

# Overview of the 2018 Inpatient Prospective Payment System Final Rule Changes for the Electronic Health Records Incentive Programs

January 2018

On August 14, 2017, The Centers for Medicare & Medicaid Services (CMS) published the Fiscal Year (FY) 2018 Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long Term Acute Care Hospital (LTCH) Prospective Payment System Final Rule, which contains several changes that will directly affect the Medicare and Medicaid Electronic Health Record (EHR) Incentive Programs. To access the published final rule, please [click here](#).

This fact sheet provides an overview of the program changes for the Medicare and Medicaid EHR Incentive Programs.

## Summary

The 2018 IPPS Final Rule impacts all participants in the Medicare and Medicaid EHR Incentive Programs.

On August 14, 2017, CMS published the FY 2018 Medicare Hospital IPPS and LTCH Prospective Payment System Final Rule, which includes:

- Certified EHR technology (CEHRT) flexibilities for calendar year (CY) 2018,
- Modified CY 2018 Medicare and Medicaid EHR Incentive Programs reporting period to a minimum of any continuous 90 days,
- 21<sup>st</sup> Century Cures Act Provisions, and
  - A new exception from the Medicare payment adjustments for decertification of CEHRT; and
  - An exception to the 2017 and 2018 Medicare payment adjustments for ambulatory surgical center (ASC)-based eligible professionals (EPs).
- Medicare hospitals now have the ability to report on Modified Stage 2 or Stage 3 requirements in 2018, delaying the requirement for hospitals to meet meaningful use stage 3 measures and objectives until 2019.

To access the published final rule, please [click here](#).

## CEHRT Flexibilities in 2018

Providers have the option to attest to the Modified Stage 2 objectives and measures using 2014 Edition CEHRT, 2015 Edition CEHRT, or a combination of the two in 2018.

Providers attesting to Stage 3 objectives and measures, have the option to use 2015 Edition CEHRT or a combination of the 2014 and 2015 CEHRT editions, as long as their EHR technology can support the functionalities, objectives, and measures for Stage 3.

### **EHR Reporting Period in 2018**

- For 2018, the EHR reporting period for all participants is a minimum of any continuous 90 days from January 1 through December 31, 2018.
- Check the [Landing page](#) for up to date information on the attestation deadline.

### **21 Century Cures Act Provisions**

#### **Decertification of CEHRT**

An exception from the Medicare payment adjustments for EPs, eligible hospitals, and CAHs that have a CEHRT decertified by the ONC.

#### **Exception for EPs**

The exception is applicable for the CY 2018 payment adjustment year only.

EPs qualify for this exception if their CEHRT was decertified either before or during the applicable EHR reporting period for the CY 2018 payment adjustment.

EPs may qualify if:

- Decertification occurred at any time during the 12-month period preceding the applicable EHR reporting period for the CY 2018 payment adjustment.
- OR-
- Decertification occurred during the applicable EHR reporting period for the CY 2018 payment adjustment.

#### **Exception for Eligible Hospitals**

The exception is applicable beginning with the FY 2019 payment adjustment.

Eligible hospitals qualify for this exception if their CEHRT was decertified either before or during the applicable EHR reporting period for the FY 2019 payment adjustment.

Eligible hospitals may qualify if:

- Decertification occurred at any time during the 12-month period preceding the applicable EHR reporting period for the FY 2019 payment adjustment.
- OR-
- Decertification occurred during the applicable EHR reporting period for the FY 2019 payment adjustment.

#### **Exception for CAHs**

The exception is applicable beginning with the FY 2018 payment adjustment.

CAHs qualify for this exception if their CEHRT was decertified either before or during the applicable EHR reporting period for the FY 2018 payment adjustment.

CAHs may qualify if:

- Decertification occurred at any time during the 12-month period preceding the applicable EHR reporting period for the FY 2018 payment adjustment.
- OR-
- Decertification occurred during the applicable EHR reporting period for the FY 2018 payment adjustment.

### **ASC-Based EPs**

Section 16003 of the 21st Century Cures Act of 2016 finalized a policy that no payment adjustments will be applied for EPs who furnish “substantially all” of their covered professional services in an ASC.

This policy is applicable for the CY 2017 and CY 2018 payment adjustment years.

This policy applies for EPs that furnish 75 percent or more of their covered professional services in sites of service identified by place of service (POS) code 24.