

# National Council Hill Day 2009

## The American Recovery and Reinvestment Act and its Impact on Community Behavioral Health Providers

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Netsmart  
**CONNECTIONS2009**

*“Within the next 10 years, electronic health records will ensure that complete health care information is available for most Americans at the time and place of care, no matter where it originates... These electronic health records will be designed to share information privately and securely among and between health care providers when authorized by the patient.”*

President George Bush

January 2004 State of the Union Address

*"Our recovery plan will invest in electronic health records and new technology that will reduce errors, bring down costs, ensure privacy, and save lives."*

President Barack Obama

Address to Joint Session of Congress; *February 24th, 2009*

One Hundred Eleventh Congress  
of the  
United States of America

## Medicare Incentives

Acute/Primary Care



Behavioral Health



## Medicaid Incentives

Acute/Primary Care



Behavioral Health



## HIT Grants

Acute/Primary Care



Behavioral Health



**YES, but it was a Fight**

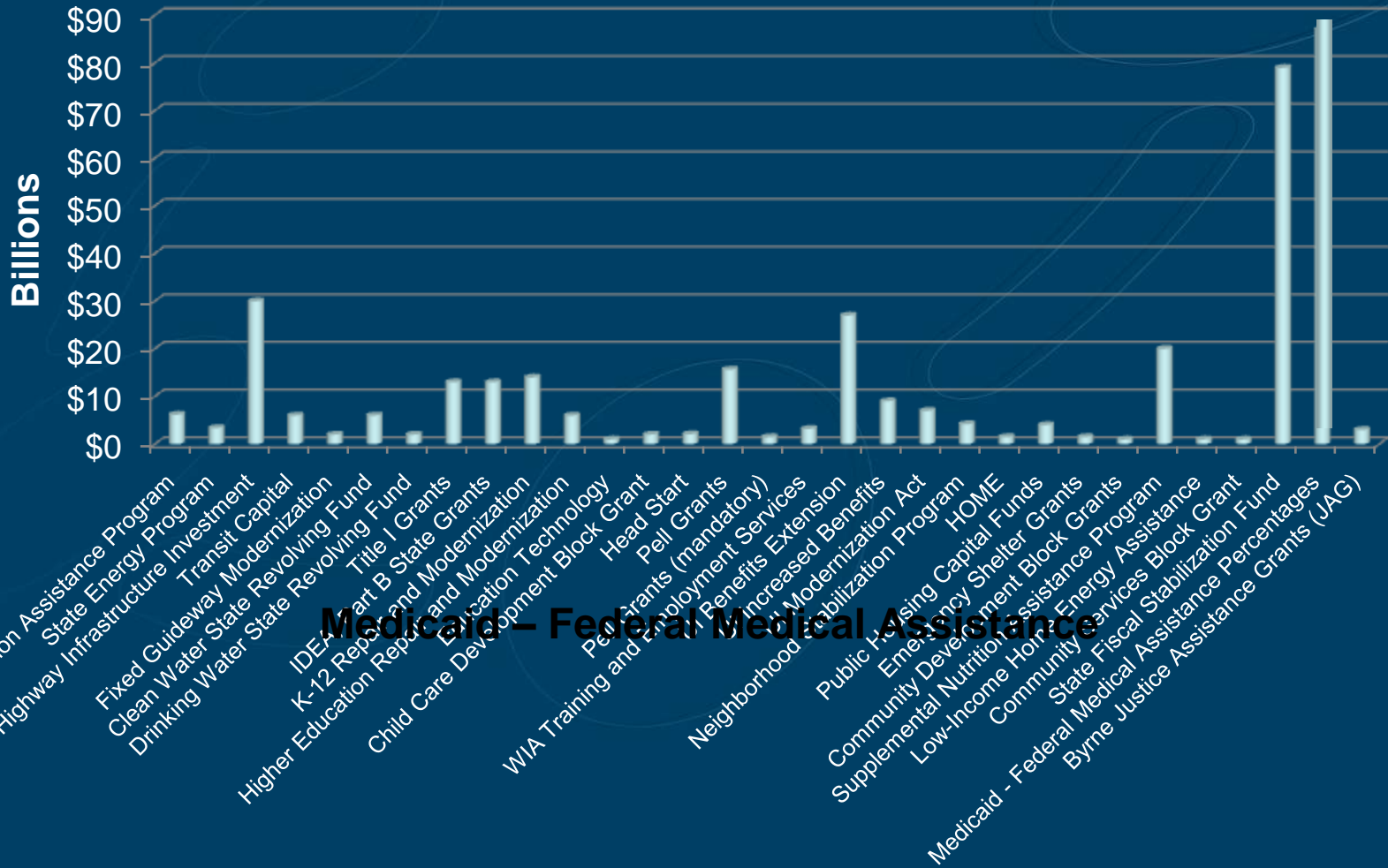
This Act may be cited as the "American Recovery and Reinvestment Act of 2009".

\$787 Billion, \$20+ Billion for HIT

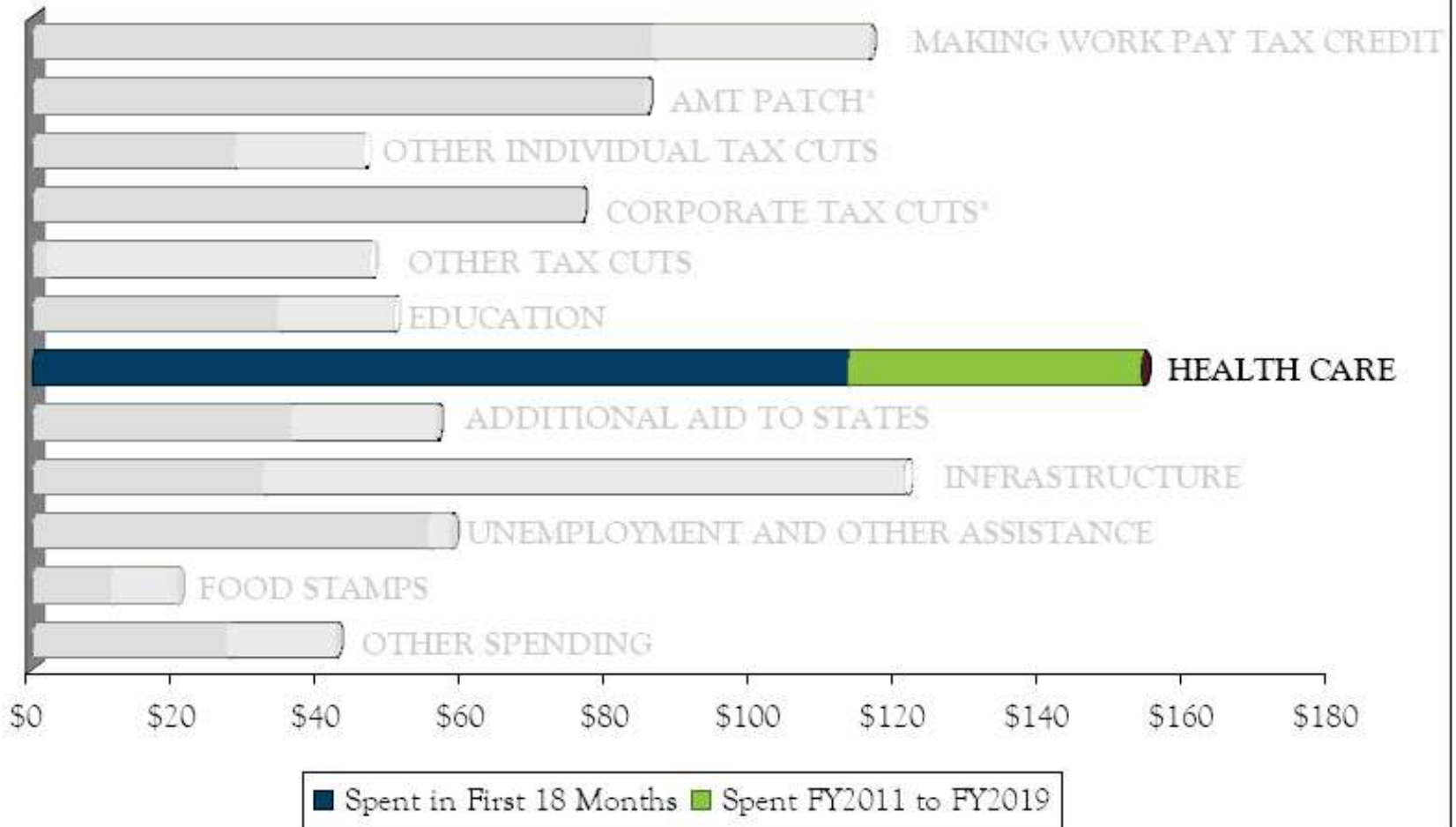
# Goals of ARRA

- To preserve/create jobs, promote economic recovery
- To assist those most impacted by the recession
- To spur technological advances in science and health
- To invest in transportation and other infrastructure
- To stabilize state and local government budgets

# \$541 Billion Directly to the States



**Medicaid – Federal Medical Assistance**



Source: Congressional Budget Office and Joint Committee on Taxation

# TITLE XIII of ARRA - HIT

“Health Information Technology for Economic and Clinical Health Act” or the “HITECH” Act

Health IT becomes a major Federal program – overnight!

Fastest funding growth of any program since WW2 (except Homeland Security post 9/11)

# Three Parts of the HITECH Act

- Create standards, implementation specifications and certification criteria for HIT Infrastructure interoperability
- Implement the HIT Infrastructure and EHRs through grants, loans, incentives, and information sharing;
- Encourage the use of the HIT Infrastructure by improving information privacy and security

# Assistance for HIT Implementation - \$20B

- \$2B for ONCHIT to be used for grants
- \$17.2B in Medicare/Medicaid incentives for meaningful use of EHRs
- \$2.5B for Dept of Agriculture's Distance Learning, Telemedicine, Broadband
- \$1.5 B for construction, renovation and equipment for health centers
- \$85M for HIT, including telehealth services, within the Indian Health Service
- \$50M for information technology within the Veterans Benefits Administration.

# HIT Grants To Be Used For...

- **Nationwide electronic use and exchange** of information
- Identifying state or local resources available towards a nationwide effort to promote HIT
- Complementing other federal grants, programs and efforts towards the promotion of health information technology
- Providing technical assistance to **exchange of health information**

# HIT Grants To Be Used For...

- Promoting effective strategies to adopt and **utilize HIT in medically underserved communities**
- Assisting **patients in utilizing health information technology**
- Encouraging clinicians to work with Health Information Technology Regional Extension
- Supporting **public health agencies'** authorized use of and access to electronic health information
- Promoting the use of electronic health records for quality improvement including through **quality measures reporting.**

# Grants to States or Qualified State-Designated Entity (QSDE)

- A QSDE:
  - Non-profit with broad stakeholder representation on its governing board
  - Principal goal to use information technology to improve healthcare quality/efficiency through electronic exchange and use of health information
  - Nondiscrimination and conflict of interest policies that show a commitment to open, fair, and nondiscriminatory participation by stakeholders

# Timing

- The grants incentive states that move quickly
- For grants issued before FY11, matching funds probably not required
- For any fiscal year after FY11, states have to make available non-federal matching
  - 2011, \$1 for each \$10 of Federal funds;
  - 2012, \$1 for each \$7 of Federal funds;
  - 2013 and beyond, \$1 for each \$3 of Federal funds

# Medicare and Medicaid Incentives

- “Adoption/Meaningful Use of Certified EHR Technology”
- Incentives actually total ~\$34B

# Medicare Incentives

- The Medicare incentives for “meaningful use of certified EHR technology” by “eligible professionals and hospitals” and will become available in 2011
- Must be classified Sub-Part D – BH providers are not
- Talk to your elected officials about modifying the law

# Medicare Incentives per Provider

		Payment ( \$ 000)								
		2009	2010	2011	2012	2013	2014	2015	2016	Total
Year Designated Meaningful EHR User	2009	\$ -	\$ -	\$ 18	\$ 12	\$ 8	\$ 4	\$ 2	\$ -	\$ 44
	2010		\$ -	\$ 18	\$ 12	\$ 8	\$ 4	\$ 2	\$ -	\$ 44
	2011			\$ 18	\$ 12	\$ 8	\$ 4	\$ 2	\$ -	\$ 44
	2012				\$ 18	\$ 12	\$ 8	\$ 4	\$ 2	\$ 44
	2013					\$ 15	\$ 12	\$ 8	\$ 4	\$ 39
	2014						\$ 12	\$ 8	\$ 4	\$ 24
	2015							\$ -	\$ -	\$ -
	2016								\$ -	\$ -

68%

The reductions are: 2015 - 99%, 2016 - 98%, 2017 – 97%, each subsequent year - 95%.

# Hospital Based Medicare/Medicaid Incentives

Incentive Payment for a Typical 100-Bed Hospital with an Average Occupancy Rate of 50% (\$)

Payment Component	Incentive per Unit	Year 1 (100%)	Year 2 (75%)	Year 3 (50%)	Year 4 (25%)	Cumulative Total
Base payment, year 1 only	2,000,000	2,000,000				2,000,000
Bonus per discharge: from 1,150 (minimum) to 23,000 (maximum) discharges	200	563,400	422,550	281,700	140,850	1,408,500
<b>Total</b>		<b>2,563,400</b>	<b>422,550</b>	<b>281,700</b>	<b>140,850</b>	<b>3,408,500</b>

# Medicaid Incentives

- Medicaid will provide incentives to Eligible Providers for the “meaningful use of certified EHR technology”
- Medicaid providers eligible for funding are defined as:
  - A professional who has at least 30% of patient volume Medicaid
  - A pediatrician who has at least 20% of patient volume Medicaid
  - FQHCs
  - Children’s hospitals
  - Acute-care hospitals that have at least 10% of their patient volume Medicaid
- It is understood that this definition excludes behavioral health providers

# Healthcare Reform Key Players and Timing

- Key committees in congress
  - Senate Finance Committee
  - Senate Committee on Health, Education, Labor and Pensions
  - House Committee on Energy and Commerce
- Health and Human Services Secretary
- Timing
  - Floor debate in June
  - Vote by end of August
  - Reconciliation in early fall
  - Goal of passing by Thanksgiving

# Meaningful Use

- A **Meaningful user of Certified Technology** is an eligible provider who:
  - Uses **certified EHR technology**
  - Includes the use of **electronic prescribing**
  - Provides for the **electronic exchange of health information to improve the quality of health care, such as promoting care coordination**
  - Submits information on **clinical quality measures** selected by the Secretary

# Meaningful Use Definition Recommendations

- HIMSS, Markle Foundation, AHIMA have provided recommendations
- All recommend CCHIT as certifying body
- Focus on what provides value to consumer initially
  - Clinically relevant data
  - Medication management and e-Prescribing
  - Lab orders and results
  - HIE

# Conformance with HITECH

- HITECH requires the presence of HIEs to complement other federal health IT economic stimulus efforts
- Meaningful Use -- requires health data to be exchanged
- Required Consultations -- HITECH specifies explicit and extensive local stakeholder participation in HIE
- Incentive Payments to Physicians for EHRs -- partially contingent upon community having functional HIE
- Explicit federal requirements for HIEs are an incentive for states to prioritize rapid expansion of HIEs

# National Standards

- Netsmart identified issues with Behavioral Health
- No 100% standard at this time
  - ASTM CCR, Continuity of Care Record
  - HL7 CDA, Clinical Document Architecture
  - CCD - Continuity of Care Document
- No consensus exists, however CCD has broad backing

# CCD – Continuity of Care Document

- Harmonized format for the exchange of clinical information
  - Health Level Seven (HL7)
  - ASTM International E31 Healthcare Informatics Committee
  - Healthcare Information Technology Standards Panel (HITSP)

# Example problem: Multi-axial Diagnosis

- Current CCD model lists diagnosis as a type of “Problem”
- Can be coded by ICD9 codes
- No area for storage of multi-axial diagnosis

# Implications of the New Privacy Sections

- Establishes a federal security breach notification requirement
- Enforcement of HIPAA by states' attorneys general
- Individuals must be notified if there is an unauthorized disclosure of health information.
- PHRs, RHIOs, HIEs, etc. are now subject to HIPAA
- Flows down covered entity requirements to Business Associates
- **Covered entities that use EHRs are also required to give patients copies of their records in electronic form**

# Summary of ARRA Legislation

- The Parity Act moves us closer to parity for consumers, but the ARRA still shows lack of parity for MH providers
- Don't give up, help us lobby to change the incentive laws for mental health providers of care (see NCCBH website for letters)
- Make sure that your EHR qualifies for "meaningful use" (certified, e-prescribing, outcomes and interoperable)
- Work collaboratively with other providers and states
- Move quickly to capture grant funding under ARRA

**White Papers – [www.ntst.com/papers](http://www.ntst.com/papers)**

*Analysis of the American Recovery and Reinvestment Act  
and its Impact on Behavioral Health*



Questions?



**Netsmart**

Technologies

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