To: Physician Organizations Practice Group Members

From: Physician Organizations Practice Group Leadership
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Date: March 2, 2016

Application Deadline for the Medicare EHR Incentive Program Hardship Exception Extended from March 15 to July 1

By Rupa Lloyd*

Certain providers who are eligible to participate in the Medicare Electronic Health Record (EHR) Incentive Program must demonstrate meaningful use in either the Medicare EHR Incentive Program or in the Medicaid EHR Incentive Program by various deadlines (depending on the provider) to avoid a payment adjustment (penalty) in 2017.

The Patient Access and Medicare Protection Act, enacted December 28, 2015 to cover the payment adjustment for 2017, provides that the Centers for Medicare & Medicaid Services (CMS) may consider hardship exceptions for categories of eligible professionals and hospitals through a new process.

On February 26, CMS updated its website to provide the new application forms that critical access hospitals (CAHs), physicians, and other eligible professionals (EPs) must complete to file for a hardship exception from the Medicare EHR Incentive Program’s meaningful use requirements.

Prior to CMS’ extension, physicians and other EPs had to file hardship exceptions by March 15 and CAHs by April 1 to avoid adjustment to Medicare payments in 2017. The deadline has been pushed back for all EPs to July 1.

The new forms require less information to be submitted with the hardship exception applications. CMS anticipates that the new forms, coupled with the extension, should help EPs meet the filing deadline and qualify for the hardship exception.

CMS also hopes that provisions within the Patient Access and Medicare Protection Act...
Act, which allow CMS to batch process the applications for the hardship exceptions rather than have to process on a case-by-case basis, will further facilitate the granting of hardship exceptions.

Exceptions

The following EPs are not required to submit a hardship exception and are automatically exempt from the 2017 payment adjustment based on data in the Medicare Provider Enrollment, Chain, and Ownership System (PECOS):

- **New Hospitals**—New eligible hospitals that have obtained or will obtain a new CMS Certification Number between 10/01/2014 and 9/30/2016.

- **New EPs**—The “New EP” determination is based on when an EP begins to submit Medicare claims. For example, an EP who begins to submit claims to Medicare in 2015 would receive an exception to the payment adjustment in Calendar Years (CYs) 2016 and 2017, but would need to begin demonstrating meaningful use in CY 2016 to avoid the payment adjustment in CY 2018.

- **Specialties**—EPs classified in PECOS under one of the following five specialty codes as the primary area of practice:
  - Anesthesiology
  - Diagnostic Radiology
  - Interventional Radiology
  - Nuclear Medicine
  - Pathology

- **Hospital-Based EPs for CY 2015.**

Access the new application forms and instructions.

*We would like to thank Rupa S. Lloyd (Dell Graham, Gainesville, FL) for providing this email alert.*

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Member benefit educational opportunity:

Participate in the webinar—The Sunset of Off-Campus Provider-Based Locations: What the Statute Says, Areas of Ambiguity, and Practical Advice (Intermediate) (March 17).