

# The Stimulus Package and Healthcare IT

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# Topics

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- The facts
- The unknowns
- Some opinions
- Discussion



# The Facts

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- Total stimulus package: \$787B
- Healthcare is 27% of total spending: \$159B
  - Medicaid - \$90B
  - Cobra - \$30B
  - NIH - \$10B
  - Other - \$10B (includes comparative effectiveness)
  - Healthcare IT - \$19B



# Healthcare IT

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- \$36B in incentives for “meaningful use” of certified EHRs (net \$17B after penalties)
- \$19B in penalties
- \$2B for ONC – codifies ONC
- HIT policy and standards committees
- Initial set of interoperability standards by 12/31/09
- NIST for standards testing/certification
- Extends HIPAA



# Incentives and Penalties

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- Hospitals for inpatient EHRs – most of \$
- Physicians for ambulatory EHRs
  - Medicare: 2011 – 2015 up to \$44k total +/-
  - Or Medicaid: up to \$64k total
- Penalties
  - 2015 – 1%
  - 2016 – 2%
  - 2017 – 3%
  - 2108 and beyond – up to 5% (if less than 75% total EHR adoption)



# The Unknowns

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- “Meaningful Use”
- Standards for Certification/Interoperability
- Roles of HITPC/HITSC (new), HITSP/CCHIT(old)
- How incentives will really work
- How to cover other MDs not eligible
- Dr. David Blumenthal
- New DHHS secretary



# Some Opinions

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- “Meaningful Use” won’t be meaningful
- John Glaser will make IT decisions
- Policy Committee better than AHIC (NeHC)
- Incentives too complicated
- Interoperability will take much longer
- Physician lobby will undermine penalties and meaningful use
- Privacy lobby will undermine everything
- Overall – it won’t work