

June 1, 2010

## HITECH Revisited Media Advisory

### For Immediate Release

#### Contact:

Lawrence Martinez (Manatt) (310) 231-5443/lmartinez@manatt.com

Spencer A. Sherman (California HealthCare Foundation) 510.587.3111/ ssherman@chcf.org

### **Manatt Health Solutions Releases “HITECH Revisited” *First Comprehensive Review of the HITECH Act’s Implementation***

Manatt Health Solutions today released a comprehensive review of the Health Information Technology for Economic and Clinical Health (HITECH) Act’s implementation to date. HITECH was a key component of the American Recovery and Reinvestment Act of 2009, designed to improve the quality, efficiency, and coordination of health care through financial incentives for providers to adopt and meaningfully use electronic health records (EHRs).

The report, informed by interviews with 24 leading health IT experts, provides a candid assessment of the progress made to date, the challenges that lie ahead, and what specific actions Congress and the Administration should take to achieve HITECH’s ambitious goal of jump-starting the adoption of health IT.

The report suggests that HITECH is a major step forward, and expresses optimism that its investments can lead to measurable improvements in the health care system, especially when complemented by the types of payment reforms included in recently-enacted health care reform legislation (the “Affordable Care Act”). The report also suggests that course corrections are needed in some areas to assure that the transformative potential of health IT envisioned in HITECH is fully realized.

Key findings include:

1. Eligible health care providers, especially small and rural practices and certain community health centers, may have difficulty meeting the proposed meaningful use criteria, which may result in EHR adoption rates that are less than anticipated and/or hoped for.
2. The development of meaningful use criteria in three stages, only the first of which has been released, means health care providers do not know what requirements they will have to meet in future years, which may negatively impact their ability to choose the most appropriate health IT strategy or product.
3. The proposed approach to advancing interoperability between various IT systems and providers is unlikely to yield quality improvement and cost efficiency gains.
4. Stronger policies to encourage clinical practices that are consistent with evidence-based treatment guidelines are necessary to ensure improvements in patient health outcomes.

June 1, 2010

5. It is important to allow states to use meaningful use as a policy lever by which to drive improvements in the care provided under their Medicaid programs. State-specific meaningful use objectives (that must be approved by CMS) should apply to all eligible hospitals and professionals receiving Medicaid EHR incentive payments, provided such objectives advance Medicaid interoperability and quality improvement goals.
6. To enable truly coordinated care across all care settings, new legislation is needed to make currently excluded health care providers (e.g. long term care and behavioral health providers) eligible for the Medicare and Medicaid EHR incentive programs or to authorize separate funding to support EHR adoption and ongoing use by such providers.
7. Regional Extension Centers may face sustainability and operational challenges. Where sustainability and/or operational challenges exist, alternative approaches should be developed to ensure the provision of EHR adoption and implementation support services on an ongoing basis.
8. HITECH is a necessary but not sufficient step to achieve greater quality and efficiency in health care. Building on the recently-passed Affordable Care Act, additional policies should be developed, targeted especially toward Medicaid and the commercial health insurance markets, that encourage physicians and hospitals to organize into systems of care that deliver high performance through the use of health IT.

The full report is available [here](#). It was supported by grants from the California HealthCare Foundation, the Colorado Health Foundation and the United Hospital Fund.

**WHAT:** Release of new report, "HITECH Revisited."

**WHEN:** Tuesday, June 1, 2010.

**WHY:** With a critical mass of federal funding awarded and on-the-ground implementation underway, now is an appropriate time to pause briefly, take stock, and evaluate the direction in which HITECH is headed. Specifically, now is the time to ask:

- Are the policies and programs being implemented likely to result in a health care system that is appropriately networked, interoperable, and focused on coordination of care, as has been so thoughtfully articulated by National Coordinator Dr. David Blumenthal?
- Are the financial incentives, infrastructure-building activities, workforce training, and EHR adoption support efforts that are underway designed to encourage and produce significant levels of provider EHR adoption?
- Will the policies being implemented improve clinical decision-making at the point of care?

**WHO:** Manatt Health Solutions, a division of Manatt, Phelps & Phillips, LLP funded by the California HealthCare Foundation, the Colorado Health Foundation, and the United Hospital Fund.