

The Stimulus Act, Advanced Data Systems, and You!
Frequently Asked Questions
Updated June, 2009

Q: What is the Stimulus Act's official name?

A: The American Recovery and Reinvestment Act of 2009 (or ARRA).

Q: How much is set aside for healthcare IT such as EHR adoption?

A: Approximately \$20 billion has been allocated to incentivize hospitals and eligible professionals to adopt Healthcare IT technology such as EHR and e-Rx.

Q: How much of the \$20 billion will be available as incentives to adopt EHR?

A: \$17.2 billion will be available as incentives through the Medicare and Medicaid reimbursement systems to assist eligible professionals adopt EHRs.

Q: Who are "eligible professionals" with regard to the Stimulus Act?

A: Medical doctors, dentists, podiatrists, chiropractors, and optometrists.

Q: What is required, system-wise, in order to obtain the incentives?

A: Eligible professionals will have to "meaningfully use" a "certified" EHR.

Q: What makes a "certified product" certified?

A: ARRA has not yet officially specified the certifying organization. It does specify that the certifying organization must be announced no later than December 31, 2009.

According to analysis from HIMSS (Healthcare Information Management Systems Society) and other experts, the certifying body will be announced much earlier than that. Indications are leaning strongly toward CCHIT (Certification Commission for Health Information Technology) or HITSP (Health Information Standards Panel).

These two organizations are already under contract to the Department of Health and Human Services and have a track record for establishing EHR standards and / or certifying EHR products under those standards.

Q: Is the MedicsDocAssistant EHR from Advanced Data Systems certified?

A: Our MedicsDocAssistant EHR is 2008 CCHIT Certified®.

Q: What about "Meaningful Usage?"

A: While "meaningful usage" criteria have not been firmly established yet, a preliminary listing of 22 points by the HIT Policy Committee has been released as initial recommendations of what could ultimately be the actual requirements for meaningful usage. These points can be seen by visiting the www.adsc.com homepage and opening the "Stimulus Act FAQs" link.

The ADS MedicsDocAssistant EHR is capable of handling those 22 points right now.

Q: If the "meaningful usage" requirements are met using a certified EHR, how will incentive payments actually be received?

A: Eligible professionals would receive incentive payments through the Medicare or Medicaid reimbursement systems.

Q: What happens if a physician does not adopt a certified EHR?

A: Eligible professionals who do not adopt and meaningfully use an EHR by 2014 will actually be penalized beginning in 2015, and for the next few years beyond that, with increasing penalties yearly.

Q: When would incentives be paid?

A: The bonus (or incentive) payments from CMS would be received at the beginning of the year following participation. For example, if a provider fully complies with the requirements in 2010 (the first year possible) payment will be at the beginning of 2011. Thus, 2011 is the first year that payments will be made.

Obviously, eligible professionals who have been using a certified EHR in the approved format since *before* the ARRA was developed will also be entitled to the maximum incentive, with payment at the beginning of 2011.

Q: How much can physicians be paid?

A: Payments are substantial especially if an eligible professional participates in the program starting in 2010. Eligible professionals using an EHR right now based upon what the specified criteria will be will have already ensured maximum reimbursement for themselves.

The payment for specified EHR usage in 2010 (or for current EHR usage) is \$18,000 in 2011. Over the course of the five year reimbursement program, a total of \$44,000 will have been paid. The later usage starts, the less the payments will be.

The table below details total potential payments to eligible professionals under the program, as reimbursable by Medicare:

		Qualified EHR Adoption Year				
		2011	2012	2013	2014	2015+
Payment Year	2011	\$18,000	0	0	0	0
	2012	12,000	\$18,000	0	0	0
	2013	8,000	12,000	\$15,000	0	0
	2014	4,000	8,000	12,000	\$15,000	0
	2015	2,000	4,000	8,000	12,000	0
	2016	0	2,000	4,000	8,000	0
Total		\$44,000	\$44,000	\$39,000	\$35,000	\$0

Source: America Recovery and Reinvestment Act of 2009, Raymond James research.

Q: What is the formula for paying Medicare eligible professionals?

A: Medicare eligible professionals will be incentivized based upon 75% of their Medicare payments for the year. Thus, in order to obtain the maximum \$18,000 in the first year, at least \$24,000 in Medicare payments must have been paid to the eligible professional in 2010 ($\$24,000 \times 75\% = \$18,000$). The same formula applies for the ensuing years.

Q: What about Medicaid eligible professionals?

A: Even better! If you meet any of the following criteria with Medicaid patient volume as estimated in accordance with a method established by the HHS Secretary, your incentive is almost \$20,000 more as an eligible professional who:

1. Is not hospital-based and who has at least 30% of his / her patient volume attributable to individuals receiving medical assistance under this title.
2. Is not hospital-based and has at least 20% of his / her patient volume attributable to individuals receiving medical assistance under this title.
3. Practices predominantly in a federally qualified health center or rural health clinic and has at least 30% of his / her patient volume attributable to needy individuals.

If you are in any of these three categories, Stimulus legislation calls for **up to \$63,750** in federal contributions toward the “meaningful usage” of a certified EHR, as opposed to the maximum of \$44,000 for Medicare eligible professionals.

Q: Can eligible professionals benefit by Medicare *and* Medicaid incentives?

A: No. ARRA incentives apply to one or the other, but not both.

Q: Are incentives paid per eligible professional or per practice?

A: Per eligible provider! If a practice has more than one eligible professional, each one individually is eligible for their own incentives.

Q: Why wait to adopt EHR?

A: Great question and we cannot think of a good answer!

First, the movement to adopt EHR is now in full swing, both because it is not only the wave of the present, it happens will be helped along by ARRA. In other words, even if ARRA never existed, EHR usage is becoming a regular, everyday aspect of medical practice operation anyway.

And while the first year EHR usage for ARRA's purposes is 2010, our MedicsDocAssistant EHR can provide up to an **additional 2% in Medicare reimbursements** right now just by using our electronic prescribing capability! ARRA incentives will replace this 2%, but it is available now.

With ADS' MedicsDocAssistant EHR, the reasons to implement and use it sooner rather than later are:

- **Automated encounters** eliminate paper while comprehensively documenting the encounter electronically, including pre-physician encounter steps by RNs and PAs.
- The system's built-in **E / M Coder** helps to ensure maximum reimbursement while helping to prevent over / under coding.
- The **Prescription Manager and our e-Rx feature** transmits prescriptions electronically to the patient's pharmacy in CMS approved format (for the aforementioned added 2% incentive) while comprehensively overseeing medications prescribed, respecting formularies, producing warnings on allergies / interactions, and facilitating quick refills.
- The built-in **Electronic Superbill** posts procedures and diagnoses to the ADS PM system directly from the encounter for quick and accurate billing.
- Ordering **Automated Lab Tests** are done directly from the MedicsDocAssistant EHR with results coming back into the same record, alerting the practice when they arrive.
- The built-in **Continuity of Care** feature manages patients' health maintenance by issuing alerts based upon the patient's medical condition.

These are only *some* of the features presented in MedicsDocAssistant EHR, all of which work to create better care for patients, and efficiency for the practice.

No doubt, you would want these capabilities even if ARRA incentives did not exist. The fact that they *do* exist make EHR adoption and usage now that much more compelling.

Let the ARRA Stimulus Act help you as much as possible by implementing MedicsDocAssistant EHR from Advanced Data Systems. Visit us on at www.adsc.com for information on MedicsDocAssistant and our entire suite of Medics automation solutions.

Advanced Data Systems...Excellence in Healthcare Automation Since 1977
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The foregoing information is made available by ADS according to our understanding of the most recent ARRA data available. More expanded overviews of the ARRA as it applies to EHR can be found by visiting <http://www.himss.org/content/files/HIMSSSummaryOfARRA.pdf>. The entire ARRA can be seen by visiting http://www.whitehouse.gov/the_press_office/ARRA_public_review/.