

An Introduction to Federal EHR Incentives

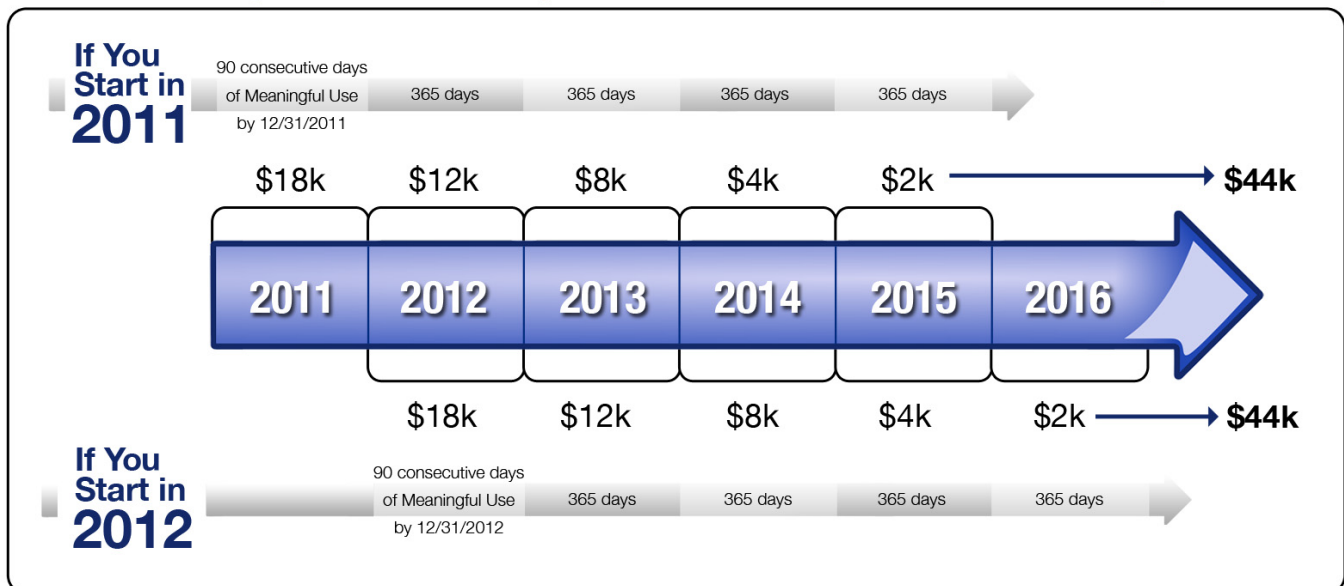


Top Facts: EHR Incentives

The American Recovery and Reinvestment Act (ARRA) of 2009 provides more than \$20 billion in incentives to encourage the widespread implementation of Electronic Health Records (EHR) systems, beginning in 2011 & ending in 2015 (Medicare) or 2021 (Medicaid).

- Each eligible professional can earn up to \$44,000 (Medicare) or \$63,750 (Medicaid).
- The Medicare incentive program can begin as early as 1/1/2011 & will be paid out over 5 successive years. Medicaid incentives may be paid over 6 non-consecutive years between 1/1/2011 and 12/31/2021.
- The reporting period for Payment Year 1 is 90 consecutive days and can begin/end any time between January and December of the same year; Years 2-5 require 12 months of EHR usage.
- 75% of incentives are front-loaded in the first 2 years, with only \$14k paid in years 3-5. Those who wait to adopt will see fewer incentives.
- First Year Medicare payments (\$18,000) will be paid as early as May 2011. Timing for Medicaid payments (First Year: \$21,250; subsequent years: \$8500) falls to the states.
- To receive EHR incentives, physicians must demonstrate “meaningful use” (MU) of a “certified EHR.”
- At this time, CMS has recognized three new certifying bodies for EHRs. A few EHRs have recently been certified, with many others currently in the pipeline awaiting completion of their certification process. A more complete slate of certified vendors is expected by December 2010.

2 Pathways to the Largest Medicare Incentive Payments



Note: Maximum incentive amounts decline for those starting after 2012 or for those who miss MU criteria during their 5-year window. Any Medicare provider who does not meet Meaningful Use standards by 2015 will see reduced reimbursements.

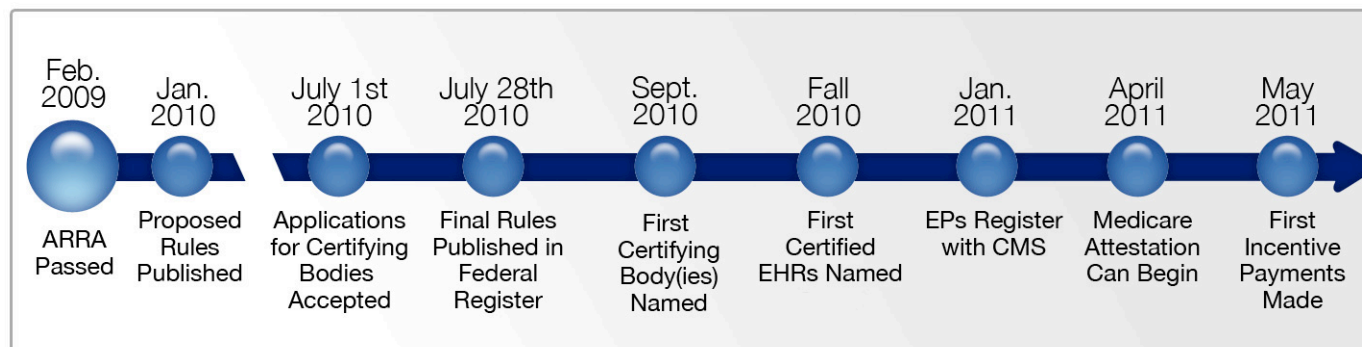
Putting Words to All the Letters

As expected, 1200+ pages of federal legislation have introduced many new terms into the public lexicon. Below is a list of some of the most important keywords and acronyms for those participating in the EHR Incentive program.

ARRA	The American Recovery and Reinvestment Act of 2009. (AKA the “stimulus package.”)	
HITECH	Health Information Technology for Economic and Clinical Health Act. Section of the ARRA that provides incentives for electronic health records.	
MU	Meaningful Use. Usage and reporting standards required for EHR incentives. Please see page 3 for details.	
EP	Eligible Professional. Providers identified by HITECH as eligible to participate in incentive program. EPs are different for the Medicare and Medicaid programs:	
	Medicare: <ul style="list-style-type: none"> • Doctor of Medicine or Osteopathy • Doctor of Dental Surgery or Dental Medicine • Doctor of Podiatric Medicine • Doctor of Optometry • Chiropractor 	Medicaid: <ul style="list-style-type: none"> • Physicians • Nurse Practitioners (NPs) • Certified Nurse-Midwives (CNMs) • Dentists • Physician Assistants (PAs) Working in a Federally-Qualified Health Center (FQHC) or rural health clinic (RHC) that is so lead by a PA.
ONC	Office of the National Coordinator of Health IT. Part of Health & Human Services. Charged with improving the nation’s health IT infrastructure.	
ONC-ATCB	ONC-Authorized Testing and Certification Body. These groups have been authorized by ONC to test and certify EHRs through the Stage 1 period (2011-2012). Currently, CCHIT, The Drummond Group and InfoGard Technologies have been named as ONC-ATCBs. For a complete listing of certified EHRs, please see www.cms.gov/EHRIncentivePrograms .	
EHR	Electronic Health Record. AKA “Electronic Medical Record” and “EMR”.	

Incentives Timeline

Much has occurred since President Bush called for universal adoption of EHRs in his 2004 State of the Union address, the most vital of which was the passage of ARRA and its HITECH subset in February 2009. While many observers doubted the capability of the federal government to assemble requirements or to truly base them on the wants and needs of public stakeholders, the ONC and CMS have moved swiftly, openly and sensibly. Still, there is a great deal of heavy-lifting that remains, as both EHR providers and the healthcare community face a mountain of change. Solutions must be updated and certified to meet the finalized requirements. Physicians and their staffs must implement certified EHRs and learn to use them proficiently enough to meet escalating performance standards. The timeline below details the most important dates in this process.



Meaningful Use Stage 1 Criteria

As indicated earlier, ONC/CMS will roll out MU criteria every two years, with each new set building on the last. For 2011, EPs will work within a somewhat flexible framework, meeting 15 “Core” objectives and selecting 5 out of 10 “Menu” objectives. Measures generally must reflect all unique patients, and not just those whose records are maintained in certified EHR technology.

CORE OBJECTIVES (All)	
CPOE	30%
Drug/Drug & Drug/Allergy	Enabled
ePrescribing	40%
Demographics	50%
Problem List	80%
Medication List	80%
Med. Allergy List	80%
Vital Signs	50%
Smoking Status	50%
Clinical Decision Support	1
Calc/Transmit Quality Meas.	6
eCopy of Health Info	50%
Clinical Summaries	50%
Exchange Key Clinical Info	1 Test
Privacy/Security	Analysis

MENU OBJECTIVES (5 of 10)	
Drug/Formulary Checks	Enabled
Lab Results into EHR	40%
Patient List	1 List
Patient Reminders	20%
Timely eAccess to Health Info	10%
Patient-Specific Education	10%
Med. Reconciliation	50%
Summary of Care	50%
Immunization Registries	1 Test
Syndromic Surveillance	1 Test

↻ Must Choose 1

Clinical Quality Measures

To qualify for incentives, EPs will also be required to report on clinical quality measures. The reason for including such measures is to help define standards and “best practices” that will allow EPs to compare their own outcomes with those of their peers and, in turn, identify areas for overall healthcare improvements.

EPs must report on 6 total measures, including 3 from the Core or Alternate Core measures & another 3 from among 44 Menu measures.

CORE MEASURES (All, if possible)	
NQF 0013	Hypertension: BP Measurement
NQF 0028	Preventive Care & Screening Measure a. Tobacco Use Assessment b. Tobacco Cessation Intervention
NQF 0421/PQRI 128	Adult Weight Screening & Follow Up
ALTERNATE CORE MEASURES (Replacements for Cores)	
NQF 0024	Weight Assessment & Counseling for Children & Adolescents
NQF 0041/PQRI 110	Influenza Immunization for Patients ≥ 50 Years Old
NQF 0038	Childhood Immunization Status
MENU MEASURES (3 of 38)	
See http://www.cms.gov/EHRIncentivePrograms for listing.	

Registering and Reporting for the Medicare Program

EPs who wish to participate in the Medicare EHR Incentive program must register at www.cms.gov/EHRIncentivePrograms after January 1, 2011.

Upon completion of the required reporting period (90 consecutive days for Payment Year 1; 12 month calendar year for Payment Years 2-5), EPs must collect all meaningful use and clinical quality data and enter it at www.cms.gov/EHRIncentivePrograms. Year 1’s reporting requires attestation, whereas the following years will see increasingly electronic forms of reporting. CMS has announced it intends to disperse payments 4-6 weeks after submission.