

Health Information Compliance Alert

ELECTRONIC HEALTH RECORDS: CMS Begins to Distribute Millions Earmarked for EHRs

Get your electronic health record in place so you can benefit from government bonuses.

Last month, **HHS Secretary Kathleen Sebelius** announced that the government would appropriate over a billion dollars in grants to help healthcare providers implement electronic health records (EHRs), and it didn't take long for the first awards to be distributed.

On Sept. 29, HHS announced that it had awarded \$27.8 million to health center-controlled networks and large health centers to implement EHRs and other health information technology initiatives.

The goal of the funding is to improve productivity, accuracy, and quality via the use of EHRs.

"These funds to expand and upgrade electronic health records systems will make a huge difference for health centers struggling to provide health care to the growing number of people in need," said **Mary Wakefield, PhD, RN**, administrator of HHS's Health Resources and Service Administration, in a Sept. 29 statement.

The government granted over \$22 million to 18 entities in support of their EHR implementation, while another \$2.6 million went to four grantees who are implementing separate health information technology initiatives, such as creating health information exchanges between providers, the press release noted.

"This program supports the department's overall efforts to assist physicians and hospitals in adopting and becoming meaningful users of health information technology," said **David Blumenthal, MD**, CMS's national coordinator for health information, in a Sept. 29 statement. Government officials plan to define the term "meaningful use" before the end of the year, Blumenthal said during an August CMS call.

Get Your EHR in place

The government will offer annual bonuses for five years to physicians who participate in the federal healthcare programs (such as Medicare) that use meaningful electronic health records (EHRs). Over the five year period, this amount could total \$44,000.

Here's how: If the government determines your first bonus year as being in 2011 or 2012, your first payment will be \$18,000. The second year, you'd collect \$12,000, followed by smaller amounts each of the remaining three years. If you don't adopt EHRs by 2014, you'll face financial penalties.