

# EDPS NextGen

## Improving Health Outcomes through Innovation

Federal health care agencies must deliver on their vision of health care quality, access to coverage, healthy outcomes, force readiness and population health while also lowering the cost of payment, delivery, and IT infrastructure. CNSI stands ready with our proven solutions and products that enable automation of health care administration processes. Our low-risk, rapid deployment solutions range from business transformation to claims and encounter adjudication systems to mobile applications. Our solutions are engineered for performance at every level of the systems architecture. CNSI's deep health IT domain expertise is validated by our recent contract wins with multiple federal and state health agencies.

Not every company can say it changed an industry, but we can. At CNSI, we continue to revolutionize the way we manage health care through technological innovations, which include cloud-based systems that provide for more efficient processing of medical claims, cutting-edge technology that can eradicate improper billing and waste and mobile applications that provide easy access to health benefits.

## Modernizing to innovate, reduce costs, and improve lives

The Centers for Medicare & Medicaid Services (CMS) implemented the Encounter Data Processing System (EDPS NextGen) to allow the agency to collect, process and analyze Medicare Advantage (MA) encounter data, which is used to calculate payments. Processing tens of millions of records weekly and hundreds of millions annually is a monumental task. Since 2004, the number of Part C beneficiaries has more than tripled and now accounts for one-third of all Medicare enrollees.

## Benefits of Working with EDPS NextGen



Migrating to the cloud reduced cost without compromising the quality and performance of the system



Processing over **1 billion** encounters in less than a year



CNSI's data visualization tool, HealthBeat, enables transparency enterprise-wide for business & IT operations management

## What is encounter data and why is it important?

Encounter data contains detailed records of health care provided to MA beneficiaries, including clinical diagnoses, care, and treatments. This information is different than that of claims data for Fee-For-Service (FFS) Medicare and captures different aspects of the beneficiary's health care in which MA plans review and pay encounter data claims and report them to CMS in a standardized format<sup>1</sup>.

The primary purpose of encounter data is to determine the risk adjustment factors used to adjust CMS' payments to Medicare Advantage Organizations (MAOs), for which CMS needs diagnosis information from MA plans. However, the risk adjustment factors only include encounter data from certain claim types – inpatient, outpatient, and professional services. CMS also uses encounter data for purposes such as updating risk adjustment models, conducting quality review and improvement activities, and program oversight<sup>2</sup>.

## Policy implications

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Encounter data is becoming more prominent as enrollment in MA increases, accounting for more than one-third of total Medicare enrollment in 2019 and surpassing 40 percent of total enrollment in six states. Policy analysts and researchers have suggested three major uses of encounter data. The first is understanding program costs. Although publicly available encounter data do not include payment variables (cost, payment, or provider reimbursement) in the research identifiable files due to the proprietary and confidential nature of this information. The second major use of encounter data is comparing the quality of MA relative to fee-for-service Medicare, and the third use is gaining insight into provider behavior and use patterns.

## Moving to the cloud

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To meet Department of Health and Human Services' strategic goal to Reform, Strengthen, and Modernize the nation's healthcare system, CMS evaluated solutions to modernize the EDPS platform. This resulted in the agency selecting a scalable cloud infrastructure to increase processing capacity. As a result, CMS has been able to grow MA program enrollment, while simultaneously lowering costs.

The most innovative aspect of EDPS NextGen is its scalable cloud-based architecture, which can handle the accurate and timely processing of an ever-increasing volume of encounters. The system's processing engine produces near real-time encounter results and eliminates about 25 system cycle hours per week compared to the legacy EDPS, thereby providing rapid processing and MA reporting for faster reconciliation. It accommodates changing policies and business rules for the Part C program while implementing Medicare pricing logic in an English like rules engine.

## EDPS NextGen in Action

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In 2017, this program successfully processed more than 800 million encounters. EDPS NextGen supports near real-time processing of more than 1.5 billion encounters on an annual basis on the Amazon Web Services (AWS) platform. The increased timeliness, accuracy, and capacity leads to three very important outcomes: reducing administrative costs, eliminating the burden of data reconciliation, and enabling near real-time processing and access to previously unseen MA patient health data. Additionally, the new architecture and platform allows CMS to meet the HHS strategic goal of modernizing its legacy infrastructure while accomplishing program objectives.

**To learn more about EDPS NextGen, CNSI, and the important work we do, please visit: [www.cns-inc.com](http://www.cns-inc.com)**

<sup>1</sup>[https://www.bettermedicarealliance.org/sites/default/files/2017-11/BMA\\_OnePager\\_MA\\_EncounterData\\_2017\\_10\\_30-Final.pdf](https://www.bettermedicarealliance.org/sites/default/files/2017-11/BMA_OnePager_MA_EncounterData_2017_10_30-Final.pdf)

<sup>2</sup><https://www.ccwdata.org/web/guest/user-documentation>

<sup>3</sup><https://www.healthaffairs.org/doi/10.1377/hblog20190221.696651/full/>