A Guide for Understanding the 2012 Electronic Prescribing (eRx) Incentive Program Incentive Payment

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This document describes how the 2012 Electronic Prescribing (eRx) Incentive Program incentive payment was calculated for 1) individual eligible professionals, and 2) self-nominated and CMS-selected eRx Group Practice Reporting Option (GPRO) participants.

Individual Eligible Professionals Reporting Using TIN/NPI & Self-Nominated/CMS-Selected eRx GPROs

Incentive amounts were calculated using the following steps **for each incentive-eligible provider** (as identified by the provider's unique National Provider Identifier [NPI] and Taxpayer Identification Number [TIN] combination [i.e., NPI within a practice]) or **incentive-eligible eRx GPRO** (TIN). Incentive payments are aggregated for all NPIs within the TIN and distributed to the TIN in a lump-sum payment. Incentive payments for the eRx GPRO are distributed to the associated TIN in a lump-sum incentive payment.

Only Medicare Part B Physician Fee Schedule (PFS) claims that contained an individual NPI were included in the 2012 incentive payment calculation, which are scheduled to be available in the fall of 2013 and payable to the TIN.

Step 1: Apply the Completion Factor

- The 2012 Medicare Part B PFS total estimated allowed charges were increased to account for claims submitted by eligible professionals on or before **February 22, 2013**. Claims received and processed after this date into the National Claims History (NCH) were not included as part of the 2012 eRx Incentive Program analysis.
- The Completion Factor for the 12-month eRx reporting period is **1.033%**.

Step 2: Identify the Reporting Period/Method

- Identify the reporting period and method in which the eligible professional or CMS-selected eRx GPRO participated:
  - 12-Months Claims; or
  - 12-Months Registry; or
  - 12-Months Electronic Health Record (EHR).
- In the event an individual eligible professional achieved satisfactory reporting under more than one method, the TIN/NPI will receive a single lump-sum incentive payment for one of the reporting methods. The incentive payment is equivalent to 1.0% of 2012 Medicare Part B PFS total estimated allowed charges for the covered professional services furnished to Medicare Part B beneficiaries.

Step 3: Calculate the Incentive for Each Incentive-Eligible TIN/NPI

- All Medicare Part B PFS total estimated allowed charges have been adjusted to include the completion factor applicable to the reporting period for each incentive-eligible TIN/NPI combination or eRx GPRO TIN (page 2).
- The 1.0% incentive amount was calculated by:
  - Adding Medicare Part B PFS total estimated allowed charges (with the completion factor applied) for each TIN/NPI or eRx GPRO TIN; then
  - Multiplying by 0.01, resulting in the total incentive amount payable to the TIN.

Feedback Reports
TIN-level Table 1 of the 2012 eRx Incentive Program Feedback Report will break out the total incentive payment earned by the amounts paid by separate A/B MACs and Carriers involved (i.e., Railroad, etc.). This is shown in the "Distribution of Total Incentive Earned Among A/B MACs and Carriers That Processed Payments" section. This information is only in the TIN-level Table 1 and is not shown in the individual NPI-level reports. See the 2012 eRx Incentive Program Feedback Report User Guide for additional information.

Resources/Key Terms as Used in Analysis and Documentation

Completion Factor
A percentage increase that was applied to the Medicare Part B PFS total estimated allowed charges to account for claims submitted by eligible professionals on or before 2/22/13 that were not included in the NCH database as final-action claims when the data was obtained for 2012 eRx Incentive Program incentive payment analysis.

Identified Inclusions for Medicare Part B PFS Total Estimated Allowed Charges:
- First expense and last expense dates were between 1/1/12 and 12/31/12 for the 12-month eRx reporting period
- Claims-based measure NCH processing date must be on or before 2/22/13
- Claims must be marked as "final" in the Part B claims database
- Split claims in the NCH file Healthcare Common Procedure Coding System (HCPCS) service lines were rejoined
- Line-items identified by HCPCS and modifier(s)
- Technical components of diagnostic services and anesthesia services (note: radiopharmaceuticals will be included in the basis of total estimated allowed charges on which the 1.0% incentive was calculated)
- Data from participating registries was received by 3/31/13
- Data from eligible professionals participating with a qualified EHR was received by 2/28/13

Identified Exclusions for Medicare Part B PFS Total Estimated Allowed Charges:
- Denied claims or denied line items
- Amount billed above the Medicare PFS for assigned and non-assigned claims
- Services payable under fee schedules or methodologies other than the Medicare Part B PFS were not included in eRx Incentive Program analysis. Refer to information on claims reporting for purposes of the 2012 eRx Incentive Program incentive payment at http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive.

Incentive Earned Calculation by Individual Eligible Professionals Satisfying 2012 eRx Reporting Criteria
The incentive earned by each individual eligible professional satisfying reporting criteria for 2012 was 1.0% of the eligible professional's total estimated Medicare Part B PFS allowed charges for covered professional services billed under the individual's NPI during the 12-month eRx reporting period (1/1/12-12/31/12).

Incentive Earned Calculation by CMS-Selected eRx GPROs Satisfying 2012 eRx Reporting Criteria
The incentive earned by each participating CMS-selected eRx GPRO satisfying reporting criteria for 2012 was 1.0% of the TIN's total estimated Medicare Part B PFS allowed charges for covered professional services during the 12-month eRx reporting period (1/1/12-12/31/12).

Medicare Part B PFS Total Estimated Allowed Charges
For purposes of eRx Incentive Program incentive payment analysis, the Medicare Part B PFS total estimated allowed charges were used to account for claims submitted by eligible professionals on or before 2/22/13 but were not included in the NCH database as final-action claims when the data was obtained for 2012 eRx Incentive Program incentive payment analyses. For more information on the PFS and Physician Reimbursement Rules, please refer to the CMS website at http://www.gpo.gov/fdsys/pkg/FR-2012-11-16/pdf/2012-26900.pdf.

NPI – National Provider Identifier
The individual/rendering NPI representing the eligible professional was used to determine incentive eligibility for 2012 eRx Incentive Program. The Medicare Carrier and/or A/B MAC routes to each TIN a lump-sum incentive payment equal to the sum of incentive earned by each eligible professional who satisfactorily reported under that TIN for the 2012 eRx reporting period.

TIN – Taxpayer Identification Number or Tax ID Number
For eRx, "TIN" includes all of the following types of identifiers:

1) Individual Social Security Number/Social Security Account Number (SSN/SSAN);
2) Employer Identification Number (EIN), also known as a "Tax ID Number", typically held by businesses or other organizations with employees; and
3) Individual Taxpayer Identification Number (I-TIN), issued by the IRS to individuals who do not need an EIN and do not wish to use their individual SSN/SSAN for certain business transactions.

TIN/NPI
The key unit of analysis for 2012 eRx Incentive Program incentive payment eligibility and amount was the individual NPI within a TIN. (If an individual eligible professional furnished services for which reimbursement was claimed under more than one TIN, the eligible professional's eRx reporting rates and allowed charges were analyzed under each TIN separately).

Valid Instance of eRx Reporting
For 2012 claims reporting, valid reporting was counted when the eRx Incentive Program quality-data code (G8553) was correctly submitted and all measure-eligibility criteria were met (i.e., correct age, gender, diagnosis, and correct Current Procedural Terminology, or CPT) as identified by the measures specification. For 2012 registry or EHR reporting, valid reporting was counted when the eRx incentive Program quality data was correctly submitted as identified by the measure's detailed specifications. The CMS eRx Incentive Program website provides the following detailed measure specifications for the 2012 eRx Incentive Program, http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive:

- 2012 eRx Measure Specifications, Release Notes, and Claims-Based Reporting Principles
- 2012 EHR eRx Documents for Eligible Professionals
- 2012 GPRO eRx Claims-Based Reporting Principles, Measure Specification and Release Notes

Questions?

Contact the QualityNet Help Desk at 1-866-288-8912 (TTY 1-877-715-6222) or qnetsupport@sdps.org Monday-Friday from 7:00 a.m. to 7:00 p.m. CST.