

A venture-backed clinical data company, ClientCo, must deliver MIPS (Merit-based Incentive Payment System) reporting for a large clinical data set to Medicare within 9 months. ClientCo asked Zaazi to architect the clinical data elements to allow MIPS reporting.



As of 2018, 34% of the United States were enrolled in Medicare or Medicaid.[1] As a result, many providers must accept Medicare or Medicaid insurances for health care services. To be fully reimbursed for care provided for patients with public health insurance, care providers must submit to a Quality Payment Program (QPP) as specified by the federal law nicknamed MACRA (Medicare Access and CHIP Reauthorization Act of 2015). The QPP seeks to reward high-value, high-quality clinicians with bonuses, while incentivizing lower performing care providers to increase their care quality. The Medicare arm of the QPP is the Merit Based Incentive System (MIPS). In short, MIPS reporting requires that a physician send data files to the Centers for Medicare & Medicaid Services (CMS). These files contain elaborate reports generated from their clinical data for the calendar year that demonstrate how effective CMS considers the clinician was at giving high-value, high-quality care. If the care providers meet certain scoring criteria, the care providers receive a monetary bonus. It is common for care providers to hire a 3rd party company to generate these data files from their electronic health records.

## **Opportunity**

ClientCo had two primary products developing simultaneously: reporting to MIPS for providers and clinical data analytics for pharmaceutical companies. ClientCo was focused on MIPS because the company was contractually obligated to report MIPS to CMS. This product required ingesting a large clinical data set to report their client's MIPS scores to CMS for reimbursement. ClientCo was struggling to define and delineate an MVP for this product that would launch within their allowed timeframe. ClientCo hired Zaazi because of our expertise in clinical data interoperability, quality metrics and gaining clinical insights out of structured data.

#### **Expertise Applied:**

- > Interoperability
- > Data architecture
- > Product management
- > Quality reporting
- > Strategic repositioning

[1] Health Insurance Coverage in the US, 2018. https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-267.pdf

### **Solution**

Zaazi started with the leadership team to align on current mission and goals. In preparation for architecting ClientCo's clinical data elements, Zaazi mapped the current state of the MIPS product from data ingestion through planned market launch. Zaazi also performed a risk assessment on this product. During our investigation, we determined the critical pathway was the data ingestion team. The team was not on track to hit their milestones. Zaazi facilitated communication resulting in the data ingestion team concluding they would not finish the MIPS product by the required timeline. By the deadline, this team estimated they would only be able to:

- > Report 10% of the quality metrics required for MIPS
- > Ingest 5% of the required practices that needed to report to CMS

By the time Zaazi discovered this, ClientCo was less than 9 months away from the promised deadline. Zaazi uncovered three main factors explaining the inaccurate time frame:

- 1. The engineering team thought their proprietary in-house algorithm would automate the aggregation of many "low hanging fruit" data elements, but this new technology couldn't be applied to clinical data.
- 2. It was assumed the data elements required for MIPS and ClientCo's clinical pharma product were similar, but in reality, less than 30% of the data elements overlapped.
- 3. Due, to leadership turnover, many engineers left leaving holes in existing tech stack.

Because of the scale of the promised solution, Zaazi encouraged ClientCo to consider several of solutions simultaneously:

- > Decrease the scope of clinical data elements required for the MVP to only encompass MIPS requirements, with resulting delay in clinical lab product
- > Hire a 3rd party to deliver MIPS for ClientCo
- > Report fewer MIPS quality metrics this upcoming year
- > Report fewer provider MIPS quality metrics
- > Renegotiate the contract to delay MIPS reporting for another year

It was discussed whether hiring more engineers would accelerate the product. However, with less than 9 months to the product launch, it was determined that the ramp up time would be too long to meaningfully accelerate the project. It was also discussed whether ClientCo could shift engineering resources to the MIPS team. However, bolstered by the previous erroneous assumptions, the company had felt confident in splitting their engineering efforts to develop the pharma analytics product alongside their MIPS product. This resulted in 50% of their engineers having no familiarity with the MIPS product or tech stack. The ramp up time of these engineers was again deemed to be too long to meaningfully accelerate the project.

#### **Results**

Zaazi's strategic dissection of the entire MIPS product brought clarity to business decisions the leadership team needed to act on. Based on Zaazi's analysis, ClientCo was able to pivot effectively to provision a new team to negotiate hiring a 3rd party for delivering MIPS this calendar year. Zaazi was redirected to evaluate the overall business strategy for ClientCo across ClientCo's product portfolio.

# **Zaazi | Strategic Planning**

In this industry, technology usually involves products and the product directions reflect the organizational direction. We specialize in understanding the core initiatives and complexities of medtech products and technologies. We then bring this understanding to the C-suite and facilitate leadership alignment that creates clear company initiatives. Our clients gain a new focus to move forward and build more enterprise value with less friction and expense. Our strategic planning engagements are most effective for well-seeded startups and venture-backed growth companies.

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#### **About Zaazi**

Zaazi is a medtech consultancy in Boston MA. We help healthcare enterprises leverage technology and grow. Our core strengths include business strategy, technology architecture, clinical workflows, medical software, healthcare data, security and regulation. We are a go-to resource for custom and platform-based development while testing and quality assurance is represented extensively throughout our work.

Our finished projects reduce cost and complexity for our clients and position them to accelerate growth and scale operations. With our flexibility, we carefully apply select resources to projects on an as-needed basis. As a result, our projects deliver a considerable business impact and require a fraction of the investment of a large consulting firm.

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