## **Electronic Health Record Incentive Payments**

FY2012 Request: Reference No:

\$36,518,800 51853

AP/AL: Appropriation

Project Type: Information Technology /

Systems / Communication

Category: Health/Human Services

**Location:** Statewide House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40) Contact: Arnold Liebelt

## **Brief Summary and Statement of Need:**

This amendment is a new request for the Electronic Health Record (EHR) Incentive Program which provides financial support to providers to adopt, implement, or upgrade certified EHR technology. The incentive payments are not a reimbursement. Providers must meet the Meaningful Use requirement and serve an appropriate amount of Medicaid recipients.

Funding:	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	Total
Fed Rcpts	\$36,518,800						\$36,518,800
Total:	\$36,518,800	\$0	\$0	\$0	\$0	\$0	\$36,518,800
					_		
☐ State Match Required ☐ One-Time Project ☑ Phased - new					☐ Phased - underway ☐ On-Going		
0% = Minimum State Match % Required ☐ Amendment				lment	☐ Mental Health E	3ill	
Operating & Maintenance Costs:					Amoui	<u>nt</u> <u>Staff</u>	
Project Development:						0	0
Ongoing Operating:				perating:		0	0
	One-Time Startup:					0	
Totals:						0	0

# **Additional Information / Prior Funding History:**

This is the first year request.

### **Project Description/Justification:**

The State of Alaska has elected to participate in the Electronic Health Record Provider Incentive Payment Program available through the Center for Medicare and Medicaid Services (CMS) under provisions of the American Recovery and Reinvestment Act (ARRA). Incentive payments are available to eligible providers and hospitals that meet certain requirements and that participate in Medicare and Medicaid programs to develop certified Electronic Health Record (EHR) technology.

The Department is currently involved with the implementation of an EHR system authorized by the Legislature in the FY2010 budget with final funding approval by CMS in December 2010.

This request will cover the first two years of provider and hospital incentive payments. During the first two years, the State anticipates provider incentive payments will be made to 500 Eligible Providers (EP) and 8 Eligible Hospitals (EH). The Overall cost for the EHR Incentive Payments is anticipated to be \$110,654,800. The State anticipates enrolling an additional 1,063 EPs and 14 EHs between FY2014 and FY2017.

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These estimates are based on the number of eligible providers and hospitals in Alaska and the timeline in which they will be ready to request the incentive payments.

Goals for the national program include: 1) enhance care coordination and patient safety; 2) reduce paperwork and improve efficiencies; 3) facilitate electronic information sharing across providers, payers, and state lines; and 4) enable data sharing using state Health Information Exchange (HIE) and Nationwide Health Information Network (NHIN). Achieving these goals will improve health outcomes, facilitate access, simplify care, and mitigate the rising costs of healthcare nationwide.

Mission Statement:

To promote and protect the health and well-being of Alaskans

End Result:

Alaskans have access to health care.