

# Meaningful Use Medicare EHR Incentive Program

EPs can earn up to \$44,000 for participating in the Medicare Electronic Health Record Incentive Program and successfully demonstrating meaningful use. The program runs from 2011 through 2016. The last year to begin participation is 2014.

### Who is Eligible?

Eligible Professionals (EP) are defined as:

- Doctors of medicine or osteopathy
- Doctors of dental surgery or dental medicine
- Doctors of podiatry
- Doctors of optometry
- Chiropractors

Only non-hospital based physicians are eligible. Hospital-based providers are those clinicians who perform 90% of their services in a hospital inpatient or emergency room setting.

### What Happens if Meaningful Use is Not Achieved?

As of 2015, all Medicare EPs who do not demonstrate meaningful use in either the Medicaid or Medicare EHR incentive programs will be subject to a payment reduction in their Medicare reimbursement. The penalty will begin at 1% and will rise by an additional 1% for two years. The maximum penalty thereafter is 5%.

### How Are Incentive Payments Calculated?

The formula is based on 75% of allowable charges billed to the Medicare Part B Physician Fee Schedule up to an annual maximum of \$24,000. Please consult the table below for the annual incentive payment limits.

#### Example 1:

If allowable charges billed in year 1 are \$4,000,  
...the incentive payment is \$3,000

#### Example 2:

If allowable charges billed in year 1 are \$150,000  
...the incentive payment is \$18,000

**Medicare EHR Incentive Program Payment Schedule**

Payment Amounts	EP Qualifying for Payment in 2011	EP Qualifying for Payment in 2012	EP Qualifying for Payment in 2013	EP Qualifying for Payment in 2014	EP Qualifying for Payment in 2015
Payment for 2011	\$18,000	\$0	\$0	\$0	\$0
Payment for 2012	\$12,000	\$18,000	\$0	\$0	\$0
Payment for 2013	\$8,000	\$12,000	\$15,000	\$0	\$0
Payment for 2014	\$4,000	\$8,000	\$12,000	\$12,000	\$0
Payment for 2015	\$2,000	\$4,000	\$8,000	\$8,000	\$0
Payment for 2016	\$0	\$2,000	\$4,000	\$4,000	\$0
Total	\$44,000	\$44,000	\$39,000	\$24,000	\$0

EPs that predominantly service areas that are designated as a Health Professional Shortage Area (HPSA) will receive an additional 10% above the incentive amount.

### Is participation in Several CMS Incentive Programs Permitted Simultaneously?

Physicians can participate in the Physicians Quality Reporting Initiative (PQRI) at the same time as the Medicaid and Medicare EHR incentive programs provided they meet the eligibility criteria for both. EPs cannot receive incentives in the Medicare EHR incentive program and the e-Prescribing program at the same time.

To learn more about the incentive program contact the New York eHealth Collaborative (NYeC). Visit [www.nyehealth.org](http://www.nyehealth.org) or email us at [recinfo@nyehealth.org](mailto:recinfo@nyehealth.org).