



---

## FACT SHEET

FOR IMMEDIATE RELEASE  
July 6, 2012

Contact: CMS Media Relations Group  
(202) 690-6145

### **Proposed Changes for Calendar Year 2013 Physician Quality Programs**

#### **OVERVIEW**

On July 6, 2012, the Centers for Medicare & Medicaid Services (CMS) issued a proposed rule that would update payment policies and payment rates for services furnished under the Medicare Physician Fee Schedule (MPFS) on or after Jan. 1, 2013. The proposed rule also proposes changes to several of the quality reporting initiatives that are associated with MPFS payments – the Physician Quality Reporting System (PQRS), the Electronic Prescribing (eRx) Incentive Program, and the PQRS-Medicare EHR Incentive Pilot – as well as changes to the Physician Compare tool on the Medicare.gov website. Finally, the proposed rule includes proposals for implementing the value-based payment modifier (Value Modifier) required by the Affordable Care Act that would affect payment rates to certain groups based on the quality and cost of care they furnish to beneficiaries enrolled in the traditional Medicare Fee-for-Service program.

This fact sheet discusses the proposed changes to the two quality programs – PQRS and the eRx Incentive Program – as well as the PQRS-Medicare EHR Incentive Pilot which is designed to promote the use of health information technology. Separate fact sheets, also issued today, discuss the proposed changes to payment policies and payment rates for services furnished under the MPFS and the proposals for implementing the Value Modifier.

#### **PHYSICIAN QUALITY REPORTING SYSTEM**

The Physician Quality Reporting System (PQRS) is a pay-for-reporting program that uses a combination of incentive payments and downward payment adjustments to promote reporting of quality information by eligible professionals (EPs). The program provides an incentive payment

-More-

to EPs and group practices who satisfactorily report data on quality measures for covered professional services furnished to Medicare Part B fee-for-service beneficiaries during the applicable reporting period. Beginning in 2015, a payment adjustment applies to EPs who do not satisfactorily report data on quality measures for covered professional services. For purposes of this program, EPs are identified on claims by their individual National Provider Identifier (NPI) and Tax Identification Number (TIN).

In the CY 2013 MPFS proposed rule, CMS proposes the following updates to the PQRS related to the 2013 and 2014 PQRS incentives and the 2015 and 2016 PQRS payment adjustments:

**Summary of Proposed PQRS Measures:** Over CYs 2013 and 2014, CMS proposes to include a total of 264 individual measures that EPs can choose from, including proposals to align the PQRS measures that would be available for EHR-based reporting with the measures available for reporting under the EHR Incentive Program. In addition, CMS is proposing to include 26 measures groups for reporting. With respect to proposed measures for reporting via the Group Practice Reporting Option (GPRO) web-interface, CMS proposes to align these measures with the measures required under the Medicare Shared Savings Program.

**Reporting PQRS Measures as Individual EPs:**

- *Reporting PQRS Measures for the 2013 and 2014 PQRS Incentive:* CMS is proposing criteria similar to the criteria for satisfactory reporting for the 2012 incentive. Notable proposed changes include:
  - Proposing criteria for reporting using the EHR-based reporting mechanism that would align with the proposed reporting criteria for meeting the clinical quality measure (CQM) component of meaningful use for the Medicare EHR Incentive Program.
  - For the proposed 12-month 2013 and/or 2014 incentive reporting period, proposing to decrease the minimum threshold of patients on which EPs are required to report using measures groups via registry from 30 to 20.
- *Reporting PQRS Measures for the 2015 and 2016 PQRS Payment Adjustments:*
  - For the applicable payment adjustment reporting period, propose the following criteria for satisfactory reporting for the 2015 and/or 2016 payment adjustments: Report 1 PQRS measure or measures group.
  - Propose option to elect using the proposed administrative claims-based reporting option for proposed set of administrative claims-based measures.

**Reporting PQRS Measures as a Group Practice under the Group Practice Reporting Option (GPRO):**

- *Definition:* CMS is proposing to expand the definition of group practice to include groups of 2-24 EPs,
- *Reporting PQRS Measures for the 2013 and 2014 PQRS Incentives:*
  - CMS is proposing to expand the use of the claims, registry, and EHR-based reporting mechanisms to groups of 2-99 EPs, in addition to groups of 25 or more EPs.
  - CMS is proposing to use an assignment methodology similar to the one used under the Medicare Shared Savings Program for groups that report using the GPRO web-interface.
- *Reporting PQRS Measures for the 2015 and 2016 PQRS Payment Adjustments:*
  - CMS is proposing to allow group practices to elect using the proposed administrative claims-based reporting option.
- *Medicare Shared Savings Program:*
  - CMS is proposing the satisfactory reporting criteria for the Physician Quality Reporting System payment adjustment that would apply to EPs within group practices in accountable care organizations (ACOs) under the Medicare Shared Savings Program.

**ELECTRONIC PRESCRIBING INCENTIVE PROGRAM**

The Electronic Prescribing (eRx) Incentive Program is a reporting program that uses a combination of incentive payments and downward payment adjustments to encourage electronic prescribing by EPs. The program provides incentive payments through 2013 to individual EPs and group practices that are successful e-prescribers for covered professional (MPFS) services furnished to Medicare Part B fee-for-service beneficiaries (including Railroad Retirement Board and Medicare Secondary Payer). From 2012 through 2014, the program applies a payment adjustment to those EPs who are not successful electronic prescribers. For purposes of this program, EPs are identified on claims by their individual National Provider Identifier (NPI) and Tax Identification Number (TIN).

Please note that the requirements for the 2013 eRx incentive and 2014 eRx payment adjustment were established in the CY 2012 MPFS final rule with comment period. In the CY 2013 proposed rule:

- CMS is proposing new criteria for being a successful electronic prescriber for groups of 2-24 EPs using the eRx GPRO
- CMS is proposing two additional significant hardship exemptions to the 2013 and 2014 payment adjustments related to participation in the EHR Incentive Program
- CMS is proposing to establish an informal review process

### **PQRS-MEDICARE ELECTRONIC HEALTH RECORDS (EHR) INCENTIVE PILOT**

EPs, eligible hospitals, and CAHs that choose to participate in the Medicare and Medicaid EHR Incentive Programs are required to electronically submit clinical quality measure (CQM) results as calculated by certified EHR technology. Under the CY 2013 MPFS proposed rule announced today, CMS proposes to continue for CY 2013 the attestation method and the Physician Quality Reporting System-Medicare EHR Incentive Pilot for reporting CQMs that was established in the CY 2012 MPFS final rule with comment period. Other proposals related to Stage 1 and Stage 2 of the EHR Incentive Program were included in a separate proposed rule published on March 7, 2012 (77 FR 13698).

### **PHYSICIAN COMPARE WEBSITE**

Section 10331 of Affordable Care Act requires CMS to implement a plan for making information on physician performance publicly available no later than Jan. 1, 2013. This provision supports CMS's overarching goals of providing consumers with quality of care information to make informed decisions about their health care, while encouraging clinicians to improve the quality of the care they provide to their patients. In the 2012 MPFS final rule, CMS finalized a plan to report performance rates for group practices participating in the 2012 Physician Quality Reporting System GPRO on the Physician Compare website.

The MPFS proposed rule announced today outlines the next phase of the plan to publicly report physician performance information on Physician Compare. In this next phase, CMS proposes to post performance rates on the quality measures submitted by group practices participating in the Physician Quality Reporting System GPRO and ACOs participating under the Medicare Shared Savings Program, respectively, where technically feasible, starting with measures submitted in 2013. CMS is also proposing to post patient experience survey data - such as the Clinician and Group Consumer Assessment of Healthcare Providers and Systems (CG-CAHPS) - for group practices participating in the PQRS GPRO and ACOs participating in the Medicare Shared Savings Program, starting with survey data for 2013.

The MPFS proposed rule also seeks comment on a number of additional group-level measures that CMS is considering publically reporting in the future on the Physician Compare website. These include measures from carefully selected specialty societies, as well as ambulatory care sensitive condition measures of potentially preventable hospitalizations that were developed by the Agency for Healthcare Research and Quality (AHRQ).

The proposed rule will appear in the July 30, 2012, Federal Register. CMS will accept comments on the proposed rule until Sep. 4, 2012, and will respond in a final rule with comment period to be issued by Nov. 1, 2012.

For more information, see:

<http://www.ofr.gov/inspection.aspx?AspxAutoDetectCookieSupport=1>

For more information on PQRS, visit: <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/index.html>

For more information on the eRx Incentive Program, visit:  
<http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive/index.html>

For more information on the Medicare and Medicaid EHR Incentive Programs, visit:  
<http://www.cms.gov/Regulations-and-Guidance/Legislation/EHRIncentivePrograms/index.html>

For more information on Physician Compare, visit: <http://www.medicare.gov/find-a-doctor/provider-search.aspx>

###