



## EHR Incentive Programs

A program of the Centers for Medicare & Medicaid Services

News Updates | August 30, 2012

---

### **New CMS Resource Available: Payment Adjustment & Hardship Exceptions Tipsheets for Eligible Hospitals and Eligible Professionals**

CMS has developed new tipsheets to help providers learn more about congressionally mandated payment adjustments that will be applied to Medicare eligible professionals (EPs), eligible hospitals, and critical access hospitals (CAHs) that do not demonstrate meaningful use of certified electronic health record (EHR) technology under the EHR Incentive Programs. Click [here](#) to download the tipsheet for EPs and [here](#) for the tipsheet for eligible hospitals and CAHs.

Key takeaways from the tipsheets include:

#### **Medicare EPs**

- Payment Adjustment Amount: 1% per year, cumulative for every year that an EP is not a meaningful user. The maximum cumulative payment adjustment is 5%.
- Timing: Payment adjustments begin on January 1, 2015.

#### **Medicare Subsection (d) Eligible Hospitals**

- Payment Adjustment Amount: Applicable to the percentage increase to the Inpatient Prospective Payment System (IPPS) rate. Hospitals that do not demonstrate meaningful use will receive a lower payment than the IPPS standard amount. The payment adjustment is cumulative for each year that a Medicare Subsection (d) eligible hospital does not demonstrate meaningful use.
- Timing: Payment adjustments begin on October 1, 2014.

## Critical Access Hospitals

- **Payment Adjustment Amount:** This payment adjustment for CAHs applies to their Medicare reimbursement for inpatient services during the cost reporting period in which they did not demonstrate meaningful use. If a CAH has not demonstrated meaningful use, its reimbursement would be reduced from 101% of its reasonable costs to 100.66%.
- **Timing:** Payment adjustments will begin with the fiscal year 2015 cost reporting period.

## Hardship Exceptions

Hardship exceptions will be granted to EPs, eligible hospitals and CAHs only under specific circumstances. Providers must demonstrate to CMS that those circumstances pose a significant barrier to achieving meaningful use. Information on how to apply for a hardship exception will be posted on the CMS EHR Incentive Programs website in the future.

## Want more information about the new payment adjustments?

Make sure to visit the [EHR Incentive Programs website](#) for the latest news and tables detailing payment adjustments.



Visit the [CMS EHR Incentive Programs](#) website

Stay Connected:



Subscriber Services: [Manage Preferences](#) | [Unsubscribe](#)

This service is provided to you by the [Medicare and Medicaid EHR Incentive Programs](#).

---