



NEWS RELEASE

FOR IMMEDIATE RELEASE

FOR MORE INFORMATION, CONTACT:

Tami Sterling, Communications Coordinator
Kansas Foundation for Medical Care, Inc.
2947 SW Wanamaker Drive
Topeka, KS 66614-4193
(785) 273-2552 x358 | tsterling@kfmc.org

Date: December 28, 2010

KANSAS FOUNDATION FOR MEDICAL CARE, INC. RECEIVES PROGRAM EXTENSION FROM ONC

Today the Kansas Foundation for Medical Care, Inc. (KFMC), as the Kansas Regional Extension Center (REC), received communication from the Office of the National Coordinator for Health Information Technology (ONC) regarding two significant changes to the REC program funding which will enhance services provided to REC participants for an additional two year period. Michael Aldridge, Director of the Kansas REC notes, *"These changes emphasize the clear commitment of Secretary Sebelius and the Administration to the REC program and its complementary role to further advance HIT and provide the necessary infrastructure to support its goal of meaningful use of EHR to provide safer, better coordinated health care for Americans"*.

The announcement today from the ONC will allow KFMC to continue to provide services with a greater federal subsidy for an extended time period. Details of the program changes include an extension of the 90/10 federal cost share, of which 90% of REC services are subsidized by the federal government, beyond the first two years of the program into years three and four. Previously this cost share reversed to 10/90 in years three and four with the government only subsidizing 10% of REC provider services, thus placing an increased financial burden on providers in their journey toward meaningful use. This funding change will allow providers additional time to receive services at the subsidized rate. The 90% subsidy will extend through the remainder of the program cycle which is now 11 months into a 48 month program, thus nearly 25% complete. Expanding the subsidy to providers will also allow the REC to continue work with other stakeholders, providers, and agencies to continue refining the comprehensive state Health Information Technology (HIT) strategy which includes the statewide Health Information Exchange (HIE).

The second important program change includes an increase of federal supplemental funds available to the REC to work with Critical Access Hospitals (CAHs) and Rural Hospitals (RHs). As vital components of the rural health care system, the ONC has recognized the need to make additional funds available to the federal cost share amount provided to the RECs for services to CAHs and RHs which will enhance the use of EHRs and assist them in reaching meaningful use. The ONC has provided an opportunity for RECs to apply for an additional \$6,000 per facility, bringing the total funds potentially available from \$12,000 to \$18,000, to assist each CAH or RH in Kansas. If realized, this will result in an additional \$570,000 available to Kansas for use in the CAH and RH inpatient setting, bringing the total to \$1.7M available for this work. KFMC has been working with the Kansas Hospital Association to develop a subcontract

arrangement to collaborate and provide a substantive portion of these services to Kansas CAHs and RHs through the Kansas Hospital Education and Research Foundation (KHERF).

KFMC is the federally designated REC for the state of Kansas. The REC program was established through the Health Information Technology for Economic and Clinical Health (HITECH) Act, a part of the American Recovery and Reinvestment Act of 2009 to assist 100,000 primary care providers to achieve meaningful use of Electronic Health Record (EHR) technology. In Kansas, the program goal is to assist 1200 providers and 95 CAH/RHs to meet this national priority. KFMC has long been an organization that healthcare providers and patients trust. Since 1972, KFMC has served as the Quality Improvement Organization for Kansas, working with healthcare providers, government, stakeholders, and consumers to improve the quality, efficiency, and outcomes for healthcare consumers. To receive more information as it is available, interested individuals can visit www.kfmc.org and the information under the Regional Extension Center tab, or for frequent updates subscribe to the following blog: <http://ahitinks.blogspot.com>.

This material was prepared by Kansas Foundation for Medical Care, Inc. as part of our work as the Kansas Regional Extension Center, under grant #90RC0003/01 from the Office of the National Coordinator, Department of Health & Human Services. RC_2010_157

###