DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
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Office of Communications

FACT SHEET

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Proposed changes for calendar year 2012 physician incentive programs

OVERVIEW

On July 1, 2011, 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, 2012. The proposed rule also contained proposals for changes to the three incentive programs that are associated with MPFS payments – electronic prescribing (eRx), electronic health records (EHRs), and the Physician Quality Reporting System – as well as changes to the Physician Compare tool on the Medicare.gov web site. These proposals are summarized below.

ELECTRONIC PRESCRIBING INCENTIVE PROGRAM

For 2012 through 2014, the 2012 MPFS proposed rule would maintain some changes CMS recently proposed for the 2011 eRx Incentive Program that proposes to modify the 2011 electronic prescribing measure and expand exemptions from a payment adjustment that will be imposed in 2012 on unsuccessful e-prescribers.

The 2012 MPFS proposed rule announced today would:

- Propose the program requirements for the remainder of the program, which runs through 2014;
- Modify the electronic prescribing measure to allow eligible professionals to use either a qualified electronic prescribing system (based on original criteria in measure) or certified EHR technology;
- Adopt criteria for the 2012 and 2013 incentives that parallel those for the 2011 incentive and criteria for the 2013 and 2014 payment adjustments that parallel those for the 2012 payment adjustment. (See table 1 at end of this fact sheet for details).

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- Modify the way the electronic prescribing measure is reported for purposes of the 2013 and 2014 payment adjustment by eliminating the requirement that the measure may only be reported during an instance indicated in the denominator of the electronic prescribing measure; and
- For purposes of the 2013 and 2014 payment adjustments, provide significant hardship exemption categories for professionals who
    - Practice in a rural area with limited high speed internet access
    - Practice in an area with limited available pharmacies for electronic prescribing
    - Are unable to electronically prescribe due to local, state, or federal law; or
    - Prescribe fewer than 100 prescriptions during a six-month, payment adjustment reporting period.

A table summarizing the proposals for the eRx Incentive Program is attached as an appendix to this fact sheet.

ELECTRONIC HEALTH RECORDS INCENTIVE PROGRAM

In the July 28, 2010 final rule implementing the Medicare and Medicaid EHR Incentive Programs, CMS stated that for the Medicare EHR Incentive Program, beginning in the 2012 payment year, eligible professionals (EPs), eligible hospitals, and CAHs will be required to electronically submit clinical quality measure (CQM) results as calculated by certified EHR technology. CMS also stated that the primary method for these providers to report required CQM information electronically will be to log into a CMS-designated portal and submit data through an upload process. Under the MPFS rule announced today, CMS proposes the following methods for the reporting of CQMs in order to demonstrate meaningful use by EPs:

- Continue with attestation for reporting CQMs.
- Participate in a Physician Quality Reporting System-Medicare EHR Incentive Pilot, established by the 2012 MPFS proposed rule that relies on the infrastructure of the Physician Quality Reporting System. EPs could report CQMs through either of two methods:
    - By using a Physician Quality Reporting System qualified EHR data submission vendor to submit calculated results from the EP's certified EHR to CMS on the EP's behalf; or
    - By submitting CQM data directly from his or her certified EHR to CMS via a secure portal. The EHR also must be a qualified Physician Quality Reporting System EHR product.

PHYSICIAN QUALITY REPORTING SYSTEM

Proposed requirements for the 2012 Physician Quality Reporting System would:

- Amend the group practice reporting option (GPRO) by:
  - Consolidating two group reporting options into a single option that defines a "group practice" as a group of 25 or more individual eligible professionals;
  - Changing the criteria for satisfactory reporting to reflect the change in the definition of a "group practice," as noted above;
  - Retiring 3 measures and introducing 18 new measures for reporting under the Physician Quality Reporting System GPRO in order to align with other CMS quality reporting programs.
- Introduce the following proposed individual measures for reporting:
  - A Physician Quality Reporting System core measure set (7 measures, 1 of which is available for EHR reporting only) aimed at promoting the prevention of cardiovascular conditions;
  - 26 additional new measures available for claims and/or registry-based reporting; and
  - All 44 EHR measures currently reportable in the Medicare EHR Incentive Program
- Introduce 10 new proposed measures groups for reporting: (1) Cardio**v**ascular Prevention, (2) COPD, (3) Inflammatory Bowel Disease, (4) Sleep Apnea, (5) Epilepsy, (6) Dementia, (7) Parkinson's, (8) Elevated Blood Pressure, (9) Radiology, and (10) Cataracts;
- Include a reporting option for EHR-based reporting that is identical to the reporting requirements for reporting clinical quality measures under the EHR Incentive Program; Allow for submission of the Physician Quality Reporting System EHR measures via an EHR data submission vendor in addition to direct submission from an eligible professional's EHR to CMS;
- Provide more flexibility to entities sponsoring Maintenance of Certification Programs to define what an eligible professional is required to do to "more frequently" participate in a Maintenance of Certification Program for purposes of the Physician Quality Reporting System Maintenance of Certification Program Incentive;
- Announce that the reporting period for the 2015 Physician Quality Reporting System payment adjustment will be the 2013 program year.

PHYSICIAN COMPARE WEBSITE

Section 10331 of ACA requires CMS, by no later than January 1, 2013, to implement a plan for making information on physician performance publicly available. To the extent that CMS intends to post any performance information based on 2012 data on the Physician Compare Web

site, the details of CMS' plans need to be discussed in the 2012 MPFS rule. This provision supports CMS's overarching goals to foster transparency and public reporting by providing consumers with quality of care information to make informed decisions about their health care, while encouraging clinicians to improve on the quality of care they provide to their patients.

The MPFS proposed rule announced today presents a plan initially based on public reporting of performance rates for group practices that submitted data under the Physician Quality Reporting System GPRO reporting option for the 2012 reporting period. The plan also proposes to report performance rates for other CMS demonstrations using group practice reporting on the Physician Compare Web site as early as 2013.

APPENDIX

Summary of Proposed Requirements for 2012 and 2013 Incentive Payments, and 2013 and 2014 Payment Adjustments

The proposed rule would establish the following reporting periods, reporting methods, and reporting criteria for individual eligible professionals for the 2012 and 2013 incentive payments and 2013 and 2014 payment adjustments (including exceptions) as follows:

	2012 Incentive	2013 Incentive	2013 Payment Adjustment	2014 Payment Adjustment
Incentive/Payment Adjustment Amount	1% of total estimated MPFS allowed charges	0.5% of total estimated MPFS allowed charges	1.5% reduction in MPFS amount	2.0% reduction in MPFS amount
Reporting Period	12 months (Jan 1, 2012—Dec 31, 2012)	12 months (Jan 1, 2013—Dec 31, 2013)	12 months* (Jan 1, 2011—Dec 31, 2011) OR 6 Months (Jan 1, 2012—Jun 30, 2012)	12 months (Jan 1, 2012—Dec 31, 2012) OR 6 Months (Jan 1, 2013—Jun 30, 2013)
Reporting Methods	Claims, Registry, EHR	Claims, Registry, EHR	Claims, Registry, EHR	Claims, Registry, EHR
Criteria for Successful Reporting	Report eRx measure for denominator-eligible visit 25 times during the reporting period	Report eRx measure for denominator-eligible visit 25 times during the reporting period	Report eRx measure for denominator-eligible visit 25 times (for 12 month reporting period)* OR Report eRx measure 10 times for any service (for 6 month reporting period)	Report eRx measure for denominator-eligible visit 25 times (for 12 month reporting period) OR Report eRx measure 10 times for any service (for 6 month reporting period)
Exceptions			The 2013 payment adjustment will not apply to an eligible professional if any of the following applies: (1) Eligible professional is not an MD, DO, podiatrist, nurse practitioner, or physician assistant; (2) Eligible professional has <100 denominator-eligible visits during the 6-month reporting period (3) Eligible professional reports 1 time during the 6-month reporting period the G-code indicating that (s)he does not have prescribing privileges (4) <10% of the eligible professional's MPFS allowed charges are comprised of the codes in the eRx measure's denominator (5) Eligible professional requests a significant hardship exemption	The 2014 payment adjustment will not apply to an eligible professional if any of the following applies: (1) Eligible professional is not an MD, DO, podiatrist, nurse practitioner, or physician assistant; (2) Eligible professional has <100 denominator-eligible visits during the 6-month reporting period (3) Eligible professional reports 1 time during the 6-month reporting period the G-code indicating that (s)he does not have prescribing privileges (4) <10% of the eligible professional's MPFS allowed charges are comprised of the codes in the eRx measure's denominator (5) Eligible professional requests a significant hardship exemption

* = Established in 2011 MPFS Final Rule.

CMS will accept comments on these proposals until Aug. 30, 2011, and will respond to them in a final rule by Nov. 1. 2011.

For more information on the eRx Incentive program, visit: www.cms.gov/erxincentive.

For more information on the Physician Quality Reporting System program visit: www.cms.gov/pqrs.

For more information on the Medicare and Medicaid EHR Incentive Programs, visit: www.cms.gov/EHRIncentivePrograms.

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

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