

Ask TMA: What Can I Do Now to Prepare for EHR Stimulus Funds?

Q: I understand that the so-called “Stimulus Package” passed by Congress recently contains provisions that would allow physicians to receive some of the Stimulus money for electronic health records (EHRs). I also know CMS will not have standards for EHRs so that they will “talk to each other” until late in the year so I figure I better not purchase one until the national standards come out . What should I be doing now to prepare to receive Stimulus assistance for EHRs?

A: President Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA) on February 17, 2009. Part of that law was the Health Information and Technology for Economic and Clinical Health Act (HITECH) which dealt with several aspects germane to health care. In the April edition of *Tennessee Medicine*, we provided an overview of the funds to be available for EHRs. In this edition, we focus on what medical practices can do *now* to get ready.

As a reminder, the earliest payments for EHRs will not be made until 2011. The TMA recommends that medical practices do their “homework” now, however. Although the initial set of standards to be released has a current deadline of December 31, 2009, there is still work medical practices can be doing in preparation to apply for Stimulus funds for EHRs. Until national standards are released, it is risky to invest large sums of money into EHRs.

1. Evaluate whether your practice wishes to enter the realm of EHRs. There will be disincentives in the form of penalties for non-use by Medicare providers starting in 2015, but physicians expecting to retire soon, for instance, may actually lose money transitioning to EHRs. If your practice decides to move forward, select an appropriate point person to be coordinator. Prioritize the functions you will want keeping functions that get toward compliance with HITECH as high priorities.
2. Check the Act for eligibility requirements to make sure your practice will qualify for HITECH money.
3. Evaluate electronic health record (EHR) vendors. Does the vendor have products that are compatible with your current practice management and claims software?
4. Line up funding even if you do not plan to rely on Stimulus funds. It is good to have a ballpark figure of how much your practice can afford to spend on an EHR project. If you plan to receive a donation or partial donation of EHR from your local hospital, make sure the arrangement complies with all Stark and fraud and abuse laws and regulations. In negotiating these arrangements with the hospital, try to resist any recoupment provisions imposed by the hospital in the donation agreement. Hospitals will try to get you to remit amounts back to the hospital that you receive in Stimulus funds. If other loans are required, start shopping for the best deals.
5. Start planning your vendor contracts. Include a provision in EHR contracts to ensure that all technology meets the HITECH requirements and that all future updates meet HITECH requirements, including CCHIT certification of the product. Make sure the vendor warrants compliance in the contract. If you encounter vendors not familiar with CCHIT certification, send them packing. Avoid contracts that do not allow you to retain ownership of *your* data and insist on provisions specifically delineating that *you* own the data. Decide within the practice what will happen to the data if a member of the practice leaves.
6. Begin training. Practices should bone up on the new HIPAA security requirements mandated by HITECH and educate all staff. There are many new requirements that may force updates in many written policies. Unfortunately, Stimulus funds are not available for security updates or the cost of updating policies.
7. Plan to be up and running so that you have the best chance to be a “meaningful user” under the Act and continue to qualify for HITECH funds each year. The last thing you want is for funds to dry up.