

What New SMDs Should Know About The HITECH Medicaid EHR Incentive Program

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Session Purpose

- Why is the EHR Incentive Program a priority for Medicaid Agencies?
- Overview of the timeline & dependencies
- Leveraging opportunities
- Technical assistance
- Staffing & Organizational Challenges

Caveats

- Can't discuss what is evolving policy to be clarified in the final rule
- Would be glad to talk about what is in the updated State Medicaid HIT Plan template
- Additional CMS guidance on implementation funding is forthcoming
- I don't have a crystal ball

Why Focus on this?

10. Healthcare providers will demand it (hint: Medicare will start 2011)
9. It's stimulus \$ so helps the local economy
8. Because it will improve the healthcare provided to your beneficiaries
7. It has a measurable return on investment
6. System upgrades/development can be used for other important agency purposes (90/10)
5. EHR adoption and HIE can be a collection and reporting tool for your other programs (CHIPRA, P4P, ACA QMs)

Why Focus Cont'd

4. EHRs and HIT can support program integrity activities
3. Significant Federal technical assistance is available, as well as peer support from other States
2. Other stakeholders in your State are working on promoting EHR adoption and HIE and so time, resources and teamwork will be lost if efforts are not aligned
1. HIT is not going to go away if you simply ignore it.

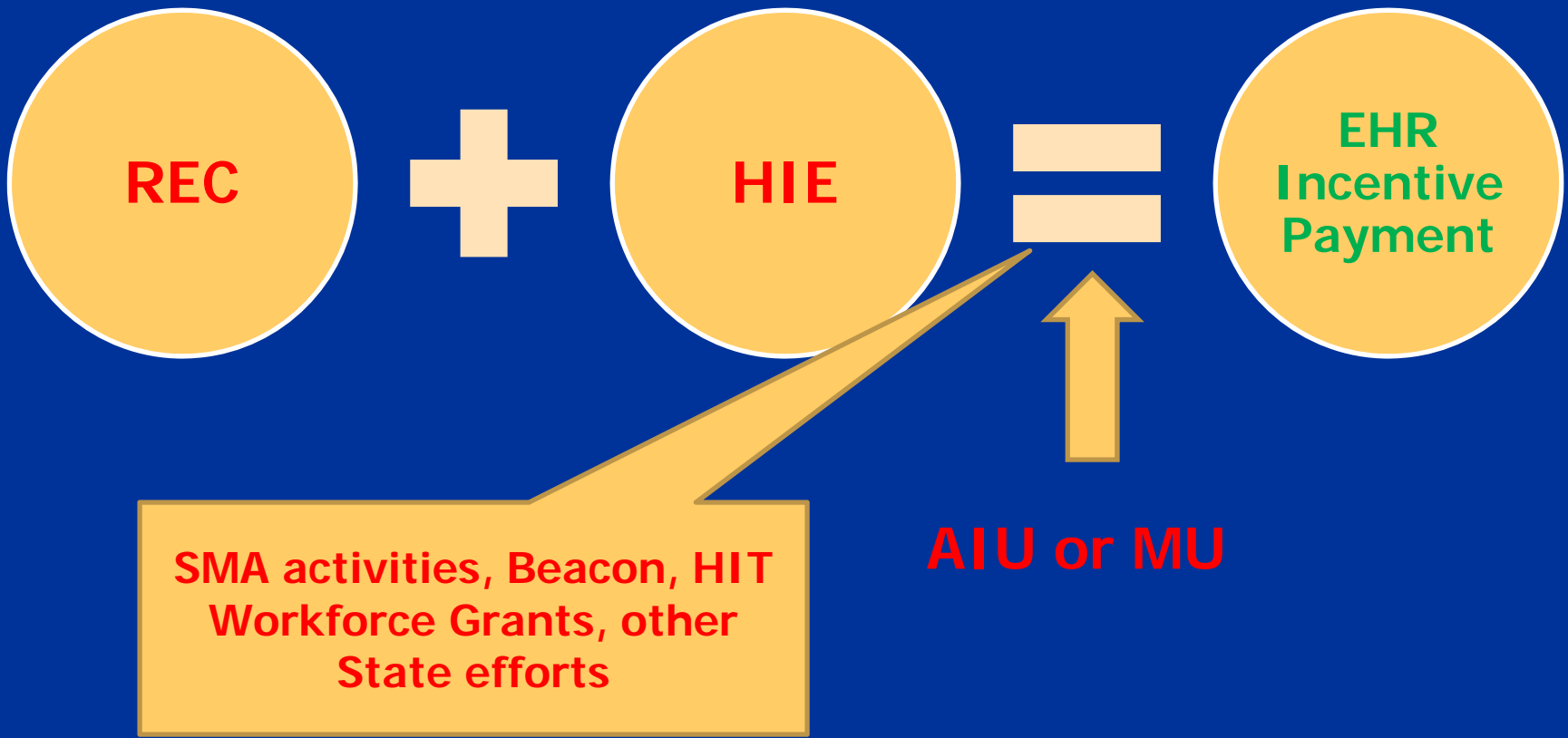
The Timeline

- Medicare must begin in 2011 (statute)
- States can decide when to start the Medicaid EHR Incentive Program.
- Medicare fee schedule reductions begin in 2015.
- Medicare program ends in 2016.
- Medicaid program continues **through 2021**.
- CMS will revisit meaningful use for Stage 2 and 3 in future rulemaking

Dependencies at State Level

- RECs awarded in Feb/March 2010
 - Already at work on identifying providers; needs; drafting plans, etc
- State HIE cooperative agreements awarded in Jan-March 2010
 - Already at work on operational plans; environmental scan, etc
- CMS and ONC final rules in late spring/early summer 2010
 - Will be followed by significant media/outreach by Feds, vendors, provider associations
- Medicare EHR Program starts 2011
 - Will include education/outreach

Dependencies Cont'd



Dependencies Cont'd Again

- I signed up for the REC or elsewhere for technical assistance
- I adopted, implemented, upgraded or meaningfully used certified EHR technology
 - Research, Negotiation, Procurement, etc
 - Workflow redesign; staff training
 - Possible lost revenue
- I joined an HIO to be able to exchange data
 - Data-sharing agreements
 - Transaction fees/dues

**WHERE IS MY
CHECK?**





Conditions for State Participation

- Prior approval for reasonable administrative expenses (P-APD, I-APD)
- Establish a State Medicaid HIT Plan (SMHP)
 - Not just flipping a switch
 - Making incentive payments to the RIGHT providers, for the RIGHT reasons, at the RIGHT time, the RIGHT TIN and in a way you can VERIFY
 - Promoting EHR adoption/HIE- Role of Medicaid?
- State may receive 90% FFP for admin and 100% FFP for the payments themselves



90/10 Administrative Funding to States

Statutory Conditions of Use of the HITECH Admin Funds:

1. Administration of incentives, including tracking of meaningful use by Medicaid EPs and eligible hospitals;
2. Oversight, including routine tracking of meaningful use attestations and reporting mechanisms; and
3. Pursuing initiatives to encourage the adoption of certified EHR technology for the promotion of health care quality and the exchange of health care information.

Financial Oversight & Program Integrity

- States and CMS must assure there is no duplication of payments to providers (between States and between States and Medicare)
 - The CMS National Level Repository
 - Interfaces
 - Exchanging of registration, payment, appeals and auditing information
- States are required to seek recoupment of erroneous payments and have an appeals process
- Other systems potentially involved: provider verification, payment systems, patient volume, data repository, MMIS, etc.

= TIME, VISION and RESOURCES

Leveraging Opportunities

- Environmental Scans
- Provider Directories
- Provider Outreach/Communications
- Auditing/Oversight
- Systems Enhancements/Shared Architecture
- Evaluation
- Stakeholder Engagement
- Privacy/Security
- Role as a Purchaser

Technical Assistance

- **ONC**
 - On HIE
 - HITRC for EHR Adoption/MU
- **CMS**
 - SMHP development
 - NLR Interfaces
 - Best practices for EHR Incentive Programs
 - TA webinars/conferences = role as convener
- **AHRQ- HIT TA for Medicaid/CHIP**
- **Joint CMS/ONC/AHRQ, etc as possible**

Staff/Org Challenges

- Drafting large documents = authors
- Convening stakeholders = engagers
- IT staff = tech architects
- Evaluators (baseline!) = journalists
- HIT Champions = external cheerleaders
- Administrators = program engineers
(procurement, HR, etc)

What's Next?

- **Final Rules**
- **NLR Interfaces**
- **Reviewing/Approving SMHPs**
 - ONC input
- **Reviewing/Approving I-APDs**
 - Both HITECH and MMIS
- **Readiness Reviews**
- **Turning on the 100% FFP spigot**
- **CMS oversight**

Questions?
