

American Recovery and Reinvestment Act: How it Affects you and your Practice

The American Recovery and Reinvestment Act (ARRA) of 2009, signed by President Obama on February 17, 2009, includes \$19.2 billion in provisions for healthcare information technology (health IT), particularly the full implementation of Electronic Health Records (EHR) over the next five years.

Several of our clients have inquired about the effect that this new Act will have on them and how they can take advantage of it. Full information on this is not yet available, but here is a brief summary of what is known at this time.

There are three requirements for a healthcare provider to qualify for the ARRA Electronic Health Record (EHR) incentives.

- Be a provider for Medicare or Medicaid
- Is a "Meaningful User"
- Proves to use a "Qualified" EHR software

An "eligible professional"—(the full definition of this is still to be clarified, but from the information we have gathered so far it appears to include a chiropractor, a physical and occupational therapist and many other types of registered health care providers)—who adopts and appropriately uses certified EHR technology will be rewarded with increased Medicare reimbursement. Similar to incentive payments to hospitals, incentive payments will be awarded to professionals who demonstrate meaningful use of certified EHR technology during each incentive payment year. In order to encourage professionals to adopt EHR technology early, the total possible amount of incentive payments (\$44,000) will decrease the longer a professional waits to become an EHR user. It therefore behooves one to implement the technology for EHR as soon as possible in order to demonstrate one is a meaningful user and eligible to receive incentives as soon as they become available.

As stated in ARRA Act, incentives begin in fiscal year 2011. First year payment for eligible professionals will be \$18,000, if it is in 2011 or 2012. For those whose first payment year begins in 2013 the payment is \$15,000. Each subsequent year after, up to 2016,

the incentive payments drop. An eligible professional can receive up to \$44,000 within the 5 year plan depending on whether their first year payment falls in 2011 or 2013. No incentive payments will be made after 2016 and no one adopting an EHR after 2014 will be eligible to receive incentive payments at all.

For Medicare, for the first year of incentives, the provider must be paid at least \$25,000 by Medicare to be eligible. The Medicaid incentives will be made available to certain providers with at least 30% of Medicaid patients. These incentives are to cover the cost of implementing the EHR.

"Meaningful Use" Defined

An official governmental definition has not been released at this time for "meaningful use." There are suggestions that are being put forth from private organizations.

At this time, "meaningful use" is thought to mean:

- The EHR technology a hospital or professional employs must be certified by an independent body as meeting specific standards determined by the Secretary of Health and Human Services before December 31, 2009. EON Systems will arrange certification once the standards and certifying bodies are defined.
- Demonstrated ability to electronically exchange standardized patient summary data with clinical and administrative stakeholders.
- Demonstrated practice of electronic prescribing.
- Demonstrated reporting of quality and patient safety data.

What You Can Do

If you do not have all of the components of *The Digital Office (The Practice Solution, Digital Sign-In Solution, Documentor and Document Solution)*, then call an EON Sales representative right away to find out more about getting fully computerized and ask for an individual quote for purchasing and implementation. For more information search for ARRA on the internet.



Holiday Schedule

In observance of Independence Day, EON Systems, Inc. will be closed on Friday, July 3, 2009.

Happy 4th of July!

Remember to Tell Your Friends!

We gratefully acknowledge those who successfully referred a new client to The Practice Solution or Documentor!

DR. PO POMAJZL * RACHEL ROACH * DR. WENDY HENRICHS
DR. ALEX CALLISTER * DR. DAN KRUEGER * DIMOND BOWEN
DR. ERIC WALDORF * MR. PAUL SILOVSKY * DR. DANIEL H. DAHAN
MEASURABLE SOLUTIONS * TARGET CODING

The above have received a referral award of \$100 or equivalent in credit toward any of our products or services.

☺

Public Service Webinar

We regularly hold a free Public Service Webinar on "How to Evaluate Software for Your Office" that you can refer your associates and friends to. They will learn how to choose software the right way and avoid costly mistakes. Have them contact Vanessa at (800) 955-6448 to register for the next Webinar.