



ARRA, HITECH Act, and Meaningful Use

Overview



- American Recovery and Reinvestment Act
- Health Information Technology for Economic and Clinical Health (HITECH) Act
- Interoperability and Standards
- Meaningful Use



American Recovery and Reinvestment Act (ARRA) of 2009

ARRA Objectives for IHS Office of Information Technology



- Deploy a certified electronic health record that meets the requirements of “meaningful use”
- Implement a personal health record tool
- Upgrade the reliability, redundancy, and security of the IHS network
 - Ensure an adequate telemedicine infrastructure

Meaningful Use of Certified Electronic Health Records



- **Meaningful Use Will occur in three stages**
 - 2011 – Beginning of Stage 1
 - 2013 – Beginning of Stage 2
 - 2015 – Beginning of Stage 3
- **Each stage will have its own goals and associated criteria for achieving the goals**

Meaningful Use of EHR Goals



- **2011 Goal** –
 - To electronically capture health record data in coded format
 - To report health information
 - To use that information to track clinical conditions.
- **2013 Goal** – To guide and support care processes and care coordination.
- **2015 Goal** – To achieve and improve performance and support care processes and key health system outcomes.



Certification Requirements

- RPMS EXPECTS TO BE CERTIFIED
- The requirements and standards regulation will address three categories of EHR aspects. They include:
 - **Criteria:** Features and functions of the EHR that enable its user to achieve meaningful use
 - **Security/privacy requirements**
 - **Data exchange standards:** Requirements that must be met to achieve interoperability between the Inpatient/Outpatient facility using the EHR and other parts of the healthcare sector



Health Information Technology for Economic and Clinical Health (HITECH) Act



Health Information Technology for Economic and Clinical Health (HITECH) Act

Four major objectives of HITECH Act to advance the use of Health Information Technology (HIT) nationwide.

- Require government to develop standards by 2010 that allow for the nationwide electronic exchange and use of health information.
- Invest in HIT infrastructure and Medicare and Medicaid incentives.
- Produce savings throughout the health sector, through improvements in quality of care and care coordination.
- Strengthen Federal privacy and security law to protect identifiable health information from misuse.



Interoperability and Standards

Interoperability



Nationwide Health Information Network (NHIN)

- Provides a secure, nationwide, interoperable health information infrastructure that connects providers, consumers, and others involved in supporting health and healthcare.
- Enables health information to follow the consumer, be available for clinical decision making, and support appropriate use of healthcare information beyond direct patient care so as to improve health.

Source: ONC Federal Health Architecture - CONNECT v2.2, Section 2.1.1



NHIN Capabilities

- Data sharing between facilities and organizations
- Clinical Decision Support across the organization
- Coordinated Healthcare Administration (claims, eligibility, benefits)
- Pharmacy (e-prescribing, medication history and reconciliation)
- Integration with public health and clinical research networks

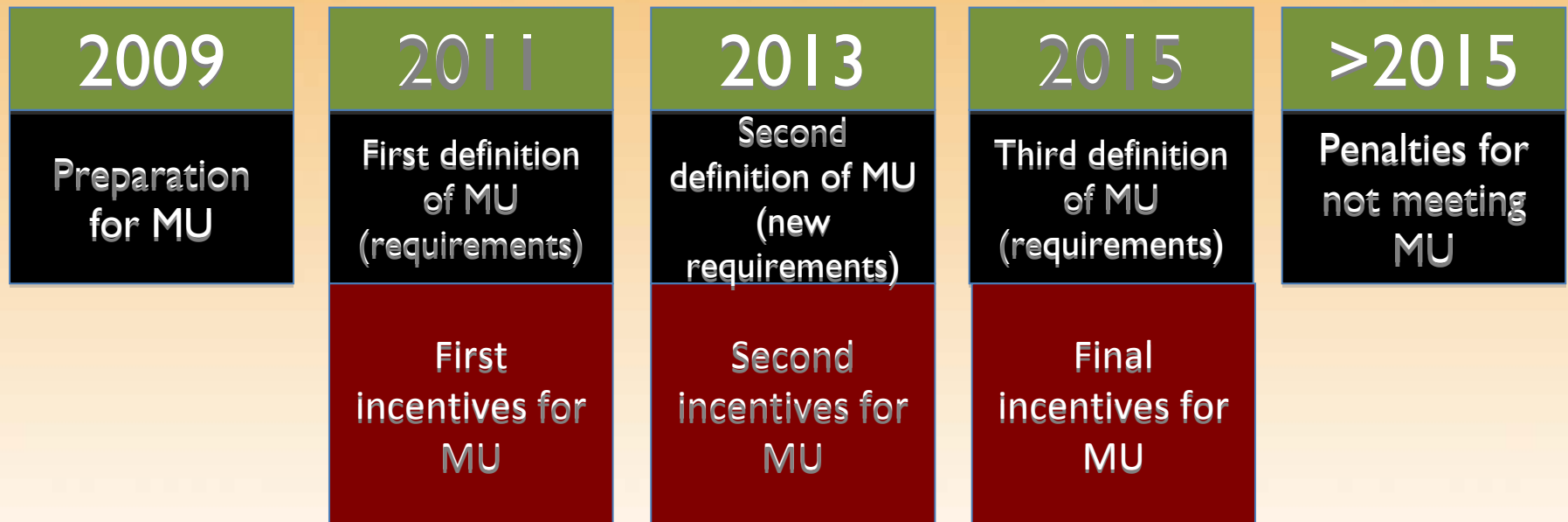


Meaningful Use of EHRs

ARRA authorizes the Centers for Medicare & Medicaid Services (CMS) to provide reimbursement incentives for eligible professionals and hospitals who both adopt certified EHR technology and demonstrate “meaningful use” of the technology.

Meaningful Use Timeline

- Requirements for meeting Meaningful Use will increase over time
- Incentives run 2011-2015 and penalties begin in 2016



2011 - Meaningful Use Requirements

Example Objectives

- Use Computerized Provider Order Entry
- Maintain up-to-date list of patients' diagnoses
- Implement medication checks (e.g. allergies)
- Implement use of E-prescribing
- Collect patient data on demographics
- Collect patient data on vital signs
- Submit claims electronically for billing
- Provide patients electronic access to health information
- Provide providers with capability to electronically exchange clinical information (e.g. diagnoses, medications, etc.

Examples of Measures

- Report quality measures to CMS, which may include (not finalized yet)
 - Percent of diabetic patients with A1c > 9.0%
 - Percent of patients ages 50 – 80 who received colorectal cancer screening
 - Percent of patients aged 18 years or older who were queried about tobacco use one or more times within 24 months
- Report other measures
 - Percent of patients with current and active diagnoses listed in EHR
 - Percent of claims filed electronically
 - Percent of lab results reported in EHR



ARRA Incentive Funding

- To take maximum advantage of the incentives, eligible providers will need to be ready by calendar year 2011 and hospitals will need to be ready by FY 2011 (beginning October 1, 2010)



EHR Payment Incentives

The Centers for Medicare and Medicaid Services (CMS) will offer reimbursement incentives under the new ARRA stimulus law to eligible professionals (EPs) and eligible hospitals

- Eligible professionals and critical access hospitals may qualify for Medicare or Medicaid incentives, not both
 - Non-critical access hospitals are eligible to receive incentive payments from both Medicare and Medicaid simultaneously



EHR Payment Incentives

- To be eligible for Medicaid incentives, eligible providers and hospitals must meet a Medicaid patient volume requirement where a defined percentage of all encounters during the reporting period are Medicaid encounters

Medicare Definition of Eligible Professionals (EPs)



Medicare – A physician as defined in section 1861(r) of the Social Security Act, which includes the following five types of professionals:

- Doctor of medicine or osteopathy
- Doctor of dental surgery or medicine
- Doctor of podiatric medicine
- Doctor of optometry
- Chiropractor

NOTE: All Medicare EPs must be non-hospital based

Medicaid Definition of Eligible Professionals



Medicaid

- Physicians
- Dentists
- Certified nurse-midwives
- Nurse practitioners
- Physician assistants who are practicing in Federally Qualified Health Centers or Rural Health Clinics led by a physician assistant

All Medicaid EPs must be non-hospital based EXCEPT for EPs practicing predominantly in an FQHC or RHC

Eligible Professionals - Medicare Incentives



- A qualified non-hospital-based provider will be reimbursed for the costs of implementing HIT
- Must meet the meaningful use test and implement approved systems
- Payments are made over a five-year period
- Maximum EHR implementation reimbursement available to an individual provider under Medicare is \$44,000, unless you are in a Health Professional Shortage Area, in which case payments would be increased 10 percent (most I/T/U sites are in a HPSA)

Medicare Payment Incentives and Eligible Professionals



Medicare Incentives

- Sec. 4101 Incentives for eligible professionals
 - First year (if beginning in 2011 or 2012) \$18,000
 - (if First Year is after 2012) \$15,000
 - Second year \$12,000
 - Third year \$8,000
 - Fourth year \$4,000
 - Fifth year \$2,000

Medicare EP EHR Incentives

	2011	2012	2013	2014	2015	2016	2017	TOTAL
Adopt 2011	\$18,000	\$12,000	\$8,000	\$4,000	\$2,000	\$0	\$0	\$44,000
Adopt 2012	-----	\$18,000	\$12,000	\$8,000	\$4,000	\$2,000	\$0	\$44,000
Adopt 2013	-----	-----	\$15,000	\$12,000	\$8,000	\$4,000	\$0	\$39,000
Adopt 2014	-----	-----	-----	\$12,000	\$8,000	\$4,000	\$0	\$24,000
Adopt 2015 +	-----	-----	-----	-----	\$0	\$0	\$0	\$0

- Maximum payments based on 75 % of Medicare claims (Must bill at least \$24,000 to claim maximum \$18,000 bonus, for example.)
- Hospital-based professionals are not eligible for Medicare Incentives.

Sources: HIMSS <http://www.himss.org/ASP/index.asp> and AHIMA <http://www.ahima.org>

Eligible Professionals – Medicaid Incentives

- Eligible professionals qualifying under ARRA's Medicaid reimbursement provisions may get up to \$75,000 to help with EHR implementation.
 - First year reimbursement could be as much as \$25,000 with up to \$10,000 per year for the next five years.
- Must meet the meaningful use test and use certified EHR products to qualify.
- Must meet Medicaid patient volume requirements.
- May elect to be reimbursed by Medicare **or** Medicaid, but not both. Medicaid providers are required to waive Medicare EHR Incentive payments.

Eligible Providers and Hospitals – Medicaid Incentives



- Incentives will start in 2011
- Non-hospital based providers or providers practicing predominantly in an FQHC or RHC
 - Physicians
 - Dentists
 - Certified Nurse midwives
 - Nurse practitioners
 - Physician assistants (in rural health clinics or federally qualified health centers led by PA)
- Hospitals include
 - Acute care hospitals
 - Children's hospitals

Medicaid Incentives

Who is Eligible?

Entity	Medicaid Patient Volume (% of all encounters)
Non-hospital based EPs (i.e. physicians, dentists, certified nurse midwives, nurse practitioners and PAs practicing at an FQHC/RHC led by a PA)	≥ 30%
Non-hospital based pediatrician (eligible for 2/3 of the amount)	≥ 20%
EPs who practice in federally qualified health center or rural health clinic	≥ 30% attributable to needy individuals
Acute Care hospitals	≥ 10%
Children's hospitals	No requirement needed

Medicaid Incentives for Non-Hospital Based Providers



- **Incentives for up to 85% of costs for EHR**
 - Caps: 1st year payment at \$25,000
 - Caps: following years at \$10,000/year
 - 1st yr cost no later than 2016
 - No payments made after 2021 or more than 5 years

- **Costs Include:**
 - Purchasing
 - Implementation
 - Upgrades
 - Support & training
 - Engaging in efforts to adopt, implement...
 - Maintenance & use



More information is available at

- <http://www.ihs.gov/recovery>