

# 2013 Physician Quality Reporting System (PQRS): 2015 PQRS Payment Adjustment

## Background

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Section 1848(a)(8) of the Social Security Act, requires the Centers for Medicare & Medicaid Services (CMS) to subject eligible professionals and group practices who do not report data on Physician Quality Reporting System (PQRS) quality measures for covered professional services during the 2013 program year for a payment adjustment beginning in 2015. Eligible professionals and group practices receiving a PQRS payment adjustment in 2015 will be paid 1.5% less than the PFS amount for services rendered January 1-December 31, 2015.

The applicable percent for payment adjustments under PQRS are as follows:

- **1.5% adjustment in 2015** (eligible professional or group practices participating in GPRO will receive 98.5% of his/her allowed Medicare Part B PFS amount for covered professional services that would otherwise apply to such services)
- **2.0% adjustment in 2016** and subsequent years (eligible professional or group practices participating in GPRO will receive 98% of his/her allowed Medicare Part B PFS amount for covered professional services that would otherwise apply to such services)

In calendar year 2013, medical practice groups of 100 or more eligible professionals (all of whom file Medicare PFS claims using a single tax identification number) ***must*** register and participate in PQRS as a ***group*** in order to avoid an additional negative **1.0% payment adjustment in 2015** under the Value-based Payment Modifier.

## Purpose

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This article provides information on the 2015 PQRS payment adjustment and guidance on how individual eligible professionals and group practices can avoid the 2015 PQRS payment adjustment. Information provided in this article is based on the 2013 Medicare PFS Final Rule.

This article focuses on the **PQRS payment adjustment** and does not provide guidance for Value-Based Payment Modifier upward adjustment or payment adjustments from other Medicare sponsored programs. See the Additional Information section below for links to the CMS Value-Based Payment Modifier website, and the Medicare and Medicaid EHR Incentive Program website.

## 2015 PQRS Payment Adjustment Eligibility

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Those providers considered eligible and able to participate in PQRS as outlined on the CMS PQRS website could be subject to the 2015 PQRS payment adjustment. Eligible professionals working for more than one organization need to meet the reporting criteria for each tax identification number (TIN) under which (s)he works during the 2013 PQRS program year to avoid the 2015 PQRS payment adjustment for each TIN. Those groups who self-nominate or register to participate in PQRS as a group through the group practice reporting option (GPRO) will be analyzed at the TIN level; therefore, all providers under that TIN who bill Medicare Part B PFS will be included in analysis for purposes of the 2015 PQRS payment adjustment. GPROs participating in PQRS

through another CMS program (such as the Medicare Shared Savings Program) should check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.

## Exclusion Criteria for Individual Eligible Professionals

Individual eligible professionals (regardless of participation in other CMS incentive programs) will **avoid** the 2015 PQRS payment adjustment if **at least one** of the payment adjustment criteria (listed in Table 1) is met during the 2013 PQRS program year, **January 1-December 31, 2013**. A decision tree for avoiding the 2015 PQRS payment adjustment is available in Appendix 1.

**Table 1: Individual Eligible Professional Criteria for Avoiding the 2015 PQRS Payment Adjustment**

Individual Eligible Professionals
<p><b>Criteria 1:</b> Meet the requirements for satisfactorily reporting for incentive eligibility as defined in the 2013 PQRS measure specifications (same criteria as 2013 PQRS incentive eligibility as shown in Appendix 3)</p> <p><i>Note: If participating in PQRS through another CMS program (such as the Medicare Shared Savings Program), please check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.</i></p>
<p><b>Criteria 2:</b> Report at least one <b>valid</b> measure via claims, participating registry, or participating/qualified Electronic Health Record (EHR, including Data Submission Vendors and Direct EHR vendors); <b>OR</b></p> <p>Report at least one <b>valid</b> measures group via claims or participating registry</p>
<p><b>Criteria 3:</b> Elect to participate in the CMS-calculated administrative claims-based reporting mechanism.</p> <p>The election of the CMS-calculated administrative claims-based reporting is available only via the web from <b>July 15, 2013 through October 15, 2013</b>. Please use the information and instructions that follow to sign up for the CMS-calculated administrative claims reporting option:</p> <p><b>STEP 1:</b> Prior to signing up for your PQRS reporting mechanism, both group practices and individuals will need to register for a CMS IACS account if they do not already have an IACS account, or add the appropriate IACS role if they already have an existing account. Registration for IACS begins <b>June 3, 2013</b> at <a href="https://applications.cms.hhs.gov/">https://applications.cms.hhs.gov/</a>.</p> <p><b>STEP 2:</b> Beginning <b>July 15th</b>, go to <a href="https://portal.cms.gov/">https://portal.cms.gov/</a> and select the <b>PV PQRS</b> option, near the bottom of the page to register.</p> <p>For additional information, please go to <a href="http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html">http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html</a>.</p>

**Note:** CMS will determine whether an individual eligible professional (defined by individual rendering National Provider Identifier, or NPI) is subject to the 2015 PQRS payment adjustment for each TIN. The PQRS 0% performance rule only applies to satisfactorily reporting for incentive eligibility.

## Exclusion Criteria for Registered Groups (PQRS GPRO)

Group practices participating in PQRS GPRO will **avoid** the 2015 PQRS payment adjustment if **at least one** of the payment adjustment criteria (listed in Table 2) is met during the 2013 PQRS program year, **January 1-December 31, 2013**. A decision tree for avoiding the 2015 PQRS payment adjustment is available in Appendix 2.

**Table 2: 2013 Registered Groups - Criteria for Avoiding the 2015 PQRS Payment Adjustment**

Registered Groups (PQRS GPRO)
<p><b>Criteria 1:</b> Meet the requirements for satisfactorily reporting for incentive eligibility as defined in the applicable 2013 PQRS measure specification (same criteria as 2013 PQRS incentive eligibility as shown in Appendix 3):</p> <ul style="list-style-type: none"><li>• Report specific GPRO Web Interface measures on a pre-populated patient sample, reference the 2013 PQRS GPRO Web Interface Specification (<i>only available to group practices of 25 or more eligible professionals</i>); <b>OR</b></li><li>• Report at least 3 registry measures for the PQRS GPRO, reference the 2013 PQRS Measure Specification for Claims/Registry Reporting of Individual Measures (available to all group practices of two or more eligible professionals participating in PQRS GPRO)</li></ul> <p><i>Note: If participating in PQRS through another CMS program (such as the Medicare Shared Savings Program), please check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.</i></p>
<p><b>Criteria 2:</b> Report at least one <b>valid</b> measure via (<i>PQRS GPRO only</i>):</p> <ul style="list-style-type: none"><li>• Web Interface (only available to group practices of 25 or more eligible professionals); <b>OR</b></li><li>• Registry (available to all PQRS GPRO group practice sizes)</li></ul>
<p><b>Criteria 3:</b> Elect to participate in the CMS-calculated administrative claims-based reporting mechanism (<i>PQRS GPRO only</i>)</p> <p>The election of the CMS-calculated administrative claims-based reporting is available only via the web from <b>July 15, 2013 through October 15, 2013</b>. Please use the information and instructions that follow to sign up for the CMS-calculated administrative claims reporting option:</p> <p><b>STEP 1:</b> Prior to signing up for your PQRS reporting mechanism, both group practices and individuals will need to register for a CMS IACS account if they do not already have an IACS account, or add the appropriate IACS role if they already have an existing account. Registration for IACS begins <b>June 3, 2013</b> at <a href="https://applications.cms.hhs.gov/">https://applications.cms.hhs.gov/</a>.</p> <p><b>STEP 2:</b> Beginning <b>July 15th</b>, go to <a href="https://portal.cms.gov/">https://portal.cms.gov/</a> and select the <b>PV PQRS</b> option, near the bottom of the page to register.</p> <p>For additional information, please go to <a href="http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html">http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Self-Nomination-Registration.html</a>.</p>

**Note:** CMS will determine whether the group practice (defined by TIN) is subject to the 2015 PQRS payment adjustment. The PQRS 0% performance rule **only** applies to satisfactorily reporting for

incentive eligibility. PQRS GPROs are analyzed at the TIN level under the TIN submitted at the time of final self-nomination/registration; therefore, if an organization or eligible professional changes TINs, the participation under the old TIN does not carry over to the new TIN, nor is it combined for final analysis.

Beginning in 2013, group practices of 100 or more eligible professionals may be subject to the 2015 Value-based Payment Modifier (VM). More information on the VM can be found at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/ValueBasedPaymentModifier.html>.

## Additional Information

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- For information on CMS PQRS, including information on reporting requirements, go to <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS>.
- For information on reporting 2013 PQRS through a registry, go to the direct link at <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Registry-Reporting.html>.
- For information on self-nomination/registering to report 2013 PQRS as a group, go to the direct link at [http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Group\\_Practice\\_Reporting\\_Option.html](http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Group_Practice_Reporting_Option.html).
- For information on the PQRS payment adjustment, go to the direct link at <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Payment-Adjustment-Information.html>.
- For information on the Value-Based Payment Modifier and administrative claims reporting mechanism election, go to the CMS Value-Based Payment Modifier website at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/ValueBasedPaymentModifier.html>.
- For information on the Medicare and Medicaid EHR Incentive Program, go to <http://www.cms.gov/Regulations-and-Guidance/Legislation/EHRIncentivePrograms/>.

CMS provides the following resource to answer inquiries regarding PQRS, incentive payments, payment adjustment, feedback reports, and IACS registration:

### QualityNet Help Desk – 7:00 a.m. – 7:00 p.m. CST

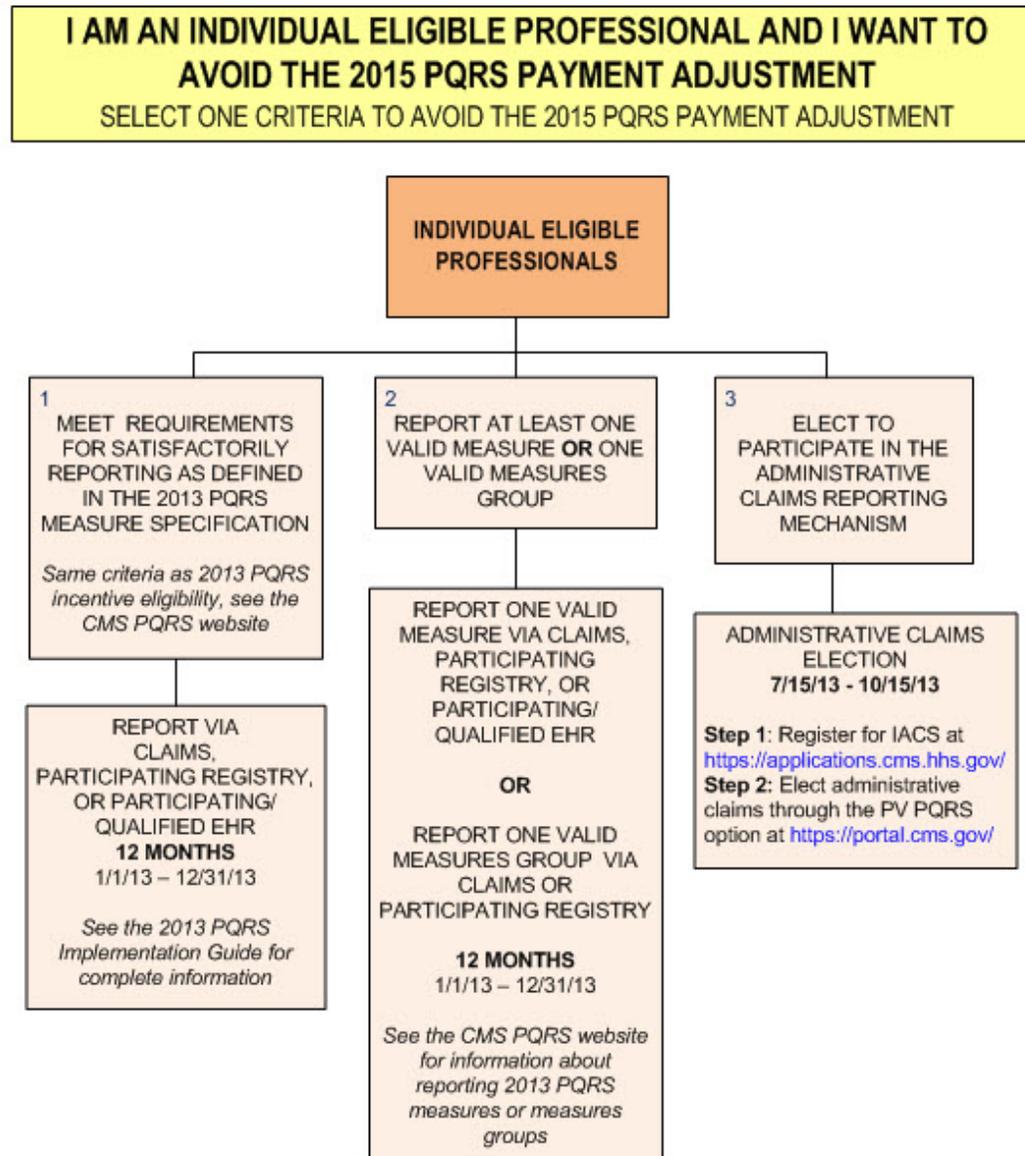
- General CMS PQRS and eRx Incentive Program information
- Portal password issues
- Feedback report availability and access
- PQRS-IACS registration questions
- PQRS-IACS login issues

**Phone:** 1-866-288-8912

**TTY:** 1-877-715-6222

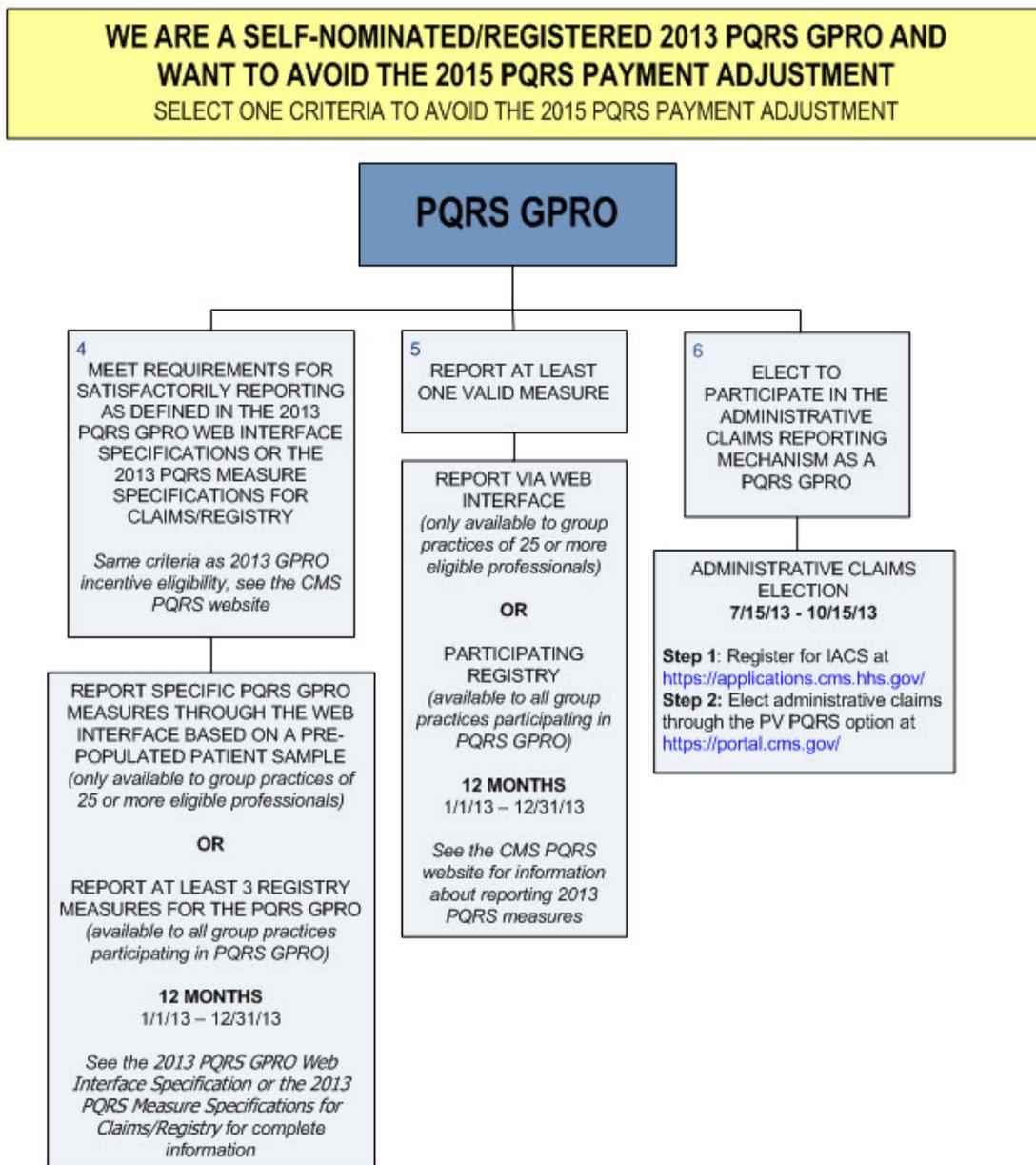
**Email:** [Qnetsupport@sdps.org](mailto:Qnetsupport@sdps.org)

# Appendix 1: Individual Eligible Professionals - 2013 Participation to Avoid 2015 PQRS Payment Adjustment Decision Tree



**Groups participating through another CMS program (such as the Medicare Shared Savings Program) need to check the program’s requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.**

## Appendix 2: PQRS GPRO - 2013 Participation to Avoid 2015 PQRS Payment Adjustment Decision Tree



***GPROs participating through another CMS program (such as the Medicare Shared Savings Program) need to check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.***

## 2013 PQRS Participation to Avoid the 2015 PQRS Payment Adjustment Decision Tree Options

Number assigned coordinates with appropriate box in Appendix 1 and 2.

### Appendix 1: Individual Eligible Professionals

1. Meet the requirements for satisfactorily reporting as defined in the 2013 PQRS measure specifications (same criteria as 2013 PQRS incentive eligibility).  
*Note: If participating in PQRS through another CMS program (such as the Medicare Shared Savings Program), please check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.*
2. Report at least one valid measure via claims, participating registry, or participating/qualified EHR (data submission vendors and direct EHRs) **OR** one valid measures group via claims or registry, regardless of incentive eligibility.
3. Elect to participate in the administrative claims reporting mechanism July 15, 2013 through October 15, 2013. Step 1: Register for IACS at <https://applications.cms.hhs.gov/>, Step 2: Elect administrative claims through the PV PQRS option at <https://portal.cms.gov/>.

### Appendix 2: Registered Groups (PQRS GPRO)

4. Meet the requirements for satisfactorily reporting to earn the 2013 PQRS incentive payment. PQRS GPROs should reference the *2013 PQRS GPRO Web Interface Specifications*, or the *2013 PQRS Measure Specification for Claims/Registry Reporting of Individual Measures* based on reporting method indicated during self-nomination.  
*Note: If participating in PQRS through another CMS program (such as the Medicare Shared Savings Program), please check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.*
5. Report at least one valid measure through the Web Interface (available to PQRS GPROs with 25+ eligible professionals), **OR** through a registry (available to all group sizes participating in PQRS GPRO), regardless of incentive eligibility.
6. Register to participate as a PQRS GPRO and elect the administrative claims reporting mechanism July 15, 2013 through October 15, 2013. Step 1: Register for IACS at <https://applications.cms.hhs.gov/>, Step 2: Elect administrative claims through the PV PQRS option at <https://portal.cms.gov/>.

## Appendix 3: Requirements for Satisfactorily Reporting 2013 PQRS for Incentive Payment

### Individual Eligible Professionals – 2013 PQRS Reporting Options for Incentive Payment (Dates of Service 1/1/2013-12/31/2013)

Measure Type	Reporting Mechanism	2013 PQRS Reporting Options for Incentive Payment
Individual Measures	Claims	Report at least 3 measures; <b>OR</b> If less than 3 measures apply to the eligible professional, report 1-2 measures (subject to the MAV); <b>AND</b> Report each measure for at least 50% of the eligible professional's Medicare Part B FFS patients seen during the reporting period to which the measure applies. <i>Measures with a 0% performance rate will be considered in analysis but will not be considered satisfactorily reported for incentive eligibility.</i>
Individual Measures	Participating Registry	Report at least 3 measures; <b>AND</b> Report each measure for at least 80% of the eligible professional's Medicare Part B FFS patients seen during the reporting period to which the measure applies. <i>Measures with a 0% performance rate will not be counted.</i>
Individual Measures	Qualified Direct EHR Product	<b>Option 1:</b> Report on ALL 3 PQRS EHR measures that are also Medicare EHR Incentive Program core measures. If the denominator for one or more of the Medicare EHR Incentive Program core measures is 0, report on up to 3 PQRS EHR measures that are also Medicare EHR Incentive Program alternate core measures; <b>AND</b> Report on 3 additional PQRS EHR measures that are also measures available for the Medicare EHR Incentive Program <b>Option 2:</b> Report at least 3 measures, <b>AND</b> Report each measure for at least 80% of the eligible professional's Medicare Part B FFS patients seen during the reporting period to which the measure applies. <i>Measures with a 0% performance rate will not be counted.</i>
Individual Measures	Participating EHR Data Submission Vendor	<b>Option 1:</b> Report on ALL 3 PQRS EHR measures that are also Medicare EHR Incentive Program core measures. If the denominator for one or more of the Medicare EHR Incentive Program core measures is 0, report on up to 3 PQRS EHR measures that are also Medicare EHR Incentive Program alternate core measures; <b>AND</b> Report on 3 additional PQRS EHR measures that are also measures available for the Medicare EHR Incentive Program <b>Option 2:</b> Report at least 3 measures; <b>AND</b> Report each measure for at least 80% of the eligible professional's Medicare Part B FFS patients seen during the reporting period to which the measure applies. <i>Measures with a 0% performance rate will not be counted.</i>
Measures Groups	Claims	Report at least 1 measures group; <b>AND</b> Report each measures group for at least 20 Medicare Part B FFS patients. <i>Measures groups containing a measure with a 0% performance rate will not be counted.</i>

Measure Type	Reporting Mechanism	2013 PQRS Reporting Options for Incentive Payment
Measures Groups	Participating Registry	Report at least 1 measures group; <b>AND</b> Report each measures group for at least 20 patients, a majority (11) of which must be Medicare Part B FFS patients. <i>Measures groups containing a measure with a 0% performance rate will not be counted.</i>

**Note:** Groups participating through another CMS program (such as the Medicare Shared Savings Program) need to check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.

## PQRS GPRO – 2013 PQRS GPRO Reporting Options for Incentive Payment

(Dates of Service 1/1/2013-12/31/2013)

Reporting Mechanism	Group Practice Size	2013 Registered Group (PQRS GPRO) Reporting Options for Incentive Payment
Registry	All Group Practices	Report at least 3 measures, <b>AND</b> Report each measure for at least 80% of the group practice's Medicare Part B FFS patients seen during the reporting period to which the measure applies. <i>Measures with a 0% performance rate will not be counted.</i>
GPRO Web Interface	25-99 eligible professionals only	Report on all measures included in the Web Interface; <b>AND</b> Populate data fields for the first 218 consecutively ranked and assigned beneficiaries in the order in which they appear in the group's sample (with an over-sample of 283) for each module or preventive care measure. If the pool of eligible assigned beneficiaries is less than 218, then report on 100% of assigned beneficiaries.
GPRO Web Interface	100+ eligible professionals only	Report on all measures included in the Web Interface; <b>AND</b> Populate data fields for the first 411 consecutively ranked and assigned beneficiaries in the order in which they appear in the group's sample (with an over-sample of 534) for each module or preventive care measure. If the pool of eligible assigned beneficiaries is less than 411, then report on 100% of assigned beneficiaries.

**Note:** GPROs participating through another CMS program (such as the Medicare Shared Savings Program) need to check the program's requirements for information on how to simultaneously report under PQRS and the respective program and avoid the payment adjustment.