NEW YORK STATE

Medicaid EHR Incentive Program

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DOH

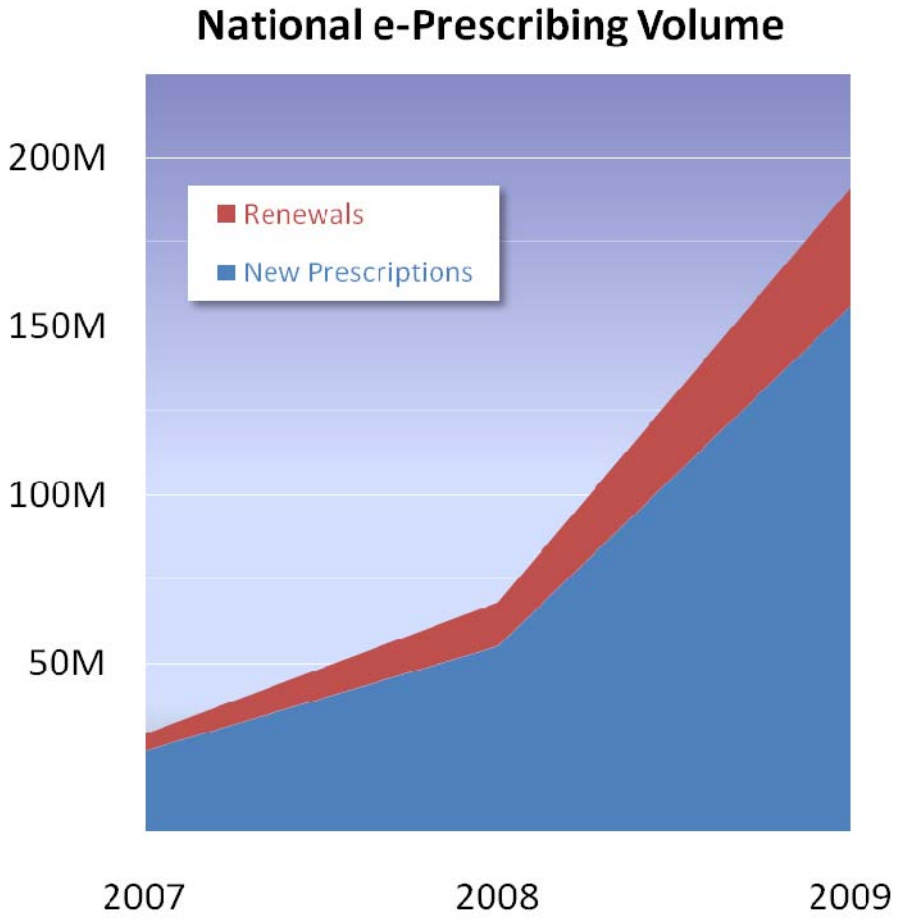
Topics

- NY Medicaid programs that complement the federal Health Information Technology for Economic and Clinical Health (HITECH) program:
  - Electronic Prescribing (eRx) Incentive
  - Patient-Centered Medical Home (PCMH) Incentive

- NY Medicaid HITECH EHR incentive program

Electronic Prescribing

- Nationwide:
  - In 2009, 12% of the 1.63B original prescriptions were transmitted electronically
- Accelerating trend:
  - 2007-2008: +130%
  - 2008-2009: +181%



Source: 2009 National Progress Report on E-Prescribing, Surescripts LLC.

NY Medicaid eRx Incentive

Provides an incentive payment for dispensed ambulatory Medicaid e-prescriptions

Eligible Practitioners
Physicians (M.D./D.O.)
Dentists
Nurse Practitioners
Podiatrists
Optometrists
Licensed Midwives

Prescriber Incentive
$0.80 per prescription/refill*

Pharmacy Incentive
$0.20 per prescription/refill*

* Max 1 original plus 5 refills per 180-day period.

eRx Incentive Requirements

- Prescriber
  - must have an individual NPI, and
  - must be enrolled in Medicaid fee-for-service (FFS)

eRx Incentive Requirements

- Incentive only applies to prescriptions created electronically, and transmitted via computer-to-computer electronic data interchange
  - faxed prescriptions are **not** eligible
  - [faxed prescription] ≠ eRx

eRx Incentive Requirements

- Electronic transaction must comply with Medicare Part D standards
  - NCPDP SCRIPT 8.1 or 10.6
  - Includes prescriber's individual NPI

- Incentive only applies to prescription medications
  - No OTC medications or medical supplies
  - No controlled substances at this time

Patient-Centered Medical Home

- PCMH is a care model where each patient has an ongoing relationship with a personal clinician who leads a team that takes collective responsibility for patient care

Patient-Centered Medical Home

- Care is supported by electronic tools
  - patient registries, EHRs, e-prescribing, and health information exchange (HIE)
  - goal is to improve care coordination, quality, and patient safety

NCQA PCMH Recognition Program

- National Committee for Quality Assurance (NCQA), Patient-Centered Medical Home program
  - Three levels:
    - Level 1 can be achieved without an EHR
    - Level 2 requires some electronic functions
    - Level 3 requires a fully functional EHR

NY Medicaid PCMH Incentive

- Eligibility for enhanced payments:
  - Office-based practices (e.g., physicians and nurse practitioners)
  - Federally Qualified Health Centers (FQHCs)
  - Diagnostic & Treatment Centers
  - Hospital Outpatient Departments (Medicaid managed care program only)

NY Medicaid PCMH Incentive

- Incentive payments available through Medicaid fee-for-service (FFS) and Medicaid managed care programs

- Incentive amount varies based on NCQA PCMH level achieved

Medicaid EHR Incentive Program

- Created by the HITECH Act
- Administered by the States under guidance and oversight of the Centers for Medicare and Medicaid Services (CMS)
- Designed to provide financial incentives for adoption and meaningful use of certified EHRs

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Medicaid EHR Incentive Program

- Meaningful use of certified EHR technology includes:
  - Electronic Prescribing
  - Electronic exchange of health information to improve the quality of health care
  - Reporting of clinical quality measures

Who Is Eligible?

- Physicians (M.D. and D.O.)
- Nurse Practitioners
- Certified Nurse-Midwives
- Dentists
- Physician Assistants, only if practicing in a FQHC or Rural Health Clinic (RHC) led by a Physician Assistant

Patient Volume Requirements

- Eligible professionals (EPs) must demonstrate that 30% of patient encounters are Medicaid

  Exceptions:

  - Pediatricians may receive 2/3 incentive amount with 20% Medicaid patient volume

  - EPs in FQHCs and RHCs may qualify by demonstrating 30% of encounters are “needy individuals”

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PC9 change practitioner to eligible professional globally (do not abbreviate)
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Calculating Patient Volume

- Standard formula uses number of Medicaid patient encounters relative to total encounters in any 90-day period in the preceding calendar year
- Alternate formula takes into account a practitioner's entire managed care or medical home patient panel

Calculating Patient Volume

- Clinics and group practices may use overall clinic/practice patient volume as a proxy for each EP
  - Some limitations apply: 42 CFR 495.306(h)
- All methods include alternate 20% threshold for pediatricians and use of "needy individuals" criteria for FQHCs/RHCs

How Much is Available?

	All Practitioners (at least 30% Medicaid/needy)	Pediatricians (at least 20% but less than 30% Medicaid)
Year 1	$21,250	$14,167
Year 2	$8,500	$5,667
Year 3	$8,500	$5,667
Year 4	$8,500	$5,667
Year 5	$8,500	$5,667
Year 6	$8,500	$5,667
Total	**$63,750**	**$42,500**

Note: program participation years do not need to be contiguous.

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PC4 footnote years do not need to be contiguous

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Restrictions on EP Eligibility

- EPs may not be "hospital-based"
  - defined as 90% or more of services rendered in inpatient hospital or emergency room settings
- Must select either the Medicare or Medicaid program (one-time option to switch)
- May only participate in one state
- Must demonstrate 15 percent financial contribution toward the "net average allowable costs" (NAAC) of certified EHR technology

EP Financial Contribution

- EPs must contribute 15% of the NAAC
  - $3,750 first year for most EPs
  - $1,500 each subsequent year

- Many contributions count towards EP share:
  - Costs incurred by employer for implementing certified EHR system (e.g., FQHC, RHC, or group practice)
  - Costs of training and workflow redesign
  - In-kind contributions (technology, support, etc.)

Calculating the NAAC

- The first year "average allowable costs" were set by CMS at $54,000
- Cash received by the EP from most other sources (certain exceptions apply) must be deducted from the average allowable costs to yield the NAAC
- NAAC cannot exceed $25,000 (statutory limit)

Incentive Calculation Example #1

- Average allowable costs (first year): **$54,000**

- Cash received from other sources: **$29,000**

- Net average allowable costs: **$25,000**

- 15% EP contribution: **$3,750**

- 85% Incentive payment amount: **$21,250**

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PC5 add slide with same numbers as rule

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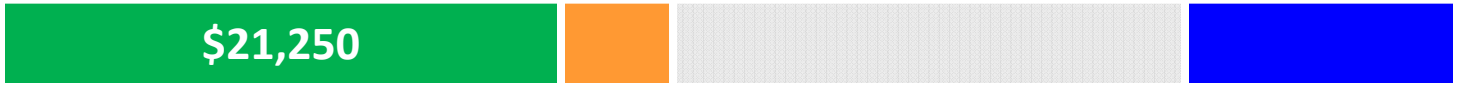
Incentive Calculation Example #2

- Average allowable costs (first year): **$54,000**

- Cash received from other sources: **$10,000**

- Net average allowable costs: **$25,000** (maximum = $25,000)

- 15% EP contribution: **$3,750**



- 85% Incentive payment amount: **$21,250**

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PC8 add slide with same numbers as rule

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Incentive Calculation Example #3

- Average allowable costs (first year): **$54,000**

- Cash received from other sources: **$32,000**

- Net average allowable costs: **$22,000**

- 15% EP contribution: **$3,300**

- 85% Incentive payment amount: **$18,700**

Adoption, Implementation and/or Upgrading EHR Technology

- First year:
  - EPs must demonstrate adoption, implementation, and/or upgrade
    - *Adopt:* Acquire and install system
    - *Implement:* Training, data migration, commence utilization
    - *Upgrade:* Expand and improve existing system to meet definition of certified EHR technology

Meaningful Use of EHR Technology

- Subsequent years:
  - Meet meaningful use and clinical quality metric reporting requirements

- For Stage 1 meaningful use (2011-2012), same core and menu set as Medicare*

** States may request permission from CMS to mandate certain public health reporting options*

Defining Meaningful Use

- HITECH Act specifies three components:
  - Electronic prescribing
  - Electronic exchange of health information
  - Submission of clinical quality measures

Stage 1 Meaningful Use Criteria (EPs)

- Stage 1 objectives and clinical quality metrics include required core set, and menu set choices

	Core Set	Menu Set
Meaningful Use Objectives	15 core objectives	5 of 10 menu set objectives
Clinical Quality Metrics	3 core metrics, or 3 alternate core metrics	3 of 38 menu set metrics

Clinical Quality Metrics

- EPs must submit six metrics for Stage 1 MU:
  - 3 core or 3 alternate core
  - 3 of 38 from menu set
- Aligned with Physicians Quality Reporting Initiative (PQRI) and CHIPRA initial core set
- Submit by attestation for 2011
  - in 2012, EPs must submit electronically

Clinical Quality Metrics

NQF Measure Number/ PQRI Implementation Number	Clinical Quality Measure (Core Set)
NQF 0013	Hypertension: Blood pressure measurement
NQF 0028	Preventive Care and Screening Measure Pair: a)Tobacco Use Assessment b)Tobacco Cessation Intervention
NQF 0421 PQRI 128	Adult Weight Screening and Follow-up

Clinical Quality Metrics

NQF Measure Number/ PQRI Implementation Number	Clinical Quality Measure (Alternate Core Set)
NQF 0024	Weight Assessment and Counseling for Children and Adolescents
NQF0041 PQRI 110	Preventive Care and Screening: Influenza Immunization for Patients 50 Years Old or Older
NQF 0038	Childhood Immunization Status

Enrollment Process (1)

- Login to National Level Repository (NLR) website:
  - Supply demographic/financial information
  - Select program (Medicare/Medicaid)
  - Select state

Enrollment Process (2)

- Login to NY Medicaid website:
  - Verify eligibility
  - Attest to adopt, implement, upgrade or meaningful use of certified EHR technology, and
  - Attest to 15% contribution towards NAAC

Medicaid EHR Incentive Timeline

- Registration for EHR Incentive Programs begins January 2011

- NY Medicaid attestation functions expected to begin mid-2011, dependent upon CMS and state approvals

Medicaid EHR Incentive Timeline

- Last year to initiate participation is 2016
- Participants may skip a year, but no payments will be issued after 2021

Appendices

- Contact Information
- Meaningful Use Core Set of Objectives
- Meaningful Use Menu Set of Objectives

Contact Information

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Stage 1 MU Criteria – Core Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improving quality, safety, and efficiency, and reducing health disparities	Use Computerized Provider Order Entry (CPOE) for medication orders
	Generate and transmit permissible prescriptions electronically (eRx)
	Report ambulatory clinical quality measures to CMS or the State
	Implement one clinical decision support rule
	Implement drug-drug and drug-allergy interaction checks
	Record patient demographics (preferred language, gender, race, ethnicity, DOB)

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PC7 Cross-check to Blumenthal's NEJM table

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Stage 1 MU Criteria – Core Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improving quality, safety, and efficiency, and reducing health disparities	Maintain an up-to-date problem list of current and active diagnoses
	Maintain active medication list
	Maintain active medication allergy list
	Record and chart changes in vital signs (height, weight, blood pressure, BMI, growth charts)
	Record smoking status (patients 13 and older)

Stage 1 MU Criteria – Core Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improve care coordination	Capability to exchange key clinical information electronically among providers of care and patient-authorized entities
Ensure adequate privacy and security for personal health information	Implement systems to protect privacy and security of patient data in the EHR
Engage patients and families in their health care	On request, provide patients with an electronic copy of their health records
	Provide patients with clinical summaries for each office visit

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PC6 Move immunizations back to menu set

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Stage 1 MU Criteria – Menu Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improving quality, safety, and efficiency, and reducing health disparities	Implement drug-formulary checks
	Incorporate clinical lab test results into certified EHRs as structured data
	Generate lists of patients by specific conditions
	Send reminders to patients (per patient preference) for preventive and follow-up care

Stage 1 MU Criteria – Menu Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improve care coordination	Perform medication reconciliation between care settings
	Provide summary of care record for patients referred or transitioned to another provider or setting
Engage patients and families in their health care	Provide patients with timely electronic access to their health information
	Use certified EHR technology to identify patient-specific education resources and provide to patient as appropriate

Stage 1 MU Criteria – Menu Set

Health Outcomes Policy Priority	Stage 1 Meaningful Use Objective (EPs)
Improve population and public health	Capability to submit electronic syndromic surveillance data to public health agencies (one test)
	Capability to submit immunization data electronically to State immunization registry (one test)