

What are the Eligible Provider Incentives?

- Providers who are “meaningful users” of certified EHR/EMRs are entitled to receive up to \$44,000 of total incentive payments over five years. The table below shows the distribution of payments over five years.

Provider Incentive Payments					
	Adopt 2011	Adopt 2012	Adopt 2013	Adopt 2014	Adopt 2015
2011	\$18,000				
2012	\$12,000	\$18,000			
2013	\$8,000	\$12,000	\$15,000		
2014	\$4,000	\$8,000	\$12,000	\$15,000	
2015	\$2,000	\$4,000	\$8,000	\$12,000	\$0
2016	0	\$2,000	\$4,000	\$8,000	\$0
Total Incentives Earned per Provider	\$44,000	\$44,000	\$39,000	\$35,000	\$0
10% for health professional shortage areas	\$48,400	\$48,400	\$42,900	\$38,500	\$0

What are the Penalties?

There will be no payment to any provider after 2016, **or for those who qualify in 2015 or later.** For providers who do not adopt such technology by 2015, **Medicare payments will be reduced** by the following factors in the years specified:

- 2015: One percent (hospitals = 33 1/3%)
- 2016: Two percent (hospitals = 66 2/3%)
- 2017 and beyond: Three percent (hospitals = 100%)
- 2018 and beyond: Plus one additional percent/year (max of 5%) if 75% not automated

How Do I Qualify?

In order for providers to be eligible to receive HITECH incentives, they must be able to:

- Demonstrate “**meaningful use**” of certified EHR/EMR technology, **including e-prescribing**.
- Demonstrate the certified EHR/EMR is able to provide **electronic exchange of health information** to improve quality and promote care coordination.
- Report on **clinical quality measures** as specified by the Secretary of HHS. The Secretary of HHS will identify a standards harmonization organization (could be HITSP) and a health IT certification organization (expected to be CCHIT or NIST)

(* Demonstration could be through attestation, submission of claims, survey response, or reporting on quality measures)

Other Questions and Answers

How soon will I need to make a decision?

It can take anywhere from 3-9 months to fully implement an electronic health records system. Additionally, the CMS incentives start paying in 2011 for the currently undefined standard of "meaningful use" of a "certified" EHR. Finally, those practices who meet the "meaningful use" standard by 2011 will be able to leverage the greatest incentives.

While the requirements are a bit vague right now, the implications are clear: you should start your decision-making process soon, make a purchase and implement a certified EHR in time to earn the incentives. You'll want to have plenty of time for your providers to be meeting the standard of "meaningful use" once it is defined.

What is a "certified" EHR? Does it mean CCHIT certified?

While there are plenty of details yet to be finalized, the legislation has provided a little hint at what might be required of a certified EHR. This may include requirements related to e-Prescribing, interoperability and reporting on clinical quality measures. There is some discussion within the industry that CCHIT will be the certifying standard; however, that is still to be determined.