ARRA FAQs

by **Lou Ann Wiedemann,** MS, RHIA, CPEHR

On February 17, 2009, President Barack Obama implemented sweeping healthcare legislation when he signed the American Recovery and Reinvestment Act of 2009 into law. ARRA includes many privacy, security, work force, and health IT provisions that will have a major impact on the healthcare industry. However, even after six months, many questions about the act remain, because the provisions are complex and many of the program features are being determined by federal agencies over time. To that end this article discusses frequently asked questions.

These FAQs are not intended to replace the content of the *Federal Register;* they are for information purposes only. HIM professionals are encouraged to visit AHIMA's ARRA Web site at www.ahima.org/arra [web page no longer available] and the *Journal* Web site at http://journal.ahima.org for the latest information on government and industry activity on ARRA.

What is the difference between ARRA and HITECH?

ARRA provides many different stimulus opportunities, one of which is $19.2 billion for implementing health IT. Title XIII of ARRA, titled "Health Information Technology for Economic and Clinical Health Act" (pages 112–65), outlines many of the health information communication and technology provisions, including privacy provisions (pages 144–65).

What is the total health IT funding?

The funding is broken down as follows:

- $20.8 billion in incentives through the Medicare and Medicaid reimbursement systems to assist providers and organizations in the adoption of electronic health records
- $4.7 billion for the National Telecommunications and Information Administration's Broadband Technology Opportunities Program
- $2.5 billion for the US Department of Agriculture's Distance Learning, Telemedicine, and Broadband Program
- $2 billion for the Office of the National Coordinator for Health Information Technology
- $1.5 billion for construction, renovation, and equipment for health centers through the Health Resources and Services Administration
- $1.1 billion for comparative effectiveness research within the Agency for Healthcare Research and Quality, National Institutes of Health, and the Department of Health and Human Services
- $500 million for the Social Security Administration
- $85 million for health IT, including telemedicine services, within Indian Health Services
- $50 million for information technology within the Veterans Administration

When do Medicare and Medicaid incentives begin?

Initial funding begins in 2011 for both organizations and providers; however, it varies depending on the program. Funding also varies due to complex mathematical formulas and when providers or organizations begin. Organizations are encouraged to prepare early.

What types of providers are eligible for Medicaid incentives?

Eligible providers for Medicaid incentives include:

- Nonhospital-based providers who have at least 30 percent of their patient volume attributed to Medicaid patients including dentists, certified nurse midwives, nurse practitioners, and some physician assistants
- Nonhospital-based pediatric providers who have at least 20 percent of their patient volume attributed to Medicaid patients

What types of organizations are eligible for Medicaid incentives?

Eligible organizations include:

- Children's hospitals
- Acute care hospitals with at least 10 percent of their patient volume attributed to Medicaid patients
- Federally qualified rural health clinics with at least 30 percent of their patient volume attributed to Medicaid patients

What types of providers and organizations are eligible for Medicare incentives?

Eligible providers are clearly defined as "physicians" in section 4101 of the act. Organizations are defined as acute care facilities and critical access hospitals.

Which incentives are available to providers?

Providers must choose to participate in either the Medicaid or Medicare incentive program. They cannot participate in both. If a provider is currently participating in e-prescribing incentive payments, those payments will cease once a stimulus incentive is chosen.

Which incentives are available to organizations?

Organizations can participate in both incentive programs, provided they meet the patient volume requirements for Medicaid incentives.

Are incentives for providers designated by practice or provider?

Each provider (as defined by ARRA, above) may receive incentive payments. If the provider is a part of a group practice, each physician within the practice would be eligible independently of the others.

What prerequisites must an organization meet to be eligible for incentive funding?

Organizations must be able to demonstrate "meaningful use" of a "certified EHR system," including such information as patient demographic, clinical health information, and have the capacity to provide provider order entry to capture information regarding healthcare quality and to exchange information electronically with other sources such as a health information exchange.

What determines "meaningful use?"

ARRA did not fully define meaningful use; instead, it instructed the Department of Health and Human services to establish the final definition. However, the act did provide some basic guidelines as to what will be needed to demonstrate meaningful use in section 4102 (for Medicare) and section 4201 (for Medicaid).

Section 4102 states:

- Utilization of "certified EHR technology"
- To the satisfaction of the Secretary of HHS, the certified EHR technology is connected in a manner that provides, in accordance with law and standards applicable to the exchange of information, for the
- *e-exchange*

- of health information to improve the quality of health care
- Submission of information on clinical quality measurements as selected by the Secretary[1]

Section 4201 states:

- Individual states must approve the definition that is established through a means that is acceptable to the Secretary; and be in alignment with the one used for Medicare (4102).[2]

The definition is expected to evolve over time. HHS is encouraging industry input. In April the National Committee on Vital and Health Statistics invited testimony on the definition (AHIMA's comments are available at www.ahima.org/dc/). In June and July the Health IT Policy Committee, established by ARRA to advise HHS, drafted recommendations, which included a round of public comments.

Is there a list of certified EHR systems that can be used to check an entity's current electronic health record?

No, HHS has yet to determine which organization or organizations will be selected to approve systems, and the final "meaningful use" criteria have yet to be established. The Certification Commission for Healthcare Information Technology will likely be one certifying organization, but there may be others.

Will vendors receive funding to assist providers and organizations in demonstrating meaningful use?

No, ARRA does not make such provisions.

AHIMA is developing resources to assist HIM professionals in understanding the key components of this law. Full implementation of ARRA initiatives is expected to roll out over two to three years. The full timeline can be found at www.ahima.org/dc/.

Notes

1. American Recovery and Reinvestment Act of 2009. Public law 111-5. February 17, 2009. Available online at www.thomas.loc.gov.
2. Ibid.

Lou Ann Wiedemann (lou-ann.wiedemann@ahima.org) is a director of practice resources at AHIMA.

Article citation:
Wiedemann, Lou Ann. "ARRA FAQs" *Journal of AHIMA* 80, no.9 (September 2009): 58-59.