

HIT or Miss

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As we are all aware, the recently established American Recovery and Reinvestment Act of 2009 (the \$789.5 billion [\$463 billion in spending and \$326 billion in personal and business tax provisions] stimulus package) is one of the most ambitious undertakings in our nation's history. It is important that physicians familiarize themselves with its provisions, as it does contain some policies relevant to our practices.¹

The act provides for approximately \$19 billion for the development of a health information technology (HIT) infrastructure, as well as Medicare and Medicaid incentives to encourage doctors, hospitals, and other providers to use HIT to electronically exchange patients' health information.¹ It has been theorized that HIT could save the government more than \$12 billion through decreased expenditures on Medicare, Medicaid, and other programs. This program also could reduce spending through improvements in quality of care, care coordination, and reductions in medical errors and duplicative care.¹ While much of this plan sounds good on paper, the major question to ask here is, who will make the ultimate decisions regarding healthcare spending: the physician or a government agency? Much of these details remain to be elucidated.

Physicians will receive economic incentives for participating in the program.¹ Physicians who are defined as meaningful users of an electronic health record (EHR) system will be eligible to receive up to 5 years of incentive payments (until 2015) based on their Medicare Part B fees. Physicians are eligible to

receive 75% of their Medicare Part B fees up to the following yearly caps: payment year 1, \$15,000 (or if the first payment year is 2011 or 2012, \$18,000); payment year 2, \$12,000; payment year 3, \$8000; payment year 4, \$4000; payment year 5, \$2000; any succeeding year, \$0.¹

There is, however, a flip side to the incentive program. If a physician is not considered a meaningful EHR user in 2015, he/she will not be eligible for any incentive payment and will be subject to penalties. For these physicians, Medicare reimbursements will be decreased based upon the following penalty schedule: 2015, -1%; 2016, -2%; 2017, -3% (for 2017 and any subsequent years).¹

On a case-by-case basis, certain physicians may be exempted from penalties if it is determined that the adoption and use of EHR would result in significant hardship. The exemption may not be granted for more than 5 years.¹ An example of someone who might be exempted is a solo practitioner at the end of his/her career.

The HIT proposal is certainly intriguing. It will allow the streamlining of medical information and may help to reduce medical errors. The economic incentive is appealing, but some of this gain will be negated by the costs of setup and maintenance of the technology. However, we need to be wary of who will be privy to the mass of the collected data and for what purposes these data might be used. We should continue to strive for a system in which the ultimate decisions for medical care are made by the physician and the patient, and no one else.

REFERENCE

1. American Academy of Dermatology/Association. Summary of the American Recovery and Reinvestment Act. <http://www.aad.org/documents/STIMULUSSUMMARYFINAL.doc>. Published February 2009. Accessed March 1, 2009.

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