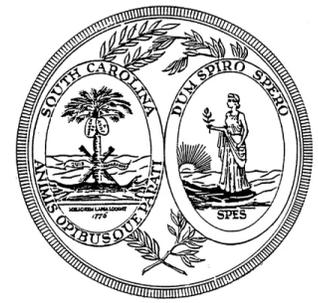


# The Provider

## Perspective



Summer 2010

### Healthy Connections Choices Expansion

SC Department of Health and Human Services (SCDHHS) is seeking approval from the federal Centers for Medicare and Medicaid Services to expand the *Healthy Connections Choices* care coordination program effective **October 1, 2010**. This change will require that eligible populations receive care coordination through either a Medicaid Managed Care Organization (MCO) or the state's Medical Homes Network (MHN).

Currently, approximately 474,000 Medicaid beneficiaries are enrolled in either an MCO or the MHN. This expansion will add an additional 105,000 existing beneficiaries to the *Healthy Connections Choices* program. To ensure a smooth transition for beneficiaries and providers, the agency plans a gradual phase-in of the *Healthy Connections Choices* expansion beginning this fall. The expansion will assist in managing significant enrollment increases, which have averaged between 3,000 and 5,000 new eligibles each month. As a result, SCDHHS anticipates an extremely challenging budget year and this change will allow the agency to operate more efficiently.

All new Medicaid beneficiaries who are eligible for care coordination will be asked to choose between available plans in their county at the time of their enrollment. Beneficiaries now enrolled in traditional fee-for-service Medicaid who are eligible for care coordination will be asked to make a choice between available plans in their county at the time of their annual review. If they do not make a choice, a plan will be selected for them. Additionally, this transition period will give providers not currently affiliated with a plan the opportunity to consider their business options.

The following eligibility categories will continue to have a choice between a care coordination plan and traditional fee-for-service Medicaid: dual eligibles, those in home and community based waiver programs, disabled children, TEFRA children, foster care children and children under 1 when the mother is not in a plan.

SCDHHS will be sharing additional details about the expansion in subsequent Medicaid Bulletins and will be communicating with affected beneficiaries. For further information about the existing *Healthy Connections Choices* program and health plans in your county, please click [here](#).

#### Inside this issue:

Healthy Connections Choices Expansion	1
Federal EHR Incentive Payment Program Takes Shape	2
Minimum Patient Volume Threshold	3
Incentive Payment Chart	4
Notice: Prescription Limit Change	4



### Eligibility for Medicaid EHR Incentive Payments

The federal HITECH Act and American Recovery and Reinvestment Act of 2009 make available more than \$27 billion in incentive payments to individual Medicaid/Medicare providers and hospitals who adopt certified electronic health record (EHR) technology. Eligible Medicaid providers may qualify to receive incentive payments over six years and the South Carolina Department of Health and Human Services (SCDHHS) plans to begin making payments to qualified Medicaid providers beginning in January of 2011.

#### Are You Eligible?

The federal Centers for Medicare and Medicaid Services (CMS) has developed specific criteria for who will be eligible for the Medicaid and Medicare incentive payments. Incentive payments are based on individual providers. Therefore, those who are part of a practice can each qualify for an incentive payment provided they meet the program requirements. Each provider is eligible for only one payment every year, regardless of how many practices or locations they provide service.

#### For Medicaid, Eligible Professionals (EPs) include:

- Physicians,
- Nurse practitioners,
- Certified nurse midwives,
- Dentists,
- Physician assistants\*
- Acute care, critical access hospitals and children's hospitals

*\*Physician Assistants (PAs):* PAs are eligible when working at an FQHC or RHC under the following conditions: 1) they are the primary provider in the clinic; 2) they are the clinical or medical director at the practice; 3) or they are the owner of a RHC.

#### Getting Registered

EPs and hospitals must register with CMS beginning in **January 2011**. Registration information will be made be available at <http://cms.gov/EHRIncentivePrograms>. The following information will be required to register:

- Name, NPI, business address, phone
- Tax payer ID Number (TIN)
- Hospitals must provide the CCN
- EPs must select whether they are registering for Medicare or Medicaid payments and can only register to receive payments in one state.



## Minimum Patient Volume Threshold

Another important eligibility criteria is **patient volume**. Eligible professionals will be required to also meet a minimum Medicaid patient volume threshold in order to receive Medicaid EHR incentive payments (see chart below).

Entity	Minimum Medicaid patient volume threshold	Or the Medicaid EP practices predominantly in an FQHC or RHC—30% <i>net</i> individual patient volume threshold
Physicians	30%	Or the Medicaid EP practices predominantly in an FQHC or RHC—30% <i>net</i> individual patient volume threshold
- Pediatricians	20%	
Dentists	30%	
CNMs	30%	
PAs when practicing at an FQHC/RHC that is so led by a PA	30%	
NPs	30%	
Acute care hospitals	10%	Not an option for hospitals
Children’s hospitals	No requirement	

The patient volume threshold can be calculated using the following formula:

Managed care/medical home approach:

$$\frac{[\text{Total Medicaid patients assigned to the provider in any representative continuous 90-day period in the preceding calendar year with at least one encounter in the year preceding the start of the 90-day period}] + [\text{Unduplicated Medicaid encounters in that same 90-day period}]}{[\text{Total patients assigned to the provider in the same 90-day with at least one encounter in the year preceding the start of the 90-day period}] + [\text{All unduplicated encounters in that same 90-day period}]} * 100$$

OR

Medicaid Encounter Approach

$$\frac{\text{Total (Medicaid) patient encounters in any 90-day period in the preceding calendar year}}{\text{Total patient encounters in that same 90-day period}} * 100$$

SCDHHS is hosting series of Health Information Technology Summits where information about the incentive program and other initiatives is shared with providers, consumers, vendors and others. To find out more about the upcoming HIT Summit in August and access materials from previous Summits, visit [www.scdhhs.gov/hit](http://www.scdhhs.gov/hit)



## The Provider Perspective

### Medicaid Incentive Payment Chart

	2011	2012	2013	2014	2015	2016
2011	\$21,250					
2012	\$8,500	\$21,250				
2013	\$8,500	\$8,500	\$21,250			
2014	\$8,500	\$8,500	\$8,500	\$21,250		
2015	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250	
2016	\$8,500	\$8,500	\$8,500	\$8,500	\$8,500	\$21,250
2017		\$8,500	\$8,500	\$8,500	\$8,500	\$8,500
2018			\$8,500	\$8,500	\$8,500	\$8,500
2019				\$8,500	\$8,500	\$8,500
2020					\$8,500	\$8,500
2021						\$8,500
TOTAL	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750	\$63,750

The above chart outlines the maximum EHR incentive payments Medicaid providers may receive.

### Notice: Prescription Limit Change

Effective with dates of service on or after July 20, 2010, prescription limit overrides will be reduced from six (6) to a maximum of four (4) prescriptions per month for most adults. This change is the result of a new state budget provision. A base limit of four (4) prescriptions will continue to be available each month. This will result in a maximum of eight (8) prescriptions per month for most adults. There will be no exceptions granted for beneficiaries to receive prescriptions in excess of the 4 overrides. This change does not affect beneficiaries enrolled in a Managed Care Organization (MCO), beneficiaries who have not reached their 21<sup>st</sup> birthday, or beneficiaries residing in a skilled nursing facility.

The use of the prescription limit override should continue to be used only after the beneficiary has met the monthly base prescription limit and additional medication being dispensed is essential for the treatment of one of the following conditions:

- Acute sickle cell disease
- Behavioral health disorders
- Cancer
- Cardiac disease (including hyperlipidemia)
- Diabetes
- End stage lung disease
- End stage renal disease (ESRD)
- HIV/AIDS
- Hypertension
- Life-threatening illness (not otherwise specified)
- Organ transplant
- Terminal stage of an illness

Questions regarding the prescription limit change should be directed to the Department of Pharmacy Services at (803) 898-2876.