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SVMIC Practice Management Advisor

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Welcome to SVMIC Practice Management Advisor, an email newsletter brought to you twice a month by State Volunteer Mutual Insurance Company. The SVMIC Practice Management Advisor brings you timely, informative and practical practice management advice in a succinct format. Practice management expert Elizabeth Woodcock, MBA, FACMPE, CPC, is the author and writer of the newsletter. Best of all, it's totally free!

This January 16, 2012 issue highlights the EHR Incentive program, information about *not* holding Medicare claims in January, and an upcoming educational opportunity. Feel free to tell your friends about the newsletter, or sign up all of your staff members. Click on the "Join our List" or email lauren.richards@svmic.com with the names and email addresses. We'll sign you up right away!

EHR Incentive Program: 2012 Update

It's not too late to start - in fact, it may be better that you waited! As the government's Electronic Health Record (EHR) Incentive Program moves into its second year, many physicians and practice managers report anxiety at being left behind. First, let me put you at ease: successful participation in the program through Medicare in 2012 still allows you the opportunity to gain the full bonus payment of \$44,000. For Medicaid, you actually have until 2016 to participate and still receive the program's full payment of \$63,750.

For first-timers in the Medicare program, you need to attest for any 90-day period in 2012, giving you until October to participate this year. Medicaid participants need only to be implementing, upgrading or adopting a certified EHR system; meaningful use compliance isn't expected until your second year of participation.

For professionals reporting to the Medicare EHR Incentive Program, the government refuses to pay the incentives associated with the eRx Incentive Program so participants in the Medicare eRx Incentive Program were able to retain their incentives through that program in 2011.

Congratulations to those of you who did successfully participate in the EHR program in 2011. It's important to note that in 2012 you'll need to report on meaningful use for the entire year, not just a 90-day period.

While the government intended for early participants to comply with new criteria in 2013 (Stage 2 of meaningful use was supposed to be introduced this year), the Department of Health and Human Services announced in mid-December that Stage 2 will be delayed until at least 2014. So, you'll have two more (full) years to attest to the meaningful use criteria now in place. [Read more about the adjusted timeframe for](#)

[Stage 2](#) criteria and what it might mean to you.

If you want to participate in 2012 in order to gain the full incentive payment from Medicare, or take the plunge with the Medicaid program, consider the following:

1. Look before you leap. Don't just go for the first EHR system you see. Evaluate your workflow and determine what system works best for you. Although the incentives are great, they won't make up for a long-term drop in patient volume that could occur if you choose an EHR that doesn't fit your needs.
2. Check for certification. The government is paying incentives for using systems that are certified for the program. Because there are dozens of "certifications" out there, be sure to double-check that yours is listed as approved on the government's [Certified Health IT Product List website](#). You'll note that some systems are deemed "complete", meaning that's all you need; others are modular. If you choose a modular-based system, be aware that you'll have to purchase all of the modules that will make up a system to allow you to comply with the program's requirements. So, the initial purchase price for one "module" may be favorable, but you'll need to understand the entire package for accurate comparisons.
3. Go for a test drive. Don't wait until October to start. The government provides great tools to allow you to analyze your readiness before you even report. Find information and tools to learn about EHRs, start your transition from paper to an EHR and get implementation support at the [government's HealthIT website](#). It pays to start early because the government will allow you a second chance - if you aren't successful in achieving meaningful use of your EHR in the initial 90-day period, you can choose another 90-day period and try again.
4. Don't be surprised if the check *isn't* in the mail. If you report your meaningful use success early in the year, don't expect to receive the check in the four to eight weeks outlined by the government. For the Medicare program, the government holds your check until you reach the appropriate level of allowed charges for the maximum bonus - \$24,000 per physician, because the initial year's maximum bonus of \$18,000 is 75 percent of that figure. Some of you may achieve that level of allowed charges in the first quarter; others may have to wait until the fall before your Medicare charges reach that level.
5. Keep your records. The government has promised to audit participants in the EHR Incentive Program, which is based solely on good faith reporting. [CMS advises retaining records for at least six years](#).

There's still plenty of time to participate in the EHR Incentive Program, but it pays to start now by carefully scanning the landscape and establishing your roadmap to success.

Hold Medicare Claims in January? No!



QUESTION: I heard that we are supposed to be holding our Medicare claims during January. Is that the case?

ANSWER: On December 19, 2011, the Centers for Medicare and Medicaid Services instructed Medicare carriers to hold payment on claims in anticipation of the massive cut - 27.4 percent - scheduled to occur on January 1, 2012. The following week, Congress stepped in and agreed to a two-month "patch" to avoid the rate cut. Therefore, there is no need to hold your claims. The payment cut is now scheduled to go into effect on March 1, which means that there might be some additional communication from CMS in February depending on what happens on the Hill. We'll keep you informed about decisions regarding the Medicare rate.

(The last issue of the Advisor featured the "skinny" on the two-month "patch". If you'd like another copy of it, please [email me](#).)

SVMIC's Annual Physician Leadership Institute

February 17-18, 2012

Embassy Suites Hotel
Nashville South/Cool Springs
820 Crescent Centre Drive
Franklin, TN 37067

Are you prepared for the changing healthcare world? Whether you are a solo practitioner or the leader of a multi-physician group, the future of healthcare will present new and unique challenges for your practice. Learn strategies to meet these challenges during this important two-day seminar.

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- * Compliance Issues
- * And more!

To register, simply go to www.svmic.com. In the bottom right hand corner, click on "Register for Seminars," then click on "Physician Leadership Institute." The cost of the seminar is \$495 per participant and includes made-to-order breakfasts, lunches, refreshment breaks, and seminar supplies.

Questions?

Call 1-800-342-2239, ext. 8391 or 615-377-1999 and ask for Medical Practice Services.

Space is limited. Register online TODAY!

Elizabeth Woodcock, MBA, FACMPE, CPC, is a national practice management speaker and author. The material for The SVMIC Advisor

comes from her frequent visits to medical practices, as well as her more than 20 years of practice management experience. She was educated at Duke University and The Wharton School of Business.

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