

Medicare and Medicaid EHR Incentive Programs for Hospitals – Act Now

Did you know that the Centers for Medicare & Medicaid Services (CMS) offer incentive payments to hospitals that meet certain eligibility and program requirements and use certified electronic health record (EHR) technology?ⁱ

The Medicare and Medicaid EHR Incentive Programs offer payments starting at a base of \$2 million for hospitals (multiplied by a Medicare or Medicaid share). Here's how you can participate:ⁱⁱ

1. Verify that your hospital is eligible
2. Register
3. Use certified EHR technology
4. Attest that your hospital's use of certified EHR technology meets incentive program requirements.

Verify Eligibility

The Medicare and Medicaid EHR Incentive Programs have slightly different eligibility requirements.

Eligible hospitals under the **Medicare** program include:

- "Subsection (d) hospitals" in the 50 states and Washington, D.C., that are paid under the Inpatient Prospective Payment System
- Qualifying Medicare Advantage-affiliated hospitals

(Critical Access Hospitals (CAHs) also may be eligible for Medicare EHR Incentives.)

Eligible hospitals under the **Medicaid** program include:

- Acute care hospitals (including CAHs and cancer hospitals) with at least 10 percent Medicaid patient volume
- Children's hospitals (no Medicaid patient volume requirements)

A hospital is **dually-eligible** for both the Medicare and Medicaid programs if it meets all three of these requirements:

- Is a subsection(d) hospital in one of the 50 states or the District of Columbia, or is a CAH
- Has a CMS Certification Number ending in 0001-0879 or 1300-1399
- Has 10 percent of its patient volume derived from Medicaid encounters

Hospital-based eligible professionals (EPs) are not eligible for incentive payments. An EP is considered hospital-based if 90 percent or more of his or her covered professional services are performed in a hospital inpatient or emergency room setting.

Register

You can register for the Medicare and Medicaid EHR Incentive Programs on the CMS website at <https://ehrincentives.cms.gov/hitech>. Just select the link for "Eligible Hospitals" and be sure to have the following information handy:

- CMS Identity and Access Management (I&A) User ID and Password

- CMS Certification Number (CCN)
- National Provider Identifier (NPI)
- Hospital Tax Identification Number

For the **Medicare** program, your hospital must also have an enrollment record in the Provider Enrollment, Chain and Ownership System (PECOS).

Hospitals in states that have not launched their **Medicaid** incentive programs can still register on the CMS website but will need to wait until their state's program launches to complete the registration process at the state level and attest to their eligibility for payments.

Use Certified EHR Technology

Even if your hospital already uses EHR technology, it must be tested and certified by one of the Authorized Testing and Certification Bodies of the Office of the National Coordinator for Health Information Technology (ONC) specifically for the Medicare and Medicaid EHR Incentive Programs in order to qualify for incentive payments. Certified EHR technologies are listed at <http://onc-chpl.force.com/ehrcert>.

You do not need to have certified EHR technology in place to register. But you will need to provide information about your certified EHR technology when you attest.

Your hospital must successfully demonstrate meaningful use of your certified EHR technology under the **Medicare** program before you can receive an incentive payment in your first year of participation.

Under the **Medicaid** program, your hospital must adopt, implement, upgrade, or successfully demonstrate meaningful use of certified EHR technology to receive an incentive payment in year one.

Attest

To earn a **Medicare** incentive payment in 2011, you must attest through the CMS website at <https://ehrincentives.cms.gov/hitech> that your hospital has achieved meaningful use.

If you represent a dually-eligible hospital, your hospital can receive a Medicaid and Medicare incentive payment in the same year. To receive a **Medicaid** incentive payment, you must attest through your state's Medicaid website to having adopted, implemented, or upgraded certified EHR technology. In its second year of program participation, your hospital will be required to meet meaningful use requirements.

Avoid Payment Adjustments

Subsection (d) Medicare hospitals that do not demonstrate meaningful use of certified EHR technology will be subject to a payment adjustment in Medicare reimbursements starting in FY 2015. There are no payment adjustments under Medicaid.

Check Out CMS Resources

To find out more about the programs, visit the official CMS EHR Incentive Program website at www.cms.gov/EHRIncentivePrograms.

ⁱ The Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs were authorized under the Health Information Technology for Economic and Clinical Health (HITECH) Act, part of the American Recovery and Reinvestment Act of 2009. The programs provide incentive payments to eligible professionals, eligible hospitals and critical access hospitals (CAHs) as they adopt, implement, upgrade, or demonstrate “meaningful use” of certified EHR technology in ways that improve quality, safety, and effectiveness of patient-centered care. Under the Medicare EHR Incentive Program, eligible professionals can receive as much as \$44,000 over a consecutive five-year period. Under the Medicaid EHR Incentive Program, eligible professionals can receive as much as \$63,750 over six years. Under both the Medicare and Medicaid EHR Incentive Programs, millions of dollars are available for eligible hospitals and CAHs that satisfy program requirements.

ⁱⁱ This article provides guidance to professionals and hospitals that may be eligible for EHR incentive payments. However, we urge readers to refer to the regulations for definitive rules on eligibility, payment, and other requirements. To the extent anything in this guidance conflicts with such rules and regulations, our rules and regulations would take precedence. Regulations are available at: https://www.cms.gov/EHRIncentivePrograms/60_RegulationsNotices.asp#TopOfPage

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