

Medicaid Transformation Grant

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Department for Medicaid Services

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Cabinet for Health and Family Services



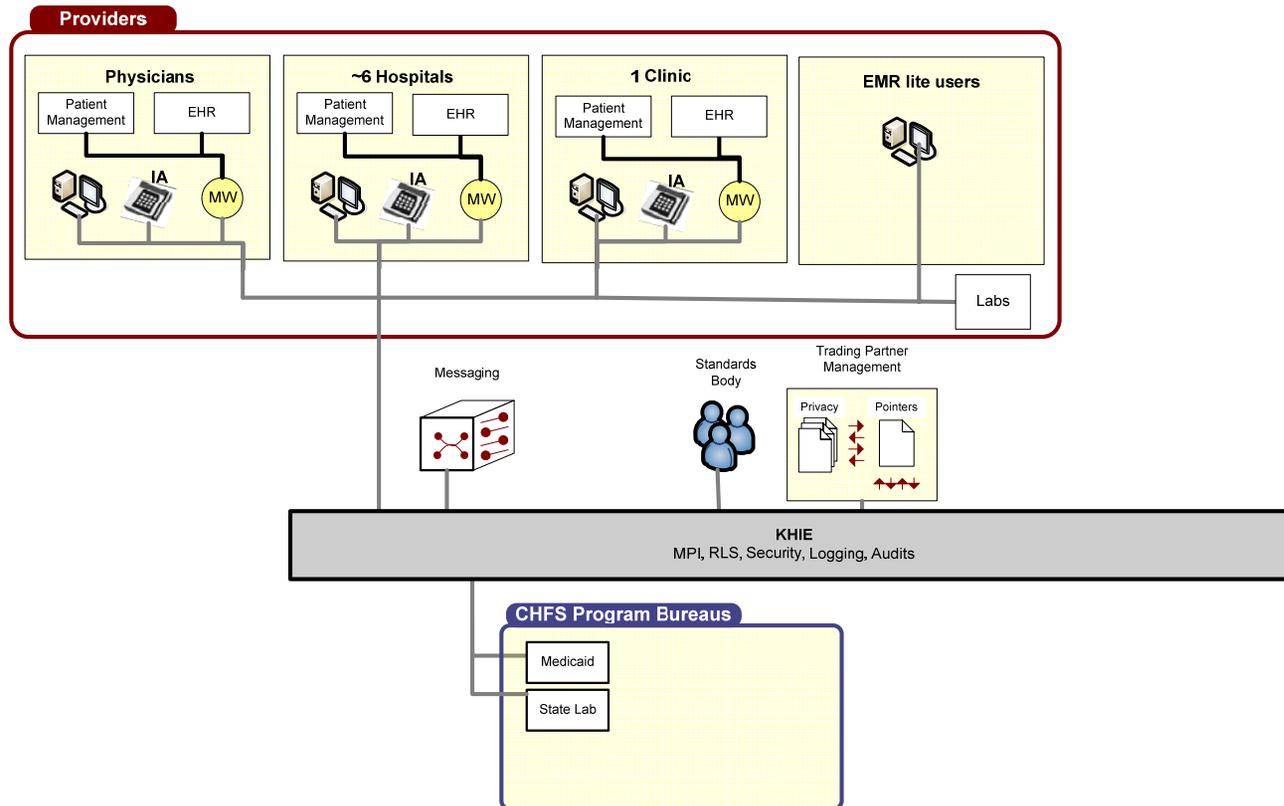
Scope of MTG

- Kentucky received \$4.9 M for the Medicaid transformation
- Contract awarded to ACS on 9/16/2009
- Realignment of MTG scope based on emerging national effort for health information exchange
- Development of foundational components necessary for a statewide health information exchange
- Projected implementation date 2nd qtr 2010

Foundational Components

- Master Patient index (eMPI) and Record Locator Service(RLS)
- Standards based, EMR agnostic interoperability approach
- Role based security
- Hybrid model allowing for Federated data stores
- Extensive logging
- ePrescribing
- Lab interfaces
- Clinical Decision support
- EMR light
- Personal Health Record

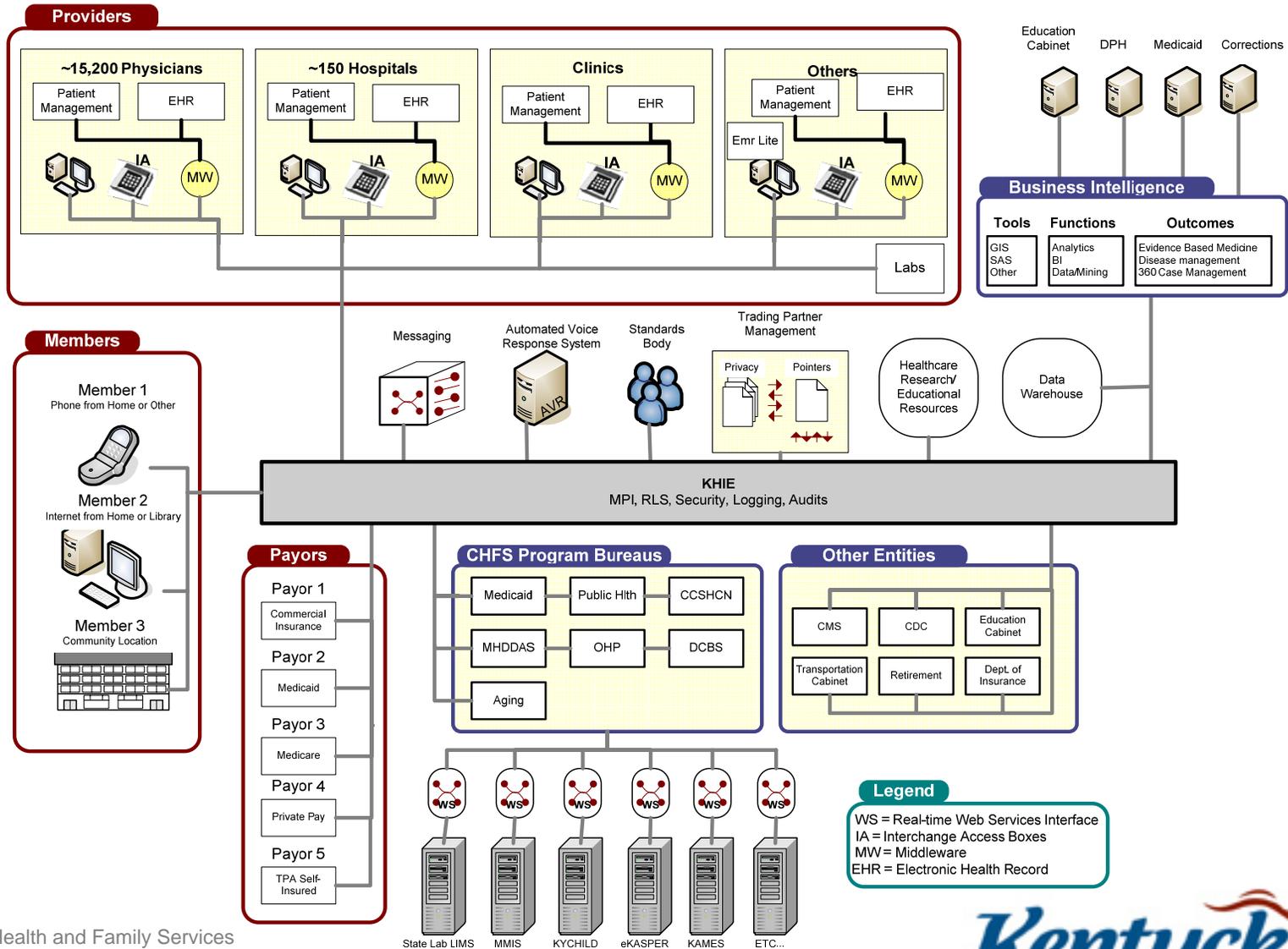
KHIE Phase 1 Development Funded by MTG



Legend

WS = Real-time Web Services Interface
 IA = Interchange Access Boxes
 MW = Middleware
 EHR = Electronic Health Record

KHIE Full Implementation



MTG Next steps

- Functional designs
- Connectivity meetings with hospitals and providers
- Interoperability forum
- Develop threshold requirements (companion guides) for EMR connectivity to KHIE

ARRA Medicaid Incentives

- Reimburse Medicaid professionals for 85% of net average allowable costs for certified EHR technology (and support services including maintenance and training)
- Maximum amounts are \$63,750 in federal contributions. Limits are 85% of \$25,000 for first year, to cover purchase and installation as well as support services, and 85% of \$10,000 for subsequent years, to cover support services
- Payments to eligible professionals may not begin after 2016 and cannot extend for more than 5 years; the Act does not specify when they begin but most assume 2011
- To be eligible for incentive payments, an eligible professional (physician, dentist, certified nurse-midwife, nurse practitioner, or physician assistant in a PA-led FQHC or RHC) must:
 - must not be hospital based;
 - Must have at least 30% of patient volume represented by Medicaid beneficiaries (or 20% in the case of pediatricians) OR Must practice in a FQHC or RHC and have at least 30 percent of patient volume attributable to needy individuals
 - Must waive rights to a Medicare incentive

Medicaid Incentives

- Payments for hospitals will be analogous to the Medicare formula and limit
- Payments may not begin after 2016 and cannot extend for more than 6 years
- To be eligible for incentive payments, a hospital must be:
 - A children's hospital; or
 - An acute care hospital with at least 10 percent Medicaid patient volume
- Federal match is provided at 100/0 for the incentive payments themselves, and 90/10 for administration
- States must show that they tracking meaningful use by Medicaid providers; conducting adequate oversight; and pursuing initiatives to encourage the adoption of certified E H R technology to promote healthcare quality and the exchange of healthcare information
- The certified technology must be compatible with state or Federal administrative management systems
- Must ensure Medicare/Medicaid are not duplicative; data matching required

ARRA – Medicaid Next steps

- As-Is HIT landscape for Medicaid
- To-Be landscape by 2014
- Strategic Roadmap
- Incentive payment tracking and oversight including metrics to support “meaningful use” criteria

Questions?

Kentucky
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