



# Preparing Your Practices: Health Information Technology and Health Care Reform

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## Overview of Presentation

- Overview of the role of information technology
- Overview of American Recovery and Reinvestment Act and its emerging programs to support adoption
- Take-aways for America's osteopathic physicians



# Overview of the Role of Information Technology in Improving America's Healthcare



## Benefits of Health Information Technology

- Complete, accurate, and searchable health information, available at point of diagnosis and care, allowing for more informed decision-making
- More efficient and convenient delivery of care
- Earlier diagnosis and characterization of disease, with the potential to improve outcomes and reduce costs
- Reductions in adverse events
- Increased efficiencies related to administrative tasks

Source: U.S. Department of Health and Human Services Health IT Web Site, October 2009

## Current Adoption Rates Are Rather Low

- 4% of physicians report having an extensive, fully functional electronic records system, and 13% report having a basic system <sup>1</sup>
- 1.5% percent of U.S. hospitals have a comprehensive electronic records system and an additional 7.6% have a basic system <sup>2</sup>
- Computerized provider-order entry for medications has been implemented in only 17% of hospitals <sup>2</sup>
- Congress' goal with Recovery Act was 90% EMR adoption for physicians and 70% for hospitals, and EMRs for most Americans by 2014.

<sup>1</sup> DesRoches C, Campbell E, Rao S, Donelan K, Ferris T, Jha A, Kaushal R, Levy D, Rosenbaum S, Shields A, Blumenthal D. "Electronic Health Records in Ambulatory Care—A National Survey of Physicians". *New England Journal of Medicine*: 359;1. July 3, 2008.

<sup>2</sup> Jha A, DesRoches C, Campbell E, Donelan K, Rao S, Ferris T, Shields A, Rosenbaum S, Blumenthal D. "Use of Electronic Health Records in U.S. Hospitals". *New England Journal of Medicine*: 360;16. April 16, 2009.

## Barriers to Adoption

- Lack of capital to invest in health IT
- Lack of a sustainable business model for both health IT use and health information exchange
- Workflow and organizational change challenges
- Concerns about privacy and security
- Lack of standards adoption, will my EHR become obsolete?



# Help is On the Way.. American Recovery and Reinvestment Act



## **American Recovery and Reinvestment Act Addresses Many Areas, With More Than \$36B in Investment**

- Significant Incentives for Meaningful Use
- Grant and Loan Programs to Support Health Information Exchange Capacity
- Technical Assistance to the Field to Support Transition
- Processes for Assuring Agreement on and Adoption of Standards and Policy
- Additional Privacy Policy
- Support for Research
- Codification of the Office of the National Coordinator for Health Information Technology (IT)

## **A Break-down of Significant Funding in the American Recovery and Reinvestment Act**

- **Incentives for Meaningful Use of Health IT - \$44.7 billion**
  - Medicare incentives - \$23.1 billion
  - Medicaid incentives - \$21.6 billion
- **Funding Support of Programs through the Office of the National Coordinator for Health IT - \$2 billion**
  - State Health Information Exchange Cooperative Agreement Program - \$564 million
  - Health Information Technology “Extension Program”: Regional Extension Centers - \$643 million
  - Health IT “Extension Program”: National Health IT Research Center - \$50 million

## American Recovery and Reinvestment Act Process for Adoption of Standards

- Formal rule-making process associated with the identification and endorsement of standards
- Two Federal Advisory Committees also provide guidance and recommendations
  - HIT Standards Committee recommends standards
  - Standards are in alignment with the areas identified and prioritized by the HIT Policy Committee
- Several decisions on a fast-track to support considerable investments in health IT
- Standards will be incorporated into requirements related to federal investment, organizations that submit data to the federal government, and those hospitals and healthcare professionals that receive incentives for “meaningful use” of health IT
- We’ll know more about the specifics with draft rules emerging in December 2009 followed by final rules in early 2010

## American Recovery and Reinvestment Act Medicare Incentives for Health Care Professionals

Year	Amount
First Year	If 2011 or 2012, then \$18,000 If 2013 or later, then \$15,000
Second Year	\$12,000
Third Year	\$8,000
Fourth Year	\$4,000
Fifth Year	\$2,000
Sixth Year and Beyond	0

If eligible professional predominantly furnishes services in a Secretary-designated health professional shortage area, amounts are increased by 10%. No incentives for initial adoption after 2014

## American Recovery and Reinvestment Act Medicare Penalties for Health Care Professionals

Year	Penalty Amount
2015	1%
2016	2%
2017	3%
Beyond 2017*	3%*

\*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%

## American Recovery and Reinvestment Act Medicaid Incentives for Health Care Professionals

- Medicaid will pay up to 85% of costs related to adoption and operations
- Administered by the states
- Eligibility:
  - Non-hospital based pediatricians and other healthcare professionals with at least a 30% Medicaid patient volume (2/3 of the incentives with 20% volume)
  - Eligible professionals who practice predominantly in federally qualified health centers or rural health clinics and have at least 30% of patient volume attributable to “needy patients”

## American Recovery and Reinvestment Act To Qualify for Medicare Incentives Must be a “Meaningful User” of “Qualified EHR Technology”

- A “**Meaningful User**” must have:
  - Meaningful use of “**certified EHR technology**”
  - **Information exchange**
  - **Reporting** on clinical **quality measures**
- CMS will post on its website the names, addresses, and phone numbers of eligible professionals who are meaningful EHR users and group practices receiving incentive payments

## Meaningful Use Work Group, HIT Policy Committee Approved Meaningful Use Guidance

- Four of five key areas build on the work of the **National Priorities Partnership** framework developed by the National Quality Forum
  1. Improve quality, safety, efficiency, and reduce health disparities
  2. Engage patients and families
  3. Improve care coordination
  4. Improve population and public health
  5. Ensure adequate privacy and security protections for personal health information

## Meaningful Use Work Group, HIT Policy (FACA) Committee Approved Meaningful Use Guidance

<b>Health Outcomes Policy Priorities</b>	<b>2011 Measures</b>
Improve quality, safety, efficiency, and reduce health disparities	<ul style="list-style-type: none"><li>■ % diabetics with A1C under control</li><li>■ % hypertensive with BP under control</li><li>■ % with LDL under control</li><li>■ % offered smoking cessation</li><li>■ % with recorded BMI</li><li>■ % surgical patients who received VTE prophylaxis</li><li>■ % orders entered directly into CPOE</li><li>■ Use of high-risk medications by elderly</li><li>■ % over 50 with annual colorectal screening</li><li>■ % of females over 50 receiving annual mammogram</li><li>■ % patients at high-risk for cardiac events on aspirin prophylaxis</li><li>■ % of patients with current pneumovax</li></ul>

## Meaningful Use Work Group, HIT Policy (FACA) Committee Approved Meaningful Use Guidance

<b>Health Outcomes Policy Priorities</b>	<b>2011 Measures</b>
Improve quality, safety, efficiency, and reduce health disparities	<ul style="list-style-type: none"><li>■ % eligible patients who received flu vaccine</li><li>■ % lab results incorporated into EHR in coded format</li><li>■ Stratify reports by gender, insurance type, primary language, race, ethnicity</li><li>■ % of all medications entered into EHR as generic, when generic options exist in the relevant drug class</li><li>■ % of orders for high-cost imaging services with specific structured indications recorded</li><li>■ % of claims submitted electronically</li><li>■ % patient encounters with insurance eligibility confirmed</li></ul>

## Meaningful Use Work Group, HIT Policy (FACA) Committee Approved Meaningful Use Guidance

Health Outcomes Policy Priorities	2011 Measures
Engage patients and families	<ul style="list-style-type: none"> <li>■ % of patients with access to personal information electronically</li> <li>■ % of patients with access to patient-specific educational resources</li> <li>■ % of encounters for which clinical summaries were provided</li> </ul>
Improve care coordination	<ul style="list-style-type: none"> <li>■ Report 30 day readmission rate</li> <li>■ % of encounters where med reconciliation was performed</li> <li>■ Implemented ability to exchange health information with external clinical entity (labs, care summaries, med lists)</li> <li>■ % of transitions in care for which summary care record is shared</li> </ul>

## Meaningful Use Work Group, HIT Policy (FACA) Committee Approved Meaningful Use Guidance

<b>Health Outcomes Policy Priorities</b>	<b>2011 Measures</b>
Improve population and public health	<ul style="list-style-type: none"><li>■ Report up to date status for childhood immunizations</li><li>■ % reportable lab results submitted electronically</li></ul>
Ensure adequate privacy and security protections for personal health information	<ul style="list-style-type: none"><li>■ Full compliance with HIPAA privacy and security rules</li><li>■ Conduct or update a security risk assessment and implement security updates as necessary</li></ul>

## State HIE Cooperative Agreement Program Will Drive Health Information Exchange Capacity

- Play a **critical leadership role** by determining path and model for exchange of health information
- Develop and implement **strategic and operational plans** that will enable providers to meet the meaningful use criteria
- **Develop state level directories and enable technical services** for health information
- **Remove barriers (technical, legal, financial and organizational)** to and create enablers for health information exchange
- **Convene health care stakeholders** to ensure trust in and support for a statewide approach to health information exchange
- Ensure an **effective model for HIE governance and accountability**
- **Integrated approach with Medicaid and state public health**
- **Develop or update privacy and security requirements** for health information exchange within and across state borders.

## State HIE Cooperative Agreement Program Funding Available

- Total funding of \$564 million
- One award per state (50 awards)
- Form of agreement: “cooperative agreement”
- Award floor is \$4 million, Award ceiling is \$40 million
- Program length four years
- Key dates:
  - Applications due October 16, 2009
  - Awards announcements December 15, 2009
  - Anticipated project start dates, January 15, 2010

## American Recovery and Reinvestment Act Technical Assistance Programs

- National **health IT extension program** to assist health care providers in adopting, implementing, and effectively using certified EHR technology that allows for the electronic exchange and use of health information
  - A national **Health Information Technology Research Center** to provide **technical assistance** and develop or recognize **best practices** to support health IT efforts
  - Creation and support of **regional extension centers** that will provide **technical assistance and disseminate best practices**

## Health IT Regional Centers Cooperative Agreement Program: Summary of Funding

- Type of Award: Cooperative Agreement
- Total Amount of Funding Available in FY2010: \$598,000,000
- Average Award Amount: \$8,543,000
- Award Floor \$1,000,000, Award Ceiling \$30,000,000
- Approximate Number of Awards: 70
- Project Period Length: four-year project period with two separate two-year budget periods
- Estimated Start Date: January 15, 2010

## Health IT Regional Centers Cooperative Agreement Program: Priorities

- Primary-care providers in any of the following settings:
  - Individual and small group practices (ten or fewer) primarily focused on primary care;
  - Public and Critical Access Hospitals;
  - Community Health Centers and Rural Health Clinics;
  - Other settings that predominantly serve uninsured, underinsured, and medically underserved populations.
- Each Center will provide technical assistance to a **minimum of 1,000 priority primary-care providers in the first two years** of the four-year cooperative agreement project period
- The **entire cohort** of Regional Centers will, in the national aggregate, support over **100,000 priority primary-care providers** to achieve successful adoption and meaningful use of certified EHRs.

## **Health IT Regional Centers Cooperative Agreement Program Expected Services**

- Education and Outreach
- National Learning Consortium
- Local Workforce Support
- Practice and Workflow Design
- Functional Interoperability and Health Information Exchange
- Vendor Selection and Group Purchasing
- Privacy and Security Best Practices
- Implementation and Project Management
- Progress Towards Meaningful Use

## Medicare-Medicaid Advanced Primary Care Initiative New Medicare Demonstration CMS Soliciting Applications From States That:

- Have established effective **Advance Primary Care models** in all or parts of their states that include their Medicaid program as well as private payers.
- Can **demonstrate that a majority of the primary care physicians** in the demonstration areas **would participate**.
- Have **stringent requirements** for designating Advance Primary Care providers, including independent accreditation and requirements for the use of health IT.
- Have **integrated public health services** to emphasize wellness and prevention.
- Have **secured the participation of a sufficient number of private payers**.

## Medicare-Medicaid Advanced Primary Care Initiative

### Definition of Advanced Primary Care Model

- APC is also known as the patient-centered medical home
- An APC practice links multiple points of health delivery by utilizing a team approach with the **patient at the center**.
- The care model emphasizes prevention, health IT, care coordination and shared decision making among patients and their providers.
- An APC doctor's office is a re-designed practice that has shifted from focusing on episodic treatment of disease to the **holistic care of a patient**.

## Medicare-Medicaid Advanced Primary Care Initiative Payments to Practices

- Practices are paid a per member per month fee for intensive primary care interventions such as:
  - Coaching chronically ill patients on effective self-care,
  - Working with patients to develop an individual care plan,
  - Coordinating with a patient's other doctors and specialists,
  - Using technology to track and coordinate patient care,
  - Managing hospital transitions and
  - Utilizing resources outside the physician office to help patients navigate the health care system and stay healthy.



# Key Take-Aways for America's Osteopathic Physicians



## Key Takeaways for America's Osteopathic Physicians

- Several drivers in place to **significantly increase the level of adoption** of health IT for physicians across the U.S.
- In December, we'll have a much more definitive sense of the requirements: get acquainted, do your homework
- If you have not already done so, it's **time to get involved**
  - **National and federal efforts:** standards and policy (it matters!)
  - **State and local efforts:** health information exchange capacity-building efforts, regional extension programs
  - **Group purchasing efforts** with your colleagues in the region (leverage regional extension centers)
  - **Leverage considerable resources of AOA**

## Key Takeaways for America's Osteopathic Physicians

- **Begin preparing your practice** for the transformation
  - Analyzing and preparing your practice
  - Motivating staff
  - Workflow redesign
  - Assessment of readiness
  - Making the business case
  - Communications plan
  - Implementation plan
  - Health information exchange: data connections (hospitals, pharmacies, health plans, laboratories)
  - Training and support

## Key Takeaways for America's Osteopathic Physicians

- **Seek to align your efforts** with broad-based efforts focused **on improving quality and efficiency in healthcare**
  - Patient-centered medical home and other care coordination efforts
  - Performance measurement linked with quality improvement, and others....
- **It's an important and unprecedented time in healthcare— let's make the investment** in this important foundational infrastructure **count**, and support higher quality for patients

**Thank You!**

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