Medicare Promoting Interoperability
PROGRAM

CY 2025 HARDSHIP EXCEPTION POLICY FACT SHEET

CMS understands that there may be circumstances out of your control that make it difficult for you to successfully meet Medicare Promoting Interoperability Program requirements. For those circumstances, CMS provides an opportunity for eligible hospitals and critical access hospitals (CAHs) to apply for a Hardship Exception. If CMS grants a Hardship Exception, that eligible hospital or CAH avoids a downward payment adjustment for the Medicare Promoting Interoperability Program for the applicable fiscal year (FY).

CY 2025 Hardship Exception Application Dates

Hospital Type	Application Period Opens	Application Period Deadline
Eligible Hospital*	5/1/2026	7/31/2026
CAH**	5/1/2026	7/31/2026

*The hardship exception application applies to the FY 2027 payment determination.
**The hardship exception application applies to the FY 2025 payment determination.

How to Submit Your Hardship Exception Application

Eligible hospitals and CAHs can electronically submit their Medicare Promoting Interoperability Program Hardship Exception application at the following website: https://cmsqualitysupport.servicenowservices.com/cms_hh.

If an electronic submission is not possible, please contact the CCSQ Service Center at (866) 288-8912 for assistance in completing a verbal application.

Hardship Exception Overview

Eligible hospitals and CAHs may be exempt from a Medicare downward payment adjustment if they can show that compliance with the requirement for being a meaningful certified electronic health record (EHR) technology (CEHRT) user would result in a significant hardship.

To be considered for an exception, eligible hospitals and CAHs must complete and submit the Hardship Exception application by the annual deadline. If approved, the Hardship Exception is valid for only one payment adjustment year. Eligible hospitals and CAHs would need to submit a new application for subsequent years and by statute cannot be granted more than five exceptions in a lifetime.

Eligible hospitals and CAHs may apply for a Hardship Exception or Hardship Reconsideration citing one of the following specified reasons for CMS review and approval:

- Insufficient internet connectivity
- Extreme and uncontrollable circumstances
  - Natural Disasters
  - Hospital Bankruptcy/Closures
  - Vendor/CEHRT issues
- Decertified EHR Technology

Frequently Asked Questions

How does an eligible hospital or CAH demonstrate meaningful use to avoid a payment adjustment?

An eligible hospital or CAH demonstrates meaningful use by successfully reporting their Medicare Promoting Interoperability Program data through the Hospital Quality Reporting (HQR) system by the annual deadline. Information on requirements for each calendar year is available on the Measures/Requirements page of the QualityNet website.

Does CMS require the submission of supporting documentation along with the Hardship Exception application?

CMS does not require an eligible hospital or CAH to submit documentation with the Hardship Exception application. CMS will review the application to record the category selected and use the identifying information for each eligible hospital and CAH listed on the application. Eligible hospitals and CAHs should retain documentation of their circumstances supporting their application for their own records in the event CMS requests an audit.

Can an eligible hospital or CAH that switched EHR vendors apply for a Hardship Exception and avoid a negative payment adjustment?

Yes. If an eligible hospital or CAH switches EHR vendors during their self-selected reporting period and is unable to demonstrate meaningful use, the eligible hospital or CAH can submit a Hardship Exception application. CMS grants hardship exceptions on a case-by-case basis.

What if my EHR product is decertified?

If your EHR product is decertified, you can still use that product to submit your data if the reporting period ends before the decertification occurred. If your reporting period ends after the decertification occurred, you can apply for a Medicare Promoting Interoperability Program Hardship Exception by the deadline.

If our hospital participates in the Hospital Inpatient Quality Reporting (IQR) Program, how can we apply for the extraordinary circumstances exception (ECE)?

Eligible hospitals participating in the Hospital IQR Program that do not successfully meet the aligned eCQM reporting requirement can submit an eCQM-related ECE by April 1 following the end of the reporting period CY. For information on ECEs, please visit the ECE Policy page.

Where can I sign up to receive updates and announcements on the Hardship Exception Process and the Medicare Promoting Interoperability Program?

Sign up on the QualityNet website for EHR Notify listserv notifications to receive news, announcements, and educational events regarding the Medicare Promoting Interoperability Program.

Who can I contact for additional assistance?

For information regarding the Medicare Promoting Interoperability Program and Hardship Exception Process, please contact Inpatient and Outpatient Healthcare Quality Systems Development and Program Support at the QualityNet Question and Answer Tool at https://cmsqualitysupport.servicenowservices.com/qnet_qa?id=ask_a_question or by phone at (844) 472-4477.