

# **The BPHC Newly Funded TA Web Guide Resources for New and Existing Grantees**

## **Developed by:**

The U.S. Department of Health and Human Services (HHS)  
Health Resources and Services Administration (HRSA)  
Bureau of Primary Health Care (BPHC)  
Office of Training and Technical Assistance Coordination (OTTAC)

The BPHC Newly Funded TA Web Guide is a self assessment tool designed to help new BPHC grantees provide high-quality primary health care from the day they open their doors for business. The Guide is a central hub for links to HRSA-approved templates, information pages, and policy documents, and many other resources. The intent of the Web Guide is to help Health Center grantees improve their quality and efficiency, work within Health Center Program Requirements, and access Federal policies, programs and resources intended for the specific needs of Health Centers.

This document is a printable version of a portion of the content available on the Web Guide. It was developed by the BPHC Office of Training and Technical Assistance Coordination and is hosted at:  
<http://bphc.hrsa.gov/technicalassistance/index.html>

## 1f. HIT and Meaningful Use

### What is Health Information Technology?

Health IT is healthcare information technology - the use of computer applications to record, store, protect, retrieve, and transfer clinical, administrative, and financial information electronically within health care settings. The ultimate goal of health IT is to improve population health and the quality and efficiency of patient care.

### Why Implement Health IT?

Recent research demonstrates that increased use of information technology is an important step in improving quality of care and patient safety. The recent focus on health IT adoption was initiated by the Institute of Medicine (IOM) report in 1999, [To Err is Human: Building a Safer Health System](#), which highlighted improved use of computerized applications as a core strategy for improving safety and quality of the healthcare system.

Health IT has received substantial support from Federal agencies. The [Agency for Health Research and Quality \(AHRQ\)](#) funded the [National Resource Center for Health IT \(NRC\)](#) in 2004 and approximately \$166 million in health IT projects throughout the United States. HRSA has supported the adoption of health IT by health centers, other safety net providers and ambulatory care providers since the 1980s through various grant programs ranging from operational funding to funding dedicated to EHR implementation.

### What is HRSA's Vision for Health IT?

The Health Resources and Services Administration (HRSA) and its [Office of Health Information Technology and Quality \(OHITQ\)](#) have begun to play a unique and critical role in the national strategy for health IT. HRSA's vision is to leverage the power of health IT to improve patient outcomes, quality, and reduce health disparities for people who are uninsured, isolated, or medically vulnerable. As part of its mission, HRSA aims to provide health centers, other safety net providers, and ambulatory care providers with tools to successfully implement health IT in a manner appropriate for their and their patients' needs and abilities. The [HIT Toolbox](#) Series is a central component of this effort. In addition, OHITQ has initiated a Health IT Technical Assistance Center to support grantees that use the toolbox or who are otherwise engaged in health IT implementation.

### Financial incentives are available for the “meaningful use” of Electronic Health Records (EHRs)

**The American Recovery and Reinvestment Act (ARRA) created [financial incentives](#) for health centers and other providers to make “Meaningful Use” of Electronic Health Records (EHRs):** ARRA created financial incentives to encourage health care providers to adopt and use EHRs. The term “meaningful use” is often used to refer to these payments, as a provider must use the HIT in a “meaningful” way (e.g., for e-prescribing) in order to be eligible for the payments.

**Incentive payments are made to individual providers; rather than the health centers:** The [ARRA](#) statute requires that incentive payments must be made to *individual* providers, rather than to the health center itself. This is the case even if the EHR-related expenses that resulted in the incentive payments were paid by the health center. Providers may choose to give their incentive payments to their health center, through a process known as “assignment.” However, providers are **not** required to assign their payments. Also, providers may use the payments for any purpose (professional or personal) they choose.

**Health Center providers will get their payments through Medicaid:** While both Medicare and Medicaid will be offering incentive payments to eligible providers to use EHRs, all providers must choose to receive payments from only one of these programs. Because of the way they are reimbursed, health center providers are only eligible to receive payments through Medicaid.

**To apply for these payments,** contact your State Medicaid agency. The policies and timelines for applying vary by State.

#### **Amount and duration of payments:**

**Payments will cover up to 85% of allowable costs and be spaced out over 6 years:** These payments may cover up to 85 percent of “allowable costs” for the **acquisition, implementation (including training), upgrade, maintenance**, and use of a “certified electronic health record” system, and will be made over a 6-year period.

**Maximum payment per provider is \$63,750:** A provider’s “allowable costs” may not exceed \$25,000 in the first year that he or she requests payment, and \$10,000 for each of the next 5 years; thus the maximum allowable 6-year costs per eligible professional will be \$75,000 (\$25,000 plus 5 times \$10,000), and the maximum Federal payment will be \$63,750 per eligible professional (85 percent of \$75,000) over a period of six years.

**Providers must begin to receive incentive payments by 2014:** Health center providers may request their first year of payments any year between 2011 and 2014. Starting in 2015, first-year applications will no longer be accepted.

#### **Definition of “Eligible Providers” (EPs)**

**Requirements to be an “Eligible Provider” at a health center:** To be an “Eligible Provider” for the incentive payments, an individual health center provider must:

- Be licensed:
  - 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.
- Have at least 30 percent of their patient volume attributable to “needy individuals”, defined as patients covered by Medicaid or CHIP; receiving charity care; and/or paying for their care on a sliding-fee scale basis.
- Demonstrate “meaningful use” of the EHR system, meaning that they are “engaged in efforts to adopt such a system” in their first year, and that they can show they are using it through use of certain billing and reporting methods in years 2 through 6.

**Only some Physician Assistants are eligible:** The statute limits “eligible providers” to physicians, dentists, certified nurse mid-wives, nurse practitioners and only those physician assistants who are practicing in a health center that is led by a PA. For a health center to be considered to be “PA-led,” at least one of the following requirements must be met:

- A PA must be the primary provider in the health center: or

- A PA must serve as a clinical or medical director at a clinical site of practice (Note that the only PAs who are eligible to receive Medicaid incentive payments are those who work at health centers or RHCs; PAs working at any other types of organization are not eligible.)

**Links and Additional Resources:**

[HRSA Health IT and Quality Website](#): Tools for Improving Quality.

HRSA Health IT Adoption [Toolboxes](#).

HRSA Health IT and [Quality Resource Toolbox](#).

HRSA Health IT for [Children’s Health Toolbox](#).

[Rural Health](#) IT Adoption Toolbox.

HRSA Health IT and Quality [Webinar Archives](#).

Centers for Medicare & Medicaid Services [EHR Incentive Programs](#).

Centers for Medicare & Medicaid Services [Path to Payment](#) page. Guidance on how to apply for and receive incentive payments.

HRSA: Medicare and Medicaid EHR Incentive Programs FQHCs’ [FAQs](#).

HHS [Office of the National Coordinator for Health Information Technology](#).

*\*Note: All non-Federal documents are for use as aids to consultants and grantees, the contents of such documents are solely the responsibility of the authors and do not necessarily represent the official views of HRSA, and should not be considered official guidance by BPHC. Any “sample” documents must be tailored to the health center’s unique circumstances and needs.*