



FAQs: Medicaid EHR Incentive Funding and Meaningful Use

Certain classes of Medicaid professionals and hospitals are eligible for incentive payments to encourage the adoption and use of certified EHR technology.

Who are Eligible Professionals?

Eligible professionals (EPs) include physicians, dentists, certified nurse-midwives, nurse practitioners, and physician assistants who are practicing in Federally Qualified Health Centers (FQHCs) or Rural Health Clinics (RHCs) led by a physician assistant.*

**The wording in statute for PA's is related to their working at a PA-led FQHC or RHC. However, there is debate about whether PA's generally at an FQHC or RHC are eligible. CPCA is working to advocate that PA's generally are included as eligible professionals, and will relay the clarification once confirmed with the Department of Health Care Services.*

How much funding can eligible professionals receive?

Eligible professionals may receive up to 85 percent of the net average allowable costs for certified EHR technology, including support and training (determined on the basis of studies that the Secretary of HHS will undertake), up to a maximum level of \$63,750. Incentive payments are available for no more than a 6-year period.

Medicaid EHR Incentive Payment Schedule

Incentive Payments for Adoption and Meaningful Use of Certified EHR												
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
2011	\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$0	\$0	\$0	\$0	\$0	\$63,750
2012		\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$0	\$0	\$0	\$0	\$63,750
2013			\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$0	\$0	\$0	\$63,750
2014				\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$0	\$0	\$63,750
2015					\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$0	\$63,750
2016						\$21,250	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$63,750

Note: Pediatricians must have a Medicaid patient volume of 20% to be eligible and get 2/3 of the dollar amounts specified above unless their Medicaid patient volume is 30% or higher.

Medicare Incentive for non-hospital based providers					
	E.H.R. Adoption 2011	E.H.R. Adoption 2012	E.H.R. Adoption 2013	E.H.R. Adoption 2014	E.H.R. Adoption 2015
2011	\$18,000	0	0	0	0
2012	\$12,000	\$18,000	0	0	0
2013	\$8,000	\$12,000	\$15,000	\$0	0
2014	\$4,000	\$8,000	\$12,000	\$15,000	0
2015	\$2,000	\$4,000	\$8,000	\$12,000	0
2016	\$0	\$2,000	\$4,000	\$8,000	0
TOTAL	\$44,000	\$44,000	\$39,000	\$35,000	0

EPs may not receive an incentive under both Medicare and Medicaid in a given year.

What is meaningful use?

Meaningful use is the phrase associated with EHRs and their use within and across the health care delivery system that originated in the HITECH Act within the American Recovery and Reinvestment Act. It is not a static definition, but rather a matrix of objectives and measures over a staggered timeline related to patient health and care delivery. In statute, meaningful use generally includes e-prescribing, electronic health information exchange, and reporting of clinical quality data. CMS will be issuing a definition of meaningful use in December 2009. The development of the definition is ongoing within the ONC and its two committees: Policy and Standards.

CPCA has a EHR meaningful use workgroup, chaired by Dean Germano, CEO of Shasta Community Health Center. The workgroup was formed in order to respond to the meaningful use criteria that the ONC and CMS would be developing. The CPCA EHR meaningful use workgroup responded to the original criteria that came out in June from the ONC, provided comments to the National Association of Community Health Centers to inform their written comments to the ONC Policy Committee in October, and will be responding to CMS' definition in December.

Who is in charge of the Medicaid EHR incentive funding?

The Centers for Medicare & Medicaid Services (CMS) will distribute funds to the state Medicaid offices who must then establish a manner in which to distribute the funds to EPs. The Office of the National Coordinator (ONC) and their two committees- Policy and Standards are helping CMS to create the meaningful use criteria. CMS will issue the final definition of meaningful use and the regulations regarding the incentive funding.

When will CMS begin to pay incentives to eligible professionals and hospitals for using certified Electronic Health Records (EHRs)?

By statute, the earliest dates that CMS will be able to pay an incentive under Medicare is October 1, 2010, for hospitals and January 1, 2011, for eligible professionals. The statute does not define a date for the Medicaid incentives program. Given the range of

regulatory and planning activities that must precede States being able to make provider incentive payments, as well as the importance of coordinating Medicaid and Medicare payments to prevent duplication, CMS does not expect that States will be able to make such payments until 2011.

If I already have an Electronic Health Record (EHR) that has been certified by the Certification Commission for Healthcare Information Technology (CCHIT), will I have to buy a new system if the government mandates that only EHRs that meet a higher certification level are considered certified EHRs?

Decisions about EHR standards, implementation specifications and certification criteria have not been made yet, and are under development. Policies will be proposed in the regulation to be published in late 2009.

Are there penalties for not being a meaningful user of an EHR under the Medicaid provisions?

There are no payment adjustments associated with the Medicaid provisions under Section 4201.

Payment adjustments will start to be imposed on Medicare eligible professionals and hospitals that are not meaningful EHR users in 2015.

How can I learn more and stay informed about what is happening?

If you want to stay current on the latest activity around HIT at the state and federal level you can request to receive the CPCA HIT and Federal Stimulus Newsletter by contacting Andie Martinez at amartinez@cpc.org. The newsletter was originally released on a weekly basis but as activity has slowed distribution has been generally on a bi-monthly basis. The newsletter discusses: EHR/meaningful use; Health Information Exchange; Workforce related to HIT; Telehealth and Broadband; Privacy and Security; and Regional Extension Centers.

You can participate on the EHR Meaningful Use Workgroup chaired by Dean Germano, CEO of Shasta Community Health Center. The workgroup is informing CPCA's position on the EHR and meaningful use definitions as they are released for comment. You can also participate on the HIE Workgroup chaired by Ralph Silber, CEO of the Alameda Health Consortium. The HIE workgroup monitors the HIE activity at the state level as well as the regional extension center program. The workgroup has conference calls monthly and discusses all HIT activity at the state and federal level.

To participate in either of these workgroups, please contact Andie Martinez at amartinez@cpc.org.

Where can I find more information?

CPCA:

<http://www.cpc.org/govaffairs/fedissues/ARRA/AmericanRecoveryReinvestmentActof2009.cfm#ANNOUNCEMENTS>

CHHS:

<http://www.hie.ca.gov/>

HHS:

http://healthit.hhs.gov/portal/server.pt?open=512&objID=1325&parentname=CommunityPage&parentid=15&mode=2&in_hi_userid=11113&cached=true

CMS:

<http://www.cms.hhs.gov/apps/media/press/factsheet.asp?Counter=3466&intNumPerPage=10&checkDate=&checkKey=&srchType=1&numDays=3500&srchOpt=0&srchData=&keywordType=All&chkNewsType=6&intPage=&showAll=&pYear=&year=&desc=&cbOrder=date>

Who do I contact about these FAQs?

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