## 21st Century Cures Act: Impact on Hospitals



The new law, signed by President Obama just recently, focuses on key initiatives intended to improve access and treatment for various kinds of care. Experts say healthcare execs need to work closely with a variety of medical professionals – e.g., pharmacists, physician leaders, EHR vendors and IT employees – to use the law's new provisions to make changes that improve patient outcomes and hospital performance.

The 21st Century Cures Act includes several provisions specific to hospitals, including:

- Hospital outpatient departments that were under construction before Nov. 5, 2015 are now exempt from Medicare pay cuts scheduled to happen under the new Outpatient Prospective Payment System (OPPS) in 2017.
- CMS must now take patients' socioeconomic status into account in the Medicare Hospital Readmissions Reduction Programme. Experts say this is especially beneficial for hospitals that treat poorer patients, who often have issues with access to care and other resources that negatively impact their health.
- For long-term acute care hospitals, delay until 1 October a rule penalising hospitals that receive one-fourth or more of their referrals from a single source.
- Hospitals may have more alternatives to drugs and medical devices available over the coming years, which could help with the rising costs of medications.

*See Also*: VBC: Making Changes that Last

**Funds for Health Research**

The new law authorises the feds to set aside $1 billion over two years for initiatives designed to prevent opioid abuse, and an additional $4.8 billion over the next decade for biomedical research, including $1.8 billion to fight cancer.

In addition, the Cures Act allocates $500 million for the FDA to speed up its process for approving drugs and devices, increase patient participation in approval efforts, and streamline reviews of products that are both drugs and devices.

**Health IT Updates**

The legislation places focus on several areas of health IT – most notably, interoperability for electronic health records (EHR) systems. It requires EHR developers to use open application program interfaces (APIs), which makes it easier for systems to be customised for individual hospitals and providers. EHR vendors also have to test the interoperability of their systems in real-world environments. In particular, vendors have to guarantee that they won't block communications between other EHRs.

Other IT-related reforms include exempting physicians who primarily practice at ambulatory surgery centres from the requirements of the revamped "Meaningful Use" programme and allowing documentation by scribes to qualify under EHR requirements.

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