

April 20, 2011

Medicare EHR Incentive Program Starts Attestation Phase: Physicians and Hospitals to Share \$27 Billion Beginning May 2011

On April 18, 2011, the Centers for Medicare and Medicaid Services (CMS) began the attestation phase under its \$27 billion Medicare EHR Incentive Program. Incentive payments for the meaningful use of electronic health records (EHR) will begin in May 2011 and will continue over the next several years. Eligible professionals (i.e., physicians and others) may receive as much as \$44,000 from Medicare and \$63,750 from Medicaid and hospitals may receive millions of dollars for implementation and “meaningful use” of certified EHR. This program is a result of the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. Providers should act now to qualify for the maximum amount of incentive payments.

Eligible Professionals and Hospitals

An eligible professional can receive Medicare EHR incentive payments for up to five years, with payments beginning in CY 2011. Medicaid EHR incentive payments are payable over six years. Eligible professionals who meet criteria for both the Medicare and Medicaid EHR Incentive Programs may participate in only one program. Eligible hospitals can receive incentive payments for up to four years, beginning in FY 2011. Unlike eligible professionals, hospitals may qualify to receive payments from both the Medicare and Medicaid Incentive Programs.

The HITECH Act contains two different definitions of an “eligible professional.” For the Medicare EHR Incentive Program, an “eligible professional” is a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of optometry or a chiropractor, who is legally authorized to practice under state law. The definition under Medicaid is broader and includes physicians, dentists, nurse practitioners, certified nurse-midwives and physician assistants who work in a federally qualified health clinic or rural health center that is led by a physician assistant. However, both Medicare and Medicaid incentive programs exclude hospital-based physicians.

Eligible hospitals under the Medicare EHR Incentive Program include hospitals that are paid under the hospital inpatient prospective payment system (IPPS) or critical access hospitals that are located in the 50 states or the District of Columbia. Under the Medicaid EHR Incentive Program, the definition is different, and includes acute care hospitals that have at least a ten percent Medicaid patient volume, as well as children’s hospitals.

To participate in the Medicare EHR program, Hospitals and eligible professionals must first register with CMS by visiting the website: <http://cms.gov/EHRIncentivePrograms/>.

Meaningful Use of Certified EHR

To be eligible for incentive payments, eligible professionals and hospitals must engage in a “meaningful use” of EHR technology that has been certified by the Office of the National Coordinator for Health Information Technology (ONC). There are currently more than 400 software products certified for ambulatory practices and more than 180 products certified for inpatient use. Providers can visit the ONC webpage to determine which EHR software programs have been certified to meet CMS criteria. Since most software programs do not meet one hundred percent of the certification criteria, providers will have to select multiple products to ensure complete coverage. The ONC website is: <http://onc-chpl.force.com/ehrcert>.

Once eligible professionals and hospitals have implemented certified EHR software, they must engage in a “meaningful use” of that technology. The HITECH Act specifies three main components of meaningful use:

1. The use of a certified EHR in a meaningful manner, such as e-prescribing.
2. The use of certified EHR technology for electronic exchange of health information to improve quality of health care.
3. The use of certified EHR technology to submit clinical quality and other measures.

Simply put, “meaningful use” means providers are using certified EHR technology in ways that can be measured significantly in quality and in quantity. Examples of “meaningful use” are computerized provider order entry (CPOE) for medication orders, drug-allergy interaction checks, and electronic prescriptions. A list of eligible professional core measures that will be used to determine “meaningful use” is available at: <http://www.cms.gov/EHRIncentivePrograms/Downloads/EP-MU-TOC.pdf>. A list of hospital core measures is available at: http://www.cms.gov/EHRIncentivePrograms/Downloads/Hosp_CAH_MU-TOC.pdf.

Attestation

In the first year of participation in the Medicare EHR Incentive Program, providers must attest that they have engaged in the “meaningful use” of EHR for 90 consecutive days during a reporting period. In subsequent years, providers must attest that they have met “meaningful use” criteria for a full year. Providers will demonstrate their compliance with “meaningful use” through the CMS on-line Attestation System at <https://ehrincentives.cms.gov/hitech/login.action>. Providers must fill in numerators and denominators for the meaningful use objectives and clinical quality measures, indicate if they qualify for exclusions to specific objectives, and legally attest that they have successfully demonstrated “meaningful use.” A certified EHR system will provide a report of the numerators, denominators and other information required by CMS. Once they have completed a successful online submission through the Attestation System, providers will qualify for a Medicare EHR incentive payment, beginning in May 2011.

Important Dates

Because providers can now begin the attestation process, they should act quickly to register, implement and attest to “meaningful use” of EHR technology. Providers can maximize their incentive payments by participating in the program for its entire duration. Important dates are listed below:

Eligible Professionals

- January 1, 2011 – Reporting year begins for eligible professionals.
- January 3, 2011 – Registration for the Medicare EHR Incentive Program begins.
- April 18, 2011 – Attestation for the Medicare EHR Incentive Program begins.
- May 2011 – EHR Incentive Payments expected to begin.
- October 1, 2011 – Last day for eligible professionals to begin their 90-day reporting period for the CY 2011 Medicare EHR Incentive Program.
- December 31, 2011 – Reporting year ends for eligible professionals.
- February 29, 2012 – Last day for eligible professionals to register and attest to receive an Incentive Payment for CY 2011.

Hospitals

- October 1, 2010 – Reporting year begins for eligible hospitals.
- January 3, 2011 – Registration for the Medicare EHR Incentive Program begins.
- April 18, 2011 – Attestation for the Medicare EHR Incentive Program begins.
- May 2011 – EHR Incentive Payments expected to begin.
- July 3, 2011 – Last day for eligible hospitals to begin their 90-day reporting period to demonstrate meaningful use for the FY 2011 Medicare EHR Incentive Program.
- September 30, 2011 – Reporting year ends for eligible hospitals.
- November 30, 2011 – Last day for eligible hospitals to register and attest to receive an Incentive Payment for FY 2011.

Medicaid EHR Incentive Program

States may voluntarily offer EHR incentive payments to eligible professionals and hospitals. Thirteen states, including Texas, now allow providers to register for these payments. Other states are expected to start EHR incentive programs. More information on individual state EHR programs can be found at: <http://www.cms.gov/apps/files/statecontacts.pdf>.

More Information

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