

# Kentucky Medicaid EHR Incentive Program Frequently Asked Questions (FAQs)

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**1. Who implements the Kentucky Medicaid EHR Incentive Program and what is it?**

The Kentucky Cabinet for Health Services (CHFS) Department for Medicaid Services (DMS) is implementing the Kentucky Medicaid EHR Incentive Program. This program is designed to give Medicaid Eligible Professionals (EPs) up to \$21,250 to adopt, implement, or upgrade a certified Electronic Health Record (EHR) system, and an additional \$42,500 over the following five years for the meaningful use of a certified EHR system according to the requirements developed by the Centers for Medicare and Medicaid Services (CMS) (<http://www.cms.gov/EHRIncentiveprograms/>) and DMS (<http://chfs.ky.gov/dms/ehr.htm>).

**2. Who qualifies as a Medicaid Eligible Professional (EP)?**

EPs are Medicaid enrolled non-hospital-based physicians, dentists, pediatricians, nurse practitioners, and certified nurse midwives. Additionally, physician assistants practicing in a Rural Health Clinic (RHC) or Federally Qualified Health Center (FQHC) directed by a physician assistant are eligible.

Medicaid Eligible Professionals (EPs)	Patient Volume Over 90-Day Period
Physician (MD, DO)	30 percent Medicaid
Dentist	30 percent Medicaid
Certified Nurse Midwife	30 percent Medicaid
Nurse Practitioner	30 percent Medicaid
Physician Assistant (PA) in a Rural Health Clinic or FQHC led by PA	30 percent Medicaid
Optometrist	30 percent Medicaid
Pediatrician	20 percent Medicaid

**3. Are optometrists considered eligible professionals for the Medicaid EHR Incentive Program?**

Optometrists are eligible to participate in the KY Medicaid EHR Incentive Program. The Kentucky State Plan Amendment 11-003 moved the optional coverage of Optometrists from other licensed practitioners to the mandatory coverage of physician services. This was approved by CMS on May 12, 2011 and made effective as of January 1, 2011.

**4. How will Medicaid EPs apply for the Kentucky Medicaid EHR Incentive Program?**

Registration for the program is available via the Kentucky DMS Web site at <http://chfs.ky.gov/dms/ehr.htm>.

**5. I am completing my attestation on the Kentucky Medicaid EHR Incentive Program Web site, but it will not accept the CME EHR Certification ID of my EHR?**

For the incentive program, the CMS EHR Certification ID is needed and not the number, which you mention above. The CMS EHR Certification ID number can be obtained from the Web site at <http://onc-chpl.force.com/ehrcert>. Please follow the steps below:

- ✓ Select your practice type using the two buttons below
- ✓ Search for EHR Products and add them to your cart
- ✓ Check your cart to see if the product or products meet 100 percent of the required criteria
- ✓ Request a CMS EHR Certification ID using the button on the Certification Cart page

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6. **Do EHs and EPs need to have an enrollment record in PECOS, and if so, how do they get one?**

All EHs must have an enrollment record in PECOS to participate in the EHR Incentive Programs (EPs who are only participating in the Kentucky Medicaid EHR Incentive Program are not required to be enrolled in PECOS.) To get enrolled in PECOS or to see if you have an enrollment record, please visit the PECOS Web site at <https://pecos.cms.hhs.gov/pecos/login.do>.

7. **When will EPs begin receiving incentive payments for using certified EHRs?**

Kentucky will begin making incentive payments to EPs and Eligible Hospitals (EHs) who meet the requirements of the Kentucky Medicaid EHR Incentive Program in January 2011.

8. **Does DMS have a user manual for the providers?**

Yes. The Provider User Manual and Meaningful Use Manuals can be found under the title "Publications" on the right side of the page at <http://chfs.ky.gov/dms/ehr.htm>.

9. **What is the payment schedule for Medicaid EPs, as well as the payment amounts?**

Generally, the Medicaid program offers up to \$64,000 to EPs who see more than 30 percent of patients paying with Medicaid (20 percent for pediatricians). Payments could amount up to \$25,000 the initial year and \$10,000 each subsequent year for a total period of five years. Pediatricians, who only meet the lower threshold of 20 percent Medicaid patients, would be eligible for 66 percent of the payments. However, pediatricians with 30 percent volume would be eligible for the full amount as shown below.

Payment Year	Maximum Payment
Year 1	\$21,250
Year 2	\$8,500
Year 3	\$8,500
Year 4	\$8,500
Year 5	\$8,500
Year 6	\$8,500
<i>Maximum</i>	<i>\$63,750</i>

10. **Are EPs with lower patient volumes eligible for the incentive payments?**

EPs must have at least 30 percent patient volume attributable to Medicaid. Pediatricians must have a Medicaid patient volume of 20 percent to be eligible. Also, EPs practicing predominantly in a RHC or FQHC can qualify for incentive payments with a 30 percent "needy individuals" patient volume threshold.

11. **What defines a "needy individual?"**

A "needy individual" is defined as an individual who receives medical assistance from Medicaid or the Children's Health Insurance Program (CHIP); or is furnished uncompensated care by the provider; or is furnished services at either no cost or reduced cost based on a sliding scale determined by the individual's ability to pay.

**Note:** To verify the number of KCHIP individuals, please email your name, NPI number, time period requested and fax number to [ehrincentives@ky.gov](mailto:ehrincentives@ky.gov).

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12. **If an EP in the Medicaid EHR Incentive Program wants to leverage a clinic or group practice's patient volume as a proxy for the individual EP, how should a clinic or group practice account for EPs practicing part-time and/or applying for the incentive through a different location (e.g., where an EP is practicing both inside and outside the clinic/group practice, such as part-time in two clinics)?**

EPs may use a clinic or group practice's patient volume as a proxy for their own under three conditions:

- (1) The clinic or group practice's patient volume is appropriate as a patient volume methodology calculation for the EP (for example, if an EP only sees Medicare, commercial, or self-pay patients, this is not an appropriate calculation);
- (2) there is an auditable data source to support the clinic's patient volume determination; and
- (3) as long as the practice and EPs decide to use one methodology in each year (in other words, clinics could not have some of the EPs using their individual patient volume for patients seen at the clinic, while others use the clinic-level data). The clinic or practice must use the entire practice's patient volume and not limit it in any way. EPs may attest to patient volume under the individual calculation or the group/clinic proxy in any participation year. Furthermore, if the EP works in both the clinic and outside the clinic (or with and outside a group practice), then the clinic/practice level determination includes only those encounters associated with the clinic/practice.

13. **Can organizations register for the Kentucky Medicaid EHR Incentive Program on behalf of their EPs?**

There is nothing preventing this. Any organization registering on behalf of EPs would need to have an Identity and Account (I&A) Management user ID and password.

14. **Will a provider who doesn't enroll in the Kentucky Medicaid EHR Incentive Program and/or who doesn't meet meaningful use requirements be penalized?**

Medicaid reimbursements will not be affected.

15. **Can an EP receive both the Medicaid EHR payment incentive as well as the Medicare EHR payment incentive?**

No, EPs may receive an incentive payment from either Medicaid or Medicare, but not both. EPs can switch between the Medicare and Medicaid incentive programs one time. The last year for making an incentive program switch is calendar year 2014.

16. **What if my EHR system costs much more than the incentive the government will pay? May I request additional funds?**

The Electronic Health Record Incentive Program final rule does not provide for incentive payments beyond the limits established by the legislation, regardless of the cost of the EHR system chosen by EPs or EHRs. The purpose of the incentive payments is to encourage the adoption and meaningful use of certified EHR technology, not to act as a direct reimbursement.

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**17. Do EPs use the calendar year or the federal year for demonstrating meaningful use for 90 days?**

While the payment year for EPs is the calendar year (January 1 to December 30), the federal fiscal year (October 1 to September 30) is the payment year for EHs. Also, the 90-day period must be started and completed within the payment year with no overlapping.

**18. Can EPs work at locations other than hospitals and private practices (such as nursing homes, for example) and receive the incentive payments?**

Under Medicaid, the only eligible institutional providers are acute care hospitals, stand-alone children's hospitals, cancer hospitals, and critical access hospitals. EPs may choose to assign incentive payments to their employer. For example, if EPs employed by a nursing home met the criteria, they could choose to assign their payment to their employer.

The location where the provider works is not the issue; it doesn't matter where the EP accesses the certified EHR. The issue is whether or not the EP meets the Kentucky Medicaid EHR Incentive Program requirements to be considered eligible for the program.

**19. If the owner of a practice is spending the money for adopting, implementing and upgrading a certified EHR, are the incentive payments paid to the practice or the individual providers within the practice?**

Incentive payments are paid to individual EPs within a practice. When an EP registers for the Kentucky Medicaid EHR Incentive Program, they select the Taxpayer Identification Number (TIN) with which they are associated in the Kentucky Medicaid Management Information System (MMIS). EPs may assign incentive payments to a group practice level TIN (they must be associated in Kentucky's MMIS with the group's TIN). Also, EPs may reassign their incentive payments to their employer or to an entity with which they have a contractual arrangement. Under these conditions, an EP working in a practice could assign or reassign their incentive payments to the practice.

**20. What defines a hospital-based professional?**

An EP is considered hospital-based if 90 percent or more of their services are performed in a hospital inpatient or emergency room setting. Physicians who primarily work in inpatient and emergency room settings are excluded from the Kentucky Medicaid EHR Incentive Program.

**21. When will CMS publish regulations to define certified Electronic Health Records and "meaningful use?"**

CMS published the Electronic Health Record Incentive Program final rule July 13, 2010. The Office of the National Coordinator (ONC) issued an Interim Final Rule in December of 2009, which established an initial set of standards, implementation specifications, and certification criteria for EHR technology. This rule is now final.

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**22. Does the provision requiring that States pay the incentive “without deduction or rebate” still allow a State to offset mandatory public debt collection (e.g., wage garnishment and claims overpayments) with the incentive?**

The requirement that the incentives be passed to providers “without deduction or rebate” refers to requiring that the State not use the incentive payment to pay for its own program administration or to fund other State priorities. However, where there are public debts under a collection mandate, CMS considers the incentive as paid to the provider, even when part or all of the incentive may offset public debts. States should apply the same process that they use for other payments to providers in order to recoup public debts. Please note that the State of Kentucky does not subject EHR incentive payments to State debt.

**23. What is the ONC?**

The Office of the National Coordinator for Health Information Technology (ONC) is the principal federal entity charged with coordination of nationwide efforts to implement and use the most advanced health information technology and the electronic exchange of health information. The ONC is organizationally located within the Office of the Secretary for the U.S. Department of Health and Human Services (HHS). The position of National Coordinator was created in 2004, through an Executive Order, and legislatively mandated in the Health Information Technology for Economic and Clinical Health Act (HITECH Act) of 2009.

**24. How does an organization become an ONC-ATCB?**

An organization must submit an application to the National Coordinator to demonstrate its competency and ability to test and certify EHR technology (Complete EHRs and/or EHR Modules). Once authorized, ONC-ATCBs are required to comply with the principles and conditions applicable to the testing and certification of EHR technology as specified in the temporary certification program final rule.

**25. Where can I find the list of ONC Authorized Testing and Certification Bodies (ONC-ATCBs)?**

The list of ONC Authorized Testing and Certification Bodies (ONC-ATCBs) is available on the ONC Web site at <http://www.healthIT.hhs.gov/ATCBs>.

**26. What is Meaningful Use?**

The American Recovery and Reinvestment Act of 2009 specifies three main components of Meaningful Use:

1. The use of a certified EHR in a meaningful manner, such as e-prescribing.
2. The use of certified EHR technology for electronic exchange of health information to improve quality of health care.
3. The use of certified EHR technology to submit clinical quality and other measures.

Simply put, "meaningful use" means providers need to show they're using certified EHR technology in ways that can be measured significantly in quality and in quantity.

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### **27. What are the requirements for Stage 1 of Meaningful Use (2011 and 2012)?**

Meaningful use includes both a core set and a menu set of objectives that are specific to eligible professionals or eligible hospitals and CAHs.

- For eligible professionals, there are a total of 25 meaningful use objectives. To qualify for an incentive payment, 20 of these 25 objectives must be met.
  - There are 15 required core objectives.
  - The remaining 5 objectives may be chosen from the list of 10 menu set objectives.
  - Eligible professionals must report on 6 total clinical quality measures: 3 required core measures (substituting alternate core measures where necessary) and 3 additional measures (selected from a set of 38 clinical quality measures).
- For eligible hospitals and CAHs, there are a total of 24 meaningful use objectives. To qualify for an incentive payment, 19 of these 24 objectives must be met
  - There are 14 required core objectives.
  - The remaining 5 objectives may be chosen from the list of 10 menu set objectives.
  - Eligible hospitals and CAHs must report on all 15 of their clinical quality measures.

Please visit the Meaningful Use overview on the CMS website for more information on Meaningful Use and Clinical Quality Measures at

[https://www.cms.gov/EHRIncentivePrograms/30\\_Meaningful\\_Use.asp#TopOfPage](https://www.cms.gov/EHRIncentivePrograms/30_Meaningful_Use.asp#TopOfPage)

For CMS FAQs and/or to ask a question, please see <https://questions.cms.hhs.gov>