

## **Be Ready to take Advantage of the Economic Stimulus Incentive Payments!**

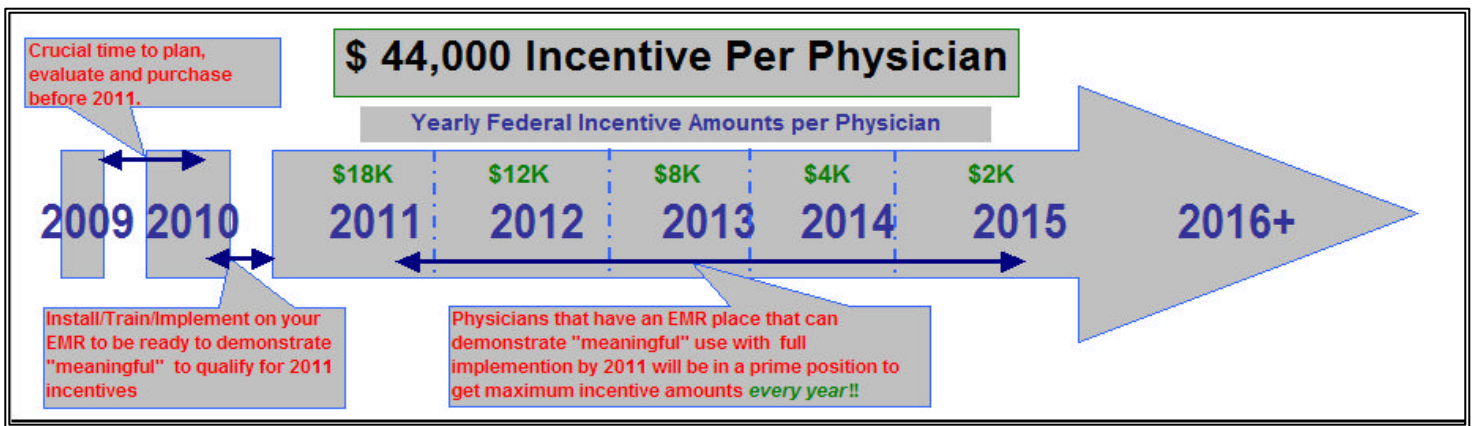
The current buzz on the nightly news is the Government's Economic Stimulus package called the American Recovery and Reinvestment Act (ARRA) of 2009 that was recently announced. While most of you dictate and there are some of you that are even still using paper charting, the stimulus package has been put in place to move you into an electronic medical record system (EMR) by 2011. As matter of fact, The ARRA put aside over \$20 billion dollars for specifically improving Health Care and Health Information Technology. Modernizing our Health Care System was central to this landmark legislation. This should not be new news. As I have stated in previous articles, with the Executive Order 1335 signed by President Bush in 2004, it put in a process to get all of health care computerized by 2014. The current economic crisis along with ARRA has made computerizing healthcare a priority. So, now is the time you really need to get serious about making such changes in your practice. If you have not seen any reimbursement repercussions yet, you will if you don't make the change to electronic records.

The doctors that have been paying attention to the news, going to conferences and speaking to consultants, etc. have to be thoroughly confused about the current stimulus package and what it means to them. I have talked with many doctors recently that understand they need to move towards an EMR, however, some think they are going to receive a lump sum payment from the government this year. Don't hold your breath. **Because while there are incentives coming, you will have to make the investment in order to qualify for the incentive payments.** The government is not going to send you a check and "hope" that you will spend the money on an EMR and then correctly use it. In order to qualify for incentives payments, you will have to demonstrate to Medicare your "meaningful" use of EMR technology. There will be specific requirements that will define what meaningful use means however, you can bet that dictating and/or using paper files will not be meet these requirements.

### **Recovery and Reinvestment Act (ARRA) of 2009**

#### **Qualify for over \$ 44,000 of EMR Incentives:**

Starting in 2011, you will be able to qualify for incentive payments through Medicare with a possible \$18,000 available to you for that year. Your first reaction is, "well I can wait until 2011". The answer is a resoundingly "no"! You have to ask yourself how long will it take for you and your clinic to fully implement an EMR in order to demonstrate "meaningful use"? Again, think about it, the government wants you to make the investment **before** you can qualify for the money. Again, I want to stress, the government is not going to send you a check and then hope you decide to spend it on an EMR and then utilize it. You will need to make the commitment first.



Here is a phased approach in order for you to be ready for the incentives to come:

- Get organized in your EMR evaluation by designating a person to be the point person to help you with your evaluation. Planning/setting up goals will take approximately 1 month
- EMR Evaluations should take about 3-6 months,
- Inventory and possibly update your current computer system. This can happen concurrently with the above but plan for it to take 1-2 months
- Picking a finalist EMR company, checking out references, finalizing on agreements and payment – plan for at least 1 month
- Does the system interface with current billing systems? Depending on your current system, writing and interface, testing and then proper linking could take 1-2 months. If you decide to change your billing/practice management system tack on another 6-12 months for this evaluation and implementation.
- Set up a liaison person that will help you with your implementation. That person will be crucial to your success. However, it is key is that you, the **doctor, be closely involved** for a successful implementation
- Start your training and implementation process
- Typical start-to-finish implementation could take between 2-4 months. You can expect a much longer time frame for larger facilities that have a lot of paper.
- Plan to re-evaluate training and continued training towards the end in order to make sure proper use of system happens in the future
- Don't forget. You will be expected to start electronically communicating with Regional Health IT Centers in the near future and should to be ready to do so

During this time, there will be disruption to your practice, you may lose personnel and that can be stressful. However, if you make the right decision on an EMR company and make the commitment to training and implementation, then you will find this to be a very rewarding decision and lucrative over time.

To be able to demonstrate "meaningful," use will take at least 2 years for most clinics. Think about it, you will have to start an evaluation and that in itself is a time consuming process. You do not want to make a mistake and it is crucial that you purchase an EMR

system specific to pain management. You can bet that there will be delays, many on your part because this is something you will need to do while keeping your practice moving forward.

### **Additional Governmental Disincentives:**

Starting in 2015, if you have not met the use of “meaningful use of an EMR” you will receive lower Medicare reimbursement incentives. Starting in 2015 until 2017, there will be 1% per year reduction (total of 3%) in Medicare reimbursements for doctors who have not fully adopted an EMR. The reductions in reimbursements could cost most clinics in excess of \$ 20,000 over 3-year period.

Part of the stimulus package puts in place money set aside for increased audits and penalties. Over the past few years, Medicare has had a pilot program for doing such audits using "recovery audit contractors," (RAC). The main focus of these contractors have been on hospitals. This venture has been very successful and profitable for Medicare thus, starting in 2010, that program will expand to all 50 states and will include private practices. Especially since the Office of Inspector General (OIG) from Centers of Medicare Services (CMS) started targeting pain management doctors in 2008, this is something you need to be aware of because an audit could cost you a lot of money and possibly even your practice.

### **Current Incentives/Disincentives in Place**

You don't have to wait. There are currently incentives/disincentives to help you fund your move to becoming electronic. The disincentives, force you to become electronic by hurting your reimbursement and possibly making it impossible for you to practice in the future.

Some states provide a 1-2% reimbursement bonus from Workers Compensation (WC) when EMR reports have been submitted exceeding their state's requirements. Further, some doctors have reported a 10% reduction in malpractice insurance because of incorporating an our company's EMR. Blue Cross Blue Shield has started implementing incentive programs by having a tiered schedule of reimbursement in different states. My company has had several report to us that they received additional WC and other forms of increased reimbursements and savings due to our EMR system. These are very real incentives that not only will save you time but increase your profitability.

There are obvious benefits from having an EMR. Here are a few:

- Capability to easily and quickly send back nice professional reports to your referring doctors
- Having more current patient records at your fingertips instead of having to wait for your dictated records to come back
- Paper charts are not HIPAA compliant and can be easily taken, altered, etc.
- You do not have to worry about incomplete paper charts with parts that are missing
- Save staff time pulling and filing paper charts
- Be able to log in from remote areas to view and update your patient records
- EMRs allow you to have things better organized and provide you with information at your fingertips
- EMRs allow you to better prescribe and track your patients' medications
- EMRs save on spiraling dictation costs
- Successfully implemented EMRs have proven to save doctors hours per week
- EMRs allow you to better document E/M levels of services thus helping you better document medical necessity to support your procedures and billing

Make sure you evaluate properly and purchase a pain management specific EMR or you will find yourself with a non-operable system. Because of the time to evaluate and implement, you need to move quickly in order take advantages of the incentive plans.

### **Summary:**

The Government's Economic Stimulus package called the American Recovery and Reinvestment Act (ARRA) of 2009 that was recently announced is landmark legislation that will change the way you practice medicine. Starting in 2011, you will be able to qualify for over \$ 44,000 of reimbursement incentives towards computerizing your medical records with and EMR/EHR. However, you cannot wait until 2011. Doing so will at minimum lose you the \$ 18,000 incentive towards an EMR/EHR. You will have to have a fully implemented EMR and be able to demonstrate "meaningful" use of your EMR in order to qualify. There are diminishing incentive payments until 2015. In 2015, a Medicare disincentive of 1% each year until 2017 will be in effect thus with the incentives and possible reduction in Medicare payments, you could stand to lose or gain over \$ 60,000.

You need to move forward soon in order to be ready for receiving the incentives. From the time of initial plans, to fully evaluate to full implementation could take over 1 year. Then continued training to make sure you and your clinic can meet the "meaningful" use guidelines may take another 6-12 months.

There are already incentives in place and we have had clients that have reported receiving a 1% increased reimbursement rate on WC and 10% decrease off malpractice rates. There are reported BCBC incentives in various states.

Pain management doctors need to be very careful in purchasing EMRs that is not written specifically for pain management but was developed for primary care. Pain management doctors, unlike primary care doctors see patients for a condition or a set of conditions over time. Isolated templates do not work for pain management doctors. Patient data need to have a contiguous flow throughout the patient's case over time. You also do not have the time to create screens and content. That takes years of research and development and that is what you will have to do with an EMR that is not pain specific.

Make sure you evaluate properly and purchase a pain specific EMR, spend the time it takes to train and implement so you could reap the benefits the government is providing rather than be caught with reductions in your income and worse, face a costly audit.

<http://www.aapc.com/news/index.php/2009/02/incentives-in-stimulus-bill-for-adopting-ehrs/>

<http://www.physicianspractice.com/index/fuseaction/articles.details/articleID/1168/page/2.htm>

<http://www.fiercehealthit.com/story/health-it-stimulus-includes-medicare-emr-incentives/2009-02-23>

## **Next Issue:**

### **Dictating Costs Money – Get Rid of Such Costs and Become More Compliant!**

Please email: your questions to [HITadvisor@writepad.com](mailto:HITadvisor@writepad.com)

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