

## Frequently Asked Questions Electronic Health Records American Recovery and Reinvestment Act (ARRA)

### **Why is there such a focus on the adoption and meaningful use of electronic health records?**

The American Recovery and Reinvestment Act (ARRA) encourages the adoption and use of certified electronic health record technology by the states because it's believed that this will:

- Reduce medical errors
- Improve health care outcomes
- Ensure quality
- Reduce health care costs

Electronic health record technology is not an end in itself; it's the means to achieve the goals.

### **What Centers for Medicare and Medicaid Services (CMS) funding is available under ARRA?**

100% federal financial participation (FFP) incentive funds to providers:

- Eligible professionals – Up to a maximum of \$63,750 over a six year period – the payments are an incentive for the adoption and meaningful use of electronic health records (EHRs) (under Medicare the maximum is \$44,000 over a five year period)
  - Hospitals – amounts to be determined through a formula

90% FFP administrative funds to Medicaid state agencies for three purposes:

- To administer the incentive payments
- To conduct oversight of the incentive program including tracking meaningful use attestations and reporting mechanisms
- To pursue initiatives to encourage the adoption of EHR technology to promote healthcare quality and exchange data