January 2012

2012 Electronic Prescribing (eRx) Incentive Program: Future Payment Adjustments

Background

Under section 1848(a)(5)(A) of the Social Security Act, for years 2012 through 2014, a Physician Fee Schedule (PFS) payment adjustment applies to eligible professionals who are not successful electronic prescribers at an increasing rate through 2014. Specifically, if the eligible professional is not a successful electronic prescriber for the respective reporting period for the appropriate program year, the PFS amount for covered professional services during the year shall be a percentage less than the PFS amount that would otherwise apply.

The applicable electronic prescribing percent for payment adjustments under the eRx Incentive Program are as follows:

- **1.0% adjustment in 2012** (eligible professional will receive 99% of their Medicare Part B PFS amount that would otherwise apply to such services)
- **1.5% adjustment in 2013** (eligible professional will receive 98.5% of their Medicare Part B PFS amount for covered professional services)
- **2.0% adjustment in 2014** (eligible professional will receive 98% of their Medicare Part B PFS amount for covered professional services)

Purpose

This article provides guidance on avoiding future Electronic Prescribing (eRx) Incentive Program payment adjustments for individual eligible professionals and selected group practices participating in the 2012 eRx Group Practice Reporting Option (GPRO).

Exclusion Criteria for Individual Eligible Professionals

An individual eligible professional (regardless of participation in other CMS incentive programs) will **not** be included in analysis for the payment adjustment if ***one*** of the payment adjustment exclusion criteria (listed in Table 1) applies.

- CMS will determine whether an individual eligible professional (defined by individual rendering National Provider Identifier, or NPI) is subject to future payment adjustments for each Tax Identification Number (TIN).

Table 1: Payment Adjustment Exclusion Criteria for Individual Eligible Professionals

2013 Payment Adjustment Exclusion Criteria	2014 Payment Adjustment Exclusion Criteria
The eligible professional is a successful electronic prescriber during the 2011 eRx 12-month reporting period **(1/1/11-12/31/11)**	The eligible professional is a successful electronic prescriber during the 2012 eRx 12-month reporting period **(1/1/12-12/31/12)**
The eligible professional is not an MD, DO, podiatrist, Nurse Practitioner, or Physician Assistant by **June 30, 2012** based on primary taxonomy code in the National Plan and Provider Enumeration System (NPPES)	The eligible professional is not an MD, DO, podiatrist, Nurse Practitioner, or Physician Assistant by **June 30, 2013** based on primary taxonomy code in the National Plan and Provider Enumeration System (NPPES)
The eligible professional does not have at least 100 Medicare Part B PFS cases containing an encounter code in the measure's denominator for dates of service from **1/1/12-6/30/12**	The eligible professional does not have at least 100 Medicare Part B PFS cases containing an encounter code in the measure's denominator for dates of service from **1/1/13-6/30/13**
The eligible professional does not have 10% or more of their Medicare Part B PFS allowable charges (per TIN) for encounter codes in the measure's denominator for dates of service from **1/1/12-6/30/12**	The eligible professional does not have 10% or more of their Medicare Part B PFS allowable charges (per TIN) for encounter codes in the measure's denominator for dates of service from **1/1/13-6/30/13**
The eligible professional does not have prescribing privileges and reported **G8644** on a billable Medicare Part B service at least once on a claim between **1/1/12-6/30/12.**	The eligible professional does not have prescribing privileges and reported **G8644** on a billable Medicare Part B service at least once on a claim between **1/1/13-6/30/13.**

Avoiding the 2013 eRx Payment Adjustment

Individual eligible professionals and group practices participating in the eRx GPRO who were not successful electronic prescribers in 2011 can avoid the 2013 eRx Incentive Program payment adjustment by meeting the specified reporting requirements during the appropriate reporting period. Please refer to the tables in **Appendix 1** for reporting options and criteria.

Avoiding the 2014 eRx Payment Adjustment

Individual eligible professionals group practices participating in the eRx GPRO can avoid the 2014 eRx payment adjustment by meeting the specified reporting requirements during the appropriate reporting period. Please refer to the tables in **Appendix 2** for reporting options and criteria.

2013 Hardship Codes and Hardship Exemption Requests

CMS may exempt individual eligible professionals group practices participating in the eRx GPRO from the 2013 payment adjustment if it is determined that compliance with the requirement for being a successful electronic prescriber would result in a significant hardship.

Hardship Codes and Hardship Exemption Requests

- Inability to electronically prescribe due to state, or federal law, or local law or regulation
- The eligible professional prescribes fewer than 100 prescriptions during a 6-month payment adjustment reporting period
- The eligible professional practices in a rural area without sufficient high-speed Internet access (**G8642**)

- The eligible professional practices in an area without sufficient available pharmacies for electronic prescribing (**G8643**)

Submitting a Hardship Request

- CMS established the Quality Reporting Communication Support Page at http://www.qualitynet.org/pqrs for eligible professionals to submit hardship requests, including those associated with a G-code.
    - For more information on how to navigate the following Quality Reporting Communication Support Page, please reference the following documents:
        - *Quality Reporting Communication Support Page User Guide* posted on the QualityNet website https://www.qualitynet.org/portal/server.pt/community/communications_support_system/234
        - *Tips for Using the Quality Reporting Communication Support Page* on the CMS website http://www.cms.gov/ERxIncentive/20_Payment_Adjustment_Information.asp
- A hardship G-code may also be submitted at least once on a claim during the 6-month 2013 eRx payment adjustment reporting period, if applicable.
    - The hardship G-code must be submitted on a claim with a billable Medicare Part B service.
    - The hardship G-code does not need to be submitted on a claim that contains eRx measure denominator codes.

eRx Participation Feedback

Refer to the Remittance Advice (RA) to determine whether or not eRx quality-data codes submitted to the Carrier or A/B Medicare Administrative Contractor (MAC) are processed into the National Claims History database (NCH). CMS uses the NCH data for eRx program analysis. Take the following steps to ensure the eRx quality-data codes (QDCs) are processed into the NCH:

- eRx line items will be denied for payment, but are passed through the claims processing system to the NCH used for eRx claims analysis.
- The RA will include a standard remark code (N365). N365 reads: "This procedure code is not payable. It is for reporting/information purposes only." The N365 remark code does **NOT** indicate whether the eRx G-code is accurate for that claim or for the reported measure. **N365 only indicates that the eRx G-code passed into the NCH.**
- If the entire claim is rejected, please review claim for errors before re-submitting. eRx G-codes will **NOT** be processed or tracked if the claim is rejected.
- Claims may **NOT** be resubmitted for the sole purpose of adding or correcting QDCs.

Eligible professionals reporting eRx via claims can find additional information about claims submission and claims processing in the *2012 eRx Claims-Based Reporting Principles* document on CMS website at https://www.cms.gov/ERxIncentive under the "E-Prescribing Measure" section.

Additional Information

- For information on the CMS eRx Incentive Program, go to https://www.cms.gov/ERxIncentive.
- For more information on future payment adjustments, go to https://www.cms.gov/ERxIncentive/20_Payment_Adjustment_Information.asp

CMS has provided the following resource to answer inquiries regarding the Physician Quality Reporting System and eRx Incentive Program, incentive payments, feedback reports, and IACS registration:

QualityNet Help Desk – 7:00 AM – 7:00 p.m. CST

- General CMS Physician Quality Reporting System and eRx Incentive Program information
- Portal password issues
- Feedback report availability and access
- Physician Quality Reporting-IACS registration questions
- Physician Quality Reporting-IACS login issues

Phone: **1-866-288-8912**
TTY: 1-877-715-6222
Email: Qnetsupport@sdps.org

Appendix 1: Reporting Options for Avoiding the 2013 Payment Adjustment

Individual Eligible Professionals – 12-Month Reporting Period
(dates of service **1/1/2011-12/31/2011**)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the National Claims History (NCH) no later than **February 24, 2012.**	Report G8553 for **at least 25 unique denominator eligible eRx events**
Registry	Submit data during the 2012 submission period.	
EHR eRx	Submit data during the 2012 submission period.	

Note: Sucessful submission of the required number of eRx events in the 12-month reporting period will allow for receipt of 2011 eRx incentive payment and allow the eligible professional to avoid the 2013 payment adjustment.

Individual Eligible Professionals – 6-Month Reporting Period
(dates of service **1/1/2012-6/30/2012**)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the National Claims History (NCH) no later than **July 27, 2012**	Report G8553 for **at least 10 Medicare Part B PFS encounters**. The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, regardless of whether the claim contains coding in the eRx measure's denominator.

eRx GPRO – 6-Month Reporting Option
(dates of service **1/1/2012-6/30/2012**)

Group Size	Reporting Period	Reporting Mechanism	Criteria for Avoiding the 2013 eRx Payment Adjustment
25-99 eligible professionals	January 1, 2012 – June 30, 2012	Claims	Report G8553 for **at least 625 unique Medicare Part B PFS encounters**. The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, regardless of whether the claim contains coding in the eRx measure's denominator.
100+ eligible professionals	January 1, 2012 – June 30, 2012	Claims	Report G8553 for **at least 2,500 unique Medicare Part B PFS encounters**. The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, regardless of whether the claim contains coding in the eRx measure's denominator.

Appendix 2: Reporting Options for Avoiding the 2014 Payment Adjustment

Individual Eligible Professionals – 12-Month Reporting Period
(dates of service **1/1/2012-12/31/2012**)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the National Claims History (NCH) no later than **February 22, 2013.**	Report G8553 for **at least 25 unique denominator eligible eRx events.**
Registry	Submit data during the 2013 submission period.	
EHR eRx	Submit data during the 2013 submission period.	

Note: Sucessful submission of the required number of eRx events in the 12-month reporting period will allow for receipt of 2012 eRx incentive payment and allow the eligible professional to avoid the 2014 payment adjustment.

Individual Eligible Professionals – 6-Month Reporting Period
(dates of service **1/1/2013-6/30/2013**)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the National Claims History (NCH) no later than **July 26, 2013.**	Report G8553 for **at least 10 Medicare Part B PFS encounters**. The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, regardless of whether the claim contains coding in the eRx measure's denominator.

eRx GPRO – 12-Month Reporting Period
(dates of service **1/1/2012-12/31/2012**)

Group Size	Reporting Period	Reporting Mechanism	Criteria for Being a Successful Electronic Prescriber
25-99 eligible professionals	January 1, 2012 – December 31, 2012	Claims	Report the electronic prescribing measure's numerator for **at least 625 unique denominator-eligible visits**
25-99 eligible professionals	January 1, 2012 – December 31, 2012	Registry	Report the electronic prescribing measure's numerator for **at least 625 unique denominator-eligible visits**
25-99 eligible professionals	January 1, 2012 – December 31, 2012	EHR (Direct EHR-based reporting & EHR Data Submission Vendor)	Report the electronic prescribing measure's numerator for **at least 625 unique denominator-eligible visits**
100+ eligible professionals	January 1, 2012 – December 31, 2012	Claims	Report the electronic prescribing measure's numerator for **at least 2,500 unique denominator-eligible visits**
100+ eligible professionals	January 1, 2012 – December 31, 2012	Registry	Report the electronic prescribing measure's numerator for **at least 2,500 unique denominator-eligible visits**
100+ eligible professionals	January 1, 2012 – December 31, 2012	EHR (Direct EHR-based reporting & EHR Data Submission Vendor)	Report the electronic prescribing measure's numerator for **at least 2,500 unique denominator-eligible visits**

Note: Sucessful submission of the required number of eRx events in the 12-month reporting period will allow for receipt of 2012 eRx incentive payment and allow the group practice (TIN) to avoid the 2014 payment adjustment.