

Physician Medicare Payment Incentives under the HITECH Act

The Health Information Technology for Economic and Clinical Health Act (HITECH Act) under Title XIII of the American Recovery and Reinvestment Act of 2009 (ARRA), provides for incentives for the adoption and meaningful use of electronic health records (EHR) technology.

Certified EHR technology

Certified EHR technology is defined as a qualified electronic health record that is certified as meeting the standards applicable to the setting (e.g. ambulatory or hospital-based) as adopted by the Office of the National Coordinator for Health Information Technology (ONCHIT). Products certified by the Certification Commission for Health Information Technology (CCHIT) are likely to meet this definition.

Meaningful EHR user

Physicians applying for incentives must demonstrate that they are meaningful users of certified EHR technology. This includes electronic prescribing, ability to electronically exchange health information to improve quality of care, and submission of clinical quality measures. Demonstration of meaningful use and information exchange may be satisfied by: 1) an attestation, 2) submission of claims with appropriate coding, 3) survey response, 4) reporting of clinical quality measures, and 5) other means to be specified.

Medicare incentive payment schedule

Incentive payments become available in 2011, and end entirely by 2016. Physicians demonstrating meaningful use by 2011 or 2012 may collect a maximum of \$44,000 over a 5 year period.* No incentives are available to those adopting after 2014.

	Adopt 2011	Adopt 2012	Adopt 2013	Adopt 2014
2011	\$18K	-	-	-
2012	\$12K	\$18K	-	-
2013	\$8K	\$12K	\$15K	-
2014	\$4K	\$8K	\$12K	\$12K
2015	\$2K	\$4K	\$8K	\$8K
2016	\$0	\$2K	\$4K	\$4K
2017	\$0	\$0	\$0	\$0
TOTAL	\$44K	\$44K	\$39K	\$24K

*Those in a shortage area may collect an additional 10% for a total \$48,400

Physicians who have not adopted an EHR by 2015 will receive a 1% payment reduction, followed by 2% in 2016 and 3% in 2017.

Coordination of payments

Medicaid. Incentive payments are also available under Medicaid for providers with a qualifying percentage Medicaid patient volume (30% for acute care clinics, 20% for pediatricians). Physicians must elect to receive either Medicare or Medicaid incentive payments. They may not receive both.

Multiple practices. Payments to physicians with practice at more than one site will be coordinated and unduplicative.

For more information, visit: <http://www.health.state.mn.us/e-health/hitech.html>

