

PQRI Medicare Advantage FAQs Revised 11/19/09 – 12/09 UPDATE

Question 1: Can eligible professionals (physicians and non-physicians) get paid a Physician Quality Reporting Initiative (PQRI) incentive payment and a separate e-prescribing incentive payment for charges submitted for care rendered to Medicare Advantage (MA) patients?

Answer 1: Payments to physicians/non-physicians who have contracted with Medicare Advantage (MA) organizations generally are governed by the terms of the contract between the provider and the MA organization. It is up to the MA organization and the provider whether eligibility for a PQRI or e-prescribing incentive payment under the original Medicare program affects the amount the MA organization owes a provider under a contract.

On the other hand, if the MA organization offers a private fee-for-service (PFFS) plan that meets access requirements through the “deeming” of qualified professionals, or when the MA organization is reimbursing a non-contracting provider, then that MA organization is required to pay the same as original Medicare for covered services.

In such a non-contracting or “deemed” case, if the physician/non-physician meets incentive eligibility for either the PQRI or the e-prescribing programs under original Medicare, then the MA organization is required to pay a similar bonus amount. The amount of the incentive payment is calculated the same as for original Medicare (as a percentage of Medicare Part B estimated total allowed charges).

Physicians/non-physicians, both who have contracted with an MA plan and who have not so contracted, are not eligible for either PQRI or e-prescribing incentive bonuses from original Medicare for the MA plan members they treat. Providers are only entitled to incentive payments for services provided to MA plan enrollees from MA organizations.

Question 2: We pulled down the two excel files posted in 2009 for 2008 and there were about 75,000 records of providers listed. We just wanted to clarify if these are providers from across the country that are eligible for PQRI incentive payments. We’re guessing it is, because we know that we don’t have 75K providers.

Answer 2: Yes, that’s right. We are posting the complete FFS PQRI file.

Question 3: What it seems we will need to do then is look at any NPI/Tax ID and relate it to our plan specifically to see if any of those IDs match and if they were non-contracted providers who saw our members. Those then would be the individuals eligible for the 1.5% PQRI bonus for 2008 – and that we are to pay in 2009.

Answer 3: Yes, that is correct. If there is a complete match (NPI and TIN) for an eligible non-contracting provider that you paid for covered physician fee schedule services, then you are to pay an additional 1.5% of the allowed charges to that provider for services provided in 2008.

Question 4: We had thought there was going to be a rerun of the 2007 PQRI data and that we would get an updated file for that too. Any word on whether that is forthcoming?

Answer 4: We are not sending the 2007 rerun to our contracting MAOs. There are a few reasons for this. The primary reason is that we do not require MAOs to “cost settle” with non-contracting providers in the same way that FFS “cost settles” with its providers. We believe that

requiring MAOs to process a rerun 2007 file would be similar to requiring them to "cost settle" with non-contracting providers - which is something we have never required.

Question 5: In running the 2008 PQRI file we downloaded against our claims database, we got matches on a number of TINs, but with different NPIs than the ones we paid. Please confirm that there needs to be double-match before we actually owe the 1.5% PQRI bonus payment on a specific claim for 2008.

Answer 5: That is correct. You owe the 1.5% PQRI bonus for 2008 physician fee schedule services to providers that provided non-contracted (or deemed) services to your enrollees. There needs to be a match of both NPI and TIN between the FFS PQRI file and your 2008 claims database before you owe a bonus on any specific paid claim.

Question 6: We do not find any direction to the MA plans about when they must pay the bonus to their non-contracted/PFFS providers who are eligible professionals.

Answer 6: For 2008 claims and 2009 bonus payments, plans are required to pay within 30-60 days of the date of the final memo, November 18, 2009. This requirement for timely payment is based on 42 CFR §422.520(a)(3) and the assumption that the final PQRI file represents a "claim for payment."

Question 7: The memo states that the percentage to be paid to providers in 2009 for 2008 claims is 1.5%; however, the link we are referred to says the payment for 2009 is 2%. Can you explain this discrepancy?

Answer 7: The amount of the PQRI bonus payment is 1.5% for claims incurred in 2008 and payable in 2009. The amount of the PQRI bonus payment is 2.0% for claims incurred in 2009 and payable in 2010.

Question 8: Can you tell us when we will be able to access the files in HPMS?

Answer 8: The files are available now. If you are having trouble accessing the file, you should contact the HPMS Help Desk by calling 1-800 220-2028 or via e-mail at hpms@cms.hhs.gov.

Question 9: Will there be any further clarification of the PQRI process?

Answer 9: Yes. We re-issued the 2008 file because the first file we posted in October did not distinguish between those providers entitled to the 2008 PQRI bonus for the entire calendar year, and those entitled to the bonus for only the last six months of the year. There are approximately 73,000 providers entitled to the bonus for the entire 12 month calendar year. There are another 11 and a half thousand providers entitled to the bonus for only the last six months of the year. Therefore, when analyzing your claims data you should look at claims for services provided during the entire 12-month calendar year for the providers showing 12-months of eligibility, but only the last six months of the year (July – December) for providers showing 6-months of eligibility.

Question 10: Is the PQRI bonus included in the capitation MA plans receive?

Answer 10: Yes. The formula for calculating the MA rate increase from year to year considers the average per beneficiary FFS county reimbursement amount. This includes not only the historical average payment per beneficiary, but the trend of FFS spending from year to year.

Question 11: Is there a materiality threshold? Our preliminary calculations show that there will be a lot of checks going out for less than \$1.

Answer 11: When processing PQRI payments to non-contracting providers it is permissible to not pay less than \$1 amounts to the extent that is the only payment due. This means that if a specific provider or group of providers (based on Tax ID) is due less than a total of \$1 based on all PQRI amounts due from the MA organization for a year for all of its members, then that amount (less than \$1) does not need to be paid. On the other hand, to the extent another payment is due, for instance for an out-of-network claim, then the PQRI amount of less than \$1 should be released to the provider along with the claims payment.

Question 12: In the second paragraph of your original 11/19/2009 memorandum, you said: They are, the TAX ID #, the NPI, and whether the provider is entitled to the PQRI bonus for the entire 2009 calendar year (12 months) or only the last six months of the year (July – December); right? You actually meant to say: "...PQRI bonus for the entire 2008 calendar year," right?

Answer 12: That is correct. Thank you for bringing this typo to our attention. We have fixed it. The document now correctly reads that the "...PQRI bonus is due for either the entire 2008 calendar year or only the last six months..."