Update of State Medicaid Health Information Technology Plan

AHCCCS Tribal Consultation Meeting
August 10, 2010
Overview of Presentation

- 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

- 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?

- 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

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

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Incentive Payments for Eligible Hospitals

- 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

- 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

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

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

- Key Organizations and History
  - Executive Order that created non-profit organization, Arizona Health-e Connection, its 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-SAHI 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

- 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

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

- **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

- **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

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

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

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

- 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

- 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

- 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 9th and September 2nd
  - Tribal Consultation on August 10th
- 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

- AHCCCS website [http://azahcccs.gov](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

**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
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 10th
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 11th
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 24th
6-8pm (light dinner served)
Hampton Inn
2400 S. Beulah Blvd.
Featured Provider Presenter: Dr. Brad Croft, East Flagstaff Family Medicine