

Subtitle A--Medicare Incentives

SEC. 4101. INCENTIVES FOR ELIGIBLE PROFESSIONALS.

(a) Incentive Payments- Section 1848 of the Social Security Act (42 U.S.C. 1395w-4) is amended

by adding at the end the following new subsection:

`(o) Incentives for Adoption and Meaningful Use of Certified EHR Technology-

`(1) INCENTIVE PAYMENTS-

`(A) IN GENERAL-

`(i) IN GENERAL- Subject to the succeeding subparagraphs of this paragraph, with respect to covered professional services furnished by an eligible professional during a payment year (as defined in subparagraph (E)), if the eligible professional is a meaningful EHR user (as determined under paragraph (2)) for the EHR reporting period with respect to such year, in addition to the amount otherwise paid under this part, there also shall be paid to the eligible professional (or to an employer or facility in the cases described in clause (A) of section 1842(b)(6)), from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 an amount equal to 75 percent of the Secretary's estimate (based on claims submitted not later than 2 months after the end of the payment year) of the allowed charges under this part for all such covered professional services furnished by the eligible professional during such year.

`(ii) NO INCENTIVE PAYMENTS WITH RESPECT TO YEARS AFTER 2016- No incentive payments may be made under this subsection with respect to a year after 2016.

`(B) LIMITATIONS ON AMOUNTS OF INCENTIVE PAYMENTS-

`(i) IN GENERAL- In no case shall the amount of the incentive payment provided under this paragraph for an eligible professional for a payment year exceed the applicable amount specified under this subparagraph with respect to such eligible professional and such year.

`(ii) AMOUNT- Subject to clauses (iii) through (v), the applicable amount specified in this subparagraph for an eligible professional is as follows:

`(I) For the first payment year for such professional, \$15,000 (or, if the first payment year for such eligible professional is 2011 or 2012, \$18,000).

`(II) For the second payment year for such professional, \$12,000.

`(III) For the third payment year for such professional, \$8,000.

`(IV) For the fourth payment year for such professional, \$4,000.

`(V) For the fifth payment year for such professional, \$2,000.

`(VI) For any succeeding payment year for such professional, \$0.

`(iii) PHASE DOWN FOR ELIGIBLE PROFESSIONALS FIRST ADOPTING EHR AFTER 2013- If the first payment year for an eligible professional is after 2013, then the amount specified in this subparagraph for a payment year for such professional is the same as the amount specified in clause (ii) for such payment year for an eligible professional whose first payment year is 2013.

`(iv) INCREASE FOR CERTAIN ELIGIBLE PROFESSIONALS- In the case of an eligible professional who predominantly furnishes services under this part in an area that is designated by the Secretary (under section 332(a)(1)(A) of the Public Health Service Act) as a health professional shortage area, the amount that would otherwise apply for a payment year for such professional under subclauses (I) through (V) of clause (ii) shall be increased by 10 percent. In implementing the preceding sentence, the

Secretary may, as determined appropriate, apply provisions of subsections (m) and (u) of section 1833 in a similar manner as such provisions apply under such subsection.

`(v) NO INCENTIVE PAYMENT IF FIRST ADOPTING AFTER 2014- If the first payment year for an eligible professional is after 2014 then the applicable amount specified in this subparagraph for such professional for such year and any subsequent year shall be \$0.