

The EHR Incentive Program: Consider Waiting for Next Year

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It may get easier and cheaper to earn the incentive.

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We're more than halfway through 2011 and just a few months from the last effective date a physician could begin meaningful use of certified electronic health record (EHR) technology and still qualify for a Medicare EHR incentive payment in 2011,

- CMS announced on May 19 that more than 300 physicians, hospitals and other eligible EHR users qualified for the first stage of the Medicare EHR incentive program and received payments totaling about \$75 million.

- As of mid-June, 17 states had launched their Medicaid EHR incentive programs, with 11 of them already making payments totaling \$114.4 million to qualifying physicians and hospitals.

These are paltry numbers compared with the 600,000 or so physicians who could qualify for incentives and the \$19 billion that Congress has allocated for them. Although no one at the Office of the National Coordinator (ONC) will comment on what their expectations were

If you begin with 90 days of meaningful use next year, you can still qualify for the full incentive amount.

given that 90 consecutive days of meaningful use are required to qualify. The handy timer provided by the AAFP Center for Health IT (<http://bit.ly/EHRtimer>) tells me I have 89 days, 4 hours and 5 minutes as I write this. If you don't have a certified EHR yet, that's not much time.

So where do we stand?

- More than 56,000 providers had registered for the Medicare or Medicaid EHR incentive programs through May 2011. That was the figure given by officials from the Centers for Medicare & Medicaid Services (CMS) during a health data management web seminar on June 21.

for physician participation in the first year, the numbers from 2011 are bound to disappoint. This money, after all, was part of the economic stimulus meant to be spent to create jobs, which it has done only at the margins.

Here's another number – one that can help us understand at least in part why participation in the EHR incentive programs is so low: As I write this, I count 412 outpatient EHRs on the Center for Health IT's list of

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products that have received modular or complete certification from the ONC (<http://bit.ly/EHRCertList>; AAFP members only). Four hundred twelve! That's about one newly certified EHR product for each doctor who has qualified for the incentives so far – and all of these products were certified in about a year. It's roughly 10 times the number of EHRs that the Certification Commission for Health Information Technology (CCHIT) certified between 2005 and 2009. That's a lot of EHR products.

Meanwhile, a relatively small number of legacy vendors account for 75 percent or more of the EHRs used at present and the great majority of meaningful-use-related new sales. They include EPIC, Allscripts, eClinicalWorks, PracticePartner, eMDs, athenaClinicals and Sage.

So this isn't quite a balanced market for EHR technology yet, is it? On the one hand, we have a small number of legacy client-server applications that are reportedly charging high prices to their customers to upgrade to the level of Meaningful Use Stage 1 and are apparently often unable to guarantee that they'll be able to deliver and install the software upgrades due to the high demand. And on the other hand, we have several hundred EHRs, most of them newly certified, most of which relatively

few people have heard of and most used by only a handful of doctors.

Prudent physicians and health care organizations across the country are sitting out meaningful use for 2011. Here's why:

- Next year at this time, some of those newer EHRs may have proven themselves to be reliable and affordable, designed to meet meaningful use criteria, perhaps with platforms in the cloud; some will even run on the iPad.
- Next year at this time, the legacy vendors' prices for upgrades will probably have decreased as their demand tapers off in the face of new competition for price, features and ease of use.
- If you begin with 90 days of meaningful use next year, you can still qualify for the full incentive amount.
- And by next year, if the stars align, the ONC and CMS will have taken to heart the recommendations from many, including the AAFP, to simplify, streamline and stretch out the timeline for the processes involved with applying for, attaining and getting paid for the "meaningful use of certified EHR technology." 

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