



# **Update of State Medicaid Health Information Technology Plan**

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AHCCCS Tribal Consultation Meeting  
August 10, 2010



# Overview of Presentation

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- ARRA and HITECH Act
- Summary of Final Rule for Meaningful Use
- State Medicaid HIT Plan (SMHP) Overview
- AHCCCS Timeline for Incentive Payment Program
- Resources for Information and Payment Assistance



# American Recovery and Reinvestment Act (ARRA)/ HITECH Act

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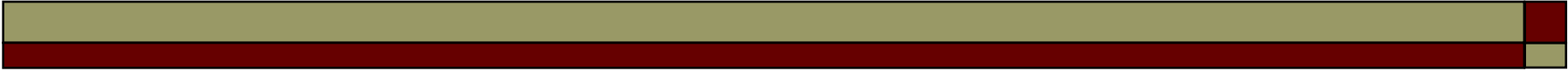
- In February 2009, as part of the federal stimulus package, Congress enacted the Health Information Technology for Economic and Clinical Health Act ("HITECH").
- The legislation included a number of provisions designed to encourage the *adoption and use* of health information technology including electronic health records (EHRs) and the development of a health information exchange ("HIE") infrastructure
  - Includes strategy for supporting rapid EHR adoption and “Meaningful Use” of certified EHR technology implemented over multi year period
  - Use of EHR key to improving health care quality and reporting



## What is not in the CMS EHR Incentives Final Rule?

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- ❑ EHR standards and certification requirements
- ❑ Procedures to become a certifying body
- ❑ Information about grants (e.g. RECs, State HIE Cooperative Agreements, and broadband access)
- ❑ Changes to HIPAA



# Summary of Final Rule: Medicaid Provider Eligibility

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## **Final Meaningful Use Rule Medicaid Eligible Professionals (EPs)**

- Physicians
- Nurse Practitioners
- Certified Nurse Midwives
- Dentists
- Physician Assistants working in a federally Qualified Health Center (FQHC) or rural health clinic
  - Initial Estimate 2,720 in Az meet 30% volume requirement

## **Medicaid Eligible Hospitals**

- Acute Care Hospitals (now including Critical Access Hospitals)
- Children's Hospital
- Estimate for Incentives is \$500 -million over 6 years for Arizona

# Summary of Payments: Medicaid EP Adoption Timeline

|       | 2011     | 2012     | 2013     | 2014     | 2015     | 2016     |
|-------|----------|----------|----------|----------|----------|----------|
| 2011  | \$21,250 |          |          |          |          |          |
| 2012  | \$8,500  | \$21,250 |          |          |          |          |
| 2013  | \$8,500  | \$8,500  | \$21,250 |          |          |          |
| 2014  | \$8,500  | \$8,500  | \$8,500  | \$21,250 |          |          |
| 2015  | \$8,500  | \$8,500  | \$8,500  | \$8,500  | \$21,250 |          |
| 2016  | \$8,500  | \$8,500  | \$8,500  | \$8,500  | \$8,500  | \$21,250 |
| 2017  |          | \$8,500  | \$8,500  | \$8,500  | \$8,500  | \$8,500  |
| 2018  |          |          | \$8,500  | \$8,500  | \$8,500  | \$8,500  |
| 2019  |          |          |          | \$8,500  | \$8,500  | \$8,500  |
| 2020  |          |          |          |          | \$8,500  | \$8,500  |
| 2021  |          |          |          |          |          | \$8,500  |
| Total | \$63,750 | \$63,750 | \$63,750 | \$63,750 | \$63,750 | \$63,750 |



# Incentive Payments for Eligible Hospitals

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- Federal Fiscal Year
- \$2 M base + per discharge amount (based on Medicare/Medicaid share)
- There is no maximum incentive amount
- Hospitals meeting Medicare MU requirements may be deemed eligible for Medicaid payments
- Payment adjustments for Medicare begin in 2015
  - No Federal Medicaid payment adjustments
- Medicare Hospitals: No payments after 2016
- Medicaid Hospitals: Cannot initiate payments after 2016



# Stage 1 Basic Overview of Meaningful Use Final Rule

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- Stage 1 (2011 and 2012)
- To meet certain objectives/measures, 80% of patients must have records in the certified EHR technology
- EPs have to report on 20 of 25 MU objectives
- Eligible hospitals have to report on 19 of 24 MU objectives
  - The final rule divides the objectives into a “core” group of required objectives (15 for EPs and 14 hospitals) and a “menu set” of procedures from which providers can choose
- Reporting period – 90 days for first year, one year subsequently



# Summary of Notable Differences Between Medicare and Medicaid Final Rule

| <b>Medicaid</b>  | <b>Medicare</b>   |
|--|---|
| Voluntary for States to Implement  | Feds will implement   |
| No Medicaid fee schedule reductions  | Medicare fee schedule reductions begin in 2015 for physicians who are not MUers         |
| AIU option is for Medicaid only  | Medicare must begin with MU in Y1   |
| Max incentive for EPs is \$63,750  | Max incentive for EPs is \$44,000   |
| States can make adjustments to MU (common base definition)                 | MU will be common for Medicare  |
| May appeal decisions   | Appeals process yet to be developed   |
| Program sunsets in 2021; last year a provider may initiate program is 2016 | Program sunsets in 2016; fee schedule reductions and market basket update begin in 2015 |
| Five EPs, two general types of hospitals (includes CAHs)                   | Only physicians, subsection (d) hospitals, and CAHs                                     |



# State Medicaid HIT Plan (SMHP)

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Key elements:

- As-Is landscape/Scans
- To-Be Vision and HIT Roadmap
- Plans for implementing the incentive program
- Timeline and key benchmarks
- Conduct adequate oversight of the program, including tracking meaningful use by providers



# Section A: Current Environment

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## □ **Key Organizations and History**

- Executive Order that created non-profit organization, Arizona Health-e Connection, it's Board and membership, and first state roadmap for HIT/HIE in 2006
- Medicaid Transformation Grant
  - Arizona Medical Information Exchange (AMIE)
  - Purchasing and Assistance Collaborative (PACeHR)
- Transition of AMIE to nonprofit board
- Southern Arizona Health Information Exchange or SAHIE
- New joint AMIE-SAHIE organization, Health Information Network of Arizona (HINAz)
  - Recommendations for board representation of IHS Areas, tribal health programs operated under P.L. 93-638, and Urban Indian health programs
- ONC Grantees
  - Governor's Office of Economic Recovery (GOER) – Cooperative Agreement Program for HIE
  - Arizona Health –e Connection - Regional Extension Center



# Section A: Current Environment

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- Baseline of EHR Adoption by Practitioners
  - Incorporated survey results from ASU Center for Health Information & Research (CHIR) on AHCCCS web page - <http://azahcccs.gov/HIT/past/TransformationGrant.aspx>
  - Comprehensive survey of all MDs and DOs at time of license renewal over two years (July 2007 – July 2009)
  - Recorded responses from 6,777 practitioners of 13,371 Licensed Physicians living in Arizona
    - Represents 51% response rate



# Section A: Current Environment

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- **Key Findings EHR adoption baseline by practitioners**
  - About 45% of surveyed practitioners use some form of EHR
  - Nearly 20% of physicians in Az do not have internet or email access at their practice setting
  - EHR is least prevalent among solo practitioners and most prevalent among groups and governmental organizations, including academic settings
  - Of the practitioners using EHRs 54% use them for transmitting medical data electronically to other parts of health care system like pharmacies and laboratories
    - 46% use their EHRs to send info within intra-office operations
  - Little demographic difference exists between AHCCCS and non-AHCCCS providers (ie geographic distribution, specialty distribution) but AHCCCS providers were slightly less likely than non-AHCCCS providers to store and transmit their data using EHRs



# Section A: Current Environment

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## □ **Baseline of EHR Adoption by Hospitals**

- Used internal survey tool to assess hospital's level of interest in adopting EHR – conducted in June 2009 with AzHHA
- Survey conducted to evaluate Hospitals readiness to participate in Medicare and Medicaid EHR incentive program
- About one third of targeted Hospitals responded
- Key Finding: The majority reported on plans to upgrade their current EHRs or install new one by 2011
  - Of the hospitals using EHRs, 64% are using them for transmitting medical data electronically to other parts of the health care system



# Section B: “To Be” Environment

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## □ SMHP HIT/HIE 5 Year Goals

### 1. Health Information Exchange

- AHCCCS represented on a state level HIE governance operating entity
- Participation with an HIE that has a sustainable business plan and includes finance and governance resources
- Participates with an HIE that promotes health care quality and ensures privacy and security of data for members and providers



# Section B: “To Be” Environment

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## 2. Health Information Technology for Hospitals

- Hospitals representing 90 percent of inpatient days will qualify and meet meaningful use criteria
- 90 percent of IHS and 638 inpatient facilities will qualify and meet meaningful use criteria





# “To Be” Environment

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## 3. Health Information Technology for Eligible Providers

- 90 percent of all eligible providers in FQHC will qualify and meet meaningful use
- 75 percent of all eligible providers will receive meaningful use incentive payments
- The percent of physicians routing e-RX would increase up to 40 percent

## 4. Program Integrity

- Provide adequate oversight of the incentive program, resulting in no federal disallowances
  - Need to be to do provider checks, able to audit, track payments and refer suspected fraud or abuse to Office of Inspector General



# Section B: “To Be” Environment

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Describes Agency involvement with Office of the National Coordinator (ONC) Grant Funded Programs

- Governor’s Office of Economic Recovery (GOER) received \$9.3 million for Health Information Exchange
  - Need to conduct strategic planning sessions late summer/fall
  - Must create an operational plan for moving Az to HIE
- Arizona Health-e Connection (AzHeC) received Regional Extension Center grant award
  - Targets primary care providers for assistance in adopting and selecting EHRs
  - Wants to be operational by fall 2010



# Section C: EHR Incentive Payment Program Registration

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- Describes how Medicare **and** Medicaid providers will be required to register with CMS
  - Name, NPI, business address, phone
  - Tax Payer ID Number (TIN)
  - Hospitals must provide the CCN
  
- If Medicaid, must select one state
- Eligible providers must select Medicare or Medicaid
- Describes how agency will work with CMS to ensure system interoperability with National Level Repository (NLR) for Provider Registration



# Overview of EHR Incentive Payment Program Processes

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- Arizona EPs and hospitals also must register and apply thru AHCCCS website
- Providers will complete and submit Incentive Payment Request forms thru an on-line process
  - Section I – Provider demographic information
  - Section II- Information needed for assessing providers meaningful use status
  - Section III – Payment information and provider attestation
- Agency will verify eligibility, disperse payment after cross-checking for potential duplicative or inappropriate payments
- Disburse payment to one eligible TIN
- Notify the NLR payment was disbursed



# EHR Incentive Payment Program Timeline

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- Draft SMHP sent to CMS July 2010
- Request for Resources to CMS by August 2010
- AHCCCS meeting with stakeholders regarding Draft SMHP
  - Public Meetings at AHCCCS (webconference avail.)
    - August 9<sup>th</sup> and September 2<sup>nd</sup>
  - Tribal Consultation on August 10<sup>th</sup>
- AHCCCS will participate in state level strategic planning being organized by GOER this summer/fall
- SMHP will be updated w/stakeholder feedback & final meaningful use rule
- AHCCCS begins working with CMS to develop electronic interfaces so testing can begin by February 2011
- AHCCCS anticipates being able to register providers by June 2011



# Medicaid Incentive Program Resource

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- AHCCCS website <http://azahcccs.gov>
- Created new Health Information Tab on home page – lower right
  - Federal Initiative
  - AHCCCS Role in HIT
  - Electronic Health Record Adoption Incentives
  - Pre-ARRA Agency Activity
  - HIT Resources



# Upcoming CMS Education Sessions

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## **EHR Incentive Programs for Eligible Professionals**

Tuesday, August 10, 2010

2:00-3:30 pm EST

## **EHR Incentive Programs for Hospitals**

Wednesday, August 11, 2010

2:00-3:30 pm EST

## **EHR Questions and Answers for Hospitals and Individual Practitioners**

Thursday, August 12, 2010

2:00-3:30 pm EST

Materials will be made available prior to each training at the following web address:  
[http://www.cms.gov/EHRIncentivePrograms/05\\_Spotlight\\_and\\_Upcoming\\_Events.asp](http://www.cms.gov/EHRIncentivePrograms/05_Spotlight_and_Upcoming_Events.asp)



**Meaningful Use Final Rule  
& Electronic Health Records  
Facts for Providers & Practice Managers**

***Free Seminars Across the State***

- Learn the facts about the final electronic health record incentive program.
- Find out about assistance resources, including the Arizona Regional Extension Center, and federal financial incentive eligibility.
- Hear from a local provider or healthcare expert about how Meaningful Use will impact your community.
- Question & Answer session.

**Yuma**

**Tuesday, August 10<sup>th</sup>**

5:30-8pm (light dinner served)

Yuma Regional Medical Center

2400 South Avenue

Co-sponsored with Yuma Regional Medical Center

Featured Presenter: Tabitha LaPointe, YRMC Ambulatory Analyst

**Tucson**

**Wednesday, August 11<sup>th</sup>**

7-9 am, 12-1:30pm, 6-8pm (light breakfast, lunch and dinner served)\*

Pima County Medical Society

5199 East Farness Drive

Featured Provider Presenter: Dr. Ken Adler, Medical Director of Information Technology  
at Arizona Community Physicians

*\*Content at each session will be the same; select and attend the session that best suits your schedule.*

**Flagstaff**

**Tuesday, August 24<sup>th</sup>**

6-8pm (light dinner served)

Hampton Inn

2400 S. Beulah Blvd.

Featured Provider Presenter: Dr. Brad Croft, East Flagstaff Family Medicine