Final Rule Issued: Fiscal Year (FY) 2018 Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long Term Acute Care Hospital (LTCH) Prospective Payment System

On August 2, 2017, the Centers for Medicare & Medicaid Services (CMS) issued the IPPS final rule, which has implications for the Medicare and Medicaid Electronic Health Record Incentive Programs.

Changes to Clinical Quality Measures (CQMs)

- For Calendar Year (CY) 2017:
  a. Reporting period: For eligible hospitals and CAHs reporting CQMs electronically, the reporting period will be one self-selected quarter of CQM data in CY 2017.
  b. CQMs: If an eligible hospital or CAH is only participating in the EHR Incentive Program or is participating in both the EHR Incentive Program and the Hospital IQR Program, the eligible hospital or CAH will report on at least four (self-selected) of the available CQMs.

- For CY 2018:
  a. Reporting period: For eligible hospitals and CAHs reporting CQMs electronically, the reporting period will be one self-selected quarter of CQM data in CY 2018. For the Medicare EHR Incentive Program, the submission period for reporting CQMs electronically will be the two months following the close of the calendar year, ending February 28, 2019.
  b. CQMs: For eligible hospitals and CAHs participating only in the EHR Incentive Program or participating in both the EHR Incentive Program and the Hospital IQR Program, the eligible hospital or CAH will report on at least four (self-selected) of the available CQMs.
  c. Eligible hospitals and CAHs that report CQMs by attestation under the Medicare EHR Incentive Program, as a result of electronic reporting not being feasible, and eligible hospitals and CAHs that report CQMs by attestation under their state’s Medicaid EHR Incentive Program are required to report on all 16 available CQMs for the full CY 2018 (consisting of four quarterly data reporting periods).

Additionally, in the final rule, CMS finalized the following changes for eligible professionals (EPs) in the Medicaid EHR Incentive Program:

- Reporting Period: For 2017, CMS modified the CQM reporting period for EPs in the Medicaid EHR Incentive Program to be a minimum of a continuous 90-day period during CY 2017.
- CQMs: For 2017, CMS aligned the specific CQMs available to EPs participating in the Medicaid EHR Incentive Program with those available to clinicians
reporting eCQMs via their EHR for the Merit-based Incentive Payment System (MIPS).

**Changes to the Medicare and Medicaid EHR Incentive Programs**

For 2018, CMS finalized the modification to the meaningful use reporting period for participants attesting to CMS or their state Medicaid agency from the full year to a minimum of any continuous 90-day period during the calendar year.

CMS finalized the addition of a new exception from the Medicare payment adjustments for EPs, eligible hospitals, and CAHs, that demonstrate through an application process, that compliance with the requirement for being a meaningful EHR user is not possible because their certified EHR technology has been decertified under ONC’s Health IT Certification Program.

CMS also finalized an exception to the 2017 and 2018 Medicare payment adjustments for ambulatory surgical center (ASC)-based EPs and defining ASC-based EPs as those who furnish 75 percent or more of their covered professional services in an ASC, using Place of Service (POS) code 24 to identify services furnished in an ASC.

CMS also finalized policies to allow healthcare providers to use either 2014 Edition CEHRT, 2015 Edition CEHRT, or a combination of 2014 Edition and 2015 Edition CEHRT, for Program Year 2018. This policy is based on our ongoing monitoring of the deployment and implementation status of EHR technology certified to the 2015 Edition and feedback by stakeholders who requested more time for the transition process.

For more information:

* Fact Sheet
* Press Release
* Federal Register

This message was sent by the Medicaid EHR Team (MeT) on behalf of the CMS Medicaid HiTECH Team. The MeT is contracted by CMS to provide technical assistance to states on their implementation of the Medicaid EHR Incentive Programs.