**Surveys show significant proportions of hospitals and doctors already plan to adopt electronic health records and qualify for federal incentive payments**

Four-fifths of the nation’s hospitals, and 41 percent of office-based physicians, currently intend to take advantage of federal incentive payments for adoption and meaningful use of certified electronic health records (EHR) technology, according to survey data released today by the Office of the National Coordinator for Health Information Technology (ONC). The survey information was released as the registration period opened for the Medicare and Medicaid EHR Incentive Programs.

David Blumenthal, M.D., M.P.P., the National Coordinator for Health Information Technology, said the survey numbers represent a reversal of the low interest in EHR adoption in previous years. He credited leadership from the medical community and the federal government for the improved prospects for adoption and use of health information technology (health IT).

“For years we have known that electronic health records would improve care for patients and bring about greater cost effectiveness in our health sector, yet adoption rates by health care providers remained low,” Dr. Blumenthal said. “In 2009, Congress and the President authorized major new federal support for EHR adoption and use, and in combination with medical professional and hospital leadership. I believe we are seeing the tide turn toward widespread and accelerating adoption and use of health IT.”

The data released today comes from surveys commissioned by ONC and carried out in the course of regular annual surveillance by the American Hospital Association (AHA) and the National Center for Health Statistics (NCHS), an agency of HHS’ Centers for Disease Control and Prevention (CDC).

The AHA survey found that 81 percent of hospitals plan to achieve meaningful use of EHRs and take advantage of incentive payments. About two-thirds of hospitals (65 percent) responded that they will enroll during Stage 1 of the Incentive Programs, in 2011-2012.

The NCHS survey found that 41 percent of office-based physicians are currently planning to achieve meaningful use of certified EHR technology and take advantage of the incentive payments. Four-fifths of these, or about a third of all office-based physicians (32.4 percent), responded that they will enroll during Stage 1 of the programs. Only 14 percent of respondents said they were not planning to apply for meaningful use incentives.

Additional survey data from NCHS show that significantly increasing numbers of primary care physicians have already adopted a basic EHR, rising by 50 percent from 19.8 percent of primary care physicians in 2008 to 29.6 percent in 2010. Basic EHRs provide a beginning point for use of electronic health records in physician offices, but most physicians would need to further upgrade their EHR systems or their use of the systems in order to qualify for meaningful use incentive payments.

Incentive payments for the adoption and meaningful use of certified EHR technology were authorized in the Health Information Technology Economic and Clinical Health Act (HITECH) in 2009. Incentive payments will be made through the Medicare and Medicaid programs. High rates of adoption and meaningful use could result in as much as $27 billion in incentive payments over 10 years.

Non-hospital-based physicians and other eligible professionals can obtain incentive payments of as much as $44,000 under Medicare or $63,750 under Medicaid. Under both Medicare and Medicaid, eligible hospitals may receive millions of dollars for implementing and meaningfully using certified EHR technology.

Provider registration for the Medicare EHR Incentive Program and some Medicaid EHR Incentive Programs opened Jan. 3, 2011. Most states will allow provider registration to begin for their Medicaid EHR Incentive Programs during the spring and summer of 2010.

“We are pleased to see this evidence of an enthusiastic early response, and we believe participation will continue to grow, especially as the Nation’s physicians become more familiar with this one-time opportunity to improve care while helping to offset the costs of adopting EHR systems,” said Donald Berwick, M.D., Administrator of the Centers for Medicare & Medicaid Services (CMS).

To qualify for incentive payments, under the Medicare EHR Incentive Program, providers must achieve meaningful use of certified EHR technology, under regulations issued by CMS and ONC. Medicaid providers can receive their first year’s incentive payment for adopting, implementing, and upgrading certified EHR technology but must demonstrate meaningful use in subsequent years in order to qualify for additional payments.

Dr. Blumenthal said the meaningful use process has contributed to the increased willingness of providers to adopt EHR systems, especially because it guides providers through staged objectives for the productive use of EHRs, and because providers can now be assured that Complete EHRs and EHR Modules certified under ONC criteria by ONC-authorized testing and certification bodies can be relied upon to support the meaningful use objectives.

He also pointed to the technical support programs created under the HITECH Act and now operating under ONC, which offer support to providers as they switch from paper records to EHRs. In particular, 62 Regional Extension Centers (RECs) across the nation will offer customized, on-the-ground assistance, especially for smaller-practice primary care providers and for small hospitals and clinics.

“We know that adoption of EHRs and conversion to EHR-based care is expensive and challenging, especially for smaller providers,” Dr. Blumenthal said. “With HITECH, we are able to provide unprecedented funding and technical support programs to help providers make the transition and to help our nation achieve the improvements in health care quality, safety and cost effectiveness EHRs will bring about.”

Dr. Blumenthal also praised medical professional organizations and hospital leaders, who have encouraged members to act soon in taking advantage of HITECH support programs and adopting EHR systems.

http://www.hhs.gov/news/press/2011pres/01/20110113a.html