

Medicare Pay-for-Reporting Program

The Medicare pay-for-reporting program, now called the Physician Quality Reporting System (PQRS) --- formerly the Physician Quality Reporting Initiative (PQRI) --- entails physicians reporting on how care they furnish aligns with evidence-based clinical guidelines for a variety of medical conditions, e.g. diabetes, heart disease. Physicians report this information through quality measures. Physicians report by submitting specially designated quality measure billing codes when submitting the claim with the procedure code describing the associated service, e.g. an evaluation and management (E/M) service office visit, for which Medicare would make payment when the PQRS program started in July 2007. The options available for PQRS reporting have increased beyond this single approach as the program has evolved in subsequent years. Reporting options as of December 2012 include:

- Individual Quality Measure Code Reporting on Claim Form;
- Measures Groups Reporting on Claim Form;
- Registry-based Reporting;
- EHR-based Reporting;
- Group Practice Reporting; and
- Administrative Claims Reporting Mechanism.

Each option generally entails reporting on some of the 240 individual quality measures CMS maintains for PQRS 2013. Physicians who elect not to participate or are found unsuccessful during the 2013 program year, will receive a payment penalty in the amount of -1.5 percent of the “allowed charges,” or revenue, a physician receives from Medicare during the 2015. All of the options have a full-year, 12-month reporting period. Some options also have a six-month reporting period option. The administrative claims reporting option provides a feasible alternative for physicians and groups to participate in the program, particularly if they have not yet been able to effectively use the traditional reporting mechanisms (claims, registries, or electronic health records (EHRs)) for this purpose or have otherwise not been able to meet the criteria for successful reporting for the 2013 and/or 2014 incentives. As finalized in the 2013 Medicare physician fee schedule final rule, beginning in 2013 the number of eligible professionals (EPs) comprising a PQRS group practice is 2 EPs (instead of the previous requirement of 25 EPs in a group practice).

The American Taxpayer Relief Act of 2012 (H.R. 8), which was signed into law on January 2, 2013, includes a provision to improve advanced clinical data registries. H.R. 8 includes call for a study on the potential of clinical data registries to improve the quality and efficiency of care in the Medicare program, including through payment system incentives.

CMS will inform physicians who successfully reported during 2013 and make the bonus payment in mid-2014. In response to complaints that the process for physicians to access for their quality reporting and performance scores is needlessly complicated, the agency is making it easier for physicians to view their reports. Beginning in 2011, CMS is required to post on its web site the names of eligible professionals and group practices that satisfactorily reported quality measures for the year.

How does the health reform law provide continued bonus payments to physicians who successfully participate in Medicare PQRS?

The Patient Protection and Affordable Care Act (ACA) extended bonus payments for successful PQRS reporting from performance year 2011 through 2014, establishing the bonus payment as 0.5 percent for each year 2012-2014. The bonus payment amount continues to be based on the total allowed Medicare charges. CMS was only authorized to make bonus payments through 2010 under previous law. In 2015, physicians who do

not successfully participate in the 2013 PQRS program will be subject to payment reductions—see the 2015 section of this guide for more information on the applicable changes that will take place that year.

Is it true that I can receive a PQRS bonus payment amount through my effort to maintain my board certification?

Yes, the ACA stipulates that an additional bonus payment in the amount of 0.5 percent of Medicare revenue be made beginning in performance year 2011 and extending through 2014 to physicians who also meet the requirements of a Maintenance of Certification Program (MOCP). The 0.5 percent MOCP bonus is in addition to the bonus payment made for successful reporting on quality measures. The MOCP that pertains to internists is Maintenance of Certification as offered through the American Board of Internal Medicine (ABIM). The law defines a MOCP as a continuous assessment program that “advances quality and lifelong learning and self-assessment of board certified specialty physicians” by focusing on the competencies of patient care, medical knowledge, practice-based learning, interpersonal and communication skills and professionalism. The law further defines MOCP requirements as they pertain to physicians, including that the physician participate in an educational self-assessment program and successfully complete a practice assessment. ABIM will submit information to CMS on behalf of the internists that have met the MOCP requirements for receiving the additional 0.5 percent of allowed charges bonus amount. It is our understanding that an internist will not receive a 0.5 percent bonus for meeting the MOCP requirements from 2011 through 2014 if he or she does not successfully participate in the portion of the program that pays a bonus for reporting on quality measures.

Does the reform law require CMS to make any other changes to how it operates the PQRS?

Yes. The ACA makes a number of improvements to PQRS, including some that aim to address long-standing physician concerns. Specifically, the law:

- Requires CMS to provide more timely feedback on reporting—helping physicians to understand whether they are on track to being deemed as a successful participant and increasing the likelihood that the feedback can drive quality improvement;
- Establishes an appeals process to challenge CMS successful reporting determinations—addressing concerns that the agency misclassified successful participants as unsuccessful and underpaid some determined to be successful; and
- Requires CMS to develop a plan to integrate PQRS with the Electronic Health Record (EHR) Incentive Program rules that determine if a physician is “meaningfully using” an EHR and, thus, qualifies for an incentive payment—important as demonstrating meaningful use will also require reporting on quality measures.

Additional Resources

- *American College of Physicians PQRS resources are available at:*
http://www.acponline.org/running_practice/payment_coding/pqrs/
- *CMS comprehensive resources are available at:*
<http://www.cms.gov/pqri>.