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CMS Issues Electronic Health Record Meaningful Use Rules

Under the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, eligible hospitals and healthcare professionals qualify for Medicare and Medicaid reimbursement incentives for eligible professionals (EPs) and hospitals that are successful in becoming "meaningful users" of certified electronic health record (EHR) technology. On July 28, 2010, the Department of Health and Human Services (HHS) published regulations related to implementation of HITECH.

Requirements for Meaningful Use Objectives and Measures
The new regulations outline the criteria that certain EPs and hospitals must meet to qualify for payments. Providers must understand that simply adopting EHR technology is not sufficient. Hospitals and physicians must actually demonstrate "meaningful use" of the technology by showing compliance with certain "objectives" and associated "measures." In short, hospitals and EPs will only be eligible for reimbursement incentives if they can demonstrate to CMS that they qualify.

The following are highlights of the new regulations:

Meaningful Use Requirements: The final rule definitively outlines all the specifics of Stage 1 meaningful use and clinical quality measure reporting to receive the incentive payments in 2011 and 2012.

The Recovery Act specifies three main components of Meaningful Use:

- The use of a certified EHR in a meaningful manner (e.g.: e-Prescribing)

- 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

Specifics of Stage 1 Meaningful Use (2011 and 2012): Meaningful use includes both a core set and a menu set of objectives that are specific for eligible professionals and hospitals.

- For EPs, there are a total of 25 meaningful use objectives. Twenty of the objectives must be completed to qualify for an incentive payment. Fifteen are core objectives that are required, and the remaining five objectives may be chosen from the list of 10 menu set objectives.

- For hospitals, there are a total of 24 meaningful use objectives. Fourteen are core objectives that are required, and the remaining five objectives may be chosen from the list of 10 menu set objectives.

- To realize improved health care quality, efficiency and patient safety, the criteria for meaningful use will be staged in three steps over the course of the next five years. Stage 1 sets the baseline for electronic data capture and information sharing. Stage 2 (est. 2013) and Stage 3 (est. 2015) will continue to expand on this baseline and be developed through future rule making.

Meaningful Use - Incentive Program Overview

For EPs: There will be incentive programs for providers under Original Medicare (Fee-for-Service), Medicare Advantage, and Medicaid programs:

- The **Medicare** EHR incentive program will provide incentive payments to EPs and eligible hospitals that demonstrate meaningful use of certified EHR technology. Participation can begin as early as 2011. Eligible professionals who are meaningful EHR users can receive up to $44,000 over five years under the Medicare incentive program. Eligible hospital incentive payments may begin as early as 2011 and are based on a number of factors, beginning with a $2 million base payment.

- Beginning in the CY 2015, payment reductions will be imposed on EPs who are not meaningful users

For Hospitals: Both the Medicare and Medicaid EHR incentive programs for hospitals are based on a federal fiscal year. The amount of the incentives for each year is based on a number of factors, beginning with a $2 million base payment. The incentives are provided to the hospital, rather than the individual, as in the EHR incentive program for eligible professionals.

- Beginning in their FY 2015, reduced payment updates begin for eligible hospitals that are not meaningful users.

Conclusion

As discussed above, eligibility for the EHR incentive programs depends on the "meaningful use" of a "Certified EHR Technology." CMS' final meaningful use rule incorporates changes from the proposed rule on meaningful use that are designed to make the requirements more readily achievable. For Stage 1, which begins in 2011, the criteria for meaningful use focus on electronically capturing health information in a coded format, using that information to track key clinical conditions, communicating that information for care coordination purposes and initiating the reporting of clinical quality measures and public health information.

For questions or assistance regarding the eligibility for the EHR incentive program please contact Mike Cardenas or the other members of the Health Care Group.

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