

New York Medicaid Electronic Health Records(EHR) Incentive Program

Provider Payments

**NEW YORK STATE DEPARTMENT OF HEALTH
DIVISION OF OHIP OPERATIONS
EHR INCENTIVE PROGRAM**

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Program Background

On July 28, 2010, the Centers for Medicare and Medicaid Services (CMS) published a final rule implementing the Medicare and Medicaid Electronic Health Records (EHR) Incentive Programs. This rule clarified many of the eligibility criteria for the incentive programs that were established by the American Recovery and Reinvestment Act of 2009 ("the Recovery Act"). Based on the objectives listed in the Recovery Act, a set of measures by which a provider can demonstrate "meaningful use" of EHR technology was created.

Through the Medicaid EHR Incentive Program, eligible hospitals (EH) and eligible professionals (EP) in New York who adopt, implement, or upgrade (AIU) to certified EHR technology, and subsequently become meaningful users (MU) of the EHR technology, can qualify for financial incentives. The program includes both managed care and fee for service Medicaid providers.

Certified EHR Technology and Meaningful Use

CMS and the Office of the National Coordinator for Health Information Technology (ONC) have established standards and requirements for structured data that EHR systems must use in order to qualify for the Medicare and Medicaid EHR Incentive Programs.

The EHR Incentive Program provides financial incentives for the meaningful use of certified EHR technology to improve patient care. CMS has established the objectives for meaningful use that eligible professionals (EP) and eligible hospitals (EH) must meet to show that they are "meaningfully using" their EHRs. There are three main components of meaningful use:

- The use of certified EHR technology for electronic exchange of health information to improve quality of health care
- The use of certified EHR technology to submit clinical quality and other measures
- The use of a certified EHR in a meaningful manner (e.g. e-prescribing)

MU has three stages with published goals and objectives for each stage. As MU stages progresses, the objectives evolve to build upon the provider's "meaningful use" of certified EHR technology. MU Stage 1 and MU Stage 2 have been published by CMS.

Incentive Payment

EPs and EHs attest to AIU and MU through an online web portal. Attestation information is validated, reviewed and approved through a series of automated and manual checks at the state and federal levels. Providers must be enrolled in Medicaid and payment is made through eMedNY, NY's Medicaid Management Information System (MMIS). By the provider's second participation year, providers must attest to meeting MU requirements.

NY Medicaid EHR Incentive Program Milestones

DATE	MILESTONE
September 4, 2012	CMS Final Rule for Meaningful Use Stage 2 released
July 25, 2013	Stage 1 Payment Year (PY) 2013 updates available to providers
December 31, 2013	EH Medicaid attestation deadline for PY 2013
1 st Quarter 2014	Projected availability for EH Medicaid PY2014 attestations
1 st Quarter 2014	Stage 1 PY2014 and Stage II updates available to providers
March 31, 2014	EP Medicaid attestation deadline for Payment Year 2013
2 nd Quarter 2014	Projected availability for EP Medicaid PY2014 attestations
4 th Quarter 2015	Providers electronically submit CQMs as part of their PY2015 attestation

Professionals – Eligibility and Payment

EPs must demonstrate each year that at least 30% (20% for pediatricians) of their patient volume is attributed to Medicaid or "Needy" patient encounters. Additionally, EP in groups have an option to combine the totals of all EPs in the group and attest using aggregate totals. To be eligible to receive the NY Medicaid EHR Incentive, the healthcare practitioner must **not** be "hospital-based" (furnishing 90% or more of their Medicaid services in the hospital inpatient and emergency department). The program offers assistance available EPs who have difficulty assembling their patient volume.

The NY Medicaid EHR Incentive Program provides incentive payments up to \$63,750 to EPs over a series of six participation years (PY). Participation years need not be sequential in the NY Medicaid EHR Incentive Program - participants may skip years without penalty, although the last year to receive incentive payments is 2021. The payment beginning date is February 2012 for EPs and the last year that a provider can begin receiving payments is 2016.

Hospitals – Eligibility and Payment

Acute care hospitals and children's hospitals may be eligible to receive direct incentive payments. Even within an eligible acute care or children's hospital, some units are not considered acute care and are not counted in the calculations for determining eligibility or calculating the incentive payment. Nursery care,

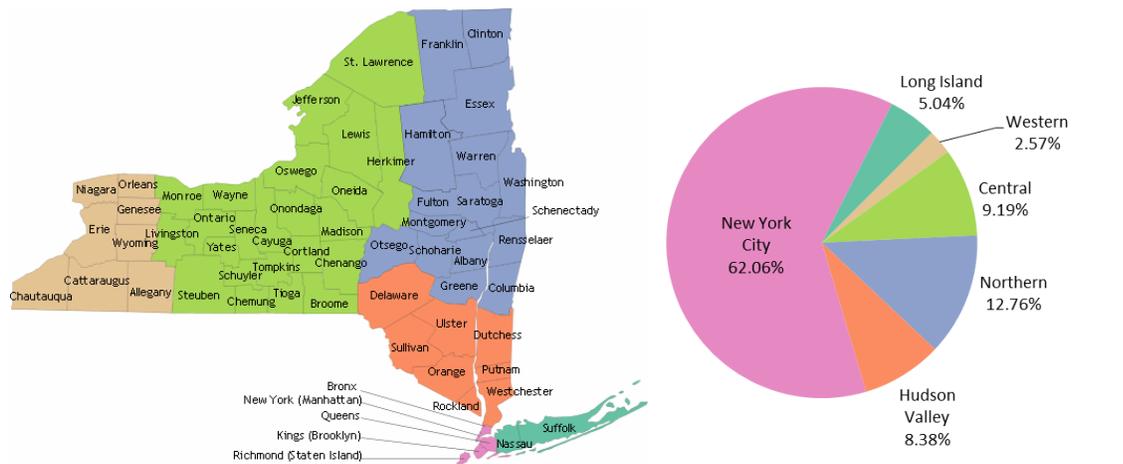
skilled nursing or long-term care, rehabilitation and psychiatric services are considered sub-acute and should be excluded from all calculations. Neonatal intensive care services are acute care and are counted.

Incentive payment amounts are unique to each EH and will vary based on hospital criteria, including discharge volume and Medicaid bed days. The payment amount is calculated at the first participation year and disbursed over the course of three participation years (50% year 1, 40% year 2 and 10% year 3). The payment beginning date is December 2011 for EHs and the last year that a hospital could begin receiving payments is 2016.

Geographic and Provider Type Payment Distribution

The Health Data NY dataset will provide up to date information to the public regarding distribution of payments. EH’s make up the largest portion of the total incentive payment distribution although EPs far outnumber hospitals. The geographic distribution of payments is generally aligned with population. As of August 2013, over 62% of payments have gone to the New York City region based on the geographic distribution.

- The Northern region is second among hospitals, with 16% of overall EH payments.
- The Central region is second among practitioners, with 15% of EP payments.



REGION	EP TOTAL	EP %	EH TOTAL	EH %	OVERALL TOTAL	OVERALL %
Western	\$6,683,848	4.28%	\$4,075,213	1.55%	\$10,759,061	2.57%
Central	\$23,363,685	14.96%	\$15,147,430	5.76%	\$38,511,115	9.19%
Northern	\$11,754,108	7.53%	\$41,710,938	15.86%	\$53,465,046	12.76%
Hudson Valley	\$17,143,091	10.98%	\$17,986,431	6.84%	\$35,129,522	8.38%
New York City	\$88,196,013	56.47%	\$171,906,220	65.38%	\$260,102,233	62.06%
Long Island	\$9,035,504	5.79%	\$12,087,873	4.60%	\$21,123,377	5.04%

Additional Resources

More Information can be found as following:

State Resources

- Eligible Hospital Information on eMedNY.org
<https://www.emedny.org/meipass/eh/index.aspx>
 - Eligible Hospital FAQs
<https://www.emedny.org/meipass/FAQ/faq.aspx?provtype=EH>
 - MEIPASS Login
<https://meipass.emedny.org/>
 - eMedNY LISTSERV
https://www.emedny.org/Listserv/eMedNY_Email_Alert_System.aspx

Other Resources

- New York State Medicaid HIT Plan (NY-SMHP)
http://nyhealth.gov/regulations/arra/docs/medicaid_health_information_technology_plan.pdf
- CMS Website for the Medicare and Medicaid EHR Incentive Programs
<http://www.cms.gov/ehrincentiveprograms/>
- ONC Home Page
<http://healthit.hhs.gov/>