

ELECTRONIC HEALTH RECORD DEMONSTRATION PROJECT

What is the Electronic Health Record Demonstration Project?

The Electronic Health Records (EHR) Demonstration is a five-year demonstration project sponsored by federal monies through the Centers for Medicare and Medicaid Services (CMS) that is designed to encourage small primary care physician practices to use electronic health records.

Four communities will be selected to begin the demonstration in 2008 and the remaining eight will begin the demonstration in 2009. CMS will be announcing the communities selected for the EHR Demonstration project in June 2008.

How will it work?

Over the five-year period, the project will provide financial incentives to as many as 1,200 small and medium-sized primary care physician practices in 12 communities across the country that use Certification Commission for Healthcare Information Technology (CCHIT) – certified electronic health records to improve quality as measured by their performance on specific clinical measures. Incentive payments will be based on the following:

- **Year 1:** Payments will be made to participating practices for implementing CCHIT-certified EHR functionalities to manage the care of patients, e.g. use of EHR to facilitate care management activities, sharing of records among care providers.
- **Year 2:** Payments will be made to participating physician practices that are using CCHIT-certified EHRs and reporting clinical quality measures.
- **Years 3, 4 and 5:** Payments will be made to participating physician practices based on performance on designated clinical quality measures with an added bonus each year based on the degree to which the practice has used the HER to change and improve the way it operates.

CMS is also encouraging other public and private payers to offer similar financial incentives.

Why should physicians implement electronic health records?

Use of electronic health records can help healthcare providers to have more accurate and timely clinical information when the patient comes in for treatment. There is general agreement among healthcare providers, lawmakers and patients that the use of electronic health records can have a positive effect on healthcare by: (1) reducing medical errors; (2) helping doctors manage patients with chronic medical conditions like diabetes or asthma by providing decision support tools, and; (3) improving coordination of care among health care providers.

How many physician offices currently use electronic health records?

According to the Centers for Disease Control, only 12% of physician offices currently use an electronic health record.

Why don't more primary care physicians use electronic health records?

Physicians who are in solo practices or who work in small group practices face a lot of barriers to the implementation of an electronic health record. They often need help with the:

- **Cost:** Initial implementation costs and the ongoing cost of maintaining the electronic system.
- **Technical support and training:** Understanding the issues involved in getting their information system to talk to communicate with other health providers.
- **Workflow change:** Redesigning the workflow in their offices to allow them to convert to an electronic system in a way that makes their work more efficient.
- **Interconnectivity:** Making sure that their electronic health record system will be able to exchange health information within a secure environment that protects the privacy and confidentiality of patient information.

How is this relevant to Illinois?

A coalition of Illinois organizations including the Illinois Department of HealthCare and Family Services, Illinois Academy of Family Physicians, Illinois Foundation for Quality Health Care, Illinois Hospital Association, Illinois Rural Health Association, Illinois State Medical Society, Midwest Business Group on Health, and Northern Illinois Physicians for Connectivity, have partnered to submit an application requesting that the state of Illinois be selected as one of 12 communities nationwide to be part of the federal Demonstration Project.

All federal funding for this project will be paid directly to the participating physician practices in the selected communities in the form of incentive payments as described above. There is no funding for provider recruitment, education or technical assistance to support this initiative. However, if Illinois is chosen, the coalition has made a commitment to work collaboratively with the Centers for Medicare and Medicaid Services (CMS) to support this Demonstration project.

While the EHR Demonstration will provide financial incentives to assist small physician practices who wish to adopt EHRs, it does not address some of the other barriers, such as the need for technical assistance in selecting a system, redesigning workflow processes to accommodate the transition to an EHR and ongoing education and support regarding issues related to maintenance of such a system.

Future Plans?

The Coalition of Community Partners is also seeking other sources of funding to help address some of the barriers to EHR implementation faced by Illinois physicians that are not covered by the CMS EHR Demonstration Project.

For example, members of the Coalition are working on plans to establish a **Health Information Technology Support and Resource Center** to help ensure the success and sustainability of physicians participating in the EHR Demonstration.

The Center will work in collaboration with the Demonstration Project and will offer assistance through a Web portal as well as through staff consultation and technical support and would offer interested physicians:

This Center would offer interested physicians access to:

- Needs and readiness assessments
- Information relevant to the selection of an EHR product
- EHR vendor information
- EHR contracting and installation information
- Implementation assistance
- Technical assistance in workflow and process redesign
- Information on interoperability and privacy standards

For additional information, contact Nancy Moersch at Illinois Foundation for Quality Health Care, 630-928-5823 or nmoersch@ilqio.sdps.org.