

HITECH: The CMS Angle

Jessica P. Kahn

Centers for Medicare & Medicaid Services

-World Vista June 2009

ARRA's HIT Funds

- Electronic Health Record grants for Community Health Centers and IHS
- Funding for Public Health Systems
- Funding for interfacing certified EHR with HIE
- Clinical Informatics education programs
- Funding for Clinical Decision Support application development
- Funding for clinical repository databases and registries



ARRA: Medicaid HIT Funding Opportunities

- 90/10 Grant funding for HIE/EHR Administrative Support
- Competitive Grants Funds for Medicaid HIT
- MITA 90/75/25 funding
- Loan Programs for EHRs
- Medicaid Hospital and Provider Incentives
- Grant funding for Graduate Medical Education EHR





HITECH Act

- Encompasses Titles XIII and IV (Medicare and Medicaid) of the American Recovery and Reinvestment Act (ARRA).
- **Title IV**
 - Medicare and Medicaid Incentives Programs
- **Title XIII**
 - Mainly deals with the responsibilities of the Office of the National Coordinator
 - Has a number of grant and loan programs that have state implications

Title IV

■ Medicaid

- Section 4201-Establishes 100 percent Federal Financial Participation (FFP) to States for eligible Medicaid providers to purchase, implement, and operate (including support services and training for staff) certified electronic health record (EHR) technology
 - Certain classes of Medicaid professionals and hospitals are eligible for incentive payments to encourage their adoption and use of certified EHR technology.



Title IV-Key Operational Issues for Medicaid

- Work with ONC to develop policies required to implement statutory requirements (e.g., define “meaningful use” of EHRs, operationalize the definition of “certified EHR technology, etc.),
- Establish Medicare and Medicaid payment policies, processes, and tracking methods,
- Develop regulations to provide the opportunity for public notice and comment on these requirements and publish final regulations implementing the policies



Section 4201- Medicaid Incentives

- Incentive payments for certified EHR technology (and support services including maintenance and training that is for, or is necessary for the adoption and operation of, such technology) by Medicaid providers.
- No start date specified for Medicaid, probably 2011 similar to Medicare.
- The definition of “**meaningful use**” must be established through a means that is approved by the State and acceptable to the Secretary.
- The definition must be in alignment with the one used for Medicare.

Who Are Medicaid Eligible Professionals?

- Medicaid providers eligible for funding are defined as:
 - A non-hospital-based professional who has at least 30 percent of the professional's **patient volume** attributable to individuals who are receiving medical assistance under this title;
 - A non-hospital-based pediatrician who has at least 20 percent of his/her patient volume attributable to individuals who are receiving medical assistance under this title
 - An eligible professional who **practices predominately** in a Federally-qualified health center or rural health clinic and has at least 30 percent of the professional's patient volume attributable to needy individuals.




What Type of Hospitals Qualify for Medicaid HIT Incentives?

- Acute care hospitals with at least 10 percent Medicaid patient volume
- Children's hospitals (no Medicaid patient volume requirement).




How Much is the Medicaid Incentive Payment? Penalties?

- No more than 85% percent of **net average allowable costs for certified EHR technology (& support services including maintenance and training)**.
 - The statute specifies maximum amounts but the Secretary will determine through studies the actual amounts of the provider incentive payments
- Unlike Medicare, no reductions in Medicaid payments are to be made if a provider does not adopt certified EHR technology; i.e., adoption is voluntary, not mandatory in the federal statute.



Relationship Between Medicaid and Medicare EHR Incentives?

- Eligible Professionals can only receive either the Medicare or Medicaid Incentive, not both
- Hospitals that qualify for the Medicare and Medicaid incentive can receive both.



Relationship Between Medicaid & Medicare EHR Incentives Cont'd

- The legislation instructs the Secretary to ensure the coordination of incentive payments to providers through Medicare and Medicaid.
- Such coordination shall include, to the extent practicable, a data matching process between State Medicaid agencies and the Centers for Medicare & Medicaid Services using national provider identifiers.



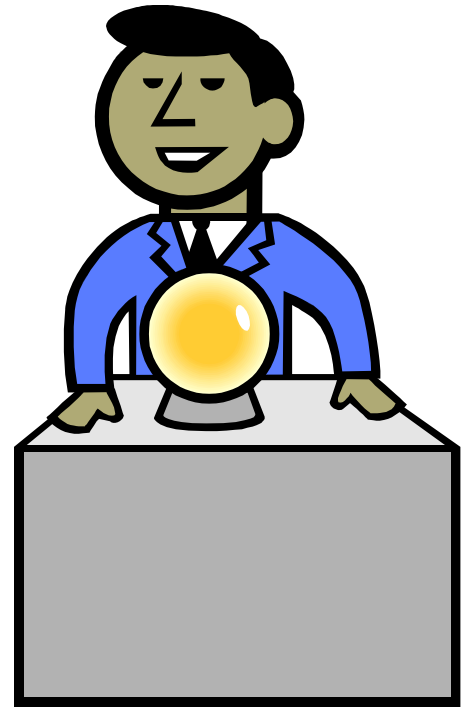
ARRA's HIT Funding Opportunities- Non-incentives

- Section 3012 Grants for Technical Support & Training
 - HIT Regional Extension Centers – provide technical assistance on HIT to healthcare providers
- Section 3013 ONC Grants for HIE
 - Awarded to States or state designated entities
 - 2 levels: Planning Grants and Implementation Grants
- Section 3014 Loan Programs for HIT
 - Federal grants for State or Indian Tribes to establish programs to provide loans to healthcare providers for the purchase, implementation and use of EHRs
- Section 3016-Assistance to establish or expand health informatics programs
 - Priority is given to institutions of higher education with existing programs and programs taking less than 6 months to complete

Putting the Pieces Together



What Should States Be
Doing Now?



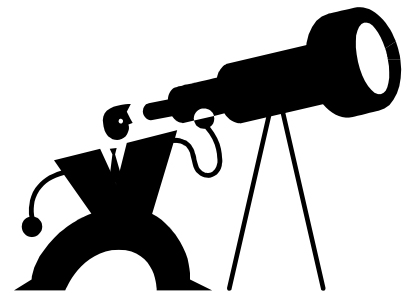


Funding for States' Implementation

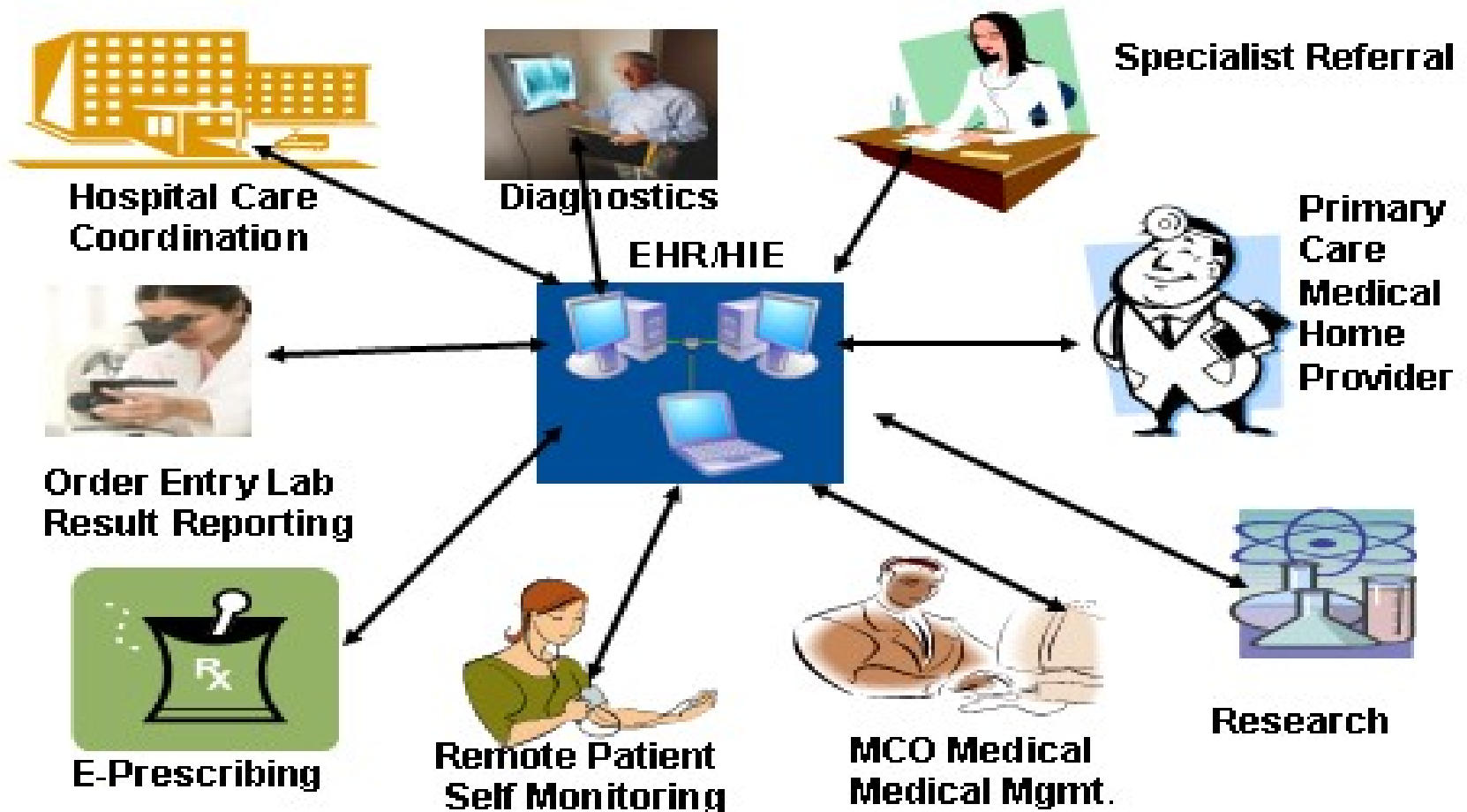
- States are eligible for 90% administrative FFP to:
 - Administer the incentive payments
 - Conduct oversight such as tracking provider eligibility, meaningful use and quality reporting
 - Pursue initiatives to encourage adoption of EHR technology to promote healthcare quality and the exchange of data

Recommended State Role

1. Create State-wide e-Health *Leadership Team*
 - Members from a broad cross-section of stakeholders
 - The Chair should be able to transcend individual organizational agency or departmental turf
2. State-wide e-Health *Vision* 8-10 years from now (“to-be” world)
 - What would an ideal world look like?
 - Who are the stakeholders?
 - How would they be connected?
 - What data would be useful to whom?



The E-Health Connected Medicaid Health System



State Role (continued)

1. Develop current Landscape of current e-health initiatives (“as-is” world)

- Who is doing what today?
(Not just in Medicaid but elsewhere across the State like FQHCs, public health, Child Welfare, etc)
- What linkages exist today?
- With whom?
- For what?



State Role (continued)

1. Create a State Roadmap for HIE/EHR adoption and use

- Connects “as-is” with “to-be” worlds
- Establish quantifiable benchmarks that can be used to evaluate progress along the way
- What new linkages need to be made? With whom? For what?
- Where will the resources come from?
- How will the ARRA provider incentive payments, and increased provider adoption of EHR technologies, fit into this picture?



Defining the Enterprise is Easy??



"We're talking fifteen hundred to find the dots, then another fifteen hundred to connect them."



Where to get further information

- Information will be coming out over the next several months. The best Federal sources are:
 - Overall information on the programs
 - www.hhs.gov/recovery
 - Medicare information
 - www.cms.hhs.gov/home/medicare.asp
 - Medicaid information
 - www.cms.hhs.gov/Recovery/09_Medicaid.asp#TopOfPage
 - ONC information
 - <http://healthit.hhs.gov/portal/server.pt>