

Eligible Hospitals (EHs): Prerequisites to Participate in the Texas Medicaid EHR Incentive Program in YEAR ONE

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Step One: Registration with the Centers for Medicare & Medicaid Services (CMS)

A. Gather information needed for registration:

- PECOS ID (Provider Enrollment, Chain, & Ownership System) – *required for hospitals*. Register for a PECOS ID at <https://pecos.cms.hhs.gov/pecos/login.do>.
- National Provider Identifier (NPI) (*required*) – Uniquely identifies each hospital.
 - If a hospital does not have an NPI, go to CMS’s site to apply for one (<https://nppes.cms.hhs.gov/NPPES/Welcome.do>).
- Tax Identification Number (TIN) (*required*) and NPI - Links to “Payment Assignment” in Texas enrollment.
- CMS EHR Certification Number (optional for CMS registration; required for Texas enrollment).
 - Determine whether your EHR system is certified by the ONC (<http://onc-chpl.force.com/ehrcert>).
 - Refer to the “[Instructions for Obtaining the CMS EHR Certification Identification Number](#)”.

B. Register at CMS:

- EACH eligible hospital (EH) must register at CMS’s EHR Incentive Program registration site (<https://ehrincentives.cms.gov/hitech/login.action>).
- All participating EHs must register nationally with CMS *BEFORE* enrolling at the state Medicaid EHR Incentive Program portal.
- The user guide for registering is located here: http://www.cms.gov/EHRIncentivePrograms/Downloads/EHRHospital_RegistrationUser_Guide.pdf.

Step Two: Preparations Before Entering the Texas Medicaid EHR Incentive Program Portal

Before you begin entering your information into the Texas Medicaid EHR Incentive Program portal, be sure you have collected the required information described below:

A. Adopt, Implement, and Upgrade (AIU) certified technology:

- You will need to enter the CMS EHR certification identification number in the AIU portion of the portal (see Step One - A, for instructions on obtaining the certification number).
- Have documentation ready from a contract, subscription, or purchase order for your EHR.

You will be required to upload the documents in the AIU portion of the portal. You will only need to upload the pages that clearly identify the two parties in agreement, as well as the signature page of the contract.

B. Patient threshold volume

- Reporting Period: Determine your reporting period. You have the option to choose a reporting period of any 90-day or three full consecutive month period in the previous fiscal year OR any 90-day or three full consecutive month period in the most recent 12 months preceding attestation.
- Patient Volume: Eligible critical access and acute care hospitals must demonstrate 10 percent Medicaid discharges during the 90-day or 3 month reporting period.
 - Children’s hospitals do not have a patient volume threshold requirement.
 - Hospital encounters include **inpatient discharge** and **emergency room services** to Medicaid-eligible patients on any one day.

$$\frac{\text{Medicaid Discharges} + \text{Medicaid ED Encounters}}{\text{Total Discharges} + \text{ED Encounters}} \times 100$$

- The emergency department (ED) must be a part of the hospital under the qualifying CMS certification number (CCN).
- Numerator and denominator must be derived from the same reporting period.

C. Payment Calculation

A multi-site hospital with one CMS Certification Number (CCN) is considered one hospital for purposes of payment.

The following steps outline the hospital payment calculation. Remember to use an auditable data source such as the Medicare cost report. To estimate your hospital payment calculation, you may use the hospital calculation worksheet found on the TMHP website (http://www.tmhp.com/Pages/HealthIT/HIT_EHR_GettingStarted.aspx). The worksheet identifies what data fields from the Medicare cost reports Texas will use to verify hospital payment data.

Step 1. Growth Rate

Calculate *growth rate* based on the average percent increase or decrease of discharges over a three year period.

	Total Discharges		Previous Year		Difference		Previous Year		Percent Change		Years of Data		Average Growth Rate
Current Federal Fiscal (FF) Year	18,015	-	18,131	=	(116)	÷	18,131	=	(0.006)				
1st Previous FF Year	18,131	-	17,297	=	834	÷	17,297	=	0.048				
2nd Previous FF Year	17,297	-	16,773	=	524	÷	16,773	=	0.031				
3rd Previous FF Year	16,773								0.073	÷	3	=	2.44%

Step 2. Overall EHR Amount

Calculate the *overall EHR amount* based upon a theoretical four years of payment the hospital would receive starting from the base amount of \$2 million, plus the discharge related amount, multiplied by a transition factor.

	Total Discharges	+	Average Growth Rate	=	Adjusted Discharges	-	Disallowed Discharges	=	Allowed Discharges (max=23,000)	×	Discharges Rate	=	Discharge Cost	+	Base Amount	×	Transition Factor	=	Initial EHR Payment
Year 1 (Current Yr)	18,015	+	0	=	18,015	-	1,149	=	16,866	×	\$200	=	\$3,373,200	+	\$2,000,000	×	1	=	\$5,373,200
Year 2	18,015	+	2.44%	=	18,454	-	1,149	=	17,305	×	\$200	=	\$3,460,944	+	\$2,000,000	×	0.75	=	\$4,095,708
Year 3	18,454	+	2.44%	=	18,903	-	1,149	=	17,754	×	\$200	=	\$3,550,825	+	\$2,000,000	×	0.50	=	\$2,775,413
Year 4	18,903	+	2.44%	=	19,363	-	1,149	=	18,214	×	\$200	=	\$3,642,895	+	\$2,000,000	×	0.25	=	<u>\$1,410,724</u>
Overall EHR Amount: \$13,655,044																			

Step 3. Medicaid Share

- Do not include any inpatient days paid in part by Medicare (i.e., dual-eligibles).
- Calculate the *Medicaid share* based on estimated Medicaid inpatient bed days and total inpatient bed days.
- Do not include nursery days in the inpatient days.

	Total Charges	-	Charity Care Charges	÷	Total Charges	=	% of Noncharity Charges	×	Total Inpatient Days	=	Adjusted Inpatient Days
Current Yr	\$939,854,524		\$44,821,846		\$939,854,524		0.95		97,530		92,879
	Medicaid Inpatient Days FFS	+	Medicaid Inpatient Days MC	÷	Adjusted Inpatient Days	=	Medicaid Share				
	8,889		20,309		92,879		31.44%				

Step 4. Aggregate amount

Calculate the *aggregate amount*, which is the product of the *overall EHR amount* times the *Medicaid share*.

	Overall EHR Amount	×	Medicaid Share	=	Aggregate EHR Amount
Current Yr	\$13,655,044		31%		\$4,292,692

Step 5. Payout Schedule

Apply the Texas hospital payout schedule:

- Year One: 50 Percent
- Year Two: 40 Percent
- Year Three: 10 Percent

	Aggregate EHR Amount	×	Payout Percentage	=	Annual Incentive Payment
Year 1	\$4,292,692		50%		\$2,146,346
Year 2	\$4,292,692		40%		\$1,717,077
Year 3	\$4,292,692		10%		\$429,269
					<u>\$4,292,692</u>

D. Payment Assignment

The Hospital TIN and NPI entered into the CMS registration portal is sent to Texas Medicaid and will be automatically entered into the payment assignment page of the Texas portal.

Step Three: Accessing the Texas Medicaid EHR Incentive Program Portal

Congratulations! You are now ready to begin participating in the Texas Medicaid EHR Incentive Program.

Simply go to the following link: http://www.tmhp.com/Pages/Medicaid/Medicaid_home.aspx.

- “Log into my account.”
- Scroll to “Manage Provider Account.”
- Click on the “Texas Medicaid EHR Incentive Program.”

If the link is not available, the person trying to access the site is not designated as the hospital administrator in the TMHP portal system.

Additional Resources – Texas Medicaid EHR Incentive Program

- Learn about program rules and steps by using the self-paced e-learning module at: www.texasehrincentives.com.
- Visit the [Texas Medicaid Health IT website](#) for updates on the EHR Incentive Program and other health IT initiatives.
- For more information about MU documentation or other program questions, contact: support@tmhp-mi.com or call 1-800-925-9126 (option 4).