

# Health Information Compliance Alert

## News You Can Use: Expect To Qualify For More Incentive Pay

### Providers get a more flexible reporting period to adopt or upgrade to the latest 2014 certified EHR technology.

Doctors, health care professionals and hospitals must go through three stages of preparation before they can qualify for Medicare and Medicaid incentive payments under the Health Information Technology for Economic and Clinical Health (HITECH) Act. These requirements were outlined in an Aug. 23 **HHS** press release which details how providers can adopt and meaningfully use certified electronic health record (EHR) technology.

- Stage 1 sets the basic functionalities electronic health records must include such as capturing data electronically and providing patients with electronic copies of health information.
- Stage 2 (which will begin as early as 2014) increases health information exchange between providers and promotes patient engagement by giving patients secure online access to their health information.
- Stage 3 will continue to expand meaningful use objectives to improve health care outcomes.

"The changes we're announcing today will lead to more coordination of patient care, reduced medical errors, elimination of duplicate screenings and tests and greater patient engagement in their own care," Health and Human Services (HHS) Secretary **Kathleen Sebelius** was quoted as saying in the release.

The final requirements for stage 2 that hospitals and health care providers must meet in order to qualify for incentives during the second stage of the program, and criteria that electronic health records must meet to achieve certification were announced by the HHS' **Centers for Medicare & Medicaid Services** and HHS' **Office of the National Coordinator for Health IT** in the release.

The requirements for stage 2 will be effective only from 2014 and not earlier. The current "2011 Edition Certified EHR Technology" can be used till then. Efforts are on to cut the red tape and increase meaningful use by means of more efficient certification methods.

Resource: A fact sheet on CMS's final rule is available at [www.cms.gov/apps/media/fact\\_sheets.asp](http://www.cms.gov/apps/media/fact_sheets.asp).

Background: In June the HHS reported that more than 120,000 eligible health care professionals and more than 3,300 hospitals have qualified to participate in the program and receive an incentive payment since it began in January 2011, exceeding the 100,000 goal set in March this year. Eligible professionals include physicians, nurse practitioners, certified nurse midwives, and some physician assistants.

A June 19 HHS press release had said that as of the end of May 2012:

- More than 110,000 eligible professionals and over 2,400 eligible hospitals have been paid by the Medicare and Medicaid EHR Incentive Programs.
- Approximately 48 percent of all eligible hospitals and critical access hospitals in the U.S. have received an incentive payment for adopting, implementing, upgrading, or meaningfully using an EHR.
- One out of every 5 Medicare and Medicaid eligible professionals in the U.S. has received an incentive payment for adopting, implementing, upgrading, or meaningfully using an EHR.
- Over \$5.7 billion in EHR Incentive Program payments were made.
- More than \$3 billion in Medicare EHR Incentive Program payments were made between May 2011 (when the first payments were released) and the end of May 2012.
- More than \$2.6 billion in Medicaid EHR Incentive Program payments were made between January 2011 (when the first states launched their programs) and the end of May 2012.

"Meeting this goal so early in the year is a testament to the commitment of everyone who has worked hard to meet the challenges of integrating EHRs and health information technology into clinical practice," said CMS Acting Administrator **Marilyn Tavenner** in the June press release.

"Not only have state Medicaid programs, public health departments, and many other stakeholders given their support to the Medicare and Medicaid EHR Incentive Programs, but numerous health professionals and hospitals have recognized the potential of EHRs to provide better patient care, cut down on paperwork, and eliminate duplicate screenings and tests," she added.

Using EHR technology in 'meaningful' ways to improve patient safety, ensure higher quality care and shared decision making by patients and physicians are the chief criteria for earning the incentive payments from the Medicare and Medicaid EHR Incentive Programs.

For more information on the Medicare and Medicaid EHR Incentive Programs, please see [www.cms.gov/ehrincentiveprograms/](http://www.cms.gov/ehrincentiveprograms/).