



Kansas Department of Health and Environment
Division of Health Care Finance
HIT Initiative
Fact Sheet: Volume Threshold Requirements

The American Recovery and Reinvestment Act of 2009 (Recovery Act) created the Medicare and Medicaid electronic health record (EHR) incentive program to promote the adoption and meaningful use of certified EHR technology.

Eligible professionals must meet specified patient volume requirements to enroll in the Medicaid EHR Incentive Program. This fact sheet provides information about the volume requirements and calculating patient volume.

Volume Threshold Requirements and Volume Calculations for Eligible Providers

To qualify, Eligible Providers (EPs) must have 30 percent Medicaid patient volume over a continuous 90-day period in the previous 12 months. Pediatricians can qualify with 20 percent Medicaid patient volume, and receive a pro-rated payment if less than 30 percent Medicaid patient volume.

Providers applying for enrollment in the EHR incentive program as eligible providers are asked to select whether they will calculate their patient volumes as individual providers or group practices.

Individual Provider Volume Calculation: For an individual applying as an eligible provider, the calculation is:

$$\text{Total Medicaid Patient Encounters (includes Medicaid patient encounters in and out of Kansas)} / \text{Total Encounter Volume (in and out of Kansas)} = \% \text{ Medicaid Patient}$$

If an EP practices predominately in a FQHC/RHC, he or she will include needy individuals in the total Medicaid encounter volume.

Again, pediatricians must meet the 20 percent Medicaid volume requirements to participate in the Medicaid EHR Incentive Program. For pediatricians with between 20 and 29.9 percent Medicaid patient volume the net allowable costs are capped at two-thirds of full amount (i.e., they may receive up to \$42,500 over a six-year period).

Group Practice Volume Calculation: For an individual applying as an EP using the Group calculation method, the calculation is:

$$\text{Medicaid Patient Encounters}^1 \text{ (includes Medicaid patient encounters in and out of Kansas across the entire group)} / \text{Total Encounter Volume (in and out of Kansas)} = \% \text{ Medicaid Patient Volume}$$

¹ Definition of Encounter: Service rendered on any one day to a Medicaid-enrolled individual, regardless of payment liability. [Includes zero-pay claims and encounters with patients in Title 21-funded Medicaid expansions (but not separate CHIPs).]



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A Medicaid encounter includes encounters for anyone enrolled in a Medicaid program, including Medicaid expansion encounters (except stand-alone Title 21), and those with zero-pay claims. Zero-pay claims include:

- Claim denied because the Medicaid beneficiary has maxed out the service limit
- Claim denied because the service wasn't covered under the State's Medicaid program
- Claim paid at \$0 because another payer's payment exceeded the Medicaid payment
- Claim denied because claim wasn't submitted timely

CHIP encounters that can be included in patient volume calculation are for patients in Title 19 and Title 21 Medicaid expansion programs. Encounters with patients in stand-alone CHIP programs cannot be included in Medicaid patient volume calculation.

When enrolling through the Medical Assistance Provider Incentive Repository² (MAPIR), EPs using the group practice calculation will be asked to enter the Group NPI (for verification purposes) that comprises the encounter volume they are entering and all members of the group will need to use the same patient volume methodology.

If the group is an FQHC/RHC then it will include needy individuals³ in the total Medicaid encounter volume. Pediatricians must achieve 30 percent Medicaid patient volume.

Volume Threshold Requirements and Volume Calculations for Eligible Hospitals

To qualify, eligible hospitals must have 10 percent Medicaid patient volume (there is no threshold for Children's Hospitals⁴). The Medicaid patient volume methodology for hospitals is shown below:

$$\text{Medicaid Discharges} / \text{Total Discharges} = \% \text{ Medicaid Patient Volume}$$

² MAPIR, the Medical Assistance Provider Incentive Repository, is a state-level information system for the EHR incentive program that both tracks and acts as a repository for information related to payment, application, attestation, oversight functions, and the interface with CMS' Registration and Attestation system (R&A).

³ Definition of a Needy Individual: Needy individuals are those receiving medical assistance from Medicaid (Title XIX) or CHIP (Title XXI), individuals who are furnished uncompensated care by the provider, or individuals furnished services at either no cost or reduced cost based on a sliding scale determined by the individual's ability to pay.

⁴ Eligible Children's Hospitals must be a separately certified hospital that has a CMS Certification Number (CCN) with last 4 digits in the series 3300-3399. If the hospital does not have a CCN, it is eligible if it has received an alternate number from CMS for Incentive Program participation.



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Medicaid patient volume calculations for hospitals are calculated across a 90-day period and all service locations.

Hospitals that begin participating in the Incentive Program before FFY 2013 must use discharge data from hospital fiscal year that ends during FFY prior to hospital fiscal year that services as the first payment year.

Hospitals that begin participating in FFY 2013, or later, must use discharge data from the most recent continuous 12-month period for which data are available prior to payment year.

Volume Threshold Requirements and Volume Calculations for Eligible Professionals

EPs may attest to patient volume under the individual calculation or the clinic/practice group practice calculation in any participation year. Furthermore, if the EP works in both the clinic and outside the clinic (or within and outside a group practice), then the clinic/practice level determination includes only those encounters associated with the clinic/practice.

EPs must enroll individually and can either be the recipient of the incentive payment or they can designate the payments to the clinic/group. The clinic/group practice volume methodology provides a way to attest that they meet the volume threshold; however, it does not determine who receives the payment. EPs can designate the payment to the clinic/group or keep the payment.

EPs and hospitals will enter the numerator and denominator as part of the MAPIR application process, maintain back-up documentation and make the back-up documentation available at KDHE's request for review.

Additional guidance and information about Kansas' EHR incentive program is posted on its website at: <http://www.kdheks.gov/hcf/hite/default.htm>