"American Recovery and Reinvestment Act of 2009 Overview:

Implications and Opportunities for Rural and Underserved Healthcare Organizations'

Alliance for Health Reform Briefing
Union Station
Washington, D.C.
October 30th, 2009

Neal Neuberger, Executive Director

Telemedicine

Telemedicine is the use of medical information exchanged from one site to another via electronic communications to improve patients' health status. Closely associated with telemedicine is the term "telehealth," which is often used to encompass a broader definition of remote healthcare that does not always involve clinical services.

Videoconferencing, transmission of still images, e-health including patient portals, remote monitoring of vital signs, continuing medical education and nursing call centers are all considered part of telemedicine and telehealth.

American Telemedicine Association

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Electronic Health Record

The Electronic Health Record (EHR) is a secure, real-time, point-of-care, patient centric information resource for clinicians. The EHR aids clinicians' decision making by providing access to patient health record information where and when they need it and by incorporating evidence-based decision support.

The EHR automates and streamlines the clinician's workflow, closing loops in communication and response that result in delays or gaps in care. The EHR also supports the collection of data for uses other than direct clinical care, such as billing, quality management, outcomes reporting, resource planning, and public health disease surveillance and reporting.

Healthcare Information Management and Systems Society

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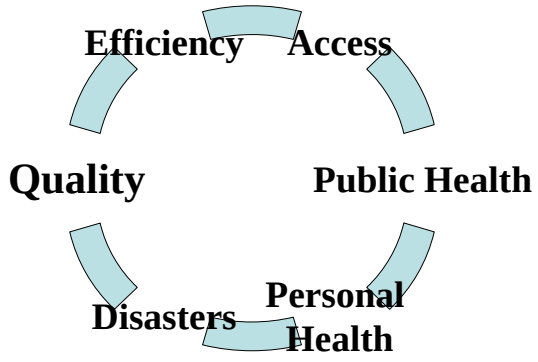
What Is Driving All The Activity Healthcare Reform Meets HIT



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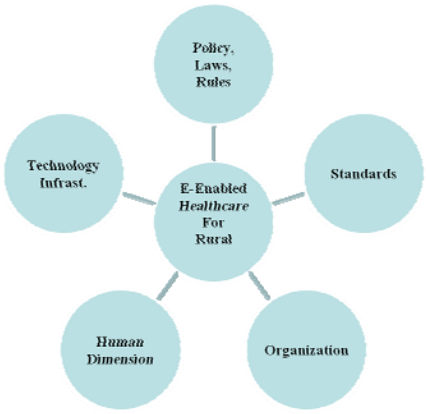

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Numerous Players

- **Federal Government**
  - **Congress**
  - **Agencies (DHHS, DoC, Ag, DoD, VA, IHS, NASA)**
  - **Federal Jt. Working Group on Telehealth**
- **States**
  - **Statewide Initiatives (Governors, Legislatures, Regional Networks)**
  - **Hundreds of bills specific to HIT**
  - **NGA State Alliance; HIMSS State Coordination**
- **Private Sector**
  - **Coalitions / Consortia / Organizations (ATA, HIMSS, eHI, AHIMA, AMIA, Health IT Now ! Coalition)**
  - **Capitol Hill Steering Committee on Telehealth and Healthcare Informatics)**
  - **Standards Groups, CCHIT, HITSP, Promina, Continua**
  - **Foundations (Markle, RWJ, Commonwealth, eHI Fndt; RCHN)**

Major Policy Issues

Reimbursement & Capital Costs
- **Aligning Financial Incentives – ARRA**
- **Driving Cost-Effectiveness (i.e. Chronic Care & Disease Mgmt)**
- **Start-up Costs; Capital Investment & Sustainability**
- **Federal Investments (DoD; VHA; IHS; DHHS)**

Standards (Clinical & Communications)
- **Quality & Safety (ARRA)**

Infrastructure Issues
- **Network Infrastructure / Broadband Access / Interoperability (FCC; DoC; RUS)**

Human Dimension Issues
- **- Arrangements to Practice in an e-enabled Environment**
- **- Practitioner and Patient Acceptance**
- **- Licensure, Accreditation, Certification**
- **- Legal (Stark Law, Liability, FDA, HIPAA & Ongoing Security Concerns)**
- **- Training an HIT Workforce (NSF; BHP)**

Challenges For Rural and Disadvantaged Communities

- **Patients may be isolated, must travel long distances or are homebound; Access is a major problem**
- **Rural residents and minorities may be older, and often with certain chronic conditions**
- **Cultural and Language Barriers**
- **Low patient volume**
- **Longer wait times for Care**
- **Disjointed care; Lower quality of care**
- **Lower income, and less private insurance**
- **Many are Less Likely to Own or Use Computers**
- **Limited (but growing) Use of Internet**

Challenges For Rural and Disadvantaged Communities

- **Underserved Healthcare Providers may have no IT support let alone an IT Department**
- **Hard to find M.D. or Adm leaders / Change agents**
- **Other business priorities i.e. "surviving"**
- **No business case for connectivity / linkages to other institutions (stand-alone EHRs ?)**
- **No aggregate buying power (hence pooled vendor selection processes & need for Networking)**
- **Need to address critical referral pattern issues, disruptions, patient flows etc.**

Bottom Line – Many Consumers and Healthcare Organizations will need special legislative and administrative consideration

Put Positively

"There are no problems……just insurmountable opportunities"

– Pogo !

Choose Appropriate Technology
Chicago Science Fair 1974

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ARRA $787 Billion Total
Up to $50 B for "Cyber Ready" HIT Efforts

- **Jobs Creation**
- **Infrastructure Build out**
- **Community Economic Development**
- **Public-Private Partnerships**
- **Quick Spending Toward Long Term Investment**
- **Supporting Broader Healthcare Reforms - Access, Efficiency, Quality**

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

HIT Incentives Over 10 Years (Medicare & Medicaid)

Budget Authority	$ 36.3 B
Projected Savings	$ 15.5 B
Net Budget Authority	$ 20.8 B

National Coordinator for HIT	$ 2.0 B
Includes Grants to States	$ 300 M
Includes Transfer to NIST	$ 20 M

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

HRSA	Programs and Services	$ 2.5 B
	(Grants to CHCs	$ .5 B)
	(CHC Infrastructure & HIT	$ 1.5 B)
	(Hlth Professions Shortages	$ .5 B)

AHRQ Comparative Effect Research		$ 1.1 B
	(Transfer to NIH	$ 400 M)
	(Use by DHHS Secretary	$ 400 M)
	(Use by AHRQ	$ 300 M)

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

Indian Health Service (Telemedicine)	**$ 85 M**
Veterans Health Admin. (IT)	**$ 50 M**
NTIA / DoC (Broadband TOP)	**$ 4.7 B**
RUS / DoA (Medical Links et al)	**$ 2.5 B**
ETA / DoL (Worker Training)	**$ 4.4 B**
NIST / DoC (Standards)	**$ 220 M**
(Plus $20 M from DHHS)	
Social Security Admin. (IT)	**$ 500 M**

American Recovery and Reinvestment Act
Health Information Technology Related Provisions
Special Provisions

-ONCHIT – required to assess use of HIT in reducing disparities as part of duties.

-Required Studies on impact of HIT on communities with health disparities and uninsured, underinsured, and medically underserved communities.

-Secretary's report on matters related to aging services technology assistance.

-Grant funding to be consistent with HHS policies on inclusion of women and minorities in research.

-HIT Research Centers to prioritize assistance to non-profits, CAHs, rural, small practices, and orgs that serve un and underserved.

Key Implementing Organizations

- **HIT Policy Committee – 20 members, recommendations on standards, implementation criteria, certification criteria. Has met five times so far.**
- **HIT Standards Committee – 28 members, recommendations to ONC on standards, implementation specifications, certification criteria for electronic exchange and use of HIT. Has met five times thus far.**
- **Federal Health Architecture – ensuring federal agencies can seamlessly share data, leveraging federal expertise, unified federal approach. *Connect. NHIN.***
- **State-level Organizations - State Alliance for eHealth**

American Recovery and Reinvestment Act Health Information Technology Related Provisions Broadband

- As much as 7.2 Billion Across Verticals Including Health, Coordination Among Agencies is Key

- FCC released Notice of Inquiry- April 8th Plan for development of national high-speed broadband system. Comments taken till July 7th.

- NTIA held public meetings in March.

- USDA (RUS) / DoC (NTIA) Issued joint guidance for grants in May; then Final rules in June. The deadline for RUS Broadband Initiatives Program (BIP) and the NTIA Broadband Technology Opportunities Program (BTOP) was then extended till late August.

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

Incentives through Medicare

- Eligible professionals (physicians) and hospitals for the "meaningful use" of certified EHR technology

- Incentives offered 2011- 2015 for physicians and physicians will see a reduction in their Medicare reimbursements in 2015 if they are not meaningful users of certified EHR technology

- Incentives offered FY11-FY15 for hospitals and hospitals will see a reduction in their Medicare reimbursements in FY15 if they are not meaningful users of certified EHR technology

Incentives through Medicaid

- Eligible providers must demonstrate a "meaningful use" of certified EHR technology

-Incentive payments offered 2011 - 2015

CAHs and the EMR Adoption Model℠

		CA	PPS
Stage 7	Medical record fully electronic; HCO able to contribute CCD as byproduct of EMR; Data warehousing in use	0.0%	0.4%
Stage 6	Physician documentation (structured templates), full CDSS (variance & compliance), full R-PACS	0.0%	1.2%
Stage 5	Closed loop medication administration	1.6%	4.9%
Stage 4	CPOE, CDSS (clinical protocols)	1.1%	3.8%
Stage 3	Clinical documentation (flow sheets), CDSS (error checking), PACS available outside Radiology	19.8%	43.5%
Stage 2	Clinical Data Repository, Controlled Medical Vocabulary, Clinical Decision Support, may have Document Imaging	29.7%	31.5%
Stage 1	Ancillaries – Lab, Rad, Pharmacy – All Installed	12.8%	7.5%
Stage 0	All Three Ancillaries Not Installed	35.0%	7.1%

Da

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

CAH Medicare Provisions

- CAHs that are meaningful users by 2011 are eligible for 4 years of enhanced Medicare payments (20% over Medicare Share* with charity adjustment) with immediate full depreciation of certified EHR costs, including undepreciated costs from previous years.

- Penalties for non-users start in 2015 (0.33% reduction in Medicare increases to 1% in 2017).

- Depreciated investments by "early adopters" are not eligible for any incentive payments.

Source: Louis, Wenzlow, Rural Wisconsin Hospital Cooperative

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

What it Means for CAHs

- CAHs must become meaningful EHR users between 2011 and 2015 to qualify for bonus structure and avoid penalties.

- For CAHs that qualify, new and un-depreciated "certified EHR costs" will get a roughly 50%* bump in Medicare Reimbursement (with 100% Maximum).

- Bonus incentives initiate only after most of the investments need to be made; the issue of capital/financing is left unaddressed.

Source: Louis, Wenzlow, RWHC

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

What it Means for CAHs

- Maximizing incentive bonus will involve strategy to leave as much "Certified EHR Expense" as possible un-depreciated at the time of reaching "Meaningful User" designation.

- Definition of "Certified EHR" will ultimately determine (and could significantly reduce) the value of the incentive.

- Definition of "Meaningful Use" will ultimately determine whether the incentive is reasonably attainable by rural providers.

Source: Louis, Wenzlow, RWHC

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

A Few Critical Definitions / Discussions

- "Meaningful Use" – Policy Committee and ONC have now softened initial criteria to help rural organizations

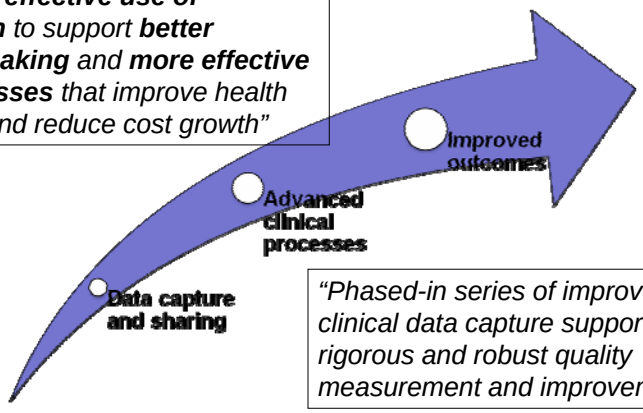
- "Certified or Qualified" Electronic Health Record

- "Health Information Technology" Includes TM and Disease Monitoring ?

Bending the Curve Towards Transformed Health

Achieving Meaningful Use of Health Data

*"These goals can be achieved only through **the effective use of information** to support **better decision-making** and **more effective care processes** that improve health outcomes and reduce cost growth"*



"Phased-in series of improved clinical data capture supporting more rigorous and robust quality measurement and improvement."

Connecting for Health, Markle Foundation "Achieving the Health IT Objectives of the American Recovery and Reinvestment Act" April 2009

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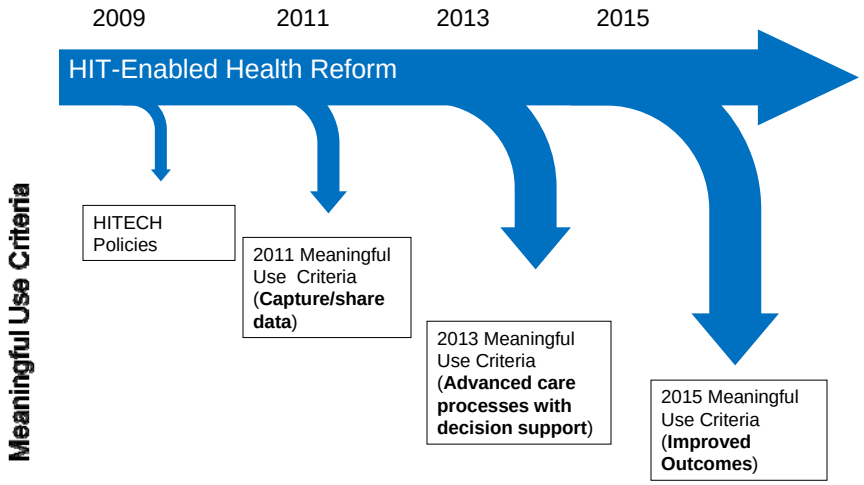
Responsibilities of the Policy Committee

- **Meaningful Use:** Make recommendations to the National Coordinator regarding the process for defining and revising meaningful use and national goals, propose new meaningful use definitions and national goals and standards and policy priorities to support meaningful use and national goals.
- **Certification and readiness:** Make recommendations to the National Coordinator on issues related to the adoption of certified electronic health records that support meaningful use, including issues related to certification, health information extension centers and workforce training.
- **HIE:** Make recommendations to the National Coordinator on policies, guidance governance, sustainability, and architectural, and implementation approaches to enable the exchange of health information and increase capacity for health information exchange over time.

Source: Office of National Coordinator, DHHS

HIT-Enabled Health Reform

Achieving Meaningful Use



Engage Patients and Families
2011 Objectives

- **Provide patients with electronic copy of- or electronic access to- clinical information per patient preference**
  - **Includes labs, problem list, medication list, allergies**
- **Provide access to patient-specific educational resources**
- **Provide clinical summaries for patients for each encounter**

Source: Office of National Coordinator, DHHS

Looking Forward: 2013
Objectives

-Improve quality, safety, efficiency
- Evidence based order sets
- Clinical documentation recorded (inpatient)
- Clinical decision support at point of care
- Manage chronic conditions using patient lists and decision support
- Report to external disease registry

-Engage patients and families
- Offer secure patient-provider messaging
- Access to patient-specific educational resources
- Record patient preferences
- Documentation of family medical history
- Upload data from home monitoring devices

-Coordinate care
- Medication reconciliation at each transition of care
- Produce electronic summary of care at each transition
- Retrieve and act on electronic prescription fill data

Source: Office of National Coordinator, DHHS

Looking Forward: 2015
Objectives

-Improve quality, safety, and efficiency
- Achieve minimal levels of performance on quality, safety, and efficiency measures
- Implement clinical decision support for national high priority conditions
- Achieve medical device interoperability
- Provide multimedia support (e.g., x-rays)

-Engage patients and families
- Provide access for all patients to PHR populated in real time with data from EHR
- Provide patients with access to self-management tools
- Capture electronic reporting on experience of care

-Coordinate care
- Access comprehensive patient data from all available sources

- **Improve population and public health**
  - Use epidemiologic data derived from EHRs
  - Automate real-time surveillance
  - Provide clinical dashboards
  - Generate dynamic and ad hoc quality reports
- **Ensure privacy and security protection**
  - Provide patients with accounting of treatment, payment, and health care operations disclosures
  - Protect sensitive health information

Source: Office of National Coordinator, DHHS

Purpose of Certification

-HHS Certification means that a system is able to achieve government requirements for security, privacy, and interoperability, and that the system would enable the Meaningful Use results that the government expects.

Source: Office of National Coordinator, DHHS

Purpose of Certification

Clarifying HHS Certification

	Validation	Certification	Assurance
Why	Prove that the EHR systems/components in use by an organization perform per the requirements of Meaningful Use.	Ensure that the EHR systems/components are *capable* (if installed appropriately) to perform per the requirements of Meaningful Use.	A "seal of approval" which suggests that an EHR system/components/vendor includes functionality which meets or exceeds the requirements of Meaningful Use.
Who	All organizations that receive ARRA incentive funds through HITECH	By Law, all organizations that *desire to* receive ARRA incentives funds through HITECH	Whomever feels that this "seal of approval" is important to them.
How	Self Attestation/reporting/audit Government Third Party	Government defined criteria Third Party assessment	Commercial User Group
What	All *software* components required to achieve Meaningful Use.	All EHR components required to achieve Meaningful Use.	To be determined by market.
	Scope of ARRA	***Work Group area of Focus***	

Grants and Loans

Initial Guidance and $350 M. in June; then, $1.2 B. Announced August 21st

-**State Health Information Exchange Cooperative Agreement Program** for States and Designees to develop policies, and network systems to assist electronic information exchange within and across states, and ultimately throughout the health care system. $564 Million

- **Grants to establish Regional Health Information Technology Extension Centers** that will offer technical assistance, guidance and information on Electronic Health Records best practices. 20 ¼ 2010; 25 ¾ 2010; remaining late 2010. $589 Million. Great deal of deference to rural and underserved.

American Recovery and Reinvestment Act
Health Information Technology Related Provisions
Additional Items

- **Also to be a $50 M national HIT Research Center to Coordinate Regional Centers**

- **HRSA Working on $500 M in Recovery Act workforce funds – some to be used for HIT Workforce Training**

- **Development and Routine Updating of a Qualified EHR Technology**

- **Study Concerning Open Source Technology**

American Recovery and Reinvestment Act
Health Information Technology Related Provisions
Grants and Loans

- September 29th, DHHS Secretary Sebelius announces additional $27.8 M in grants to health center-controlled networks and large multi-site health centers to implement EHRs and HIT.

-18 grants totaling $22.6 M for EHR Implementation and $2.6 to four grantees for HIT innovations; $2.5 M to five centers to improve patient outcomes. All together the Centers serve 17 million people, 40% of whom have no insurance

- Family Health Centers; PCAs; CHCs

American Recovery and Reinvestment Act
Health Information Technology Related Provisions

Education and Outreach

- **Health Information Technology Extension Program (Regional and National Centers)**
- **Demonstration Program to Integrate Information Technology Into Clinical Education**
- **Information Professionals in Healthcare, Grants to Medical Health Informatics Education Programs**

Privacy and Security

- **Security Breach Notification**
- **New HIPAA Business Associates**
- **Accounting of Disclosures**
- **Sale/Marketing of Protected Health Information**
- **Access**
- **Enforcement**

Next Steps

1) **Implementing ARRA - All Hands on Deck – ensuring implementation as law requires**

2) **Focusing Efforts on Rural and Underserved Communities; Telehealth; Consumers**

3) **The Role of HIT in Healthcare Reform – Access, Efficiency, Quality**

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The Mood in Washington, D.C. - 2009

- **It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us, we were all going direct to heaven, we were all going direct the other way - in short, the period was so far like the present period, that some of its noisiest authorities insisted on its being received, for good or for evil, in the superlative degree of comparison only.**

Charles Dickens, ***A Tale of Two Cities***

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