



## **Medicare Physicians Quality Reporting Initiative Program – Short Description**

Congress enacted a law in December 2006, the Tax Relief and Health Care Act, that established a voluntary program within Medicare that pays physicians a bonus for reporting on quality measures that apply to their patients from July 1 through December 31, 2007. The Centers for Medicare and Medicaid Services (CMS) worked diligently to develop this Medicare pay-for-reporting program, named the Physicians Quality Reporting Initiative (PQRI), consistent with the parameters established in the law and to disseminate PQRI information to physicians. Below is a short, bulleted format College summary of the PQRI program.

- Your participation status with Medicare—Medicare participating or non participating—does not affect your ability to participate in the Physicians Quality Reporting Initiative (PQRI)
- You do not have to register
- You report quality measures through the claims process
- Report the quality measure code on the claim form on which you report the code for the payable service, e.g. an office visit, to which the quality measure pertains
- CMS will determine the physician who is providing the service/reporting the quality measure through the National Provider Identifier (NPI) number listed on the billing claim form
- CMS is unable to accept quality measures reported from an electronic health record or through a registry in 2007
- Physicians must successfully report on the quality measures applicable to their practice up to a maximum of three measures—internists generally must report on three measures because many of the 74 PQRI measures apply to them by the nature of the patients that they treat
- Successful reporting entails reporting each applicable quality measure at least 80% of time it should be reported
- CMS defines the number of eligible encounters, the denominator in the reporting calculation, through the agency's identification of the services, e.g. established patient office visit, and diagnoses, as described through ICD-9 codes, for each quality measure.
- Physicians who qualify for the reporting bonus payment will receive a check for 1.5% of their Medicare allowed charges for all services paid under the physician fee schedule during the six month reporting period
- Submit all of your claims with quality measures by February 29, 2008—the deadline by which Medicare must receive a claim for it to be counted in the aggregate allowed charges amount off which the 1.5% bonus amount is determined
- ACP estimates that the typically internist would receive approximately \$1,500 if he or she qualifies for the bonus

- The PQRI program includes a formula-derived cap on the bonus payment that each physician can receive that intends to limit the bonus amount paid to a physician who reports quality measures very infrequently
- While the cap cannot be determined until after the six month reporting period closes by the nature of the statutorily-defined formula, ACP calculates that the cap is extremely unlikely to limit the bonus amount paid to an internist
- CMS will “validate” that a physician reported on all measures applicable to his or her practice up to a total of three measures
- While CMS has yet to define its validation process, it is unlikely to apply to internists as the agency will not subject a physician to validation if he or she reports on the maximum required by the PQRI program of three measures
- CMS will make the bonus payment earned by each individual physician to the holder of the taxpayer identification number (TIN)/employer identification number (EIN) in mid-2008
- The check to the TIN/EIN will be for the aggregate amount earned by each individual physician who qualified for the bonus who is associated with the TIN/EIN
- The bonus payment check to the TIN/EIN will specifically list the associated physicians who qualified for the bonus and the specific bonus amount each earned—CMS refers to this as the “check stub” approach
- The holder of the TIN/EIN will have the discretion how to use the aggregate bonus payment (presumably, the entity would divide the aggregate bonus among the individual physicians who earned a bonus)
- Each physician will receive a confidential reporting score report
- Each physician will receive a confidential “quality” score report—indicating the percentage of time that you provided the evidence-based care defined by the quality measure
- Physician reporting and quality scores will not be released publicly
- You can appeal a CMS decision on applicable measures, your reporting score, and the bonus amount through a yet-to-be-defined process(es)
- There is an expectation that a reporting program will continue in 2008, however, it has yet to be clearly defined or funded