Action for Physician Groups with 2 or More Eligible Professionals and Physician Solo Practitioners to Take In Order To Earn an Incentive Based on Performance and Avoid the Automatic CY 2017 Downward Payment Adjustment under the Value-Based Payment Modifier

In calendar year (CY) 2017, Medicare will apply the Value-Based Payment Modifier (Value Modifier) under section 1848(p) of the Social Security Act (the Act) to physician payments under the Medicare Physician Fee Schedule for physicians in groups with 2 or more eligible professionals (EPs) and physician solo practitioners. EPs consist of physicians, practitioners, physical or occupational therapists, qualified speech-language pathologists, and qualified audiologists. A group is defined as a single Medicare-enrolled Taxpayer Identification Number (TIN) with 2 or more eligible professionals (EPs), as identified by their individual National Provider Identifier (NPI), who have reassigned their Medicare billing rights to the TIN. A solo practitioner is defined as a single Medicare-enrolled TIN with 1 EP who is identified by an individual NPI billing under the TIN.

CY 2015 is the performance period for the Value Modifier that will be applied in CY 2017. In order to be eligible for upward, downward, or neutral payment adjustments under the Value Modifier quality-tiering methodology and to avoid an automatic negative two percent (“-2.0%”) (for physician groups with between 2 to 9 EPs and physician solo practitioners) or negative four percent (“-4.0%”) (for physician groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017, EPs in groups and solo practitioners MUST participate in the Physician Quality Reporting System (PQRS) and satisfy reporting requirements as a group or as individuals in CY 2015, as described below. We note that quality-tiering is mandatory for groups and solo practitioners subject to the Value Modifier in CY 2017. Additional information about quality-tiering is provided below.

For purposes of the Value Modifier, a physician group with 2 or more EPs can participate in the PQRS in CY 2015 by choosing to participate as a group (Option 1) or participate as individuals (Option 2) as described below. Physician solo practitioners can only participate in the PQRS in CY 2015 as individuals (Option 2).

OPTION 1: Participate in the PQRS as a Group Practice

Physician groups with 2 or more EPs can avoid the automatic “-2.0%” (for groups with between 2 to 9 EPs) or “-4.0%” (for groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017 by participating in the PQRS Group Practice Reporting Option (GPRO) in CY 2015 and meeting the satisfactory reporting criteria to avoid the “-2.0%” CY 2017 PQRS payment adjustment. Groups can participate in the 2015 PQRS GPRO by selecting one of the GPRO reporting mechanisms:

- Qualified PQRS Registry
Electronic Health Record (EHR)
Web Interface (for groups with 25 or more EPs only)
Consumer Assessment of Health Providers and Systems (CAHPS) for PQRS Survey via a CMS-certified Survey Vendor (as a supplement to another GPRO reporting mechanism)
  o In CY 2015, the CAHPS for PQRS survey is mandatory for groups with 100 or more EPs and optional for groups with between 2 to 99 EPs. Groups with 2 or more EPs can elect whether to include the results of their CAHPS for PQRS survey in the calculation of their CY 2017 Value Modifier.

Groups can register to participate in the 2015 PQRS GPRO via the Physician Value-Physician Quality Reporting System (PV-PQRS) Registration System between April 1, 2015 and June 30, 2015 (11:59 pm EDT). The Registration System can be accessed at https://portal.cms.gov using an Individuals Authorized Access to the CMS Computer Services (IACS) account. Please see the instructions provided below on how to obtain an IACS account.

For groups that choose Option 1, one person from each group must get an IACS account and register the group to participate in the 2015 PQRS GPRO in the Registration System as soon as possible and prior to the June 30, 2015 registration deadline.

A quick reference guide for registering for the 2015 PQRS GPRO is available in the “Downloads” section of the PQRS GPRO Registration website located at: http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html.

As noted above, physician groups with 2 or more EPs must meet the satisfactory reporting criteria through the PQRS GPRO in order to avoid the “-2.0%” CY 2017 PQRS payment adjustment and the automatic “-2.0%” (for groups with between 2 to 9 EPs) or "-4.0%" (for groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017. More information about the CY 2017 PQRS payment adjustment will be available at: http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Payment-Adjustment-Information.html.

**OPTION 2: Participate in the PQRS as Individuals**

Physician groups with 2 or more EPs can avoid the automatic “-2.0%” (for groups with between 2 to 9 EPs) or "-4.0%" (for groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017, if the EPs in the group participate in the PQRS as individuals in CY 2015 and at least 50% of the EPs in the group meet the satisfactory reporting criteria as individuals (or in lieu of satisfactory reporting, satisfactorily participate in a Qualified Clinical Data Registry) to avoid the “-2.0%” CY 2017 PQRS payment adjustment.

Physician solo practitioners can avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2017, if the solo practitioner participates in the PQRS as an individual in CY 2015 and meets the satisfactory reporting criteria as an individual (or in lieu of satisfactory reporting, satisfactorily participate in a Qualified Clinical Data Registry) to avoid the “-2.0%” CY 2017 PQRS payment adjustment.
EPs can participate in the PQRS as individuals in CY 2015 via one of the following four reporting mechanisms:

- Medicare Part B Claims
- Qualified PQRS Registry
- Electronic Health Record (EHR)
- Qualified Clinical Data Registry

No registration is necessary for a solo practitioner or a group if the EPs in the group participate in the PQRS as individuals. However, each group must ensure that at least 50% of the EPs in the group meet the criteria to avoid the “-2.0%” CY 2017 PQRS payment adjustment in order for the group to avoid the automatic “-2.0%” (for physician groups with between 2 to 9 EPs) or "-4.0%" (for physician groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017. Please note that under this option, only the EPs in the group that satisfactorily report (or satisfactorily participate in a Qualified Clinical Data Registry) under the PQRS as individuals in CY 2015 will avoid the CY 2017 PQRS payment adjustment, while the remaining EPs will be subject to the PQRS payment adjustment. For more information about the CY 2017 PQRS payment adjustment, please see the website listed above.

Please note that group practices and EPs participating in the PQRS through another CMS program (such as the Medicare Shared Savings Program, the Pioneer ACO Model, or the Comprehensive Primary Care Initiative) should check the program’s requirements for information on how to take part in the PQRS.

A Group or Solo Practitioner’s Performance on Quality and Cost Measures in CY 2015 Can Make A Difference In Its CY 2017 Payments

Quality-tiering is the methodology that is used to evaluate a group or solo practitioner’s performance on quality and cost measures for the Value Modifier. For the CY 2017 Value Modifier, quality-tiering is mandatory for physician solo practitioners and physician groups with 2 or more EPs based on their size in CY 2015.

Physician groups with 2 or more EPs that avoid the automatic “-2.0%” (for groups with between 2 to 9 EPs) or "-4.0%" (for groups with 10 or more EPs) Value Modifier payment adjustment in CY 2017 by satisfactorily reporting under the PQRS as a group or having at least 50% of the EPs in the group satisfactorily report as individuals in CY 2015 in order to avoid the CY 2017 PQRS payment adjustment will be subject to quality-tiering. This means that: (1) groups with 10 or more EPs could receive a maximum upward adjustment of 4 times the Value Modifier adjustment factor, a neutral (meaning no adjustment), or a maximum of "-4.0%" downward Value Modifier adjustment to Medicare PFS physician payments for CY 2017 based on their performance on quality and cost measures in CY 2015; and (2) groups with between 2 and 9 EPs could receive a maximum upward adjustment of 2 times the Value Modifier adjustment factor or a neutral adjustment (meaning no adjustment) in CY 2017 and are held harmless from any downward adjustment derived under the quality-tiering methodology.

Physician solo practitioners that avoid the automatic “-2.0%” Value Modifier payment adjustment in CY 2017 by satisfactorily reporting under the PQRS as individuals in CY 2015 in order to avoid the CY 2017 PQRS payment adjustment will be subject to quality-tiering. This means that solo practitioners could receive an upward adjustment of 2 times the Value Modifier
adjustment factor or a neutral adjustment (meaning no adjustment) in CY 2017 and are held
harmless from any downward adjustment derived under the quality-tiering methodology.

Groups and solo practitioners that are eligible for an upward payment adjustment may also
qualify to receive an additional upward adjustment of one times the Value Modifier adjustment
factor, if the group or solo practitioner’s average beneficiary risk score is in the top 25 percent of
all beneficiary risk scores.

Obtaining An IACS Account is Required (if Choosing Option 1)

The Registration System can be accessed at https://portal.cms.gov using an IACS account. One
person from the group must first sign up for an IACS account with the primary Group
Security Official role. If additional persons are needed to register the group for a PQRS GPRO,
then they can request the backup Group Security Official role or the Group Representative
role in IACS. If a person already has an IACS account, then he or she must modify the existing
account to add one of the group roles described above.

To find out whether there is already someone who can register the group to participate in the
PQRS GPRO, please contact the QualityNet Help Desk at the number provided in the
“Additional Resources” section below and provide the group's TIN and the name of the group. If
the group registered for a PQRS GPRO during a previous year, then the same person can register
the group again using his or her IACS User ID and password.

A person can sign up for a new IACS account or modify an existing account
at https://applications.cms.hhs.gov. Please complete this step NOW to avoid any last minute
delays in obtaining an IACS account. Also, please note that it takes approximately 24 hours for
CMS to process an IACS account request; therefore, an IACS account must be obtained in
advance so that the group’s registration can be submitted by June 30, 2015. Step-by-step
instructions for obtaining an IACS account with the correct role are provided in the PQRS GPRO
Registration website.

Additional Resources

More information about registering for the 2015 PQRS GPRO is available at:
http://www.cms.gov/Medicare/Medicare-Fee-for-Service-
Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html

More information about the Value Modifier program is available
at: http://www.cms.gov/PhysicianFeedbackProgram

More information about the PQRS program is available at:
http://www.cms.gov/ PQRS

For questions about participating in the 2015 PQRS as a group or as an individual or obtaining
an IACS account, please contact the QualityNet Help Desk at 1-866-288-8912 or via email
at qnetsupport@hcqis.org.

For questions about the Value Modifier, please contact the Physician Value Help Desk at 1-888-
734-6433 (select option 3).