

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



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Guidance on the Physician Quality Reporting System (PQRS) 2013 Reporting Year and 2015 Payment Adjustment for Rural Health Clinics (RHCs), Federally Qualified Health Centers (FQHCs), and Critical Access Hospitals (CAHs)

Note: This article was revised on February 22, 2016, to add a link to article SE1606, which has 2016 payment adjustment information, in the "Additional Information" section. All other information remains the same.

Provider Types Affected

This article is intended for Rural Health Clinics (RHCs), Federally Qualified Health Centers (FQHCs), and Critical Access Hospitals (CAHs) who submit claims to Medicare Administrative Contractors (MACs) for services furnished to Medicare beneficiaries.

What You Need to Know

In this informational article the Centers for Medicare & Medicaid Services (CMS) provides answers to some frequently asked questions raised by staff at RHCs, FQHCs, and CAHs.

Frequently Asked Questions - RHCs and FQHCs

Question:

If I furnish professional Medicare Part B services **only** at an RHC or an FQHC, are the services eligible for PQRS?

Answer:

No, if you furnish Medicare Part B professional services **only** at an RHC or an FQHC, such services are not eligible for either the PQRS incentive payment or for the PQRS negative payment adjustment.

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Question:

I'm an Eligible Professional (EP) and I furnish professional Medicare Part B services at an RHC/FQHC and also furnish services at a non-RHC/FQHC setting. Are the non-RHC/FQHC services eligible for the 2015 PQRS incentive payment or for the PQRS negative payment adjustment?

Answer:

Yes, for an EP who furnishes professional Medicare Part B services at an RHC/FQHC and also furnishes services at a non-RHC/FQHC setting, the non-RHC/FQHC services may be eligible for the PQRS incentive payment or the negative payment adjustment. The PQRS program applies a negative payment adjustment to practices with EPs, identified on claims by their individual National Provider Identifier (NPI) and Tax Identification Number (TIN), or group practices participating via the Group Practice Reporting Option (GPRO) (referred to as PQRS group practices) who do **not** satisfactorily report data on quality measures for covered Medicare Physician Fee Schedule services furnished to Medicare Part B Fee-For-Service beneficiaries. A negative payment adjustment may be triggered in future year(s) if an EP furnishes services, but does not report them.

Question:

Under what circumstances are professional Medicare Part B services furnished by an EP at a setting outside an RHC/FQHC subject to the 2015 PQRS 1.5 percent negative payment adjustment if he or she has not satisfactorily reported 2013 PQRS quality measures?

Answer:

There are two circumstances under which professional Medicare Part B services furnished by an EP at a setting outside an RHC/FQHC may be subject to the 2015 PQRS negative payment adjustment if he or she has not satisfactorily reported 2013 PQRS quality measures:

1. The non-RHC/FQHC services furnished by the EP are billed under his or her own TIN/NPI combination as reported via Provider Enrollment, Chain, and Ownership System (PECOS). The 2015 PQRS payment adjustment applies to the EP as an individual, **not** to the clinic or the facility; and
2. The non-RHC/FQHC services an EP furnished are billed under a group practice's TIN, which may be registered to participate in the 2013 PQRS under the GPRO registration or self-nomination. The 2015 PQRS payment adjustment applies to the EP under the group practice's TIN, which applies to the entire group practice.

For more information about how the 2015 PQRS 1.5 percent negative payment adjustment applies to RHC/FQHC providers, refer to "Listserv 2015 PQRS Payment Adjustment and Providers who Rendered Services at RHCs/FQHCs," located at

http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Downloads/CMS_listserv_2015_PQRS_PA_RHC_FQHC_final.pdf and "FAQ on 2015 PQRS Payment Adjustment and Providers who Render Services at

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RHCs/FQHCs,” located at http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Downloads/CMS_FAQ_2015_PQRS_PA_RHC_FQHC_final.pdf on CMS website.

To find timeline information, refer to “2015 – 2017 Physician Quality Reporting System (PQRS) Timeline” located at http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Downloads/2015-17_CMS_PQRS_Timeline.pdf on the CMS website. To find general PQRS information, including information about payment adjustments, visit <http://cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/index.html> on the CMS website.

For additional questions, contact the QualityNet Help Desk at 1-866-288-8912 (TTY 1-877-715-6222) or via qnetssupport@hcqis.org. The Help Desk is available from 7:00 a.m. to 7:00 p.m. Central Time Monday through Friday.

Frequently Asked Questions - CAHs

Question:

I’m an EP who furnishes professional Medicare Part B services at a CAH and the CAH is paid under the Optional Payment Method (Method II). Are my services eligible for PQRS?

Answer:

Not in 2013. An EP who furnishes Medicare Part B services at a CAH and the CAH is paid under Method II is not eligible for the 2013 PQRS incentive payment or for the 2015 PQRS negative payment adjustment if he or she has not satisfactorily reported 2013 PQRS quality measures. Please note that this applies only to Tax ID and the rendering NPI used for Medicare billings on UB-04 claims.

An EP who furnishes Medicare Part B services at a CAH and the CAH is paid under Method II may be eligible for PQRS beginning in 2014 for the 2014 PQRS incentive payment and will be subject to the 2016 PQRS negative adjustment payment if he or she does not report by the deadline specified for each reporting method. Any physician-reported NPI, at either the claim level or the line level of a UB-04 claim, is considered eligible to participate in PQRS.

Question:

I’m a CAH provider paid under Method II. Am I required to report line item rendering NPI information?

Answer:

Yes, a CAH provider paid under Method II is required to report the rendering NPI at the line level **if** it is different than the rendering NPI at the claim level. For more information about this billing standard requirement, refer to MLN Matters Article® MM7578 titled “Fiscal

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Intermediary Shared System (FISS) and Common Working File (CWF) System Enhancement for Storing Line Level Rendering Physicians/Practitioners National Provider Identifier (NPI) Information,” located at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM7578.pdf> on the CMS website.

Additional Information

If you have any questions, please contact your MAC at their toll-free number. That number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html> under - How Does It Work.

For information on the 2016 payment adjustment, see MLN Matters article SE1606 at <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1606.pdf> on the CMS website.

Document History

- February 22, 2016 - Article revised to add a link to article SE1606.
- March 6, 2015 - Initial issuance of article.

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