

# Medi-Cal Electronic Health Records Incentive Programs Begin for Providers in 2011

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In recognition of the importance of moving health care delivery from paper-based records into the digital age, beginning in 2011, the federal government is providing financial incentives to Medi-Cal and Medicare providers to adopt and use ONC-certified electronic health records (EHRs) through the HITECH Act. The Medi-Cal and Medicare EHR incentive programs for eligible providers are similar, but each has its own rules and incentive payment schedules. Eligible providers may only participate in one program, but may switch once during the course of their participation. Both programs represent an unprecedented opportunity for providers to obtain financial assistance to adopt and utilize electronic health records.

The Medi-Cal EHR Incentive Program is administered by the California Department of Health Care Services. During the first year of the program, eligible providers who adopt, implement, or upgrade an EHR in their practices will receive \$21,250. In subsequent years, providers who demonstrate “meaningful use” of their EHRs, by reporting on a set of objectives and clinical quality measures, will receive \$8,500 yearly, for up to 5 years. Eligible providers can receive up to a total of \$63,750 in incentive payments from Medi-Cal over the life of the program. To be eligible, providers must satisfy all of the following:

- **Provider type:** doctor of medicine or osteopathy, doctor of dental surgery or dental medicine, nurse practitioner, certified nurse midwife, or physician assistant practicing in a physician assistant-led, federally qualified health center or rural health center. Doctors of optometry may be eligible, but this is currently undergoing federal review.
- **Practice setting:** outpatient (cannot provide more than 90% of services in a hospital inpatient or emergency room setting).
- **Medi-Cal volume:** 30% or more of patient encounters must be fully or partially paid by Medi-Cal. Pediatricians may qualify with 20%-29% Medi-Cal encounters, but will receive incentive payments reduced by 33.3%. Providers practicing predominantly in federally qualified health centers may count Healthy Families, sliding scale, and uninsured patients (in addition to Medi-Cal patients) toward the 30% volume requirement.

Registration for the Medi-Cal EHR Incentive Program will open in spring. Providers should first register with CMS at [www.ehrincentives.cms.gov](http://www.ehrincentives.cms.gov). After this, providers should register with Medi-Cal at [www.medi-cal.ehr.ca.gov](http://www.medi-cal.ehr.ca.gov) to complete the registration process. Registration for the program will end in 2016. Questions can be e-mailed to: [Medi-Cal.EHR@dhcs.ca.gov](mailto:Medi-Cal.EHR@dhcs.ca.gov).

For more information about the Medicare EHR Incentive program, which is administered at the federal level by CMS, please visit: [www.cms.gov/EHRIncentivePrograms](http://www.cms.gov/EHRIncentivePrograms).