RIQI HIT Adoption Committee

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American Recovery and Reinvestment Act *HITECH Provisions*

Adapted from: AHIMA/FORE Presentation

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Policy Changes
Overview

Office of National Coordinator

- Codifies ONC's role in HHS and imposes substantial reporting requirements
- Empowers ONC to review and determine whether to endorse standards, specifications, & certification criteria
- Chief Privacy Officer must be appointed by February, 2010

Privacy and Security Provisions

- Extends HIPAA to a broader range of organizations handling such information
- Mandates notification to individuals and government agencies in the event of security breaches
- Expands individual rights currently afforded under HIPAA
- Toughens HIPAA's civil penalties

Nationwide Health Info Network

- Leaves open the issue of how the NHIN will be governed
- Directs HHS Secretary to provide recommendations within a year and must report within 2 years (and annually thereafter) describing actions taken to create a nationwide health IT network

Federal Advisory Committees

- Creates Health IT Policy Committee that prioritizes and harmonizes standards, specifications, & certification criteria
- Creates Health IT Standards Committee that recommends standards, specifications, & certification criteria; Secretary of HHS has until 12/31/09 to adopt the initial set of standards

Programs and Incentives
Overview

Appropriations for Health IT

$2-$3 billion for loans, grants & technical assistance for:

- National Resource Center & Regional Extension Centers
- EHR State Loan Fund
- Workforce Training
- Research and Demonstrations

New Incentives for Adoption

New Medicare and Medicaid payment incentives for HIT adoption

- $18-19 billion in expected payments through Medicare to hospitals & physicians
- $12 billion in expected payments through Medicaid
- ~$30 billion expected outlays, 2011-2016

Appropriations for HIE

At least $300 million of the total at HHS Secretary's discretion for HIE development

- Grants to States or qualified State-designated entities
- For planning and/or implementation
- Beginning in 2011, states will be required to make available non-federal contributions; At HHS discretion prior to 2011

Broadband and Telehealth

$2.8-$6.6 billion toward broadband loans and grants for telehealth

- Directs ONC to invest telehealth infrastructure and tools
- Directs the new FACA Policy Committee to consider telehealth recommendations

Medicare and Medicaid *Incentives*

	Medicare	Medicaid
Funding mechanism(s)	Incentive payments	Incentive payments State matching payments (for admin costs)
Payment Agent	Medicare carriers and contractors	State Medicaid agencies
Payment Recipients	Hospitals and physicians	Hospitals and physicians State Medicaid agencies for program admin
Amounts for Hospitals	***$2 million base amount*** Plus increases for annual discharges, number of inpatient days attributable to Medicare, and charges attributable to Medicare	***$2 million base amount*** Plus increases calculated using similar methodology as Medicare incentive *(eligible entities include Acute Care and Children's Hospitals)*
Amounts for physicians & other health professionals	***Up to $44,000 in Medicare reimbursements*** Over 5 year period	***Up to $75,000*** Over a 5 year period for 85% of eligible implementation costs
Key Consideration	*Hospitals (not physicians and professionals) will qualify for both Medicare & Medicaid funding but must participate in HIE projects & be "meaningful user" to drawn down funds*	

Medicare Incentives for Physicians

- "Meaningful Use" of certified EHR technology by community physicians
- Timeframe is 2011-2015 or 2012-2016 with payments of $18,000, $12,000, $8000, $4000, $2000 (Total of $44K/physician
- Consolidated payment or periodic installments to be determined
- 10% increased payment for heath professional shortage areas

Penalties to Physicians

- Reduced payments if not implemented until 2013 or 2014 - $15,000, $12,000, $8000 (Total of $35K/physician)
- No incentives payments will be made at all after 2016
- Physicians for whom the first payment year is after 2014 receive no incentive payments
- Penalties for non-use by 2015 will be 1 – 3% reduction in reimbursement each year with authority granted to HHS to reduce reimbursement rates further beginning in 2018 if 75% of physicians have not adopted
- Hardship exemption

Certified EHR Technology

- Meet standards adopted by the National Coordinator for Health IT
- Must include demographics, medical history, problem lists, quality indicators
- Clinical decision support and provider order entry
- Exchange clinical information to/from other organizations
- Voluntary Certification Program in collaboration with National Institute of Standards and Technology

“Meaningful User”
Statutory Definition

- Using certified EHR technology
- e-Prescribing
- Demonstrating that the EHR technology is connected in a manner that provides for the electronic exchange of health information that improves the quality of care
- Submits information on clinical quality measures and other measures as selected and in a form and manner specified by the Secretary of HHS
- ***Secretary directed to improve the use of EHRs and health care quality over time by requiring more stringent measures of meaningful use.***