

## Health Information Compliance Alert

### Industry News: HHS Secretary Lauds Electronic Health Records Project

Selected groups to get cash rewards up to \$290,000.

Mike Leavitt, HHS secretary, applauded more than 30 communities for registering for the new demonstration project that will improve efficiency in healthcare, reports a press release from the **Department of Health and Human Services**. The project aims to provide incentive payments to primary care physician practices that use certified electronic health records (EHR) to improve the quality of patient care.

"This is an outstanding response from communities and, in some cases, entire states. It shows the great appetite for programs that offer incentives to physicians who efficiently use EHRs to improve the quality of care they provide to their patients," Secretary Leavitt said. "I congratulate the applicants for their energy and vision in seizing this opportunity to help transform the way health care is delivered in our nation."

The project aims to reduce the medical errors and improve the quality of care for an estimated 3.6 million Americans. The performance of the small and medium physician practices would be measured against specific clinical measures over a five-year period.

Out of these, 1200 physician practices in 12 communities that use certified EHRs to improve quality would be provided financial incentives and bonus payments would be awarded after the **Centers for Medicare & Medicaid Services** has assessed the number of EHR functionalities a physician group has incorporated into its practice. Under the demonstration, total payments for all five years may be up to \$58,000 per physician or \$290,000 per practice.

"By implementing this demonstration in a dozen health markets across the country, we'll help move this nation toward a system that delivers better quality health care at lower cost for more Americans," Acting CMS Administrator Kerry Weems said. "I commend the communities that have applied for the project ♦♦" their efforts signify a step toward greater understanding of their local health care information technology needs and capabilities."

The 12 EHR community partners will be announced in June. CMS then will begin working with community partners to recruit small- and medium-sized primary care physician practices to take part in the demonstration.