

# MassHealth – Medicaid EHR Provider Incentive Payment Program

*January 27, 2010*



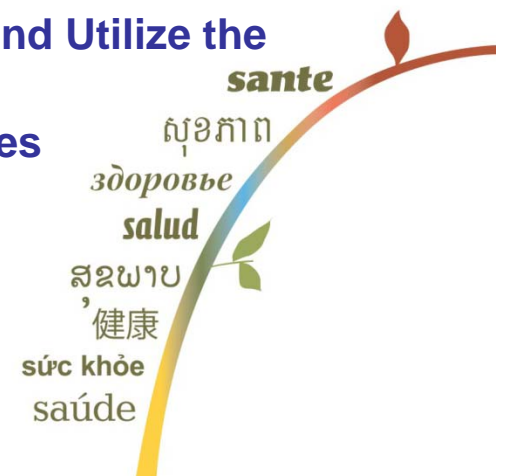
# Background

- **Step 1:** EHS must submit HIT Planning Advanced Planning Document (HIT P-APD) for CMS approval to receive 90% FFP for planning activities related to the Medicaid EHR Incentive Payment Program.
  
- **Step 2:** EHS must submit a State Medicaid HIT Plan (SMHP) and HIT Implementation APD (HIT I-APD) for CMS approval to receive 90% FFP to implement and administer the Medicaid EHR Incentive Payment Program.
  
- **Step 3:** Submit annual HIT I-APDs to receive 90% FFP to administer the incentive payment program on an ongoing basis including approvable expenses related to oversight activities and promotion of health information exchange.



# HIT Planning APD

- “A plan of action...for a State agency to determine the need for and plan the acquisition of HIT equipment or services or both and to acquire information necessary to prepare the HIT I-APD or request for proposal to implement the SMHP”
- MassHealth’s HIT P-APD
  - Current draft undergoing review
  - Proposed budget of \$4 Million for Staffing and Vendor Support for the following activities:
    - Project Management
    - Ongoing Coordination and Strategic Planning with MeHI
    - Development of State Medicaid HIT Plan (SMHP) and HIT I-APD
    - Planning for Incentive Payment Administration and Reporting
    - Assessment of the MassHealth/EHS Ability to Support and Utilize the Statewide HIE
    - EOHHS staff, Provider, and Consumer Outreach Activities



# State Medicaid HIT Plan (SMHP)

## Elements of SMHP:

### 1) *Current and Future Visions of State Systems and Interoperability*

- Inventory of existing HIT in the State including the HIT “as-is” landscape; the HIT “to-be” landscape; and HIT roadmap and strategic plan for the next 5 years.
- How the SMHP will be planned, designed, developed and implemented, according to MITA principles
- How intrastate systems, including MMIS have been considered in developing a HIT solution
- Descriptions of the following:
  - Data-sharing components of HIT solutions
  - How each State will promote secure data exchange
  - How each State will promote the use of data and technical standards to enhance data consistency and data sharing through common data-access mechanisms.
- How each State will support integration of clinical and administrative data
- Process for ensuring improvements in health outcomes, clinical quality, or efficiency resulting from the adoption of certified EHR technology

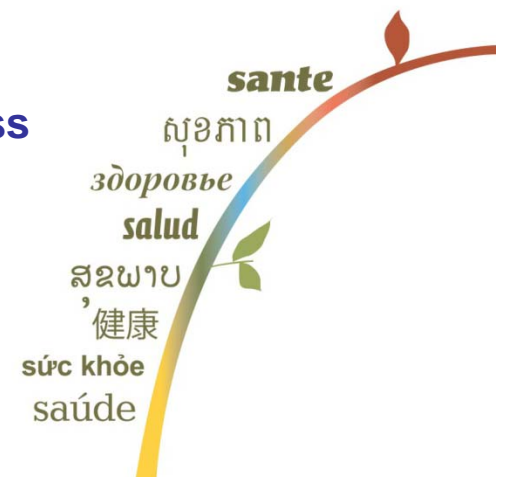


# State Medicaid HIT Plan (SMHP)

- Process for ensuring that certified EHR technology is compatible with State or Federal administrative management systems, including the MMIS
- How States will adopt national data standards for health and data exchange and open standards for technical solutions as they become available.
- How States intend to address the needs of underserved and vulnerable populations such as children, individuals with chronic conditions, IV-E foster care children, individuals in long-term care settings and the aged, blind, and disabled.

## 2) Provider Eligibility

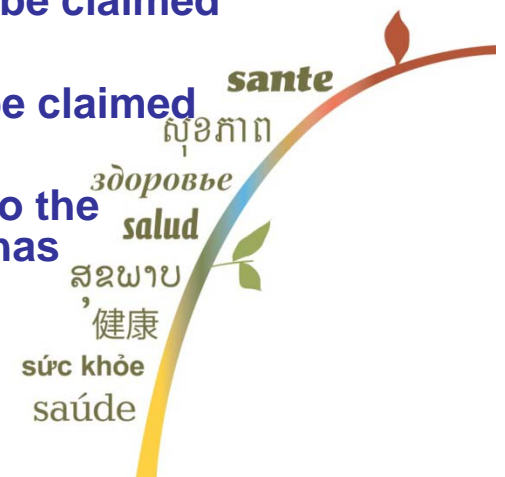
- A description of the processes for ensuring and verifying that each EP and eligible hospital meets all provider enrollment eligibility criteria including
  - Medicaid patient enrollment thresholds
  - Ensuring EPs are not hospital based providers
  - Ensuring Eligible Hospitals have ALOS of 25 days or less



# State Medicaid HIT Plan (SMHP)

## 3) Monitoring and Validation

- A description of the process in place for ensuring that all provider information for attestations and any information added to the CMS Single Provider Repository including all information related to patient volume, NPI, Tax identification number (TIN), meaningful use, efforts to adopt, implement, or upgrade are all true and accurate including descriptions of the following processes:
  - Capturing and verifying attestations from each EP or eligible hospital
  - Capturing and verifying clinical quality data from each EP or eligible hospital
  - Monitoring the compliance of providers coming onto the program with different requirements depending upon the year
  - Listing specific actions planned to implement the HIT EHR incentive program including organizational charts
  - Ensuring that no amounts higher than 100% of FFP will be claimed for State payments to Medicaid eligible providers
  - Ensuring that no amounts higher than 90% of FFP will be claimed for administrative expenses
  - Ensuring and verifying that payments are paid directly to the provider (or to an employer or facility that the provider has assigned payments) without any deduction or rebate.

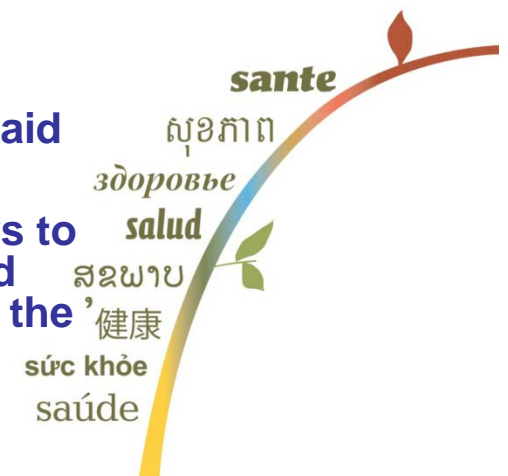


# State Medicaid HIT Plan (SMHP)

- Ensuring that all assignments to an entity, as designated by the State, are voluntary for the EP and entities do not retain more than 5% of payments for costs not related to certified EHR technology (and support services including maintenance and training)
- Ensuring and verifying that eligible providers receive an incentive payment from only one State
- Ensuring that each EP or eligible hospital that participates in the EHR incentive payment program will receive a NPI; and description of how the NPI will be used to coordinate with the CMS so that the EP will choose only one program from which to receive the incentive payment
- Ensuring that each EP or eligible hospital who wishes to participate in the EHR incentive payment program will provide a TIN to the State for payment purposes

## 4) Medicaid EHR Incentive Payments

- Descriptions of the following processes that are in place:
  - Ensuring that there is no duplication of Medicare and Medicaid incentive payments to EPs.
  - Ensuring that any existing fiscal relationships with providers to disburse the incentive payments through Medicaid managed care plans does not result in payments that exceed 105% of the capitation rate



# State Medicaid HIT Plan (SMHP)

- Ensuring that Medicaid EHR incentive payments are made for no more than 6 years and that no EP or eligible hospital begins receiving payments after 2016 and that a methodology for verifying such information is available.
- Ensuring that Medicaid EHR incentive payments are not paid at amounts higher than 85% of the net average allowable cost of certified EHR technology and the yearly maximum allowable payment thresholds
- Ensuring that all hospital calculations and hospital payment incentives are consistent with CMS requirements
- The process in place to provide for the timely and accurate payment of incentive payments to EPs and eligible hospitals
- The process in place and a methodology for verifying such information to provide that any monies that have been paid inappropriately as an improper payment or otherwise not in compliance with this subpart will be recouped and FFP will be repaid.

## 5) Combating Fraud and Abuse and Planning for Provider Appeals

- A description of the process in place for a provider to appeal
- A description of the process in place to address Federal laws/regulations designed to prevent fraud, waste, and abuse



# State Medicaid HIT Plan (SMHP)

## 6) Optional--Proposed Alternatives.

- A State may choose to propose any of the following, but they must be included as an element in the State Medicaid HIT Plan for review and approval:
  - An alternative methodology for measuring patient volume
  - Additional requirements for qualifying a Medicaid provider as a meaningful user of certified EHR technology
  - A State may propose additional meaningful use objectives beyond the Federal standards, if they do not require additional functionality beyond that of certified electronic health record technology
  - A plan for early implementation of incentive payments for a provider who adopts, implements, or upgrades certified EHR technology



# Timeline

- **Proposed Rules Released by CMS - December 30, 2009**
- **Comments on Proposed Rules due to CMS – March 2010**
- **EOHHS submits HIT P-APD – End of January 2010**
- **CMS approves EOHHS HIT P-APD- February 2010**
- **EOHHS releases SMHP Vendor RFQ- February 2010**
- **SMHP Vendor Award- April 2010**
- **Final EHR/Meaningful Use Rules released by CMS around June 2010**
- **Submission of SMHP to CMS - August 2010**
- **CMS approves EOHHS SMHP and I-APD – September 2010**
- **Implementation Activities can begin – August 2010**
- **Incentive Payment Program can begin as early as January 2011 (earlier if CMS approves SMHP and EOHHS implements key components of SMHP – considered high risk by CMS)**
- **Medicaid EHR Incentive Program runs from January 2011- December 2021**



# EOHHS and MeHI Collaboration

- State HIT strategic plan and Chapter 305 objectives are tightly aligned with CMS Medicaid HIT incentives
- Medicaid HIT incentive funds provide a significant source of financing to achieve the adoption and meaningful use goals of Chapter 305
  - Chapter 305 meaningful use goals and CMS meaningful use certification requirements are closely aligned
- Widespread adoption and meaningful use of HIT is seen as a critical support to the statewide, all payer Patient Centered Medical Home Initiative.
- MeHI's focus of IOO support on PCCs, Nurse Practitioners and Community Health Centers aligns with the Commonwealth's commitment to supporting and enhancing primary care
- MeHI IOO certification will be instrumental in encouraging rapid adoption of HIT by MassHealth providers



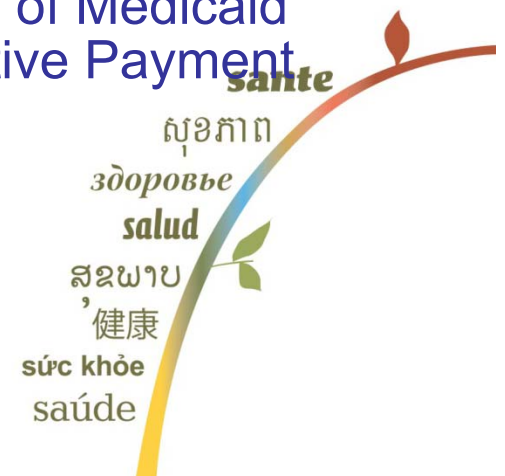
# Comparison of Statewide HIT Plan and State Medicaid HIT Plan

## ■ *Statewide HIT Plan*

- Focus on HIT Planning for the entire Commonwealth
- Assessment/Strategy for all payers and providers connecting to statewide HIE
- Planning for implementation and operation of statewide HIE
- Planning for implementation and operation of statewide REC

## ■ *State Medicaid HIT Plan*

- Focus on HIT Planning for MassHealth/EHS that is aligned with statewide HIT Plan
- Assessment/ Strategy for MassHealth/EHS to connect with statewide HIE
- Planning for implementation & operation of Medicaid EHR Incentive Payment Program



# Next Steps

- An ISA with MeHI for the following types of activities:
  - Data sharing agreements
  - Joint planning and system design
  - EHR Certification support of MassHealth providers
  - IOO support for MassHealth Primary Care Providers



## Next Steps

- Given today’s fiscal constraints, EHS requests \$500,000 in support from the eHealth Institute Fund to serve as the “state share” for the initial APD.

