

#### Health Care Reform and Funding Incentives

#### Ross D. Seymour, MTPM

HIPAA Certified Project Manager

Orange, California





#### Disclosure

This presentation was current at the time it was published. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference. This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. Please review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.





### Terminology

HIPAA – Health Insurance Portability and Accountability Act

- ICD International Classification of Diseases
- EHR Electronic Health Records
- PHI Patient Protected Health Information





#### Terminology

ARRA - American Resources for Recovery Act

HITECH - Health Information Technology for Economic and Clinical Health Act

PPACA – Patient Protection and Affordable Care Act





# Background AARA & HITECH

Goal:

To improve American health care delivery and patient care through an unprecedented investment in health information technology.





# Background

- Stimulus packages passed in February 2009.
- Set aside \$19.2 Billion Dollars for Health Care IT.
- Infrastructure Grants another \$7-\$9 Billion.
- Reimbursement Incentives \$17+ Billion.





# **PPACA (ObamaCare)**

# Signed into law by President Barack Obama on March 23, 2010

2 main goals:

• Increasing the rate of health insurance coverage for Americans and;

• Reducing the overall costs of health care.





#### **Benefits for Providers & Patients**

- Standardization of Health Information
- Access to critical Health Information more readily available
- Increased security of PHI





### **3 Major Changes**

- HIPAA 4010 to 5010 conversion
- ICD-9 to ICD-10 conversion
- EHR and Meaningful Use





### HIPAA 5010

HIPAA 5010 was adopted to replace the current version of the X12 standard that covered entities (health plans, health care clearinghouses, and certain health care providers) must use when conducting electronic transactions. This change took effect January 1, 2012 (January 1, 2013, for small health plans).





# **ICD-10**

#### October 1, 2015 – Compliance date for implementation of ICD-10-CM (diagnoses) and ICD-10-PCS (procedures)

"No More Delays!" – CMS Chief Marilyn Tavenner





# **ICD-10**

From 14,000 codes to approximately 69,000 ICD-10 All codes have full descriptions for both ICD-10-CM and ICD-10-PCS

Anticipated Results:

- Better measurement and monitoring capabilities
- Preventing and detecting Healthcare Fraud and abuse





#### EHR

What is an EHR? An electronic health record (EHR)-sometimes called an electronic medical record (EMR)-allows health care providers to record patient information electronically instead of using paper records.





#### EHR

In January 2011, ONC issued the final rule to establish the Permanent Certification Program for Health Information Technology which includes Electronic Health Records (EHR).





#### **EHR & Meaningful Use**

**Meaningful use** is using certified electronic health record (EHR) technology to: Improve quality, safety, efficiency, and reduce health disparities. Engage patients and family. Improve care coordination, and population and public health.





#### Meaningful Use Stage 1

Eligible Professionals must complete: 15 core objectives. 5 objectives out of 10 from menu set

6 total Clinical Quality Measures (3 core or alternate core, and 3 out of 38 from additional set)





#### Meaningful Use Stage 2

EPs must meet 17 core objectives and 3 menu objectives that they select from a total list of 6, or a total of 20 core objectives.

Eligible hospitals and CAHs must meet 16 core objectives and 3 menu objectives that they select from a total list of 6, or a total of 19 core objectives.





#### **Meaningful Use Stage 3**

To be determined...





#### EHR Incentive Program Medicare / Medicaid

If qualified, can receive up to \$63,750.00 in reward/incentive funding





#### EHR Incentive Program Medicare / Medicaid Qualification

If already qualified, Must attest no later than March 31<sup>st</sup>, 2014





#### **Important For You as a Provider!**

- ICD-10 Ready (October 1<sup>st</sup>, 2015 deadline)
- Implement Certified EHR Technology (Possible penalties imposed as early as 2016)





#### Resources

#### CMS.gov Centers for Medicare & Medicaid Services

HHS.gov United States Department of Health and Human Services

HEALTHIT.gov United Stated Health Information Technology





#### Questions



