

## In the Spotlight: Electronic Health Records and Meaningful Use

Advances in information technology have transformed the world in which we live, dramatically improving the way business is conducted in nearly all sectors of the economy. Yet America's health care system has been slow to adopt new health information technology (HIT) on a broad scale. Only a small percentage of health care providers have integrated HIT into their practices; fewer have connected their systems with other providers in any meaningful way, and the vast majority of medical records remain paper-based – all factors which lead to medical errors, office inefficiency, unnecessary testing, increased health care costs and poor care coordination.

Federal efforts to promote HIT widely began in 2009 with passage of the American Recovery and Reinvestment Act (ARRA) – and more specifically the [HITECH Act](#) within ARRA. HITECH made available funding for state investments in HIT infrastructure and changed the way some health care providers are reimbursed by offering incentive payments to those who adopt certified electronic health record (EHR) technology and use it to achieve specific objectives.

### Providers, Electronic Health Records, and Meaningful Use

HITECH allotted \$19.2 billion in funding over 10 years to support HIT efforts across the country. Of that budget, the vast majority (\$17 billion) is set aside for financial incentive payments for the “[meaningful use](#)” of electronic health records by providers who participate in Medicare and Medicaid. To receive the potential maximum earnings of up to \$44,000 over 5 years for Medicare or \$63,750 over 6 years for Medicaid, providers need to register early. According to the [U.S. Department of Health and Human Services](#), over 80% of hospitals and 65% of office-based physicians plan to take advantage of the program. Significant interest has already been shown in the Medicare and Medicaid EHR incentive programs; by January 6, 2010, three days after launching the program, more than 4,000 providers had initiated registration.

### Meaningful Use

Simply put, “meaningful use” means providers need to demonstrate they're using certified EHR technology in ways that can be measured significantly in quality and in quantity. For example:

1. The use of a certified EHR in a meaningful manner, such as e-prescribing.
2. The use of certified EHR technology for electronic exchange of health information to improve quality of health care, for example, by promoting coordination of care.
3. The use of certified EHR technology to submit information, such as clinical quality and other measures.

In July of 2010, the [Office of the National Coordinator for Health Information Technology \(ONC\)](#) announced the meaningful use standards required for certified EHR technology that physicians and hospitals must meet to qualify for the bonus payments. Meaningful use ensures that providers are meeting the objectives of EHR to provide coordinated, high-quality care to patients. The [final rules](#) were released on January 3, 2011 for the permanent certification of health information technology. Providers may only use certified technology to qualify for incentives. Requirements for meaningful use incentive payments will be phased-in over a multi-year period, adding requirements that will raise the bar for performance on information technology and quality objectives in later years.

There are a total of 25 objectives, divided into a “core” group and a “menu,” identified by the ONC. The “core” group must be met to qualify while the remaining “menu” of procedures are optional for providers; this is referred to as a “two-track” approach and intended to make qualifying for incentive payments easier for providers while allowing some individuality in how providers use electronic health records.

## Eligibility

In order to qualify for incentive payments, providers must be deemed “eligible” by demonstrating meaningful use of certified EHR technology. Requirements for eligible hospitals and professionals are different for Medicare and Medicaid:

- Under Medicare, only doctors of medicine, dental surgery or medicine, podiatry, optometry, and chiropractors are eligible to apply.
- Under Medicaid, doctors of medicine, nurse practitioners, physician assistants in a Federally Qualified Health Center or Rural Health Center, nurse-midwives, or dentists may apply.
- For hospitals to qualify for the Medicare EHR Incentive Program, they must be paid under the Inpatient Prospective Payment System, be a Critical Access Hospital or a Medicare Advantage-affiliated hospital.
- Under Medicaid’s program, hospitals may be acute care hospitals with at least 10% Medicaid volume or a children’s hospital.

Providers can only apply for eligibility individually; if part of a practice, each professional must apply separately. Hospital-based providers are not eligible for incentive payments. Providers who are eligible for both programs may only apply for one incentive program; most will likely apply for Medicaid.

## BCBSNC Views

Blue Cross and Blue Shield of North Carolina has long promoted investments in health information technology (HIT) as a means for comprehensive management of medical information and its secure exchange between consumers, providers and insurers. From 2006 until 2009, BCBSNC offered an ePrescribe program that encouraged the use of electronic prescriptions in order to reduce medical errors and paperwork while improving care. Currently, BCBSNC provides incentives to certain primary care practices for use of certified electronic medical records and electronic prescribing through our Blue Quality Physician Program. BCBSNC leadership is actively involved in guiding a public/private partnership called the [North Carolina Health Insurance Exchange](#), a State-created non-profit entity tasked with assuming a governance role for the planning, design and implementation of a statewide health information exchange. BCBSNC is committed to the widespread adoption of interoperable health information systems based on standards that support the exchange of information among providers, payers, government and consumers.

## For More Information

CMS Overview of Incentive Program: <http://www.cms.gov/EHRIncentivePrograms/>

Registration for Medicare and Medicaid EHR Incentive Programs:  
[http://www.cms.gov/ehrincentiveprograms/01\\_overview.asp](http://www.cms.gov/ehrincentiveprograms/01_overview.asp)

Final Rule for Electronic Health Records: <http://edocket.access.gpo.gov/2010/pdf/2010-25683.pdf>

Temporary Certification Program for Vendors (for use until December 31, 2011):  
<http://healthit.hhs.gov/portal/server.pt?open=512&objID=2885&mode=2>

Robert Wood Johnson Foundation Overview of Meaningful Use: <http://www.rwjf.org/files/research/71451.pdf>

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