

## QUESTIONS AND ANSWERS ABOUT THE QUALITY AND RESOURCE USE REPORTS AND THE VALUE-BASED PAYMENT MODIFIER

### About the Frequently Asked Questions

*These Frequently Asked Questions include information about the Quality and Resource Use Reports (QRURs) and the Value-Based Payment Modifier (Value Modifier) program. The Annual QRUR was disseminated each fall from 2013 through 2016, and served as the final summary report of performance on quality and cost measures during the performance year and on the Value Modifier payment adjustment for those groups and solo practitioners to which the Value Modifier applied. The Annual QRURs were intended to help groups and solo practitioners understand the quality and efficiency of care provided to Medicare beneficiaries and to inform them about their performance on some of the measures that were included in the Value Modifier. The Merit-based Incentive Payment System (MIPS) under the Quality Payment Program has replaced the Value Modifier program.*

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## **A. OVERVIEW OF THE VALUE-BASED PAYMENT MODIFIER (VALUE MODIFIER) PROGRAM**

### **A1. What was the Value-Based Payment Modifier (Value Modifier) program?**

The Value-Based Payment Modifier (Value Modifier) was a value-based payment program authorized by Section 3007 of the 2010 Patient Protection and Affordable Care Act (ACA). The program adjusted Medicare Physician Fee Schedule (Medicare PFS) payments to certain clinicians in practices (as identified by their Medicare-enrolled Taxpayer Identification Number, or TIN), based on the quality and cost of care delivered to the Medicare beneficiaries for whom they provided care.

Calendar Year 2015 was the first payment adjustment year under the Value Modifier program based on performance in 2013. Calendar Year 2018 was the final payment adjustment year under the Value Modifier program based on performance in 2016.

The Merit-based Incentive Payment System (MIPS) under the Quality Payment Program has replaced the Value Modifier program. The Centers for Medicare and Medicaid Services encourages everyone to learn more about the Quality Payment Program by visiting the following webpage: <https://qpp.cms.gov/>.

For information on Value Modifier policies, organized by program year, please visit the “Medicare Fee-for-Service (FFS) Physician Feedback Program/Value-Based Payment Modifier” webpage at the following address: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/index.html>. There, you can also access program policies by performance year using the navigation bar on the left side of the page.

## **B. OVERVIEW OF THE QUALITY AND RESOURCE USE REPORTS (QRURS)**

### **B1. When will the 2017 or 2018 Quality and Resource Use Reports (QRURs) be released?**

Quality and Resource Use Reports (QRURs) are no longer being released. The Calendar Year 2016 (2016) QRURs were the final reports the Centers for Medicare and Medicaid Services (CMS) issued under the Value-Based Payment Modifier (Value Modifier) program. Calendar Year 2018 was the final payment adjustment year under the Value Modifier program based on performance in 2016. The Merit-based Incentive Payment System (MIPS) under the Quality Payment Program has replaced the Value Modifier program. CMS encourages everyone to learn more about the Quality Payment Program by visiting the following webpage: <https://qpp.cms.gov/>.

## **C. VALUE-BASED PAYMENT MODIFIER (VALUE MODIFIER) INFORMAL REVIEW REQUESTS AND APPEALS**

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### **C1. Can I request a review of my practice's payment adjustments received under the Value-Based Payment Modifier (Value Modifier) program even though it has ended?**

A practice can no longer request an informal review of its payment adjustments under the Value-Based Payment Modifier (Value Modifier). Calendar Year 2018 was the final payment adjustment year under the Value Modifier program. The deadline for submitting an informal review request for the Calendar Year 2018 Value Modifier was December 1, 2017.

The Merit-based Incentive Payment System (MIPS) under the new Quality Payment Program has replaced the Value Modifier program. The Centers for Medicare and Medicaid Services (CMS) encourages everyone to learn more about the Quality Payment Program by visiting the following webpage: <https://qpp.cms.gov>. For questions regarding MIPS, please contact the Quality Payment Program Service Center via telephone at 1-866-288-8292 (TTY: 1-877-715-6222) or via e-mail at [QPP@cms.hhs.gov](mailto:QPP@cms.hhs.gov). The Service Center is available Monday – Friday; 8:00 A.M. – 8:00 P.M. Eastern Time Zone.

## **D. PAYMENT ADJUSTMENT UNDER THE VALUE-BASED PAYMENT MODIFIER (VALUE MODIFIER)**

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### **D1. How did my Value-Based Payment Modifier (Value Modifier) upward or downward adjustment get applied on my Explanation of Benefits?**

The final payment year during which Value-Based Payment Modifier (Value Modifier) impacted Medicare payments was 2018. The Value Modifier was applied to claims by your Medicare Administrative Contractor (MAC). Practices can identify any payments for services that were adjusted by the Value Modifier by reviewing the Remittance Advice provided by the MAC. Claim Adjustment Reason Code (CARC) 144 (“Incentive adjustment, e.g. preferred product/service”) was paired with Remittance Advice Remark Code (RARC) N701 (“Payment adjusted based on the Value Modifier”) to indicate positive adjustments applied under the Value Modifier. The Physician Quality Reporting System (PQRS), Electronic Health Record (EHR) Incentive, and Value Modifier programs used CARC 237 (“Legislated/Regulatory Penalty”) and RARC N701 (“Payment adjusted based on the Value Modifier”) to designate when a downward payment adjustment was applied. The Value Modifier was applied on a claim-by-claim basis to claims for services paid under the Medicare Physician Fee Schedule (Medicare PFS) and for which the Medicare provider has accepted assignment. If no Value Modifier adjustment was applied to the payment for a claim/line item, then no CARC/RARC codes were listed that are applicable to the Value Modifier.

For information on the Value Modifier policies, organized by program year, please visit the “Medicare Fee-for-Service (FFS) Physician Feedback Program/Value-Based Payment Modifier” webpage at the following address: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/index.html>. There, you can also access program policies by performance year using the navigation bar on the left side of the page.