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Submitted via regulations.gov

The Honorable Robert F. Kennedy, Jr.
Secretary
U.S. Department of Health and Human Services

Dr. Mehmet Oz
Administrator
Centers for Medicare and Medicaid Services

Dr. Thomas Keane
Assistant Secretary for Technology Policy
National Coordinator for Health IT
Office of the Assistant Secretary for Technology Policy/National Coordinator for Health IT
U.S. Department of Health and Human Services

Centers for Medicare & Medicaid Services (CMS)
Department of Health and Human Services (HHS)
Attention: CMS–0042–NC, Mail Stop C4–26–05
7500 Security Boulevard
Baltimore, MD 21244–1850

Re: Request for Information; Health Technology Ecosystem (CMS–0042–NC)

Dear Secretary Kennedy, Administrator Oz, and Assistant Secretary Keane:

Thank you for the opportunity to offer comment on the Health Technology Ecosystem Request for Information (RFI). We appreciate your leadership and share your vision of a tech-enabled healthcare system that reduces burden and fragmentation to enable better care outcomes.

New Mountain is dedicated to building great and lasting businesses in the most attractive growth and defensive industries through market leadership and investor value add. We have been proactively focused on the healthcare sector since the early days of the firm and we have deployed over $15 billion of capital in the healthcare sector, across 15+ investments in provider, payer, and life sciences end markets. We have proactively focused our investment efforts within healthcare on driving digitization, efficiency, and quality across the industry, addressing some of the most challenging problems across all constituencies.

At New Mountain Capital we drive transformation through innovation and scale, including through the strategic combination of scaled companies and innovative, AI-led startups. Technology enablement and digital modernization are core pillars for all New Mountain companies, and across our portfolio we encourage network effects as our companies work together to transform the future of healthcare. Our healthcare companies are redefining a range of workflows, from clinical data exchange to payment integrity and RCM, and include Datavant, Machinify, Office Ally, Smarter Technologies, and Emmes, among others.

At New Mountain, our policy recommendations and pursuits across our portfolio are deeply aligned with the agenda laid out to Make America Healthy Again. The following are a few areas we are focused on and encourage the Trump administration to focus on as well:

- **Reduce administrative burden** through AI powered products for payment integrity and benefit coordination; increase clinical data collection for claims processing and real time data sharing
- **Modernize research infrastructure** by establishing registries for emerging diseases and potential epidemic information; this includes the opportunity to facilitate effective tracking of vaccine and treatment efficacy
- **Empower patients with data** to better manage their health; ensure access to price and coverage information, enforce information blocking penalties to improve access to clinical data
- **Build modern platforms to support data sharing,** enabling both government and private companies to solve one of healthcare's biggest challenges, seamless data interoperability

An estimated 25-30% of healthcare spending is consumed by administrative activities that add little clinical value and often create complexity for patients and providers. Starting in 2012, billions of dollars were spent on the Meaningful Use program to roll out electronic medical records with the promise of easier documentation collection for providers, more robust data for research, and reduced administrative burden through the seamless exchange of information. Yet, nearly 15 years later, the promise has not been realized. Instead, we find innovation being held captive to monolithic systems that strictly control every facet of data flow across the healthcare sector.

Our system is fragmented, intermediated, and administratively burdened. It values documentation created, not lives saved. It values procedures and prescriptions, not outcomes and prevention. We must urgently reform American healthcare before we find ourselves in an unprecedented fiscal and health crisis.

Below are New Mountain Capital's responses to questions posed in CMS and ASTP's Health Technology Ecosystem RFI based on our experience working with the leading companies across the industry to address some of healthcare's hardest technology and infrastructure problems.

Patient Access in Support of Healthcare Decision-Making and Clinical Research

Patients struggling to access their health information is a symptom of a fragmented healthcare system that is centered around the administration of care, not the patients themselves. We must *put patients at the center* of the US healthcare system by shifting from paternalism to empowerment. Clinicians should guide and support patients, but ultimately, they should respect *patient preferences and values*. Regulations should enable patients to make informed choices about their care, including having access to the information needed, just as we do in every other aspect of life. For regulation and government sponsored projects, the guiding principle should be to *enable capabilities, not impose mandates*.

In practical terms, this means more transparency, more flexibility in care delivery, and a system that listens to the end-user – the patient – while equipping them with their medical records and information about the quality and cost of care.

Today, health information is available to patients but often in unusable formats and only from specific hospitals and health systems. Obtaining a longitudinal medical record is difficult, not just for patients but for providers, researchers and other organizations that need to see a full patient history for clinical trials and evidence generation.

For the last ten years, efforts by the government have been fragmented across too many ideas and big bets, adding to the complexity of accessing clinical data. The Trump Administration would see

huge success by focusing interoperability efforts on two specific problem areas: 1) individual patient access to health information and 2) provider-to-provider data exchange. The Administration should ensure that every American can access their longitudinal medical records and that every provider has access to a patient's medical history before a visit begins. Americans would tangibly feel improved experience. Achieving this goal will require the Administration to:

- **Move from Entity Stewardship to Individual Ownership**: HHS was given the authority necessary to support patient access to health data in foundational legislation such as HIPAA and 21st Century Cures Act; however, accessing this data is still difficult for most patients. The largest blockers for patients and caregivers include:
    - Local interpretation of federal policies, including HIPAA. **We suggest a establishing a comprehensive federal privacy standard and modernization of HIPAA.** *(Questions PC-2, PC-8, PC-9)*.
    - Lack of standardization in patient identity proofing, identity management and linkage across disparate sources. **We suggest addressing patient identity as a key tenet for CMS, including leveraging existing technologies like privacy preserving record linkage.** *(Questions PC-2, PC-8, PC-9, PC-14, PR-9, PR-10)*

As envisioned above, patient access not only supports healthcare decision-making but also supports broader clinical research and evidence generation – a key part of improving the lives of patients by advancing treatments and improving guidelines. Across HHS, the government can play a role as both regulator and builder to drive forward improvements. Actions that should be taken by HHS include:

- **Enable Consent-Based Data Sharing and Data Trusts:** Leverage past work on authorization and consent to create a scaled program where Americans can donate their data to research. The private sector is equipped to help here and needs easier pathways to participate and support programs like All of Us. *(Question PC-8)*.
- **Establish a national trusted research environment for information** on emerging diseases and epidemics that integrates longitudinal data from providers across care settings to enhance forecasting capabilities. This will enable more effective tracking of vaccine and therapeutic efficacy. Ensure the results from all research are transparent and made available to the public. *(Question PC-8)*.
- **Accelerate the timeline from research to drug development**, pharmaceutical launch, and eventual payor coverage and market access. Promote the sharing of information across the NIH, FDA, and CMS to connect data flows throughout the lifecycle. These linkages can also be used to have real-time data continuously inform clinical and screening guidelines (i.e., age to begin colon cancer screenings). *(Question PC-8)*.
- **Democratize information for research** by making all public sector clinical data available through programs like the VRDC at CMS. Modernize the VRDC and improve the tools available to researchers (e.g., natively include privacy preserving record linkages). *(Question PC-8)*.

<u>Reducing Administrative Burden Through Interoperability and Smart Governance</u>

Over the past decade, the federal government's push for electronic health records (EHRs) led to near-universal EHR adoption. Yet, true *interoperability* – the seamless exchange and use of information – remains elusive. Progress has been made; as of 2023, 70% of U.S. hospitals engage

in the core domains of data exchange (sending, receiving, finding, and integrating data) *at least some of the time*. However, only 43% of hospitals *routinely incorporate data from outside providers* into their workflows, and even when data is available, fewer than half of clinicians actively use external patient information in treatment decisions.

Our recommendations include:

- **Realizing True Interoperability Across Clinical and Financial Data:** While the framework for true interoperability is mostly in place, there are opportunities to do more to enforce open API requirements, expand standardized data formats, and ensure that enforcement focuses on outcomes (i.e., data *actually* gets where it needs to go) rather than prescribing exactly how organizations must comply or attempting to take on the role of private companies by building the solution. For example:
    - The 21st Century Cures Act authorized financial penalties and disincentives for information blocking; while there are robust regulations outlining what constitutes information blocking, these regulations have not yet been enforced. **We suggest that HHS ensure that federal agencies with enforcement authorities are appropriately staffed and resourced to begin oversight.** *(Question PR-14)*.
    - Continued updates to standards are needed as technology evolves, and health systems and providers need flexibility to meet this requirement beyond just EHR vendors. **We suggest that all federally funded health programs (Medicare, Medicaid, VA, etc.) encourage participating providers and plans towards using modern APIs to support the bi-directional exchange of data.** *(Questions PA-2, TD-2, TD-4, TD-13)*.
    - We support a redefinition of certification to prioritize API-based, outcome-driven capabilities and data exchange. This includes measuring real-time data access, care coordination effectiveness, and patient access success rates, ensuring innovation, data portability, and reduced vendor lock-in. **We recommend enhancing specific ONC Certification Criteria for Health IT that are proven effective in promoting interoperability and market competition.** *(Questions TD-8, TD-9)*.
    - Technological improvements, including real-time payments (reducing the cycle time for CMS to share data with providers and reimburse them), real-time prior authorization, and streamlined/automated medical records sharing, will have a material impact on affordability, access, quality, and patient experience. **HHS could consider options for rewarding providers that embrace interoperability, enabling better patient outcomes and lower administrative friction, with faster reimbursements.** *(Questions PC-8, PR-3)*.
- **Embrace "Smart Governance" Opportunities to Drive Efficiencies, Fraud Detection and Identification of Waste:** One of the greatest opportunities to improve the American health care system is to re-focus administrative and program integrity priorities on those that are outcomes-focused, data-driven and aligned with value. This may mean simplifying rules where possible and using advanced analytics to target actual malfeasance. By prioritizing the big problems – for example, fraud, patient safety, and systemic waste –HHS would promote innovation and allow providers to focus on their patients. Opportunities include:

- Defining clear goals (e.g., reducing hospital infections, ensuring appropriate imaging use) and rewarding success to empower providers to innovate while cutting unnecessary red tape. President Trump and HHS and CMS leadership have been clear about their desire to de-regulate overly complex, redundant, unnecessary, and competition-limiting regulations. **We applaud efforts to simplify and streamline today's regulatory structures by eliminating rules that add cost without improving care.** *(Question PR-2)*.
- Advanced analytics, including AI, have not been maximally deployed in Medicare to combat healthcare fraud, waste, and abuse. **HHS should consider best practices and lessons learned by private insurers to more fully leverage advanced technologies to flag suspicious providers and scan claims in real-time to detect billing anomalies.** *(Question PR-2)*.

Integration of Clinical and Financial Data

A major structural flaw in healthcare is the separation of clinical data (patient health, treatments, and outcomes) and financial data (costs, billing, and payments). Historically, providers managed clinical records while payers handled billing, but this outdated divide now obstructs efforts to improve value. Health systems may track patient outcomes but often lack precise cost data per episode. Insurers process claims but struggle to differentiate between effective and unnecessary treatments. Even in 2025, a fully integrated view of patient health and spending remains rare, limiting our ability to reduce waste and prioritize high-value care. Without closing this data gap, transparency and continuous improvement remain out of reach.

To realize the vision of a system where **clinical and financial data are seamlessly integrated** to inform decisions, our recommendations include:

- **Leveraging Healthcare Clearinghouses to a Greater Extent**: Under HHS' and CMS' renewed focus on reducing bureaucratic waste and empowering patients, there is a critical opportunity to elevate the role of clearinghouses in the healthcare system. Rather than serving solely as back-end processors, clearinghouses can become vital drivers of cost savings, faster claims processing, and greater transparency in healthcare transactions. **We suggest that HHS and CMS consider how to leverage clearinghouses to support their healthcare transformation goals.** *(Question PC-8)*.
- **We advocate for preserving and protecting alternative exchange pathways and a diverse ecosystem of purpose-built information exchange channels, rather than consolidating into a single, limited framework.** As such, we call for a refocus of federal policy on actual health outcomes rather than prescriptive technical requirements, which will lead to a more streamlined approach to standards based on demonstrated effectiveness. TEFCA is best suited as a network to support two use cases that are most important to patients and care delivery, individual access and provider-to-provider exchange. *(Questions PC-10, PR-6, PR-11, PA-1, TD-6)*.

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Thank you again for the opportunity to provide input. Please do not hesitate to reach out if we can be a resource to you.

Sincerely,

Matt Holt