

MEDICAID EHR INCENTIVES PROGRAM

Frequently Asked Questions (FAQs)

For Eligible Hospitals

These FAQs have been developed for Eligible Hospitals participating in the Medicaid EHR Incentives Program. All external hyperlinks are provided for your information and for the benefit of the general public. The Georgia Department of Community Health (DCH) does not testify to, sponsor, or endorse the accuracy of the information provided on externally linked pages.

What is the Georgia Medicaid Electronic Health Record Incentive Program?

The Georgia Department of Community Health is implementing the Medicaid Electronic Health Records (EHR) Incentive Program authorized by the American Recovery and Reinvestment Act of 2009 (ARRA). This program is designed to make incentive payments to Eligible Hospitals in the first payment year to adopt, implement, or upgrade an ONC certified EHR system and for the Meaningful Use of a certified EHR system according to the requirements developed by the Centers for Medicare and Medicaid Services (CMS) in subsequent payment years.

What hospitals are eligible to receive Medicaid EHR incentive payments?

Acute care, critical access and children's hospitals are the only types of hospitals eligible for the Medicaid EHR Incentives Program.

Acute care and critical access hospitals must have a Medicaid (Title XIX) patient volume of at least 10% of their total volume to be eligible to receive incentive payments. Patient volume is defined by CMS as the percent of Medicaid Title XIX encounters to total hospital encounters for the same 90-day period. Children's hospitals do not have to meet Medicaid patient volume requirements to receive incentive payments.

Eligible Hospitals may receive payments from both the Medicare and Medicaid Incentive Programs. The exceptions are children's hospitals, which will qualify for Medicaid incentive payments only.

Hospital types as defined by CMS are provided in the table below:

Eligible Hospitals	Medicaid Patient Volume over 90-Day Period	Definition
Acute Care and Critical Access Hospitals	10% Medicaid	<ul style="list-style-type: none"> • Average patient stay = 25 days or fewer, and • CCN's last four digits = • 0001 - 0879 and 1300 - 1399
Children's Hospitals	None	<ul style="list-style-type: none"> • Separately certified children's hospital, and • CCN's last four digits = • 3300 - 3399

How is a patient encounter defined?

An "encounter," for the purpose of calculating an Eligible Hospital's patient volume, is defined as:

1. Services rendered to an individual per inpatient discharge where Medicaid (or a Medicaid demonstration project under section 1115 of the Act) paid for part or all of the service;
2. Services rendered to an individual per inpatient discharge where Medicaid (or a Medicaid demonstration project under section 1115 of the Act) paid all or part of their premiums, co-payments, and/or cost-sharing;
3. Services rendered to an individual in an emergency department on any one day where Medicaid (or a Medicaid demonstration project under section 1115 of the Act) either paid for part or all of the service; or
4. Services rendered to an individual in an emergency department on any one day where Medicaid (or a Medicaid demonstration project under section 1115 of the Act) paid all or part of their premiums, co-payments, and/or cost-sharing.

How is patient volume calculated?

Eligible Hospitals must meet patient volume thresholds based on a ratio where the numerator is the total number of Medicaid (Title XIX) patient encounters treated in any 90-day period in the previous calendar year and the denominator is all patient encounters during the same period. Medicaid encounter volumes include patients enrolled in Georgia's Medicaid managed care plans. The Medicaid patient volume calculation should not include claims data with zero dollar payments.

If an Eligible Hospital serves Medicaid patients from bordering states (i.e., a state contiguous to Georgia) within 50-miles of the Georgia state line, the Eligible Hospital may include the Medicaid patient volume from that state. Georgia must be the only state from which the hospital is requesting an incentive payment. If an Eligible Hospital aggregates Medicaid patient volume across states, DCH may audit any out-of-state encounter data before making an incentive payment. The Eligible Hospital must maintain auditable records as applicable by the law of the state or practice of the State of Georgia, whichever is deemed longer.

CHIP patient volume must be excluded from the Eligible Hospital's Medicaid patient volume calculations. If the hospital does **not** differentiate CHIP patients from Medicaid patients, the hospital may obtain a CHIP patient factor from the Georgia's Medicaid EHR Incentives Program. The CHIP patient factor will adjust the Eligible Hospital's total Medicaid patient volume to reflect CHIP patients. The adjusted Medicaid patient volume data should be used when the hospital registers in Georgia's Medicaid Incentive Program. Details on the CHIP patient volume factors will soon be provided on the website at www.dch.georgia.gov/ehr.

To assist in Eligible Hospitals in calculating Medicaid patient volume and incentive payments, DCH is preparing a Medicaid Hospital Patient Volume and Incentive Payment Calculator. The calculator will be shared with Eligible Hospitals in the coming weeks.

What data sources may an Eligible Hospital use to support the demographic data for the incentive payment calculation?

Pursuant to the requirements of the Final Rule, Eligible Hospitals must report their demographic data from auditable sources. To ensure consistency and reliability, Georgia is requiring that

hospitals use data from their hospital cost reports filed with Centers for Medicare and Medicaid Services (CMS) as well as disproportionate share hospital (DSH) surveys that are filed with the Department of Community Health (DCH) or its contractors.

How long must an Eligible Hospital retain the source documents for the data reported for determining incentive program eligibility?

Eligible Hospitals must utilize auditable data sources to support their patient volume numbers and incentive payment calculations. Eligible Hospitals must retain the documents they relied on and submitted to the State when applying for incentive payments for seven (7) years.

How is the total Medicaid hospital incentive payment calculated?

The calculation formula used in the Medicaid EHR Incentives Program consists of the following components: an annual EHR base amount; a per-discharge amount for each year; a transition factor for each year; a Medicaid share based on inpatient, non-charity care days; and an aggregate EHR payment amount. The aggregate EHR payment estimate, when approved, is the total incentive payment that will be paid out during three (3) years of participation in the Georgia Medicaid Incentive Program. The hospital's cost reports are the data sources used for the incentive payment calculation.

To assist in estimating the Eligible Hospital's Medicaid incentive payment, DCH is preparing a Medicaid Hospital Patient Volume and Incentive Payment Calculator. The calculator will be shared with Eligible Hospitals in the coming weeks.

In the interim, CMS has detailed the formula used to calculate hospital payments in its Tip Sheet – Medicaid Hospital Incentive Payments Calculations. (PDF, 1.57 MB)

How will the payments to Georgia hospitals be distributed across participation years?

DCH will distribute annual payments over three (3) years according to the following percentages:

- Participation Year 1: 40% of Aggregate EHR Hospital Incentive Amount
- Participation Year 2: 40% of Aggregate EHR Hospital Incentive Amount
- Participation Year 3: 20% of Aggregate EHR Hospital Incentive Amount

When is the last year that Eligible Hospitals may begin receiving payments from the Medicaid EHR Incentives Program?

Eligible Hospitals must begin receiving Medicaid EHR incentive payments by 2016. To receive an EHR incentive payment **after** 2016, the hospital must have received a payment in the previous year. Eligible Hospitals receiving a Medicaid EHR incentive payment must receive payments on a consecutive annual basis after the year 2016.

How do we obtain the CMS EHR Certification number for our hospital's EHR system?

Please refer to either of the two links shown here: Office of the National Coordinator for Health Information Technology (ONC), ONC CHPL website, <http://healthit.hhs.gov/chpl> or CMS EHR Incentive Program website, https://www.cms.gov/EHRIncentivePrograms/25_Certification.asp

What is the ONC?

The Office of the National Coordinator for Health Information Technology (ONC) is the principal federal entity charged with coordination of nationwide efforts to implement and use the most advanced health information technology and the electronic exchange of health information. The ONC is organizationally located within the Office of the Secretary for the U.S. Department of Health and Human Services (HHS). The position of National Coordinator was created in 2004 through an Executive Order and legislatively mandated in the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009. The ONC is the responsible agency for establishing EHR certification standards and certifying vendor EHR products.

Will Georgia verify an Eligible Hospital's adoption, implementation, or upgrade (AIU) of certified Electronic Health Record technology?

Eligible Hospitals will be required, as part of the state level registration and attestation process, to verify the adoption, implementation or upgrade (AIU) of a certified EHR system by uploading documents supporting AIU. Verification can be in the form of an invoice or contract. The following is a list of documents that will be acceptable for verifying AIU: Receipts from EHR software vendors; sale contracts; service performance agreements; a copy of the upgrade agreement from EHR software vendors; work plans; and cost reports. Other reasonable substantiating documents may be acceptable. This documentation is considered auditable and must be maintained by the Eligible Hospital for a period of seven (7) years.

What are the Meaningful Use requirements?

The Meaningful Use requirements to qualify for incentive payments were released on July 13, 2010. 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. [For more detailed information on Meaningful Use, please visit the CMS website.](#)

When do Eligible Hospitals have to meet Meaningful Use requirements for Medicaid?

Eligible Hospitals do not have to demonstrate meaningful use in their first payment year. (If providers choose to demonstrate Meaningful Use in the first year, the EHR reporting period would be the same 90 consecutive days as for Medicare providers.) During the providers' first year, they only have to demonstrate that they have adopted, implemented, or upgraded certified EHR technology and there is no reporting period for this requirement.

The Medicaid provider must demonstrate Meaningful Use in its second participation year. For this second participation year, the EHR reporting period is 90-consecutive days within the participation year. (Example: If applying for a 2011 payment, the 90 days must start and finish within the federal fiscal year – October 1 through September 30 – for Eligible Hospitals). For all subsequent years for Eligible Hospitals, the EHR reporting period is the full annual period (one federal fiscal year).

When and where can an Eligible Hospital register?

Eligible Hospitals may register now on the [CMS Registration and Attestation System website](#). Eligible Hospitals will be placed into a "Pending State Validation" status until the Georgia Medicaid EHR Incentives Program opens for registration. When Georgia's program is available for registration, the Eligible Hospital will be notified to complete the registration process and confirm your Medicaid eligibility on the Georgia Medicaid EHR website.

Providers will use their current GA Medicaid web portal ID and Password to access registration for incentive payments. Georgia Medicaid EHR Incentives Program registration is slated to go live in summer 2011.

What does an Eligible Hospital need for registration?

Registering for the Medicare and Medicaid EHR Incentive Programs is easy when you have the following information available during the process:

When registering in the CMS Registration and Attestation System website, Eligible Hospitals 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
- PECOS Number

After registering on the CMS Registration and Attestation System website, the Eligible Hospital must register with the Georgia Medicaid EHR Incentives Program. Eligible Hospitals will also need:

- **Patient volume information** to determine if the hospital meets the eligibility requirements
- **Demographic data** needed for the incentive payment calculator
- The **CMS EHR Certification number** provided by the Office of the National Coordinator for your certified EHR technology
- **Documentation supporting AIU** that must be uploaded during the registration process

Where can an Eligible Hospital get technical assistance?

For smaller and rural hospitals, the Georgia Health Information Technology Regional Extension Center (GA-HITREC) provides education, outreach and technical assistance in selecting, implementing and using health information technology to improve the quality and value of health care. For more information, visit the [GA-HITREC website](#) or call toll free: 1-877-658-1990.

The CMS Electronic Health Record (EHR) Information Center is now open to assist the Provider Community with inquiries. Hours of Operation are from 8:30 a.m. – 7:30 p.m. (ET), Monday through Friday, except federal holidays. The main telephone number is 1-888-734-6433 or 1-888-734-6563 for TTY callers.

What if our hospital has additional questions not covered here?

For more information about the Medicare and Medicaid EHR Incentive Program, please visit <http://www.cms.gov/EHRIncentivePrograms>

[CMS Medicare and Medicaid EHR Incentive Programs – General FAQs](#)

[Medicaid questions regarding the CMS EHR Incentive Program Final Rule](#)

Can't find the answer to your question? Email us at medicaidincentives@dch.ga.gov