

FACT SHEET

Health Information Technology for Economic and Clinical Health (HITECH)

Background

In February 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA), with the purpose of providing a stimulus package to create new jobs and jumpstart the US economy. The ARRA was intended to invest \$850 billion into infrastructure, education, health, and renewable energy sectors. The healthcare section of the ARRA included the enactment of the Health Information Technology for Economic and Clinical Health Act (HITECH) with expected spending of \$25.9 billion¹.

What is HITECH?

HITECH was enacted to promote the adoption and meaningful use of interoperable health IT nationwide, with a special focus on electronic health records (EHRs). This large investment in health IT was intended to increase the quality of and access to healthcare and moderate its cost growth. The areas of health IT focus include EHRs, telemedicine, and mobile health. HITECH was designed to pursue the following three goals:

- 1. **Create Jobs:** Healthcare organizations need a skilled workforce to integrate both the technical and clinical environment. In 2012, the Bureau of Labor Statistics reports an estimated 50,000 health IT-related jobs created since HITECH².
- 2. Address the current challenges in the US healthcare system: HITECH pushes for the adoption of health IT to support payment and delivery systems reforms. Health IT can reduce health care spending by streamlining administrative costs and reducing unnecessary test duplications. Among other advantages, health IT can provide real-time health information to patients and providers in real-time through EHRs to encourage patient engagement and improve care coordination among providers.
- 3. **Spur technological advances in science and health:** Investing in the adoption and use of EHRs and health information exchanges (HIEs) provides new data sources (including very large data sets commonly referred to as 'Big Data') and analytics to improve patient care and enhance research. This goal positions the US for long-term leadership in science and health technology.

Developments from HITECH

HITECH codified the Office of the National Coordinator of Health IT (ONC) as the principal federal entity charged with coordinating the nationwide effort to implement health IT and the electronic exchange of health information. With HITECH's funding, the several programs were established to accelerate the nationwide adoption of health IT:

EHR Incentive Program (Meaningful Use): Meaningful Use is the set of requirements defined by the Centers for Medicare & Medicaid Services (CMS) that governs the use of electronic health records and allows eligible providers and hospitals to earn incentive payments for using certified electronic health records. Eligible providers and hospitals must meet specific criteria in a multi-stage model, including the following three stages:

• <u>Stage 1:</u> From the beginning of 2011, eligible hospitals and professional must adopt certified EHR technology (CEHRT) and report on clinical quality measures, among other objectives.

- <u>Stage 2:</u> Set to begin in 2014, the objectives focus on enabling health information exchange (HIE) and advancing clinical processes of EHRs.
- <u>Stage 3:</u> Starting in 2016 (but likely delayed until 2017 given anticipated regulatory schedule), stage 3 is expected to focus on improving health outcomes and population health management. Decisions on objectives and timing, including Proposed and Final Regulations are currently being deliberated.

ONC HIT Certification Program: The HITECH Act charged ONC with selecting the standards and certification criteria for EHRs. The program provides a defined process to ensure that EHR technologies meet the standards and certification criteria to help providers and hospitals achieve Meaningful Use objectives. Once the product is certified, the ONC posts the approved products to the Certified Health IT Product list (CHPL).

Regional Extension Centers (RECs): RECs provide education, EHR support, and technical assistance in implementing health IT and using it in a meaningful way for individual and small practices lacking the resources to keep up with the changing environment. The ONC funds 62 RECs with a budget of \$677 million to support their work.

Federal Advisory Committees: The Federal Advisory Committee Act (FACA) under the ARRA, provided for the creation of two committees to provide multi-stakeholder recommendations to the ONC regarding the development and adoption of nationwide health IT infrastructure. The two committees are:

- <u>Health IT Policy Committee (HITPC)</u>: Appointed members collaborate to make recommendations to ONC on a policy framework for health IT. The HITPC itself is composed of many workgroups, including meaningful use, information exchange, privacy & security, quality measures, and others.
- <u>Health IT Standards Committee (HITSC)</u>: Appointed members collaborate to make recommendations on standards, implementation specifications, and certification criteria for the electronic exchange of health information. HITSC is also composed of many workgroups, including Clinical Operations, Implementation, and Nationwide Health Information Network (NwHIN) power team, and others.

Beacon Community Program: The program consists of 17 selected communities, spanning the nation charged with demonstrating how health IT investments and the meaningful use of EHRs can provide higher quality and efficiency in the delivery of health care. The ONC provided \$250 million spread among the 17 communities to strengthen their health IT infrastructure and provide a series of measureable outcomes and lessons learned for the nation to look at for evidence-based health IT implementation.

State Health Information Exchange (State HIE): In March 2010, ONC funded states' efforts to rapidly build capacity for exchanging health information across the health care system both within and across states.

How Can I Learn More?

The eHealth Initiative (eHI) provides up-to-date news on HITECH program developments in our weekly newsletter as well as summaries and blog posts for HITPC and HITSC meetings. For more information on HITECH programs and other eHealth topics, check out the eHI Resource Center on our website at <u>www.ehidc.org</u>.

¹ "Where your money is going: Health IT." Health and Human Services (HHS) <<u>http://goo.gl/JMPF4K</u>>

² (April 2012) Fact Sheets: "A Record of Progress on Health Information Technology." Centers for Medicare and Medicaid Services (CMS). <<u>http://goo.gl/HFWCGg</u>>