

2016 Physician Quality Reporting System (PQRS) Payment Adjustment Notification

On September 11, 2015, CMS began distributing letters to Physician Quality Reporting System (PQRS) individual eligible professionals (EPs), EPs providing services at a Critical Access Hospital (CAH) billing under method II, and group practices regarding the 2016 PQRS negative payment adjustment. The letter indicates that either an individual EP, EPs providing services at a CAH billing under method II, or the group practices that registered for the 2014 PQRS group practice reporting option (GPRO) did not satisfactorily report 2014 PQRS quality measures in order to avoid the 2016 negative PQRS payment adjustment and, therefore, all of their 2016 Medicare Part B Physician Fee Schedule (MPFS) payment will be subject to a 2.0% reduction.

The 2016 PQRS payment adjustment letter sent to individual EPs includes a Tax Identification Number (TIN)/National Provider Identifier (NPI) combination; the adjustment applies **only** to the individual EP associated with the TIN/NPI noted within the letter and **not** the clinic or facility. The 2016 PQRS payment adjustment letters sent to PQRS group practices includes a TIN only and **applies to all** EPs who have reassigned their billing rights to the TIN. Please check your letter in the upper left hand corner to determine if it contains your TIN or TIN/NPI.

In sum, all individual EPs, EPs providing services at a CAH billing under method II, and group practices that billed services under the MPFS for Medicare Part B beneficiaries in 2014 must have satisfactorily reported to the PQRS in order to avoid the 2016 negative PQRS payment adjustment.

What were the reporting criteria for 2014 (to avoid the 2016 Payment Adjustment)?

As stated in the [2014 PQRS List of Eligible Professionals](#), PQRS covered professional services are those that are paid under or based on the MPFS. To the extent that individual EPs, EPs providing services at a CAH billing under method II, or group practices are providing services which get paid under or based on the MPFS, those services are eligible for PQRS incentive payments and/or payment adjustments. **Services payable under fee schedules or payment systems other than the MPFS are not included in PQRS.** Therefore, if an EP or PQRS group practice rendered services under the MPFS in 2014 and did not meet the 2014 PQRS satisfactory reporting requirements, they were sent this letter to indicate that they will be subject to the 2016 PQRS payment adjustment.

If I've received the payment adjustment letter, what are my options?

CMS would also like to remind individual EPs, EPs providing services at a CAH billing under method II, and group practices that there are no hardship exemptions for the PQRS payment adjustment. If you believe that the 2016 negative PQRS payment adjustment is being applied in error, you can submit an informal review request. All informal review requests must be submitted via a web-based tool, the Quality Reporting Communication Support Page ([Communication Support Page](#)), during the informal review period. Please note: Informal review is happening now and available for a limited time! Informal review is the process in which CMS will investigate whether an EP met the criteria for satisfactorily reporting under PQRS. The deadline to request an informal review is 60 days from the release of PQRS Feedback reports. More information and instructions for requesting an informal review are also included in the toolkit available at the PQRS website.

Individual EPs and PQRS group practices that participated in GPRO may access their 2014 Quality and Resource Use Reports (QRURs) from the [CMS Enterprise Portal](#). To access QRURs, an Enterprise Identity Management (EIDM) account is required. See the [Quick Reference and User Guides](#) for assistance.

- Please note that the PQRS payment adjustment is separate from any additional adjustment that may be applied to individual EPs who are physicians under the Medicare Electronic Health Record (EHR) Incentive Program, and the Physician Value-Based Payment Modifier (Value Modifier) program in 2016. Individual EPs and PQRS group practices, as identified by their TIN, can access the TIN's 2014 Annual Quality and Resource Use Report (QRUR) on the CMS Enterprise Portal at <https://portal.cms.gov> to determine whether the TIN will be subject to an upward, neutral, or downward adjustment under the Value Modifier in 2016. To access a QRUR, an Enterprise Identity Management (EIDM) account with the correct role is required. See the [How to Obtain a QRUR Page](#) for instructions on how to set up an EIDM account and access the QRURs. Information about the QRURs is available on the [2014 QRUR](#) website.

Additional Resources

- For details regarding the 2016 PQRS payment adjustment, please see the [Payment Adjustment Information](#) page of the [PQRS website and click on the payment adjustment toolkit.](#)
- For information regarding other Medicare physician quality programs that apply payment adjustments, please see the [Value-Based Payment Modifier website](#) and/or the [EHR Incentive Program website.](#)
- For additional questions, please contact the QualityNet Help Desk at 1-866-288-8912 (TTY 1-877-715-6222) or via qnetssupport@hccqis.org. They are available from 7:00 a.m. to 7:00 p.m. Central Time Monday through Friday.