

Federal Government to Target False EHR Incentive Payments

PUBLISHED ON

August 15, 2017

While health care reform remains bogged down, the federal government's efforts to curtail fraud, waste and abuse in its health care programs fervently continues.

Most recently, the U.S. Department of Health and Human Services' Office of Inspector General (OIG) has added two new enforcement initiatives to its 2017 Work Plan. Enforcement activities will target improper incentive payments made to health care providers for converting to electronic health records (EHR).

Several years ago, the Centers for Medicare and Medicaid Services (CMS) established an incentive program to encourage health care providers to adopt EHR. Medicare physicians were paid up to \$44,000 in incentives through five years for adopting certified EHR technology. To qualify for these payments, physicians were required to self-attest or report that they met certain core objectives, demonstrating their meaningful use of EHR, such as using EHR for at least 50 percent of their patient encounters. Physicians also were permitted to switch between Medicare and Medicaid incentive payments, provided that this did not result in the excessive payments. The program also required physicians to keep documentation of their EHR compliance for six years.

Earlier this summer, an OIG audit found that the federal government paid \$729.4 million in improper incentive payments to professionals who did not meet these EHR requirements, estimating that improper payments exceeded 12 percent of the total payments. The government report blamed lack of oversight by CMS for leaving the incentive program vulnerable to overpayments and misuse of federal funds.

This past month, the OIG added hospital incentive payments to its list of audit targets. The office intends to carefully review Medicare EHR incentive payments to hospitals that totaled \$14.6 billion between 2011 and 2016.

The urgency of the government's audit efforts is made more critical by the fact that EHR incentive payments will be incorporated into a comprehensive [Merit-Based Incentive Payment System \(MIPS\)](#) that rewards Medicare providers for meeting an even broader array of quality objectives or measures. While the full implementation of MIPS (like health care reform) has been delayed, providers can expect that sooner or later they will be held accountable for their EHR compliance. We urge all health care providers to promptly address and correct any EHR compliance or reporting issues.

If you have any questions regarding these programs or need assistance to address these concerns, contact [Barley Snyder partner Chris Churchill](#) at 717-399-1571, or email him at cchurchill@barley.com.

:



Christopher J. Churchill

Partner

Tel: (717) 399-1571

Email: cchurchill@barley.com