CAH Method II Physician Participation in the Medicare EHR Incentive Program
Fact Sheet
May 2013

CAH II Physicians Now Eligible for the Medicare EHR Incentive Program

Physicians who assign their reimbursement and billing to a Critical Access Hospital (CAH) under Method II (CAH IIs) are now eligible to participate in the Medicare Electronic Health Record (EHR) Incentive Program as eligible professionals (EPs).

In order for CAH II physicians to participate, CMS is implementing system changes to capture their National Provider Identifier (NPI) and line-of-service payment information. This ensures their claims are tied to the specific services rendered.

Incentive Payments Begin in 2014

CAH II physicians can begin participation in calendar year (CY) 2013. However, due to the time required to implement the system changes, they will not be able to submit attestations until January 2014.

CAH II physicians will need to register and attest to demonstrating meaningful use of certified EHR technology in order to receive their incentive payment. All EPs, including CAH II physicians, in their first year of participation must start by demonstrating Stage 1 of meaningful use. The stages of meaningful use progress as the program continues.

CAH II physicians who begin participation in CY 2013 will be eligible to earn a maximum Medicare EHR incentive payment of $39,000.

Payment Adjustments

Like all other EPs and eligible hospitals, physicians who assign their billing to CAH Method II are subject by law to payment adjustments should they fail to demonstrate meaningful use on an annual basis, beginning in 2015.

Reassigning Payments to CAHs

If a provider would like to qualify for an EHR incentive payment and is reassigned to a CAH, this information may be verified through PECOS once an 855R form is submitted for an enrolled provider/supplier. If the provider is not currently enrolled, 855I and 855R forms must be submitted and processed. CMS is now accepting these forms for reassignment of payments to CAHs. Medicare may pay: (1) a physician or other supplier's employer if the supplier is required, as a condition of employment, to turn over to the employer the fees for his or her services; or (2) an entity (i.e., a person, group, or facility) that is enrolled in the Medicare program for services furnished by a physician or other supplier under a contractual arrangement with that entity. This means that Part A and Part B entities other than physician/practitioner group practices can receive reassigned benefits, assuming the requirements for a reassignment exception are met and that the reassignee meets all enrollment requirements.

Resources and Additional Information

For more information, visit the EHR Incentive Programs website. CMS has also developed several resources to help EPs participate in the EHR Incentive Programs, including:

- Introduction to the Medicare EHR Incentive Program for Eligible Professionals—Helps EPs navigate the Medicare EHR Incentive Programs by providing a step-by-step overview of how to participate.
- Stage 1 Specification Sheets for EPs—Explain the criteria for each core and menu measure in Stage 1 of meaningful use.
- EHR Incentive Programs Listserv—Provides the latest program updates, including information about program milestones, new materials, and upcoming conferences at events.

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