



MaineCare
Electronic Health Information Technology
Incentive Payment Program

August 11, 2011 Webinar

What we will Cover Today --

Medicaid Health Information Technology (HIT) Incentive Payment Program

- **Professionals**
 - ❑ Types of Professionals that may apply for the Incentive Payment Program
 - ❑ Eligibility Requirements
 - ❑ Amount of Incentive Payments
 - ❑ How to Apply

- **Hospitals**
 - ❑ Types of Hospitals that may apply for the Incentive Payment Program
 - ❑ Eligibility Requirements
 - ❑ Amount of Incentive Payments
 - ❑ How to Apply

- **Resource Information for the HIT Incentive Payment Program**

MaineCare Program- “Eligible Professionals”

Types of Professionals that may apply	Type of practice	Encounters Needed
<ul style="list-style-type: none"> •Physicians •Dentists •Certified Nurse Midwives •Nurse Practitioners 	Not Hospital Based: At least 10% of services not performed in hospital in-patient or emergency department	30% of all encounters are Medicaid
Pediatricians	Not Hospital Based: At least 10% of services not performed in hospital in-patient or emergency department	20% Medicaid encounters
<ul style="list-style-type: none"> •FQHC/RHC* •Physicians •Dentists •Certified Nurse Midwives •Nurse Practitioners •Physician Assistants at an FQHC or RHC led by a physician assistant 	“Practice Predominantly:” At least 50% of services performed in an FQHC/RHC	30% “Needy Individuals”

*FQHC = Federally Qualified Health Center RHC = Rural Health Center

How Patient Encounter Volume is Calculated

Calculate % of Medicaid Encounters

$$\frac{\text{Total number of Medicaid patient encounters}}{\text{All patient encounters}}$$

Encounter = all services by a single provider for an individual on a single day at a single practice site; can be determined at the single professional level or the practice level

Timeframe = Encounters over a 90 day period

No. of Encounters = Two professionals see a patient the same day at the same practice site equals two encounters

Medicaid Patient = MaineCare Members and Dual-Eligible (Both Medicare and Medicaid)

FQHC/RHC Needy Individuals = Medicaid patients, Dual-Eligible (Medicare and Medicaid patients), Children's Health Insurance Program (CHIP), Charity, Free or Reduced Rates

Technology Requirements: Adopt, Implement, or Upgrade and Meaningful Use

- ❑ **Year 1:**
 - ❑ Must Adopt, Implement, or Upgrade (AIU) certified electronic health records (EHR). What that means:
 - May apply for the incentive payment for a new system or a system already in use at the practice; and
 - EHR must be on the list of certified EHRs of the Office of the National Coordinator (ONC) – healthit.hhs.gov; and
 - Will need a Receipt; Invoice; Contract; License Agreement; Purchase Order; or User Agreement.

- ❑ **Years 2-6:** Use the technology to integrate and improve quality of health care, and submit clinical and other quality measures, using a phased-in approach (“Meaningful Use”).

Payment Schedule for Eligible Professionals

- ❑ Professionals may apply with MaineCare when program is launched, scheduled for early October, 2011 (or may apply anytime through 2016).
- ❑ Payments to Eligible Professionals are issued over a six year period.

Year	Payment Amount
1	\$21,250
2	\$8,500
3	\$8,500
4	\$8,500
5	\$8,500
6	\$8,500
TOTAL	\$63,750

Application Process

MaineCare Incentive Payment Program



<p>Eligible Professionals</p>	<p>Registration done through the CMS NLR website when Maine launches the program (scheduled October 3, 2011).</p>	<p>Provider information sent from CMS to MaineCare who will contact professional who shows (attests) that they meet program requirements.</p>	<p>MaineCare will issue payments no later than 60 days after application approved by MaineCare; expectation is to issue payments by December 31, 2011.</p>
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Information Needed to Register with CMS (NLR) and Apply with MaineCare

- For a Professional to register, he / she will need:
 - ❑ National Provider Identifier (NPI) and
 - ❑ National Plan and Provider Enumeration System (NPPES) User ID and Password.

- For a Professional who designates a third party to register, the third party will need:
 - ❑ Identity and Access Management System (I&A) web user account (User ID/Password), which can be created at <https://nppes.cms.hhs.gov/NPPES/IASecurityCheck> and
 - ❑ Be associated to the EP's NPI

- For a Professional who wants to reassign his / her payment, the Professional will need to enter:
 - ❑ Payee Tax Identification Number, and
 - ❑ Payee National Provider Identifier (NPI)

HOSPITALS

MaineCare Incentive Payments—“Eligible Hospitals”

Hospital Type	% of Medicaid Encounters
Critical Access, Acute Care, or Cancer Hos.	10%
Children’s Hospitals	No threshold required

CMS Certification Number (CCN) 0001 - 0879 or 1300 – 1399

And

Average Length of Stay is 25 days or fewer

10% Encounter = discharges that are Medicaid or Dual-eligible (patient is both Medicare and Medicaid)

Information Needed to Register with CMS (NLR) and MaineCare

- To register, a Hospital will need:
 - ❑ CMS Identity and Access Management (I&A) User ID and Password.
 - ❑ CMS Certification Number (CCN).
 - ❑ National Provider Identifier (NPI).
 - ❑ Hospital Tax Identification Number.

- To Apply for the Medicaid Incentive Payment Program with OMS, a Hospital will need:
 - ❑ Medicare Cost reports for the most current Hospital FY (2010) and the previous three Hospital FYs (2007, 2008 and 2009)

Hospital Incentive Amount Calculation



Step 1: Compute average annual growth rate over 3 years using Medicare cost reports

	This year	Next Year	Increase	% Increase
Fiscal Year 2007	3135	3037	-98	-3.13%
Fiscal year 2008	3037	3028	-9	-0.30%
Fiscal year 2009	3028	3098	70	<u>2.31%</u>

Average Annual Growth Rate	-0.37%
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Step 2: Compute total discharges related amount based on growth rate

2010 Discharges = 3098

Year 1	$(3098 - 1149) \times \$200$	\$389,800
Year 2	$(3087 - 1149) \times \$200$	\$387,600
Year 3	$(3075 - 1149) \times \$200$	\$385,200
Year 4	$(3064 - 1149) \times \$200$	<u>\$383,000</u>

Total 4 year discharge related amount	\$1,545,600
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Hospital Calculation Cont'd

Step 3: Compute amount for 4 years	Year 1	Year 2	Year 3	Year 4
Year 1- 4 base amount of \$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Year 1-4 discharge related amount (step 2)	<u>\$389,800</u>	<u>\$387,600</u>	<u>\$385,200</u>	<u>\$383,000</u>
Aggregate EHR amount for 4 years	\$2,389,800	\$2,387,600	\$2,385,200	\$2,383,000

	100%	75%	50%	25%
Step 4: Apply Transition Factor	\$2,389,800	\$1,790,700	\$1,192,600	\$595,750

Step 5: Compute the overall EHR amount for 4 years	\$5,968,850
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Hospital Calculation cont'd

Step 6: Compute Number of Allowed Hospital Days

Total Medicaid Days (minus nursery days)	2436
total hospital charges	\$141,564,318
Minus other uncompensated care charges	\$4,659,236
total hospital charges - charity charges	\$136,905,082
Non-charity percentage	96.71%
Total Hospital days	5467
Non-charity total hospital days	5287

Hospital Calculation Conclusion

Step 7: Computation of Medicaid aggregate EHR incentive amount

Aggregate E HR Amount for 4 years (Total Medicaid and HMO Medicaid days) divided by non-charity hospital days	\$5,968,850 46.07%
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Medicaid Aggregate EHR Hospital Incentive Amount	\$2,750,129
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Step 8: Computation of Medicaid EHR incentive amount by year

Year one payment = 50%	\$1,375,065
Year two payment = 40%	\$1,100,052
Year three payment = 10%	\$275,013

Examples of Hospital Payments – Minimum Payments

If a hospital had less than 1,149 discharges and only 10% Medicaid, the hospital's payment would be:

	Year 1	Year 2	Year 3	Year 4	Total
Discharge Amount	0	0	0	0	0
Base	2,000,000	2,000,000	2,000,000	2,000,000	8,000,000
Medicaid %	10%	10%	10%	10%	10%
Payment Amount	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000

Year 1 Payment	Year 2 Payment	Year 3 Payment
\$400,000	\$320,000	\$80,000

Contact Information and Resources

MaineCare Resources

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Email Inquiries: healthinfotech.DHHS@maine.gov



————— MaineCare HIT Webpage —————

- Primary Source of Information—Includes Maine’s EHR Incentive Program plus links to CMS website
- <http://www.maine.gov/dhhs/oms/HIT/index.html>

————— State HIT Webpage —————

- Information about Statewide HIT Initiatives
- <http://www.maine.gov/hit/>

————— CMS EHR Incentive Program Website —————

- Information about the Incentive Programs, including Registration and Meaningful Use
- <http://www.cms.gov/EHRIncentivePrograms/>