



Payment and Practice Management Memo

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Stage 2 Extension and Stage 3 delay

In a recent post, the Centers for Medicare and Medicaid Services (CMS) and the Office of the National Coordinator (ONC) for Health Information Technology announced an extension of Stage 2 into 2016 and delaying Stage 3 into 2017 of the Electronic Health Record Incentive Program (also known as “meaningful use”). For anesthesiologists who choose to be exempt from the requirements, this may not have an impact in the short term. In the Stage 2 Final Rule, CMS exempted anesthesiologists for 5 years from the penalties associated with the program, which could total up to 5 percent of Medicare physician fee schedule (PFS) amount for covered professional services furnished by the eligible professional. Anesthesiologists are automatically exempted from the penalties based on their Provider, Enrollment, Chain and Ownership System (PECOS) specialty designation (anesthesiology is 05). Also, if an anesthesiologist performs 90 percent or more of their covered professional services in the hospital inpatient or emergency department setting (place of service 21 and 23) they are considered hospital based and not eligible for incentives or penalties, though this status can change from year to year. Most anesthesiologists will not be deemed hospital based, however, they will be exempt from penalties through their PECOS specialty designation.

This extension and delay impacts those anesthesiologists who are attempting to, or have already become meaningful users of certified health information technology. While anesthesiologists are temporarily exempted, CMS made clear that anesthesiologists and other exempted specialties can still attempt to become meaningful users and receive incentives. But, so far very few anesthesiologists have become meaningful users, due to criteria that are inapplicable to anesthesiology. In fact, only 2,791 with the specialty designation of anesthesiology have attested to become meaningful users.¹ Those who attest to meaningful use may be subject to auditing. For those who are attempting to become meaningful users here is what you should know about this revised timeline.

¹ CMS Medicare and Medicaid EHR Incentive Program, electronic health record products used for attestation <http://www.healthdata.gov/data/dataset/cms-medicare-and-medicare-ehr-incentive-program-electronic-health-record-products-used> (Accessed Nov. 1, 2013).

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First, the extension does **not** delay Stage 2, which will begin in 2014 as anticipated. Stage 2 will be extended until 2016, the year Stage 3 was originally intended to begin. Stage 3 has been delayed until 2017, when it was originally intended to begin in 2016. As you may know eligible professionals who begin to participate in meaningful use start in Stage 1. Stage 1 and 2 have been finalized, however, CMS expects to propose regulations pertaining to Stage 3 in the fall of 2014 and finalize Stage 3 during the first half of 2015.

The full CMS/ONC post can be viewed at <http://www.healthit.gov/buzz-blog/electronic-health-and-medical-records/progress-adoption-electronic-health-records/>

More information about the Stage 1 requirements can be found at <http://www.healthit.gov/providers-professionals/step-5-achieve-meaningful-use-stage-1>.

More information about the State 2 requirements can be found at <http://www.healthit.gov/providers-professionals/step-5-achieve-meaningful-use-stage-2>

Stage 3 has neither been formally proposed, nor finalized. However, ASA commented on Stage 3 recommendations made by the Health IT Policy Committee, a Federal Advisory Committee that makes recommendations to the Department of Health and Human Services (HHS) regarding the Electronic Health Record Incentive Program. More information can be found at <http://www.asahq.org/For-Members/Advocacy/Washington-Alerts/ASA-Urges-Federal-Health-IT-Policy-Committee-to-Address-Meaningful-Use.aspx>

ASA has also produced a Frequently Asked Questions document on additional questions you may have regarding the meaningful use program. The post can be viewed at <http://www.asahq.org/For-Members/Advocacy/Washington-Alerts/~media/For-Members/Advocacy/Electronic Health Records/ASA EHR FAQ.ashx>

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