

Challenges and Forces Driving Adoption Of Health Information Technology and Electronic Healthcare Records

Michael D. Paquin, FHIMSS
www.mdpgrp.com

In this segment on Electronic Healthcare records, being sponsored by Physicians Office Resource, we will look at:

Health Care Reform and “Meaningful Use” of Health Information Technology

- **In this issue we will look at Describe national health care goals underlying CMS incentives for meaningful use of health information technology (HIT)**

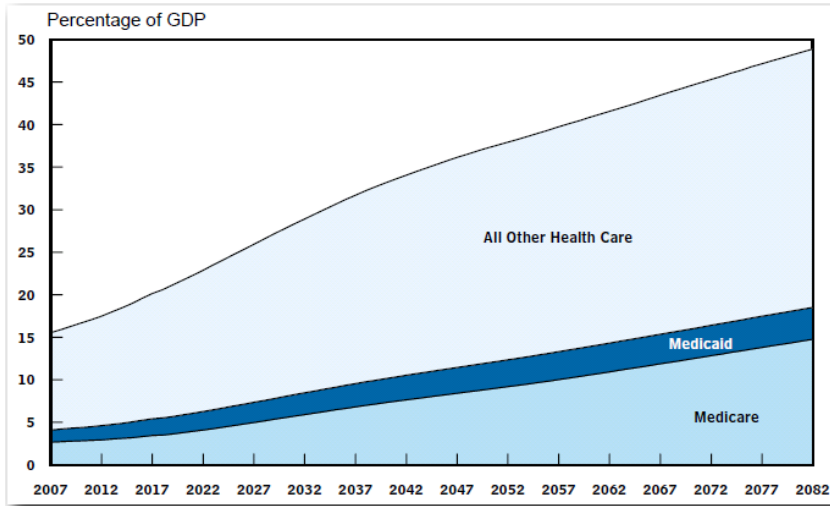
Why Health IT?

“Health information technology (HIT) allows comprehensive management of medical information and its secure exchange between health care consumers and providers. Broad use of HIT has the potential to improve health care quality, prevent medical errors, increase the efficiency of care provision and reduce unnecessary health care costs, increase administrative efficiencies, decrease paperwork, expand access to affordable care, and improve population health.”

U.S. Healthcare Problems: Drivers of Change highest per capita health care spending



- **Ranked 37th of 191 in quality***
- **Threatens affordable care**
 - **46 million currently uninsured**
 - **71% of uninsured adults are employed full-time**
- **\$2.4T (2008)→\$4.8T (2015)**
 - **Increasing % of GDP**



Patients Want More Accessible, Coordinated, Well-Informed Care

Percent reporting it is very important /important that:	Total: Very important or important	Very important	Important
You have easy access to your own medical records	94	68	27
All your doctors have easy access to your medical records	96	72	24
You have information about the quality of care provided by different doctors/hospitals	95	63	32

The Push to Meaningful HIT Use

There is an evidence base showing that the right combination of HIT and institutional culture can lead to important gains in quality and value.

The U.S. needs these gains so desperately that it is willing to bet on HIT. Used appropriately, HIT seems so likely to improve quality that we should use it ASAP.

Placing our Bet on HIT: The "Stimulus Package"

- **American Recovery and Reinvestment Act (ARRA; Feb 2009) - \$787 B**
 - **Health Information Technology for Economic and Clinical Health (HITECH) Act**
 - **-29.2 B (\$17.2 B net) starting in 2011 to incent Medicare- and Medicaid-participating physicians and hospitals to use certified EHR systems in a "meaningful" way.**

ARRA and HITECH: HIT Advisory Committees

- **HIT Policy Committee**
 - **Policy framework for a nationwide health information infrastructure, standards for health info exchange**
 - **Now defining goals, objectives, measures by which physicians and hospitals will qualify for MU payments**
- **HIT Standards Committee**
 - **Standards, implementation specifications, and certification criteria for the electronic exchange and use of health information**
 - **Now defining standards needed to support MU goals**

AARA – authorized Incentives for Meaningful Use

- **ARRA authorizes the Centers for Medicare & Medicaid Services (CMS) to reimburse physician providers and hospitals making "meaningful use" (MU) of HIT / EHR systems by providing incentive payments starting in 2011 and gradually phasing down over four years**
- **Physicians and hospitals not actively using HIT / EHR in compliance with the MU definition by 2015 will be subject to financial penalties under Medicare**
- **CMS will publish lists of physician and practices that are "meaningful users"**

Does it need to be an EHR?

- "...the HITECH Act provides incentive payments to doctors and hospitals that adopt and meaningfully use health information technology. Eligible physicians...can receive up to \$44,000 over five years under Medicare or \$63,750 over six years under Medicaid for being meaningful users of certified electronic health records. Hospitals that become meaningful EHR users could receive up to four years of financial incentive payments under Medicare beginning in 2011, and up to six years of incentive payments under Medicaid beginning in October 2010."
- "Ultimately, we believe 'meaningful use' should embody the goals of a transformed health system. Meaningful use, in the long-term, is when EHRs are used by health care providers to improve patient care, safety, and quality."

*David Blumenthal, MD, MPP National Coordinator for Health Information Technology
 October 1, 2009 - <http://healthit.hhs.gov/>

Meaningful Use Incentives* by Adoption Year (Physicians)

Meaningful User	2009	2010	2011	2012	2013	2014	2015	2016	Total Incentive
2011			\$ 18,000	\$ 12,000	\$ 8,000	\$ 4,000	\$ 2,000		\$ 44,000
2012				\$ 18,000	\$ 12,000	\$ 8,000	\$ 4,000	\$ 2,000	\$ 44,000
2013					\$ 15,000	\$ 12,000	\$ 8,000	\$ 4,000	\$ 39,000
2014						\$ 12,000	\$ 8,000	\$ 4,000	\$ 24,000
2015 +									\$ Penalties

Who is Not Included?

- Does not apply to hospital-based eligible professionals, who furnish substantially all services in a hospital setting
 - e.g. pathologists, anesthesiologists, emergency physicians

Medicare Incentives Coordination of Payments:

- HHS Secretary
 - will establish rules to coordinate incentive payments for those who perform services in different practices
 - will seek to avoid duplicative payments from federal (Medicare) and state government (Medicaid)

Medicare Penalties

Medicare Penalties Year	Penalty Amount
2015	1%
2016	2%
2017	3%
Beyond 2017*	3% - 5%*

For 2018 and beyond, if proportion of eligible professionals who are meaningful users is less than 75%, percentage shall increase by 1% from percent in previous year but not be greater than 5%

In our next issue we will discuss the National Vision for HIT Meaningful Use.