

FOR IMMEDIATE RELEASE

Aug. 3, 2010

NC Health and Wellness Trust Fund Creates Electronic Health Record Loan Fund
Loans to foster early adoption of EHRs by rural health care providers

RALEIGH, NC – The North Carolina Health and Wellness Trust Fund (HWTF) announces the creation of the North Carolina Electronic Health Record Loan Fund Pilot Program. The pilot will provide financial assistance to health care providers in Tier 1 counties seeking to create or upgrade electronic health record (EHR) systems required for Medicare and Medicaid reimbursements beginning in 2015.

Electronic health records have the potential to improve both the quality and efficiency of health care delivery, but the cost of implementing them can be prohibitive for small and rural practices. The fund will provide seed money for North Carolina health care providers so they can be among the early adopters eligible for \$2 billion in federal stimulus funds.

“Doctors in rural North Carolina need as much help as we can provide,” said Gov. Bev Perdue, “and these electronic health record systems will enable them to deliver better medical care in the smaller towns and cities across our state.”

A grant of \$127,461 was awarded to the North Carolina Medical Society Foundation to provide technical assistance for and evaluation of the EHR loan fund pilot program over a five-year period beginning July 1, 2010. The Center for Community Self-Help (Self-Help), a Durham-based nonprofit, will manage the \$750,000 loan fund and underwrite prospective borrowers. Self-Help will work in partnership with the North Carolina Medical Society Foundation and the North Carolina Area Health Education Centers to identify eligible providers and help them transition to advanced EHR systems.

“The revolving loan pool will allow rural health care providers to acquire state-of-the-art EHR technology to enhance their ability to care for their patients and to participate in quality improvement programs that will meet the documentation requirements of private and governmental payers,” said Dr. Chuck Willson, HWTF chair and pediatrician at the Brody School of Medicine at East Carolina University. “In this era of health care reform, it is especially important for HWTF to support the infrastructure needed by rural providers in order to improve access to care for North Carolina’s vulnerable and underserved populations.”

The revolving loan fund is designed as a pilot program to expend its initial capital within the first year of operation. Individual loans are expected to range in size from \$40,000 to \$60,000 and may be used to:

- Purchase a certified EHR technology or upgrade an existing EHR to meet certification criteria;
- Train personnel in the use of such technology; and/or
- Improve the secure electronic exchange of health information.

Loans will vary in pricing based on the borrower’s credit/collateral profile and will feature flexible repayment terms to better serve the needs of a wider variety of practices.

For information about counties designated as Tier 1, visit:

<http://www.nccommerce.com/en/BusinessServices/LocateYourBusiness/WhyNC/Incentives/CountyTierDesignations/>

ABOUT THE NC HEALTH AND WELLNESS TRUST FUND

The NC Health and Wellness Trust Fund makes North Carolina stronger, both physically and economically, by funding programs that promote preventive health. Created by the General Assembly in 2000 to allocate a portion of North Carolina’s share of the national tobacco settlement, HWTF has invested \$199 million to support preventive health initiatives and \$116 million to fund prescription drug assistance programs. For more information, please visit www.HealthWellNC.com.