

Most digital health apps don't comply with interoperability standards—and it's a costly problem

Article

The news: The number of healthcare apps that integrate with certified electronic health records (EHRs) **increased 20%**—from 600 apps to 734 apps in 2020, per recent research by the HHS’ Office of the National Coordinator for Health Information Tech (ONC).

- Administrative apps (including scheduling and billing) comprised 42% of integrated apps, while clinical decision support apps made up 38% of all EHR-integrated apps.

The opportunity: EHR integration could be key for digital therapeutics (DTx) apps to secure doctor approval and payer reimbursement—two major drivers of distribution.

Doctors are more likely to use digital health tools if they’re embedded in the place they’re spending most of the day—their EHR.

- **Doctors spend an average of over 16 minutes in the EHR for each patient visit**—a significant portion of their work day, according to a 2020 [study](#) of 155,000 US physicians in the Annals of Internal Medicine.

Plus, if insurers know that doctors are actually using a particular digital health app, it’s more likely they’ll reimburse providers for using that tool.

- For example, digital therapy vendor **Happify Health** recently released a prescription digital therapeutic for major depressive disorder (Ensemble), which will be integrated into a physician’s EHR to make it easier to prescribe the app.
- As a result, the company’s execs are confident their EHR-integrated product will get reimbursed by top payers upon receiving FDA clearance.
- **Chris Wasden**, head of DTx at Happify Health, said the company has conducted interviews with payers for “many years now,” and it’s partnered with “some of the largest payers in the US.”

One key problem: Even though more digital health apps are integrating with EHRs, not all of them are following interoperability standards.

- **Only 22% of EHR-integrated apps support FHIR**, the industry-wide interoperability standard for data exchange, according to the ONC’s new data.
- Noncompliance with FHIR is a big problem: The ONC Cures Act Final Rule includes a provision that health IT developers must support FHIR-based, standardized APIs by the end

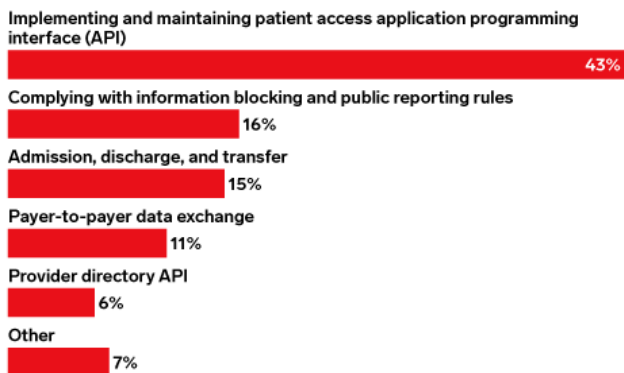
of 2022 to streamline electronic health information exchange between different health apps, or face financial penalties.

- If developers don't make their digital health apps compatible with the ONC's interoperability rules, they can face **up to \$1 million per violation** for noncompliance, per the ONC's website.

Dig deeper: To learn more about reimbursement barriers for digital therapy apps, check out our [Q&A with Chris Wasden, the Head of DTx at Happify Health.](#)

Interoperability Areas US Healthcare Executives* Are Most Concerned About, Sep 2020

% of respondents



Note: n=189; numbers may not add up to 100% due to rounding; *includes providers, payers, and vendors
Source: eHealth Initiative, "Readiness for the ONC and CMS Interoperability Rules," Nov 11, 2020

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