



Meaningful Use Stage 2 Update

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Who Am I?

- DC based healthcare IT consultant
- Provide advice to physicians on:
 - Meaningful Use
 - HIPAA
 - EHRs
 - IT Networking
 - etc.
- My company, BEI, provides IT support for physician practices
- We have a new HIPAA compliance service – affordable, simple and time effective!



Why are EHRs/HIT Important?

- EHRs and HIT allow comprehensive management of medical information and its secure exchange between health care consumers and providers.
- Broad use of properly implemented Health IT will:
 - Improve health care quality
 - Prevent medical errors
 - Reduce health care costs (*US spends more than 2X per capita than any other industrialized country!*)
 - Increase administrative efficiencies
 - Decrease paperwork
 - Expand access to affordable care
- **BUT IMPLEMENTING EHRs IS A HARD, BUMPY ROAD**



American Recovery and Reinvestment Act (ARRA)

- President Obama signed the American Recovery and Reinvestment Act (ARRA) into law Feb. 17, 2009
- \$787 billion in new spending and tax cuts
- Provides billions for health information technology (HITECH Act)
- Most significant HIT legislation ever
- The HITECH act will effect our industry for the next decade
- HIT reimbursement available to ambulatory physicians & hospitals
- Two main incentive opportunities: Medicare and Medicaid



Other EHR Factors

- EHRs will be necessary for ACOs and PCMH
 - EHRs necessary for pay for performance
 - Meaningful Use required to avoid Medicare penalties
 - Payers may add meaningful use criteria into contracts – additional revenue for physicians who use EHRs
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- Medical Certification Boards looking into EHR usage as a requirement
 - A recent survey reveals that a majority of medical students say their decision to take a job at a healthcare organization will be heavily weighted in favor of those that have adopted an electronic health record (EHR)
 - Heavy advertising by large healthcare organizations highlighting the benefits of their patient portal
 - MGMA Study (Oct 2010):
 - Independent physician practices with EHR systems had a median of \$49,916 greater total revenue after operating costs per full-time physician in 2009 than physician practices using paper-based systems
 - After five years of using EHRs, independent physician practices reported a median operating margin that was 10.1% higher than physician practices in their first year of EHR use



Medicare Incentive Payments for Physicians

- Physician payments are 75% of Medicare allowed charges
- Penalties – reduction in physician fee schedule
- 10% increase in incentives if physician practices in a designated health professional shortage area
- At the Secretary’s discretion, Medicare payments can go down as much as 5% in 2019 and beyond
- Numbers below must be adjusted (2%) for sequestration – complain to your congressman!

Meaningful EHR User	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Total
FY 2011	\$ 18,000	\$ 12,000	\$ 8,000	\$ 4,000	\$ 2,000			\$ 44,000
FY 2012		\$ 18,000	\$ 12,000	\$ 8,000	\$ 4,000	\$ 2,000		\$ 44,000
FY 2013			\$ 15,000	\$ 12,000	\$ 8,000	\$ 4,000		\$ 39,000
FY 2014				\$ 12,000	\$ 8,000	\$ 4,000		\$ 24,000
After FY 2015					1%	2%	3%	



Stage of MU Criteria By Year

First Payment Year	2011	2012	2013	2014	2015
2011	Stage 1	Stage 1	Stage 1	Stage 2 or Stage 1	Stage 2
2012		Stage 1	Stage 1	Stage 2 or Stage 1	Stage 2
2013			Stage 1	Stage 1	Stage 2
2014				Stage 1	Stage 1
2015+					Stage 1



Meaningful Use of an EHR – Stage 2

- 17 Core Set Measures
- 3 Menu Set Measures
- Must meet all of the Core Set Measures
- Choose 3 of 6 Menu Set Measures
- Total of 20 measures must be met
- Many of the measures can be achieved through the use of 'non-provider' staff
- Some measures can be excluded if they are not relevant to your practice



MU Attestation Tips

- MU attestation is a process – not a transaction. You must pay regular attention to it
- It is a team effort. All parties (physicians, nurses, admins) must be involved
- Run regular reports to track progress
- Make corrections as necessary
- Keep good documentation to support yourself in the event of an audit



Original Meaningful Use 2014 Definition

- Providers must demonstrate MU for 3 months
- Three months must be a calendar quarter
- You can be in Stage 1 or Stage 2
- These & other program changes were made back in 2012



~~Houston~~ CMS, we have a problem!

- As of May 2014, only a handful of physicians & hospitals had submitted for MU Stage 2
- Very few vendors had their software certified
- A testing lab left the program
- The outlook for successful Stage 2 attestation by more than a handful of providers was bleak
- **The viability of the program was at risk**



What is happening

- On May 20, to adjust for these problems, CMS/ONC announced a proposed rule
- One August 29, the rule went into effect; so Meaningful Use in 2014 is finally official
- You have to develop your 2014 strategy very quickly!



If you are attesting to Stage 2 in 2014:

- You can use any 90 day calendar quarter, including Q4
- This represents no change from the original plan
- You must use a 2014 certified EHR
- You must attest by Feb 28, 2015
- **But you may not have to attest to Stage 2 !!**



You can attest to Stage 1 in 2014

- You can do this even if you are supposed to be in Stage 2!
- You must attest that you could not install and implement your Stage 2 EHR on time
 - *note: you should document this in case of an audit*
- You can attest for any calendar quarter – so if your data is good for Q1 or Q2, you can attest with that data
- Attestation deadline is February 28, 2015 as well



You can also use a combination of Stage 1 and Stage 2 EHRs to attest

- Not recommended
- More complicated from a reporting standpoint
- Only recommended if you cannot attest to Stage 1 in Q1, Q2 or Q3
- Please talk to your EHR company or a consultant before doing this



2015

- 2015 was left unchanged – the EHR reporting period is the full calendar year
 - *This is controversial and CMS is being lobbied against this. However, it is the rule right now and you have to plan accordingly*
- If you are supposed to be in Stage 2, you will be in Stage 2 for the full calendar year
- **THIS MEANS YOUR STAGE 2 EHR MUST BE INSTALLED IN 2014**
- This will affect most, if not all, practices



Summary

The recent ruling offers some relief to most practices

- Stage 1 attestation in 2014 is possible
- Document why you cannot attest to Stage 2

IF YOU ARE IN STAGE 2 IN 2015

- You must install a Stage 2 EHR in 2014
- You must plan to be Stage 2 compliant in 2015
- You will be required to be in Stage 2 for the full year 2015