

## An Overview of the EHR Incentive Payment Program for Eligible Professionals

Provided below are responses to common questions on Stage 1 Meaningful Use and electronic health record (EHR) incentive payments. Responses are based on the CMS rule. However, this is not intended to be official guidance. We encourage you to work with Hawai'i Pacific Regional Extension Center (REC) to make sure you and your practice qualify for incentives.

### 1. How much money can I receive in incentives?

#### Eligible Professionals (EPs) Timeline

- 2011-2016 (Medicare) –Up to \$44,000 over 5 years if meaningful user
- 2011-2021 (Medicaid) –Up to \$63,750 over 6 years –Adopt/Implement/Upgrade systems or Meaningful Use in Year 1, meet Meaningful Use requirements in Years 2-6
- 2015 and later –If not meaningful user, up to 3% payment adjustment in Medicare reimbursement
- After the initial designation, EPs will be allowed to change their program selection only once during payment years 2012 through 2014
- EPs in Health Professional Shortage Areas (HPSAs) get 10% bonus under Medicare Incentive Payments

MEDICARE EP Incentive Payment Plan					
Calendar Year	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015 and later
2011	\$18,000				
2012	\$12,000	\$18,000			
2013	\$8,000	\$12,000	\$15,000		
2014	\$4,000	\$8,000	\$12,000	\$12,000	
2015	\$2,000	\$4,000	\$8,000	\$8,000	0
2016		\$2,000	\$4,000	\$4,000	0
<b>TOTAL</b>	<b>\$44,000</b>	<b>\$44,000</b>	<b>\$39,000</b>	<b>\$24,000</b>	<b>0</b>

MEDICAID EP Incentive Payment Plan						
Calendar Year	CY 2011	CY 2012	CY 2013	CY 2014	CY 2015	CY2016
2011	\$21,250					
2012	\$8,500	\$21,250				
2013	\$8,500	\$8,500	\$21,250			
2014	\$8,500	\$8,500	\$8,500	\$21,250		
2015	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250	
2016	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250
2017		\$8,500	\$8,500	\$8,500	\$8,500	\$8,500
2018			\$8,500	\$8,500	\$8,500	\$8,500
2019				\$8,500	\$8,500	\$8,500
2020					\$8,500	\$8,500
2021						\$8,500
<b>TOTAL</b>	<b>\$63,750</b>	<b>\$63,750</b>	<b>\$63,750</b>	<b>\$63,750</b>	<b>\$63,750</b>	<b>\$63,750</b>

## 2. When can I apply?

Medicare	Medicaid
<ul style="list-style-type: none"> <li>Fall 2010 – Certification of EHR vendors will start</li> <li>2011-2012 – Clinicians can begin using a certified EHR in a meaningful manner (must use for 90 days)</li> <li>Jan. 2011 – Registration with CMS can begin</li> <li>April 2011 – Attestation of Meaningful Use begins</li> <li>May 2011 – CMS payments will begin</li> </ul>	<p>Medicaid EHR incentives will be managed by states. Timelines TBD.</p>

## 3. Which incentive program is best for me – Medicare or Medicaid?

This decision will be based on a number of factors, especially patient mix. Medicaid incentives are more generous, but also come with different requirements. Some key differences are provided below.

### Key Differences in the Two Incentive Programs

Medicare	Medicaid
Feds will implement (will be an option nationally)	Voluntary for States to implement (may not be an option in every State)
Fee schedule reductions begin in 2015 for providers that are not meaningful users	No Medicaid fee schedule reductions
Must be a meaningful user in Year 1	Adopt/Implement/Upgrade option for 1 <sup>st</sup> participation year
Maximum incentive is \$44,000 for EPs	Maximum incentive is \$63,750 for EPs
Meaningful Use definition will be common for Medicare	States can adopt a more rigorous definition (based on common definition)
Medicare Advantage EPs have special eligibility accommodations	Medicaid managed care providers must meet regular eligibility requirements
Last year an EP may initiate program is 2014; Last payment in program is 2016; Payment adjustments begin in 2015	Last year an EP may initiate program is 2016; Last payment in program is 2021
Only physicians, subsection (d) hospitals and critical access hospitals	Five types of EPs, three types of hospitals

## 4. Where do I begin?

**Step 1:** Sign up to work with the Hawai'i Pacific Regional Extension Center's expert staff.

**Step 2:** Work with the Hawai'i Pacific REC staff to determine which category of incentives best meets your profile:

- Medicare Incentives (Either Fee-for-Service or Medicare Advantage) or
- Medicaid Incentives

For additional information on how the Hawai'i Pacific REC can help you with Meaningful Use and the EHR Incentive Program, please contact Alan Ito at [aito@hawaiihiie.org](mailto:aito@hawaiihiie.org) or 808-441-1429.