## Survey Reveals Hospital Finance Executives Underestimate CMS Quality Payment Program Impact

## Findings Underscore Importance of Clinical Documentation to Help Avoid Penalties and Revenue Loss for Hospitals.

BURLINGTON, Mass., June 26, 2017 – <u>Nuance Communications, Inc.</u> (NASDAQ: NUAN) today shared the results of a survey of hospital finance executives and professionals to gauge their awareness and understanding of the new Centers for Medicare and Medicaid Services (CMS) Quality Payment Program (QPP) under the Medicare Access and CHIP Reauthorization Act (MACRA). <u>The findings reveal that a significant lack of knowledge</u> exists around the implications of Merit-Based Incentive Payment System (MIPS) and that executives are not adequately prepared to meet several significant reporting requirements, namely capturing complete clinical documentation, developing business processes and provider awareness.

A majority of survey respondents reported that they are participating in QPP, expressed confidence in understanding QPP requirements and stated that they are ready to meet these requirements. However, the findings show this does not necessarily translate into concrete understanding of key QPP thresholds.

Hospitals and clinicians that are not prepared to capture and report on the 2017 MIPS requirements can face large consequences. At risk is not only a 4% reduction in their Medicare reimbursement starting in 2019, but also their reputation. CMS will start making quality scores public, which will pose significant financial and reputational risks to clinicians with poor scores.

The survey revealed that better awareness and education is needed for several key areas of QPP, notably:

• Low awareness of revenue at risk – Eligible providers who choose not to participate in QPP in 2017 are at risk of a 4% reduction in Medicare reimbursements in 2019. More than 75% of finance respondents who said they were somewhat or very confident in understanding QPP requirements did not correctly report this number as 4% when asked; 60% either underestimated the percent of revenue at risk or did not know the answer.

• Confusion around submission timing requirement – Only 35% of finance respondents who said they were confident in knowing the QPP requirements correctly reported that QPP requires 90 days of quality data to be submitted; 50% either underestimated or did not know the number of required days.

Complete and accurate clinical documentation is critical to reflecting clinician scores and obtaining reimbursement, and Nuance solutions that capture and improve clinical documentation, coding, and quality analytics and reporting can help hospitals and clinicians with these challenges. Of hospitals that have used Nuance's <u>Clintegrity Quality Measures</u> to report on core measures performance, over 95% consistently achieve 100% of their annual payment update. Nuance has also <u>integrated the Alpha II Registry</u> in the Clintegrity Quality Measures software to streamline reporting and to help hospitals meet these new quality reporting requirements.

"Without proper clinical documentation, no organization will do well with QPP. Our suite of clinical documentation and quality solutions can help organizations meet these new requirements," said Dr. Anthony Oliva, chief medical officer, Nuance. "While the changes are daunting, it is crucial for hospitals and clinicians to take proactive steps to prepare, plan and participate. Doing so will help organizations retain what they earn in the short term, but will also set them up to avoid severe penalties in the long run."

Real-time performance information is also needed to improve clinicians' individual quality scores.

Nuance's <u>Clintegrity Performance Analytics</u> was recently recognized by the independent research company, KLAS, as the best performance management solution for delivering easily accessible and actionable data to providers in a specialty report titled, <u>"Quality, Patient Safety, and Risk Management 2017: Which Solutions Improve Patient Care Outcomes?"</u> The report comments that Clintegrity Performance Analytics "is best at delivering easily accessible and actionable data to providers, and they have consistently satisfied their customers. Nuance's data is highly accurate, and customers report using it for regularly scheduled reporting meetings with their C-suite."

To help educate finance officers on the impact of MACRA and the specific ways in which hospitals can meet the requirements for pay for performance, HFMA-ANI attendees can attend the session titled <u>"Pay for Performance in 2017: Meeting New Physician Quality Reporting and Payment Requirements for MACRA and PQRS'"</u> featuring Catherine Gorman-Klug, RN, MSN, CPM, Director, Quality Service Line, Nuance, and Deborah Larkin-Carney, Vice President of Quality, Barnabas Health, on Tuesday, June 27, from 3:30 p.m. to 4:45 p.m. ET.

For more information on how Nuance's suite of clinical documentation and quality solutions can help hospitals meet the new QPP requirements, visit <u>www.nuance.com</u> or at booth #1221 at HFMA-ANI in Orlando, FL, from June 25-28, 2017. Additional resources include:

- Infographic
- Webinar: "Holy MACRA! Navigating CMS' Quality Payment Program (QPP)"

Nuance provides intelligent systems that support a more natural and insightful approach to clinical documentation, freeing clinicians to spend more time caring for patients. Nuance healthcare solutions capture, improve and communicate more than 300 million patient stories each year, helping more than 500,000 clinicians in 10,000 global healthcare organizations to drive meaningful clinical and financial outcomes. Nuance's award-winning clinical speech recognition, medical transcription, CDI, coding, quality and medical imaging solutions provide a more complete and accurate view of patient care.

## About Nuance Communications, Inc.

Nuance Communications, Inc. is a leading provider of voice and language solutions for businesses and consumers around the world. Its technologies, applications and services make the user experience more compelling by transforming the way people interact with devices and systems. Every day, millions of users and thousands of businesses experience Nuance's proven applications. For more information, please visit <u>www.nuance.com</u>.

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