Medicare Incentives for Using EHRs: Insights from Site Visits to Small and Mid-Sized Physician Practices

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**FINDINGS**

- Many practices improved their EHR use in some way; the largest change in functional use was that 7 practices began or increased use of alerts and reminders.
- However, only 1 of 7 with no EHR in 2008 adopted one; 7 with EHRs made no changes in their low usage, and the other changes were generally modest.
- The smallest practices less often used EHRs for chronicity or lab registry use.
- Most practices have not responded yet to Meaningful Use incentives.

**CONCLUSION**

- Moving toward the effective use of EHRs means strengthening forces that encourage change and removing factors that discourage it.
- Stakeholders could improve EHR use in small to mid-size practices in several ways.
  - EHR vendors should make products easier to use, reduce their cost, and improve system interoperability.
  - Those whose mission is to encourage meaningful use of EHRs could:
    - Recognize that physicians in solo and very small practices need help shifting to EHRs.
    - Recognize IPAs and larger medical groups as intermediaries that affect EHR use in affiliated small practices.
    - Publicize testimonials from practices using EHRs effectively, to counteract negative stories about EHR use.

**METHODS**

- Summer/fall 2008 and spring 2010: In-person interviews with practitioners and staff from 29 participating practices across the four states.
- Visited practices were selected to provide variation in urban/rural location (72 percent urban), number of physicians (mean 5.7, with 26 percent solo), number of fee-for-service Medicare beneficiaries with chronic conditions (mean 449), and experience with EHRs (76 percent used an EHR). Three of the practices visited in 2008 withdrew from the demonstration and are not included in this analysis.
- Two-person research teams; semi-structured protocol; detailed notes used to code themes.

**PROGRAM FEATURES**

- CMS’s Medicare Care Management Performance Demonstration is a pay-for-performance demonstration
  - Participants: 640 primary care practices in 4 states (Arkansas, California, Massachusetts, and Utah).
  - Annual financial incentive: based on performance on 26 clinical measures, with an additional financial incentive if the data are submitted via a CCHIT-certified electronic health record (EHR). A practice can earn up to $192,500 over this 3-year demonstration.

- **OBJECTIVE**

To study how practices changed their use of health IT to take advantage of incentives to improve the quality of care for chronically ill FFS Medicare beneficiaries and/or for other reasons such as the anticipation of Medicare “meaningful use” incentives.

- **METHODOLOGY**

  - **Eight** practice-level interview questions to collect data on practices’ adoption of EHRs, nature of their use, and changes through EHR.
  - **Eleven** researcher-developed themes:
    - Incentives
    - Resource issues
    - Interoperability concerns
    - Chronic illness
    - Clinical notes
    - Alerts/reminders
    - EHRs along with care management
    - Data entry
    - Electronic prescribing
    - EHR Clinical Alerts & Reminders
    - EHR Patient Lists
  - **SMS**
  - **Testimonials**
  - **Academic**
  - **EHRs**

- **RESULTS**

- **91** of 92 site visit practices observed changes in EHR use and encouraging, discouraging, and enabling factors in 29 site visit practices.

- **Observed Changes in EHR Use and Encouraging, Discouraging, and Enabling Factors in 29 Site Visit Practices**

- **FINDINGS**

  - **Health IT Functions Now Used in Visited Small and Mid-Sized Practices (Percentage of 29 Site Visit Practices)**

  - **Changes**

  - **Factors discouraging change remain strong.**