# MONITORING NATIONAL IMPLEMENTATION OF HITECH: STATUS AND KEY ACTIVITY QUARTERLY SUMMARY

**OCTOBER TO DECEMBER 2012**

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This summary supports the global assessment by synthesizing in one place selected statistics and activity reports relating to implementation of HITECH. It is developed quarterly and reflects information made available between October 1, 2012 and December 31, 2012. The list is not meant to be exhaustive, but to reflect a subset of reports and activities that have been reported on elsewhere—on the ONC or CMS websites, or in a few other sources that have come to our attention. The report now relies less than in the past on the ONC and HHS News Briefings to identify activities because the scope of those briefings has been reduced in intensity. Quarterly reports are posted by ONC and are publicly available under the Evaluations of HITECH Programs section on the Health IT Dashboard.

## MEANINGFUL USE INCENTIVE PAYMENTS—STAGE 1

- The number of eligible professionals and hospitals registered for meaningful use payments, as well as the amount paid to them, continues to increase. The CMS incentive program report for November 2012 shows that program-to-date active registrations included 231,166 Medicare eligible professionals, 104,731 Medicaid eligible professionals, and 4,193 hospitals, yielding a total of 340,090 active registrations that were fully completed by November 2012.

    o Medicare breakdown

        ▪ Medicare program-to-date payment totals are $1.7 billion to eligible professionals ($681 million paid during the 2012 program year) and $248 million to hospitals ($131 million paid during the 2012 program year).

    o Medicaid breakdown

        ▪ According to the CMS incentive program report, as of November 2012, 49 states were open for registration. The "Medicaid State Information" webpage on the CMS website lists 47 states that have active Medicaid EHR Incentive programs. The two states not listed with active programs are Minnesota and Hawaii. The District of Columbia participates in the incentive program as well but, as of May 2012, has not opened their program. *HITECH Answers, May 11, 2012*

        ▪ Medicaid program-to-date payment totals are $1.4 billion to eligible professionals ($411 million paid during the 2012 program year) and $172 million to hospitals ($46 million paid during the 2012 program year).

- Program-to-date payments to eligible professionals include 73,666 physicians, 18,918 nurse practitioners, 8,305 dentists, 2,181 certified nurse-midwives, and 1,661 physicians assistants.

- In December, the Government Accountability Office (GAO) released a report outlining the number of providers who received Medicaid EHR incentive payments for 2011 (the first year of the program). The report indicates that 45,962 professionals and 1,964 hospitals received approximately $2.7 billion worth of incentive payments. Hospitals, specifically, received $1.7 billion in payments. The report includes extensive tabular analysis of the characteristics of those attesting.

- The Office of the National Coordinator for Health IT (ONC), on its Health IT Dashboard, now includes a Meaningful Use Dashboard that summarizes CMS meaningful use EHR incentive program data by state, county, and provider type.

- In November, the Department of Health and Human Services' (HHS) Office of the Inspector General released an assessment of CMS's supervision of the Medicare EHR incentive program. The report states that current CMS supervision of the program may enable providers who do not meet meaningful use requirements to be awarded incentive payments. Two recommendations for CMS are outlined in the report: 1) to review provider documentation before distributing payment; and 2) to provide detailed guidance on the documentation those providers should maintain. CMS agreed with the latter recommendation while they stated that the first recommendation encumbers providers and potentially delays the agency from awarding incentive payments. The report also provided two recommendations for ONC, which ONC expressed support of: 1) to require certified EHRs to output reports for yes/no meaningful use measures; and 2) to make improvements to the EHR certification process in the effort of producing more accurate EHR reports. Several stakeholders released statements in response to the report: the American Medical Association disapproves of the prepayment audits while the American Hospital Association and Greenway Medical Technologies stated that the report does not show evidence of inappropriate incentive payments being awarded to providers. *Healthcare IT News, November 30, 2012*

- An ONC blog post announced a new goal to have 1,000 Critical Access Hospitals and small, rural hospitals meet meaningful use criteria by the end of 2014. ONC is granting RECs up to $30 million to help achieve this goal.

- CMS is extending the November 30, 2012 deadline to attest to Medicare meaningful use for hospitals in New York and New Jersey that have been affected by Hurricane Sandy.

- CMS extended the deadline for eligible professionals to submit a Medicare e-prescribing program hardship exemption to January 31, 2013. For background on the e-prescribing program see http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/downloads/pqriEPrescribingfactsheet.pdf.

**STAGE 2 MEANINGFUL USE INCENTIVE AND CERTIFICATION REQUIREMENTS**

- On October 4, 2012, Dave Camp (R-MI), Fred Upton (R-MI), Wally Herger (R-CA), and Joe Pitts (R-PA) sent a letter to HHS Secretary Kathleen Sebelius stating that they believe the Stage 2 meaningful use rules are weaker than the Stage 1 rules and that this

will have no positive effect on Medicare and will, subsequently, be a waste of taxpayer dollars. The four House representatives cite the e-prescribing thresholds as an example of this: Stage 1 set the threshold at 75% while Stage 2 sets the threshold at 50%. They call for HHS to stop all incentive payments, as well as penalties, until standards for interoperability are established. They also urge HHS to raise the bar for meaningful use and to stop subsidizing practices that prevent information exchange between healthcare providers.

- o ONC and CMS, as well as several other stakeholders, responded to the representatives' letter:

  - National Coordinator of Health IT, Dr. Farzad Mostashari, at the College of Healthcare Information Management Executives' (CHIME) CIO Forum, expressed agreement with CHIME's letters, submitted to each of the four House representatives, in which the organization encouraged patience with Stage 2 rules as they do not begin to take effect till 2014. The letters also state, "While we agree that more standards are needed to enable greater interoperability, Stage 2 final rules contain many of the transport, content and vocabulary standards that vendors and providers need to make true interoperability a reality…Stage 2 will require standards that demonstrate a more capable electronic health record system and a more developed information exchange infrastructure. Likewise, progress on patient engagement and patient safety will be more visible and widespread because of Meaningful Use Stage 2." *Healthcare Informatics, October 16, 2012*

  - Also at the CHIME Forum, CMS representative Travis Broome said that immediately stopping incentive payments is not possible since regulatory revision and, possibly, Congressional action are necessary. *Healthcare IT News, October 23, 2012*

  - HIMSS released a statement opposing the House representatives' call for stopping incentive payments and penalties. In their letter, they present CMS and HIMSS Analytics data to make the point that incentive payments have a positive effect. The data show that 2,700+ hospitals and 73,000 eligible professionals attested to Stage 1 since 2011 and that, since May 2011, there is a steady increase in eligible hospitals achieving higher scores on the HIMSS Analytics Electronic Medical Record Adoption Model.

  - The Association of Regional Centers for Health Information Technology's (ARCH-IT) President Jonathan Fuchs said, "…retracting or suspending the program would…undermin[e] the federal commitment to HIT expansion. But even more concerning is that it would financially damage the small practices who have already invested in an EHR and are currently working to achieve Meaningful Use." *PRWeb, October 16, 2012*

- On October 17, 2012, senators John Thune (R-SD), Tom Coburn (R-OK), Richard Burr (R-NC), and Pat Roberts (R-KS) sent a letter to Kathleen Sebelius asking to meet

with CMS and ONC by October 26 to answer questions on Stage 2. *iHealthBeat, October 19, 2012*

- To assist eligible professionals and hospitals navigate Stage 2 requirements, CMS has published specification sheets that clarify measures, objectives, and other parts of the program at http://www.cms.gov/Regulations-and-Guidance/Legislation/EHRIncentivePrograms/Stage_2.html.

- On November 14, 2012, Dr. Mostashari spoke at a hearing held by the House committee on science, space, and technology, and initiated by Representative Ben Quayle (R-AZ) who questioned the return on investment in the government's health IT activities. Mostashari's testimony outlined how lessons learned from Stage 1 implementation were applied to the development of the Stage 2 rule: "We listened to both our private and public sector stakeholders by soliciting input through many mechanisms…One of the key messages we heard from the provider and vendor communities is that successful health IT implementation relies on a predictable roadmap for meaningful use measures and certification criteria. Moreover, both the vendor and provider communities must be given enough time to implement it successfully." He went on to say, "Yet while we heard the call for ambitious, challenging Stage 2 requirements, we also heard that we needed to increase flexibility and reduce regulatory burden." Dr. Mostashari concluded by stating that ONC's progress has been "…steady and deliberate. Working within an open and transparent process with our public and private stakeholders, HHS has developed the meaningful use requirements in stages to serve as building blocks to the future. Stage 1 enabled us to utilize technology to gather structured data and focus on the functionalities of basic EHRs, including privacy and security protections. With Stage 2, HHS is working to improve access to information through care coordination and increasing standards-based health information exchange between providers and with patients. We anticipate that the Stage 3 rules will allow us to continue to support transformed care by continuing to advance health IT capabilities by focusing on advanced clinical decision support, team-based care, improving health outcomes, population health management, and patient engagement tools." Representatives from HIMSS, Medicity, and Intermountain Healthcare also defended the health IT activities and shared data showing that the federal health IT initiatives have a positive effect. *Government Health IT, November 14, 2012*

- In December, CMS issued an interim final rule for Stage 2 of the meaningful use program that makes a few changes to the previously finalized Stage 2 criteria. Changes include exempting particular measures (in the effort to provide more flexibility to professionals and hospitals) as well as some adjustments in the language used in the finalized rule. *Health Data Management, December 5, 2012*

- In December, ONC published final specifications for 2014 EHR testing and certification. Before the publication, in November, ONC held a public workshop to discuss the methods.

**DEVELOPMENT OF STAGE 3 MEANINGFUL USE REQUIREMENTS**

- At the November 7, 2012 Health IT Policy Committee meeting, the Committee released its proposed recommendations for Stage 3, which include the call for Stage 3 to be "the time to begin to transition from a setting-specific focus to a collaborative, patient- and

family-centric approach," as well as recommendations for particular percentage thresholds be raised and questions surrounding transitions of care, health IT safety risk assessments, and identity matching. The Committee also requested comments on the Stage 3 proposed recommendations. After the submitted comments are reviewed and analyzed, the committee will discuss the recommendations during its 2013 first quarter meetings and potentially revise them. *FierceEMR, November 8, 2012*

- The ONC Workgroup Application Database is a new database in which ONC tracks persons interested in serving on the Health IT Policy and Standards Committees' workgroups. ONC encourages individuals to register their information in the database through the website. *Government Health IT, October 12, 2012*

## REGIONAL EXTENSION CENTERS

- No new information to report.

## AVAILABILITY OF CERTIFIED PRODUCTS AND THE VENDOR MARKET

- ONC is developing an open source tool for vendors and testing labs to use for EHR certification testing for clinical quality measures under Stage 2. The new tool is called Cypress. *Health Data Management, October 17, 2012*

- For its virtual data center project, CMS awarded a $15 billion 10-year contract to eight vendors: Accenture Federal Services, Buccaneer, Companion Data Services, CGI Federal, HP Enterprise Services, IBM US Federal, Lockheed Martin, and National Government Services. The vendors will construct a cloud-based health care data center and system, which is intended to replace traditional data centers utilized by the agency. *Government Health IT, November 20, 2012*

- *iHealthBeat* reports that a Modern Healthcare analysis of April 2011 to August 2012 data from ONC's official list of certified EHR systems as well as CMS' list of Medicare providers who received Stage 1 incentive payments show that EHR vendors catering to small, rural and critical-access hospitals—such as vendors like Computer Programs and Systems and Healthland—are the most common vendors for hospitals looking for complete EHRs in the Medicare meaningful use program. *iHealthBeat, October 24, 2012*

- KLAS Enterprises released several reports pertaining to the health IT vendor market:

  o "Health Information Exchange 2012: Muddled in the Interfaces," summarizes a study in which 200+ providers using the top 11 HIE vendors were surveyed on their satisfaction with these vendors. A November press release discussing survey findings reports that providers are dissatisfied with vendors due to poor connectivity and a lack of timeliness and support in building interfaces. The only vendor out of the 11 to show an improved satisfaction score is Cerner. The other vendors included in the study are Caradigm, dbMotion, eClinicalWorks, Epic, ICA, Medicity, OptumInsight, Orion Health, Relay Health, and Siemens MobileMD. *Digital Journal, November 6, 2012*

  o In December, KLAS Enterprises released its 2012 "Best in KLAS Awards: Software & Services" report, which ranks Epic has the top vendor for overall software, overall software suite, and overall physician practice.

- The Agency for Healthcare Research and Quality (AHRQ) published "Designing Consumer Health IT: A Guide for Developers and Systems Designers." The report lists ten best practices for developing consumer-focused health IT products: 1) assemble a design team with knowledge and skills for all product development phases; 2) understand customer needs in the environments that the product will be used, and throughout all development phases; 3) include a diverse group of customers when evaluating the product; 4) apply established design methods in combination with innovation-driven design approaches; 5) employ multiple approaches early in the product's design phase to learn about customers and the market; 6) make design decisions based on learning from prototypes and pilot testing activities; 7) define success metrics on the needs of unique customer segments; 8) balance customer needs with product safety and privacy concerns; 9) build the product based on established heath data and transmission standards; 10) incorporate successful marketing strategies and be responsive to customers once the product is promoted and adopted. *Health Data Management, November 15, 2012*

## PRIVACY AND SECURITY

- ONC introduced an educational website for providers that will assist them in safeguarding patient health data that they access on smartphones, laptops, and tablets. The new website is a result of a Mobile Device Roundtable that was held by HHS in March 2012.

- HHS' Office of Inspector General published its yearly summary of HHS' ten biggest management and performance challenges. The "integrity and security of health information systems and data" is listed as one of the ten challenges. As part of the report, the Department says that it can address this challenge by maintaining compliance reviews of privacy and security standards, providing guidance to the health care industry on what standards it should adopt for EHRs, and by conducting prepayment verification and postpayment auditing for professionals and hospitals participating in the Meaningful Use EHR Incentive Program.

- In November, Representative Renee Ellmers (R-NC) sent a letter to HHS Secretary Kathleen Sebelius stating that her initial June 2012 letter was not responded to. The letters cite the Institute of Medicine's November 2011 report in which it called for HHS to develop a plan to increase patient safety related to health IT within one year. Ellmers is asking HHS for a summary of their efforts.

- On November 29, 2012, the Health IT Policy and Standards Committees hosted a web hearing discussing how to credentialize patients—confirming that an individual who accesses and uses a particular health IT tool is the actual patient it is intended for. *Health IT Buzz, November 8, 2012*

- The American Academy of Pediatrics released a policy statement, endorsed by the Society for Adolescent Health and Medicine, that outlines privacy issues for adolescents in commercial health IT systems. Among the AAP's recommendations for improved privacy is for EHRs to have controlled access, preventing adolescents' confidential and sensitive health information from being exchanged in certain scenarios. *FierceEMR, November 5, 2012*

- The Pennsylvania Patient Safety Authority published results of a study in which 3,099 reports in the Pennsylvania Patient Safety Reporting System were analyzed for EHR-related errors and safety issues. The study states that a total of 3,946 errors were found, most of which were due to users entering incorrect data or neglecting to enter data into the EHR at all. The Authority says that further study of the user population, user training, workflow design, and usability may indicate the cause of these errors.

- In December, HIMSS released findings from their fifth Annual Security Survey, which surveyed 303 IT and security professionals in both hospitals and ambulatory care. Among the findings are that the number of organizations electronically sharing data with patients has risen from 25% to 73% in the last four years, while the number of organizations electronically sharing data with other organizations has not significantly increased or decreased. The report also states that, while hospitals have more advanced security set-ups (regular risk analyses, testing of data breach response plans, and IT security plan audits, etc.), professionals working in physician practices were less likely to report dealing with data breaches. The report says that this may be due to the fact that physician practices do not see as many patients as hospitals do.

- On December 21, 2012, HHS published the "Health IT Patient Safety Action and Surveillance Plan," which addresses suggestions made in the 2011 Institute of Medicine's "Health IT and Patient Safety: Building Safer Systems for Better Care" report. Public comment on the plan is open till February 4, 2013.

## HEALTH INFORMATION EXCHANGE

- In October, Massachusetts Governor Deval Patrick celebrated the launch of the state's HIE by being the first person to send his personal health record from one hospital to another. *iHealthBeat, October 16, 2012*

- As of early October, ONC nearly completed the transfer of the Nationwide Health Information Network (NwHIN) Exchange to the public-private nonprofit Healtheway, Inc. By way of the transfer, the NwHIN Exchange has subsequently been renamed eHealth Exchange. The Exchange Coordinating Committee (ECC) will continue its governance responsibilities over the Exchange. *Information Week, October 8, 2012* On December 20, 2012, Dr. Mostashari posted a blog entry on Health IT Buzz Blog summarizing the activities ONC will be supporting for the governance of health information exchange in the country. These activities include: a new funding opportunity for organizations involved in HIE governance; a January open listening session for stakeholders to voice their opinions; a public hearing on health information exchange hosted by the Health IT Policy and Standards Committees (also scheduled for January); a 2013 meeting of key stakeholders in governance, hosted by the National eHealth Collaborative; ONC's publication of guidelines for governance; and a monitoring program to make certain that guidelines are being followed and are effective.

- ONC added an "Evaluation of HITECH Programs" webpage to the Health IT Dashboard. The webpage lists and makes publicly available reports and studies on HITECH implementation that are conducted by ONC and its contractors. Among the newly posted materials is "Evaluation of the State Health Information Exchange Cooperative Agreement Program: Early Findings from a Review of Twenty-Seven

States," which is an overview of 27 state experiences with information exchange one year and six months into the State Health Information Exchange Cooperative Agreement Program. Early findings include the fact that most states plan to create an "opt-out" consent system. The study is an interim product developed by NORC under contract with ONC.

- In response to November's Hurricane Sandy, the National Health Information Sharing and Analysis Center deployed an emergency response system that addresses a variety of health information technology infrastructure issues, including issues surrounding information recovery and information sharing in crisis situations. The emergency response system is aligned with federal and private-sector disaster recovery procedures and plans. *PR Newswire, November 1, 2012*

- The National eHealth Collaborative (NeHC) HIE Learning Network published "Following the NeHC HIE Roadmap: Four Routes to Success," a collection of whitepapers that address challenges in implementing and maintaining an HIE. Developed by 450+ stakeholders, the whitepapers consist of an algorithm for long-term financial stability of an HIE (which includes an estimate that HIE financial sustainability requires $7.5 million in annual revenue); a critique of and recommendations for interoperability standards; and eleven case studies of HIE initiatives. NeHC presented this work at the Technology Crossroads Conference in Washington, DC in November. *Healthcare Informatics, November 29, 2012*

- Maine's HIE, HealthInfoNet, is constructing a data warehouse, which will play a role in linking HealthInfoNet's clinical data with the state's all-payer claims data. *Healthcare IT News, December 13, 2012*

- Washington, DC is using Direct Secure Messaging as a substitute for its Regional Health Information Organization, which shut down in October. *Washington Business Journal* states that employing Direct Secure Messaging "is a major accomplishment for the governmental health information exchange policy board, which has worked to implement federal goals on health data sharing since 2010." *Washington Business Journal, November 28, 2012*

- Led by the New York eHealth Collaborative's EHR/HIE Interoperability Workgroup and Healtheway (formerly NwHIN), a new coalition of 15 states, 37 vendors, and 34 HIEs created a testing program for EHR interoperability. The coalition is working with the Certification Commission for Health Information Technology (CCHIT), and will share its findings with ONC. *CCHIT, October 11, 2012*

- ONC will conduct a survey of almost 5,000 clinical laboratories to gauge their information exchange activities and strategies with physicians. Survey results will be used to create a baseline for information exchange in clinical laboratory settings. *Health Data Management, October 18, 2012*

- In December, the University of Texas at Austin announced deployment of the first HIE laboratory in the nation. The laboratory functions as a simulation of national, state, and local networks that exchange health data, and is a collaboration between the university's health IT program, two HIE software vendors (Informatics Corporation of American and Orion Health), and two EHR software vendors (eClinicalWorks and e-MDs). *Austin Business Journal, December 6, 2012*

- The Institute for Population Health Improvement published the "HIE Ready Buyers' Guide," to assist providers, when working with EHR vendors, in recognizing the significant interoperability and interface features that they will need in an HIE. *UC Davis Health System, December 2012*

- In December, the Federal Communications Commission officially launched the Healthcare Connect Fund, which will allocate $400 million per year to link providers—predominantly providers in rural settings—to broadband connections. Some of Healthcare Connect's efforts will include facilitating resource sharing between large urban hospitals and small rural clinics, as well as subsidizing providers' technology upgrades to higher speed service. *AHA News, December 12, 2012*

- A Deltek report predicts that state and local government health IT spending will rise from $16.6 billion in 2012 to $19.3 billion in 2017.

**WORKFORCE PROGRAMS**

- In October, the Alliance for Health Reform produced a toolkit discussing the health IT workforce shortage.

- In December, Kaiser Permanente announced that they will be opening an IT campus in Greenwood Village, Colorado in January 2013. They estimate hiring approximately 500 IT staff by 2015. *Healthcare Finance News, December 7, 2012*

**PROVIDER EHR ADOPTION, OTHER SOURCES OF SUPPORT, AND ISSUES**

- The ONC 2012 Annual Meeting was held in December in Washington, DC. This year's meeting was entitled, "A Meaningful Foundation for the Future of Healthcare," and included such events as recognizing Ohio, Kentucky, and Maine as states that have employed the meaningful use of health IT in supporting the triple aim (improved patient health, better care, and lower costs). Interoperability was also much talked about at the meeting. Justin Barnes of Greenway Medical Technologies and John Halamka of Beth Israel Deaconess Medical Center both participated in the "HIE and Interoperability: Sharing Information to Improve Patient Care" panel and posted entries on the Health IT Buzz Blog about interoperability as well.

- ONC released data briefs:

  o A November data brief written by Dr. Meghan Hufstader, Matthew Swain, and Dr. Michael Furukawa of ONC says that the percent of both physicians and community pharmacies using e-prescribing increased from 7% to 48% and 76% to 94%, respectively, in the December 2008 to June 2012 time period. The analysis is based on Surescripts (an e-prescription network) data. Data from SK&A, a company that works with health care information, was utilized as well.

  o A December data brief written by Dr. Jennifer King, Dr. Vaishali Patel, and Dr. Michael Furukawa of ONC says that adoption of EHRs by physicians has increased significantly since 2009. For instance, the number of physicians now able to e-prescribe is two times greater than what it was in 2009, and the number of physicians able to participate in secure messaging with their patients is up by 40% in only the 2011-2012 time period. In addition, at least 50% of

physicians currently have the technology and ability to meet the 12 Meaningful Use Core objectives.

- Other published studies and surveys relating to health IT adoption among providers, hospitals, and consumers include:

    o "A Survey Of Primary Care Doctors In Ten Countries Shows Progress In Use Of Health Information Technology, Less In Other Areas," published in *Health Affairs*, finds that, out of ten high-income countries, the US places seventh in terms of the percentage of primary care physicians who utilize EHRs. Sixty-nine percent of US physicians said they use EHRs compared to the high of 98% in the Netherlands and Norway and the low of 41% in Switzerland.

    o In October, the Bipartisan Policy Center published results from a survey of clinicians. Key findings include: 1) a majority of the clinicians surveyed believe electronic health exchange will have a positive impact on healthcare; and 2) approximately 70% of clinicians surveyed believe the lack of interoperability and exchange infrastructure is a major barrier to electronic information sharing.

    o "Pediatricians' Use of Health Information Technology: A National Survey," a study in *Pediatrics*, finds that pediatricians, specifically, are lagging when it comes to adoption of fully functional EHRs. In addition to financial barriers some pediatricians may face in adopting the technology, the report finds that a small number of pediatricians employ an EHR system that is "pediatric-supportive." The report authors recommend that the certification process for EHRs include requirements that address the needs of pediatricians.

- The Washington State Office of the Attorney General posted on their website that, according to the anti-rebate provisions in RCW 19.69.010, a clinical laboratory cannot donate money to assist a physician in adopting EHRs if said physician makes referrals to the donating laboratory. The Davis Wright Tremaine law firm posted an advisory that finds fault with the Attorney General's opinion, and calls for the anti-rebate provisions to be readdressed in the effort to align Washington state law with federal health IT policy. *FierceEMR, December 17, 2012*

- The American Telemedicine Association, the National Organization of Black Elected Legislative Women (NOBEL), the National Black Caucus of State Legislators (NBCSL), and the National Hispanic Caucus of State Legislators (NHCSL) are working together to promote greater adoption of telehealth services in the country. The American Telemedicine Association CEO, Jonathan Linkous said, "Remote healthcare services can alleviate chronic healthcare shortages that exist in both urban centers and rural areas," positively affecting minority groups in those areas. *PRWeb, December 11, 2012*

- In December, Representative Mike Honda (CA-D) introduced HR 6626, "Health Care Innovation and Marketplace Technologies Act of 2012," which calls for numerous new programs and activities: to create an Office of Wireless Health at the Food and Drug Administration (FDA), which will serve as a guiding body on wireless health activities and issues; a program to assist developers in building mobile applications that are in line with privacy and security requirements; various innovator challenge grants; a physician loan program that enables providers to invest in health technology, a physician tax incentive program that allows providers to be exempt from certain health IT costs, and the establishment of training grants to allow providers and their staff to develop

expertise in health IT. Honda said, "Investments, development, and adoption of technologies remain stagnant. Why have the principles of Silicon Valley, which I represent – competition, innovation, and entrepreneurship – not fully manifested themselves in the healthcare information technology space?…Currently, our healthcare system works against small-to-large startup entrepreneurs with a multitude of barriers to entry…There is also a lack of an established marketplace for new technologies and a lack of trained workers to handle the implementation and use of these technologies. This bill begins to bridge these gaps."

- The report "Are We Wired Yet?: Measuring the Progress of HITECH in California" finds that California is struggling with the HITECH Act. The report suggests that the state: 1) construct a cohesive strategy for health IT implementation that unites specific HITECH activities with the numerous HITECH-related activities (e.g. Medi-Cal) ; 2) have one central, dedicated entity to oversee all health IT activities (as opposed to multiple organizations sharing oversight duties); and 3) focus on supporting and retaining strong leaders.

- In response to the recent reports on Medicare overbilling through EHRs, the Health IT Policy Committee is investigating the issue. *The Center for Public Integrity, October 16, 2012* The Department of Health and Human Services' Office of the Inspector General also released a video on their website that outlines their 2013 workplan, which includes an investigation into the Medicare overbilling issue. *The Center for Public Integrity, October 24, 2012* Additionally, the American Hospital Association sent a letter addressed to Kathleen Sebelius (HHS Secretary) and Eric Holder (Attorney General) that states that they are committed to working with the government to prevent overbilling through EHRs. CMS is also responding to the alleged Medicare overbilling by changing its auditing procedures. CMS' auditors must now take into account all permanent medical record entries (as opposed to any documentation) as part of the verification process for payment. *FierceEMR, December 10, 2012*

- News reports concerning the Department of Veterans Affairs (VA) included:

  o The VA Office of the Inspector General (OIG) released a report that evaluates the network the VA uses to exchange data with its external research and university partners. The OIG concludes that the VA's approach in governing and maintaining this network is ineffective and insecure. For example, formal agreements with research partners to ensure that they store sensitive data in line with VA security standards do not exist. *Fierce Health IT, October 26, 2012*

  o The VA is planning on submitting its VistA EHR for meaningful use certification in the next few years. Currently, VistA is undergoing updates and improvements via the Open Source Electronic Health Record Agent. *Government Health IT, October 24, 2012* Modern Healthcare reports that VistA has already been certified as a modular EHR.

  o An October GAO report says that several government agencies, including the VA, are not following the Office of Management and Budget's (OMB) requirement that IT projects be evaluated on a regular basis. Officials from the VA stated that they evaluate IT investments through various business cases submitted to OMB. GAO reports, however, that this information does not

address all of the key factors identified and required by OMB. GAO also reports that OMB does not provide specific guidance to ensure that evaluations are fully completed, and should do so to accurately measure the performance of IT projects.

- o In December, during a joint press conference between the VA and the Department of Defense, officials announced that they will accelerate the development and deployment of the shared EHR system which will integrate both Departments' systems. A new timeline is expected to be available in January 2013.

- The American Health Information Management Association (AHIMA) is currently undergoing several health IT activities:

- o In October, AHIMA expressed interest in working with HHS, CMS, EHR vendors, healthcare providers, and other stakeholders to standardize EHR use. AHIMA says that these standards will focus on data integrity, patient safety, quality measurement, and billing fraud.

- o AHIMA is also launching a micro-loan pilot program in collaboration with the Delta Regional Authority. The latter will loan $5,000 to $7,500 to physicians so they can purchase EHR systems while the former will support these providers through training and educational resources. *Healthcare IT News, November 15, 2012* McKesson Corporation announced that it will donate EHR software to 100 physicians who provide charity care to low-income patients. The donation of software is estimated at $1 million.

- In November, an ONC official stated that the Office is creating a provider toolkit to address legal liabilities, state/federal policy misalignment, patient safety errors, and other potential negative consequences related to EHRs and HIEs that providers may face. *Bloomberg BNA, November 14, 2012*

## PATIENT ENGAGEMENT

- The National eHealth Collaborative (NeHC) released a Patient Engagement Framework that will assist providers in engaging their patients via health IT.

- ONC continues to promote the use and development of health IT tools through contests. In October, they announced two Innovation Challenge winners: Humetrix, who developed a system that allows patients to connect to Blue Button through a mobile application, and Apollo, who developed an Internet patient portal through which individuals can connect to a provider's EHR system.

- The Pew Internet and American Life Project's "Mobile Health 2012" report discusses a survey conducted in August-September 2012. Survey results show that 31% of cell phone owners used their cell phones to access health information—a 14% increase from September 2010 when the same percentage of adults owned cell phones. The only demographic groups that did not show significant increases in cell phone use to access health information were individuals age 65+ and individuals without a high school degree. The report also states that the rise in popularity of smartphones between the first survey in 2010 and the recent survey in 2012 is a factor in the 14% increase.

- The Indian Health Service is developing a personal health record system to enable the two million IHS patients to access and print their health information via the Internet. *Health Data Management, October 29, 2012*

- In November, the National Football League (NFL) announced that they will be using eClinicalWorks EHR software for its athletes. A New York Times article explains other ways the NFL is employing health IT in treating injured players.

## HEALTH IT AND HEALTH DELIVERY REFORM

- Kaiser Permanente is conducting a research project in which it connects Kaiser patients' EHRs with their genetic information. The goal is to find new ways to recognize individuals at risk for cancer, diabetes, and heart disease before they are actually diagnosed with those diseases. *NPR, November 19, 2012*

- News surrounding health IT in accountable care organizations (ACOs):

  - The Certification Commission for Health Information Technology (CCHIT) announced that it will be creating and publishing an IT framework for ACOs. Chair of the Board of Trustees, Dr. William Jessee, said "CCHIT has been the leader in developing criteria, and testing and certifying EHRs, for the past six years. We also recently became the compliance testing body for a consortium of health information exchanges representing more than half of the U.S. population. Building on that, and our successful CCHIT Certified® and Office of the National Coordinator (ONC) authorized EHR certification programs, we are looking at other opportunities that will complement our work, and we believe expanding into the ACO environment is one way to do that."

  - The Commonwealth Fund's December report "Measuring Progress Toward Accountable Care" says significant factors contributing to an ACO's success are the sophisticated use of EHRs and participation in an HIE, both of which allow for data integration, study of the patient population, and financial and clinical risk assessment of said population, among other things.

- ONC and the National Academy for State Health Policy are starting a new initiative that will assist eight states in aligning their health care delivery transformation activities with their health IT activities. Massachusetts, Oregon, Minnesota, and Arkansas are the states participating in the first phase of the program. *Government Health IT, December 19, 2012*

## EFFECTIVENESS OF HEALTH IT

- A new study published in the *Journal of the American Medical Association* finds that patients who have online access to their health records are more likely to visit a physician's office or the emergency department than patients without such access. Researchers said it is unclear why the use of patient portals was associated with an increased use of certain health services. *iHealthBeat, November 21, 2012*

- Published in the *Journal of Clinical Oncology*, "Unintended Consequences of Health Information Technology: Evidence from Veterans Affairs Colorectal Cancer Oncology Watch Intervention" evaluated an electronic clinical reminder system that was implemented at eight Veterans Affairs hospitals to boost colorectal cancer screenings. Results indicate that the clinical reminders did not significantly increase screening rates.

**RELATED FEDERAL POLICY INITIATIVES**

- The Department of Health and Human Services announced the first class of external fellows in the HHS Innovation Fellows Program, a program which matches external innovators with HHS internal innovators in the effort to develop efficient solutions for complicated healthcare issues. One of the projects in the program is to create clinical quality measures that can be used to assess the work being done in and around the HITECH Act and the Affordable Care Act utilizing EHR information.

- Current Agency for Healthcare Research and Quality (AHRQ) health IT-related activities include:

  - AHRQ, as published in the Federal Register, is planning to study how implementing health IT tools in primary care clinics affects workflow. The study will compare and contrast six different Vanderbilt University Medical Center clinics at varying points of the EHR implementation process. *Health Data Management, October 30, 2012*

  - AHRQ, as published in the Federal Register, is starting to create a rating system to measure the degree to which EHRs facilitate health education of patients. *Health Data Management, October 4, 2012*

**OTHER (CONTEXTUAL ETC)**

- The College of Healthcare Information Management Executives (CHIME) responded to the re-election of President Barack Obama. A CHIME representative stated that "Obama's re-election brings stability at a critical time for health IT. The very capable leadership from ONC and CMS will continue with important efforts directed at both educating and listening to the hospitals and other providers so critical to deploying the tools of HIT to transform the delivery of better care for patients." *Healthcare IT News, November 7, 2012*

- Kalorama Information published their findings on EHR growth in the European market in October. *iHealthBeat* reports that the published survey results, "EMR in Europe," show that the EHR market will rise by $2 billion in the next five years, by 2017. *iHealthBeat, October 25, 2012*

- In October, the Australian National E-Health Transition Authority said it terminated its contract with IBM because missed project deadlines. IBM had been awarded the $23 million contract in March 2011 to develop the country's National Authentication Service for Health (NASH). *Government Health IT, October 24, 2012*

- An October Accenture report finds that the number of physicians in private practice continues to decline. Only 39% of physicians are independent in 2012, compared to 57% in 2000. Accenture estimates that, by 2013, only 36% of doctors will remain in private practice. The report identifies increasing costs associated with technology mandates as one cause for this decline, as slightly more than half (53%) of their survey respondents said that federal EHR requirements are the main reason they leave private practice for hospital employers. *Accenture, October 31, 2012*