



# PORTECKINSIGHT

Revenue Management Intelligence

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## THE BOTTOM LINE

# EHR Incentive: What's in it for you?

### A BEVERLY, MA FAMILY PRACTICE RECEIVED A \$54,000 CHECK IN FREE MONEY FROM CMS IN EARLY 2012.

The practice had taken advantage of the EHR Incentive Program, which falls under the “meaningful use” provision of the Health Information Technology for Economic and Clinical Health Act (or HITECH Act) intended to improve healthcare quality, safety, and efficiency through the promotion of health information technology (HIT), including electronic health records (EHR) and private and secure electronic health information exchange.

### Early Bird Gets the Worm

Being an early adopter of EHR paid

off for the small practice, which had received \$18,000 for each of its three doctors. Since the incentive program is multi-year, the practice can expect to receive an additional \$78,000 over the next three years in EHR incentive payments; the earlier a practice adopts EHR, the more incentive it can earn. In addition, it also receives quality incentives from Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim and others, including CMS.

The EHR incentive program was established under Medicare and Medicaid to provide incentive payments to eligible professionals (EPs) or physicians, hospitals, and critical access hospitals for the meaningful use of certified EHR technology. To qualify for the



incentive, EPs must apply for either Medicare or Medicaid criteria.

Under Medicare criteria, EPs that have implemented a certified EHR technology during the relevant EHR reporting period may be eligible to receive an incentive payment equal to 75 percent of the allowed charges. The amount of the annual EHR incentive payment limit for each payment year will be increased by ten percent for EPs who predominantly furnish services in an area designated as a geographic health professional shortage area.

Under Medicaid, EPs who adopt, implement, upgrade or meaningfully use certified EHR technology in their first year of participation in the program and successfully demonstrate meaningful use in subsequent years may be eligible for an incentive payment amount, subject to an annual limit.

Table 1: Maximum EHR Incentive Payments by Program Based on the First Calendar Year (CY) for Which the EP Receives Payment

CY	2011		2012		2013		2014		2015		2016	
	Medicare	Medicaid	Medicare	Medicaid	Medicare	Medicaid	Medicare	Medicaid	Medicare	Medicaid	Medicare	Medicaid
2011	\$18,000	\$21,250										
2012	\$12,000	\$8,500	\$18,000	\$21,250								
2013	\$8,000	\$8,500	\$12,000	\$8,500	\$15,000	\$21,250						
2014	\$4,000	\$8,500	\$8,000	\$8,500	\$12,000	\$8,500	\$12,000	\$21,250				
2015	\$2,000	\$8,500	\$4,000	\$8,500	\$8,000	\$8,500	\$8,000	\$8,500		\$21,250		
2016		\$8,500	\$2,000	\$8,500	\$4,000	\$8,500	\$4,000	\$8,500		\$8,500		\$21,250
2017				\$8,500		\$8,500		\$8,500		\$8,500		\$8,500
2018						\$8,500		\$8,500		\$8,500		\$8,500
2019								\$8,500		\$8,500		\$8,500
2020										\$8,500		\$8,500
2021												\$8,500
Total (if EP does not switch programs)	\$44,000	\$63,750	\$44,000	\$63,750	\$39,000	\$63,750	\$24,000	\$63,750	\$0	\$63,750	\$0	\$63,750

Source: <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads//EHRIncentivePayments-ICN903691.pdf>

### Looming Penalty

To cash in on Medicare incentives,

## EHR Incentive: What's in it for you? (Cont.)

practices must implement an EHR before 2015.

EPs can earn incentive payments for up to five years if they elect to receive incentive payment through Medicare or up to six years if through Medicaid. However, no Medicare EHR incentive payments will be made to EPs whose first year of participation in the Medicare EHR Program is 2015 or later and, beginning in 2015, payment adjustments will take effect for Medicare FFS EPs who cannot successfully demonstrate meaningful use of certified EHR technology.

EPs can begin to participate in the Medicaid EHR Incentive Program until 2016, and there are currently no penalties for not demonstrating meaningful use for Medicaid EPs.

### Not All EHRs Are Created Equal

There are more than 1,000 EHR systems available, however a practice's eligibility for incentive depends on its implementation of one that is certified. Certified EHRs are vetted against two dozen criteria. (For specific criteria, please visit [http://www.healthcareitnews.com/blog/updates-meaningful-use-certified-](http://www.healthcareitnews.com/blog/updates-meaningful-use-certified-ehr-technology-and-stimulus-bill)

[ehr-technology-and-stimulus-bill](http://www.healthcareitnews.com/blog/updates-meaningful-use-certified-ehr-technology-and-stimulus-bill)).

As a full service revenue cycle management company, Porteck helps its clients meet meaningful use requirements. Porteck has implemented for many clients HDocs, a certified EHR solution, which was tailored to individual needs.

For more information on CMS' EHR incentive, visit <https://www.cms.gov/Regulations-and-Guidance/Legislation/EHRIncentivePrograms/index.html?redirect=/EHRIncentivePrograms/>.

## Porteck Achieves SAS70 Type II Certification

Porteck, an industry leader in healthcare revenue cycle management outsourcing solutions, has achieved a Statement on Auditing Standards (SAS) 70 Type II certification. SAS No. 70 is a widely recognized auditing standard developed by the American Institute of

Certified Public Accountants (AICPA); it is geared toward service organizations or service providers of information technology and related processes. Porteck has been reviewed and certified through an in-depth



audit of our control objectives and activities, which often include controls over information technology and related processes.

As a SAS70 Type II certified service organization, Porteck has demonstrated adequate controls and safeguards when hosting or processing data belonging to our clients. In addition, the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 make SAS70 audit reports even more important to reporting on the effectiveness of internal control over financial reporting.

### SAS70 Type II Control Review Components

- Organization and Administration (Executive Tone)
- Organization and Administration (Human Resources)
- Client Contract Process
- Client Provisioning Process
- Internal Provisioning Process
- Incident Management (Client Facing)
- Incident Management (Internal)
- Change Control Management (Client Facing)
- Change Control Management (Internal)
- Logical Security (Policies/Procedures & Passwords)
- Logical Security (Provisioning & Access Rights)
- Logical Security (Access Removal & Termination Procedures)
- Network Security
- Computer Operations
- Corporate Governance
- Physical Security
- Environmental Security
- Facility Inspection and Documentation
- Shipping and Receiving Activities
- Emergency Response
- Business Continuity Management



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