



## EHR Incentive Programs

*A program of the Centers for Medicare & Medicaid Services*

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### Mandated Sequestration Payment Reductions Beginning for Medicare EHR Incentive Program

Incentive payments made through the Medicare Electronic Health Record (EHR) Incentive Program are subject to the mandatory reductions in federal spending known as sequestration, required by the Budget Control Act of 2011.

#### **Incentive Payment Reduction**

The American Taxpayer Relief Act of 2012 postponed sequestration for two months. As required by law, President Obama issued a sequestration order on March 1, 2013. Under these mandatory reductions, Medicare EHR incentive payments made to eligible professionals and eligible hospitals will be reduced by 2%.

#### **Reduction Timing**

This 2% reduction will be applied to any Medicare EHR incentive payment for a reporting period that ends on or after April 1, 2013. If the final day of the reporting period occurs before April 1, 2013, those incentive payments will not be subject to the reduction.

***Please note:*** This reduction does not apply to Medicaid EHR incentive payments, which are exempt from the mandatory reductions.

#### **Want more information about the EHR Incentive Programs?**

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