

Leveraging Funding For EHR While Meeting HIPAA Requirements

EHR Adoption Requirements

By 2015, all healthcare organizations must deploy comprehensive Electronic Health Records (EHR) to be in compliance with the Health Insurance Portability and Accountability Act (HIPAA) enacted by the U.S. Congress more than a decade ago in an effort to reform healthcare. Title II of HIPAA requires healthcare organizations to standardize the interchange of electronic data for specified administrative and financial transactions in order to protect the security and confidentiality of electronic health information.

Meeting these standards is an uphill battle for most healthcare organizations. Transferring documents to an electronic format is a long and expensive process. While larger enterprises such as hospitals and health systems are leading the switch to EHR, only 13 percent of physicians have implemented EHR systems in their practices.

However, HIPAA requirements do not discriminate. Everyone is subject to the same penalties of non-compliance. Those who fail to adopt EHR technology in the next five years will see their Medicare fee schedule for professional services reduced by up to five percent per year. This urgency to comply has healthcare professionals feeling backed up against a wall because many organizations are struggling to find the funds and resources to afford the EHR transition.

That's why the American Recovery and Reinvestment Act of 2009 (ARRA) has created an incentive for hospitals and doctors who are early adopters of EHR systems. The ARRA has allocated billions in funds – most of which will be paid out in incentives to those who purchase EHR systems. Organizations can start collecting ARRA funds as soon as 2011 if their EHR systems are in place.

Modernizing Your Network

The greatest challenge with the switch to EHR begins with the network. Organizations must continue to comply

with HIPAA privacy statutes, and the network security necessary to ensure this privacy comes at a substantial cost.

ARRA Payment Table

	2011	2012	2013	2014
1st Payment Year Amount	18,000	18,000	15,000	12,000
2nd Payment Year Amount	12,000	12,000	12,000	8,000
3rd Payment Year Amount	8,000	8,000	8,000	4,000
4th Payment Year Amount	4,000	4,000	4,000	0
5th Payment Year Amount	2,000	2,000	0	0
Total	<u>\$44,000</u>	<u>\$44,000</u>	<u>\$39,000</u>	<u>\$24,000</u>

Early adopters using EHR by 2011 will be eligible to receive up to \$44,000 in incentive payments over a five-year period and up to \$18,000 in their first payment year alone. The table outlines the incentive payment schedule as defined by the ARRA.

Networks must be modernized to handle the volume of traffic and data associated with an EHR system, and the proper security measures must be in place to protect the privacy of patient data. Many healthcare entities still run on cable or DSL legacy networks that lack the speed, serviceability, and security needed to support an EHR system. But the penalties for non-compliance are substantial and not worth the risk, as fines can be as high as \$50,000 per incident and include jail time.

Historically, large enterprises have been better than smaller entities at making the EHR transformation. According to an SK&A poll, 50 percent of healthcare systems and 44 percent of hospitals have made the switch. Yet, larger systems are not immune from difficulties. The EHR shift requires significant manpower and financial resources, and takes time and money away from other initiatives. Still, smaller entities are struggling to find the resources to get started. Lack of IT staff and proper technology, as well as budget restraints, seem to plague many organizations and make EHR installation next to impossible for some.

Subsidizing EHR Costs

In order to alleviate the burdens of EHR system implementation, PAETEC offers exclusive programs called Equipment for Services (EFS) and Software for Services (SFS). These programs allow clients to use a portion of the money they spend on PAETEC services to subsidize new equipment and software purchases for their network to effectively install EHR systems.

Since the programs began in 1998, PAETEC has funded more than \$90 million in equipment and software for more than 4,800 customers. With the EFS and SFS programs, PAETEC is able to work with organizations to help subsidize the up-front purchase costs of an EHR system, while still allowing organizations to receive full incentive payments from the government.

With the EFS and SFS solutions, companies can have access to the necessary hardware or software while experiencing minimal or no capital outlay. This can free up IT resources for enterprises, as well as put those lagging behind on track to meet HIPAA deadlines.

PAETEC provides customers with an initial consultation that includes insights about their network infrastructure, how to improve it, and the technologies and products necessary to provide ample security for EHR implementation. And, with the EFS and SFS programs, customers are not limited to only PAETEC software and hardware. Organizations have the option to work with other communications equipment vendors, or PAETEC's preferred vendors.

A Firewall is Not Enough

The PAETEC team also helps customers implement the proper network security solutions needed to meet HIPAA requirements. Network security is vital to the protection of sensitive medical records data; however, the risk to network security continues to grow. In 2009, Internet crimes such as hackers and malicious software (malware) attacks increased by 27 percent.

Private patient data is extremely vulnerable to an attack. A layering of network products and solutions is necessary to effectively combat malicious activity that may compromise the security of medical records.

While network firewalls provide a basic line of defense, there are still vulnerabilities that organizations must prepare for in order to prevent a network security breach.

PAETEC works with customers to design and execute a plan for EHR while helping to fund necessary technology and providing security to keep patient information safe. With PAETEC's EFS and SFS programs, healthcare organizations do not have to navigate through HIPAA requirements on their own. They can draw on the expertise of a true partner.

Keeping Patient Information Safe

Healthcare organizations may benefit from PAETEC's Intrusion Detection and Prevention System (IDPS) that works along with the firewall to provide both Intrusion Prevention Sensors (IPS) and Intrusion Detection System (IDS) protection for the entire network. These systems identify and prevent malware intrusion by examining information via sensors within the network infrastructure.

As malware evolves, network security must keep pace. If not, companies will continue to be at risk for damage to their networks and reputations. One network security breach can bring operations to a screeching stop if patient data is jeopardized.

PAETEC's IDPS sensors provide "zero hour" protection for the customer so healthcare organizations are protected as soon as

threats are launched. When an anomaly is discovered, both the IDPS customer and PAETEC's security operations center are alerted. PAETEC engineers contact the customer about the malicious activity, and also help remediate the problem.

With current IDS or IPS solutions, IT professionals need to sift through a wall of network data that likely contains a great deal of false positives – information that is classified as malicious, but is, in fact, harmless. PAETEC manages this process for its customers, and has a 99.9999 percent guarantee against false positives, ensuring that the IT professional's time is spent in the most productive way possible. This fully managed and monitored IDPS solution helps organizations meet and exceed HIPAA requirements.