While everyone is wishing that things would slow down and give us a break, we have more information to share with you. Heard a great definition of ONC today...“Office of No Christmas”. They always seem to release new rules for comment during the holidays. This year is no different!

**Stage 2 Changes:** CMS and ONC released an Interim Final Rules which include revisions to the Medicare and Medicaid EHR Incentive Programs and the 2014 Edition Electronic Health Record (EHR) Certification Criteria, respectively. The interim final rule takes effect Jan. 7, and public comments will be accepted through Feb. 5. The two biggest changes from CMS are improvements over the MU 2 Rules:

- An exemption for low volume eligible hospitals and critical access hospitals (CAHs) that have five or fewer inpatient discharges per quarter or 20 or fewer inpatient discharges per year in a given CQM denominator population. Exemption would be available beginning in 2013 regardless of what stage of MU.
- Inclusion of non-electronic lab orders received from ambulatory providers in the meaningful use measure denominator and allows the hospitals to choose the denominator to report.


**Stage 3 Comments:** You all probably know that ONC is floating their ideas for MU 3. Basics of comments focus on the challenge of the timeline and the need to evaluate the reality of stage 1. Bottom line - Stage 3 is premature.

- Stage 1 should be evaluated before more changes are required. Evaluation should include: 1) what can providers actually do, compared to what is required; 2) what can vendors actually build vs. what is needed and 3) what can CMS support given problems with Attestation and other infrastructure.
- HHS needs to focus on interoperability. This is critically important to systematic exchange.
- MU measures should be tested for validity between vendors. Are vendors all really counting the same way for each measure?

**Medicaid Update:** The deadline to receive Kansas Medicaid Incentive payments for 2012 is December 31, 2012. You must have all your data entered and submitted by close of business 12/31/12. HP can
resolve problems after that date, but it must be in the system! If you are attesting for your second payment, remember you need to re-qualify your volume. The payment itself does not get recalculated.

Remember, Kansas Medicaid incentives allow for 3 payments which do not have to be in consecutive years. Payment 1 is for AIU (EHR adoption); payments 2 and 3 are for achieving meaningful use. The second payment can be for 90 days of meaningful use, but the third must be for a full year of meaningful use.

We are currently working with KDHE to update the calculator to account for the new definitions of qualifying volume which now include all non-nursery Medicaid discharges and ER encounters whether they are paid or not (zero-pay). There are still discussions and clarification around the time frame for determining qualifying volume and whether hospitals can recalculate their incentive to either take advantage of growing volumes or keep from having to settle and pay back incentive money. At this point, even if recalculating would change your payment, the MAPIR system will not accept new cost report data until it is upgraded next summer. We are working on a process to allow recalculation earlier than that. As soon as these issues are resolved, we will make the new calculator available.

**FCC:** The FCC has created the Healthcare Connect Fund, the new program for broadband subsidies for hospitals. It allows urban and rural hospitals to develop collaborative approaches, allows for construction of new broadband networks and provides for a 65% subsidy. The program will replace the FCC’s current Rural Healthcare Program. It won't start till later in 2013. We'll keep you posted.

**KHIN:** Highlights and Latest News from the Kansas Health Information Network (KHIN) (More information is available at the [KHIN website](#))

- 19 health care organizations are “live” sharing data on over 140,000 patients and growing by about 20,000 patients per month. 237 members including 60 hospitals and 161 clinics in the queue.
- On November 28th, KHIN became the first HIO in the country to send de-identified patient data to the CDC for purposes of monitoring disease outbreaks, allowing providers to meet the Stage 2 MU requirement.
- KHIN is now sending immunization data to WebIZ to assist providers in meeting the MU2 requirement.
- Plans for 2013: to continue bringing more participants into “live data exchange”, to establish connectivity to all public health data sets, to connect to a Patient Portal all required in Stage 2 MU.
- KHIN has begun working with surrounding states to establish connectivity with their respective HIOs in order to share health information for patients who cross state lines.

**ONC Meeting:** Mary and I attended the ONC Annual Meeting last week with over 1100 stakeholders from regional extension centers, health information exchanges, beacon communities, and workforce training centers. The event was webcast and all public presentations can be viewed at [http://www.healthit.gov/oncmeeting/webcast/](http://www.healthit.gov/oncmeeting/webcast/). Probably the biggest take away was a presentation on Security.

Leon Rodriguez, Director of the Office of Civil Rights reviewed the top 20 HIT security issues and discussed recent OCR audits. He reported the two most common deficiencies found on audits are
security risk analysis and inadequate policies and procedures. He stressed the importance of completeness of the HIT security risk analysis including periodic reassessment.

Also at the meeting, ONC representatives announced a new set of online tools for mobile devices. The site www.HealthIT.gov/mobiledevices offers educational resources such as videos, easy-to-download fact sheets, and posters to promote best ways to safeguard patient health information. We encourage you to view and use the free materials as part of your privacy and security awareness training.

_Happy Holidays from the KHA HIT Team: Mary Matzke, Sally Perkins, Jennifer Findley, Dee Lewis and Melissa Hungerford._

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