



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

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Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

**Subject:** EHR Incentive Program “Hospital-Based” Provider Definition

**Date:** March 28, 2014

**How is “hospital-based” status determined for eligible professionals (EP) in the Maryland Medicaid Electronic Health Record (EHR) Incentive Program?**

A hospital-based eligible professional (EP) is defined as an EP who furnishes 90% or more of their covered professional services in either the inpatient (Place of Service 21) or emergency department (Place of Service 23) of a hospital. CMS defines “covered professional services” as “physician fee schedule (PFS) services paid under Section 1848 of the Social Security Act.”

For Maryland Medicaid, the percentage determination is made based on the total number of paid Medicaid encounters (Fee for Service (FFS) claims or Managed Care encounters) during the full calendar year preceding the payment year.

There are two exceptions to the “hospital-based” exclusion of EPs.

1. According to Stage 2 Finale Rule § 495.5, if the EP can demonstrate that the EP funds the acquisition, implementation, and maintenance of Certified EHR Technology, including supporting hardware and any interfaces necessary to meet meaningful use without reimbursement from an eligible hospital or critical access hospital (CAH); and uses such Certified EHR Technology (CEHRT) in the inpatient or emergency department of a hospital (instead of the hospital’s CEHRT), they would be deemed non-hospital based.

If an EP believes they fit this exclusion definition, you must contact Medicaid at [dhmh.MarylandEHR@maryland.gov](mailto:dhmh.MarylandEHR@maryland.gov), subject line “Hospital-based exclusion” before attesting with the State. The State will discuss with you your qualifications for claiming this exclusion.

2. Medicaid EPs practicing predominantly in a Federally Qualified Health Center (FQHC) or Rural Health Center (RHC) are not subject to the hospital-based exclusion.