



An Overview of the
Health Information Technology for Economic and Clinical Health (HITECH) Act,
Part of the *American Recovery and Reinvestment Act “Stimulus Package”*

Stimulus Opportunities for Your Practice

In February 2009, President Obama signed into law the American Recovery & Reinvestment Act (ARRA) in an effort to stimulate the U.S. economy. Within ARRA, the HITECH Act sets aside \$19.2 billion to encourage healthcare organizations to adopt and “meaningfully use” Electronic Health Records (EHR, sometimes referred to as EMR), foster the development of regional health information exchange networks, and to make sure that all systems safeguard protected health information (PHI).

Deploying an Electronic Health Record (EHR)

Most of the HITECH Act’s funding, \$17.2 billion, is dedicated to incentives that will reward physicians and hospitals for effectively using a full-featured, integrated EHR system. The remaining \$2 billion has been earmarked as EHR adoption funds for providers in medically underserved areas, community/rural health centers, and states with special projects already in progress.

HealthFusion® offers an integrated Practice Management System with a Clearinghouse and HITECH-mandated electronic prescriptions... and the first Web-based, fully integrated, touch screen, iPad™-friendly EHR, MediTouch®.

“Meaningful Use” of an EHR

Deploying an electronic health record (EHR) does not qualify you for the program incentives, but rather physicians are required to demonstrate “meaningful use” of the EHR. While the Office of the National Coordinator still must precisely define the term “meaningful use,” there will most likely be three components:

1. Providers must use a certified EHR with e-Prescribing that meets current Department of Health and Human Services (HHS) standards.
2. EHRs must support connectivity to other providers for safe, full exchange and reporting on a patient’s health history.
3. Any EHR must be able to report provider use of the technology to HHS.



Medicare Incentives Could Add Up to \$44,000 (Over Five Years Starting in 2011)

HITECH rewards “early adopters” – physicians who first begin “meaningful use” of an EHR in 2011, the first year payment incentives will be available – with greater incentives. These physicians could receive as much as \$18,000 in the first year. Incentive payments will end in 2015, and CMS will begin to reduce Medicare payments for eligible professionals that are not meaningful EHR users, another incentive to upgrade to an EHR.

Maximum Total Amount of EHR Incentive Payments for a Medicare “Eligible Professional” with “Meaningful Use”

	2011	2012	2013	2014	2015	2016	TOTAL
2011	\$18K	\$12K	\$8K	\$4K	\$2K	\$0	\$44K
2012	\$0	\$18K	\$12K	\$8K	\$4K	\$2K	\$44K
2013	\$0	\$0	\$15K	\$12K	\$8K	\$4K	\$39K
2014	\$0	\$0	\$0	\$12K	\$8K	\$4K	\$24K
2015 and Beyond	\$0	\$0	\$0	\$0	\$0	\$0	\$0

First Year EHR "Use" Is Demonstrated

Medicaid Incentives Could Add Up to \$64,000

Physicians seeing more than 30% of patients who pay with Medicaid (for pediatricians, 20% of Medicaid patients) are eligible for payments of up to \$64,000 over five years. The incentives will be calculated through a formula that accounts for the number of Medicaid patients seen by the provider and also amounts ranging from \$25,000 in the first year to \$10,000 in subsequent years. As pediatrician requirements meet a lower threshold, these providers are only eligible for 66% of the related incentive payments. With all of the complex reporting requirements, select an EHR known for comprehensive, easy-to-interpret reports to take full advantage of all relevant Medicaid and Medicare incentives.

About HealthFusion

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