

## Stimulus Basics for Electronic Health Records

On February 17, 2009, President Obama signed into law the American Recovery & Reinvestment Act to stimulate the U.S. economy. Deciphering details of the bill is challenging and time consuming, so here is a quick summary of key healthcare IT provisions within the bill.

The HITECH Act appropriates \$19.2 billion to encourage healthcare organizations to adopt and utilize Electronic Health Records (EHR), establish regional health information exchange networks, and ensure that deployed systems protect patient privacy.

Within 11 years the Congressional Budget Office predicts that 90% of physicians and 70% of hospitals will be using comprehensive, robust Electronic Health Records. This represents an unprecedented opportunity for healthcare IT to transform our nation's healthcare system, save billions of dollars, and improve the coordination and delivery of patient care.

### The HITECH Act

So where does all the money go? There are two large buckets; one immediately provides \$2 billion to the Department of Health & Human Services (HHS) and the newly created Office of the National Coordinator for Health IT (ONC), a second sets aside \$17.2 billion that will be paid to healthcare providers who can demonstrate effective utilization of Electronic Health Records.

#### **The \$2 billion:**

HHS is required to spend \$300 million to establish regional/local health information exchange (HIE) initiatives, and assist existing HIEs make progress in connecting providers. There's also \$20 million to ensure consistent standards across products and care settings. Beyond those two provisions this portion of the bill remains non specific. Allocation and distribution of remaining funds need to be determined within a 90 day window (May 2009) by the incoming HHS secretary and ONC. Key areas specifically called out for investment include:

- Providing Federal grants funding through state agencies/designees, AHRQ, CMS, HRSA, and the CDC for healthcare organizations needing upfront help to fund adoption of Electronic Health Records.
- Establishing a Health IT Research Center, and regional extensions to objectively inform healthcare providers on best practices, vendor selection, training, implementation, etc.
- Clarifying and further developing interoperability and privacy related standards.
- Developing infrastructure for the advancement of telemedicine.
- Expanding health IT in public health departments.

#### **The \$17 billion in incentives for physicians and hospitals:**

Actually \$17.2 billion. The bulk of funding within the HITECH Act is dedicated to payments that will reward physicians and hospitals for effectively utilizing robust, connected Electronic Health Records. One program is designed for those that accept Medicare, another for those that see large volumes of Medicaid patients.

Qualifying for the incentive payments requires physicians and hospitals to meet three criteria:

1. Use of a certified Electronic Health Records product with e-Prescribing capability that meets current HHS standards.
2. Connectivity to other providers that improves access to full visibility of a patient's health history.
3. The capability to report on their use of technology to HHS.

All incentives include payments for up to five years but "**front load**" the largest payments early in the program. Those that don't adopt will eventually be penalized through lower reimbursements starting in 2015. The incentive payments begin in 2011 to ensure the providers have time to adopt and learn to use the Electronic Health Records.

#### **Ready to get started?**

Sage Intergy EHR is [CCHIT CertifiedSM](#) electronic health records software designed to complement the work style and clinical approach of every physician in your practice. Sage Intergy EHR focuses on enhancing data intake and communication to allow you to work smarter by leveraging and sharing your practice's clinical data.

Sage Intergy EHR was not just designed to work with a variety of clinical approaches. According to a recent report by Health Industry Insights,

[Sage Intergy EHR is also highly rated](#) for both "Fit to Market Needs" and "Ownership Confidence".

See how Sage Intergy EHR can work for your practice by:

- Reviewing [details of Sage Intergy EHR](#)
- Watching an [online demonstration](#)
- Requesting an [on-site demonstration](#)

#### **American Recovery and Reinvestment Act Updates**

As mentioned, allocation and distribution of funds is still being determined. To stay up to date on announcements about the American Recovery and Reinvestment Act [subscribe to our eBrief updates](#). We will email details to you as they become available in addition to tools that can help your practice make the most of these funds.

FOOTNOTE: CCHIT Certified <sup>SM</sup> is a service mark of the Certification Commission for Healthcare Information Technology.