



Meaningful Use – How Not Being Certified is Costing You Money

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Medicare Incentives — Eligibility

■ Hospitals

- Medicare hospitals and MA-affiliated hospitals
- Critical Access Hospitals (CAH)
- 90% or more of their covered professional services in either an inpatient (POS 21) or emergency room (POS 23) of a hospital

■ Eligible Professionals (EP)

- Non-hospital-based MD, DO, DDS, DDM, podiatrists, optometrists, chiropractors
- Must see 50% of patients at a facility that has certified EHR technology
- An EP can only assign their reimbursement to a single taxpayer identification number

Reimbursement Schedule - Medicare

Incentive Paid in	Meaningful Use of a Certified HER				Failure to Demonstrate by			
	2011	2012	2013	2014	2015	2016	2017	2018
2011	\$18k	-	-	-				
2012	\$12k	\$18k	-	-				
2013	\$8k	\$12k	\$15k	-				
2014	\$4k	\$8k	\$12k	\$12k				
2015	\$2k	\$4k	\$8k	\$8k				
2016		\$2k	\$4k	\$4k				
2017								
Total	\$44k	\$44k	\$39k	\$24k	-1% Penalty	-2% Penalty	-3% Penalty	-4% Penalty
HPSA	\$48.4k (+10%)	\$48.4k (+10%)	\$42.9k (+10%)	\$26.4k (+10%)				

Medicaid Incentives — Eligibility

- Almost all costs incurred by state would be reimbursed by HHS CMS
 - 100% of incentive payments
 - 90% of acceptable administrative costs
 - States can opt-out of participation
- Hospitals
 - Subsection (d) hospitals and MA-affiliated hospitals
 - Critical Access Hospitals (CAH)
- Eligible Professionals (EP)
 - Non-hospital-based physicians, NP, certified nurse-midwife, dentist, physician assistants in a FQHC

Medicaid Incentives — Eligibility

- The following criteria must be met:
 - Percentage of Medicaid encounters must be 30%+ for each EP over a representative 90-day period
 - EP must have 50% of their encounters at facilities using a certified EHR
 - EP must be non-hospital-based (hospital-based means the professional furnishes 90% of services in either inpatient or emergency room of hospital)
 - Organization meets Meaningful Use EHR requirements
 - EPs must assign their incentives to the organization

Reimbursement Schedule - Medicaid

Incentive Paid in	Meaningful Use of a Certified EHR					
	2011	2012	2013	2014	2015	2016
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
Total	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750

Action Plan: Tapping Incentives

- Register via the EHR Incentives Program web site
 - <http://www.cms.gov/EHRIncentivePrograms>
- Be enrolled in Medicare FFS, MA, or Medicaid (FFS or managed care)
- Have a National Provider Identifier (NPI)
- Use Certified EHR Technology
 - Medicaid providers may adopt, implement or upgrade in their first year

Action Plan: Tapping Incentives

- Capture health information in a coded and structured format
- Track key clinical conditions, and communicate for coordination purposes
- Implement clinical decision support tools
- Report clinical quality measures and public health information
- Reporting period is a 90-day consecutive period
 - Subsequent years will be full payment year
- Reporting through attestation
- Payment received once CMS has been shown attainment, and reached either yearly maximum or end of calendar year

Example: Provider Incentives

- Provider does 70% of encounters are at facilities that use a Certified EHR and is eligible
 - Provider can assign the incentives
 - Measurements are calculated based on the number of encounters at facilities A and B
- First year of Meaningful Use = # of EPs x \$21,250
- Years 2-6 of Meaningful Use = # of EPs x \$8,500
 - Total = # of EPs x \$63,750

Medicare vs. Medicaid

Medicare	Medicaid
Federal implementation in January of 2011	Voluntary for states to implement
Penalties begin in 2015	No Penalties
No patient volume threshold	30% Medicaid volume threshold
Must demonstrate MU in Year 1	A/I/U option for 1 st participation year
\$18k first year max incentive	\$25k first year max incentive
Max of \$44k over five years (\$48.4k in HPSA)	Max of \$63,750 over 6 years
Start date of 2012 will still receive max incentive	Start date of 2016 will still receive max incentive
MU definition common	States can adopt additional requirements
If you skip a year, you return to later payment year	If you skip a year, you return to where you left off

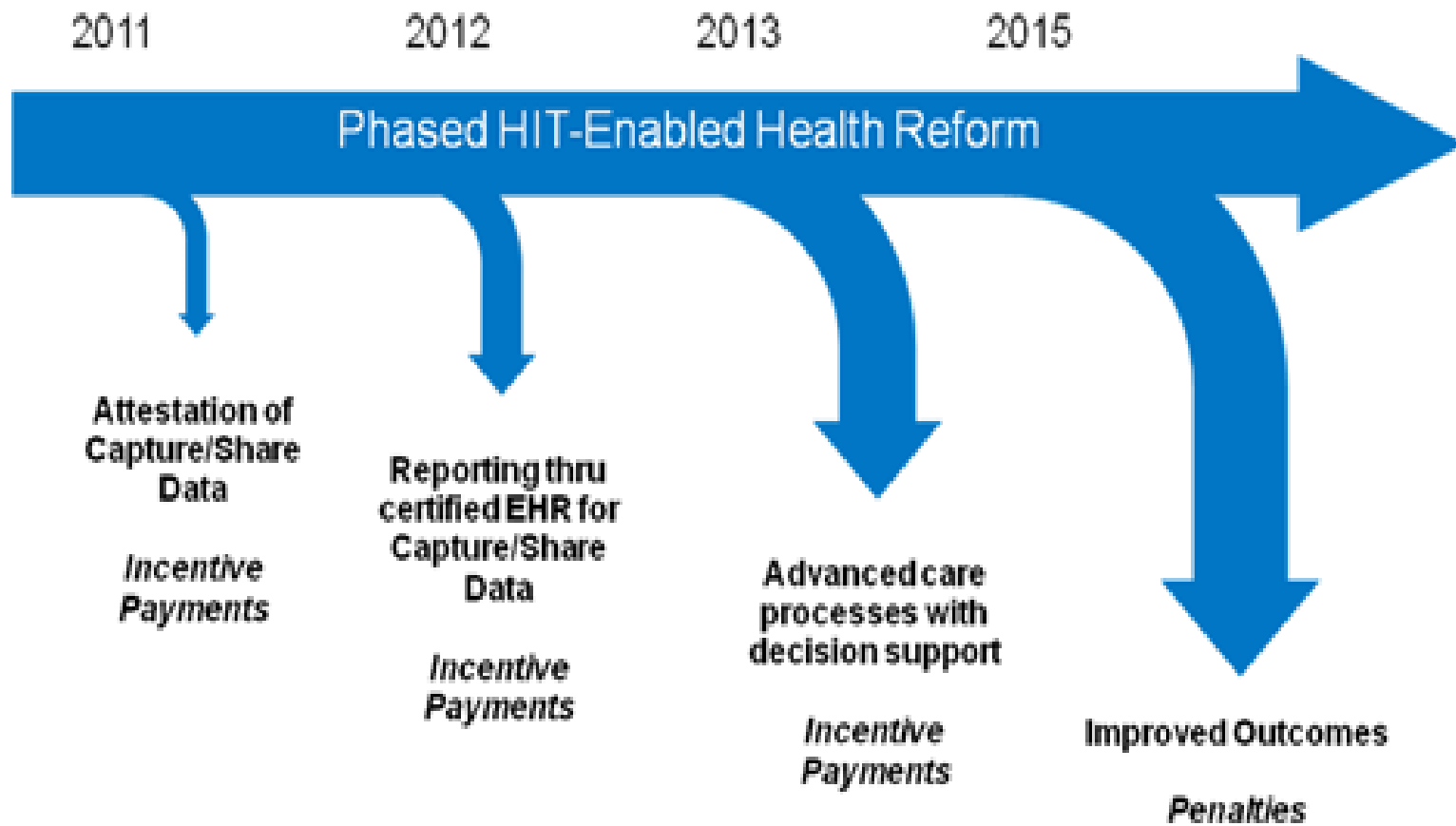
Which One to Go for First?

- Medicaid incentives at the EP level are greater than Medicare incentives –85% of allowable costs vs. 75% of charges (\$63k vs. \$44k)
- If not a meaningful user by 2015 your Medicare revenue will be affected by the penalties
- You can only receive incentives from one state's Medicaid program — possible issue for providers on borders

Meaningful Use with Certified EHR

- ARRA ONC-ATCB meets Meaningful Use criteria if provider's system is 100% certified on all modules
 - Authorized testing and certification bodies
 - CCHIT
 - Drummond Group
 - InfoGard Laboratories
 - If less than 100% certified system, provider must apply to ONC for certification number and ensure that all test scripts are passed by combined system
 - Provider must ensure that vendors keep systems current for stage 2 and stage 3

Functionality Measures Stages



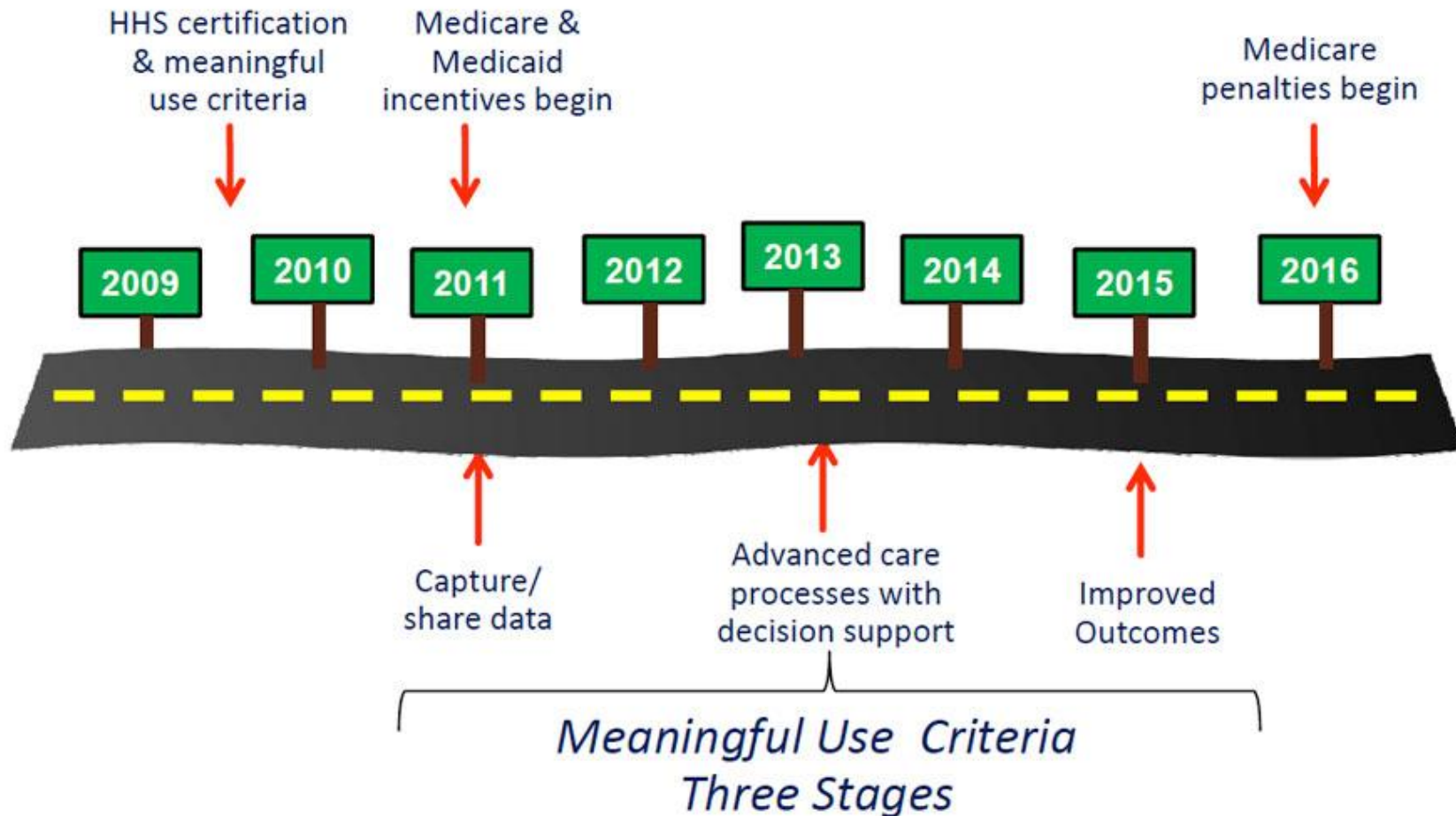
Meet Staged IT Functionality Measures

- Purpose: Show how well the provider/ hospital is using their Certified EHR Technology
- Core measures
 - Must attain or qualify for exception on all measures
- Menu items
 - Must attain or qualify for exception on five measures
 - Must choose one public health measure

Meet staged clinical quality measures

- Purpose: Show how meaningful use has improved the care patients receive
- Providers required to report on 6 Quality Measures
 - 3 mandatory “Core” or “Alternate” measures
 - Select 3 more from list of 38 Quality Measures according to providers specialty
- Hospitals measures
 - Required to report on 35 Medicare measures
 - For Medicaid, hospitals have the option to report on 8 alternative measures if the 35 do not apply to patient population

Timeline Roadmap



Cost Implications — Medicare

- If not a meaningful user by 2015 reimbursement reduced by 1% each year for four years
- HITECH Act also authorizes CMS to further reduce reimbursement rate beginning in 2018 if proportion of meaningful users is less than 75%

EMR Adoption Model Implications

US EMR Adoption Model SM			
Stage	Cumulative Capabilities	2008 Final	2009 Final
Stage 7	Complete EMR; CCD transactions to share data; Data warehousing; Data continuity with ED, ambulatory, OP	0.3%	0.7%
Stage 6	Physician documentation (structured templates), full CDSS (variance & compliance), full R-PACS	0.5%	1.6%
Stage 5	Closed loop medication administration	2.5%	3.8%
Stage 4	CPOE, Clinical Decision Support (clinical protocols)	2.5%	7.4%
Stage 3	Nursing/clinical documentation (flow sheets), CDSS (error checking), PACS available outside Radiology	35.7%	50.9%
Stage 2	CDR, Controlled Medical Vocabulary, CDS, may have Document Imaging; HIE capable	31.4%	16.9%
Stage 1	Ancillaries – Lab, Rad, Pharmacy - All Installed	11.5%	7.2%
Stage 0	All Three Ancillaries Not Installed	15.6%	11.5%

Data from HIMSS Analytics™ Database © 2010

N = 5166 N = 5235

← 2015

← 2013

← 2011

Technology Implications

IMPLEMENTATION APPROACHES FOR MEANINGFUL USE PROJECTS

First Payment Year	Payment Year					Implementation Approach
	2011	2012	2013	2014	2015	
2011	1	1	2	2	3	Agile
2012		1	1	2	3	Iterative
2013			1	2	3	Waterfall
2014				1	3	Big Bang
2015					3	Big Bang ²

1 Stage 1
2 Stage 2
3 Stage 3

www.corepointhealth.com

Sources & Links

- CMS EHR Incentive Programs
<http://www.cms.gov/EHRIncentivePrograms>
- Certified Health IT Product List
<http://onc-chpl.force.com/ehrcert>
- What You Need to Know About Meaningful Use
<http://www.ihs.gov/recovery/documents/OverviewofMU020110.pdf>
- Economic Stimulus for the Healthcare IT Industry
<http://www.himss.org/EconomicStimulus/>
- Meaningful Use functionality Measures
<http://edocket.access.gpo.gov/2010/pdf/2010-17207.pdf>
<http://edocket.access.gpo.gov/2010/pdf/2010-17210.pdf>

**To receive additional materials and details on
Meaningful Use – How Not Being Certified is
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