Health Information Technology: Extended Care
Federal Incentives to Promote Electronic Health Records

WHAT INCENTIVES EXIST FOR ELECTRONIC HEALTH RECORD ADOPTION?
The Patient Protection and Affordable Care Act of 2010 launched a four-year certified electronic health record (EHR) grant program for long-term care facilities. The program designates $67.5 million in order to offset the costs of any new computer infrastructure including hardware and software, upgrading current systems, and staff training. Long-term care facilities are able to begin participating in the grant program in October 2010. Although government funding is not as robust as in the acute and physician markets, long-term care centers have substantial opportunity to upgrade health information technology (HIT) services with financial incentives.

HOW CAN EXTENDED CARE FACILITIES QUALIFY FOR EHR INCENTIVES?
A long-term care facility must apply to the U.S. Department of Health & Human Services (HHS) to qualify for EHR incentives, and use the funding for 1) purchasing, leasing, and installing computer software and hardware, 2) making software improvements that include enabling electronic prescribing, and 3) training long-term care staff on electronic software to streamline medical data exchange.

HHS Grants Available for Long-term Care Facilities, by Fiscal Year ($ Millions)


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WHAT ARE THE REQUIRED FUNCTIONS OF AN EHR LONG-TERM CARE SYSTEM?
HIT programs within long-term care facilities must perform multiple functions to maximize utility and be eligible for federal incentive payments. Software programs alone are generally expected to be able to perform the following functions:

- Financial and administrative support
- Staff functionality
- Clinical information support
- Clinical data repository
- Electronic document management system
- Portals to other systems
- Database assistance
- Telehealth, EHR and health information exchange (HIE) services

WILL GOVERNMENT HEALTH IT PROGRAMS RECOGNIZE HOME MONITORING TECHNOLOGY?
The new healthcare law allows states participating in the “Community First Choice Option” for home and community-based attendant care services to utilize some home care technologies. Further clarity is expected from HHS on the technologies that will qualify. Current legislative language prohibits reimbursement for “assistive technology devices and services,” but permits payments for remote patient monitoring, telehealth, and “beepers and other electronic devices.”

WHAT IS AHEAD FOR HEALTH IT IN LONG-TERM CARE?
With over $20 billion in federal payment incentives directed to physicians and hospitals, long-term care facilities should benefit from adoption of HIT programs. Additionally, provider collaboration initiatives such as accountable care organizations (ACOs) will increasingly encourage “connectivity” to serve patients’ continuum of care. Long-term care facilities should anticipate and prepare for HIT adoption, but government agencies must provide significant regulatory and financial support – similar to the Medicare and Medicaid programs for physicians and hospitals.