

Relevant HITECH Statutory Constraints for Future Stages of Meaningful Use

Medicare Program

- Incentive payments only available through the 2016 payment year
- In order to be eligible for any incentive dollars, EPs need to begin the program by 2014 and would only receive a total incentive of \$24,000
- Payments for professionals decline each payment year

Calendar Years	Incentives (Caps based on 1st Yr of Meaningful Use)				Adjustments
	2011	2012	2013	2014	
2011	\$18,000				n/a
2012	\$12,000	\$18,000			n/a
2013	\$8,000	\$12,000	\$15,000		n/a
2014	\$4,000	\$8,000	\$12,000	\$12,000	n/a
2015	\$2,000	\$4,000	\$8,000	\$8,000	1%
2016		\$2,000	\$4,000	\$4,000	2%
2017	n/a	n/a	n/a	n/a	3%

- Once a Medicare EP qualifies for an incentive payment, any subsequent year it does not achieve MU, that payment year will be lost (e.g., a provider that achieves MU in 2011 and 2012, not in 2013, and again in 2014 and 2015, would receive (respectively):
 - \$18,000
 - \$12,000
 - \$0
 - \$4,000
 - \$2,000
- Hospitals need to demonstrate MU for four years consecutively or miss a payment year
- The first penalties will be assessed in 2015
- Hospitals can begin receiving EHR incentive payments in any year from FY 2011 to FY 2015, but payments will decrease for hospitals that start receiving payments in 2014 and later; in addition, payments may decrease for each year of participation since the transition factor decreases over time

Medicaid Program

- OACT estimated that of the 597,300 eligible professionals, 28% are eligible to participate in the Medicaid program.
- States are only standing up MU attestation systems for 2012
- Nearly all hospitals are eligible for both programs

- Long potential timeframe: Incentive payments available through the 2021 payment year (there has not yet been a signal as to whether a provider starting after 2014 will begin at stage 1)
- Providers can begin as late as 2016 and still receive maximum payment (\$63,750 for EPs)
- After large first-year EP payment, \$21,750, each subsequent payment year pays out the same amount (\$8,500)
- No requirement for consecutive years; EPs can “skip years” and still receive maximum payment of \$63,750 so long as they get six years by 2021; EOs can also “skip years” and States decide if they are dispersing between 3-6 years
- No penalties
- Hospital payments are the same each year (holding number of discharges constant) they participate, and are available to hospitals that start anytime between 2011 to 2016