



The Hawai'i HIE Regional Extension Center Subcontract for Direct Services

Purpose of Meeting



- Vote to approve Hawai'i Pacific Regional Extension Center (REC) subcontract with Mountain Pacific Quality Health Foundation

Quick Overview of Meaningful Use and EHR Incentive Payments

What makes someone a meaningful user of EHRs?

- ARRA HITECH Act specifies the following 3 criteria for being a meaningful user of (EHRs):
 - Use of certified EHR technology in a meaningful manner (ex: E-prescribing)
 - Use of certified EHR technology to submit clinical quality reporting and other measures
 - Use of certified EHR technology for electronic exchange of health information to improve quality of health care

Meaningful Use in Hawai'i

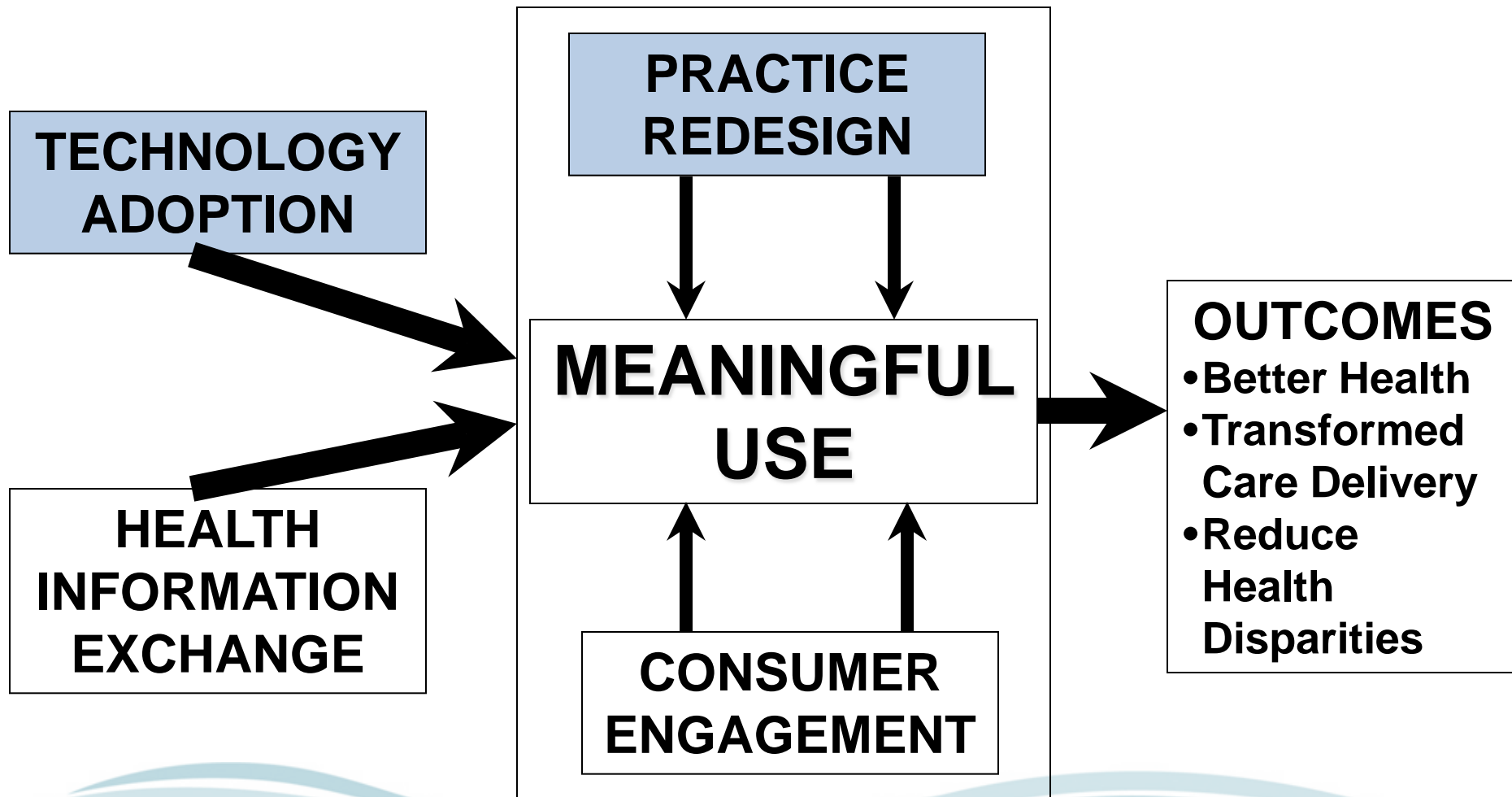


Sand



Meaningful Use of Sand

Getting to Meaningful Use to Improve Health & Health Care



Incentive Payments for Medicare Eligible Providers' (EPs)

First Calendar Year (CY) for which the EP Receives an Incentive Payment

	CY 2011	CY 2012	CY 2013	CY2014	CY 2015 and later
CY 2011	\$18,000				
CY 2012	\$12,000	\$18,000			
CY 2013	\$8,000	\$12,000	\$15,000		
CY 2014	\$4,000	\$8,000	\$12,000	\$12,000	
CY 2015	\$2,000	\$4,000	\$8,000	\$8,000	\$0
CY 2016		\$2,000	\$4,000	\$4,000	\$0
TOTAL	\$44,000	\$44,000	\$39,000	\$24,000	\$0

Incentive Payments for Medicaid Eligible Providers (EPs)

First Calendar Year (CY) for which the EP Receives Incentive Payment

	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016
CY 2011	\$21,250					
CY 2012	\$8,500	\$21,250				
CY 2013	\$8,500	\$8,500	\$21,250			
CY 2014	\$8,500	\$8,500	\$8,500	\$21,250		
CY 2015	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250	
CY 2016	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250
CY 2017		\$8,500	\$8,500	\$8,500	\$8,500	\$8,500
CY 2018			\$8,500	\$8,500	\$8,500	\$8,500
CY 2019				\$8,500	\$8,500	\$8,500
CY 2020					\$8,500	\$8,500
CY 2021						\$8,500
TOTAL	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750

HPREC Is Focused on

Providing Technical Assistance to:

- Physicians, physician assistants, and nurse practitioners furnishing primary care
- Clinicians with the least resources and the lowest rates of EHR adoption
- Medically underserved communities
- Critical Access Hospitals (CAH), Community Health Centers (CHC), Federally Qualified Health Centers (FQHC) and other settings
- Individual and small group practices (fewer than 10)
- Underserved and underinsured areas

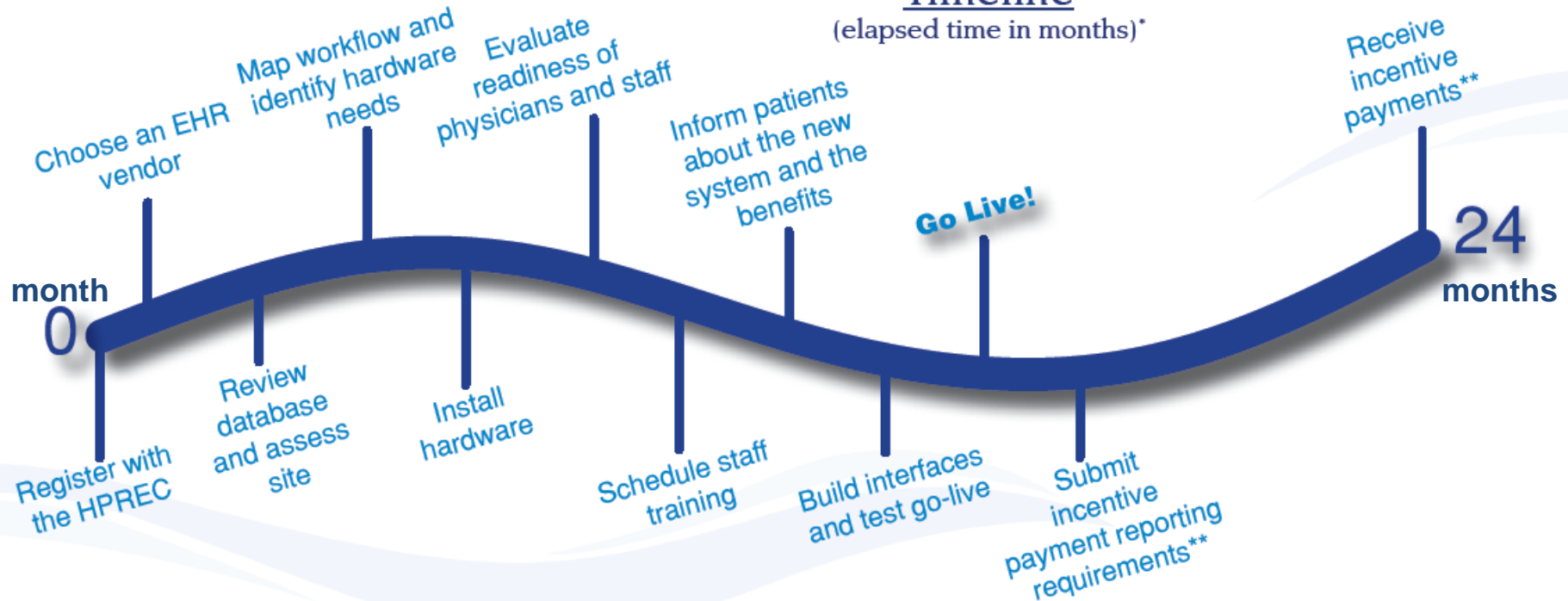
Service Areas

EHR Technical Assistance & Training to Priority Primary Care Providers

- Supporting Providers with Individualized and On-site Technical Assistance
- EHR Vendor Selection & Group Purchasing
- Effective Implementation of a Certified EHR
- Clinical and Administrative Workflow Redesign
- Functional Interoperability and HIE
- Privacy and Security Best Practices
- Support in becoming eligible for the incentives offered by CMS for achieving Meaningful Use
- Local Workforce Support

EHR Implementation Timeline

(elapsed time in months)*



*This is an estimated time frame. Every site is different, and implementation time will vary depending on a variety of factors.

** Eligible professionals (EPs) who adopt, implement, upgrade, or meaningfully use certified EHR technology in their first year of participation in the Medicaid incentive program and successfully demonstrate meaningful use in subsequent years may be eligible for an incentive payment of \$21,250. In subsequent years of payment, a Medicaid EP's incentive payment will be limited to \$8,500. Medicare EPs who successfully demonstrate meaningful use and receive Medicare EHR incentive payment in the first or second year of the program (2011 or 2012) may qualify to receive payments for the full five years. For more information on requirements and payment time frames, please visit www.cms.gov/EHRIncentivePrograms/ or call 808.441.1429.

Hawai'i Pacific Regional Extension Center (HPREC) Subcontract Agreement with Mountain Pacific

Approved Budget

- Total grant award is: Core Funding + Total Direct Assistance = \$1,500,000 + \$4,359,716 = \$5,859,716
- Direct assistance is based off of the REC assisting 1000 PPCPs to get to 'meaningful use' which means ONC provides \$4360 per provider that reaches 3 key milestones
- ONC will reimburse Core Funding on a cost reimbursement basis for all allowable costs.

ONC approved	\$ 5,859,716
Core Funding (years 1 + 2)*	\$ 1,500,000
Total Direct Assistance	\$ 4,359,716
Provider Target	1000
Blended Provider Reimbursement Rate	\$ 4,360

General Terms & Conditions

- Duration: April 6, 2010 to April 5, 2012 with a possible 2 year extension
- Contractor performs in accordance with the Operational Plan
- Allowable Costs & Fees:
 - core activities will be reimbursed on a cost reimbursed basis with prior HHIE approval
 - direct technical services will be reimbursed on a cost reimbursed basis with prior HHIE approval not to exceed the ONC-received funds for direct services and the provider cost sharing fee
- Withholding: HHIE can hold payment up to 10% of the provider cost sharing fee if agreed upon deliverables are not met.

General Terms & Conditions

- Suspension of Provider/Practice Sign-Up: HHIE may request the slow down or suspension of activities related to the sign-up of new Providers/Practices if it is determined that direct services being provided are not satisfactory.
- Right of Termination: in the event of ONC termination or mutually agreed upon with 60 days notice
- Revenue Streams After Termination: Cease except for the revenue that is due to the Contractor from the provider service level agreements and this contract.

General Terms & Conditions

- Turnover of Project Materials. Contractor shall promptly submit to HHIE all Project materials which have been developed under this Grant.
- Pay When Paid. HHIE is not obligated to pay to Contractor when any payment is withheld by 1) ONC, 2) by provider/practice, 2) by provider insolvency
- HHIE is obligated to pay the contractor if they've met the deliverables and if HHIE has not has not met its obligations under the ONC Grant causing the withhold of funds from ONC to HHIE.
- Intellectual Property: IP developed by the HHIE or contractor is governed by the terms of this grant.

Program Revenue Streams for PPCPs

ONC will pay REC \$4360 per PPCP in the following way:

- \$1,453.24 per PPCP who signs a service agreement
- \$1,453.24 per PPCP who reaches Go Live status
- \$1,453.24 per PPCP who reaches meaningful use
- There is no guarantee the REC will reach it's milestones
- These fees are released by ONC as each milestone is achieved. HHIE is allowed to draw down on these fees up the amount of actual costs incurred by contractor to provide the services

Program Revenue Streams for CAHs

ONC will pay \$12,000 per Critical Access Hospital and Rural Hospital :

- \$4,000 for each CAH or rural hospital that signs a service agreement
- \$4,000 for each CAH or rural hospital that reaches Go Live status
- \$4,000 for each CAH or rural hospital that reaches meaningful use
- These fees are released by ONC as each milestone is achieved. HHIE is allowed to draw down on these fees up the amount of actual costs incurred by contractor to provide the services

State Match Requirement

- HHIE and MP understand that a
 - 10% match must be generated from the PPCPs for direct assistance
 - 10% match must be generated from the CAHs and rural hospitals for direct assistance
- MP's match requirement is coming from the Provider fee
- HHIE's match requirement is coming from in-kind
- It is possible to generate this match requirement from documented and allowable in-kind services.

Cash Flow

- Core functions are reimbursed as the expenses are incurred and reported under this Grant. Direct technical assistance expenses are reimbursed for expenses incurred but don't exceed the amount received from ONC as PPCPs/CAHs/Rural Hospitals reach each of ONC's three goals
- This requires MP to carry the cost of all expenses for the direct technical assistance services until the PPCPs and CAHs/Rural Hospitals reach these goals and these are reported to ONC by HHIE and then are reimbursed to HHIE.
- HHIE will reimburse MP for actual allowable expenses under this Grant for technical assistance services up to the amount available in the "ONC bank" on a monthly basis. HHIE and MP recognize that there may be insufficient funds in the "ONC bank" for any given month of MP expenses under this Grant. Payment under this Grant will be made up to the full amount available in the "ONC bank".

Provider Fees

- **Each PPCP will be charged a cost sharing fee not to exceed \$500, for consulting services.**
- These matching fees will be accrued in the “HHIE bank account” and passed through to MP as part of the monthly reimbursement for actual allowable expenses incurred under this Grant.
- The cost sharing fee of \$500 assumes that HHIE will leverage the relationship and cooperation of other partners who are also working with providers/practitioners to implement EHRs and achieve Meaningful Use. This leverage assumes that up to 300 PPCPs will belong to organizations that are providing access to an EMR and assistance with implementation and “Go Live” status.

REC Provider Contract

- Each PPCP will be charged a cost sharing fee not to exceed \$500, for consulting services.
- Practice understands that achievement of MU is dependent on many factors including:
 - EHR software selected
 - performance of EHR software vendor
 - the commitment and performance of the practice's physicians and staff
 - performance of HPREC.
- Practice agrees that execution of this agreement does not imply or guarantee that the Practice will achieve Meaningful Use.

Non-ONC-subsidized Services

- That as long as this contract is enforced, HHIE and Mountain-Pacific will not pursue additional lines of business that meet the mission of the REC.

Pauhana