Summer 2010

SIMPLIFY **HEALTH INFORMATION TECHNOLOGY**

Health & Technology Newsletter for the Healthcare Provider

Final Rules of Meaningful Use-What are the Changes?

The HITECH provisions of the ARRA of 2009 provide billions of dollars in incentives for the adoption of Health Information Technology by Medicare and Medicaid providers over the next 10 years. The final rule for meaningful use incentives was released on July 13, 2010. Significant flexibility has been added to the draft of the rules that was released in January in order to make the transition to electronic health record (EHR) much more feasible for most providers. In the draft rules, providers had 25 mandatory requirements that had now been reduced to 15 core requirements. Five additional requirements must be selected from a "menu" of ten additional requirements In addition, many of the targets for the percentages of patients that must meet the requirements have also been lowered. Two additional "menu" requirements have been added. Further, to qualify for incentives, eligible providers must be using certified EHR systems and in order to be certified, the systems must be capable of meeting all of these final requirements. The financial incentives in the stimulus bill provide a landmark opportunity for providers who desire a fully , Integrated EHR, but struggle with funding and with barriers to sharing information effectively. In order to remove any barriers to your EHR implementation, Oncore can assist you with implementing the most appropriate EHR system and achieve meaningful use by the CMS deadlines. ▪

When will CMS Start Making Incentive Payments?

CMS will begin to make meaningful use incentive payments to eligible physicians as early as May 2011. CMS will open registration for the incentive program in January. To begin receiving payments, healthcare providers must verify that they have demonstrated meaningful use of certified EHR for 90 days. will roll out a registration service in January so physicians and hospitals can sign up for the program. Medicare physicians must have a national provider identifier and be enrolled in the CMS Provider Enrollment, Chain and Ownership System (PECOS) if they aren't already, in order to participate in the EHR incentive program. ▪

EMR & Return on Investment (ROI)

A study by The Heckman Group was conducted using five physician practices who had recently implemented EMR and included two family practice groups, two OB/GYN groups, and one dermatology practice.

Each practice experienced unique transitions as they implemented their EMR systems, including provider turnover, expanded facilities and changes in practice management systems. Despite the variety of organizational developments,

the results demonstrated a noteworthy consistency. **The data shows an average return on investment of 73% after the first calendar year of implementing their EMR system.**

Results for three of the study participants were in a narrow range of 50% to 71%, while the other two practices experienced unusual circumstances that resulted in returns of 9% and 240%.

The economic impact of EMR

was about equally attributable to revenue gains as to cost savings, with the most notable changes in the following areas:

- **Coding** – Despite declining patient encounters, all of the practices realized benefits in their coding patterns.

- **Transcription** – Most practices eliminated transcription costs, with an average savings of more than $8,000 per provider per year.

EMR Vs. EHR: Yes, There is a Difference

> "The market has confused the electronic medical record (EMR) and the electronic health record (EHR). "

Many people in the US healthcare industry, our government, and the press use the terms *electronic medical record* (EMR) and *electronic health record* (EHR) interchangeably. However, these terms describe completely different concepts. both of which are crucial to the success of local, regional, and national goals to improve patient safety, improve the quality and efficiency of patient care, and

reduce healthcare delivery costs. EHRs are reliant on EMRs being in place, and EMRs will never reach their full potential without interoperable EHRs in place.

The market has confused the electronic medical record (EMR) and the electronic health record (EHR). Government officials, vendors, and consultants have propagated this confusion, in some cases unintentionally

The EMR is the legal record created in hospitals and ambulatory environments that is the source of data for the EHR.

The EHR represents the ability to easily share medical information among stakeholders and to have a patient s information follow him or her through the various modalities of care engaged by that individual.▪

The CMS eRX Incentive Program

To participate in the 2010 eRx Incentive program, individual providers may choose to report on their adoption and use of a qualified eRx system by submitting information on one eRx measure: (1) to CMS on their Medicare part B claims, (2) to a qualified registry, or (3) to CMS via a qualified electronic health record (EHR) product.

To be considered a successful electronic prescriber for the 2010 eRx Incentive Program and potentially qualify to earn a 2.0% incentive payment for the 2010 eRx Incentive Program, an individual provider must report the eRx measure for at least 25 unique electronic prescribing events in which the measure is

reportable by the provider during 2010.

In addition, a group practice may also potentially qualify to earn an eRx incentive payment equal to 2% of the group practice's total estimated Medicare Part B Physician Fee Schedule (PFS) ▪

Data Storage Requirements

Although traditional paper-based records require a significant amount of office real estate for their archival and use, the digital counterpart to these records poses a different set of challenges. To date your storage requirements for your patient charts consisted of where to allocate office space for their use, and the purchase of supplies to create and maintain them as well as their retention needs for patients you no longer see.

Your decision to implement an EMR system now means you must think in terms of data storage with respect to onsite versus offsite, tape, san (storage area network), and most recently cloud storage among other solutions. You may choose one or a combination to satisfy your needs.

In addition to the storage requirements of your EMR system your practice may have to consider the storage management of medical imaging data. Just as

paper has transitioned to digital in the patient record x-rays have become digital as well. Traditional x-ray equipment has been replaced with RIS/PACS, or Radiology Information System and Picture Archiving and Communication System.

These types of complexities create concerns for seasoned IT professionals and can be daunting for the medical professional concerned with the health and well-being of their patients as well as their practice. ▪

Securing ePHI

In addition to the storage requirements of your newly created digital medical records you must now consider the security aspect surrounding them.

Where previously your concerns with HIPAA predominately dealt with the privacy aspect of your patient records you must now determine the manner in which you will protect them in regards to their digital format.

The contents of your practice management and EMR system contains a wealth of information which, when in the hands of the wrong person can be financially devastating to those whose records have been compromised. While the protection of these records is mandated by both aspects of HIPAA your organization can suffer irreparable damage to its reputation should

you allow your information systems to be compromised?

You must also consider access control and authentication methods to make sure only authorized individuals can view and input to the patient record as appropriate to their roles. In addition, you must also employ appropriate encryption technologies to secure this data both in-transit and at rest. ▪

"Your organization can suffer irreparable damage to its reputation "

Dates to Remember

2010 - The new compliance deadline of the Red Flags Rule is December 31, 2010.
2011 – Maximum 1% incentive payment through demonstration of successful e-prescribing.
2011 - December 31, 2011. 5010/D.0 Level 2 external testing must be completed by this date.
2012 - Maximum 1% incentive payment through demonstration of successful e-prescribing. **Penalty for non-adoption of e-prescribing is a 1% reduction in Medicare reimbursement.**
2012 - All covered entities are to be in compliance with 5010/D.0 on January 1, 2012.
2013 - **Penalty for non-adoption of e-prescribing is a 1% reduction in Medicare reimbursement.**
2013 - The compliance deadline for use of the ICD-10-CM and ICD-10-PCS code sets is Oct. 1, 2013.
2014 – **Penalty for non-adoption of e-prescribing is a 2% reduction in Medicare reimbursement.**
2015 – **Healthcare organizations suffer penalties through reduced Medicare reimbursement payments if they do not become meaningful users of EHR by 2015.**
2016 - There will be no payments for meaningful EHR use after 2016.

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With Oncore as your health information technology provider, you receive services on par with the largest Fortune 500 companies, but at an affordable monthly rate.

HIPAA Compliance

Oncore utilizes a step-by-step methodology to perform your organizations' HIPAA compliance assessment and support you through all phases, delivering either specific services or our complete readiness suite. Our HIPAA compliance is a combination of business as well as technical solutions designed to work harmoniously to achieve and maintain your compliance.

Managed IT Services and Security

Our OnCall managed information technology, and OnGuard managed security services are 100% HIPAA compliant and will allow your organization to take advantage of cutting edge technology that might be otherwise cost prohibitive, particularly in a smaller practice. Choose from our core managed services offerings and a menu of fully integrated solutions that can be used to completely outsource your technology infrastructure, allowing you to focus on management of your practice.

Business Continuity/Disaster Recovery

A Business Continuity and Disaster Recovery plan can minimize downtime and keep your practice operational. Oncore Associates Business Continuity and Disaster Recovery planning will not only ensure that your critical patient data, equipment, and systems are recoverable but will also address the loss of key staff and real estate.

EMR

Oncore will conduct an EMR readiness assessment and provide complete implementation project management services. These services will consist of a workflow analysis, system selection, and post implementation optimization. After your system is in place we provide a complete suite of services designed to proactively monitor and secure your new technology infrastructure.

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