

## Medicaid vs. Medicare Incentive Payment Programs

ARRA allows for both Medicaid and Medicare to administer incentive payments for the adoption and meaningful use of electronic health records. Hospitals are potentially eligible for incentive payments from both Medicaid and Medicare. Eligible professionals outside of the hospital setting must select to receive incentive payments from only one agency, either Medicaid or Medicare. There are notable differences between the Medicare and Medicaid incentive payment programs which are summarized here.

<b>Medicare</b>	<b>Medicaid</b>
Will be implemented nationally by Medicare	Voluntary for each state Medicaid agency to implement
Maximum incentive payment is \$44,000 for eligible professionals	Maximum incentive is \$63,750 for eligible professionals
Hospitals are reimbursed based on a formula – Hospitals may receive both Medicare and Medicaid incentive payments	
Fee schedule reductions begin in 2015 for all Medicare providers that are not meaningful users of EHR technology (regardless if they participate in the incentive program or not)	No Medicaid fee schedule reductions planned
Provider types are: <ul style="list-style-type: none"> <li>• Doctor of medicine or osteopathy</li> <li>• Doctor of dental surgery or medicine</li> <li>• Doctor of podiatric medicine</li> <li>• Doctor of optometry</li> <li>• Chiropractor</li> </ul>	Provider types are: <ul style="list-style-type: none"> <li>• Physician</li> <li>• Dentist</li> <li>• Nurse Practitioner</li> <li>• Certified Nurse-midwife</li> <li>• Physician Assistant practicing in a physician assistant led FQHC or RHC</li> </ul>
The last year an eligible professional may initiate program is 2014, last payment in program is 2016, payment adjustments begin in 2015	The last year an eligible provider may initiate program is 2016, last payment in program is 2021
Meaningful use definition will be the same for all Medicare	Will use the Medicare meaningful use definition as the floor for meaningful use, states can then adopt a more rigorous definition

Must be a meaningful user the first year of participation in the incentive program to receive an incentive payment	Allows providers a year to adopt, implement, or upgrade during the first year of participation and wait until year two to document meaningful use
Medicare Advantage eligible professionals have special eligibility accommodations	Medicaid managed care providers must meet regular eligibility requirements