

CMS TESTIMONY

Medicare Electronic Health Records (EHR) Incentive Programs

HIT Policy Committee

October 5, 2011

I would like to thank the HIT Policy Committee for the invitation to discuss the current status of the Medicare Electronic Health Record (EHR) Incentive Programs. My testimony will focus on the current registration, attestation, and payment numbers as of September 30, 2011; the early attestation data that the Centers for Medicare & Medicaid Services (CMS) have compiled for the program; and an overview of the outreach efforts CMS continues to undertake to encourage the widespread adoption of EHRs and help providers implement and meaningfully use EHRs. CMS is now providing Medicare EHR incentive payments to 3,722 eligible professionals and 158 eligible hospitals that have successfully demonstrated meaningful use of EHRs under the Medicare EHR Incentive Programs.

Background

Through the Health Information Technology for Economic and Clinical Health (HITECH) provisions within the American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111-5), Congress established the Medicare and Medicaid EHR Incentive Programs to provide incentive payments to eligible professionals, eligible hospitals, and critical access hospitals (CAHs) as they adopt, implement, upgrade, or demonstrate meaningful use of certified EHR technology. The HITECH Act included, according to current estimates, as much as \$27 billion over ten years to support adoption of EHRs. Since enactment, CMS and HHS' Office of the National Coordinator for Health Information Technology (ONC) have been laying the groundwork for a massive national investment in EHRs. Both CMS and ONC published regulations providing a clear roadmap to eligible providers and hospitals about what they would need to do to qualify for the EHR incentive payments.

The EHR Incentive Program is now well underway -- providers and hospitals are using EHRs meaningfully and receiving incentive payments. Today, only nine months since the Medicare and Medicaid EHR Incentive Programs officially began, 33 States are participating in the Medicaid EHR Incentive Program and over 110,000 professionals and hospitals have registered for the Medicare and Medicaid EHR Incentive Programs, with 16,877 professionals and 23 hospitals registering for the Medicare program in September 2011 alone. As of September 30, 2011, CMS has paid more than \$850 million in EHR incentive payments nationwide.

Widespread adoption of EHRs and health information exchange are expected to improve health care quality for patients and increase provider coordination, while reducing unnecessary health care costs that come from duplicated test or preventable drug errors. The EHR Incentive Programs are already helping our health care system move from where we are today to where we need to be in the future by promoting the adoption of EHR and health information exchange, which could improve health care, while avoiding unnecessary burdens on providers. EHRs can improve patient safety by identifying preventable safety concerns such as medication or allergy conflicts. EHRs can improve care coordination by making a patient's complete current health information more easily available and eliminate the need to duplicate diagnostic tests. EHRs can improve care by delivering outputs that paper records cannot. EHRs can improve patient and provider convenience by providing more informational resources and follow-up instructions for patients, allowing physicians to e-prescribe and file insurance claims quicker and easier, and reducing paperwork time for providers. EHRs can also improve patient privacy and security. With improvements that reduce administrative burden, improve patient safety, reduce duplicative tests, and deliver high quality effective care, we are confident that EHRs will be a tool that helps providers deliver better care at lower costs – one of CMS' main goals in transforming the health care delivery system.

Medicare Program Status

On January 3, 2011, registrations for the Medicare EHR Incentive Program began. Through the end of September 2011, 88,255 eligible professionals and 2,359 eligible hospitals and critical access hospitals (CAHs) have registered for the program. Attestation for the

Medicare EHR Program successfully opened on April 18, 2011. 3,722 providers and hospitals have successfully attested to meeting the meaningful use requirements and received incentive payments. This represents \$357,399,390 in Medicare EHR incentive payments in only five months—when coupled with the Medicaid programs, the EHR Incentive Programs have paid over \$850 million this calendar year. CMS expects this number to continue to grow over the remainder of this calendar year and especially in calendar year 2012, which is the last year in which providers can begin participation in the Medicare EHR Incentive Program and still receive the maximum EHR incentive payment.

Medicare Attestation Data

CMS currently has captured data from over 8,300 providers who have successfully attested to meeting Stage 1 meaningful use requirements for the Medicare EHR Incentive Program. Providers who elect to participate in the Medicaid EHR Incentive Program do not have to attest to meaningful use in their first participation year but instead receive an incentive payment for adopting, implementing, or upgrading certified EHR technology; consequently, there will be no meaningful use attestation data available from the Medicaid EHR Incentive Program in 2011.

It is important to note that the number of providers who have successfully attested represents only a very small fraction of providers who have registered for the EHR Incentive Programs, and an even smaller fraction of the total providers who are eligible to participate. Although CMS intends to conduct ongoing analysis of data related to all stages of meaningful use, we emphasize that the amount of data currently available to us is not sizable enough to draw significant conclusions or determine specific trends in provider behavior. The providers who have successfully attested to date represent the earliest of early adopters, and their behavior may not be indicative of the average eligible professional, eligible hospital, or CAH.

On average the thresholds for meaningful use core and menu measures were greatly exceeded by providers, however there were providers for each core and menu measure who were very close to the threshold. Eligible professionals consistently reported high percentages well above the established thresholds of core and menu measures, including:

<u>MEASURE</u>	<u>Average Reported %</u>	<u>Required Measure %</u>
CPOE	87%	30%
Maintain Problem List	95%	80%
e-Prescribing	77%	40%
Active Medication List	97%	80%
Medication Allergy List	96%	80%
Record Demographics	90%	50%
Record Vital Signs	91%	50%
Record Smoking Status	89%	50%
E-copy of Health Information	93%	50%
Provide Clinical Summaries	78%	50%
Incorporate Clinical Labs	92%	40%
Send Patient Reminders	67%	20%
Patient Electronic Access	77%	10%
Patient-Specific Education	47%	10%
Medication Reconciliation	89%	50%
Transition of Care Summary	88%	50%

Relative to the number of objectives, very few exclusions were claimed on average, with the most-claimed exclusions occurring in the following core and menu objectives:

<u>MEASURE</u>	<u>Average % Excluding</u>
E-copy of Health Information	63%
e-Prescribing	19%
Drug Formulary Checks	16%
CPOE	14%

For the “E-copy of Health Information” objective, providers can be excluded from meeting the measure if there are no requests from patients for an electronic copy of their health information. The high percentage of exclusion for this measure is likely due to the recent start of the EHR Incentive Programs and a general lack of public awareness regarding the program. The remaining measures center around medication prescriptions and all provide exclusions for eligible professionals who write fewer than 100 prescriptions during the reporting period, so these numbers can be attributed to eligible professionals who do not prescribe medication as part of their regular scope of practice. There were also a number of providers who claimed exclusions for public health objectives (e.g., submitting immunization data and syndromic surveillance data), which can be attributed primarily to either the unavailability of local public health agencies which collect such data or the inability of existing public health agencies to accept such data in the format and using the transport method of the providers’ certified EHRs.

There is currently little difference between the performance of eligible professionals and eligible hospitals. As with eligible professionals, eligible hospitals and CAHs greatly exceeded on average the thresholds for meaningful use core and menu measures. Eligible hospitals consistently reported high percentages well above the established thresholds of core and menu measures, including:

<u>MEASURE</u>	<u>Average Reported %</u>	<u>Required Measure %</u>
CPOE	88%	30%
Maintain Problem List	93%	80%
Active Medication List	98%	80%
Medication Allergy List	98%	80%
Record Demographics	95%	50%
Record Vital Signs	93%	50%
Record Smoking Status	93%	50%
E-copy of Health Information	96%	50%
E-Copy of Discharge Instrs.	95%	50%

<u>MEASURE</u>	<u>Average Reported %</u>	<u>Required Measure %</u>
Record Advance Directives	94%	50%
Incorporate Clinical Labs	94%	40%
Patient-Specific Education	71%	10%
Medication Reconciliation	86%	50%
Transition of Care Summary	81%	50%

Relative to the number of objectives, eligible hospitals also claimed very few exclusions on average. As with eligible professionals, there were a number of hospitals that claimed exclusions for public health objectives (e.g., submitting immunization data, syndromic surveillance data, and reportable lab results), which can be attributed primarily to either the unavailability of local public health agencies which collect such data or the inability of existing public health agencies to accept such data in the format and using the transport method of the hospitals' certified EHRs. The most-claimed exclusions occurred for providing electronic copies of health information and discharge instructions to patients, both of which would be due to a lack of patient requests for such electronic information and again attributable to a lack of public awareness about the program.

<u>MEASURE</u>	<u>Average % Excluding</u>
E-copy of Health Information	63%
E-copy of Discharge Instrs.	64%

Only a very small number of providers—fewer than 30—have submitted an attestation to CMS and failed to meet one or more of the meaningful use measures. With such a small number of providers failing attestation, it is impossible for us to draw meaningful conclusions regarding program challenges from their attestation data. However, CMS continues to conduct field research to determine which areas of the EHR Incentive Programs may present challenges to providers and how CMS can most effectively assist providers in meeting those challenges.

Preliminary information from our field research indicates that a number of providers who have registered for the program but not yet attested are still waiting to implement certified EHR technology into their practices and have not been able to begin meaningful use participation.

We find these early results of attestation very encouraging, although we emphasize again that the data represents a very small number of providers relative to the total audience that can participate and is not necessarily reflective of all providers' experience with meaningful use and the EHR Incentive Programs. As more providers attest, we will continue to analyze attestation data to identify the successes and challenges of the program.

Outreach

CMS strives to increase awareness and participation in the Medicare and Medicaid EHR Incentive Programs, as well as increase stakeholder support for the programs. CMS uses a variety of tools to engage eligible providers, hospitals, and States in the programs, including Twitter (@CMSSGov #EHR) and Facebook, YouTube, print and web advertisements, articles in trade magazines and blogs including WebMD's Medscape, and professional conferences. CMS also makes registering for the programs and proving meaningful use easier by providing step-by-step guides, factsheets in English and Spanish, and web tools like the Meaningful Use Attestation Calculator on the CMS website at www.CMS.gov/EHRIncentivePrograms.

CMS has held webinars and conference calls to teach and inform potential and current registrants about the EHR Incentive Programs. For example, in August and September 2011, CMS sponsored two national provider sessions; the August webinar on meaningful use attracted 3,628 registrants, and the September webinar attracted 2,222 registrants. CMS also focuses its outreach efforts regionally. We have held over 850 events across the country this year and collaborated with 192 new organizations.

Throughout the implementation of the program, CMS conducted awareness tracking among potential participants to gauge levels of knowledge and inform outreach efforts. This tracking has continued as the program launched, and we have seen a marked increase in awareness of the EHR Incentive Programs, with 78% of all providers and 96% of all hospitals indicating knowledge of the program. Among those who have not yet registered for the program,

large majorities have indicated that they intend to register—3 in 4 physicians, 8 out of 10 mid-level providers, and 9 out of 10 hospital executives.

Looking Ahead

I am happy to be presenting CMS' progress and accomplishments in implementing the EHR Incentive Programs at such an exciting time for developing and implementing the programs. A little over one year ago, we had just finalized the requirements for what it means to meaningfully use EHRs and how could we measure that without undue provider burden. Now, we have thousands of professionals and hospitals participating in the EHR programs, reporting their use, and receiving payments to help them continue to move toward a fully implemented EHR system. Together, we are advancing our medical record system so that we can improve patient care and coordination while lowering health care costs.

CMS plans to continue to reach out and inform eligible professionals and hospitals about the benefits of participating in this program. CMS will continue to participate in calls, webinars, and conferences explaining how eligible professionals and hospitals can receive incentive payments. CMS will also publish articles and disseminate information about the EHR Incentive Programs, so that as many professionals and hospitals as possible are aware of the program and the resources available to help them make the switch from paper to electronic records. Over the last 30 years, we have watched information technology transform industry after industry, dramatically improving the customer experience and driving down costs. Now that government and stakeholders are coming together, we are finally poised to make the same transformation in health care.