MONITORING NATIONAL IMPLEMENTATION OF HITECH: STATUS AND KEY ACTIVITY QUARTERLY SUMMARY

JULY-SEPTEMBER 2011

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This summary supports the global assessment by synthesizing in one place selected statistics and activity reports relating to implementation of HITECH. It is developed quarterly and reflects information made available between July 1, 2011 and September 30, 2011. The list is not meant to be exhaustive but to reflect a subset of reports and activities on the ONC or CMS web site, in selected documents that are referenced in the reports ONC receives daily as part of its communications monitoring, and selected other activities of which we are aware. We welcome additions and clarifications from ONC.

MEANINGFUL USE INCENTIVE PAYMENTS—STAGE 1

- From the start of the program through September 30, 2011, CMS distributed $872+ million in EHR incentive program payments. This includes $357+ million Medicare payments from the first payment on May 19th and $514+ million in Medicaid payments since the program began January. There were 114,644 hospitals and eligible professionals registered as of the end of September.

    - Medicare breakdown—

        - $357 million in payments to 3,880 hospitals and providers.

        - The three highest participating provider groups in the Medicare EHR Incentive program are internists, family practitioners, and cardiologists.

    - Medicaid breakdown—

        - $514 million in payments to 6,767 hospitals and providers.

        - Twenty-one states have made Medicaid EHR incentive payments. As of October 3, 33 states have launched Medicaid EHR Incentive Programs— 12 new states include California, Florida, Georgia, Illinois, Maine, Maryland, Massachusetts, New Mexico, Oregon, Utah, Vermont, and Wisconsin.

- The flow of incentive payments in FFY 2011 was slower than originally projected, with fewer providers attesting to meeting the requirements necessary for payment by the end of FYY 2011 than in CMS' and CBO's projections, (an estimated $2.8 billion and $4.7 billion, respectively, in incentive payments in FFY2011). *Healthcare Association of New York State, August 16, 2011*

- A study published in the Summer 2011 issue of the *Journal of Rural Health* examined data from the American Hospital Association Annual Survey IT Supplement and found that only 5 percent of rural hospitals and 3 percent of critical access hospitals surveyed were ready to demonstrate MU.

- An HHS Office of the Inspector General report released in July found that 12 of 13 states with Medicaid Incentive programs studied could be making payments to ineligible hospitals and providers because they were not or could not verify all 11 of the eligibility

requirements. The reason was that efforts would be resource intensive and/or not logistically practical. (Note: states are not required to verify self-reported data.)

- Two bills were introduced in Congress to expand the definition of eligible providers. In August, the Health IT Modernization for Underserved Communities Act was introduced in the House to amend the HITECH Act to include physician assistants. In July, the Senate introduced the Behavioral Health Information Technology Act of 2011 to extend incentives to mental health and addiction treatment providers and facilities.

REGIONAL EXTENSION CENTERS

- Initial two year contracts with RECs specified minimum enrollment goals to be reached—including national reach of 100,000 providers in two years, and each REC reaching a minimum of 1,000 priority primary care providers or minimum 20 percent of total primary care providers in the area.

  o Most grantees were funded either in February or April 2010. Here are some of the RECs that announced they met their initial enrollment goals— Colorado, Delaware, HITECH L.A. (California), Maine, Massachusetts, Maryland, Mississippi, Missouri, New Hampshire, Oklahoma, South Carolina, Utah/Nevada, Tri-State REC (southwestern Ohio, northeastern Kentucky and south-central Indiana), and Tennessee.

AVAILABILITY OF CERTIFIED PRODUCTS AND THE VENDOR MARKET

- CMS continues to update its complete list of certified EHR products on the ONC web site. They have not updated the public count of such products from our previous report on June 2011. (That report indicated that at as of May 26, 2011, there were 735 EHR products certified from 436 vendors.)

- In September, Kalorama Information reported that the number of vendors offering EHR systems has more than doubled over the last two years and spending on EHR systems could grow 76% to $32 billion by 2015. *Bloomberg Businessweek, September 22, 2011*

- At the start of 2012, the permanent EHR certification program will start, replacing the current temporary certification program. ANSI was named in June as the sole authorized accreditor of certifying bodies for the permanent EHR certification program. In August, the American National Standards Institute launched a program to approve organizations that want to certify EHRs for MU. *Government Health IT, August 26, 2011*

- ONC's i2 Initiative is sponsoring a number of "challenges" or contests using up to $2 million in cash prizes. Six challenges have been announced this quarter—Reporting Device Adverse Events Challenge; Ensuring Safe Transitions from Hospital to Home Challenge; Pophealth Tool Development Challenge; One in a Million Hearts Challenge; Using Public Data for Cancer Prevention and Control: From Innovation to Impact; Apps Against Abuse Challenge.

- In August, the Center for Technology and Aging announced it would invest $477,000 in five organizations to demonstrate the best ways to implement mobile health technologies for older adults with chronic conditions. *InformationWeek, August 1, 2011*

- Recent studies have indicated that the personal health record (PHR) market is growing but slowly. A Frost & Sullivan study reported that the PHR market generated revenue of $312.2 million in 2010 and is estimated to reach $414.8 million by 2015 . While a CSC report concluded that adoption of PHRs has not increased dramatically over the last five years and consumers are more likely to use PHRs associated with their provider's EHR system than those sponsored by private entities.

- In July, KLAS released a study that found third-party firms specializing in a vendor's applications almost always receive higher customer satisfaction scores for implementation than the vendor itself. *InformationWeek, July 11, 2011*

- Several firms made announcements about HIT products this quarter, including:
  - Pocono Raceway developed a digital pen that can be read to an EHR Web Portal. *Search HealthIT, September 28, 2011*

  - Nuance Communications, Inc. introduced the Dragon Medical Practice Edition, a medical speech recognition tool that could help enter EHR data more easily. *Information Week, August 22, 2011*

  - Epocrates, Inc. released a mobile and web-based EHR system that is targeted toward small provider practices. The firm reports it has 320,000 physicians and is working to meet MU requirements. *Health Data Management, July 27, 2011*

  - Polyglot Systems, Inc. released the Meducation SMART app to provide multilingual patient-friendly instructions for medications listed in their EHR or PHR. The SMART platform was sponsored by a grant from ONC. *SmartPlanet Blog, June 28, 2011*

  - DrChrono, a free EHR application for iPads, received meaningful use certification. The company reported it had 8,000 providers signed up for the system. *Reuters, July 28, 2011*

PRIVACY AND SECURITY

- Public comments to proposed modifications to the HIPAA rules under the HITECH Act were due August 1, 2011. This rule updates disclosure provisions and gives patients the right to an "access report" that accounts for who accessed their electronic health information in a designated record set, for any reason.

- A number of groups expressed concerns with the NPRM. For example, letters sent by the American Medical Informatics Association (AMIA), American Hospital Association (AHA), Medical Group Management Association (MGMA), AHIMA, and College of Healthcare Information Management Executives. (CHIME) groups expressed concerns that the access reporting provision would be a significant burden, it relies on technical capabilities not widely available, and the provision was out of HIPAA's scope, while others argued the rule be withdrawn.

- HHS/OCR instituted the HIPAA Audit Program through a contract with consultant KPMG to develop compliance audit protocols and to conduct 150 audits by the end of 2012.

- In September, the Senate Judiciary Committee voted to move forward three data security bills. Only one, the Personal Data Protection and Breach Accountability Act of 2011, included health information in its definition of sensitive personally identifiable information. None of the bills included health information held by companies not covered by HIPAA. *Center for Democracy & Technology Blog, September 23, 2011*

- In August, an advanced notice of proposed rulemaking (ANPRM) was published in the Federal Register on a set of proposed metadata standards recommended to ONC by the HIT Standards Committee based on the President's Council of Advisors on Science and Technology (PCAST) Report issued in December 2010. The notice indicated a specific interest in comments on the following categories of metadata: patient identity; provenance; and privacy. The immediate scope of this ANPRM is the association of metadata with summary care records. That is, a scenario where a patient obtains a summary care record from a health care provider's electronic health record technology or requests for it to be transmitted to their personal health record.

- ONC launched two initiatives in September to pilot some of the metadata recommendations made by the PCAST report and HIT Standards Committee. The Data Segmentation Initiative will address patient data consent needs by enabling providers to share only portions of a patient's EHR. The Query Health Initiative will create standards and services to enable the broad, secure use of distributed population health queries. *HealthIT Buzz, August 17, 2011*

- In September, an HHS Report to Congress about patient data breaches found that breaches more than doubled during the last two years with health care organizations reporting 5.4 million breaches in 2010, compared to 2.4 million in 2009 most of which was due to theft.

HEALTH INFORMATION EXCHANGE

- In September, the Health IT Standards Committee accepted the recommendations from the NwHIN power team on a set of 10 specifications for information sharing in the nationwide health information network (NwHIN) and 2 for the Direct Initiative.
  - The HIMSS EHR Association responded in a letter that asserted that the group seemed to favor Direct over Exchange and that it should have also recommended other ways to support HIE as part of the meaningful use requirements of the EHR Incentive Program.

- A variety of geographically based and other exchange initiatives continue to be pursued with diverse results.
  - The eHealth Initiative survey reported that the number of HIEs grew 9 percent to 255 in 2011, but that at least 10 HIE initiatives closed or consolidated and only 24 HIEs said they have sustainable business models.
  - A KLAS study reported that the number of operational HIEs doubled to 228 since last year with the number of live private HIEs (i.e. private ventures) increasing more rapidly than the number of live public HIEs (i.e. government backed initiatives). *CMIO, July 12, 2011*

- In September, the National Association of State Chief Information Officers (NASCIO) released a [report](#) that found a sustainable model is crucial to the success of state-run HIEs.
  - An August [study](#) by the National eHealth Collaborative reported on what makes some HIEs successful based on experiences of 12 organizations. Some identified traits included coordinated, effective stakeholder engagement, maintaining stakeholder trust to ensure there is no perception that one participating organization has a competitive advantage over another, and ensuring accurate and secure shared health data. One barrier cited by the report is a lack of generally accepted and discrete health information interchange standards. The report concluded that the ability to raise additional capital and provide data-mining and analysis services is seen as key to future growth and financial viability

- In September, the Rhode Island Quality Institute (REC) launched the statewide [DirectAdoption Program](#), which uses protocols of the Direct Project to support the secure exchange of clinical information between providers over email.

- News accounts continue to reflect the fluidity of the HIE environment, with HIEs that were formed, merged, went live, or closed. Examples include:
  - The launch of [Florida's statewide HIE](#) and the [Inland Empire HIE](#) in Riverside and San Bernardino counties in California.
  - Highmark Inc. and the University of Pittsburgh Medical Center are developing competing HIEs so they do not have to relinquish control of their patient information to a third-party HIE administration body. *[Pittsburgh Business Times, August 19, 2011](#)*
  - Nine hospital systems in Western Pennsylvania are partnering to create an HIE called ClinicalConnect. *[Pittsburgh Tribune-Review, August 17, 2011](#)*
  - The West Central Ohio Health Information Exchange merged with the Ohio Health Information Partnership and CliniSync, which make up the Ohio statewide HIE. *[Putnam County Sentinel, August 24, 2011](#)*
  - The Minnesota Health Information Exchange merged with an exchange being built by the Community Health Information Collaborative. Reasons given was that there was a lot of duplication of effort between the two groups and not enough money for both. *[Star Tribune, August 23, 2011](#)*
  - Kansas City's HIE, eHealthAlign, closed as a result of the expansions in Missouri and Kansas's statewide HIEs. *[Kansas City Business Journal, September 9, 2011](#)*

WORKFORCE PROGRAMS

- Several reports were released documenting a growth in demand for Health care IT jobs:
  - In August, the U.S. Bureau of Labor Statistics reported in the *[2010-2011 Occupational Outlook Handbook](#)* that health care IT jobs are expected to grow by 20 percent annually through 2018.
  - In August, Computer Economics released a [report](#) that found 61 percent of health care organizations are increasing the number of IT staff in 2011. MU

incentive programs were attributed as a major factor in the number of organizations that are hiring.

- o In July, the online career site, Dice.com, reported a 75 percent increase in the number of HIT jobs posted over the past year. *Information Week, July 26, 2011*

PROVIDER EHR ADOPTION, OTHER SOURCES OF SUPPORT, AND ISSUES

- An August *Health Affairs* article titled, "Small and Medium-Size Physician Practices Use Few Patient-Centered Medical Home Processes," found that the use of medical home processes (including functions related to EHR systems) in small and medium size practices (1-19 physicians) appears low. Overall, the findings show that these practices earned 21.7 percent of the possible points for medical home practices studied. (An earlier study of large primary care and multi specialty groups found an adoption rate of 35 percent.) EHR relevant items were captured as part of the care coordination/integration domain, one of four studied. The study found that 26% of practices surveyed had electronic medical records, with such use particularly low in 1-2 person practices (17%). Twenty eight percent used electronic prescription (19% of 1-2 person practices). Few (9%) maintained chronic disease registries for at least 3 of 4 specific diseases: diabetes, asthma, congestive heart failure and depression. In contrast, 71% had electronic access to clinical information from at least two of three types (specialist referral notes, emergency department notes, and hospital discharge summaries). (The survey was conducted between July 2007 and March 2009 and included practices with physicians in primary care and selected other specialties for whom medical home concepts are relevant.)

- In September, the Fort Drum Regional Health Planning Organization in New York received a $900,000 federal grant to build onto an established HIT network among area health care providers. Funds will be used for hardware upgrades in facilities serving underinsured or uninsured populations and technical assistance to high risk rural practices. *Watertown Daily Times, September 23, 2011*

- In September, HHS and the USDA awarded a total of $11.9 million through the Rural Health Initiative to 40 rural health providers to help install broadband networks, purchase equipment, and provide training to staff.

DEVELOPMENT OF STAGE 2 MEANINGFUL USE REQUIREMENTS

- ONC's director Dr. Farzad Mostashari indicated he agreed with Health IT Policy Committee's recommendation to delay the start of Stage 2 MU a year until 2014. The delay will encourage more providers to attest in 2011, he said, and allow for more robust stage 2 requirements. (Proposed stage 2 rules are anticipated to be released for comment in late 2011 or early 2012 so the delay also would give providers more time to respond to stage 2 requirements.) *Government Health IT, July 6, 2011*

- On August 5, 2011, the HIT Policy Committee made recommendations to ONC regarding the clinical quality framework for use in Stage 2 and 3 MU criteria. Their recommendations covered: (1) a reporting framework that builds on the stage 1 core and menu option for eligible providers; (2) a list of menu domains and measures to be

developed; and (3) a list of methodological challenges/issues related to novel future measures. The menu domains are in six areas: patient and family engagement, care coordination, population and public health, patient safety, efficiency, and clinical processes.

- On August 16, 2011, the HIT Policy Committee provided recommendations to ONC on Stage 2 meaningful use requirements relevant to the patient capacity to view and download health information. The recommendations built on work by the privacy and security Tiger team and sought to support the ability patients have to access health information. The committee said that certification standards might be too inflexible an approach to guiding providers to provide access with appropriate protections for privacy. Instead, the Committee recommended encouraging best practices that allow providers and the ability of providers to attest to evaluating whether and how to encrypt or otherwise ensure the security of health information in EHRs, data centers, mobile devices, and various other locations.

- In September, CHIME (The College of Healthcare Information Management Executives) sent a letter to HHS recommending that ONC not tie the use of metadata tagging to future MU criteria, which was recommended in the December 2010 PCAST report. Instead, they recommended that the ONC push forward with testing initiatives such as Query Health and data-segmentation.

EFFECTIVENESS OF HIT

- A study published in September's *Archives of Internal Medicine*, titled, "Electronic Medical Record Reminders and Panel Management to Improve Primary Care of Elderly Patients," reports on results from a controlled trial to assess the effectiveness of EHR reminders, with and without panel management, in influencing health care proxy designation, osteoporosis screening, and influenza and pneumococcal vaccinations in patients older than 65. It found EHR reminders alone improved rates on vaccination rates, while EHR reminders augmented by panel management accounted for even higher improvements on all three metrics.

- The September 2011 issue of *Health Affairs* contained an article titled, "Today's 'Meaningful Use' Standard For Medication Orders By Hospitals May Save Few Lives; Later Stages May Do More," by RAND researchers analyzing hospital data on the relationship between electronic medication orders and hospital mortality. Their results suggest that electronic medication ordering can have a positive effect on hospital mortality with sufficient uptakes. Authors conclude that Stage 1 MU CPOE system use requirements for hospitals (30 percent of eligible patients) may be too low to have a significant impact on death from heart failure and heart attack among hospitalized Medicare beneficiaries. But anticipated higher Stage 2 MU CPOE requirements (60% of medication orders) could result in 2.1 percent fewer deaths.

- The September 1, 2011 issue of the New England Journal of Medicine contained an article titled, "Electronic Health Records and Quality of Diabetes Care," by Cubel et al reporting study results showing that practices with EHRs had higher achievement on eight of nine component standards than paper-based practices. EHR sites were also associated with greater improvement in care (a difference of 10.2 percentage points in

annual improvement) and outcomes (a difference of 4.1 percentage points in annual improvement).

- Press reports highlight comments by James H. Thrall, radiologist in chief at Massachusetts General Hospital, suggesting that HIT applications can reduce patient exposure to radiation. He argues that health IT could eliminate more than 90 percent of errors and adverse events reported by hospital radiology departments. At MGH, the number of radiology procedures decreased 25 percent between 2004 and 2007 after introducing CPOE with clinical decision support, with high volume users' particularly affected procedures. *Aunt Minnie, September 20, 2011*

RELATED FEDERAL POLICY INITIATIVES

- In September, ONC released the 2011-2015 Federal Health IT Strategic Plan, which outlines the following major policy goals: (1) achieve adoption and information exchange through meaningful use; (2) improve care, population health, and reduce costs through the use of HIT; (3) inspire confidence and trust in HIT; (3) empower individuals with HIT to improve their health and the health care system; (4) achieving rapid learning and technological advancements; and (5) achieve rapid learning and technological advancement. The plan also calls for establishing an HHS Inter-Division Task Force to develop an updated approach to certain HIT privacy and security issues.

- In September, ONC launched a Consumer eHealth Program to help patients become more involved in their health through HIT. The program will focus on patient on patient access to their medical records, the use of innovative health tools, and on changing attitudes so that patients are comfortable taking an active role in their health. *Health IT Buzz, September 8, 2011*

- In September, HHS announced a new proposed rule that would amend the Clinical Laboratory Improvement Amendments of 1988 (CLIA) to give patients the right to receive copies of their laboratory tests directly from labs.

- In September, HRSA and ONC announced that $8.5 million in new federal funding is going to 85 health centers in 15 of 17 Beacon Communities to help them adopt HIT and participate in communitywide health improvement initiatives that have a strong technology component.

- In August, CMS ended the Electronic Health Records Demonstration because the final participation numbers would be insufficient for the demonstration evaluation to support any definitive conclusions about the Demonstration's impact.

OTHER (CONTEXTUAL ETC)

- In September, iHealth Alliance, a health care industry group, launched EHR Event, a safety event reporting service, that will collect EHR adverse event reports and share information with network participants, which include medical professional insurance carriers, the FDA, and EHR software vendors.

- A New York Times blog on September 27, 2011 discusses US and Canadian reaction to Britain's decision to end to its $17 billion National Health Service EHR program that

was launched in 2002. Analysts argue that British experience shows the pitfalls of top down efforts to mandate systems that do not take into account provider concerns, distinguishing the British approach from that being implemented in the US and Canada.
New York Times Bits Blog, September 27, 2011