

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



News Flash – NEW products from the Medicare Learning Network® (MLN)  
["Medicare Coverage of Radiology and Other Diagnostic Services," Fact Sheet, ICN 907164, Downloadable](#)

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## 2012 Electronic Prescribing (eRx) Incentive Program: Future Payment Adjustments

**Note:** This article was revised on September 18, 2012, to add a reference to MM7877 (<http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7877.pdf>), which informs Medicare contractors to place the eRx Negative Adjustment Limiting charge amount and hard copy disclosure reports on their websites, so that Eligible Professionals (EPs) are provided with the correct limiting charge they may bill for a MPFS service. All other information is unchanged.

### Provider Types Affected

This article is intended for physicians and other providers who qualify as eligible professionals to participate in the Centers for Medicare & Medicaid Services (CMS) Electronic Prescribing (eRx) Incentive Program.

### What Providers Need to Know

This article provides guidance on avoiding future Electronic Prescribing (eRx) Incentive Program payment adjustments for individual eligible professionals and selected group practices participating in the 2012 eRx Group Practice Reporting Option (GPRO).

#### Disclaimer

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## Background

Under Section 1848(a)(5)(A) of the Social Security Act, for years 2012 through 2014, a Medicare Physician Fee Schedule (MPFS) payment adjustment applies to eligible professionals who are not successful electronic prescribers at an increasing rate through 2014. Specifically, if the eligible professional is not a successful electronic prescriber for the respective reporting period for the appropriate program year, the MPFS amount for covered professional services during the year shall be a percentage less than the MPFS amount that would otherwise apply.

The applicable electronic prescribing percent for payment adjustments under the eRx Incentive Program are as follows:

- **1.0% adjustment in 2012** (eligible professional will receive 99% of their Medicare Part B PFS amount that would otherwise apply to such services);
- **1.5% adjustment in 2013** (eligible professional will receive 98.5% of their Medicare Part B PFS amount for covered professional services); and
- **2.0% adjustment in 2014** (eligible professional will receive 98% of their Medicare Part B PFS amount for covered professional services).

## Key Points

### Exclusion Criteria for Individual Eligible Professionals is as follows:

- An individual eligible professional (regardless of participation in other CMS incentive programs) will **not** be included in analysis for the payment adjustment if **one** of the payment adjustment exclusion criteria (listed in Table 1) applies.
- CMS will determine whether an individual eligible professional (defined by individual rendering National Provider Identifier, or NPI) is subject to future payment adjustments for each Tax Identification Number (TIN).

**Table 1: Payment Adjustment Exclusion Criteria for Individual Eligible Professionals**

2013 Payment Adjustment Exclusion Criteria	2014 Payment Adjustment Exclusion Criteria
The eligible professional is a successful electronic prescriber during the 2011 eRx 12-month reporting period (1/1/11-12/31/11).	The eligible professional is a successful electronic prescriber during the 2012 eRx 12-month reporting period (1/1/12-12/31/12).
The eligible professional is not an MD, DO, podiatrist, Nurse Practitioner, or Physician Assistant by June 30, 2012, based on primary taxonomy code in the National Plan and Provider Enumeration System (NPPES).	The eligible professional is not an MD, DO, podiatrist, Nurse Practitioner, or Physician Assistant by June 30, 2013, based on primary taxonomy code in the NPPES.
The eligible professional does not have at least 100 MPFS cases containing an encounter code in the measure's denominator for dates of service	The eligible professional does not have at least 100 MPFS cases containing an encounter code in the measure's denominator for dates of service

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2013 Payment Adjustment Exclusion Criteria	2014 Payment Adjustment Exclusion Criteria
from 1/1/12-6/30/12.	from 1/1/13-6/30/13.
The eligible professional does not have 10% or more of their MPFS allowable charges (per TIN) for encounter codes in the measure's denominator for dates of service from 1/1/12-6/30/12.	The eligible professional does not have 10% or more of their MPFS allowable charges (per TIN) for encounter codes in the measure's denominator for dates of service from 1/1/13-6/30/13.
The eligible professional does not have prescribing privileges and reported G8644 on a billable Medicare Part B service at least once on a claim between 1/1/12-6/30/12.	The eligible professional does not have prescribing privileges and reported G8644 on a billable Medicare Part B service at least once on a claim between 1/1/13-6/30/13.

### **Avoiding the 2013 eRx Payment Adjustment**

Individual eligible professionals and group practices participating in the eRx GPRO who were not successful electronic prescribers in 2011 can avoid the 2013 eRx Incentive Program payment adjustment by meeting the specified reporting requirements during the appropriate reporting period. Please refer to the tables in **Appendix 1** for reporting options and criteria. (Appendices are part of the Additional Information section of this article.)

### **Avoiding the 2014 eRx Payment Adjustment**

Individual eligible professionals and group practices participating in the eRx GPRO can avoid the 2014 eRx payment adjustment by meeting the specified reporting requirements during the appropriate reporting period. Please refer to the tables in **Appendix 2** for reporting options and criteria.

### **2013 Hardship Codes and Hardship Exemption Requests**

CMS may exempt individual eligible professionals and group practices participating in the eRx GPRO from the 2013 payment adjustment if it is determined that compliance with the requirement for being a successful electronic prescriber would result in a significant hardship.

#### **Hardship Exemption Circumstances and Codes:**

- Inability to electronically prescribe due to state, or federal law, or local law or regulation;
- The eligible professional prescribes fewer than 100 prescriptions during a 6-month payment adjustment reporting period;
- The eligible professional practices in a rural area without sufficient high-speed Internet access (G8642); and
- The eligible professional practices in an area without sufficient available pharmacies for electronic prescribing (G8643).

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## Submitting a Hardship Request

- CMS established the Quality Reporting Communication Support Page at <http://www.qualitynet.org/pqrs> for eligible professionals to submit hardship requests, including those associated with a G-code. For more information detailing how to navigate the Quality Reporting Communication Support Page, please reference the following documents:
  - “Quality Reporting Communication Support Page User Guide” posted on the QualityNet website at [https://www.qualitynet.org/portal/server.pt/community/communications\\_support\\_system/234](https://www.qualitynet.org/portal/server.pt/community/communications_support_system/234) on the Internet; and
  - “Tips for Using the Quality Reporting Communication Support Page” at <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive/index.html> on the CMS website.
- A hardship G-code may also be submitted at least once on a claim during the 6-month 2013 eRx payment adjustment reporting period, if applicable.
  - The hardship G-code must be submitted on a claim with a billable Medicare Part B service.
  - The hardship G-code does not need to be submitted on a claim that contains eRx measure denominator codes.

## eRx Participation Feedback

Refer to the Remittance Advice (RA) to determine whether or not eRx quality-data codes submitted to the Medicare Carrier or A/B Medicare Administrative Contractor (MAC) are processed into the National Claims History database (NCH). CMS uses the NCH data for eRx program analysis. Take the following steps to ensure the eRx Quality-Data Codes (QDCs) are processed into the NCH:

- The eRx line items will be denied for payment, but are passed through the claims processing system to the NCH used for eRx claims analysis.
- The RA will include a standard remark code (N365). N365 reads: “This procedure code is not payable. It is for reporting/information purposes only.” The N365 remark code does **NOT** indicate whether the eRx G-code is accurate for that claim or for the reported measure. **N365 only indicates that the eRx G-code passed into the NCH.**
- If the entire claim is rejected, please review claim for errors before re-submitting, since eRx G-codes will **NOT** be processed or tracked if the claim is rejected.
- Claims may **NOT** be resubmitted for the sole purpose of adding or correcting QDCs.

Eligible professionals reporting eRx via claims can find additional information about claims submission and claims processing in the “2012 eRx Claims-Based Reporting Principles” document on CMS website at <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive/index.html> under the “E-Prescribing Measure” section on the CMS website.

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## Additional Information

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For more information on the CMS eRx Incentive Program, go to <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive/index.html> on the CMS website.

For more information on future payment adjustments, go to <http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/ERxIncentive/index.html> on the CMS website.

CMS has provided the following resource to answer inquiries regarding the Physician Quality Reporting System and eRx Incentive Program, incentive payments, feedback reports, and Individuals Authorized Access to CMS Computer Services (IACS) registration:

**QualityNet Help Desk** – 7:00 AM – 7:00 p.m. CST. This desk can help with:

- General CMS Physician Quality Reporting System and eRx Incentive Program information;
- Portal password issues;
- Feedback report availability and access;
- Physician Quality Reporting-IACS registration questions; and
- Physician Quality Reporting-IACS login issues.

Phone: 1-866-288-8912 TTY: 1-877-715-6222 Email: [Onetsupport@sdps.org](mailto:Onetsupport@sdps.org)

**News Flash - It's Not too Late to Give and Get the Flu Vaccine.** Take advantage of each office visit and protect your patients against the seasonal flu. Medicare will continue to pay for the seasonal flu vaccine and its administration for all Medicare beneficiaries through the entire flu season. The Centers for Disease Control and Prevention (CDC) also recommends that patients, healthcare workers and caregivers be vaccinated against the seasonal flu. **Protect your patients. Protect your family. Protect yourself. Get the Flu Vaccine—Not the Flu. Remember: The flu vaccine plus its administration are covered Part B benefits. The flu vaccine is NOT a Part D-covered drug.** For more information on coverage and billing of the flu vaccine and its administration, and related provider resources, visit [2011-2012 Provider Seasonal Flu Resources](#) and [Immunizations](#). For the 2011-2012 seasonal flu vaccine payment limits, visit <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Part-B-Drugs/McrPartBDrugAvgSalesPrice/index.html> on the Centers for Medicare & Medicaid Services (CMS) website.

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**Appendix 1: Reporting Options for Avoiding the 2013 Payment Adjustment****Individual Eligible Professionals – 12-Month Reporting Period**  
(Dates of Service 1/1/2011-12/31/2011)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the NCH no later than <b>February 24, 2012</b> .	Report G8553 for <b>at least 25 unique denominator eligible eRx events</b>
Registry	Submit data during the 2012 submission period.	
EHR eRx	Submit data during the 2012 submission period.	

**Note:** Successful submission of the required number of eRx events in the 12-month reporting period will allow for receipt of 2011 eRx incentive payment and allow the eligible professional to avoid the 2013 payment adjustment.

**Individual Eligible Professionals – 6-Month Reporting Period**  
(Dates of Service 1/1/2012-6/30/2012)

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the NCH no later than <b>July 27, 2012</b> .	Report G8553 for <b>at least 10 MPFS encounters</b> . The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, <u>regardless</u> of whether the claim contains coding in the eRx measure's denominator.

**eRx GPRO – 6-Month Reporting Option**  
(Dates of Service 1/1/2012-6/30/2012)

Group Size	Reporting Period	Reporting Mechanism	Criteria for Avoiding the 2013 eRx Payment Adjustment
25-99 EPs	January 1, 2012 – June 30, 2012	Claims	Report G8553 for <b>at least 625 unique MPFS encounters</b> . The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, <u>regardless</u> of whether the claim contains coding in the eRx measure's denominator.
100+ EPs	January 1, 2012 – June 30, 2012	Claims	Report G8553 for <b>at least 2,500 unique MPFS encounters</b> . The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, <u>regardless</u> of whether the claim contains coding in the eRx measure's denominator.

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**Appendix 2: Reporting Options for Avoiding the 2014 Payment Adjustment****Individual Eligible Professionals – 12-Month Reporting Period**  
**(Dates of Service 1/1/2012-12/31/2012)**

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the NCH no later than <b>February 22, 2013</b> .	Report G8553 for <b>at least 25 unique denominator eligible eRx events</b> .
Registry	Submit data during the 2013 submission period.	
EHR eRx	Submit data during the 2013 submission period.	

**Note:** Successful submission of the required number of eRx events in the 12-month reporting period will allow for receipt of 2012 eRx incentive payment and allow the eligible professional to avoid the 2014 payment adjustment.

**Individual Eligible Professionals – 6-Month Reporting Period**  
**(Dates of Service 1/1/2013-6/30/2013)**

Reporting Method	Data Processing	Criteria
Claims	Data must be processed into the NCH no later than <b>July 26, 2013</b> .	Report G8553 for <b>at least 10 MPFS encounters</b> . The eRx G-code can be reported on any Medicare Part B claim that includes a billable Part B service, <u>regardless</u> of whether the claim contains coding in the eRx measure's denominator.

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