

## **Providers balk as CMS announces penalties for 2013 EHR issues**

December 18, 2014 - A Centers for Medicare and Medicaid Services (CMS) announcement that many doctors will see their 2015 Medicare payments cut by 1% for failing to meet federal electronic health-record incentive-payment program standards has provoked strong reactions from physician and hospital groups.

American Medical Association President-Elect Dr. Steven Stack noted that "more than 50% of eligible professionals will face penalties ... a number that is even worse than we anticipated."

The cuts will target more than a quarter million physicians and other eligible professionals. The penalties will apply next year to providers who failed to meet the program's Stage 1 **meaningful-use** criteria in 2013.

**Letters informing affected providers will be mailed in the coming weeks, a CMS official said. Instructions on how to appeal the CMS penalty decision are available on the [CMS website](#). Appeals must be filed by Feb. 28, 2015.**

About 200 hospitals also face 1% Medicare penalties under the program.

More than \$25.7 billion in EHR incentive payments were made between early 2011 and Oct. 1 of 2014, including about \$10.3 billion to physicians and other eligible providers (EPs), and \$15.4 billion to hospitals.

The CMS announced that an additional 28,000 physicians will receive notices that their Medicare reimbursements also will be cut by 1% for failing to comply with the **Electronic Prescribing Incentive Program**.

An estimated 2,500 hospitals and 168,000 physicians and other EPs were deemed by the CMS to have met **Stage 1 requirements** in 2011 and 2012, the first two years of the program.

They would have been required to meet Stage 2 requirements in 2014. Only about 10% of physicians and other EPs scheduled to move up to Stage 2 this year have done so. However, their payment period doesn't end until Dec. 31—and **they have until the end of February to attest**.

Stage 2 has been beset by woes since early 2014, as providers complained that their vendors had fallen behind schedule in delivering EHRs with the needed upgrades to meet Stage 2 functional requirements.

*To read the complete article, please go to:*

<http://www.modernhealthcare.com/article/20141218/NEWS/312189932>