



Answers for ARRA

Janet Dillione, CEO
Charlene Underwood, MBA, FHIMS
Siemens Healthcare

Secure Your Health IT Investment

- Secure the value of your investment
- Secure the knowledge of your healthcare professionals
- Secure results for your organization



HS Investment Strategy

- **Shaping the Outcome**

Position Siemens Healthcare and our customers in a leadership role in influencing and defining public policy and industry initiatives impacting the healthcare environment.

- **Preparing for the Future**

Drive the development of solutions and associated marketing deliverables that respond to the changing healthcare environment; advance customers patient safety initiatives, medical, and clinical practice; and support healthcare transformation.



Agenda

- National HIT Strategy and Leadership
- Preparing for ARRA: A Shared Responsibility
 - Certified Systems
 - “Meaningful Use” Expectations
 - Moving Forward
- Staying Informed
- Questions



Major Goals and Objectives for Healthcare IT

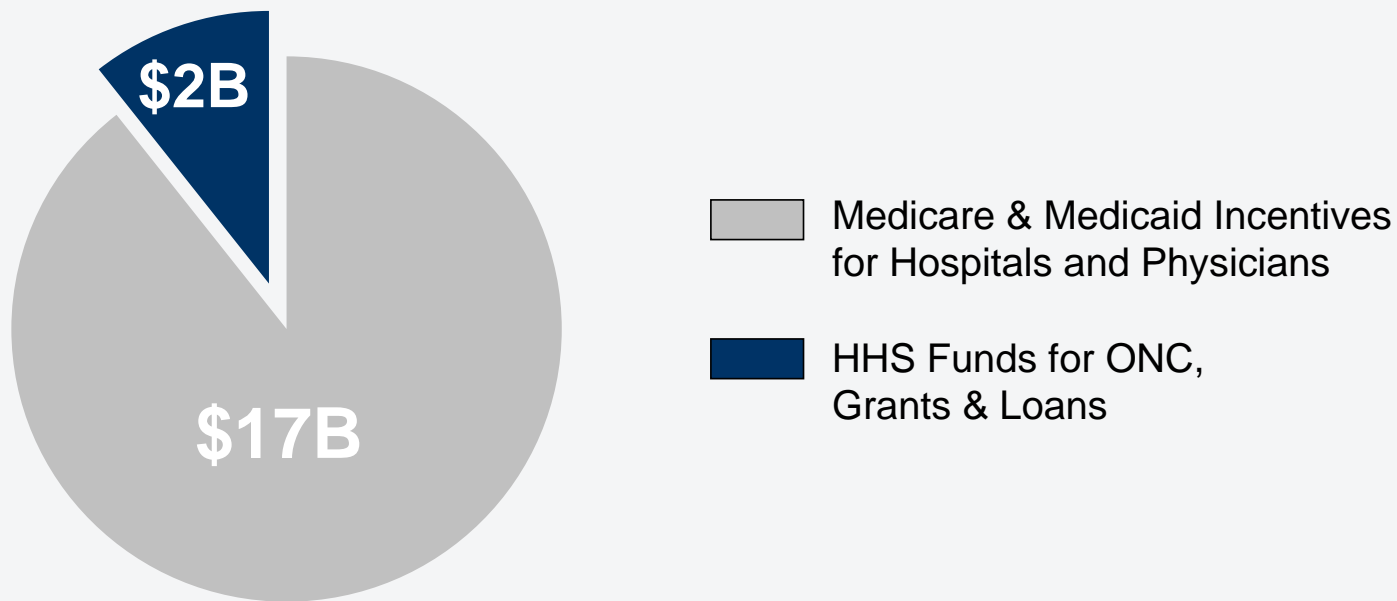
- **Goals:**
 - Increase adoption of Health IT (HIT)
 - Ensure systems are interoperable to support quality initiatives and improve care coordination
- **Tactics:**
 - Government to lead standards development for nationwide exchange and use of health information to improve quality and coordination of care
 - Over \$19B (net) for HIT infrastructure, especially Health Information Exchange (HIE), and Medicare/Medicaid incentives to doctors and hospitals for “meaningful” use of certified HIT
 - Saves Federal funds and generates additional savings throughout the health sector through improved quality and care coordination, reductions in medical errors, and duplicative care
 - Strengthens HIPAA to further protect identifiable health information from misuse as use of HIT increases



As a result of this legislation, CBO estimates that approximately 90% of doctors and 70% of hospitals will be using comprehensive EHRs in the next decade.

HIT Stimulus Funds – Focus Areas

HIT Spending (in Billions)



Source: American Reinvestment and Recovery Act

New ONC Leadership David Blumenthal, MD, MPP & John Glaser, PhD

"The goals are quality and efficiency...If we encourage better performance, then physicians are going to find ways to improve. And health information technology is one crucial way to do that."

-David Blumenthal MD, MPP



"This is a tall order. And it means that providers should start moving now even though the dust needs to settle on the specifics."

-John Glaser PhD



- Physician and Director of the Institute for Health Policy at the Massachusetts General Hospital/Partners HealthCare System in Boston
- Served as a Senior Advisor to the Obama campaign
- Co-wrote health IT chapter of Center for American Progress 2008 report, The Health Care Delivery System: A Blueprint for Reform
- Vice-President and Chief Information Officer, Partners HealthCare System, Inc.
- Fellow in HIMSS, CHIME, and the American College of Medical Informatics
- Awarded the John Gall Award for Healthcare CIO of the Year and is a recipient of CIO Magazine's 20/20 Vision Award
- Founding Member of National eHealth Collaborative

Medicare Hospital Payout Timeline

Performance Year Starting Year	FY11	FY12	FY13	FY14	FY15	FY16	Total	Market Basket Penalties
FY11	\$2,114K	\$1,586K	\$1,057K	\$528K	0	0	\$5,287K	No Penalty
FY12		\$2,114K	\$1,586K	\$1,057K	\$528K	0	\$5,287K	No Penalty
FY13			\$2,114K	\$1,586K	\$1,057K	\$528K	\$5,287K	No Penalty
FY14				\$1,586K	\$1,057K	\$528K	\$3,172K	No Penalty
FY15					\$1,057K	\$528K	\$1,586K	$\frac{3}{4}$ of increase reduced by 33.33%
FY16						\$0	\$0	$\frac{3}{4}$ of increase reduced by 66.66%
FY17							\$0	$\frac{3}{4}$ of increase reduced by 100%

Factor for Year 1 – Year 5 Payouts: Year 1 – 100%, Year 2 – 75%, Year 3 – 50% , Year 4 – 25%, Year 5 - 0%

Source: American Reinvestment and Recovery Act

Medicare Physician Payout Timeline

Performance Year Starting Year	2011	2012	2013	2014	2015	2016	Total	Fee Schedule Penalties
2011	\$18K	\$12K	\$8K	\$4K	\$2K	0	\$44K	No Reduction
2012		\$18K	\$12K	\$8K	\$4K	\$2K	\$44K	No Reduction
2013			\$15K	\$12K	\$8K	\$4K	\$39K	No Reduction
2014				\$12K	\$8K	\$4K	\$24K	No Reduction
2015					\$0	\$0	\$0	99% (1% Reduction)
2016						\$0	\$0	98% (2% Reduction)
2017							\$0	97% * (3% Reduction)

* Secretary may continue annual decrease to 95% if less than 75% of professionals have adopted.

Physicians who provide services designated by the Secretary as health professional shortage areas will receive a 10% increase over payment amounts defined above.

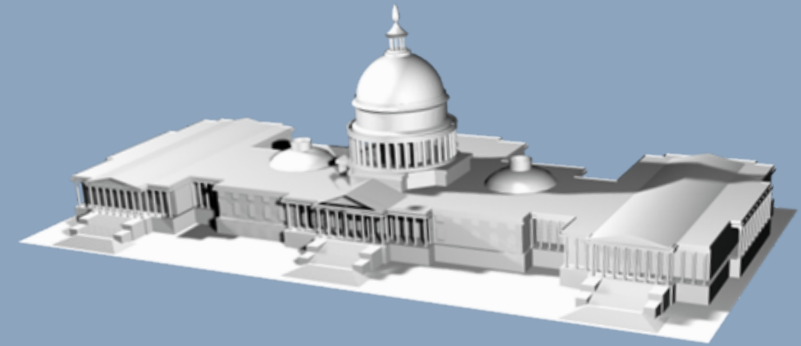
Source: American Reinvestment and Recovery Act

Siemens Legislative & Regulatory Participation Processes

Influencers	Advocacy Tools	Decision Makers
<p><u>Siemens</u></p> <ul style="list-style-type: none"> ▪ Siemens Washington Office ▪ Voice of the Business <ul style="list-style-type: none"> ▪ G&IA ▪ SMEs <p><u>Partners</u></p> <ul style="list-style-type: none"> ▪ CHT – N. Gingrich ▪ HIMSS ▪ eHealth Initiative ▪ EHRA ▪ Business Roundtable ▪ AHA & other Associations ▪ Other Companies 	<ul style="list-style-type: none"> ▪ Presence (constituency) <ul style="list-style-type: none"> ▪ Hill Visits ▪ Letters ▪ Hill Meetings ▪ Expertise ▪ Reputation ▪ Special Events <ul style="list-style-type: none"> ▪ HIT Week ▪ Advocacy Day ▪ Telehealth Series ▪ PAC 	<ul style="list-style-type: none"> ▪ US Congress ▪ HHS (incl. ONC) ▪ Standards & development organizations ▪ CCHIT ▪ HITSP ▪ Health Information Technology Expert Panel (HITEP) ▪ HIT Policy Committee ▪ HIT Standards Committee

Key Issues for Siemens & Customers

A Driving Force in the Industry



Siemens has more than 110 participants in industry organizations with over 30 being in a leadership position contributing expertise on a wide range of industry topics.

Delivering on ARRA...

- **ARRA provides momentum to...**
 - Implement acute & ambulatory EHRs at a faster pace
 - Support continuity of care through the exchange of patients' health information
 - Measure and improve upon performance
 - Increase privacy protections

- **What is the Challenge?**
 - To absorb a lot of change over a short time
 - To start preparing with minimal information
 - Financing in current conditions
 - Staffing up
 - And more...

ARRA – How is Siemens Responding?

- **Active government and industry affairs program; significant industry participation and leadership**
- **Extensive customer education offerings**
- **Aggressive services strategy**
 - **Free EHR assessment** for joint roadmap planning
 - Accelerated/rapid implementations
 - 180-day sales and migration action plans
 - Technology/hosting options to help offset capital outlay
 - Key application value-added-services (Med Reconciliation, MAK, workflow, others)
 - Transitional/full IT outsourcing options

HIMSS Analytics

EMR Adoption ModelSM Trends



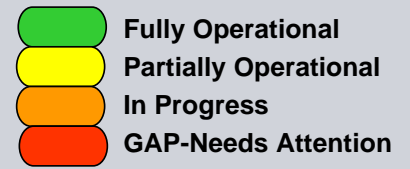
		2007 Final	2008 Final	2009 Q1
Stage 7	Medical record fully electronic; HCO able to contribute CCD as by-product of EMR; data warehousing in use	0.0%	0.3%	0.3%
Stage 6	Physician documentation (structured templates), full CDSS (variance and compliance), full R-PACS	0.3%	0.5%	0.8%
Stage 5	Closed-loop medication administration	1.9%	2.5%	3.6%
Stage 4	CPOE, CDSS (clinical protocols)	2.2%	2.5%	2.8%
Stage 3	Clinical documentation (flow sheets), CDSS (error checking), PACS available outside radiology	25.1%	35.7%	37.0%
Stage 2	Clinical data repository, controlled medical vocabulary, clinical decision support, may have document imaging	37.2%	31.4%	32.1%
Stage 1	Ancillaries – laboratory, radiology, pharmacy – all installed	14.0%	11.5%	9.0%
Stage 0	All three ancillaries not installed	19.3%	15.6%	14.5%

Electronic Health Record Strategy

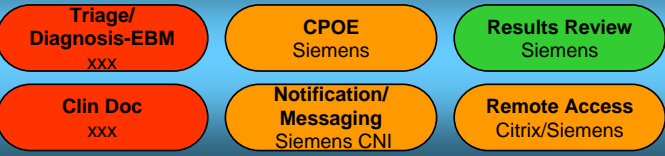


Acute Care Operational EMR Analysis

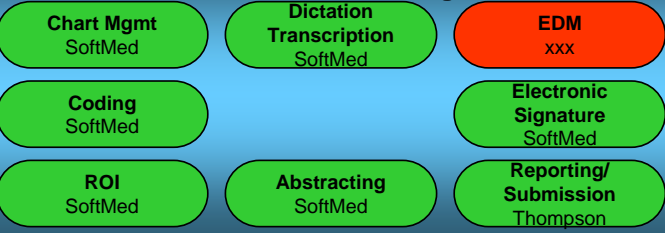
IT Components: Customer X



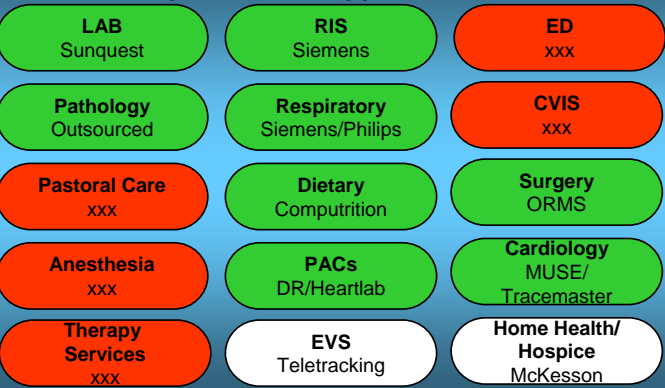
Physician Clinical Documentation



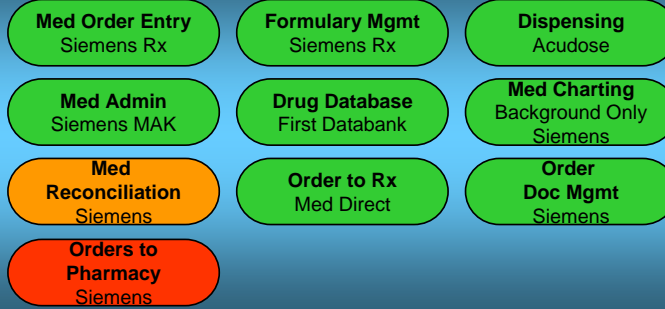
Health Information Management



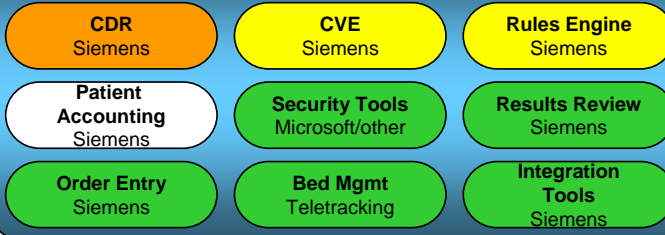
Departmental/Support Services



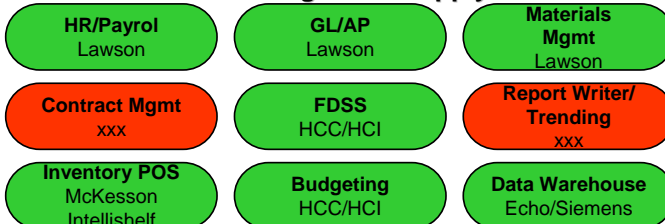
Medication Management & Safety



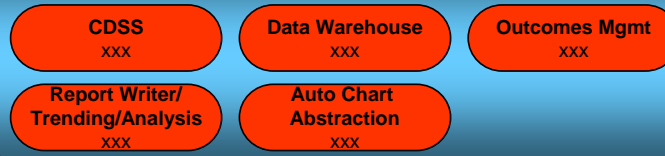
Central HIS



Financial Management/Supply Chain



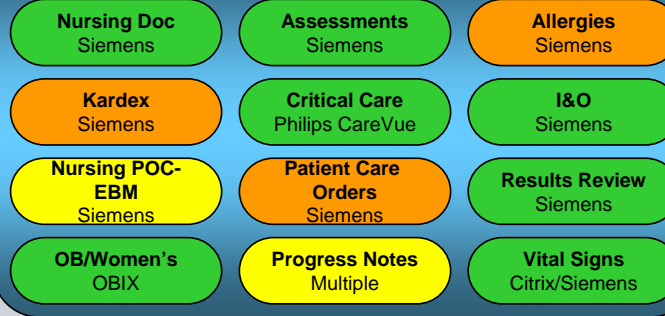
Clinical Decision Support



Enterprise Patient Access



Clinical Care and Documentation



Delivering on our Promise...

Department Automation	Connecting and Providing Access across the IDS	Patient Safety and Quality Tools	Emerging: Patient-Centered Health Management
1980s	1990s	2000s	Next
			
<ul style="list-style-type: none"> ▪ Registration ▪ Billing ▪ Order Entry ▪ Radiology ▪ Lab ▪ Pharmacy ▪ Medical Records 	<ul style="list-style-type: none"> ▪ Patient Directories ▪ Scheduling ▪ Clinical Repositories ▪ Web Browser Access 	<ul style="list-style-type: none"> ▪ Medication Management ▪ Standards-based Interoperability ▪ Ambulatory EHR Solutions ▪ Performance Measurement 	<p>Health Information Exchanges, Knowledge-based Systems</p>

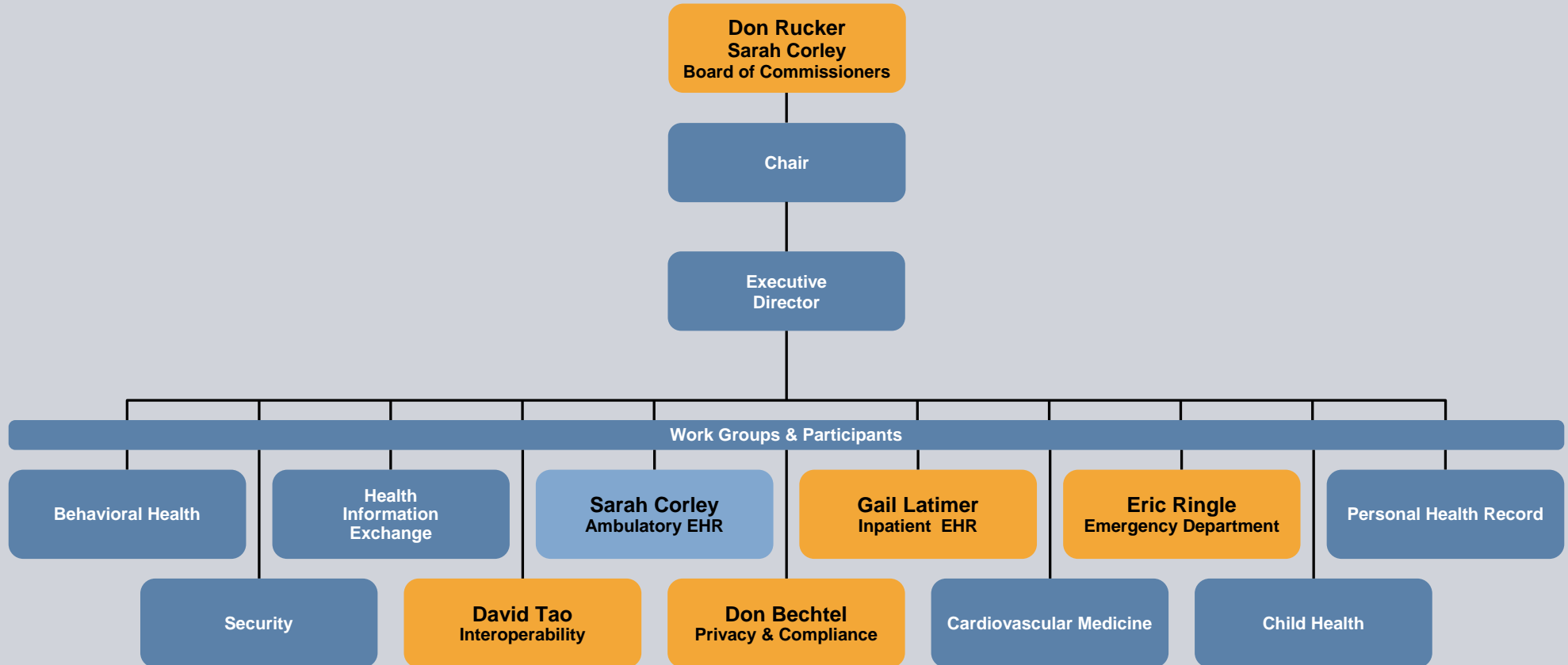
Siemens Certification Status

Soarian® Clinicals V2.0C5 and INVISION® Clinicals V27.0, both with Siemens Pharmacy and Med Administration Check™ V24.0, achieved full CCHIT-Certified status and meet CCHIT inpatient electronic health record criteria for 2007.

MedSeries4 WebConnect Clinical Suite with Siemens Pharmacy and Med Administration Check, Version 28.10 and V24 respectively, is a CCHIT-Certified inpatient EHR (eMAR ONLY) product for 2007.



CCHIT Organizational Structure



Given What We Know Today: “Meaningful Use” Guidance

- Establish ARRA Governance
- Implement certified EHR technology that helps clinicians:
 - Reduce medication errors and duplicate tests
 - Do the right thing (document, react accordingly, provide evidence-base care, etc.)
- Extend interoperability beyond your IDS using continuity of care standards
- Begin to automate CMS CORE measures for reporting
- Assess HIPAA policies and procedures



Staying Informed

March 2009 Webcast Replays

- Webcast featuring Honorable House Representative Alyson Schwartz & Meredith Taylor, HIMSS
- Webcast – Washington Update: Policies, Politics, and News Community Hospitals Can Use

Upcoming Events

- **April 20-22, 2009** – MS4 Vision Users Conference
- **April 24** – HIMSS Wrap-up
- **May 3-5, 2009** – Siemens Healthcare Leadership Forum
- **May 11, 2009** – Newt Gingrich Speaks on the Healthcare Reform
- **August 8-12, 2009** – Siemens CPOE Symposium & Innovations Conference
- **Visit our Executive Gateway** (www.siemens.com/executivegateway)

Questions?