

Going Paperless with the Medicare EHR Incentive

Actionable Advice for Grant Applicants

ARRA Overview

The Health Information Technology (HIT) initiative within the American Recovery & Reinvestment Act (ARRA) contains a grant program worth \$19 billion to Medicare and Medicaid providers. It funds the purchase and implementation of Electronic Health Record (EHR) computer systems [certified to deliver “meaningful use” technology by the Department of Health and Human Services]. This translates into anywhere from a \$44,000 – \$64,000 reimbursement for physicians (as well as physician assistants, dentists, etc.) who start in 2011.

The final ruling will be sourced by The Office of The National Coordinator (ONC) which, together with The Center for Medicaid and Medicare Services (CMS) provides the federal government’s locus at The Department of Health and Human Services (HHS) for the administration and dispersal of ARRA funds through the HIT initiative. The definition has not been fully codified as of this writing but the ONC “meaningful use” web page to bookmark is [here](#).

Meaningful Use

Touchstones of the interim definition relate to improved service delivery and information management. Expect the final definition to center on improvements to a patient’s access to personal health records (PHR) with an emphasis on data portability and systems interoperability with IT platforms in other health care facilities. The goal of smoothing records transfer between health care providers carries a very high profile at HHS/CMS/ONC et al. Although this office has not seen explicit language to date regarding records conversion for legacy data (i.e. scanning existing charts into the new system for onscreen access) what we know is that HHS will review ARRA applicants’ grant requests individually and integrating (i.e. scanning paper) historic records will certainly help physicians qualify for meaningful use. Our document conversion clients will be in the strongest possible position to capture the \$64,000 maximum grant.

Broadly defined, “meaningful use” means using computer systems that are certified by HHS to conform to administrative standards of data collection, interoperability and reporting plus generating electronic prescriptions. As a follow on to the recently passed health care legislation, you can also expect a reference to the electronic claims submission and adjudication process in the definition. All the turnkey packages we have worked with contain EDI facilities. With the inevitable retirement of the paper claims process before the end of the decade, any practice still using the CMS-1500 will want to cut over to online HCFA submission by 2012. Although Smooth Solutions executes the document conversion piece of your systems implementation, we can also provide an agnostic gateway to a variety of HIT systems and support the process of vetting and selecting a vendor. Contacting the HIT office of Smooth Solutions at the start of your search is a good way to begin moving forward with some timely and objective advice.

Medicare vs. Medicaid

Under the Medicare provision, physicians’ implementing EHR can receive reimbursement (calculated at 75% of “allowed charges”) up to \$44,000 plus an additional \$3,000 in 2012 as an “early adopter” bonus. Penalties for non-compliance begin in 2015. Under the Medicaid provision, providers can receive an additional \$20,000. The Medicaid caseload requirement is 30% of all patient encounters or 20% for pediatricians.

The Electronic Health Record (EHR), EMR and Document Management

The argument for integrating a patient’s scanned history into the EHR is self evident but EHR Solutions also shows a real estate line item in its value added equation. What is the cost of the square footage used by your records shelving system? Is there an opportunity to repurpose that space to a clinical or administrative function? If so, there is a substantial net gain when that value is calculated over time.

The typical EHR consultant has traditionally been tight lipped about the subject of document conversion without questioning a physician’s decision to exclude the paper chart. However, the ARRA grant provides the tie breaker with the introduction of “meaningful use”. An EHR systems consultant who does not have access to an industrial grade scanning facility will be tempted to sidestep the issue at the peril of his client’s eligibility for maximum reimbursement. Using Smooth Solutions HIM Office as your gateway gives you more than just a systems agnostic portal to drive your research. By contracting your document scanning up front, you eliminate the markup priced in by the systems consultant and sharpen your negotiating position on that transaction. Burnishing your grant application with a document conversion section goes a long way towards maximizing the ARRA payout plus real benefits to patient and physician alike. Demonstrating an archival scheme that goes beyond the 7 year / age 21 requirement also speaks volumes in the grant review process.

Smooth Solutions’ Healthcare Document Management service is an off-site solution for the physician seeking to use the “best practices” approach to EHR systems implementation with a fully HIPAA compliant, industrial speed scanning facility.

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