pennsylvania
DEPARTMENT OF PUBLIC WELFARE

MEDICAL ASSISTANCE BULLETIN

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SUBJECT	BY
Medical Assistance Electronic Health Records (EHR) Incentive Program for Eligible Professionals (EP)	Izanne Leonard-Haak, Acting Deputy Secretary Office of Medical Assistance Programs

PURPOSE:

The purpose of this bulletin is to provide information to providers about the Department of Public Welfare's (Department) intent to implement and administer a Medical Assistance (MA) Electronic Health Records (EHR) Incentive Program and the eligibility criteria and payment information that eligible professionals (EPs) must meet in order to qualify for the Pennsylvania (PA) MA EHR Incentive Program payment.

Note: A subsequent MA Bulletin will be issued in the near future to provide more specific information about the application process and EP participation requirements.

SCOPE:

This bulletin applies to physicians, dentists, pediatricians, certified registered nurse practitioners, and certified nurse midwives enrolled in the MA Program. This includes those providers who practice "predominantly" in a Federally Qualified Health Center (FQHC) or Rural Health Clinic (RHC), i.e. 50 percent or more of the time.

BACKGROUND:

The American Reinvestment and Recovery Act of 2009 (ARRA) includes numerous provisions related to health information technology (HIT) and promoting EHR adoption, including incentive payments to eligible hospitals and EPs. The EHR adoption incentive provisions provide states with one hundred percent federal financial participation (FFP) for the incentive payments made to eligible hospitals and EPs.

The Federal goal of the EHR Incentive Program is to promote the adoption and meaningful use of certified EHRs within the healthcare system, i.e., to provide higher quality and better coordinated care that leads to improved patient outcomes and patient safety while also improving the efficiency of the healthcare system.

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

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Visit the Office of Medical Assistance Programs Web site at
http://www.dpw.state.pa.us/provider/healthcaremedicalassistance/index.htm

On July 28, 2010, the Centers for Medicare and Medicaid Services (CMS) published final rules to implement the provisions of ARRA related to the initial criteria for eligible hospitals and EPs to qualify for the MA EHR incentive payment, the calculation of the EHR incentive payment amounts, the conditions for states to receive FFP for EHR incentive payments and implementation funding, and other program requirements (See 75 Fed Reg. 44314, July 28, 2010). Participation in the MA EHR Incentive Program is voluntary. EPs are not required to participate in the MA EHR Incentive Program and states are not required to develop and administer MA EHR incentive programs. The Department set forth its vision for the MA EHR Incentive Program and has been seeking public input as well as planning and developing its MA HIT Initiative and EHR Incentive Program since 2009. The Department intends to begin accepting applications and making EHR incentive payments to EPs in the Spring of 2011.

Definition of Eligible Professionals

The CMS final rule outlines the following mandatory criteria for an EP to be considered for the MA EHR Incentive Program:

1. EPs must be a licensed physician, dentist, pediatrician, certified registered nurse practitioner, or certified nurse midwife. For the purposes of this program, the Department is defining a pediatrician as a physician who is either board-certified as a pediatrician or has received 12 months of training with children under the age of 21 years old.

2. EPs cannot be hospital-based, meaning the EP does not provide “substantially all” of their professional services in a hospital setting. “Substantially all” is defined to mean EPs who conduct more than 90 percent of their covered professional services in either the inpatient acute care hospital (POS 21) or hospital emergency department (POS 23). This does not apply to EPs practicing predominantly in a FQHC/RHC. More specific determination of “substantially all” will be made based on the site of service, as defined by the Secretary of the U.S. Department of Health and Human Services.

3. EPs must also meet annual patient volume thresholds. The general rule is that EPs must have at least 30 percent patient volume attributable to individuals receiving MA.

Table 1 below describes patient volume requirements as set forth by the CMS final rule:

Table 1: MA EP Patient Volume Requirements

MA Eligible Professional Types	Patient Volume Eligibility Requirement
Physicians (includes MDs and DOs)	30% patient volume from MA individuals
Certified Registered Nurse Practitioner	30% patient volume from MA individuals

Certified Nurse Midwife	30% patient volume from MA individuals
Dentist	30% patient volume from MA individuals
Providers practicing predominantly (50 percent of his or her total patient encounters over a period of 6 months) in FQHCs and RHCs	30% patient volume from "needy individuals" defined as MA or CHIP enrollees and patients provided uncompensated care at no cost or on a sliding scale
Pediatricians	Minimum of 20% patient volume from MA individuals (but will only receive full incentive amount if patient volume is 30% or higher)

Incentive payments are for individual providers. However, clinics and group practices (including FQHCs and RHCs) are allowed to use the practice or clinic MA patient volume (or needy individual patient volume, insofar as it applies) and apply the practice or clinic volume calculation to all EPs in their practice under three conditions:

1. The clinic or group practice's patient volume is appropriate as a patient volume methodology calculation for the EP.

2. There is an auditable data source to support the clinic's patient volume determination.

3. The practice and EPs use one methodology in each year (in other words, clinics could not have some EPs using individual patient volume for patients seen at the clinic, while other EPs use the clinic-level data). The clinic or practice must use the entire practice's patient volume and not limit it in any way.

EPs will also be asked during the application process to attest to the following program eligibility requirements in order to be eligible for the MA EHR Incentive Program:

- Confirmation that the EP is seeking an incentive payment for MA in Pennsylvania.

- Confirmation that the applicant is NOT pursuing payment in another state.

- Confirmation that the EP has no sanctions resulting in exclusion from participation in Federally funded programs.

- Confirmation that the EP is compliant with HIPAA laws for electronic data.

- Confirmation that the EP is licensed to practice in the Commonwealth of Pennsylvania or other states in which services are rendered.

- Confirmation that the EP has a CMS Certification Number(s) indicating Federal EHR software certification.

DISCUSSION:

The Department will implement an MA EHR Incentive Program consistent with the Department's goals to increase the quality access and coordination of medical care for all MA recipients. In order to implement an EHR incentive program, the Department is required to submit a State Medicaid HIT Plan (SMHP). CMS approved Pennsylvania's SMHP in December 2010. The Department's approved SMHP can be viewed online at:

http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/document/p_003113.pdf

To qualify for the Department's EHR Incentive Program, an EP must meet all of the federal requirements outlined above, and must be enrolled and participating as an MA provider without sanctions or exclusions. Providers who are not enrolled will need to enroll with MA prior to applying for the Department's EHR incentive program. In addition, the Department requires that providers wishing to receive EHR incentive payments have an individual National Provider Identifier number (NPI), and if they wish to assign their payments, the organization to which they wish to assign payments must also be registered with the MA program in order to receive the assigned incentive payments.

The Department intends to begin accepting applications for the MA EHR Incentive Program in May 2011. A subsequent MA Bulletin will be issued prior to that time to provide further instruction regarding the application process.

PROCEDURES:

EPs should review the information identified above to determine eligibility for the MA EHR Incentive Program. In addition, EPs who are interested in learning more about the MA EHR Incentive program, including dates and times for educational events and how to subscribe to the MA HIT Initiative listserv, should view the Department's HIT website at the following link:

http://www.dpw.state.pa.us/provider/healthcaremedicalassistance/medicalassistancehealthinformationtechnologyinitiative/index.htm.