaid programs. To implement this concept, states need to expand their definition of the Medicaid Enterprise to include data warehouses, eligibility and enrollment systems, electronic visit verification and related systems. Although this definition shift may impose new requirements on these systems, Medicaid provides generous funding for their implementation. First Data will help states interpret, understand and adapt their system implementation projects to maximize the benefits of an expanded Medicaid Enterprise and minimize its costs.

**Best Practice: Checklists for Healthcare Services**
Healthcare is experiencing a checklist revolution across all aspects of service delivery. Adapting to this checklist approach can be a challenge for both the state program and healthcare providers, but a well-crafted change management process can ease the transition. First Data can help states define and implement checklist systems and the change management process.

**Best Practice: Certification Toolkits**
Currently, CMS requires states to use the Medicaid Enterprise Certification Toolkit (MECT) and the Medicaid Eligibility and Enrollment Toolkit (MEET). These toolkits give states clear, consistent and transferable system frameworks that are aligned with CMS requirements. Adopting the Medicaid toolkits and more checklists across all healthcare programs will change a state’s approach to implementing new systems. First Data can help states adapt to these changes and realize their value.

**Best Practice: Project Support Vendors**
CMS requires IV&V on new Medicaid Enterprise system implementations and strongly recommends using system integrators and enterprise PMOs to coordinate, streamline and support state efforts. CMS will extend these requirements and recommendations to enrollment and eligibility systems and other systems based on experience in the Medicaid Enterprise. States may request funding for these IV&V services through the Advanced Planning Document (APD) process. First Data will help you structure your IV&V process, requests and oversight to maximize the return from project support vendors.

**TRENDS WITH ENDURING IMPACT**
It’s clear that the five trends discussed here will continue regardless of changes that emerge from congressional action or federal programs. By addressing these trends when modernizing their healthcare management system, states will be better positioned to respond to these changes and sustain efforts to control healthcare costs.

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**ENDNOTE**

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First Data Government Solutions has helped states across the country in planning, implementing and operating modern HHS programs. To learn more about how our experienced team can support your efforts, please contact:

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