

Stage 2 Meaningful Use: What's Coming Down the Pike

On August 23, 2012, the Centers for Medicare and Medicaid Services (CMS) released the Final Rule for Stage 2 of the “*meaningful use*” requirement of the Medicare and Medicaid Electronic Health Record (EHR) Incentive Program (Program). Since the program’s inception in 2011, more than 3,300 hospitals and 120,000 eligible healthcare professionals have qualified for participation, exceeding the government’s target by approximately 23,000 individuals.¹ While Stage 1 of “*meaningful use*” focused on collecting data and moving toward the use of clinical decision support, Stage 2 is designed to improve care and lay the foundation for Stage 3’s goal to promote quality outcomes.² Several features of the Final Rule are designed to streamline the process for participating providers, as well as provide advance assurance that their systems comply with program requirements and qualify them for incentive payments under the Program. Although Stage 2 is not set to begin until 2014, providers should familiarize themselves with the requirements now in order to ensure their systems remain on track to become incentive-eligible.³

In the Final Rule, CMS made a number of changes from the proposed rule, which was published March 7, 2012, with respect to both: (1) eligible providers (EPs); and, (2) eligible hospitals and critical access hospitals (CAHs), as well as added new measures to the Program’s existing framework. While Stage 1 merely required providers to demonstrate widespread use of EHR, Stage 2 eliminates this requirement for both EPs and hospitals and instead imposes a *summary of care record* measure, whereby providers must electronically transmit patients’ summary of care record in 10 percent of instances, in addition to providing that summary through an unspecified means for at least 50 percent of referrals and transitions of care.⁴ This change represents a reduction to the proposed rule’s requirement for the percentage of electronically submitted summary of care records from 65 percent to 50.⁵ In addition, Stage 2 now requires only hospitals to grant patients “*electronic or online access*” to their data, as opposed to the “*electronic copy of their health information*” initially required of both EPs and hospitals under Stage 1.⁶ One of the other changes to Stage 2 allows for “*batch attestation*” of providers, eliminating the requirement that group providers perform attestation on an individual basis.⁷ In exchange for streamlining the existing

requirements, Stage 2 now requires both EPs and hospitals to select and report on 3 of 6 new *menu objectives*, which include objectives such as recording whether a patient age 65 years or older has an advance directive in place; generating and electronically transmitting discharge prescriptions; submitting surveillance data to public health agencies where legally permissible; and, recording electronic notes in patient records.⁸

Despite several significant changes, some aspects of the proposed Stage 2 rule remain intact, or have otherwise been incorporated into other objectives. The 2014 start date did not change from the proposed rule, and the Final Rule allows providers to continue using the current standards and implementation specifications laid out in the “*2011 Edition Certified EHR Technology*” certification criteria publication until 2014.⁹ The drug-drug and drug-allergy interaction checks no longer comprise a separate Stage 2 objective and instead have been incorporated into the Stage 2 clinical decision support measure for both EPs and hospitals.¹⁰ Each of the requirements pertaining to the maintenance of an up-to-date problem list of current and active diagnoses; active medication lists; and, active medication allergy lists have been incorporated into the Stage 2 *summary of care* document required of both EPs and hospitals when making referrals or transitions of care.¹¹ While the requirement that EPs and hospitals report their *clinical quality measures (CQMs)* to CMS or the states has been eliminated as a separate Stage 2 objective, providers must still meet this requirement, and beginning in 2014, all *CQMs* must be submitted electronically to CMS in order to demonstrate meaningful use.¹²

To date, incentive payments under the program have already reached \$6.6 billion. Although providers are not required to comply with Stage 2 requirements before 2014, the Final Rule provides that any Medicare EP or hospital that can demonstrate *meaningful use* in the two-year reporting period prior to the 2015 payment adjustment year will be able to avert the Medicare payment adjustments.¹³ Providers that first demonstrate *meaningful use* in 2014 may avoid this penalty if they register and attest to their achievement of *meaningful use* standards by July 1, 2014 for hospitals, or October 1, 2014 for EPs. EPs that are eligible for either Medicare or Medicaid may also make meaningful use attestations to state Medicaid agencies in order to avoid the Medicare penalty.¹⁴ Given the relatively short timeline

in which to demonstrate *meaningful use*, industry experts have suggested that providers begin reviewing the Final Rule *now* in order to ensure compliance by 2014, at the latest.

- 1 “Final Rules for Stage 2 Meaningful Use Released” By Diana Manos & Mary Mosquera, Healthcare IT News, August 23, 2012, <http://www.healthcareitnews.com/news/final-rules-stage-2-meaningful-use-released> (Accessed 9/22/12).
- 2 Diana Manos, August 23, 2012; “Detailed Analysis of the Final Rules on Stage 2 of Meaningful Use: The Journey Continues” By Robin Raiford et al., The Advisory Board Company, September 2012, p. 4.
- 3 Diana Manos, August 23, 2012.
- 4 Robin Raiford, September 2012, p. 4; “Stage 1 vs. Stage 2 Comparison Table for Eligible Professionals” Centers for Medicare and Medicaid Services, August 2012, <http://www.cms.gov/Regulations-and-Guidance/Legislation/EHRIncentivePrograms/Downloads/Stage1vsStage2CompTablesforEP.pdf> (Accessed 9/20/12), p. 4, 6-8; “Medicare and Medicaid Programs; Electronic Health Record Incentive Program—Stage 2” Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 54013-16.
- 5 Diana Manos, August 23, 2012; Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 54016.
- 6 Diana Manos, August 23, 2012; CMS, August 2012, p. 4, 5; Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 53976-77.
- 7 Diana Manos, August 23, 2012; Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 54089-91.
- 8 CMS, August 2012, p. 9-10, 11-12; Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 53970.
- 9 Diana Manos, August 23, 2012; “Health Information Technology: Standards, Implementation Specifications, and Certification Criteria for Electronic Health Record Technology, 2014 Edition; Revisions to the Permanent Certification Program for Health Information Technology” Department of Health and Human Services, Federal Register Vol. 77, No. 171 (Sept. 4, 2012), p. 54163.
- 10 CMS, August 2012, p. 1.
- 11 Ibid, p. 1-2
- 12 Ibid, p. 3-4.
- 13 Diana Manos, August 23, 2012; “At a Glance: Stage 2 Final Rule” Healthcare IT News Staff, Healthcare IT News, August 23, 2012, <http://www.healthcareitnews.com/news/glance-stage-2-final-rule> (Accessed 9/22/12).
- 14 Healthcare IT News, August 23, 2012.



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