

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

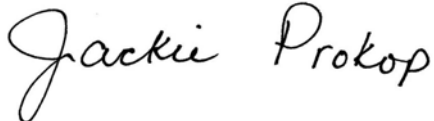
NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Acting Director, Program Policy Division  
Bureau of Medicaid Policy and Actuarial Services

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|------------------------|----------|----------------------|------------------|---------------------------------|------------------|
| <b>Project Number:</b> | 1054-EHR | <b>Comments Due:</b> | January 19, 2011 | <b>Proposed Effective Date:</b> | January 21, 2011 |
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**Mail Comments to:** MSA Policy  
Bureau of Medicaid Policy & Actuarial Services  
Medical Services Administration  
P.O. Box 30479  
Lansing, Michigan 48909-7979

**Fax Number:** (517) 335-5136

**E-mail Address:** [msadraftpolicy@michigan.gov](mailto:msadraftpolicy@michigan.gov)

**Policy Subject:** Medicaid Electronic Health Record (EHR) Incentive Program

**Affected Programs:** Medicaid

**Distribution:** Physicians, Podiatrists, Dentists, Nurse Practitioners, Certified Nurse Midwives, Physician Assistants, Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC)

**Policy Summary:** Establishes the Medicaid EHR Incentive Program for eligible professionals.

**Purpose:** This program allows incentive payments to eligible Medicaid providers to implement, upgrade, and demonstrate "meaningful use" of certified EHRs.

**The public comment portion of this policy is being conducted concurrently with final.**

## Michigan Department of Community Health

**Bulletin Number:** MSA 10-64

**Distribution:** Physicians, Podiatrists, Dentists, Nurse Practitioners, Certified Nurse Midwives, Physician Assistants, Federally Qualified Health Centers (FQHC), Rural Health Clinics (RHC)

**Issued:** December 21, 2010

**Subject:** Medicaid Electronic Health Record (EHR) Incentive Program

**Effective:** January 21, 2011

**Programs Affected:** Medicaid

The American Recovery and Reinvestment Act of 2009 (Recovery Act) provides the opportunity for state Medicaid programs to improve the nation's healthcare through health information technology (HIT) by authorizing incentives for certain eligible professionals (EP) for the meaningful use of EHRs.

The HIT provisions of the Recovery Act are primarily found in Title XIII, Division A, Health Information Technology, and in Title IV, Division B, Medicare and Medicaid Health Information Technology. These titles taken together are referred to as the Health Information Technology for Economic and Clinical Health (HITECH) Act.

The Recovery Act established 100 percent Federal Financial Participation (FFP) to provide incentive payments to eligible Medicaid providers to purchase, implement, and operate, including support services and staff training, and certified EHR technology.

Medicaid professionals currently eligible for incentive payments include:

- Physicians
- Podiatrists
- Dentists
- Nurse Practitioners
- Certified Nurse Midwives
- Physician Assistants who are practicing in FQHCs or RHCs that are led by a physician assistant.

These EPs must meet minimum Medicaid patient volume percentages (currently 20 percent for pediatricians and 30 percent for other EPs) and cannot participate in the Medicare EHR incentive during the same year. EPs can receive up to 85 percent of the net average allowable costs for certified EHR technology, including support and training, up to a maximum yearly level. Incentive payments are available for no more than a six year period.

Incentive payments after the initial adoption, implementation, and upgrading of EHR technology, require the provider to demonstrate "meaningful use" of the EHR technology. This is done through a means determined by the State and approved by the Centers for Medicare and Medicaid Services (CMS). The State may also require providers to report clinical quality measures as a part of "meaningful use." As required by CMS, the EHR technology must be compatible with State and Federal administrative management systems and certified with the Certification of Health IT Program under the Office of the National Coordinator for Health Information Technology (ONC).

To participate in the Medicaid EHR incentive program, EPs must register with the National Level Repository (NLR) at the federal level. To register with the NLR, all EPs must have a National Provider Identifier (NPI) and be enrolled in the CMS Provider Enrollment, Chain and Ownership System (PECOS). Most providers also need to have an active user account in the National Plan and Provider Enumeration System (NPPES). CMS will use these systems to register the EP for the program and verify the EP's registration prior to notifying Michigan of the EP's eligibility.

EPs must also register as a provider in the Community Health Automated Medicaid Processing System (CHAMPS). EPs who are providing services through managed care entities must be individually registered as a Medicaid provider and are required to complete a similar process to verify the provider is in good-standing and is eligible to receive an EHR incentive. Information entered at the NLR may only be changed at the NLR level and must match the information provided in CHAMPS.

- Currently Medicaid-Enrolled Provider - Once Medicaid receives a valid EP request from the NLR, the Medicaid staff will send a welcome letter to the EP with instructions for logging on to CHAMPS to register for the EHR incentive payment on-line. Once the EP submits the registration information, Medicaid staff will start the review/validation process.
- Not Currently Medicaid-Enrolled Provider - Once Medicaid receives a valid EP request from the NLR, the Medicaid staff will send a welcome letter to the EP with instructions on enrolling in CHAMPS to register for the EHR incentive payment on-line. Note that this enrollment is for EHR incentive purposes only.

To access the CHAMPS system for enrollment, the EP must follow the directions on the website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders), scroll down the middle of the page to *Hot Topics*, and click on the *CHAMPS* link. Once on the CHAMPS page, scroll down to *Accessing the CHAMPS system* for step by step instructions. Providers can also call 1-800-292-2550, option 2 for questions regarding CHAMPS enrollment. Once approved, the EP will receive a letter with instructions on completing the EHR portion of the enrollment.

All participating EPs, will have to re-register every year. This will ensure the EPs report on meaningful use, re-attest to eligible patient volume information, and other administrative information. They will also be required to complete an annual survey that will address general EHR issues and concerns.

Because many of the implementation details of this program are being developed and modified by CMS, further details can be found on websites specific to the Incentive Program.

Updated and detailed information on the Medicaid EHR Incentive Program will be maintained and is available at <http://michiganhealthit.org>.

For a complete list of meaningful use criteria, visit [http://michiganhealthit.org/meaningful\\_use](http://michiganhealthit.org/meaningful_use) to review the final US Department of Health and Human Services rule.

For a list of Office of the National Coordinator (ONC) Certified EHR Technology, visit <http://healthit.hhs.gov>.

In addition to creating Medicaid and Medicare financial incentives, to speed the adoption of EHRs, Congress has also authorized Regional Extension Centers (REC) to provide on-site technical support to help providers adopt and achieve meaningful use with an EHR. Contact Michigan's REC, M-CEITA, at 1-888-MICH-EHR or [www.mceita.org](http://www.mceita.org).

## Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments in writing to:

Attn: MSA Policy  
MDCH/MSA  
PO Box 30479  
Lansing, Michigan 48909-7979  
Or  
E-mail: [msadraftpolicy@michigan.gov](mailto:msadraftpolicy@michigan.gov)

If responding by e-mail, please include "EHR EP Policy" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

## Manual Maintenance

Retain this bulletin until applicable information has been incorporated into the Michigan Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

## Approved



Stephen Fitton, Director  
Medical Services Administration