Executive Summary

With the shifting financing and service delivery landscape in the behavioral health field, how can organizations keep their competitive edge? How do they keep up with the new demands for customer-centric, high-quality care in a pay-for-value world?

Rapid changes in the science of treatment, reimbursement models, and policy have made it a necessity for management teams of health and human services organizations to make significant changes in a relatively short period of time.

Technology (along with access to capital and workforce management) is a critical element for these organizations to respond to and remain ‘best in class’ in their markets. The issue for most is that the technology functionality that was “cutting edge” just a decade or more ago is no longer adequate to support the high-performing health and human service organizations in the current market. For most behavioral health organizations in particular, their electronic health record (EHR) systems are the backbone of their service line operations. But, their current EHR systems are not providing key transformational functionality needed in the new service delivery landscape — clinical management support across the continuum of care, enterprise management capability, interoperability, enhanced configurability, and end user ease of use. The strategic problem for most is the functionality of these first generation EHR systems is not robust enough for organizations to remain efficient, effective, and competitive.

To meet the new functional needs of behavioral health organizations, there is now a group of innovative EHRs entering the market either as transformed legacy systems or entirely new players in the market. These EHRs have been developed by companies that are investing the time and money to either enhance current systems to include the transformational functionality needed in today's market or build that new transformational functionality from the ground up.

These transformational EHRs are creating new market options for management teams of behavioral health organizations. The question for these management teams is what is the specific functionality they need to support their evolution to 'next generation' players in the field — and how do they determine whether they need to replace their current EHR to support their competitive advantage? This white paper examines those issues — the shifts in the field, the effects on competitive advantage, and the transformational functional elements that are available in second-generation EHRs.

“Remaining efficient, effective, and competitive can be challenging as changes occur throughout the health and human services industry. Position your organization for success by selecting an EHR with all the functionality needed in today's market to support your competitive advantage,” said Ravi Ganesan, President of Core Solutions.
The Market Shifts Re-Shaping The Competition

Rapid changes in the science of treatment, in reimbursement models, and in policy, have made it a necessity for management teams of health and human services organizations to make significant changes in a relatively short period of time. For organizations serving consumers with chronic conditions and complex support needs, these market shifts include:

- The shift from pay-for-volume to pay-for-value
- Emerging opportunities (and challenges) in integrated care coordination
- Meaningful use as a barometer of technological adequacy

The shift from pay-for-volume to pay-for-value

In a relatively short period of time, the shift from paying for volume of services to some form of pay-for-value (pay-for-performance, pay-for-success, and risk-based contracts) has occurred at a variety of levels in the health and human service field.

Health plans are changing reimbursement to provider organizations and clinical professionals. At a minimum, these new reimbursement schemes are bonuses for ‘good performance’ in traditional fee-for-service systems. At the other end of the reimbursement relationship continuum, health plans are seeking gainsharing arrangements with provider organizations that share in the financial risks and rewards of population health management.

The challenge for the management teams of behavioral health provider organizations? These new reimbursement arrangements require new organizational and technological capabilities – with the ability to develop performance measurement plans that are unique to each health plan and can be modified in short order. These new relationships also require technology that goes beyond just the clinical encounter and includes financial and administrative system data from across the organization.

Emerging opportunities (and challenges) in integrated care coordination

Over the past five years, health plans have slowly but surely changed their preferences for how consumer care is managed. The change? A demand for provider organizations that can offer ‘whole person’ consumer care management – across all health care specialties, including behavioral health. What started as Medicare accountable care organizations (ACOs) and Medicaid health homes in the Patient Protection and Affordable Care Act (PPACA) have morphed into the predominant care coordination models in all types of health plans.

Many health plans now have entered into arrangements with ACOs to manage the health of a specific population – from Medicaid and Medicare to commercial and military populations. As a result, there are now over 700 ACOs in the United States. Typically, the health plan arrangement with the ACO designates the ACO, its network, and the

“Your EHR is an essential part of the strategic technology functionality that is critical to organizational sustainability and success. Executives need to be thinking about technology functionality as an element of strategy – and updating their technology choices each time their strategy changes,” said Monica E. Oss, Chief Executive Officer of OPEN MINDS
service delivery system for consumers. The ACO receives payment for services that have a significant financial contribution from measures of ‘value’ — in terms of both spending and consumer health status.

In addition, many health plans and ACOs are contracting with primary care practices and community-based provider organizations to serve as medical homes for their consumers. The organization in this role needs the ability to manage all aspects of consumer care in all treatment settings and to track consumer participation in health self-management activities.

Furthermore, the reimbursement for medical home activities is not standardized at this point in the evolution of the market. Some health plans and ACOs reimburse medical homes on a fee-for-service basis for a range of chronic care management activities, and some reimbursement models are capitated service models — and both can have performance measures and pay-for-performance components that are unique to the health plan.

The challenge for the management teams of behavioral health provider organizations? ACOs are becoming the exclusive networks for many health plan populations — and behavioral health provider organizations need a strategy to either become part of an ACO or communicate easily (and immediately) with ACO provider organizations. Likewise, if the provider organization is going to play an active role as a medical home, the ability to manage care across a wide continuum of care and the ability to receive and send consumer-specific health information with other health care organizations is key.

**Meaningful Use as a barometer of technological adequacy**

Meaningful Use has also set up groups of objectives that must be achieved in order to qualify for the Centers for Medicare and Medicaid Services (CMS) Incentive Programs. These objectives were put in place to achieve better clinical and population health outcomes, as well as increased transparency and efficiency and more robust research data on U.S. health systems. In order for organizations to achieve these objectives, they require certified EHRs that can meet the criteria needed for each stage of Meaningful Use. 2014 marked the first year providers could be eligible to participate in Stage 2 Meaningful Use Incentive Programs focused on advanced clinical processes. EHRs have been evolving to meet Stage 2 criteria, but not all have received Stage 2 certification. Without a certified EHR system, providers are unable to meet the Meaningful Use requirements necessary to receive reimbursements. This has forced some eligible providers to re-enter the market looking for new certified technology able to meet these requirements.

Along with the ability to meet Meaningful Use requirements, certified EHRs contain much of the functionality needed to remain competitive in today's changing market. For an EHR to meet the criteria for each stage of Meaningful Use, they must meet a number of core and menu objectives which could include functionalities such as securely communicating health information with patients, recording electronic notes, and generating and transmitting electronic discharge prescriptions. To obtain their certification, these new systems are also required to report on a number of clinical quality measures on health care domains such as population and public health, patient and family engagement, and care coordination. It is important for purchasers to look for and use certified EHRs to not only have the ability to meet Meaningful Use requirements, but also to obtain many of the key functionalities necessary to remain successful in today's market.

These are a few of the big drivers for management teams in the current market. Most organizations are adapting their mission, vision, and objectives to keep pace with the macro changes in the field, while also changing their strategies to align with the demands of health plans and consumers. And most management teams need a
technological infrastructure that not only supports the current needs — but will support the needs we know of for the future and those that are not yet clear.

Due to these big market drivers and the need for more robust systems, a new wave of highly educated purchasers are entering the market and driving the evolution of next generation EHR systems. EHR vendors must be innovative and consumer-focused to build the platforms necessary to keep up with the industry challenges, changes, and demands experienced by providers.

To meet the new functional needs of behavioral health organizations, there is now a group of innovative EHRs entering the market either as transformed legacy systems or entirely new players in the market. These EHRs have been developed by companies that are investing the time and money to either enhance current systems to include the transformational functionality needed in today's market or build that new transformational functionality from the ground up.

To meet new market needs, a new group of next generation innovative EHRs are manifesting and entering the market through two primary venues — either as transformed legacy systems or entirely new players in the market. These legacy systems present when companies invest time and money to enhance their current systems to include the transformational functionality needed to address the new era of challenges and respond to more informed consumer populations. The second venue, new market players, are new companies entering the market providing new EHRs built from the ground up with the transformational functionality needed in today's market. New players are entering the marketplace, primed by legacy systems, at a faster rate causing disruption with new innovative solutions that capitalize on the historic information available to them at the time these systems were designed.

These new and enhanced systems are now expected to be the central hub for provider organizations with the transformational functionality needed to remain efficient, effective, and competitive. The focus has moved to certified EHR technology that includes clinical management support across the continuum of care, enterprise management capability, interoperability, enhanced configurability, and end user ease of use. Purchasers are demanding highly customizable systems that allow for integration and interoperability with increasingly robust infrastructures. Expectations have been set for these new EHRs to meet the challenges being faced within the industry and the demands behavioral health organizations must meet each day. These second generation EHRs are making this demand a reality with their increased functionality designed not only to meet basic needs, but to shift to meet new challenges and expectations in the field.

**Key Characteristics Of Second Generation EHR Systems**

With highly educated consumers and a shifting landscape, second generation EHRs must include a number of key characteristics to meet the needs of today's complex health and human services system. So how can organizations tell if an EHR has the specific functionality they need to support their evolution to next generation players in the field? These easy-to-use, highly flexible enterprise class solutions support management of the full continuum of care while providing the interoperability and integration capabilities needed to support competitive advantage in today's market. The specific functionality that should be considered to ensure an organization's replacement EHR can support their competitive advantage includes:
Managing the entire continuum of care

These second generation systems are more than just a platform for billing but also provide the ability to record care activities and assist in managing care – across all levels of care. With a focus on the clinical professional and the service delivery continuum, EHRs need to go beyond standard billing functions. These EHRs need to be tools for care management and decision support. These tools allow organizations to collect the clinical data necessary for financial benefits in current pay-for-value systems. Without this functionality, EHRs are not equipped to support organizations operating in the shifting pay-for-value system to receive bonus payments for positive performance and outcomes.

In order for organizations to effectively operate and remain truly competitive in today's market, they must have the tools to record and measure the value of the services being provided across the continuum of care. This transformational functionality also allows for participation in the growing practice of population health management. Recording data throughout the continuum of care allows organizations to identify ineffective health care practices and improve the care being delivered.

Enterprise-wide reach

With the move to pay-for-value, provider organizations need EHR functionality that can help manage the organization (and all the consumer and payer relationships). Your EHR's ability to integrate clinical, administrative, and financial data is key in remaining competitive in a market with multiple models for service delivery, contracting, and financing.

Interoperability

New EHR systems are built to share information within and between organizations. Where there is more available data, better decision-making is sure to follow. This ability will be critical for the future survival of specialist organizations in behavioral health.

Ease of use for professionals and consumers

The next-generation EHR is more than an electronic filing cabinet. It is the platform for treatment planning and delivery by clinical professionals. It is the hub for consumer communication. It’s dare we say, 'user friendly'.

Configurability

Flexibility and customization are always critical for competitive success in a changing market. Second generation EHRs are configurable – which allows platform changes to be made when the market changes (or strategy does).
managing the entire individual health experience. This ability to capture data along the entire continuum of care, throughout the entire organization, equips organizations with the full range of data necessary to remain competitive in a shifting market with multiple models for financing and care delivery. These systems are not only collecting and recording data on consumers and their care, but also on the information needed to maintain successful relationships with the multiple payer sources organizations work with daily. With an EHR built with enterprise-wide reach, organizations are able to easily maintain these successful relationships with payers and consumers, increase efficiencies throughout the organization, provide improved care for the consumers they serve, and meet requirements for numerous financing models.

**Interoperability**

With the increasing need to pass valuable clinical data and information within and between organizations, new EHR systems are built with more robust infrastructures to share mass amounts of information within and between organizations. This sharing of data among and between organizations is critical to the survival of specialist organizations like those in the behavioral health field. Second generation EHRs have the interoperability needed to pave the way for specialist organizations and more intense forms of integrations and communication throughout the health and human services industry. These new interoperable systems are heavily reliant upon the adoption of industry standards.

The 2015 Interoperability Advisory currently stands as the model for which the Office of the National Coordinator for Health Information Technology (ONC) will coordinate the assessment and determination of the best available interoperability standards for the industry's use for specific health care purposes. The ONC has proposed a timeline and critical actions that should be taken for EHRs to be interoperable by 2017. With these new standards, interoperability and the functionality to achieve these standards will quickly become the foundation both for the adoption of clinical models and reimbursement reform beyond the pilot status most are currently in. Health and human services organizations are recognizing the ability to exchange and embed clinical information is necessary in order to not only manage the entire continuum of care, but to fully implement new clinical models and meet the requirements needed for new reimbursement reform policies.

**Ease of use for professionals and consumers**

The new EHR is more than an electronic filing cabinet. It is the platform for treatment planning and delivery by clinical professionals. These systems are the hub for consumer communication. Efficient and effective EHR systems must be ‘user friendly.’ Complex user interfaces and difficult to navigate systems will no longer meet the needs of the individuals most frequently using them. In order to provide an effective platform for treatment planning and delivery by clinical professionals, EHRs can no longer simply store patient records but must provide the tools necessary to manage care activities and provide decision support throughout the full continuum of care.

These second generation EHRs have been built with simpler designs and structures not only to provide an easy to use treatment planning and delivery solution for clinical professionals, but also to provide systems that are easy for clinical professionals to learn. These easy to use, easy to learn systems increase the efficiency of clinical staff, while also improving communication with consumers.
Configurability

In the current market, flexibility, customization, and configurability are the watch words for competitive success. As organizations are changing their mission, vision, and strategies to remain competitive and keep up with the shifts occurring in the market, their EHR needs to have the ability to make changes in the platform to keep up with not only these organizational changes — but to support the changes and needs for the future as well. Second generation EHRs provide organizations with a configurable system that allows changes to be made in the platform as the organization’s strategies change. This ability to easily change the EHR platform allows organizations to effectively control the costs associated with change management and decreases the need to continually search for new EHR platforms to meet the needs of the organization as the industry changes. These configurable EHR platforms also need to be customizable in order to allow your organization to not only use out-of-the-box forms and dashboards, but to alter standard forms to track the data most valuable and necessary for your organization. Truly configurable and customizable systems will continue to meet the needs of your organizations both in the near future through to the unclear changes that will be necessary in the long-term. These systems equip organizations with the technology necessary to remain efficient, effective, and competitive as multiple financing and service delivery models enter the health and human services market. It’s key to find a system that offers the flexibility and customization your organization needs for continued success in the years to come.

Does Your EHR Have The Transformational Functionality To Support Your Competitive Advantage In Today’s Market?

Do you have a second generation EHR? Below we’ve listed the new components of second generation EHRs (not previously available in earlier systems). Use this simple yes/no checklist to see if your system is ready to support your organization in the years ahead.

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<tr>
<th>Characteristics/Components</th>
<th>Yes/No</th>
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<tr>
<td>Serves the entire enterprise (multiple relationships)</td>
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<td>Interoperable</td>
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<td>Supports Integration</td>
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<td>Manages the continuum of care</td>
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<td>Easy implementation, training, and use</td>
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<td>Configurable and customizable pre- and post-implementation</td>
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Changing Landscape Leads To Robust Systems

The health and human services industry has ended up with a large need for new technology. Industry trends have begun influencing the changes happening throughout the market, as well as changes throughout the EHR company landscape. EHR companies are building innovative new EHRs and transformational functionality to support organizations throughout the health and human services field. Current big market drivers and highly educated purchasers are forcing EHR companies to develop new and enhanced EHR platforms with the necessary transformational technology to simultaneously improve operations and care.
To efficiently and effectively respond to the rapid changes in the science of treatment, reimbursement models, and policy, more robust structures are being required with EHRs as the central hub of the organizations providing services. Previous EHRs were not designed to respond to the challenges faced by today’s health and human services providers. This demand for new technology and lack of current systems capable of meeting the demands of today’s industry creates the need for the next level of innovation both from legacy EHR providers and new market entries who are already disrupting and revolutionizing the industry.

For organization's choosing not to move to second generation EHR systems, there will be a number of challenges faced while sticking with a first generation EHR. Organization's operating on outdated, first generation EHR systems will undoubtedly see a decrease in utilization of their EHR system by increasingly frustrated staff which may cause a number of additional problems with billing, reimbursements, patient care, and the delivery of services. Staff require easy to use systems both for themselves and for the consumer in order to be efficient in their day-to-day activities. Along with decreases in utilization and frustrated staff, organizations may see decreases or delays in reimbursements from using systems that aren't meeting the highest levels of certifications. These systems could also pose risks to the safety of the individuals being served through the inability to effectively communicate health information, track medical history and current medication records, and manage the services and care being provided. Outdated EHR systems also lack the functionality and capabilities to easily implement new services and programs throughout your organization. Second generation EHRs have been built to be increasingly configurable and customizable in order to combat many of these challenges while still providing easy to use systems to decrease staff frustrations.

While your first generation system may be meeting your present technology needs, these systems are missing many of the key functionalities necessary to succeed in the changing market. Not only are second generation EHRs built to meet the needs of your organization in today's turbulent landscape, but these systems provide the flexibility to continue meeting the unkown and changing needs of your organization in the long term. As your organization and the health and human services landscape changes, be sure your EHR system is capable of keeping up.
References


For additional information, please review the following articles below:


