

Meaningful EHR Use and the Physician Practice

The legislation of electronic health records (EHR) through the American Recovery and Reinvestment Act of 2009 (ARRA) has led to imminent adoption of EHR. However, confusion abounds with questions, such as how do I qualify? How will I receive these incentives? What happens if I do not adopt EHR technology?

“EHS has recognized a collective pause among physicians wondering how to best implement an EHR solution,” said Adele Allison, national director of government affairs at EHS, Inc. “Optimal outcomes require a well thought-out transition plan, setting expectations, managing people and the process.”

ARRA/HITECH

Title IV of ARRA, known as the Health Information Technology for Economic and Clinical Health Act (HITECH), sets forth the carrots and sticks physicians face with EHR adoption through Medicare/Medicaid programs. Providers that meet the meaningful use requirements will be eligible to receive up to \$44,000-\$63,750 in incentives; non-adopters being subject to penalties beginning in 2015.

The goals of HITECH are to push provider EHR adoption of certified EHR technology and to have those providers capture structured clinical data, move that data interoperability, and report data to CMS and states.

How do I qualify?

Building on HITECH, achieving “meaningful use” will ultimately drive the products physicians implement and the standards required for health information exchange.

On January 13, 2010, CMS published its proposed rulemaking, outlining the initial stage 1 criterion. Two additional stages will be added. Everyone must be at stage 3 level of meaningful use by 2015.

Medicare/Medicaid incentive programs are mutually exclusive. The following is a guide to becoming eligible:

	<u>Medicare</u>	<u>Medicaid</u>
Eligible Provider Types	MD, DO, DDS, DMD, DPM, Optometrists, DC	Physicians, Dentists, Midwives, Nurse Practitioners, Physician Assistants leading a FQHC/RHC
EHR Reporting Periods	<u>Year 1</u> : any continuous 90-day period within the calendar year; <u>Years 2-4</u> : the entire calendar year	<u>Year 1</u> : any continuous 90-day period within the calendar year; <u>Years 2-4</u> : the entire calendar year
Meaningful Use Criteria	<u>Stage 1</u> : 25 objectives/measures	Not required the first year. Thereafter, Medicare criterion apply and states may add additional criteria
Volume Threshold Requirement	None required, but payment is capped at 75% of Medicare allowable received during the EHR reporting period	Medicaid encounters must represent 20% for pediatricians; 30% for FQHC/RHCs; and, 30% for all others

How do I get paid?

A common misunderstanding is that the incentive dollars are not for purchasing EHR technology, but for its meaningful use. The following outlines information related to payment:

	<u>Medicare</u>	<u>Medicaid</u>
Payment Year	Calendar year (CY) beginning January 1, 2011	Beginning 2010 for adoption, implementation, or upgrading of EHR. Meaningful use beginning CY2011
Reporting Requirements	CY2011 – no electronic submission, results reported through attestation CY2012 – electronic submission to CMS required	TBD by each state
Incentive Opportunity	Up to \$44,000 per provider by NPI; Incentives end after 2014	Up to \$63,750 per provider by NPI; Incentives end after 2016
Penalty for Non-Adoption	Medicare payment adjustment decrease to 99% of allowable in 2015; 98% of allowable in 2016; 97% of allowable in 2017	No penalty for non-adoption
Incentive Payment Administration	Through Medicare Administrative Contractors to the TIN	Through states to the TIN