

Payment Reassignment

Idaho Medicaid Electronic Health Record (EHR) Incentive Program

Created March 2012

Note to Providers: There is a good possibility that business processes will change after the program is launched. Potential efficiencies as well as potential problems are likely to become evident. This paper describes the business as of spring 2012. Please be sure to return to the information on the website and in the provider handbook often for updates. Creation dates will be noted on each paper.

Introduction

The EHR Incentive Program provides incentive payments to eligible professionals (EPs) and eligible hospitals for adopting and meaningfully using certified EHR technology. The original legislation is clear that such payments are intended for and issued to EPs and hospitals. In other words, a group practice, clinic, FQHC, or RHC—as entities—cannot qualify to receive an incentive payment.

However, in recognition that it is often at the group practice or clinic level that EHR technology is adopted and maintained, CMS is allowing EPs to voluntarily “reassign” their incentive payments to other entities. As stipulations, the entire incentive payment must be reassigned, and only to a single entity for any given payment year.

CMS allows EPs participating in the Medicaid EHR Incentive Program to reassign incentive payments to:

- Employers or entities with which they have a contractual arrangement allowing the employer or entity to bill and receive payment for the EP’s covered professional services.
- To a Tax Identification Number (TIN) for an entity promoting the adoption of EHR technology.

Regarding the second option, CMS gives states the discretion to identify or otherwise designate “entities promoting the adoption of EHR technology.” Idaho is making no such designations at this time, such that incentive payment reassignment will be only to employers and/or entities that bill and receive payment for the EP’s services.

Voluntariness

CMS is clear: “*Any reassignment of payment must be voluntary.*” For a payment reassignment to be voluntary, an EP must be informed of and consent to the reassignment. A reassignment cannot be considered voluntary if the EP did not know about it, and/or did not agree to it.

Compliance

Pertaining to payment reassignment, Idaho considers the principle of voluntariness to be primary and critical. Payments that are found to have been reassigned unbeknownst to the EP will be recouped unless, after the fact, the EP informs the state of his or her consent to the reassignment.

Office managers may be the most appropriate personnel to enroll clinic staff in the EHR program. This minimizes the administrative burden on EPs, but also makes it possible for a practice to enroll its EPs and take their payments without informing them of either—an act that would clearly violate the principal of voluntariness.

During the Idaho EHR application process, EPs (or their designees) must attest to the voluntariness of both participation and any reassignment of payment. Group practices and clinics to which EPs reassign payments are strongly advised to solicit and retain written and signed consent from their participating EPs. Such records will be valuable in the event of an audit and/or any possible future disputes over these issues.

Tax Issues

The state makes no pronouncements regarding the tax implications of EHR incentive payments. EPs and group practices are advised to consult with a tax professional.

Additional Information

For questions about this or other issues concerning the Idaho EHR Incentive Program, please go to www.MedicaidEHR.dhw.idaho.gov. There you will find an “Ask the Program” feature that will allow you to send questions to program staff. You can also call the Idaho Medicaid EHR Program Helpdesk at (208) 332-7989.