

HHS Fact Sheet

U.S. Department of Health and Human Services



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Electronic Health Records Advancing 21st Century Medicine

At the direction of HHS Secretary Mike Leavitt, the Centers for Medicare & Medicaid Services (CMS) is implementing a five-year demonstration project that will encourage small to medium-sized physician practices to adopt and use electronic health records (EHR) to improve the quality of patient care. The goal is to revolutionize the way health care data is managed, producing better health outcomes and greater patient satisfaction. This project is a major step toward the President's goal of most Americans having access to a secure, interoperable EHR by 2014.

Demonstration Project Design

The demonstration is designed to show that widespread adoption and use of EHRs will reduce medical errors and improve the quality of care for an estimated 3.6 million consumers. Over a five-year period, the project will provide financial incentives to as many as 1,200 small and medium-sized primary-care physician practices that use certified EHRs to improve quality as measured by their performance on specific clinical quality measures. Bonus payments will be available each year, and will be based on a standardized survey measuring the number of EHR functionalities a physician group has incorporated into their practice. To further amplify the effect of this demonstration project, CMS is encouraging private and public payers to offer similar financial incentives consistent with applicable law.

Participating practices will be required to use electronic records to perform specific functions, such as clinical documentation and ordering prescriptions, which have great potential for improved patient outcomes. In order for the physician practice to remain eligible for the demonstration, the EHR must be in place by the end of the second year and must also be certified by a group officially recognized by the Secretary, such as the Certification Commission for Healthcare Information Technology (CCHIT). While the core incentive payments to practices will be based on performance on the quality measures, the bonus will be based on how well integrated the certified EHR is in managing patient care.

Application Process

Secretary Leavitt and other senior HHS officials are meeting directly with patients, providers, health plans, and local and business leaders across America to discuss this new demonstration project and to encourage communities to apply.

HHS will soon open an application period for communities interested in becoming one of the pilot program's 12 sites. The Secretary hopes to engage entire communities in identifying primary-care physician practices to participate in the demonstration and to support the efforts of these physician practices. CMS will focus on locations where the demonstration may enhance existing or planned private sector projects related to health information technology and quality reporting initiatives. Eligible communities will include those that:

- Can demonstrate active community stakeholder collaboration as well as private sector support;
- Are geographically large enough to have a sufficient number of primary-care physician practices; and
- Are not already participating in a CMS demonstration that conflicts with the EHR project.

CMS expects that the demonstration will start with four communities in 2008, with the remainder beginning in 2009.

(more)

Background on Electronic Health Records

An electronic health record is a computerized patient medical file. It can contain a variety of medical information including prescription records, test results, treatment histories, progress reports and X-rays.

Benefits for patients and physicians from broad adoption of electronic health records include:

- Fewer adverse drug events, medical errors, and redundant tests and procedures result because EHRs can ensure doctors have access to an accurate and complete health history;
- Faster diagnoses and treatment of serious illnesses with comprehensive information available at the touch of a screen.
- More preventative care and services, such as health screenings, which can help reduce health care costs;
- Better communication between patients and providers, giving patients enhanced access to timely information; and
- Shorter wait times for patients and lower operating costs for providers through improved office efficiency.

To learn more about the new EHR demonstration project, visit:

http://www.cms.hhs.gov/DemoProjectsEvalRpts/downloads/2008_Electronic_Health_Records_Demonstration.pdf

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