

Health Information Technology

*Maryland Health Care Quality and Cost Council
Update*

February 2010



The MARYLAND
HEALTH CARE COMMISSION

Health IT – A Value Add

- Health IT can help improve health care quality, prevent medical errors, and reduce health care costs by delivering essential information to the time and place of care
 - Widespread use of electronic health records (EHRs) with decision support
 - The ability to exchange health information privately and securely
- The MHCC has been working for several years to implement a health information exchange (HIE) and to increase the adoption of EHRs
- Health IT can also gather information efficiently for better health services research, public health and homeland security surveillance, and quality reporting

HIE

Activities Update

HIE Planning

- The MHCC convened a series of multi-stakeholder groups to discuss a range of policy issues and published a number of major policy reports
- Two multi-stakeholder groups were competitively selected for an 18-month planning project to build a statewide HIE
 - The Chesapeake Regional Information System for our patients (CRISP) and the Montgomery County Health Information Exchange Collaborative
 - Final report addressed governance, privacy and security, access policies, strategies to ensure appropriate patient engagement, general architecture, proposed technology, estimated costs, and possible sustainable model

HIE Implementation

- A Request for Application (RFA) to build a statewide HIE was released in April 2009
 - Four responses to the RFA were received
 - A technical panel recommended that CRISP receive funding through Maryland's all-payor hospital rate setting system
- CRISP formally designated by the MHCC in July and by the HSCRC in August
 - CRISP is a particularly strong not-for-profit collaborative effort among the Johns Hopkins Health System, MedStar Health, University of Maryland Medical System, and the Erickson Foundation with support from multiple stakeholder groups

Policy Board Oversight

- The Policy Board consists of 25 members that have been selected to assure expertise, breadth of stakeholder representation, and a strong consumer voice in establishing the policies essential to building trust
- Strong representation from the general public associated with the MHCC will establish the policies governing the statewide HIE
 - The separation of responsibilities between the Policy Board and CRISP assures a strong role for the public in both policy development and operational oversight

MHCC Involvement with CRISP

- Participation on Advisory Board Committees
- Bi-weekly meetings with the CRISP staff
- A requirement to approve technology vendor selection(s)
- Collaboration on Use Case development
- Ensure policies developed by the Policy Board are appropriately implemented

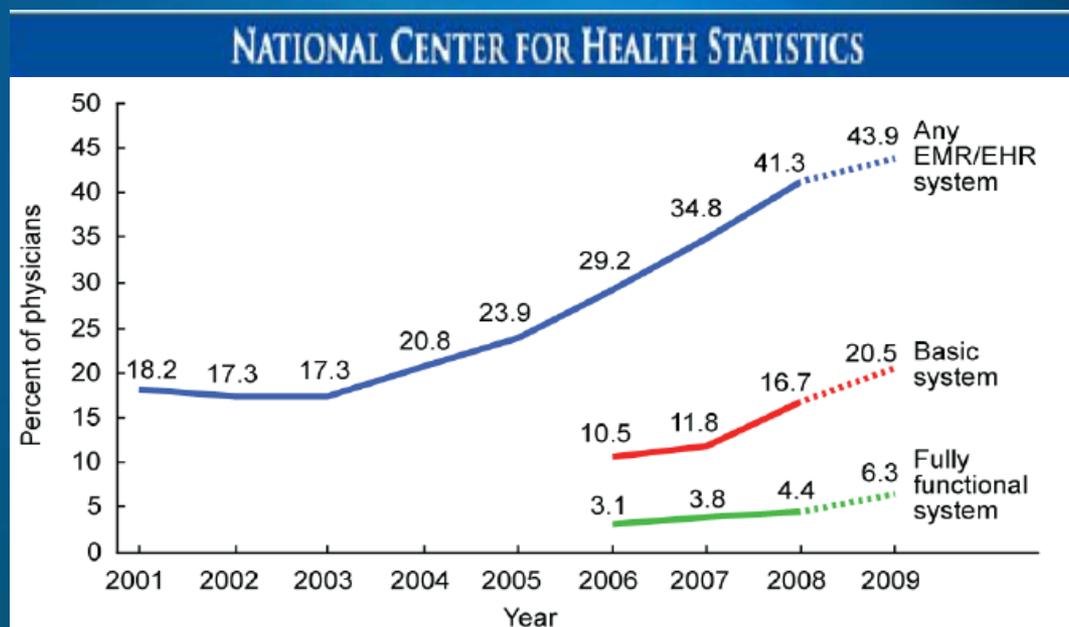
Status of the CRISP Implementation

- Board and Advisory Committees are well-established
- CRISP has issued RFAs for acquisition of the main technology components
 - Bidders for the master patient index and the exchange infrastructure have been narrowed
 - Vendor presentations are in process
 - Initial selection of successful bidders is anticipated within the month
- Issues: use cases and the optimal implementation strategy
 - Rolling use cases versus rolling geography

EHR Activities Update

EHR Adoption

- EHR adoption for a “basic system” is consistent with the nation
 - Physician adoption ~22 percent
 - National data (December 2009)



- Hospital adoption ~77 percent (*MHCC Hospital Survey April 2009*)

CMS EHR Demonstration Project

- The Centers for Medicare and Medicaid Services began the demonstration project in April 2009
- Statewide, roughly 127 practices specializing in family practice, general practice, internal medicine, and gerontology are eligible for funding of up to \$290K over a five-year period
- Maryland is one of four states participating in this project

ARRA Incentives – Medicare

- Requires “meaningful use” of certified EHRs
 - Up to \$44K per physician over five years
 - A 10 percent bonus for physicians in shortage areas
- No payments after 2016
- Penalties begin in 2015
 - 2015 – 1 percent; 2016 – 2 percent; 2017 and beyond – 3 percent to 5 percent pending overall market rate of adoption

Maximum Incentive Payments				
Payment Year	Adoption Year			
	Now-2011	2012	2013	2014
2011	\$18k	-	-	-
2012	\$12k	\$18k	-	-
2013	\$8k	\$12k	\$15k	-
2014	\$4k	\$8k	\$12k	\$12k
2015	\$2k	\$4k	\$8k	\$8k
2016	-	\$2k	\$4k	\$4k
Total	\$44K	\$44K	\$39K	\$24K
Shortage Area	\$48.4K	\$48.4K	\$42.9K	\$26.4K

ARRA Incentives – Medicaid

- Pays 85 percent of the net allowable costs up to ~\$64K per physician over six years
 - Includes system, implementation, training, maintenance, etc.
- Requires “meaningful use” by year two – must qualify by 2016 to receive max
- No payments after 2011
- Requires 30 percent Medicaid patient volume
 - 20 percent for pediatricians

Maximum Incentive Payments		
Payment Year	Adoption Year	
	30% Provider 2011 – 2016	20% Pediatrician 2011 – 2016
Year 1	\$21,250	\$14,167
Year 2	\$8,500	\$5,667
Year 3	\$8,500	\$5,667
Year 4	\$8,500	\$5,667
Year 5	\$8,500	\$5,666
Year 6 (up to 2021)	\$8,500	\$5,666
TOTAL	\$63,750	\$42,500

Private Payer Incentives

- Following the passage of the *American Recovery and Reinvestment Act of 2009* (ARRA), Maryland passed a law requiring state-regulated payers to provide EHR adoption incentives (HB 706, *Electronic Health Records – Regulation and Reimbursement*)
 - Maryland is the first state to build on the EHR adoption incentives by paralleling the requirements of the federal incentives
- An Advisory Committee consisting of private payers and other stakeholders are presently evaluating monetary incentive options that would qualify under the new law
 - The MHCC expects to propose regulations in 2010

EHR Product Portfolio

- The EHR product portfolio includes 26 vendors that meet the latest CCHIT certification requirements
- The web-based document includes a vendor contact list, privacy and security policies, product overview, pricing, and a user reference report
- The EHR product portfolio is updated semi-annually and all CCHIT vendors are invited to participate

Hosted EHRs

- Existing law (HB 706) requires the MHCC to designate one or more management service organizations (MSOs) to offer services in the state by October 1, 2012, MSOs:
 - Use an application service provider to host one or more EHR systems through the Internet
 - Are well positioned to leverage buying power and manage the technical aspects of EHRs
 - Will likely compete for market share based on their EHR solutions and other administrative practice support services
- An Advisory Board has been convened to identify criteria for MSOs that seek state designation
- The MHCC expects to begin designating MSO during the third quarter of 2010

Stakeholder EHR Involvement

- Active participation with the Hospital Chief Information Officers
- Collaboration with the Maryland Hospital Association
- Participation with the State Medical Society, MedChi on education and outreach activities
- Working with the LTC industry to increase adoption among the approximately 55 independent nursing homes in Maryland

ARRA Grant Opportunities

State HIE Exchange Cooperative Agreement Grant Program

- In August, the Department of Health and Human Services (HHS) released a Funding Opportunity Announcement (FOA) for planning and implementation projects to advance appropriate and secure HIE across health care systems
- The application and *Health Information Technology State Plan* were submitted by the October 16, 2009 due date
 - Award announcements scheduled in early 2010
 - Likely amount of the grant is \$9.3M

HIT Extension Program: Regional Centers Cooperative Agreement Program

- In August, HHS released an FOA for Regional Centers to plan and implement the outreach, education, and technical assistance for providers to become meaningful users of EHRs
- CRISP was the lead applicant with support from the MHCC in developing the response that was submitted by November 3, 2009
 - Award announcement scheduled for early 2010
 - Average award is \$8.5M
 - Minimum match requirement starting in year two – applicant/federal dollars (1/10, 1/7, 1/3)

Beacon Community Cooperative Agreement Program

- In December, HHS released a FOA for approximately 15 communities to build and strengthen their health IT infrastructure
- Communities must have advanced rates of EHR adoption and the readiness to incorporate HIT to advance community-level care coordination and quality monitoring and feedback
 - Application due date – February 1st
 - Average award is \$15M
 - Award announcement scheduled for March

Development of a State Medicaid HIT Plan

- CMS will fund the development of an HIT Planning Advanced Planning Document (HIT P-APD) to obtain prior approval and to secure 90 percent Federal Financial Participation for the planning activities that will lead to development of the *State Medicaid HIT Plan*
 - States have flexibility in the completion date of the HIT P-APD
 - Average award is \$1.5M
 - Award determination made within 60-90 days from submission of the HIT P-APD

Questions?



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