

STIMULUS INFORMATION SHEET

AutoMED's I-Patient care is CCHIT 2011 Certified ONC-ATCB 2011/2012 Certified as a complete EHR System +Child Health

The American Recovery and Reinvestment Act of 2009 includes provisions to encourage physicians to adopt Electronic Medical Records (EMRs). The act pays \$44,000 or \$64,000 to physicians that adopt EMRs over five years. On the other hand, the act will penalize non-adopters by decreasing their Medicare reimbursements. Physicians must meet three criteria to qualify for the incentives. "Eligible professionals" must use a "certified EMR" in a "meaningful way." *Remember, 70% of the incentive comes within the first two years.*

Physicians must demonstrate meaningful use of their EMR software to qualify for stimulus payments. Otherwise, they might be tempted to purchase an EMR just so they can get stimulus money, without any real intent to use the system. As of today the Act does specify four guidelines: E-prescribing, electronic exchange of medical records, on demand patient access to medical information and interoperability of systems.

At this time I-Patient CARE is one of very few products to be fully ONC and ATB compliant and contain the functionality to completely qualify for all known incentives, initiatives and impending legislative changes:

It is important to remember that the government's primary goals for ARRA are to encourage care delivery organizations and physician practices to effectively and safely adopt health information technology in order to:

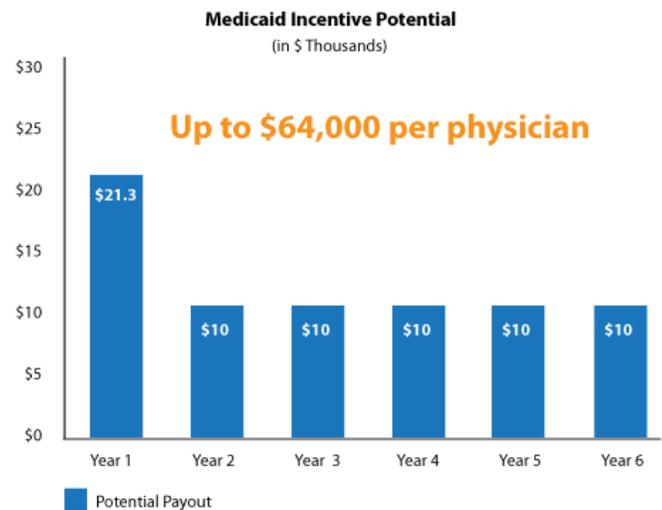
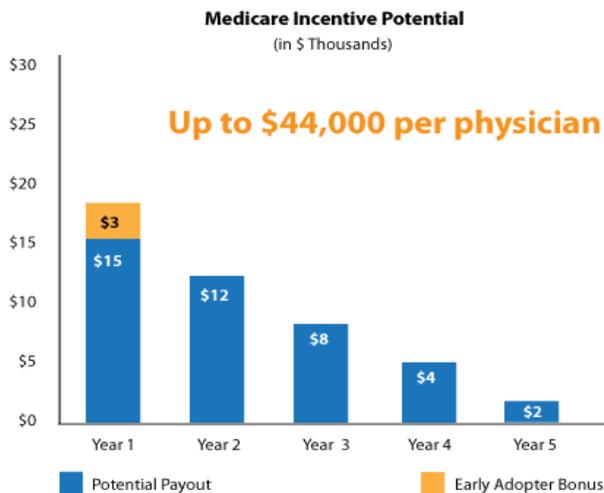
- Improve patient safety
- Improve quality by measuring performance and outcomes
- Better manage and prevent chronic diseases for all populations
- Share information to reduce redundancy and overall costs of health care.

As such, the specific components of meaningful use includes: clinical decision support, computerized physician order entry (CPOE), an electronic exchange of information, clinical quality measuring and reporting, e-Prescribing, a patient portal and the use of a certified EHR solution.

There are two ways you can qualify for the incentive. Qualified providers can qualify under either incentive, but not both. You can qualify either under Medicare or Medicaid. Physicians qualifying under the Medicare portion can receive up to \$44,000 and those qualifying under the Medicaid incentive can qualify for up to \$64,000. You can receive your incentive payments starting in



January of 2011. Physicians who do not implement EHR technology by 2015 will suffer from a 1% reduction in Medicare Payments (reductions will continue to increase after 2015 up to 5%).



The Medicaid EHR Incentive Program

- The **Medicaid** EHR Incentive Program will provide incentive payments to eligible professionals, eligible hospitals, and CAHs as they adopt, implement, upgrade, or demonstrate meaningful use of certified EHR technology in their first year of participation and demonstrate meaningful use for up to five remaining participation years.
 - - The Medicaid EHR Incentive Program is voluntarily offered by individual states and territories and may begin as early as 2011, depending on the state.
 - Eligible professionals can receive up to **\$63,750** over the six years that they choose to participate in the program.
 - Eligible hospital incentive payments may begin as early as 2011, depending on when the state begins its program. The last year a Medicaid eligible hospital may begin the program is 2016. Hospital payments are based on a number of factors, beginning with a **\$2 million** base payment.
 - There are **no** payment adjustments under the Medicaid EHR Incentive Program.

The Medicare EHR Incentive Program

- The **Medicare** EHR Incentive Program will provide incentive payments to eligible professionals, eligible hospitals, and CAHs that demonstrate meaningful use of certified EHR technology.
 - - Participation can begin as early as 2011.
 - Eligible professionals can receive up to **\$44,000** over five years under the Medicare EHR Incentive Program. There's an additional incentive for eligible professionals who provide services in a Health Professional Shortage Area (HSPA).
 - **To get the maximum incentive payment, Medicare eligible professionals must begin participation by 2012.**
 - Incentive payments for eligible hospitals and CAHs may begin as early as 2011 and are based on a number of factors, beginning with a **\$2 million** base payment.
 - **Important! For 2015 and later, Medicare eligible professionals, eligible hospitals, and CAHs that do not successfully demonstrate meaningful use will have a payment adjustment in their Medicare reimbursement.**

The definition of "meaningful use" includes:

(NOTE refer to our extensive ARRA I-Patient guidebook for more information)

- Use EMR software at point of care
- Prescribe electronically
- Choose an EMR that ensures interoperability or data sharing
- Use an EMR capable of clinical reporting

Specific Mandatory and Optional Meaningful Use Criteria for 2011

Core set: All 15 Measures Required

- Demographics (50%)
- Vitals: BP and BMI (50%)
- Problem list: ICD-9-CM or SNOWMED (80%)
- Active medication list (80%)
- Medication allergies (80%)
- Smoking status (50%)
- Patient clinical visit summary (50% in 3 days)
- Patient with electronic copy (50% in 3 days)
- e-Prescribing (40%)
- CPOE (30% including a med)
- Drug-drug and drug-allergy interactions (functionality enabled)
- Exchange critical information (perform test)
- Clinical decision support (one rule)
- Security risk analysis
- Report clinical quality (BP, BMI, Smoke, plus 3 others)

Optional set: Select 5 of 10

- Drug-formulary checks (one report)
- Structured lab results (40%)
- Patients by conditions (one report)
- Send patient-specific education (10%)
- Medication reconciliation (50%)
- Summary care record at transitions (50%)
- Feed immunization registries (perform at least one test)
- Hospital Advance medical directives (50% > 65yrs.)
- Send reminders to patients for preventative and follow-up care (20% > 65yrs. < 5yrs.)
- Patient electronic access to labs, problems, meds and allergies (10% in 4 days)

*By 2013, the criteria will extend to include the ability to provide patients with access to their personal health records populated in real time.

E-prescribing (e-rx) is the electronic transmission of prescription information to a pharmacy. Prescribing electronically is another important piece of meaningful use. In the AUTOMED solution – I-Patient CARE, Erx is part of a comprehensive, integrated approach to medication management which allows customers the ability to access medication histories, check benefits while ordering, communicate orders to retail and mail order pharmacies, and update patients' records. e-Prescribing ensures a secure exchange of patient information between a wide range of providers, payors, pharmacy benefit managers, and pharmacies. In many ways it is more efficient than paper or faxed prescriptions. Electronic prescriptions avoid the pitfalls of illegible handwriting or difficult-to-read faxes. In addition, Erx offers drug interaction checking, which will make sure prescribed drugs will not produce dangerous side effects when taken together

An additional incentive is available NOW for E-prescribers

The Medicare Improvements for Patients and Providers Act of 2008, H.R. 6331, contains incentives starting in 2009 to encourage the adoption of electronic prescribing technology by prescribers as well as penalties for those that do not adopt by 2012.

	2009	2010	2011	2012	2013	Beyond
Incentive	2%	2%	1%	1%	0.5%	None
Penalty	None	None	None	1%	1.5%	2%

Electronic exchange of medical records means an EMR system can send electronic notes, charts, lab results, or any other medical document. Sending photocopies of charts through the mail or fax is slow and unreliable. Electronic exchange is a more efficient way to share data. Security is the only downside to electronic data exchange. EMRs must conform to HIPAA regulations to protect patient privacy.

Interoperability of systems takes electronic exchange of medical records one step further. Rather than just exchanging data, interoperable systems should be able to import data from other systems and export data to other systems in a seamless manner. This will guarantee information is saved in a standard format that can benefit everyone. Security and privacy is also a concern with interoperability.

In short, Physicians who adopt and use certified electronic health records soon will be eligible for up to \$44,000.00 or 64,000.00 in Medicare or Medicaid bonuses over five years, but doctors who wait too long to go paperless will see lower bonuses or eventual Medicare penalties.

Note: Physicians in rural health professional shortage areas who adopt and use EHRs are eligible for a 10% increase on the bonuses. Doctors may avoid penalties for up to five years if they qualify for a hardship exemption.

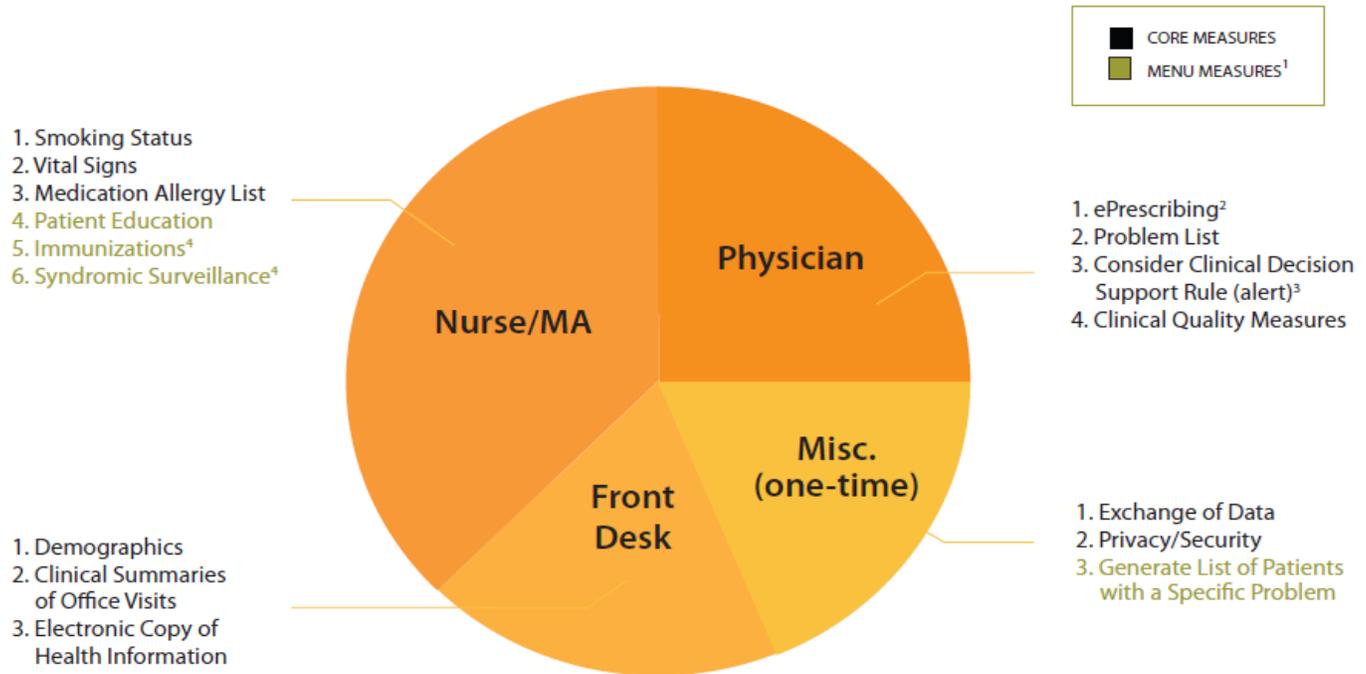
To qualify for the full 44,000.00 you must be up and running (and demonstrate "meaningful use" by Jan 1st 2012 or lose the first 18,000.00

First payment year	Bonus for first payment year, then subsequent years	Penalty for non-adoption or nonuse
2011	\$18,000, then \$12,000, \$8,000, \$4,000, \$2,000	None
2012	\$18,000, then \$12,000, \$8,000, \$4,000, \$2,000	None
2013	\$15,000, then \$12,000, \$8,000, \$4,000	None
2014	\$12,000, then \$8,000, \$4,000	None
2015	None	-1%
2016	None	-2%
2017	None	-3%
2018	None	-3%
2019	None	-3%

Graph Source: American Medical Association

AutoMED customers using I-Patient CARE are well positioned for the economic stimulus bill and grant opportunities. We have dedicated resources to help health care facilities build the foundation for a successful implementation and comply with the government's latest regulations and reimbursement requirements, including the meaningful use specifications now being defined for the American Recovery and Reinvestment Act (ARRA). For more information about who is eligible for the programs, how to register, meaningful use, upcoming EHR training and events, and other information go to the CMS ARRA website - <http://www.cms.gov/EHRIncentivePrograms/>

Meaningful Use Suggested Responsibilities



FAQ's

What do ARRA, HITECH and ONC mean?

ARRA is the American Recovery and Reinvestment Act, more widely known as the Stimulus Bill of 2008. One of the provisions of this legislation was the Health Information Technology for Economic and Clinical Health (HITECH) Act.

HITECH authorizes the Center for Medicare and Medicaid Services (CMS) to issue annual payments to eligible providers who demonstrate Meaningful Use of a certified electronic health record. Further, HITECH authorized significant funds for the Office of the National Coordinator for Health Information Technology (ONC or ONCHIT).

The ONC is tasked with implementing many elements of HITECH including creating technology standards, designating Meaningful Use criteria and certifying EHR vendors.

How can I use EHR / EMR stimulus funding?

CMS will pay HITECH incentives on a per provider basis through either Medicare or Medicaid to offset the cost of EHR adoption. Eligible physicians can individually qualify for up to \$44,000 or more in economic stimulus incentives. A practice of three physicians could qualify for \$132,000 or more. Physicians adopting a free EHR may use stimulus incentives at their discretion if they demonstrate Meaningful Use on a certified EHR.

What types of health care providers can qualify for HITECH incentives?

The American Recovery and Reinvestment Act of 2009 details that the following all qualify for HITECH incentives:

Hospitals	Federally qualified health centers (FQHC)
Skilled nursing facilities	Group practices
Nursing facilities	Pharmacists
Home health entities	Laboratories
Long term care facilities	Physicians (See below)
Health care clinics	Practitioners (See below)
Community mental health centers	Indian Health Service providers

Renal dialysis facilities
Blood centers
Ambulatory surgical centers
Emergency medical service providers

Rural health clinics
Therapists

Who is an Eligible Professional?

Eligible professionals under the Medicare EHR Incentive Program include:

Doctor of medicine or osteopathy
Doctor of dental surgery or dental medicine
Doctor of podiatry
Doctor of optometry
Chiropractor

Eligible professionals under the Medicaid EHR Incentive Program include:

Physicians (primarily doctors of medicine and doctors of osteopathy)
Nurse practitioner
Certified nurse-midwife
Dentist
Physician assistant who furnishes services in a Federally Qualified Health Center or Rural Health Clinic that is led by a physician assistant

To qualify for an incentive payment under the Medicaid EHR Incentive Program, an eligible professional must meet one of the following criteria:

Have a minimum 30% Medicaid patient volume*
Have a minimum 20% Medicaid patient volume, and is a pediatrician*
Practice predominantly in a Federally Qualified Health Center or Rural Health Center and have a minimum 30% patient volume attributable to needy individuals

* Children's Health Insurance Program (CHIP) patients do not count toward the Medicaid patient volume criteria.

Which geographic areas qualify for HITECH incentives?

ARRA specifies the following regions and territories as qualifying for HITECH incentives:

All 50 US states and the District of Columbia
Puerto Rico
The Virgin Islands
Guam
American Samoa
The Northern Mariana Islands

What types of medical practices do not qualify for HITECH incentives?

Free clinics that don't bill Medicare or Medicaid
Physical therapists
Hospital-based physicians such as pathologists, anesthesiologists or emergency physicians
Acupuncturists and other holistic providers
Any practice not eligible for Medicare or Medicaid payments

NOTE: Your I-Patient implementation will assist you in qualifying for the incentive payments. In addition we offer a meaningful use monitor and ARRA consulting as required.