

## **CHIME Survey Finds Healthcare CIOs Less Optimistic About Getting EHR Incentive Funding Early**

*CPOE top ongoing concern for IT executives*

### **Executive Summary**

Members of the College of Health Information Management Executives (CHIME) who responded to a November 2010 survey still are optimistic about their chances for achieving stimulus funding under the HITECH portion of the American Recovery and Reinvestment Act (ARRA), but more of them believe that qualifying for funding will take more time than originally expected.

Compared with the results of CHIME's first survey of members on their reactions to rules governing the meaningful use of electronic health records, a higher percentage of respondents reported that they expect to qualify between April 1, 2011, and September 30, 2012, which marks the end of Stage 1 of the incentive program. By contrast, the percentage of respondents who said they expect their organizations to qualify by April 1, 2011, dropped by nearly half.

Fifteen percent (29 respondents) of CHIME members who responded to the survey indicated that they expect to qualify for stimulus funding in the first six months of fiscal year 2011, which begins on October 1, 2010. An additional 74 percent (141 respondents), reported that they expect to qualify between April 1, 2011, and September 30, 2012, which marks the end of Stage 1 of the incentive program. Only 11 percent (20 respondents) believe they will not qualify for stimulus funds until fiscal years 2013 or 2014.

In particular, CIOs from community hospitals now appear to be less confident than they were only three months ago. The percentage of respondents from community hospitals who said they expect to accelerate plans to implement EHRs nearly doubled, while the percentage of community hospital CIOs who believe their organizations are well positioned to qualify for funding dropped by a third.

The vast majority of CIOs who responded to the survey – 82 percent – reported that they still have concerns related to achieving meaningful use. However, the nature of those concerns

has shifted dramatically from three months ago. Meeting objectives for the use of computerized provider order entry (CPOE) was the top issue for CIOs who reported concerns about achieving meaningful use, while concern is rising over capturing and submitting data to demonstrate compliance with quality measures. By contrast, CIOs reported fewer worries with certification of EHR systems than they did three months ago, as authorized testing and certification bodies rapidly began certifying complete EHR systems and modules beginning in early October.

Some 62 percent of all respondents said they expect challenges regarding the implementation of CPOE to meet meaningful use objectives. When asked about their biggest concern in implementing CPOE, more than half of CIOs said they are concerned about getting clinicians to enter orders into their CPOE system to meet thresholds stipulated by meaningful use objectives.

When asked generally whether they still have questions about the stimulus funding program, nearly 38 percent of respondents noted they were uncertain about aspects of the program. Respondents' questions primarily involve how the program will operate through state Medicaid programs, clarification of questions regarding objectives, specifics on funding, and concerns about how long funding will actually be available for the program.

### **Survey Methodology**

The most recent survey of CHIME members represents the second quarterly survey of the organization's membership to gauge their perceptions of progress in achieving meaningful use and to measure their views on whether they expect to achieve stimulus funding through the federal program.

CHIME's first survey, which was taken by members in August, came only a few weeks after the Centers for Medicare & Medicaid Services (CMS) released its final rule governing how hospitals and eligible professionals would be assessed for achieving meaningful use of EHRs under the HITECH provisions of ARRA.

CHIME's membership comprises more than 1,400 chief information officers and other senior healthcare IT executives from a variety of provider organizations, including large hospital systems, community hospitals, for-profit hospitals, and small or rural facilities. CHIME members typically oversee the information services department within their organizations and are leaders in implementing EHRs and other clinical systems. CHIME works to advance the role of CIOs and senior healthcare IT leaders through education, collaboration and advocacy in support of improved health and healthcare delivery.

Some 191 members, or about 13 percent of CHIME's membership, responded to the Internet-based survey, which was available from November 8 through 22. Of those, about 41 percent of respondents work for community hospitals; 28 percent are top IT executives at multi-

hospital systems; 13 percent are in top IT roles at academic medical centers; and 18 percent work at other types of healthcare organizations, including critical access hospitals, large group practices, hospital-group practice models or others.

Responses were fairly even across a wide range of bed size categories. The highest percentage of responses came from organizations with 600 beds or more (28 percent of all respondents). Other bed size categories and the percentage of respondents were: fewer than 199 beds (24 percent), 200 to 399 beds (27 percent), and 400 to 599 beds (21 percent).

## **Survey Results**

### **Organizations' Expectations for Receiving Payments**

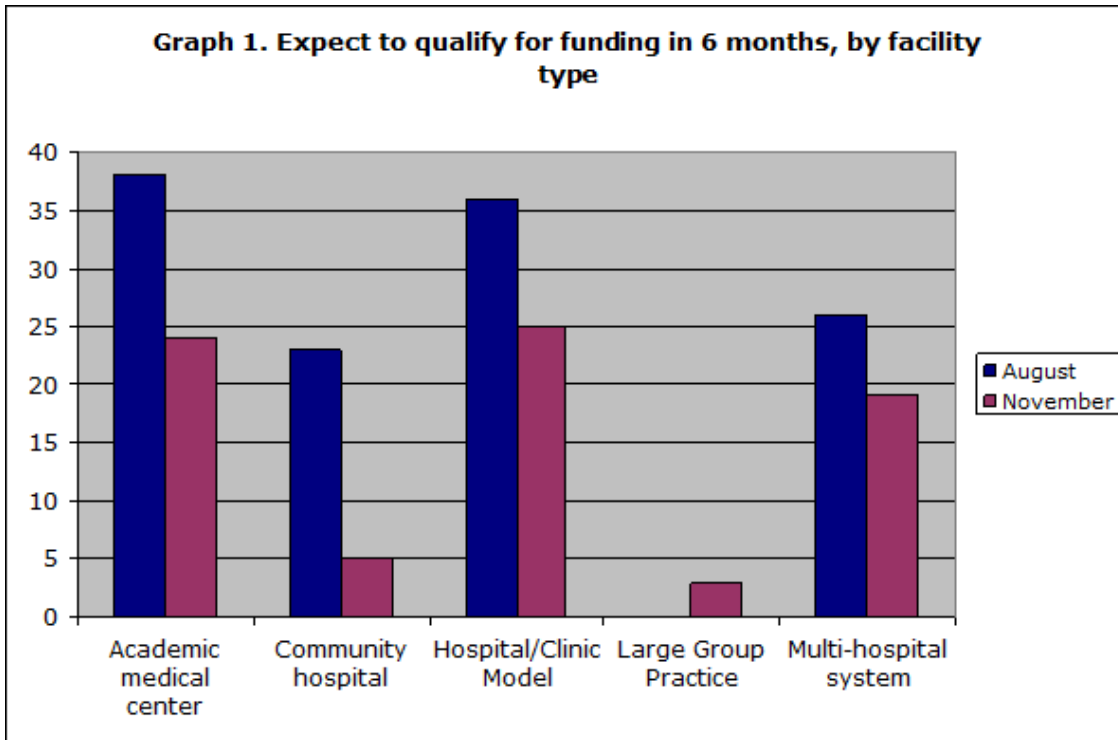
Respondents remained optimistic about their expectations that their organizations would qualify for stimulus funding, but some of the optimism for qualifying early for the additional payments, apparent in the first CHIME survey on meaningful use, has faded.

About 89 percent of CIO respondents predicted that their organizations would be able to qualify for stimulus funding during Stage 1 of the program, which extends until September 30, 2012. That percentage is identical to the percentage of respondents in the first CHIME survey who predicted their organizations would qualify for funding. However, the latest survey found that a smaller percentage of respondents believed their organization would qualify for funding within the first six months of the program.

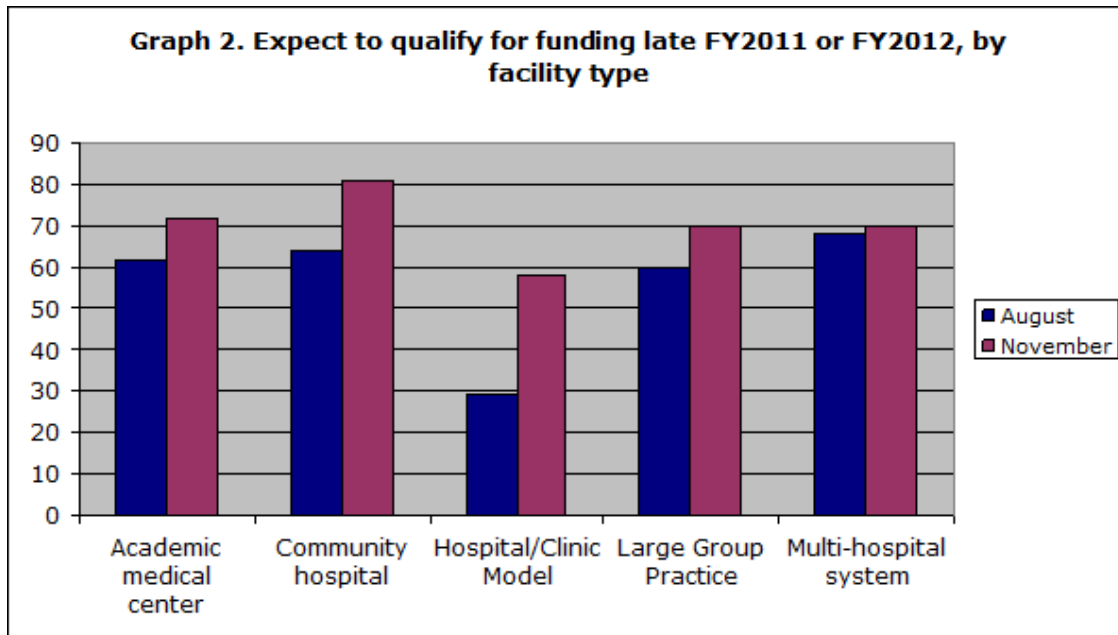
In the most recent survey, 15 percent of responding CIOs said their organizations would qualify for funding within the first six months, compared with 28 percent who responded to the first CHIME survey. By contrast, 74 percent of respondents predicted that they would qualify for funding, but reported they were unlikely to do so until later in the timeframe for Stage 1 (late in FY 2011 or during FY 2012, which ends September 30, 2012). That was up from 61 percent who responded from the first CHIME survey.

For both surveys, only 11 percent of CIOs reported that their organizations would be unlikely to qualify for stimulus funds during Stage 1, or that they definitely would not receive stimulus funding in FY 2011 or FY 2012.

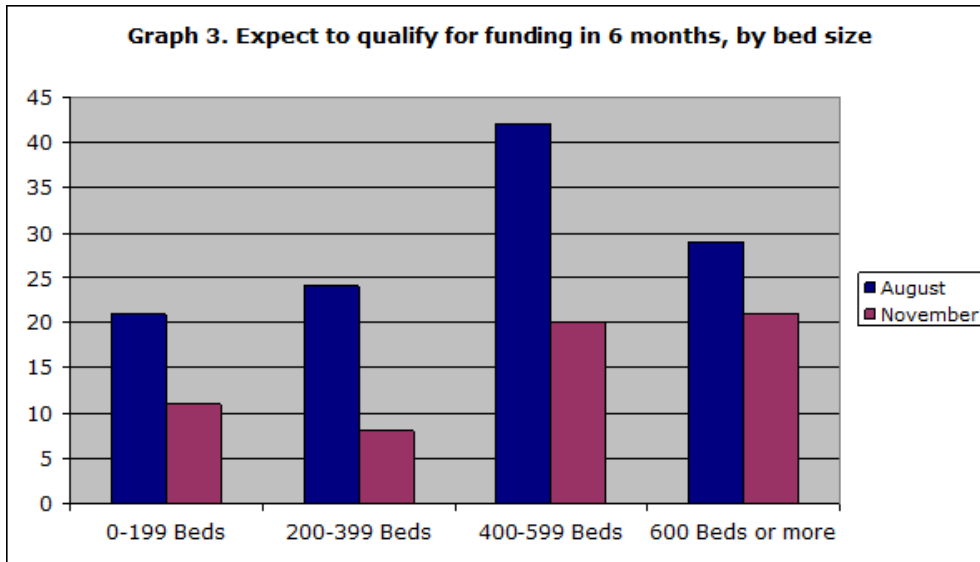
Of hospitals that expect to qualify for stimulus funding in the first six months of the program, there were declines across all types of hospitals (see Graph 1, below). The largest decline occurred among CIOs at community hospitals, of which only 5 percent expected to qualify for funding in the first six months, compared with 23 percent in the August CHIME survey.



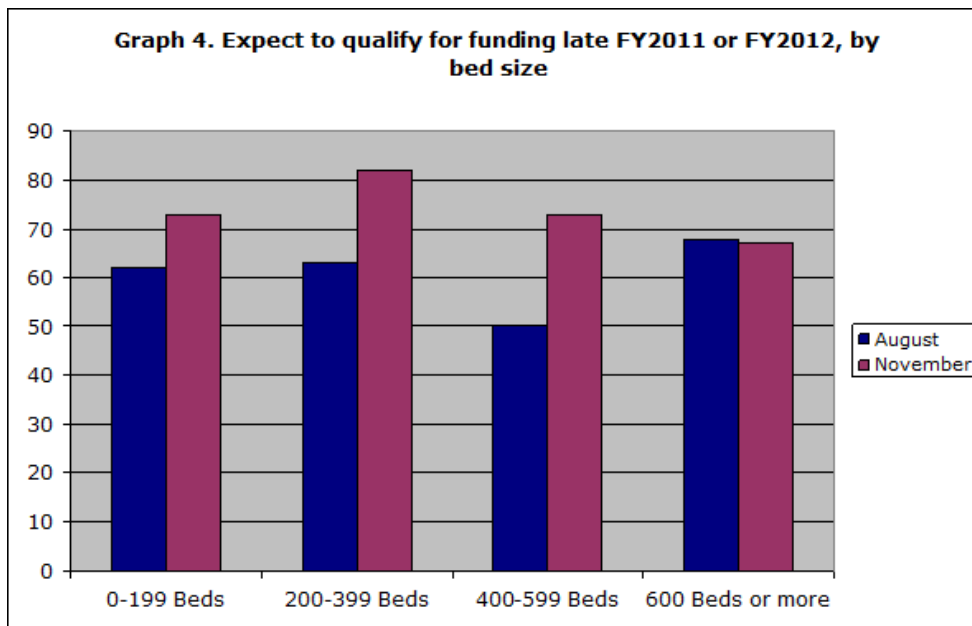
Conversely, CIO respondents reported increased likelihood of achieving stimulus funding between April 1, 2011, and September 30, 2012, across all types of healthcare organizations (see Graph 2 below). More than 80 percent of community hospitals expect to qualify during this period, compared with 72 percent of academic medical centers and 70 percent of multi-hospital systems and large group practices.



Expectations for qualifying for stimulus funding within the first six months has declined across all bed size groups, most significantly by respondents from smaller organizations (see Graph 3, below). For example, only 8 percent of CIO respondents from organizations with 200 to 399 beds said they expect to qualify for funding by April 1, compared with 24 percent who responded to the CHIME survey in August.



By contrast, respondents from three of the four bed size groups tracked in the CHIME survey showed increased expectations to qualify later during Stage 1 (see Graph 4, below). CIOs from the largest organization showed consistent expectations of achieving funding later during Stage 1.



## Are Hospitals Accelerating EHR Efforts?

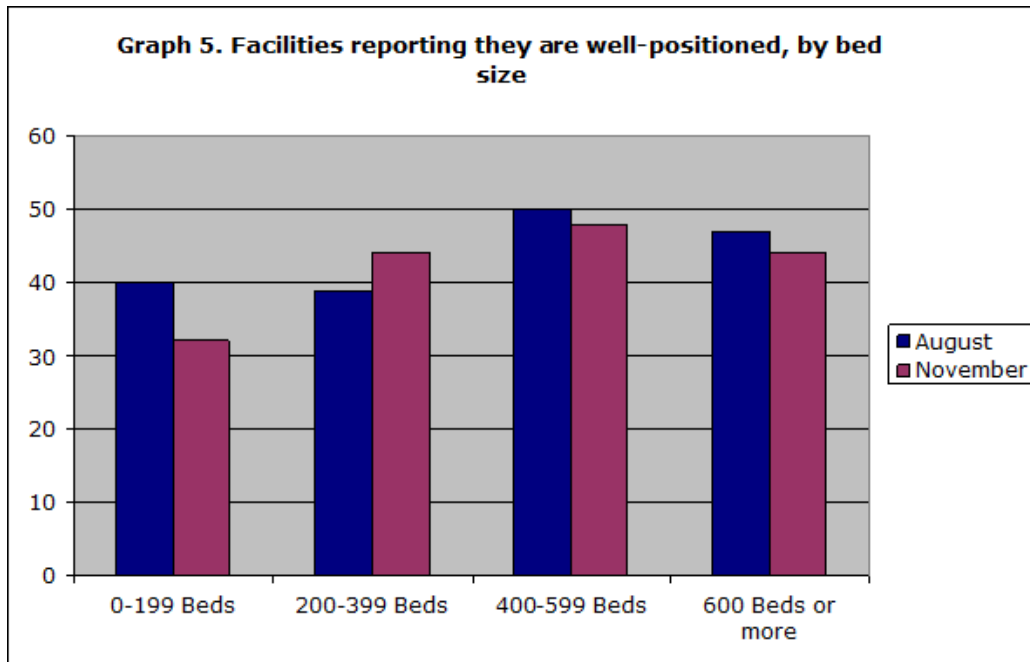
Respondents to the CHIME survey in general remain comfortable with their existing IT strategies and say they are well-positioned to get stimulus fund payments or that they are making minor adjustments to maximize their chances of getting funding. When asked if they were contemplating changes in their IT strategy, 42 percent said they were well-positioned with their current IT strategy and existing applications, while 36 percent of respondents said they planned to accelerate plans to implement EHRs and/or other applications to achieve meaningful use objectives (see Table 1).

Another 19 percent of CIOs said they were evaluating current HIT applications to ensure they would help them achieve meaningful use objectives, and they left open the possibility they may need to make changes based on their research. Only 4 percent said they were not planning to accelerate or make any changes in their IT strategy, even if it means they would not achieve meaningful use objectives in time to qualify for stimulus funding. None of these percentages differed noticeably from CHIME’s August survey of CIO members.

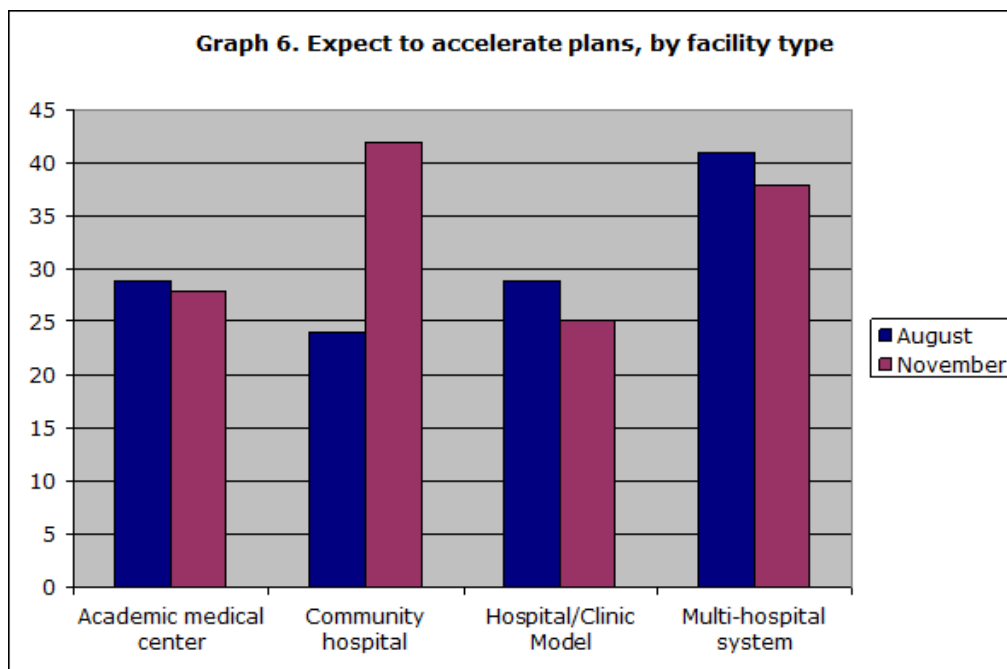
**Table 1.** In the *last three months*, what type of changes have you felt compelled to make in your IT strategy to improve your chances of obtaining stimulus funding?

	We feel we are well-positioned to achieve MU with our current IT strategy and existing applications	We are accelerating plans to implement EHRs and/or other applications needed to achieve MU	We are evaluating our current HIT applications to ensure they will enable us to meet MU objectives and may have to make changes based on our research	We are not planning to accelerate or make any changes in our IT strategy in response to MU objectives; we’re staying the course no matter what the reimbursement implications are
Number	80	68	36	7
Percent	42	36	19	4
Total	191	191	191	191

By size of facility, respondents from the smallest hospitals reported a lower comfort level with their existing strategy (32 percent), compared with the CHIME survey in August (40 percent). Respondents from the group with smallest hospitals reported the lowest level of comfort with their strategies, compared with the other three bed size groups, where at least 44 percent of respondents said their organizations were well positioned (see Graph 5, below).



By type of facility, respondents from community hospitals were the only group that reported an increase in expectations that they would accelerate plans to implement applications needed to achieve meaningful use objectives and qualify for stimulus funding. Some 42 percent of community hospital respondents in the most recent interview said their facilities were accelerating plans, compared with 24 percent of community hospital respondents in August (see Graph 6, below).

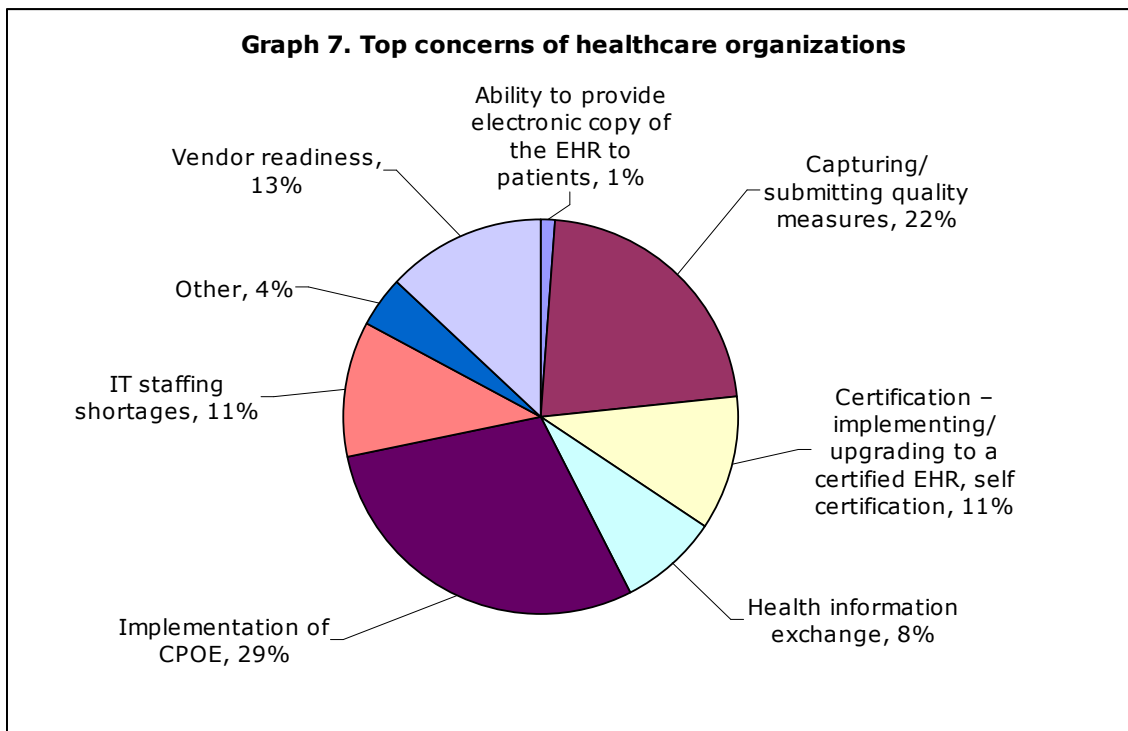


## Concerns Still Abound Over Achieving Meaningful Use

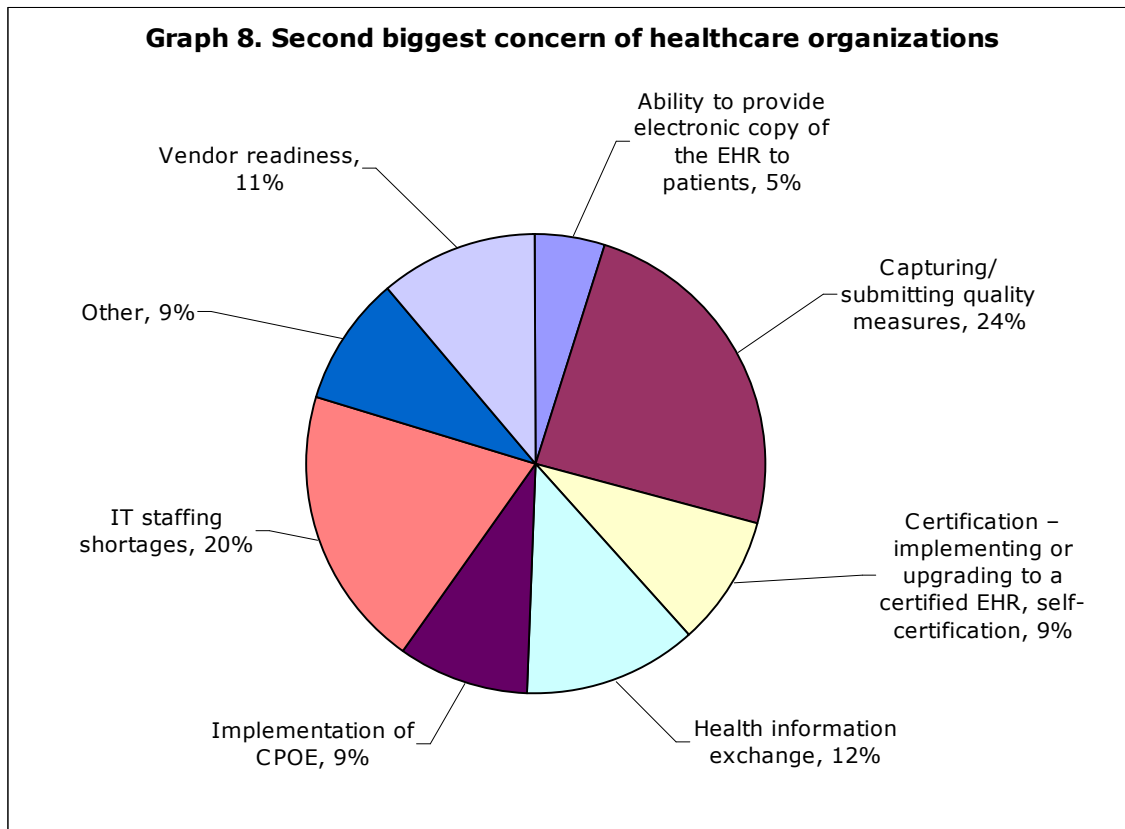
The vast majority of respondents reported a variety of concerns they need to overcome to achieve the meaningful use of EHRs. The areas of concerns have shifted somewhat as progress on certification of electronic health record systems earlier this fall allayed CIOs' worries over that aspect of the program.

Some 82 percent of respondents reported that they still have concerns about aspects of the stimulus fund program that could interfere with their organizations qualifying for the additional payments.

When asked to rate their top concern, nearly 30 percent of respondents listed the implementation of CPOE systems (see Graph 7, below). Another 22 percent listed capturing or submitting quality measures as their top concern, and third on their list was vendor readiness, mentioned by nearly 13 percent. Certification as a top concern was mentioned by 11 percent of respondents, the same percentage that mentioned IT staffing as a top concern.



Respondents rating their second biggest concern mentioned capturing and submitting quality measures most frequently (24 percent), while IT staffing was mentioned by nearly 20 percent of respondents (see Graph 8, below).



When asked specifically about whether they anticipated challenges implementing CPOE, some 62 percent of respondents reported they expected difficulties ahead. Nearly 52 percent of those expecting problems said their biggest challenge would be to get clinicians to enter orders into the CPOE system.

### **Certification Issues Subside in Three Months**

In CHIME’s August survey on meaningful use readiness, respondents expressed concerns about the need to have EHR systems certified so that providers could qualify for stimulus fund payments. When asked to rate their top three concerns in achieving meaningful use, some 25 percent of respondents cited concerns related to certification of applications. These concerns included implementing or upgrading to a certified EHR; delays expected because of the new certification process; and the need to certify self-developed applications. Nearly two-thirds of respondents in the first survey listed these certification issues as one of their top three concerns.

One potential explanation for this decline in worries over certification is that ONC-Authorized Testing and Certification Bodies (ONC-ATCBs) began to act quickly in early October to certify entire EHR systems and modules, and this is perhaps part of the reason why respondents expressed less concern over potential delays in certification in CHIME's most recent survey.

When respondents were asked if their organization's ability to meet meaningful use would be affected because vendors might be delayed in certifying products, nearly 74 percent said no, while only 8 percent responded affirmatively. Some 18 percent said they didn't know.

When respondents were asked if their organization's ability to meet meaningful use would be delayed because they might not be able to get timely certification of self-developed applications, 86 percent said no, while only 4 percent responded positively. Some 10 percent said they didn't know.

However, questions remain for many healthcare organizations about the program, even as they enter the first months of the stimulus fund program. Nearly 38 percent of respondents to the CHIME survey said they still had lingering unanswered questions about the program.

Many of the questions submitted by members involve how the program will specifically work, uncertainties surrounding state implementation of the program through state Medicaid programs, and worries over continued funding of the program, particularly after the change in political control of Congress that occurred as a result of the November elections.

### **About CHIME**

The College of Healthcare Information Management Executives (CHIME) is an executive organization dedicated to serving chief information officers and other senior healthcare IT leaders. With more than 1,400 CIO members and over 70 healthcare IT vendors and professional services firms, CHIME provides a highly interactive, trusted environment enabling senior professional and industry leaders to collaborate; exchange best practices; address professional development needs; and advocate the effective use of information management to improve the health and healthcare in the communities they serve. For more information, please visit [www.cio-chime.org](http://www.cio-chime.org).